



Annual Report 2009 - 2010

J. K. Synthetics LTD.

Board of Directors

Dr. Gaur Hari Singhania Chairman

Govind Hari Singhania Vice Chairman

Yadupati Managing Director & C.E.O.

Ramapati

Dr. K. B. Agarwal

Jagendra Swarup

Kailash Nath

N. K. Jhajharia

R. K. Tandon

K. V. Murthy (upto 30.04.2010)

President (F & A) & CFO

K. N. Khandelwal

General Manager (Comp. Law) & Secretary

Anil Kamthan

AUDITORS

Messrs P. L. Tandon & Co.

Chartered Accountants

Westcott Building,

The Mall, Kanpur-208 001

REGISTERED OFFICE

KAMLA TOWER,

Kanpur-208 001

BANKER

Oriental Bank of Commerce

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NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of J.K. Synthetics Ltd. will be held at the Registered Office of the Company at Kamla Tower, Kanpur on Saturday, the 18th September, 2010 at 12.00 Noon to transact the following business :-

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2010, Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Jagendra Swarup, who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri N. K. Jhahharia, who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. The retiring Auditors, M/s. P.L. Tandon & Company, Chartered Accountants, Kanpur are, however, eligible for re-appointment.

AS SPECIAL BUSINESS :

To consider and, if thought fit, to pass with or without modification(s), the following resolution as Special Resolution :

5. "RESOLVED THAT pursuant to the provisions of Section 21 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, the name of the Company be changed from 'J.K. Synthetics Limited' to 'Jay Kay Enterprises Limited' and accordingly the name 'J.K. Synthetics Limited', wherever it occurs in the Memorandum and Articles of Association of the Company be substituted by the name 'Jay Kay Enterprises Limited'."

"RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board thereof) be and is hereby authorized to do all such acts, deeds, matters or things and deal with all such matters and take all such steps as may be necessary to give effect to this resolution."

By Order of the Board

(ANIL KAMTHAN)

Secretary

Dated : 21st May, 2010

Place : Kanpur

NOTES :

- (A). i) **The Company is seeking consent of the Shareholders through Postal Ballot pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 to Special Resolutions relating to alteration of objects clause u/s. 17, commencement of new business u/s. 149 (2A) and inter Corporate investments/loans etc. u/s 372A of the Companies Act, 1956. The Notice along with Postal Ballot Form is being dispatched to all the Shareholders.**
- ii) **The Results of Postal Ballot for the above resolutions mentioned at Sl. no. (i) shall be announced by the Chairman at the Annual General Meeting.**
- (B). i) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING 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) Proxies, in order to be effective, must be received at the Registered Office of

the Company not less than 48 hours before the commencement of the meeting. Members, who hold shares in Dematerialised Form are requested to bring their Depository Account Number and Client I.D. Number for identification.

- iii) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of Special Business under Item No.5 of the accompanying Notice dated 21st May, 2010 is annexed hereto.
- iv) Copy of the relevant documents referred to in the Notice are available for inspection of the Members at the Registered Office of the Company between 3.00 p.m. and 5.00 p.m. on any working day except Saturday till the conclusion of the Annual General Meeting.
- v) The Register of Members and Share Transfer Books of the Company will remain closed from 15th September, 2010 to 18th September, 2010 both days inclusive.
- vi) Members are requested to notify immediately change of address, if any, to their Depository Participants (DPs) in respect of their shareholding in Demat Accounts and to the Company at its Share Department, Kamla Tower, Kanpur-208001 in respect of their shareholding in physical segment by mentioning folio nos., if any.
- vii) Members are requested to bring their copies of the Annual Report, as Copies of the Report will not be distributed again at the Meeting.
- viii) **Members, who also hold debentures of the Company but have not so far claimed the payment as per OTS scheme of 2004, are requested to surrender the debenture certificate(s) duly discharged to the Company at its Registered Office for getting the payment as all the unclaimed amounts relating to earlier years shall be deposited by the Company in November, 2011 in Investors Education and Protection Fund set up by the Central Government in terms of provisions of Section 205 C of the Companies Act, 1956.**
- ix) Pursuant to clause 49 of the Listing Agreement relating to the Code of Corporate Governance, the particulars of retiring Directors are given in the Report on Corporate Governance attached to the Directors' Report.

EXPLANATORY STATEMENT

As required under Section 173 of the Companies Act, 1956, the Explanatory Statement sets out all material facts concerning the Special Business referred to in the accompanying Notice dated 21st May, 2010.

ITEM NO. 5

The Board of Directors is exploring the possibilities of new activities in the Company and in order to reflect the nature of new business, it has proposed subject to approval of Shareholders and the Central Government, to change the name of the Company to "Jay Kay Enterprises Limited".

The Special Resolution as set out at item No. 5 is therefore, commended for your approval.

None of the directors of the Company is concerned or interested in the resolution.

By Order of the Board

(ANIL KAMTHAN)

Secretary

Dated : 21st May, 2010

Place : Kanpur

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors submit the Annual Report and audited Statements of Account for the year ended 31st March, 2010.

1. FINANCIAL RESULTS

	2009-10 (Rs. in Lacs)
Other Income	619.00
Profit before Depreciation	213.26
Depreciation	9.54
Profit for the year	203.72
Extra Ordinary Items	661.54
Profit before tax	865.26
Provision for Interest on Income Tax	32.24
Profit after tax	833.02
Balance from previous year	16742.51
Less : Adjustment against reduction of capital	(14833.48)
Balance carried to Balance Sheet	(1076.01)

2. OVERALL PERFORMANCE

During the year, the Company had income only from interest, rent and Registrar & Transfer Agents activities. After meeting fixed over-head expenses, the profit for the year was Rs.203.72 lacs. After certain write back of provisions/suppliers' accounts, write off of non-recoverable debts, the year resulted in a surplus before tax of Rs.865.26 lacs.

