

22nd ANNUAL REPORT

2008-2009

JAIHIND SYNTHETICS LIMITED

BOARD OF DIRECTORS

Mr. Hasmukh Patel
(Chairman & Managing Director)

Mr. Meghji Patel

Mr. Mihir Karia

Mr. Paresh Sawani

Mr M. R. Sharda

Mr. R.N. Sharda

Mr. Arun Kishanlal Somani

Mr. Bhagirath Shyamsundar Biyani

Mr. R.C. Muchal

Mr. Mahesh M. Choksi

Mr. Sandeep J. Merchant

BANKER

Punjab National Bank
Kotak Mahindra Bank

AUDITORS

Rajesh Thakkar & Associates
Chartered Accountants

REGISTERD OFFICE

7, Rustom Sidhwa Marg,
Fort, Mumbai – 400 001.

TRANSFER AGENTS

System Support Services
209, Shivai Industrial Estate,
Sakinaka, Andheri (East),
Mumbai – 400 072.

NOTICE TO THE MEMBERS

Dear Members,

NOTICE is hereby given that the 22nd Annual General Meeting of the Members of JAIHIND SYNTHETICS LIMITED will be held at its Registered Office at 7, Rushtom Sidhwa Marg, Mackwee Mension, Fort, Mumbai-400 001 on Saturday the 30th September, 2009 at 02.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at March 31, 2009 and the Profit and Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Meghji Patel who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Hasmukh Patel who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider not to appointment Mr Sandeep J Merchant as Director who retires by rotation but has not offered himself for reappointment.
5. To consider not to appointment Mr Mahesh Choksy as Director who retires by rotation but has not offered himself for reappointment.
6. To appoint Auditors, M/s Rajesh Thakkar & Associates, to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the company and to authorized the Board of Directors to fix their remuneration.

Registered Office :

7, Rushtom Sidhwa Marg,

Mackwee Mension,

Fort,

Place: Mumbai

Date: 05th September 2009

BY ORDER OF THE BOARD

M. Karia

(MHIR KARIA)

Director

- NOTES: i) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member of the Company.
- ii) Proxy Form and Attendance slip is enclosed. Proxy form duly completed and signed must reach the Registered office of the Company not less than forty-eight hours before the commencement of the meeting.
 - iii) The Register of Members and the Share Transfer Books of the Company will remain closed from 28th October 2009 to 30th October 2009 (both days inclusive).
 - iv) Members desiring any information as regards the Annual Accounts are requested to furnish their queries to the Company at least 7 days before the date of the meeting to facilitate satisfactory replies.
 - v) Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.
 - vi) As per the requirement of Clause 49 of the Listing Agreement with The Stock Exchange, Mumbai, particulars of retiring Directors, who are eligible to be reappointed, are given below:

Shri Meghji Patel

Shri Meghji Patel is a member of the Board of Directors of Jaihind Synthetics Limited from March 2007. He does not hold directorship in any other Company.

Shri Hasmukh Patel

Shri Hasmukh Patel is a member of the Board of Directors of Jaihind Synthetics Limited from March 2007. He does not hold directorship in any other Company.

DIRECTORS REPORT

The Members,
Jaihind Synthetics Limited.

Your Directors have pleasure in presenting the Twenty Second Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March-2009.

FINANCIAL RESULTS:

	<u>2008-09</u>	<u>2007-08</u>
	<u>(Rs in Lacs)</u>	<u>(Rs in Lacs)</u>
Sales & Other Income	4.25	3.74
Profit (Loss) before Depreciation & Taxation		3.86
0.86 Less: Depreciation	0.63	0.63
Profit (Loss) Before Taxation	3.23	0.24
Less: Provision for taxation		.02
Net Profit (Loss) after Tax	1.00	0.18
Add: Excess Provision for Tax w/back	0	0
Balance b/f. from Previous year	-94.60	-94.78
Carried to Balance Sheet	-93.60	-94.60

OPERATIONAL REVIEW:

During the financial year ended 31st March 2009 your Company has received other income of Rs. 4.25 lacs showing a increase of 13.69% over that of the Previous Year. The Net profit of the Company stood at Rs.1.00 lacs against a profit of Rs. 0.18 lacs shown in last year.

DIVIDEND:

Due to huge carried forward loss , your Directors do not recommend any dividend for the year under review.

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the requirements of Section 217(2AA) of the Companies Act,1956, the Directors of the Company hereby confirm that:

- A. In preparation of Annual Accounts, the applicable accounting standards were followed.
- B. The accounting policies are reasonable and prudent and are consistently followed to give true and fair view of the state of affairs of the company.
- C. Proper and sufficient care is taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- D. The Annual Accounts have been prepared on a going -concern basis.

DIRECTORS

Shri Meghji Patel, Director of the Company retires by rotation and being eligible offers himself for reappointment.

Shri Hashmukh Patel, Director of the Company retires by rotation and being eligible offers himself for reappointment.

R. C. Muchal who was the derictor of the company has ceased to hold his office as the director of the company under section 283 (1) (g) of the companies act 1956.

None of the Directors of the Company are disqualified for being appointed as Directors in terms of Section 274 (1)(g) of the Companies Act, 1956.

FIXED DEPOSITS

Your Company has not accepted any deposits from public.

CORPORATE GOVERNANCE

As required by clause 49 of the Listing Agreement with the Stock Exchange, the Management Discussion and Analysis Report, Corporate Governance Report regarding compliance of the conditions of Corporate Governance and the Auditor's certificate on its compliance is attached to this report and form part of this Annual Report.

AUDITORS:

M/s. Rajesh Thakkar & Associates, Chartered Accountants, will retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting. Directors have proposed to re-appoint M/s Rajesh Thakkar & Associates as Auditors of the Company, Subject to Approval of Members at the ensuing Annual General Meeting.

The Company has received letter from them to the effect that their appointment, if made would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such re-appointment within the meaning of Section 226 of the said Act.

AUDITOR'S REPORT:

The notes to the Accounts referred to in the Auditors Report are self-explanatory and therefore do not call for any further explanation.

EMPLOYEES:

There was no employee drawing remuneration to the extent, which requires disclosure under Section 217 (2A) of the Companies Act, 1956.

CONVERSION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

As required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules. 1988, the relevant information is as under: -

- a) Conservation of energy
There are no energy consumption during the year due to non operations at factory site.
- b) Absorption of Technology and R & D
The Company has not incurred any separate expenditure on Research and Development during the year.
- c) Foreign Exchange Earning & Outgo :
There are no foreign exchange earning and outgo during the year under review.

ACKNOWLEDGEMENTS

The Directors would like to place on record their sincere appreciation of the contribution made by the employees at all levels of the organization.

BY ORDER OF THE BOARD

HCP Patel

(Hasmukh Patel)

Chairman and Managing Director.

Place: Mumbai,

Date: 05th September 2009

ANNEXURE TO DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE

MANDATORY REQUIREMENTS

1. Company's Philosophy on Code of Governance

The Company believes in and practices good Corporate Governance. The Company's philosophy is aimed at assisting the top management of the Company in the efficient conduct of the business and in meeting its obligation to all its stakeholders.

2. Board of Directors

The Board of Directors comprises of two executive Director and other Nine Non-Executive Directors. Out of above, 9(Nine) are Non Executive Directors of which 5(Five) are Independent Directors. During the year ended 31st March 2009 four board meetings were held as on 30.06.2008, 31.07.2008, 31.10.2008, 31.01.2009.

