

RAJKAMAL

SYNTHETICS LIMITED

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28th Annual Report
2008 - 2009

RAJKAMAL SYNTHETICS LIMITED

Report Junction.com**BOARD OF DIRECTORS**

SHEODUTT SANGHAI	Chairman
SUSHIL SANGHAI	Director
RAJENDRA NANGALIA	Director

BANKERS

Citi Bank N.A.

28th Annual General Meeting
on 29th September, 2009
Tuesday, 10 A. M. at
DIAMOND PLAZA
7th Floor, 391, Dr. D. B. Marg,
Mumbai - 400 004.

AUDITOR

N. K. Jalan & Co.
2A, Mayur Apt.,
Dadabhai Cross Road No. 3,
Vile Parle (W), Mumbai - 400 056.

REGISTERED OFFICE

Diamond Plaza,
391, Dr. D. B. Marg,
Mumbai - 400 004.

Members are requested to bring their copy of the Annual Report alongwith them at the Annual General Meeting, as copies of the Report will not be distributed at the Meeting.

28th ANNUAL REPORT 2008-2009**RAJKAMAL SYNTHETICS LIMITED****NOTICE**

NOTICE is hereby given that the 28th ANNUAL GENERAL MEETING of the members of **RAJKAMAL SYNTHETICS LIMITED** will be held at Diamond Plaza, 7th Floor (Terrace), 391, Dr. D.B. Marg, Mumbai – 400 004 on Tuesday, the 29th September, 2009 at 10.30 A.M. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Rajendra Nangalia who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass with or without modification the following Resolution as a Special Resolution:
"RESOLVED THAT the Authorised Share Capital of the Company be increased from Rs.30,00,000 (Rupees Three Crores Only) divided into 3,00,000 Equity Shares of Rs. 10/- each to Rs.70,00,000/- (Rupees Seven Crores) divided into 7,00,000/- Equity Shares of Rs. 10/- each by creation of 4,00,000 Equity Shares of Rs. 10/- each ranking pari passu with the Existing Equity Shares and subject to the Memorandum and Articles of Association of the Company and the Memorandum and Articles of the Company be and is hereby altered by substituting the following words and figures:
 The Authorised Share Capital of the Company is Rs. 70,00,000/- (Rupees Seven Crores) divided into 7,00,000 (Seventy Lakhs) Equity Shares of Rs. 10/- each (Rupees Ten) each.
5. To consider and if thought fit, to pass with or without modification the following Resolution as a Special Resolution:
"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered by substituting the following words and figures in the existing Article 2.
"The Authorised Share Capital of the Company is Rs. 70,00,000/- (Rupees Seven Crores) divided into 7,00,000 (Seventy Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each.
6. To consider and if thought fit, to pass with or without modification the following Resolution as a Special Resolution:
"Resolved that pursuant to the Provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (the Act) (including any amendment thereto or re-enactment thereof) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into with the Stock Exchanges where the Ordinary Shares of the Company are listed. Foreign Exchange Management Act, 2000 (FEMA) Foreign Exchange Management (Transfer of Security by a person resident outside India) Regulations, 2000 and Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 and the regulations/guidelines, if any prescribed by the Securities and Exchange Board of India, Reserve Bank of India, the Stock Exchanges, the Government of India or any other relevant authority from time to time, to the extent applicable and subject to the approvals, consents, permissions, and the sanctions as might be required and subject to such conditions as may be prescribed while granting such approvals, consents, permissions and sanctions, which the Board of Directors be and is hereby authorised on behalf of the Company to create, issue offer and allot, in the course of one or more public or private offerings in domestic and/or one or more international markets, with or without a green shoe option, Ordinary Shares and/or ordinary shares through Depository receipts at the option of the Company and/or the holder(s) of such securities and/or securities linked to Ordinary Shares to eligible Investors under applicable laws, regulations and guidelines (whether residents and/or non residents and/or institutions/banks and/or incorporated bodies, mutual funds and/or individuals and/or trustees and/or stabilizing agents or otherwise and whether or not such investors are members of the Company) through prospectus, and/or letter of offer or circular and/or on public and/or private/preferential basis, such issue and allotment to be made at such time/times in one or more tranches, for cash at such price or prices in such manner and where necessary, in consultation with the Book Running Lead Managers and/or other advisors or otherwise on such terms and conditions as the Board may, in its absolute discretion, decide at the time of Issue of Securities provided that the Total amount raised through the Issuance of such securities does not exceed Rs. 4.75 Crores (Rupees Four Crores Seventy Five Lakhs), as may be decided by the Board, to investors as mentioned above.

"RESOLVED FURTHER that the Board be and is hereby authorised to issue and allot such number of Ordinary Shares as may be required to be issued and allotted, in accordance with the terms and offer, subject to the provisions of the Memorandum and Articles of Association of the Company all such shares shall rank pari passu inter se and with the then existing Ordinary Shares of the Company in all respects, including Dividend.

"RESOLVED FURTHER that the Company and/or agency or body or person authorised by the Board may issue Ordinary Shares in the Capital or such other securities in negotiable, registered or bearer form with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations.