3. DIVIDEND

In view of the accumulated losses, your Directors regret their inability to recommend payment of dividend for the year.

4. REHABILITATION PACKAGE

As reported last, pursuant to the order of Hon'ble AAIFR all the Company's plants including Jhalawar plant have been sold and thus the Company has implemented the rehabilitation package approved by Hon'ble AAIFR in toto except few assets. Sale proceeds received are utilized for discharging of liabilities. As the Company's net worth is still negative, it continues to be a sick industrial unit within the provisions of Sick Industrial Companies (Special Provisions) Act, 1985. Despite the fact that the Company has already implemented the scheme, Workers' Union(s) and Staff Association, Kota continue to file and challenge the orders at various judicial platforms on account of one or the other ground. Thus, several cases are pending at various levels of judiciary. Company is taking effective steps to protect it from adverse consequences. Besides, several old litigations and claims filed by various parties are also daunting the Company's efforts for revival.

5. REDUCTION OF EQUITY SHARE CAPITAL

During the year under report with a view to restructure its Balance Sheet and after seeking your approval, the Company filed a petition to Hon'ble Allahabad High Court seeking their confirmation for reduction of its paid-up Equity Share Capital & Reserves by adjusting the same against accumulated losses of the Company, which was approved by the Hon'ble Allahabad High Court by an Order dated 18th December, 2009. Accordingly the paid-up Equity Share Capital of the Company has been reduced from Rs.74,26,95,030 divided into 74269503 Equity Shares of Rs.10/- each to Rs.3,71,34,752 divided into 37134752 Equity Shares of Re.1/- each. New Share Certificates have been in process of dispatch to all the shareholders, who hold the shares in physical form.

As required, the Company has filed application for listing of new shares with Bombay and U.P. Stock Exchanges, which is still in process and on getting approval the Demat Accounts of shareholders, who are holding shares in Demat form shall get credit with new equity shares.

6. CHANGE OF NAME OF THE COMPANY

As all the existing manufacturing activities of the Company have been dispensed with and the Board of Directors is exploring possibilities of new avenues, it has decided to change the name of the Company to 'Jay Kay Enterprises Limited', which may synchronise its new activities. Necessary resolution in this regard is contained in the notice of ensuing Annual General Meeting of the Company. You are requested to consider and approve the same.

7. ALTERATION IN OBJECTS CLAUSE OF MEMORANDUM OF ASSOCIATION

The Company proposes to alter its Objects Clause contained in the Memorandum of Association so as to incorporate certain new business activities. Necessary resolutions in this regard are being circulated to the shareholders through Notice of Postal Ballot as required by law. You are requested to exercise your option through postal ballot and give your consent to the proposal.

8. NOTICE OF POSTAL BALLOT

Pursuant to the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, a notice is being sent to all the

shareholders seeking their assent/ dissent through Postal Ballot on the proposed Special Resolutions under Sections 17, 149(2A) and 372A of the Companies Act, 1956. You are requested to consider and approve the same.

9. CORPORATE GOVERNANCE

A report on Corporate Governance is annexed as part of the Directors' Report along with the Auditors' Certificate on its compliance. However, Note on Management discussions and Analysis Report is not being given, as none of the Company's plants were in operation.

10. COMPLIANCE CERTIFICATE

A Compliance Certificate as per the provisions of Companies (Compliance Certificate) Rules, 2001 has been obtained and the same is annexed herewith as part of the Directors' Report.

11. PARTICULARS OF EMPLOYEES

Statement of Employee getting salary in excess of the limits as specified under the provisions of sub-section (2A) of Section 217 of the Companies Act, 1956 throughout or part of the financial year under review is appended. However, in terms of provisions of Section 219(1)(b)(iv) of the Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company. Any member interested in obtaining such particulars may send the request to the Company at its Registered Office.

12. PUBLIC DEPOSITS

The Company is not accepting any deposits from the public. The unclaimed amounts relating to Public deposits redeemed by the Company relating to earlier years had been deposited by the Company in "Investors Education and Protection Fund" set up by the Central Government pursuant to the provisions of Section 205 C of the Companies Act, 1956 last year and there is no unclaimed amount remaining outstanding with the Company as on date.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO.

As there has been no manufacturing operation during the year, there is nothing to be reported with regard to conservation of energy and technology absorption. However, the details of foreign exchange earnings and out go are given in the additional information in the Annual Report.

14. ABRIDGED BALANCE SHEET

The Company shall be sending Abridged Balance Sheet to all its members as permitted by SEBI guidelines dated 26.04.2007. Full Balance Sheet shall be available on Company's Website. Members, who are desirous of getting full Balance Sheet may send their request to the Company at its Registered Office.

15. DIRECTORS

- Two of your directors namely Shri Jagendra Swarup and Shri N.K. Jhaharia will retire by rotation at the ensuing Annual General Meeting of the Company and are eligible for reappointment.
- After close of the year, Shri K.V. Murthy has ceased to be a director consequent upon his resignation with effect from 1st May, 2010. Your directors wish to place on record their warm appreciation for the valuable services and advice rendered by Shri K.V. Murthy during tenure of his office.

16. RESPONSIBILITY STATEMENT

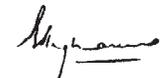
The Directors confirm that :

- in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- they have taken proper and sufficient care 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.
- they have prepared the annual accounts on a going concern basis.

17. AUDITORS

M/s. P.L. Tandon and Co., Chartered Accountants, Kanpur, Auditors of the Company will retire from their office at the ensuing Annual General Meeting. They are, however, eligible for re-appointment. They have furnished a Certificate to the effect that their appointment will be in accordance with limits specified in Sub-Section (1B) of Section 224 of the Companies Act, 1956. You are requested to consider their appointment.