Attendance of each Directors at the Board Meeting 2008-2009 and last Annual General Meeting and the number of Companies and Committees where he is Directors/Member (As on signing date):

Name of Directors	Category of Directorship	No. of Board Meetings Attended	Attendance at last AGM held on 29 th Sept 07	No. of other Companies in which Director
Hashmukh Patel	CMD	4	Yes	-
Meghji Patel	ED	4	Yes	-
Mihir Karia	ED	4	Yes	-
Paresh Sawani	ED	4	Yes	-
M. R. Sharda	Independent Dir	4	Yes	1
A.K. Somani	Independent Dir	4	Yes	-
R.N. Sharda	Independent Dir	4	Yes	-
B.S. Biyani	Independent Dir	4	Yes	-
Sandeep Merchant	Independent Dir	0	No	-
Mahesh Choksi	Independent Dir	0	No	-
R.C.Muchal	Independent Dir	0	No	-

3. Audit Committee

Currently the Audit Committee comprises of Mr. B.S.Biyani, Mr. Sandeep J Merchant and Mr. A.K.Somani. All of them are independent Directors.

The terms of reference are wide enough covering the matters specified for Audit Committee under the Listing Agreement. 4 meetings of the Committee were held on 30.06.2008, 31.07.2008, 31.10.2008, 31.01.2009. All Directors was present in all the above Audit Committee meetings.

4. Remuneration of Directors

The Remuneration of Directors is determined by the Board of Directors. Details of remuneration to Director for the year ended 31st March, 2009 is as under:

Name of Directors	Category of Directorship	Salary	Perquisites	Total (Rs.)
Mihir Karia	Director	Nil	Nil	Nil
Meghji Patel	Director	Nil	Nil	Nil

No remuneration was paid to Non Executive Directors during the year.

5. Investors'/Shareholders' Grievance Committee

Presently the members of the Committee are Mr. Hashmukh Patel, Mr. Meghji Patel and is dependent and Mr. A.K.Somani and Mr. Sandeep J Merchant are independent Directors.

Twelve meetings of the Investors'/Shareholders Grievances Committee were held in which all the share transfer matters, correspondence from the shareholders, letters from the regulatory authorities etc were reviewed. All the members of the Committee, on the day of the Committee Meeting were present in the Meetings. There is no pending complaint from any investor. Except in 4 cases where the complaint is pending for more than 4 years.

6. General Body Meeting

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Location
2005-2006	30.09.2006	2 P.M.	Registered Office
2006-2007	29.09.2007	2 P.M.	Registered Office
2008-2009	29.09.2008	2 P.M.	Registered Office

No resolutions requiring postal ballot were proposed in past. As on date, no special resolution is proposed to be conducted through postal ballot.

7. Disclosures

1. There were no transactions of material nature with its promoters, the Directors or the Management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the Company at large.
2. Transactions with related parties during the period are disclosed in note no 20 of Schedule 'K' to the annual accounts.
3. No penalties or strictures have been passed by Stock Exchange or SEBI or any other statutory authority during the last three years on any matter related to the capital markets.
 - a) The Company has not paid listing fees to the Jaipur Stock Exchange Limited, Jaipur, Calcutta Stock Exchange Association Limited, Kolkata and The Stock Exchange, Ahmedabad.
 - b) SEBI has levied penalty of Rs.1,75,000/- against the Company for violation of regulations 6 and 8 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997. However, the Company has requested for waiver of penalty and hence not paid the penalty till date.

8. Means of Communication

The Board of Directors of the Company takes on record the unaudited quarterly and half yearly Financial Results in the prescribed form within the prescribed time limit. The Company submits information about quarterly, half yearly and annual results etc. to the Stock Exchange within prescribed time limits. The Company however has not published financial results in newspaper.

Any Website where displayed

Not applicable

9. General Shareholder Information

AGM Date, Time and Venue	Tuesday 30 th September 2009 at 02.00 p.m. at 7 , Rushtom Sidhwa Marg , Mackwee Mension, Fort , Mumbai 400 001
Financial Calendar	2008-09
Financial Year	April to March
First Quarter Results	July 2008
Second Quarter Results	October 2008
Third Quarter Results	January 2009
Fourth Quarter Results	June 2009
Audited Results for the year ending 31 st March 2009	June, 2009
Dates of Book Closure	28 th October 2009 to 30 th October. 2009 (Both days inclusive)
Dividend Payment Date	Not Applicable
Listing on Stock Exchanges	The Stock Exchange, Mumbai
Stock Code –Physical	514312
Demat ISIN Number for NSDL & CDSL	INE 156E01014
Registrars & Transfer Agent	System Support Services, 209, Shivani Industrial Estate, Sakinaka, Andheri (East), Mumbai – 400 072
Telephone No.	(022) 22400516
Market Price Data:	Market price for following months are:

Month	Monthly High (Rs.)	Monthly Low (Rs.)
April 08	6.30	3.99
May 08	5.80	4.76
June 08	5.04	4.57
July 08	4.75	3.66
Aug 08	6.42	3.81
Sept 08	5.42	4.59
Oct 08	4.73	2.81
Nov 08	2.90	2.49
Dec 08	2.39	1.85
Jan 09	2.00	1.83
Feb 09	1.82	1.64
Mar 09	1.64	1.48

Distribution of Shareholdings as on 31.03.2009

No. of Equity Shares held	No. of Share Holders	% of Share Holders	No. of Shares	% of Shareholding
1 to 500	2332	78.492	469479	9.781
501 to 1000	242	8.145	222883	4.643
1001 to 5000	270	9.088	607935	12.665
5001 to 10000	59	1.986	453222	9.442
10001 to 100000	63	2.12	2187644	45.576
100001 & Above	5	0.168	858837	17.892
Shares in Transit	-	-	-	-
Total	3305	100.00	4800000	100.00

Shareholding Pattern as on 31.03.2009

Categories of Shareholders	Resident	Non-Resident	% of Shareholding
Promoters	726400	-	15.13
Corporate Bodies	286105	-	5.96
Indian Public	3787495	-	78.91
NRI/ OCR's	-	-	-
In Transit	-	-	-
Total	48,00,000	-	100.000

Dematerialisation of Shares

As on 31.03.2009, 69.71% of the Company's Share Capital had been dematerialised.

Address for Correspondence

Shareholder Correspondence should be addressed to System Support Services, 209, Shivai Industrial Estate, Sakinaka, Andheri (East), Mumbai - 400 072.

Investors may also write to or contact Mr. M. R. Sharda at the Registered Office for any assistance that they may need.
Tel. No. (022) 22400516

Shareholders holding shares in dematerialized form should address all their correspondence (Including change of address, nominations, ECS mandates, bank details to be incorporated) to their Depository Participant.

Outstanding GDRs/ADRs/Warrants or any convertible instruments:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

NON-MANDATORY REQUIREMENTS

The other suggestions have not yet been adopted.

DECLARATION

The Board Members have given declaration relating to Code of Conduct for the year 2008-09 as per the Clause 49 of the Listing Agreement.