"RESOLVED FURTHER that for the purpose of giving effect to any offer or allotment of Ordinary Shares, the Board be and is hereby authorised on behalf of the Company, to do all such acts, deeds matters and things as it may in its absolute discretion deem necessary or desirable for such purpose including without limitation, entering into arrangements for appointment of agencies for managing, underwriting, marketing, listing, trading of Securities issued the depository, custodian, registrar stabilizing agent, paying and conversion agent, trustee and to issue any offer documents including but not limited to the preliminary and final offering documents and sign all deeds, documents and writings and to pay any fees, commissions and remuneration, expenses relating thereto and with such power on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard to such issues or allotments as it may in its absolute discretion deem fit.

"RESOLVED FURTHER that the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company, including filing of Offer Document with authorities as required affixing the Common Seal of the Company on Agreements/documents, arranging delivery and execution of contracts, deeds agreements and instruments and opening bank accounts and demat accounts."

Registered Office :

Diamond Plaza,
391, Dr. D.B. Marg,
Mumbai – 400 004.
Date : 20-08-2009

BY ORDER OF THE BOARD OF DIRECTORS

SHEODUTT SANGHAI
CHAIRMAN

RAJKAMAL SYNTHETICS LIMITED**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxies in order to be effective must be received by the Company at the Registered Office not less than 48 hours.
3. The Register of members and Share Transfer Books of the Company will remain closed from Saturday, the 26th September, 2009 to Tuesday the 29th September, 2009 (Both days inclusive)
4. Members/Proxies should bring the Attendance Slip sent herewith duly filled for attending the meeting.
5. The Explanatory Statement pursuant to Section 173(2) of the Companies Act is annexed herewith.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956**ITEM NO. 4 & 5**

AS apart of the Company's on going Restructuring Programmed, it would be necessary to increase the Authorised Capital of the Company. Accordingly consent of the Shareholders is being sought to increase the Authorised Share Capital of the Company to Rs. 70,000,000/- By addition of 4,000,000 Equity Shares of Rs. 10/- each Section 94 and 31 of the Companies Act, 1956 provide inter-alia that the Alteration of Capital Clauses in the Memorandum and Articles of Association of the Company requires the consent of the Shareholders in a General Meeting.

Your Directors recommend the Resolutions as set out in the Item Nos. 4 & 5 for your approval.

None of the Directors are interested or concerned in the said Resolution.

ITEM NO. 6.

The Company intends to raise additional Long term finance by issue of Securities in the Domestic Markets and utilize the proceeds for repayment of indebtedness, working capital in the Company and general corporate purposes. The Proposed Resolution seeks the enabling authorization of the Members to the Board of Directors to raise additional Funds through the Issue of Securities in the Domestic Markets for an amount not exceeding Rs. 4.75 Crores (Four Crores Seventy Five Lakhs) or its equivalent, in one or more tranches, in such form, on such terms, in such manner at such price and at such time as may be considered appropriate by the Board to various categories of investors.

The Board of Directors accordingly recommends the Resolution set out at Item No. 6 of the accompanying Notice for the Approval of the Members.

The Directors of the Company may be deemed concerned or interested in the Resolution at Item No. 6 of the Notice to the extent of Securities that may be subscribed to by the Companies/Institutions of they are directors or Members.

Diamond Plaza,
391, Dr. D.B. Marg,
Mumbai - 400 004.
Date : 20.08.009

BY ORDER OF THE BOARD OF DIRECTORS

SHEODUTT SANGHAI
CHAIRMAN

DIRECTORS' REPORT

To
The Members

Your Directors hereby present the 28th ANNUAL REPORT of the Company together with Audited Statement of Accounts for the year ended 31st March, 2009.

FINANCIAL RESULTS :

	(Amount in Rs.)	
	Current Year	Previous Year
Profit/ (Loss) for the Year	17,83,672	(2,17,193)
Add : Surplus/ (Deficit) on appropriation account brought forward from previous year	(6,46,34,415)	(6,44,17,222)
Profit / (Losses) carried to balance sheet	(6,28,50,743)	(6,46,34,415)

DIVIDEND :

In view of carried forward losses your Directors regret their inability to recommend any dividend.

OPERATIONS:

Sales during the year were of Rs.88,12,163 as against Rs.84,65,168 during the previous year.

FUTURE PLAN :

The Company has repaid part of secured loan.

The DRT Suit no. 31/2001 between M/s Kotak Mahindra Bank Ltd. and the Company has been settled and withdrawn on 28th May, 2009. After the withdrawal of the suit your Company has approached to UTI, the term lending institution/ debenture holder and other debenture holders through Canara Bank (Debenture Trustee), Bangalore to grant 50% remission in the balance principal outstanding amount as shown in Balance Sheet of 31.03.2009 because as on today the Company has no asset.

The Company is not in a financial position to discharge balance outstanding liability as shown in the Balance Sheet as on 31/03/2009. The financial help in necessary to save the Company from winding-up.

The Company has received the encouraging favourable response from UTI and we hope that your Company shall also get the favourable response from other debenture holders.

The Company has approached to creditors of the Company and they have agreed in Principle to convert their balance outstanding amount into equity shares of the Company at a future date. The entire proposed revival scheme of the Company shall depend on the settlement of term lending institution and other debenture holders.

The Company has started the trading activity during this year and has earned profit of Rs. 4.15 lacs as shown in the Balance Sheet as on 31.03.2009. In the June quarter ending, 2009 the Company has earned net profit of Rs. 2.42 lacs.

The Company/management is confident in the revival of the Company. In the proposed revival scheme the present management with the Co-partners shall contribute Rs. 145 lacs by purchase of proposed 14,50,000 equity share of Rs. 10/- each at par in their name/associates/nomines.