FOR AND ON BEHALF OF THE BOARD



(GAUR HARI SINGHANIA)
CHAIRMAN

Place : Kanpur

Dated : 21st May, 2010



CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in clause 49 of the Listing Agreement is set out below :

1. Company's philosophy on Code of Governance

Corporate Governance, at J.K. Synthetics Limited, is taken in its real spirit and hence implemented in widest ambit possible. The Company's philosophy and endeavour has always been on the cultivation and follow-up of best corporate procedures and practices which result into enhancement of the long term economic value of not only the Company but also its stakeholders and the society at large.

Corporate Governance is not merely compliance and not simply creating checks and balances, it is an ongoing measure of superior delivery of Company's objects with a view to translate opportunities into reality.

Your Company continues to follow procedures, practices in conformity with the Code of Corporate Governance as outlined in the clause 49 of the Listing Agreement.

2. Board of Directors

(a) Composition/Category

The present strength of the Board of Directors is 9 (Nine). The composition is given below :

- Chairman, Promoter, Non-Executive, Non-Independent Director.
- One Promoter, Executive, Non-Independent Director.
- Two Promoter, Non-Executive, Non-Independent Directors.
- Five Independent, Non-Executive Directors.

The composition of the Board of Directors, the number of Directors on the Board and Board Committees of other Companies, of which the Directors are members / Chairman during the year is given as under :

Sl. No.	Name of Director	Category	Inter-se relationships between Directors		No. of other Director-ships@	No. of Board Committees (Other than J.K. Synthetics Ltd.) in which*	
			Director with whom related	Relation		Chairman	Member
1	Dr. Gaur Hari Singhania <i>Chairman</i>	Promoter, Non Executive, Non Independent	Yadupati Singhania	Son	5	-	-
			Govind Hari Singhania	Brother			
2	Shri Govind Hari Singhania <i>Vice Chairman</i>	Promoter, Non Executive, Non Independent	Dr. Gaur Hari Singhania	Brother	1	-	-
3	Shri Yadupati Singhania <i>Managing Director and CEO</i>	Promoter, Executive, Non Independent	Dr. Gaur Hari Singhania	Father	8	-	-
4	Shri Ramapati Singhania	Promoter, Non-Executive, Non Independent	Nil	N.A.	-	-	-
5	Dr. K.B. Agarwal	Non-Executive, Independent	Nil	N.A.	2	-	-
6	Shri Jagendra Swarup	Non-Executive, Independent	Nil	N.A.	-	-	-
7	Shri Kailash Nath	Non-Executive, Independent	Nil	N.A.	-	-	-
8	Shri N.K. Jhajharia	Non-Executive, Independent	Nil	N.A.	-	-	-
9	Shri R.K. Tandon	Non-Executive, Independent	Nil	N.A.	1	-	-
10	Shri K.V. Murthy**	Non-Executive, Independent	Nil	N.A.	-	-	-

@ Excludes directorships on private limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956.

* Chairmanship/ Membership of the Audit Committee and the Shareholders' Grievance Committee alone has been considered.

** Ceased to be director consequent upon his resignation, after close of the financial year.

(b) Attendance of each director at the Board Meetings and at the last Annual General Meeting

During the financial year ended 31st March, 2010, Four Board Meetings were held on the following dates :

- 26th May, 2009
- 28th July, 2009
- 26th October, 2009
- 29th January, 2010

The attendance of each director at Board Meetings and at the last Annual General Meeting (AGM) was as under :

Sl. No.	Name of Director	No. of Board Meetings attended	Attendance at the last AGM held on 19.09.09
1	Dr. Gaur Hari Singhania	2	YES
2	Shri Govind Hari Singhania	4	NO
3	Shri Yadupati Singhania	4	YES
4	Shri Ramapati Singhania	-	NO
5	Dr. K.B. Agarwal	4	NO
6	Shri Jagendra Swarup	4	YES
7	Shri Kailash Nath	-	NO
8	Shri N.K. Jhajharia	4	NO
9	Shri R.K. Tandon	3	YES
10	Shri K.V. Murthy	3	NO

3. Audit Committee

(a) Composition of the Committee and Broad Terms of Reference

The Audit Committee of the Company comprises of following three Directors :

- Dr. K.B. Agarwal (Chairman) : Independent, Non Executive Director
 Shri Jagendra Swarup : Independent, Non Executive Director
 Shri Kailash Nath : Independent, Non Executive Director

All these Directors possess knowledge of Corporate Finance/ Accounts / Company Law/ Industry. The Compliance Officer is the Secretary for such meetings. Sri K. N. Khandelwal, President (F & A) & CFO of the Company regularly attends the meetings. The Statutory Auditors of the Company attend the meetings as invitee.

The terms of reference of Audit Committee cover the matters specified for audit committee under clause 49 of the Listing Agreement as well as in Section 292 A of the Companies Act, 1956.

(b) Meetings / Attendance

During the financial year ended 31st March, 2010, 4 (Four) meetings were held on :

- 26th May, 2009
- 28th July, 2009
- 26th October, 2009
- 29th January, 2010

The Audit Committee approved and recommended the Annual Accounts for the year ended 31st March, 2009 in its meeting held on 26th May, 2009.

The attendance at the Audit Committee Meetings was as under :

Sl. No.	Name of Director	No. of Meetings attended
1.	Dr. K. B. Agarwal	4
2.	Shri Jagendra Swarup	4
3.	Shri Kailash Nath	-

4. Remuneration Committee

(a) Composition

The Remuneration Committee of the Company comprises of following three Directors :-

- Dr. K.B. Agarwal (Chairman) : Independent, Non Executive Director
 Shri Jagendra Swarup : Independent, Non Executive Director
 Shri Kailash Nath : Independent, Non Executive Director

(b) Meetings / Attendance

During the financial year ended 31st March, 2010, only one meeting was held on 28th July, 2009. Dr. K. B. Agarwal and Shri Jagendra Swarup attended the said meeting.