Shri Mihir Karia
Director

Detail of directors							
Name	Address	Age	Qualification	date of Appintment	other Directorship	PAN card copy	Experience
Mr. M R Sharda	Room. No 11, Purshottam Niwas 31, Dadiseth Agiary lane Mumbai - 02	73	Matric	5-Jul-86	Yes		50 years in Textile field
Mr. R N Sharda	Room. No 11, Purshottam Niwas 31, Dadiseth Agiary lane Mumbai - 02	61	Matric	5-Jul-86	No		30 years in Textile field
Mr. Arun k. Somani	B/308 Balkrishna Nagar Navghar Road Bhayander (E) Thana	43	B.Com	15-Dec-05	No		10 year in Textile Marketing
Mr. Meghji Patel	10-140 Asha Bindu Garodia Nagar , Ghatkopar(E) Mumbai-77	44	Commercial pilot	5-Mar-07	No		10 year in dry fruit & Spices
Mr. Hasmukh Patel	1 Deepak Kunj Old Maneklal Est., Off L B S Marg, Ghatkopar(W) Mumbai-86	42	Matric	5-Mar-07	No		8 year in Paper & Textile Marketing
Mr. Mihir Karia	9, Patel Chambers, Flat No.3 Gunbow Street , For Mumbai-01	24	Bachelor in International Economics & Finance(U.S.)	5-Mar-07	No		5 year in Paper Industry
Mr. Paresh Sawani	15 Urmi Soc. 2 , Varachha Road , Surat -395006	27	Chemical Engineer	5-Mar-07	No		4 year in Chemical Industry
Mr Bhagirath Biyani	Room. No 11, Purshottam Niwas 31, Dadiseth Agiary lane Mumbai - 02		Matric	5-Jul-86	No		50 years in Textile field

	31/03/2009		31/03/2008		31/03/2006	
	No of Shares	Share Capital	No of Shares	Share Capital	No of Shares	Share Capital
Share issued fully paid up	4,523,960	45,239,600	4,285,160	42,851,600	4,170,160	41,701,600
	276,040	1,380,200	514,840	2,574,200	629,840	3,149,200
Share issued partly paid up	276,040	1,380,200	514,840	2,574,200	629,840	3,149,200
for EPS		days		days		days
	4,523,960	365	4,285,160	365	2,965,160	365
	138,020	365	257,420	365	314,920	365
partly paid before 6-3-07	-	340	-	340	300,425	182
fully paid up after 6-3-07	-	25	-	25	604,151	183
	<u>4,661,980</u>		<u>4,542,579</u>		<u>4,184,656</u>	
	4,285,160		4,285,160			
	276,040		514,840			
	238,800		-			
	4,800,000		4,800,000			
Calculation of Interest on Calls In Arrears						
Date of IPO	3-Oct-93		3-Oct-93			
Date of Received	31/05/2005		31/05/2005			
Period(days)	4,259.00		4,259.00			
Money	1,194,000		575,000			
rate of Int	12		12			
Interest	1,671,900		805,100			
			238800			
			-37,240		-166200	
					2388000	

JAIHIND SYNTHETICS LIMITED

Name of The Party	31-03-2007	31-03-2007	31-03-2006		31-03-2005	Diff	a
B.L.Enterprises	9,780	-	9,780	(9,780)	9,780	-	a
Pawan Kumar Rongta	92,015	-	92,015	(92,015)	92,015	-	a
Jhawar Investment	75,000	-	75,000	(75,000)	75,000	-	a
Kabra Builders & Developers	312,803	-	312,803	(312,803)	312,803	-	a
Mahalchand Motilal Kothari	-	-	218,764	(218,764)	443,764	(225,000)	a
Prem Overseas	50,000	-	50,000	(50,000)	100,000	(50,000)	a
Priyanka Remedies	521,301	-	521,301	(521,301)	521,301	-	a
Raju Textiles	530,798	-	530,798	(530,798)	530,798	-	a
Salecha Cosultancy	1,062,921	-	1,062,921	(1,062,921)	1,560,646	(497,725)	a
Sharda Marbles	-	-	663,347	(663,347)	663,347	-	a
C.R.B. Securities	-	-	180,000	(180,000)	180,000	-	a
M.R.Textiles (N.K. Sharda)	50,000	-	50,000	(50,000)	50,000	-	a
Nidhi Enterprises	25,000	-	25,000	(25,000)	113,583	(88,583)	a
Mahasagar Securities Pvt. Ltd.	7,708,999	-	7,708,999	(7,708,999)	3,600,000	4,108,999	
Goldstar Finvest Pvt. Ltd.	10,195,000	-	10,195,000	(10,195,000)	5,025,000	5,170,000	
Alliance Intermediateries & Network Pvt. Ltr	4,150,000	-	4,150,000	(4,150,000)	975,000	3,175,000	
Talent Infoway Ltd.	1,000,000	-	1,000,000	(1,000,000)	-	-	
Vinayak Surkhot	25,000	-	-	-	-	-	
Total	25,808,617	-	26,845,728	(26,845,728)	14,253,037	11,592,691	

26,845,728

Note:- Diff Figure in positive shown as Loan Given and Negative shown as Recovery

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JAIHIND SYNTHETICS LIMITED

Statement of Fringe Benefit Tax during the yea 2008-09

Sec.	Nature of Expenses	Rate	QTR1		QTR2		QTR3		QTR4			
			Amount	FB value	Amount	FB value	Amount	FB value	Amount	FB value		
115W(h)	Motor Car Expenses (Including Depreciation)	20%	20,420	4,084	10,570	2,114	25,770	5,154	10,567	2,113	67,327	13,465
			20,420	4,084	10,570	2,114	25,770	5,154	10,567	2,113	67,327	13,465
	FBT	30%	1,225.00		634.00		1,546.00		634.00		0	4,039
	S.C	10%	122.50		63.40		154.60		63.40		0	404
			1,347.50		697.40		1,700.60		697.40		0	4,443
	Ecess	3%	40.00		21.00		51.00		21.00		0	133
			1,387.50		718.40		1,751.60		718.40		0	4,576
	Interest on FBT		208.00		86.00		40.00		26.00		0	360
	Total FBT Payable		1,595.50		804.40		1,791.60		744.40		4,936.90	4,937
	Payment Date		26 Sep 09		26 Sep 09		26 Sep 09		26 Sep 09			
	Due Date		15 Jul 08		15 Oct 08		15 Jan 09		15 Mar 09			
	Delay in months		15		12		9		7			
			1%		1%		1%		1%			

Name : JAIHIND SYNTHETICS LIMITED
 Address : C/O Hero Paper Stores ,
 7 , Rustom Sidhwa Marg ,
 Mumbai - 400 001
 PAN : AAA CJ 2475 R
 Assessment Year : 2009-2010
 Status : Widely held Public Limited Company
 Date of Incorporation : 7 May 86

COMPUTATION OF TOTAL INCOME

	RUPEES	RUPEES
I. BUSINESS INCOME		
Net Profit (Loss) as per Profit & Loss Account		102,138
Add: <u>Items disallowed / considered separately</u>		
Provision for Income Tax	-	
Depreciation as per books	62,865	
Amount Written off	-	62,865
		<u>165,003</u>
Less: <u>Items deductible/considered separately</u>		
Depreciation as per Income Tax Rules (As per statement attached)	32,719	
Preliminary Expenses u/s 35D	-	
Interest on Income Tax Refund	-	
Dividend Income exempt u/s 10 (34)	78	32,797
BUSINESS INCOME		<u>132,206</u>
Less: Brought Forward Business Loss		132,206
II. INCOME FROM OTHER SOURCES		
Interest on Income Tax Refund		-
Unabsorbed Business Loss carried forward	-	
Gross Total Income		<u>(0)</u>
Less: Deduction Under Chapter VIA		-
Total Income		<u>(0)</u>
Rounded off to		<u>-</u>
NOTES		
Taxable Income		-
Less : TDS		48,153
REFUND DUE		<u><u>48,153</u></u>