(c) Remuneration Policy

Remuneration policy of the Company is directed towards rewarding performance, based on review of achievements. The non-executive directors are paid only sitting fees for meetings of the Board or any committee thereof attended by them.

The details of number of Equity Shares of the Company held by **Non-Executive Directors** as on 31st March, 2010 are as under :

Name of Director	No. of Equity Shares held	Name of Directors	No. of Equity Shares held
Dr. Gaur Hari Singhania	209866	Shri Jagendra Swarup	Nil
Shri Govind Hari Singhania	141978	Shri N. K. Jhajharia	Nil
Shri Ramapati Singhania	248318	Shri R. K. Tandon	17859
Dr. K. B. Agarwal	50	Shri K. V. Murthy	128
Shri Kailash Nath	Nil		

d) Details of Remuneration to the Directors for the year ended 31st March, 2010

Sl. No.	Name of Director	Salary	Benefits	Sitting Fee	Total
1	Dr. Gaur Hari Singhania	-	-	-	-
2	Shri Govind Hari Singhania	-	95047	-	95047
3	Shri Yadupati Singhania	-	-	-	-
4	Shri Ramapati Singhania	-	-	-	-
5	Dr. K.B. Agarwal	-	-	34000	34000
6	Shri Jagendra Swarup	-	-	33000	33000
7	Shri Kailash Nath	-	-	-	-
8	Shri N.K. Jhajharia	-	-	12000	12000
9	Shri R.K. Tandon	-	-	9000	9000
10	Shri K.V. Murthy*	-	-	9000	9000

* Ceased to be director consequent upon his resignation, after close of the financial year

5. Shareholders' / Investors' Grievance Committee

(a) Composition

The Shareholder's/Investors' Grievance Committee of the Company comprises of following three Directors :-

Dr. K.B. Agarwal (Chairman) : Independent, Non Executive Director
 Shri Jagendra Swarup : Independent, Non Executive Director
 Shri Kailash Nath : Independent, Non Executive Director

Shri Anil Kamthan, General Manager (Company Law) & Secretary is the Compliance Officer of the Committee.

(b) Functions

To review the status of shareholders'/investors' grievances, redressal mechanism and recommend measures to improve the level of investors' services.

(c) Meetings /Attendance

During the financial year ended 31st March, 2010, 4 (Four) meetings were held on :

- 26th May, 2009
- 28th July, 2009
- 26th October, 2009
- 29th January, 2010

The attendance at the above Meetings was as under :

Name of Director	No. of Meetings attended
Dr. K.B. Agarwal	4
Shri Jagendra Swarup	4
Shri Kailash Nath	-

The total number of the complaints received during the year ended 31st March, 2010 from the shareholders and debenture holders were 60, out of which all 60 complaints were satisfactorily replied/redressed within stipulated period and no complaints were outstanding as on 31st March, 2010.

The number of pending share transfers and pending requests for dematerialisation as on 31st March, 2010 were as follows :

Particulars	No. of Requests	No. of Shares
1. Transfers	Nil	Nil
2. Demat	1	200
3. Remat	NIL	NIL

Pending Demat request as referred to above has not been physically received by the Company and has been rejected/deleted from the beneficiary (NSDL) Server after close of the financial year.

6. General Body Meetings

Dates and time of last three Annual General Meetings held are given below :

Financial Year	Date	Time
2006-07	8th September, 2007	12.00 Noon
2007-08	9th August, 2008	12.00 Noon
2008-09	19th September, 2009	12.00 Noon

All the above meetings were held at the Merchants' Chamber of Uttar Pradesh, 14/76, Civil Lines, Kanpur.

The Chairman of the Audit Committee, Dr. K.B. Agarwal was not present at AGM held on 19th

September, 2009 to answer the queries of the Shareholders, as he was out of India on that day. Four (4) Special Resolutions were passed at the last Annual General Meeting held on 19th September, 2009. No Special Resolution was passed in the earlier two Annual General Meetings. Further, no Special Resolution was put through postal ballot as required under the provisions of Section 192A of the Companies Act, 1956 last year. However, three Special Resolutions are proposed to be put through postal ballot this year.

7. Disclosures

- There were no significant transactions of material nature with the related parties viz. Promoters, Directors or the Management or their subsidiaries or relatives during the year that have potential conflict with the interest of the Company. Suitable disclosures as required by the Accounting Standard (AS-18) have been made in the Annual Report.
- There are no pecuniary relationship or transactions of non-executive directors vis-à-vis the Company that have potential conflict with the interest of the Company at large.
- No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- The Company has Complied with the non-mandatory requirements of Clause 49 of the Listing Agreement as far as possible.

(v) Disclosures regarding appointment or re-appointment of Directors :

According to the Articles of Association of the Company, two directors namely Shri Jagendra Swarup and Shri N. K. Jhajharia will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer themselves for re-appointment. Pursuant to clause 49 of the Listing Agreement relating to the Code of Corporate Governance, the particulars of the aforesaid Directors are given below :

- Shri Jagendra Swarup** has been a director of the Company since 2001. He is a Senior Advocate. He has been in practice for over 34 years and has vast experience in the legal field and particularly on matters relating to Corporate Laws, Banking and Taxation. He is the legal advisor to leading Indian Companies and Banks. He is member of various Associations and is holding important positions in various fields viz. professional, political, commercial, educational and social. He has been a member of Legislative Council of U.P. for the last so many consecutive terms.
- Shri N.K. Jhajharia** is a Commerce Graduate with vast experience in the fields of Commerce and Industry. He is past President, Merchants' Chamber of U.P. and Ex-member, Executive Body of Federation of Indian Chamber of Commerce and Industry (FICCI). He is President, Advisor and Executive member of various Educational and Social Institutions/Organisations. He is also past President of Rotary Club of Kanpur West. He had been President of Yarn Merchant Association for several years.

8. Code of Conduct

The Board of Directors has already adopted the Code of Ethics & Business Conduct for the Directors and Senior Management Personnel. This Code is a comprehensive code applicable to all Directors, Executives as well as Non-Executives and members of the Senior Management.

A copy of the Code has been put on the Company's website www.jksynthetics.com

The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them. A declaration signed by the Managing Director & CEO in this regard is given below :

"I hereby confirm that :

The Company has obtained from all the members of the Board and Senior Management personnel of the Company, affirmation that they have complied with the code of Ethics and Business Conduct framed for Directors and Senior Management Personnel in respect of the financial year 2009-10.

Yadupati Singhania

(Managing Director & CEO)"

9. Means of Communications

The Annual, Half yearly and Quarterly results are submitted to the Stock Exchanges in accordance with Listing Agreement and the same are published regularly in the newspapers.

All vital information relating to the Company and its performance, including quarterly results etc. are being simultaneously posted on Company's website www.jksynthetics.com and on the Electronic Data Information Filing and Retrieval (EDIFAR) website maintained by SEBI in association with the National Informatics Centre (NIC).

10. General Shareholders Information

a) Address for Correspondence

Share Department,
 J.K. Synthetics Ltd.,
 Kamla Tower, Kanpur – 208001
 Telephone No. : (0512) 2371478 – 81 Fax : (0512) 2399854
 Email : jkshr@jkcement.com

b) Annual General Meeting

Date / Time : Saturday, 18th September, 2010 at 12.00 Noon.
 Venue : Regd. Office of the Company at Kamla Tower, Kanpur.

c) Financial Calendar (Tentative)

- First Quarter Results – On or before 14th August, 2010
- Second Quarter Results – On or before 14th November, 2010



- (c) Third Quarter Results – On or before 14th February, 2011
 (d) Results for the year ending 31st March, 2011 – On or before 30th May, 2011

- d) Date of Book Closure**
 15th September, 2010 to 18th September, 2010 (both days inclusive)
- e) Dividend payment date :** Not applicable (No dividend is proposed)
- f) Postal Ballot**
 Three Special Resolutions are to be passed through Postal Ballot pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2001. Notice along with Explanatory Statement in respect of these is being sent to all the Shareholders separately.

- g) Listing on Stock Exchanges/Stock Code**
 The details regarding payment of listing fee to Stock Exchanges are given below :

Sl. No.	Name of Stock Exchange	Listing Fee paid Upto	Stock Code No.
1	The Bombay Stock Exchange Ltd., Mumbai	2009-2010	500306
2	The U.P. Stock Exchange Association Ltd., Kanpur	2009-2010	JK

As required, the Company has filed applications for listing of new shares issued to respective shareholders upon reduction of Equity Share Capital with Bombay and U.P. Stock Exchanges, which are still pending for approval.

- h) ISIN Number**
 The existing ISIN INE 903A101017 of Equity Share has been de-activated due to activity "Reduction of Share Capital". However, the application for allotment of new common ISIN of Equity Share is pending with NSDL.

- i) Stock Market Data**
 The monthly high / low share prices during the year 2009-10 are as follows :

Month	High Rs.	Low Rs.	BSE Sensex High	BSE Sensex Low
April, 2009	2.40	1.75	11492.10	9546.29
May, 2009	4.41	1.51	14930.54	11621.30
June, 2009	4.25	2.70	15600.30	14016.95
July, 2009	3.55	2.07	15732.81	13219.99
August, 2009	3.15	2.71	16002.46	14684.45
September, 2009	3.00	2.41	17142.52	15356.72
October, 2009	2.70	2.01	17493.17	15805.20
November, 2009	2.55	2.02	17290.48	15330.56
December, 2009	3.56	2.35	17530.94	16577.78
January, 2010	3.19	2.57	17790.33	15982.08
February, 2010	3.09	2.46	16669.25	15651.99
March, 2010	2.87	2.50	17793.01	16438.45

- j) Registrar/Share Transfer Agent**
 The Company has full fledged in-house share registry department (as per common agency concept of SEBI) at its Registered Office at Kamla Tower, Kanpur, which provides all services for Share registry both in physical and Demat segments.

k) Share Transfer System

Share Transfer work and other activities of physical segment are attended to by the Company (in-house) within the prescribed period under law and as per the Listing requirements. The various activities of physical segment including share (s) transfer are approved by a Committee of Directors, which meets periodically.

l) Distribution of Shareholding as on 31.3.2010

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 500	108286	93.99	8201311	22.09
501 to 1000	3325	2.89	2731152	7.35
1001 to 2000	1648	1.43	2451645	6.60
2001 to 3000	879	0.76	2218420	5.97
3001 to 4000	231	0.20	827759	2.23
4001 to 5000	299	0.26	1448080	3.90
5001 to 10000	310	0.27	2245689	6.05
10001 and above	230	0.20	17010696	45.81
Total	115208	100.00	37134752	100.00

m) Category of Shareholders as on 31st March 2010

Category	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Promoters and Promoter Group	26	0.02	2963411	7.98
Mutual Funds/ UTI	16	0.01	104738	0.28
Financial Institutions/ Banks	105	0.09	31990	0.09
Insurance Companies	9	0.01	1521063	4.10
Foreign Institutional Investors	17	0.02	101869	0.27
Bodies Corporate	1027	0.89	8110122	21.84
Individuals	113940	98.90	23102550	62.21
Others	68	0.06	1199009	3.23
Total	115208	100.00	37134752	100.00

(n) Dematerialisation of Shares / Liquidity

Due to reduction of Share Capital as per Order dated 18.12.2009 of the Hon'ble High Court of Judicature at Allahabad, 3,29,03,141 new Equity Shares of Re.1/- each representing 88.61% of the paid up Equity Capital of the Company have been issued/ allotted on 23.03.2009 to the respective shareholders in lieu of existing Equity Shares of Rs.10/- each held by them as on Record date (08.03.2009) fixed for the purpose in demat segment and there is no change in above figures till 31.03.2010. The above shares will be up-loaded in the respective accounts of beneficiaries after receipt of listing approval from the designated Stock Exchange i.e. BSE.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of J. K. Synthetics Limited.