COMPUTATION OF BOOK PROFIT U/S 115JB

Net Profit (Loss) as per Profit and Loss Account	102,138
Add : Provision for Income Tax	-
Less: Dividend Income exempt	78
Book Profit(Loss)	<u>102,060</u>
Income Tax @ 10% of Book Profit (Loss)	-
Income Tax on Taxable Income @ 30%	-
Less: <u>Prepaid Taxes</u>	-
TDS on Interest	-
REFUND DUE	<u>-</u>

NOTES:

- 1 Following Unabsorbed Depreciation & Unabsorbed Losses may be allowed to be carried forward:

Assessment Year	Nature	Amount (Rs.)	
2001-02	Depreciation	243,022	
2001-02	Business Loss	1,054,009	1,054,009
2002-03	Depreciation	190,106	
2002-03	Business Loss	2,320,859	
2003-04	Depreciation	156,361	
2003-04	Business Loss	146,774	
2004-05	Depreciation	122,743	
2004-05	Business Loss	25,793	
2005-06	Depreciation	96,544	
2005-06	Business Loss	1,071,091	
2006-07	Depreciation	51,614	
2006-07	Business Loss	1,612,006	
2007-08	Depreciation	32,719	
2007-08	Business Loss	165,015	

JAIHIND SYNTHETICS LIMITED

STATEMENT OF DEPRECIATION AS PER INCOME TAX RULES
ASSESSMENT YEAR 2009-2010

DESCRIPTION	RATE OF DEP	WDV AS ON 01/04/2008	ADDITION FOR LESS THAN 180 DAYS	ADDITION FOR MORE THAN 180 DAYS	DELETION	TOTAL AS ON 31/03/2009	WDV DEPRECIATION	WDV AFTER DEPRECIATION AS ON 31/03/2009
BLOCK I PLANT & MACHINERY	15%	71,109	-	-	-	71,109	10,666	
						<u>71,109</u>	<u>10,666</u>	<u>60,443</u>
BLOCK II MOTOR CAR	15%	103,799	-	-	-	103,799	15,570	
						<u>103,799</u>	<u>15,570</u>	<u>88,229</u>
BLOCK III FURNITURE & FIXTURE	10%	64,828	-	-	-	64,828	6,483	
						<u>64,828</u>	<u>6,483</u>	<u>58,345</u>
Total		<u>239,736</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>239,736</u>	<u>32,719</u>	<u>207,017</u>

JAIHIND SYNTHETICS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2009

	Schedule		31-03-2009 Rupees		31-03-2008 Rupees
I SOURCES OF FUNDS					
1 SHARE HOLDERS' FUND:					
Share Capital	A'	46,619,800		45,425,800	
Reserve & Surplus	B'	69,351		69,351	
			46,689,151		45,495,151
2 LOAN FUND:					
Loans Taken			124,000		124,000
TOTAL			46,813,151		45,619,151
II APPLICATION OF FUNDS					
1 FIXED ASSETS	C'				
a) Gross Block		3,428,138		3,428,138	
b) Less : Depreciation		3,290,726		3,227,861	
c) Net Block			137,412		200,277
2 CURRENT ASSETS, LOANS AND ADVANCES	D'				
a) Sundry Debtors		600,318		916,318	
b) Cash & Bank Balances		1,332,024		1,237,645	
c) Loans & Advances		35,407,006		33,858,853	
		37,339,348		36,012,816	
Less :					
CURRENT LIABILITIES & PROVISIONS :	E'				
a) Current Liabilities		21,645		47,860	
b) Provisions		1,678		6,256	
		23,323		54,116	
Net Current Assets			37,316,025		35,958,700
Profit & Loss Account			9,359,714		9,460,174
TOTAL			46,813,151		45,619,151

Significant Accounting Policies and
Notes to the Accounts

I'

As per our report of even date
For RAJESH THAKKAR & ASSOCIATES
Chartered Accountants

Rajesh Thakkar
Proprietor
Membership No. 108714
Place: Mumbai
Date: 30-06-2009

For and on behalf of the Board


Mihir Karia
Director


Meghji Patel
Director

JAIHIND SYNTHETICS LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009

	PARTICULARS	Schedule	Current Year Rupees	Previous Year Rupees
I	INCOME			
	Interest & Other Income	F'	425,078	373,888
		Total	425,078	373,888
II	EXPENDITURE			
	Administrative Expenses	G'	257,406	284,907
	Loss on sales of Investment		-	-
	Investment written off		-	-
	Bad debts written off		-	-
	Financial Charges	H'	2,669	2,111
	Depreciation	C'	62,865	62,865
		Total	322,940	349,883
III	Profit (Loss) for the year		102,138	24,005
IV	Less : Provision for Current Tax		-	-
	Provision for Fringe Benefit Tax		1,678	6,256
V	Profit (Loss) after Tax		100,460	17,749
	Add : Balance brought forward from previous year		(9,460,174)	(9,477,923)
	Balance Carried over to Balance Sheet		(9,359,714)	(9,460,174)
	EPS Basic (Rs.)		0.022	0.00
	EPS Diluted (Rs.)		0.022	0.00

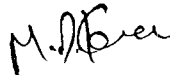
Significant Accounting Policies
and Notes to Accounts

I'

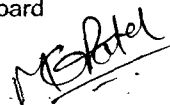
As per our report of even date
For RAJESH THAKKAR & ASSOCIATES
Chartered Accountants

Rajesh Thakkar
Proprietor
Membership No. 108714
Place: Mumbai
Date: 30-06-2009

For and on behalf of the Board



Mihir Karia
Director



Meghji Patel
Director

JAIHIND SYNTHETICS LIMITED
SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH 2009

	As at 31-03-2009 Rupees	As at 31-03-2008 Rupees
SCHEDULE 'A'		
SHARE CAPITAL :		
Authorised Share Capital 50,00,000 Equity shares of Rs. 10/- each	50,000,000	50,000,000
Issued, subscribed and Paid up 48,00,000 Equity shares of Rs. 10/- each	48,000,000	48,000,000
Less:- Calls in Arrears (by others)	1,380,200	2,574,200
	46,619,800	45,425,800
SCHEDULE 'B'		
RESERVE & SURPLUS		
Investment Allowance Reserve	69,351	69,351
	69,351	69,351

"SCHEDULE 'C'
FIXED ASSETS AS ON 31 ST MARCH 2009

SR. NO.	DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS ON 01/04/2008	ADDITIONS DURING THE YEAR	DEDUCTION DURING THE YEAR	AS ON 31/03/2009	AS ON 01/04/2008	ADJUSTMENT FOR THE YEAR	DEPRECIATION FOR THE YEAR	UPTO 31/03/2009	AS ON 31/03/2009	AS ON 31/03/2008
1	PLANT & MACHINERY	2,640,301	-	-	2,640,301	2,640,300	-	-	2,640,300	1	1
2	AIR CONDITIONER	63,500	-	-	63,500	35,076	-	3,016	38,092	25,408	28,424
3	OFFICE EQUIPMENTS	6,900	-	-	6,900	6,220	-	328	6,548	352	680
4	VEHICLE	445,023	-	-	445,023	347,457	-	42,277	389,734	55,289	97,566
5	FURNITURE & FIXTURE	272,414	-	-	272,414	198,808	-	17,244	216,052	56,362	73,606
	TOTAL RUPEES	3,428,138	-	-	3,428,138	3,227,861	0	62,865	3,290,726	137,412	200,277
	PREVIOUS YEAR	3,428,138	-	-	3,428,138	3,164,996	0	62,865	3,227,861	200,277	