We have examined the compliance of conditions of Corporate Governance by J. K. SYNTHETICS LIMITED for the year ended on 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementations 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there are no investor Grievances pending for a period exceeding one month.

We further state that such compliance 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 P. L. TANDON & CO.
 Chartered Accountants

RAJENDRA GUPTA
 Partner

Place : Kanpur
 Dated : 21.05.2010

Membership No. 73250

**COMPLIANCE CERTIFICATE
(F.Y. 2009-2010)**

To,
The Members,
J. K. Synthetics Ltd.
(CIN: L99999UP1961PLC001187)

I have examined the registers, records, books and papers of M/s. J K Synthetics Ltd. (the Company) as required to be maintained under the Companies Act, 1956 and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2010 (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, prescribed under the Act and the rules there under.
3. The Company being a public limited Company, comments on maximum number of members are not required.
4. The Board of Directors duly met 4 times respectively on 26.05.2009, 28.07.2009, 26.10.2009 and 29.01.2010, in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minute Book maintained for the purpose.
5. The Company closed its Register of Members from 15th September 2009 to 19th September 2009 and necessary compliance under Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31st March 2009 was held on 19.09.2009 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in Minute Book maintained for the purpose.
7. No Extra Ordinary Meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into transactions falling within the provision of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act the Company has not obtained approval from the directors, members or the Central Government as the case may be.
12. Duly constituted Committee of Directors has approved the issue of duplicate shares during the financial year.
13. The Company has :
 - (i) delivered all the certificates on lodgment thereof for transfer/transmission in accordance with provisions of the Act;
 - (ii) Not Applicable;
 - (iii) Not applicable;
 - (iv) the amount in the unpaid dividend account has been kept in abeyance pursuant to attachment orders of the prescribed authority in respect of some shareholders. In view of this, the dividend on such shares which have remained unclaimed or unpaid for a period of seven years has not been transferred to investors protection fund.
 - (v) The Company has duly complied with the requirement of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted.
15. The appointment of the Managing Director has been made in compliance with the provisions of Section 269 of the Act read with Schedule XIII to the Act.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Registrar except approval of the Hon'ble High Court of Allahabad for reduction of equity share capital under the provisions of Section 100 of the Act and which approval was obtained during the financial year and filed and registered with the Registrar of Companies by filing Form No. 21.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has issued 3,71,34,752 equity shares of Re. 1/- each in lieu of existing equity shares of Rs. 10/- each pursuant to the Orders of the Hon'ble High Court of Allahabad for reduction of equity capital, during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. The Company has kept in abeyance rights to dividend, for last several years in respect of some of the shares, pursuant to the attachment Orders passed by the prescribed authorities.
23. The Company has not invited/accepted deposits including unsecured loans falling within the purview of Section 58 A of the Act during the financial year as informed to me by the Company.
24. The amounts borrowed by the Company during the financial year ended 31st March, 2010 is within the borrowing limits of the Company and that necessary resolutions as per Section 293(1) (d) of the Act have been passed in duly convened Annual General Meeting of the Company.

25. The Company has made loans and investments under Section 372 A in compliance with the provisions of the Act and has made necessary entries in register kept for the purpose.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the financial year.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the financial year.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the financial year.
29. The provisions of the Memorandum of Association with respect to share capital of the Company has been altered pursuant to the Order of the Hon'ble High Court of Allahabad passed for reduction of equity share capital during the financial year and Form No.21 filed with the Registrar of Companies.
30. The provisions of the Articles of Association with respect to share capital of the Company has been altered pursuant to the Order of the Hon'ble High Court of Allahabad passed for reduction of equity share capital during the financial year.
31. There was no prosecution initiated against or show cause notice received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for any offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. As per information provided to me by the Company, the Company has not constituted any provident fund pursuant to Section 418 of the Act.

For **Banthia & Company**
Company Secretaries

Place : Kanpur
Date : 21.05.2010

G. K. Banthia, Proprietor
C.P. No. : 1405

Annexure - A

Registers as maintained by the Company

1. Register of Members U/s 150.	2. Board Meeting Minutes Book U/s 193.
3. General Meetings Minutes Book. U/s 193.	4. Directors' Attendance Register as per Table A.
5. Directors' Particulars Register U/s 303.	6. Register of Particulars of Contracts U/s 301.
7. Directors Shareholding Register U/s 307.	8. Register of Loans and Investments U/s 372 A.
9. Register of Transfer of Shares.	10. Demat Securities Register (Register of Securities Dematerialized).
11. Register of Charges U/s 143.	12. Register of Duplicate Certificates under Issue of Share Certificate Rules, 1960.

Annexure-B

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government and other authorities during the financial year ending 31st March 2010.

S.No	Form No./ Return	Filed under Section	For	Date of Filing	Whether filed within prescribed Time (Yes/No)	If delay in filing whether requisite/ additional fee paid Yes/No
1.	23 AC	220	Balance Sheet	17.10.2009	Yes	N.A.
2.	23ACA	220	P & L A/c	17.10.2009	Yes	N.A.
3.	25 C	269/ Schedule XIII	Appointment of MD	10.11.2009	Yes	N.A.
4.	20B	159	Annual Return	14.11.2009	Yes	N.A.
5.	23	192	Reduction of capital/ appointments of MD, Chairman & Vice Chairman.	14.11.2009	No.	Yes
6.	21	102	Reduction of Capital	30.12.2009	Yes	N.A.

For **Banthia & Company**
Company Secretaries

Place : Kanpur
Date : 21.05.2010

G. K. Banthia, Proprietor
C.P. No. : 1405



AUDITORS' REPORT

TO
THE MEMBERS OF
J.K. SYNTHETICS LIMITED

1. We have audited the attached Balance Sheet of J.K. Synthetics Limited, as at 31st March, 2010, the Profit and Loss Account and also the Cash Flow Statement of the Company 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.
2. We conducted our audit in accordance with the 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 also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles 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.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report 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 those books;
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 except liability for Leave Encashment and Gratuity have been provided on the basis of actual liability determined by the management as on 31-03-2010.
 - e) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 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 with notes give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2010;
 - (b) in the case of the Profit & Loss Account of the Profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For P.L. TANDON & CO.
Chartered Accountants
Firm Reg. No. 000186C

RAJENDRA GUPTA
Partner
Membership No. 73250

Place : Kanpur
Dated : May 21, 2010

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph (3) of our report of even date)

- (i) In respect of its Fixed Assets :
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets other than furniture and fixtures and office equipments.
 - (b) Fixed assets have been physically verified by the management during the year except as stated in (a) above.
 - (c) The company has disposed off substantial part of fixed assets as per scheme approved by Hon'ble AAIIFR.
- (ii) In respect of its Inventories :

The Company has stock in trade of Land and Building only and, therefore, the provisions of clause 4(ii)(a), (b) and (c) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (iii) In respect of loans, secured or unsecured, granted or taken by the company to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956, according to the information and explanations given to us :
 - (a) The company has not granted any Loans to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. As the company has not granted any Loans secured or unsecured to parties listed in the register maintained under section 301 of the Companies Act, 1956, the provisions of clause 4(iii)(b), (c) and (d) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
 - (e) The company had taken interest free unsecured Loans from four parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.3800 Lacs and the year end balance of Loans taken from such parties was Rs.2000 Lacs.
 - (f) The above Loans are interest free and other terms and conditions on which Loans have been taken from parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
 - (g) No terms and conditions of repayment of Loans have been stipulated.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the company.
- (v) In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956 :
 - (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. Five Lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market price at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits within the provisions of sections 58A and 58AA and other relevant provisions of the Companies Act, 1956. Therefore, the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003, are not applicable to the Company.
- (vii) In our opinion, the company has an adequate internal audit system commensurate with the size and the nature of its business.
- (viii) No manufacturing activities have been carried out during the year, the provisions of clause 4(viii) of the Companies (Auditor's Report) Order, 2003 are, therefore, not applicable to the Company.

- (ix) According to the information and explanations given to us, in respect of statutory and other dues:
- (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, following undisputed amount was payable in respect of aforesaid dues which was in arrears as at 31st March, 2010 for a period more than Six months from the date they became payable.

Name of Statute	Nature of Dues	Amount (Rs. in Lacs)	Period to which amount relates
Central Excise and Custom Act	Excise & Custom and interest thereon	44.75	Various years

- (c) According to the records of the company, income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute, are as follows :-

Name of Statute	Nature of Dues	Amount (Rs. in Lacs)	Period to which amount relates	Forum where dispute is pending
Trade Tax Act	Trade Tax	8.19	1985-86 & 1987-88	Trade Tax Tribunal
Provident Fund Act	Damages	76.45	Various Years	Assistant Provident Fund Commissioner, Kota.
Central Excise & Custom Act	Excise Duty and Interest	2275.06	Various Years	Asst. Commissioner Central Excise Division, Kota/ Supreme Court/ Custom Department, Mumbai.
Income Tax Act	Income tax and Interest thereon	109.06	2004-05	Commissioner of Income Tax (Appeals)

- (x) The company's accumulated losses at the end of the financial year exceeded the net worth of the company. The company has not incurred cash losses during the financial year covered by our audit and during the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to bank.
- (xii) As explained to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any 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 and according to the information and explanations given to us, the company has maintained proper records of transactions and contracts of investment in Shares and timely entries have been made therein. All the investments have been held by the Company in its own name.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- (xix) As the company has no debenture outstanding at any time during the year, the provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are, therefore, not applicable to the company.
- (xx) The company has not raised any money by public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For P. L. TANDON & CO.
Chartered Accountants
Firm Reg. No. 000186C
RAJENDRA GUPTA
Partner
Membership No. 73250

Place : Kanpur
Dated : May 21, 2010



BALANCE SHEET as at 31st March, 2010

	Schedule	31-03-2010 Rs./Thousands	31-03-2009 Rs./Thousands
SOURCES OF FUNDS			
Shareholders' Funds			
Capital	1	37135	743473
Reserves & Surplus	2	—	777008
		<u>37135</u>	<u>1520481</u>
Loan Funds	3		
Secured Loans		979	60094
Unsecured Loans		216004	391004
		<u>216983</u>	<u>451098</u>
TOTAL		<u>254118</u>	<u>1971579</u>
APPLICATION OF FUNDS			
Fixed Assets	4		
Gross Block		113923	3192155
Less : Depreciation & Impairment Loss		100938	2820662
Net Block		<u>12985</u>	<u>371493</u>
Investments	5	16132	17257
Current Assets, Loans & Advances	6		
Inventories		2571	2571
Sundry Debtors		34500	44500
Cash & Bank Balances		155643	95386
Other Current Assets		6167	10638
Loans & Advances		206369	143403
		<u>405250</u>	<u>296498</u>
Less : Current Liabilities & Provisions	7		
Liabilities		287850	387920
Net Current Assets		117400	(91422)
Profit & Loss Account		107601	1674251
TOTAL		<u>254118</u>	<u>1971579</u>
Notes & Contingent Liabilities	10		