JAIHIND SYNTHETICS LIMITED
SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH 2009

	As at 31-03-2009 Rupees	As at 31-03-2008 Rupees
SCHEDULE 'D'		
CURRENT ASSETS LOANS & ADVANCES :		
<u>SUNDRY DEBTORS :</u>		
(Unsecured Considered Good)		
Debt Outstanding for a period exceeding six months	600,318	600,318
Other Debts	-	316,000
	600,318	916,318
<u>CASH & BANK BALANCES :</u>		
Cash on hand	1,259,288	904,544
Balance with Scheduled Bank :		
In Current Account	72,736	333,101
In Fixed Deposits		-
	1,332,024	1,237,645
<u>LOANS, ADVANCES & DEPOSITS :</u>		
(Unsecured, Considered Good)		
Advance recoverable in cash or in kind for value to be received		-
Income Tax (Inclusive of Tax Deducted at Source)	998,389	100,236
Loans & Advances	34,408,617	33,758,617
	35,407,006	33,858,853
SCHEDULE 'E'		
CURRENT LIABILITIES & PROVISIONS :		
<u>CURRENT LIABILITIES :</u>		
Sundry Creditors		
For Expenses	21,645	47,860
For Others		-
	21,645	47,860
<u>PROVISIONS :</u>		
Fringe benefit Tax	1,678	6,256
	1,678	6,256

JAIHIND SYNTHETICS LIMITED
SCHEDULE OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009

	Current Year Rupees	Previous Year Rupees
SCHEDULE 'F'		
OTHER INCOME :		
Commission Income	425,000	316,000
Interest Income	-	57,836
Dividend Income	78	52
	425,078	373,888
SCHEDULE 'G'		
ADMINISTRATIVE EXPENSES :		
Auditors' Remuneration	16,545	16,836
Printing & Stationery	14,226	-
General Expenses	-	9,752
Legal & Professional Exp.	37,478	33,800
Listing Fees	11,084	10,170
Motor Car Expenses	25,050	31,225
Rent , Rates & Taxes	-	-
Salary	79,400	98,200
Depository Charges	6,509	-
RTA Charges	67,114	84,924
	257,406	284,907
SCHEDULE 'H'		
FINANCIAL CHARGES :		
Bank Charges	2,669	2,111
	2,669	2,111

JAIHIND SYNTHETICS LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details :
 Registration No. 4 0 0 9 3 State Code 1 1 (Refer Code List)
 Balance Sheet Date 3 1 - 0 3 - 2 0 0 9
 Date Month Year

II Capital raised during the year (Amount in Rs. Thousand) :
 Public Issue Right Issue
 N I L N I L
 Bonus Issue Private Placement
 N I L N I L

III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand) :
 Total Liabilities Total Assets
 46813 46813
 Sources of Funds : Paid - Up Capital Reserves and Surplus
 4 6 6 2 0 6 9
 Application of Funds : Secured Loans Unsecured Loan
 N I L 1 2 4
 Net Fixed Assets Investments
 1 3 7 N I L
 Net Current Assets Misc. Expenditure
 3 7 3 1 6 N I L
 Accumulated Losses
 9 3 6 0

IV Performance of Company (Amount in Rs. Thousands) :
 Turnover Total Expenditure
 4 2 5 3 2 5
 Profit/(Loss) before Tax Profit / (Loss) after Tax
 1 0 2 1 0 0
 Earning per share in Rs. (Annualised) Dividend
 0.022 N I L

V Generic Names of Three Principal Products/Services of Company
 (as per monetary terms) :
 Item Code No. (ITC Code)

Product Description **SUITINGS & SHIRTINGS**

As per our report of even date
 For **RAJESH THAKKAR & ASSOCIATES**
 Chartered Accountants

Rajesh Thakkar
 Proprietor
 Membership No. 108714
 Place: Mumbai,
 Date: 30-06-2009

For and on behalf of the Board


 Mihir Karia
 Director


 Meghji Patel
 Director

JAIHIND SYNTHETICS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2009

	Year ending 31st March 2009 (Rs.)		Year ending 31st March 2008 (Rs.)	
A. Cash Flow from operating activities				
Net Profit (Loss) Before tax and extra ordinary items	102,138			24,005
Add: Adjustment for				
Depreciation	62,865		62,865	
Miscellaneous Expenditure Written Off.	-	165,003	-	62,865
		165,003		86,870
Less: Adjustment for				
Profit/(loss) on sale of Investments	-		-	
Invetsment Written off	-		-	
Commission Income	-		-	
Interest & Dividend Income	-		57,888	57,888
Operating Profit(Loss) Before Working Capital changes		165,003		28,982
Add: Decrease in Working Capital				
Trade & other Receivables	(1,232,153)		(7,383,890)	
Inventories	-	(1,232,153)	-	(7,383,890)
Less: Increase in Working Capital				
Trade Payable	32,471	32,471	(9,759)	(9,759)
Cash generated from operation		(1,099,621)		(7,345,149)
Less: Direct tax paid		-		-
Cash flow Before Extraordinary item		(1,099,621)		(7,345,149)
Add: Extra ordinary items				
Excess provision for Income Tax written back		-		-
NET CASH FLOW FROM OPERATING ACTIVITIES		(1,099,621)		(7,345,149)
B Cash flow from Investment activities				
Add: Inflow				
Interest Income	-		57,836	
Dividend Income	-		52	
Sale of Assets	-		-	
Sale of Investments	-		-	57,888
Less: Outflow				
Purchase of Investments	-		-	
Purchase of Assets	-		-	
NET CASH FLOW UTILISED IN INVESTMENT		(1,099,621)		57,888
C Cash flow from Financing Activities				
Add: Proceeds from borrowings				
Loan Taken	-		124,000	
Issue of Equity Share Capital	1,194,000		-	124,000
Less: Repayments of Loans				
Repayment of Loans	-		-	
NET CASH FLOW FROM FINANCING ACTIVITIES		1,194,000		124,000
		1,194,000		124,000
NET INCREASE IN CASH AND CASH EQUIVELNTS (A+B+C)		94,379		(7,163,261)
Cash and Cash equivalents at the Beginning		1,237,645		8,400,906
Cash and Cash equivalents at the year end		1,332,024		1,237,645
		94,379		(7,163,261)

AUDITORS' CERTIFICATE

The Board of Directors,
Jaihind Synthetics Limited
Mumbai

We have examined the attached cash flow statement of Jaihind Synthetics Limited for the year ended 31st March, 2009. The statement has been prepared by the company in accordance with the requirements of Listing Agreement Clause 32 with the Stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our Report of 30th June 2009, to the Company.

For Rajesh Thakkar & associates
Chartered Accountants

Place : Mumbai
Date : 30-06-2009

Rajesh Thakkar
Proprietor
Membership No. 108714*

JAIHIND SYNTHETICS LIMITED
BALANCE SHEET AS AT 31-3-2009

Grouping of Balance Sheet Items

Details of Loans Given

	Amount (Rs.)	Overdue Loans
B.L. Enterprises	9,780	9,780
Pawan Kumar Rongra	92,015	92,015
Jhawar Investment	75,000	75,000
Kabra Builders & Developers	312,803	312,803
Prem Overseas	50,000	50,000
Priyanka Remedies	521,301	521,301
Raju Textiles	530,798	530,798
Salecha Consultancy	1,062,921	1,062,921
M.R. Textiles	50,000	50,000
Telent Infowcy	1,000,000	1,000,000
Nidhi Enterprises	25,000	25,000
Mahasagar Securities Pvt. Ltd.	7,708,999	7,708,999
Goldstar Finvest Pvt. Ltd.	10,195,000	10,195,000
Hemakuta Sugar	750,000	750,000
Duralloy Cutters	7,200,000	7,200,000
Alliance Intermediateries & Network Pvt. Ltd.	4,150,000	4,150,000
Vinayak Surkhot	25,000	25,000
Fifth Season	650,000	-
Pior Period taxes	850,000	-
T.D.S.Receivable	100,236	100,236
T.D.S.Receivable a.y. 09-10	48,153	-

35,407,006

33,858,853

SUNDRY CREDITORS OF EXPENSES

Rajesh Thakkar & associates	16,545
Priti Gyani	2,100
Thakkar & Associates	3,000
	<u>21,645</u>

SUNDRY DEBTORS

Archana Saree Centre - Kanpur
Ashutosh Garment Pvt. Ltd.
Devendra Singh & Sons
Hala Marketing
Shri Ram Kripa Textiles
Adam's Madurai
Beetee Textiles Industries

**More Than 6
Months**

Bad Debts

-
-
-
-
-
-
-

-

OTHER DEBTS

Commission Receivable

-

-

Jai Hind Synthetics Ltd.

TRIAL BALANCE

As on 31-03-2008

As on 31-03-2007

PARTICULARS	AMOUNT	CREDIT AMOUNT	DEBIT AMOUNT	CREDIT AMOUNT
Share Capital				45,425,800.00
Investment Allowance Reserve				69,351.00
Hasmukh Patel				31,000.00
Meghji Patel				31,000.00
Mihir karia				31,000.00
Paresh V Savani				31,000.00
Plant & Machinery			1.00	
Air Conditioner			28,424.00	
Office Equipment			680.00	
Vehicle			97,566.00	
Furniture & Fixture			73,606.00	
Investment			-	
Profit on sale of investment			-	
Loss on sales of Investment			-	
Inventories (Op. Stock)			-	
Misc. Exp. Written off			-	
Prem. Exp Written Off			-	
Profit & Loss A/c. (Op.)			9,477,923.00	
Depreciation			62,865.00	
Process Charges			-	
Excise Duty			-	
Weaving Charges			-	
Power			-	
Wages			-	
General Store Expenses			-	
Office Rent			-	
Technical Consultancy Charges			-	
Consultancy Chages			-	
Repairs & Maintenance Expenses			-	
Factory Rent			-	
Advertisement & Publicity			-	
Audit Fees			16,836.00	
Secretary Fees			-	
Books & Periodicals			-	
Conveyance			-	
Director Remuneraion			-	
Donation			-	
Electricity Expenses			-	
Electricity Expenses (MSEB)			-	
System Support			-	
Freight & Forwards			-	
General Expenses			5,262.00	
Big Shares Services			-	
Hire Charges			-	
RTA Chgs			84,924.00	
Legal & Professional Fees			33,800.00	
Lisiting Fees			10,170.00	
Membership & Subscription			-	
Motor Car Expenses			31,225.00	
Sara Auto Store			-	
Packing Charges			-	
Postage & Stamp			-	
Printing & Stationery			-	

PARTICULARS	AMOUNT	CREDIT AMOUNT	DEBIT AMOUNT	CREDIT AMOUNT
Rent, Rates & Taxes			-	
Salary & Bonus			98,200.00	
Staff Welfare Expenses				
Demat Charges			4,490.00	
Telephone Expenses				
Tour & Travelling				
Office Expenses			-	
ROC Filing Fee			-	
Prof Fee paid to Auditors			-	
Interest on FBT			-	
Conference IIT fee				
VKM				
Bank Charges			2,110.68	
Bad Debts			-	
Sundry Balance Written Back			-	
Annapam Rachana Panjrapole Pras.				
K.K. Enterprises				
B.L. Enterprises			9,780.00	
Pawan Kumar Rongta			92,015.00	
Haresh Chemical				
S.M. Corporation				
Herritage marble Pvt. Ltd.				
Jhawar Investment			75,000.00	
Ramchandra Sarada				
Krishna Process				
Kabra & Associates				
Kabra Builders & Developers			312,803.00	
Gordhan Dhoot				
Mahalchand Motilal Kothari			-	
Prem Overseas			50,000.00	
Priyanka Remedies			521,301.00	
Raju Textiles			530,798.00	
Salecha Cosultancy			1,062,921.00	
Vijay Marketing				
Shriji Vinmay & Finance				
Ajanta International				
Ajanta Gifts Pvt. Ltd.				
Ajay R. Dhoot				
Rigveda Properties Pvt. Ltd.				
Ullengal Brothers				
Duralloy Cutters			7,200,000.00	
Durga Development Corp.				
Geekay Enterprises				
Arpan Development				
Sovereign Silk Mills				
Sampat Sythetics				
Jyoti Papers				
Mahalaxmi knits				
Smt Vimala Maheshwari				
Jajoo Surgicals Pvt. Ltd.				
Navjeevan Systems Pvt. Ltd.				
Balaji Textile Corporation				
Urmila Synthetics				
Sharda Marbles			-	
D.R. Sharda				
Savitridevi Sharda				
Prepaid Listing Fees				
Ashvial Sharifa				

PARTICULARS	AMOUNT	CREDIT AMOUNT	DEBIT AMOUNT	CREDIT AMOUNT
Omer Mukadam				
Ayodhya Prasad				
Bhratashri Commercial Pvt. Ltd.				
C.R.B. Securities				
Ghanshiram Sharma				
M.R.Textiles (N.K. Sharda)			50,000.00	
Murari Agrawal				
Moni Tex				
Sharda Investment				
Sharda Sales Agency				
Lax Rassi Associates				
Bharat Crush				
Impex Agencies				
Nidhi Enterprises			25,000.00	
Mahasagar Securities Pvt. Ltd.			7,708,999.00	
Goldstar Finvest Pvt. Ltd.			10,195,000.00	
Alliance Intermediateries & Network Pvt. Ltd.			4,150,000.00	
Mehej A. Z.				
Telent Infoway Ltd.			1,000,000.00	
Hemakuta Sugar			750,000.00	
Tanveer A. Sheika				
Shabbir Khan - Warper				
Shesh Narayan Mishra				
Ravindra Yadav				
Jhawar Mantri & Associates				-
Rajesh Thakkar & Associates				16,836.00
Priti Gyani				1,100.00
Electricity Charges payable				
Telephone Expenses payable				
Remuneration due to M.L. Sharda				-
Salary due to Govindlal Bajaj				-
Sarbhuk				
Sarkoch Vinayak			25,000.00	
G.N. Sharda				
System Support Services				29,924.00
Rajendra Knits				
Kaishv Pves				
Purchase				
Brokerage Payable				
Dividend				52.00
Fractional entitlement of Hindalco				
Cash Sales				
Credit Sales				
Sales Return				
Interest Received				57,836.00
Interest on I.T. Refund				
Excess Reced from Debtors				
Interest on Late payment from Broker				
Interest on Debenture - Sterlite				
T.D.S. (Last Year)			100,236.00	
T.D.S. (This Year)				
Ram Brothers				
Libra Filaments				
Sham Sunder Rajesh Kumar				
Sham Sunder Rajesh Kumar Jhai				
Rajendra Synthetics				
Sona Cutpiece Centre				

PARTICULARS	AMOUNT	CREDIT AMOUNT	DEBIT AMOUNT	CREDIT AMOUNT
Bhupendra Rai & Co.				
Kapoor Textiles				
J.H.Amravati				
B.M.traders				
Manoj Distributors				
Sheshi Agency				
Italian Textiles				
M.P.Textiles				
Vipul Enterprises				
Poonam Sadi Centre - BGLR				
Oswal Trading Co.				
A.P.Enterprise				
Manish Kumar Mohanlal				
Parakh Traders				
Nilesh Kumar				
Jalpa Textiles				
Rajguru & Co.				
Rishab Enterprises				
M.D. Distributors				
R. Devendra Kumar & Co.				
Balwant Singh Paramjit Singh				
Biswabandhu Trading Co.				
Commission Income				316,000.00
Commission Receivable			316,000.00	
Archana Saree Centre - Kanpur			85,464.55	
Ashutosh Garment Pvt. Ltd.			135,656.50	
BRR / BKM - Mumbai			-	
Devendra Singh & Sons			151,121.49	
Hala Marketing			89,991.49	
Shri Ram Kripa Textiles			20,134.70	
Surya Woollen Mills			-	
Adam's Madurai			115,386.50	
S.D. Enterprises			-	
Beetee Textiles Industries			2,562.85	
Rebate & Discount				
Cash In Hand			904,544.00	
Punjab National Bank			303,451.92	
Kotak Mahindra bank			29,649.32	
S.B.I. - FD			-	
S.M. - FD				
Punjab National Bank - FD				
Interest Receivable on FD				
Ganeshnarayan Sharda				
Fringe Benefit Tax			6,256.00	
Fringe Benefit Tax Payable				6,256.00
Provision for Diminution Value of Investments				
diff in trial balance				
			46,047,155.00	46,047,155.00

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO
THE MEMBERS
JAIHIND SYNTHETICS LIMITED

We have examined the compliance of conditions of Corporate Governance by **JAIHIND SYNTHETICS LIMITED** for the year ended 31st March 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above-mentioned Listing Agreement save as conditions of non-payment of the Listing fees and violation of regulations 6 and 8 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 referred to in Clause 7 of the Report on Corporate Governance.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that as per records maintained by the Shareholders/ Investor Grievance Committee based on reports furnished by the Share Transfer Registrar of the Company to the said Committee, there were no Investors grievance matters pending for a period exceeding one month except in 4 cases where the complaint is pending for more than 4 years, against the Company as on 31st March 2009

We further state that such compliance certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Rajesh Thakkar & Associates
Chartered Accountants

(Rajesh Thakkar)
Proprietor
Membership No.108714

Place: Mumbai
Dated: 30th June 2009

AUDITORS' REPORT

To the members of JAIHIND SYNTHETICS LIMITED.

We have audited the attached Balance Sheet of JAIHIND SYNTHETICS LIMITED as at 31st March 2009 and the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principal used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report as follows:

- 1) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
- 2) Further to our comments in the Annexure referred to above, we state that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of these books;
 - c) The Balance Sheet and the Profit and Loss Account referred to in this report are in agreement with the books of account;
 - d) In our opinion the Balance Sheet and the Profit & Loss Account comply with the Accounting Standards referred with in Section 211(3C) of the Companies Act, 1956;
 - e) On the basis of the written representations received from the Directors of the Company and taken on record by the Board of Directors, we report that none of the Directors is disqualified as at 31st March, 2007 from being appointed as a Director in terms of Clause (g) of sub section (1) of Section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes give the information required by the Companies Act, 1956 and in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009, and
 - ii) In the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date:

FOR RAJESH THAKKAR & ASSOCIATES
Chartered Accountants

Place: Mumbai
Date : 30.06.2009

RAJESH THAKKAR
(Proprietor)
M. NO. 108714

ANNEXURE

Re : JAIHIND SYNTHETICS LIMITED.

Referred to in point no.1 of our report of even date.

- i. (a) The Company has maintained proper records showing particulars, including quantitative details and situation of fixed assets.

(b) The Fixed assets have been physically verified by the management at reasonable intervals. We have been informed that no material discrepancies were noticed on such verification.

(c) Substantial part of fixed assets has not been disposed off during the year.
- ii. The company does not possess stock in trade of any kind whatsoever. Under these circumstances, the question of:
 - (a) Physical Verification of stocks;
 - (b) Procedure for physical verification of stock;
 - (c) Discrepancies between physical verification of stocks and book records;
 - (d) Verification and Valuation of stock;Does not arise.
- iii. The company has taken loans, from Four parties listed in the register maintained under section 301 of the Act, aggregating to Rs. 1, 24,000/- (Rupees One Lakh Twenty Four Thousand Only). The terms and conditions on which loans have been taken by the company are not, prima-facie, prejudicial to the interest of the company.
- iv. In our opinion, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods.
- v. (a) According to the information & explanations given to us, the transactions that need to be entered into a register in pursuance of section 301 of the Act have been so entered.

(b) In our opinion, The Company has not entered into any transactions exceeding the value of five lakhs rupees in respect of any party during the financial year and hence the question of verifying the reasonableness of prices having regard to the prevailing market prices at the relevant time does not arise.
- vi. The company has not accepted any deposits from the public.
- vii. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- viii. The Central Government has not prescribed any cost records pursuant to the rules made for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 in relation to the company's business activities.
- ix. (a) The company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Custom Duty, Excise Duty, cess and any other statutory dues with the appropriate authorities.

- (b) According to the information & explanations given to us, no undisputed amounts payable in respect of Income-tax, Sales-tax, Wealth Tax, Custom Duty, Excise Duty and cess were in arrears, as at 31st March 2009, for a period of more than 6 months from the date they became payable.
- (c) According to the information & explanations given to us, there are no dues of Income-tax, Sales-tax, Wealth Tax, Custom Duty, Excise Duty and cess which have not been deposited on account of any dispute.
- x. At the end of the financial year, the Company has accumulated losses and has not incurred cash loss in the previous financial year.
- xi. *According to the information & explanations given to us, the company has not taken any loans from financial institution & banks, hence the question of repayment of dues to financial institution & banks does not arise*
- xii. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv. In our opinion, the Company does not have dealing in shares, hence the question of maintaining proper records of dealing in or trading in shares, securities, debentures and the securities stands in the name of the company does not arise.
- xv. The company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi. The company has not availed of any term loans, hence the question of it being applying for the purpose for which it is obtained does not arise.
- xvii. On an overall basis, the funds raised on short-term basis have, prima facie, not been used for long term investment and vice versa.
- xviii. The company has not made preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- xix. The company has not issued any debentures.
- xx. The company has not raised money by public issues during the year.
- xxi. Based on the checks carried out by us, any fraud on or by the company has not been noticed or reported during the year.

FOR RAJESH THAKKAR & ASSOCIATES
Chartered Accountants

Place : Mumbai
Date : 30.06.2009

RAJESH THAKKAR
(Proprietor)
M. NO. 108714

SCHEDULE 'I'

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2009

1. STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES:

- (i) **Method of Accounting**
The books of accounts are maintained on accrual basis.
- (ii) **Fixed Assets :**
The gross block of fixed assets are shown at cost which includes all capital expenses which have been incurred to bring the asset to their present location.
- (iii) **Depreciation :**
The company has provided depreciation on Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956.
- (iv) **Investments :**
Investments are stated at cost. Long Term investments are carried at cost and provision for diminution in value is made only if such decline is other than temporary in the opinion of Management.
- (v) **Sales / Turnover :**
Sales / Turnover for the year includes sales value of goods, but excludes the sales return and trade discounts.
- (vi) **Preliminary Expenses :**
Preliminary Expenditure are amortized over a period of ten years.
- (vii) **Taxation :**
Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961. Deferred tax on account of timing difference between taxable and accounting income is provided using the tax rate and tax laws enacted or substantially enacted by the Balance sheet date.
- (viii) **Other Accounting Policies :**
These are consistent with the generally accepted accounting practices.
- (ix) **Treatment of Contingent Liability :**
Contingent liabilities are disclosed by way of Notes to the Accounts.

2. Contingent liabilities not provided for in respect of:

- i) Show cause notices/demands were issued by the Securities and Exchange Board of India demanding Rs.1,75,000/- for Settlement by Consent Order for violation of Takeover Regulations. However, the Company is contesting the issues under legal advice & hence not opted for settlement.
- ii) Arrears of Listing Fees payable to the Jaipur Stock Exchange Limited, Calcutta Stock Exchange Association Limited and the Stock Exchange, Ahmedabad: Amount not determined.

3. Sundry Debtors include amounts aggregating to Rs.6,00,318/- (P.Y. Rs.6,00,318/-), which have remained outstanding for over three years and are subject to confirmation. The Company has not made any provision against these debtors and also has initiated legal action against one of them for recovery of dues. In management's view, the amounts have remained overdue on account of general recession in the industry in the recent past and it expects that the amounts would be recovered in due course of time and no provision is required in this regard.

4. Unsecured loans and advances granted & remained outstanding aggregating to Rs. 3,37,58,617/- (P.Y. Rs.3,37,58,617/-) as on the Balance Sheet date, which are either overdue or where there are no covenants with regard to repayment of loan & other terms and conditions. The Company is pursuing the matter and is hopeful to recover the above debts. Accordingly, no provision is considered necessary in the matter at this stage.
5. The outstanding balances of Debtors, Creditors, Deposits and Advances are subject to confirmation.
6. In the opinion of the Board and to the best of their knowledge and belief, the value of the realisation of Current Assets, Loans and Advances, in the ordinary course of business would not be less than the amount at which they are stated in the balance sheet. The Provision for all known liabilities is adequate and not in excess of the amount considered reasonably necessary.
7. Due to inadequacy of profits, the Company has not paid any managerial remuneration & perquisites during the year.

Salary	Rs. Nil	(P.Y. Rs.Nil)
Expenditure on perquisites	Rs. Nil	(P.Y. Rs.Nil)
8. Provision for taxation has not been made in view of loss incurred. Since there is no reasonable certainty that sufficient future taxable income will be available hence deferred tax asset has not be created.
9. Sundry Creditors does not include any amount due to 'Small Scale Industrial Undertaking as defined under Section 3(j) of Industries (Development and Regulation) Act, 1951.
10. Previous year's figures including quantitative details have been regrouped, recast and reclassified wherever considered necessary.
11. Figure in brackets pertain to previous year.
12. Additional information pursuant to part II to schedule VI of the Companies Act, 1956.

Particulars of Capacity

 - i) Class of goods : Synthetics Cloth etc.
 - ii) Licensed Capacity : Not Applicable.
 - iii) Installed Capacity : Not Applicable.

(as certified by the Directors)

Detailed quantitative information in respect of Opening and Closing Stock, Purchase, Sales and consumption of raw- materials.

Particulars	Current Year		Previous Year	
	Qty (Mtrs.)	Amt. (Rs.)	Qty.(Mtrs.)	Amt.(Rs.)
a) Grey Cloth				
Opening Stock	Nil	Nil	Nil	Nil
Production	Nil		Nil	Nil
Consumption for				
Finished Cloth	Nil		Nil	Nil
Closing Stock	Nil	Nil	Nil	Nil
b) Finished Cloth				
Opening Stock	Nil	Nil	Nil	Nil
Production	Nil	Nil	Nil	Nil
Purchase	Nil	Nil	Nil	Nil
Sales/Wastage	Nil	Nil	Nil	Nil

Closing Stock Nil Nil Nil Nil

c) Value of Raw Materials Consumed (Yarn)

	Qty. Kgs.	Value Rs.	Percentage
i) Indigenous	Nil (Nil)	Nil (Nil)	Nil (Nil)

13. Value of Imports calculated on C.I.F. basis - Nil (Nil)

14. Expenses in Foreign Currency during the year - Nil (Nil)

15. Earning in Foreign Exchange during the year - Nil (Nil)

16. The Company is principally engaged in the business of only one broad segment of textile products. Accordingly there are no reportable segments as per Accounting Standards 17 issued by the ICAI on "Segment Reporting".

17. Related Party Disclosure as required by Accounting Standard 18 ' Related Party Disclosure issued by the Institute of Chartered accountants of India is given below:

1) Key Management Personnel:

a) Mr. Mihir Karia Director

2) Relative of Key Management Personnel: - NONE

3) Enterprises owned by the Key Management Personnel or their Relatives:

Details of transactions between the Company & related parties & the status of the outstanding balance as on 31.03.2009 - NIL

18. Disclosure of Earnings Per Share (EPS) computation as per Accounting Standard -20 of the Institute of Chartered Accountants of India:

	For the year ended 31.03.09	For the year ended 31.03.08
Profit (Loss) available for appropriation as per Profit & Loss Account	1,00,460	17,749
Weighted average No. of equity shares outstanding during the year	46,61,980	45,42,580
Nominal value per equity share	10	10
Basic and Diluted EPS	0.02	0.004

For Rajesh Thakkar & Associates
Chartered Accountants

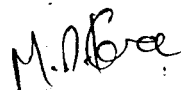
Rajesh Thakkar
Partner

Membership No. 108714

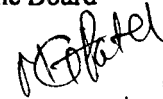
Place: Mumbai

Date: 30-06-2009

For and on behalf of the Board



MIHIR KARIA
Director



MEGHJI PATEL
Director

Jai Hind Synthetics Ltd
Reg: 7 , Rustom Sidhwa Marg, Fort, Mumbai- 400001

**ATTENDANCE
SLIP**

22nd ANNUAL GENERAL MEETING- SEPTEMBER 30, 2009 AT 2:00 P.M.

DP. Id		NAME & ADDRESS OF THE REGISTERED SHAREHOLDER
Client Id/ Folio No.		
No. of Shares		

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.
I hereby record my presence at the 22nd ANNUAL GENERAL MEETING of the Company at the Reg.
Office of the company on Saturday 30th September 2009 at 2 PM

SIGNATURE

Note: Please complete this and hand it over at the entrance of the hall.

Jai Hind Synthetics Ltd
Reg: 7 , Rustom Sidhwa Marg, Fort, Mumbai- 400001

22nd ANNUAL GENERAL MEETING- SEPTEMBER 30, 2009 AT 2:00 P.M

I/We of
.....in the district ofbeing a member/members of **Jai Hind Synthetics Ltd.** hereby appoint Of
..... in the district ofor failing him
.....ofin the district ofas
my/our proxy to vote for me/us on my/our behalf at the 22nd ANNUAL GENERAL MEETING of the
Company to be held on Saturday September, 30, 2009 at 2 PM and at any adjournment thereof.
Signed this day of 2009

DP. Id		Signature...	Client Id/ Folio No.	Affix a 15 paise Revenue Stamp
No. of Shares				

Note: This form of proxy in order to be effective should be duly completed and deposited at the
Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Sheet1

Book Post
If undelivered please return to:
Jaihind Synthetics Ltd.
7, Rustom Sidhwa Marg,
Fort, Mumbai 400001