As per our Report attached

For P. L. TANDON & Co.,
Chartered Accountants

GAUR HARI SINGHANIA
Chairman

GOVIND HARI SINGHANIA
Vice Chairman

RAJENDRA GUPTA
Partner

YADUPATI
Managing Director & CEO

K. N. KHANDELWAL
President (F&A) & CFO

K. B. AGARWAL
JAGENDRA SWARUP
N. K. JHAJHARIA
R. K. TANDON } Directors

Kanpur
Dated : 21st May, 2010

PROFIT & LOSS ACCOUNT For the year ended 31st March, 2010

	Schedule	2009-2010 Rs./Thousands	2008-2009 Rs./Thousands
INCOME			
Other Income	8	61900	186183
TOTAL		61900	186183
EXPENDITURE			
Other Expenses :	9		
Payments to and Provision for Employees		13589	13638
Other Expenses		26422	23142
Interest		563	569
Depreciation		954	820
Impairment Loss		—	85742
TOTAL		41528	123911
Profit for the year before Extra Ordinary Items		20372	62272
Extra ordinary Items (Refer Note No. 5)		66154	(94534)
Profit/(Loss) before Tax		86526	(32262)
Provision for Fringe Benefit Tax (FBT)		—	(231)
Provision for Income Tax and Interest thereon for earlier years		(3224)	(34186)
Profit/(Loss) after tax		83302	(66679)
Balance from previous year		1674251	(1607572)
Less : Adjusted against reduction in Capital (Ref. Note No. 6)		1483348	—
Balance Carried to Balance Sheet		(107601)	(1674251)
Earning per share - Basic & Diluted (In Rs.) (Ref. Note No. 6)		0.46	0.75
Notes & Contingent Liabilities	10		

As per our Report attached

For P. L. TANDON & Co.,
Chartered Accountants

GAUR HARI SINGHANIA
Chairman

GOVIND HARI SINGHANIA
Vice Chairman

RAJENDRA GUPTA
Partner

YADUPATI
Managing Director & CEO

K. N. KHANDELWAL
President (F&A) & CFO

K. B. AGARWAL
JAGENDRA SWARUP
N. K. JHAJHARIA
R. K. TANDON } Directors

Kanpur
Dated : 21st May, 2010



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	2009-2010 Rs./Thousands	2008-2009 Rs./Thousands
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before Tax as per Profit & Loss Account	86526	(32262)
Adjusted for :		
Depreciation and Impairment Loss	954	86562
Interest	563	569
Interest Received	(45101)	(28735)
Dividend Income	(1293)	(530)
Profit on sale of Fixed Assets	-	(145412)
Loss on sale of assets	-	5
Provisions / Balances written off / written back	(66154)	94543
Profit on sale of Investments (Net)	(2736)	(1399)
Operating Profit/(Loss) before Working Capital Changes	(27241)	(26659)
Adjusted for :		
Decrease in Trade & Other Receivables	(37356)	26174
Increase/(Decrease) in Trade Payables	(6690)	(125309)
Cash Generated from Operations	(71287)	(125794)
Tax Paid (Net)	(41757)	(20438)
Net Cash Used in Operating Activities	(113044)	(146232)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of Fixed Assets	(46)	(2598)
Sale of Fixed Assets (Net)	357600	152106
Sale of Investments (Net)	3861	2202
Interest Income	45271	23603
Dividend Income	1293	530
Net Cash From Investing Activities	407979	175843
C. CASH FLOW USED IN FINANCING ACTIVITIES		
Interest Paid	(563)	(581)
Bank Overdraft against Fixed Deposits and Vehicles Loan	(59115)	52981
Repayment of Unsecured Loan of J.K. Cement Ltd.	(180000)	(20000)
Receipt/Repayment of Unsecured Loan - Others	5000	(465)
Net Cash Used In Financing Activities	(234678)	31935
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	60257	61546
Opening Balance of Cash and Cash Equivalents	95386	33840
Closing Balance of Cash and Cash Equivalents	155643	95386

As per our Report attached

For P. L. TANDON & Co., GAUR HARI SINGHANIA
Chartered Accountants Chairman

GOVIND HARI SINGHANIA
Vice Chairman

RAJENDRA GUPTA
Partner

YADUPATI
Managing Director & CEO

K. N. KHANDELWAL
President (F&A) & CFO

K. B. AGARWAL
JAGENDRA SWARUP
N. K. JHAJHARIA
R. K. TANDON } Directors

Kanpur
Dated : 21st May, 2010

SCHEDULE - 1

SHARE CAPITAL

	31-03-2010	31-03-2009
	Rs./Thousands	Rs./Thousands
AUTHORISED		
1250000000 Equity Shares of Re. 1/- each (Previous year 125000000 Equity Shares of Rs. 10/- each)	1250000	1250000
Cumulative Redeemable Preference Shares-		
200000 11% of Rs.100/- each	20000	20000
600000 14% of Rs.100/- each	60000	60000
200000 15% of Rs.100/- each	20000	20000
500000 Unclassified Shares of Rs.100/- each	50000	50000
	<u>1400000</u>	<u>1400000</u>
ISSUED, SUBSCRIBED & PAID UP		
37134752 Equity Shares of Re. 1/- each (Previous year 74269503 Equity Shares of Rs. 10/- each)	37135	742695
– Add : Equity Shares Forfeited (Previous year 154877 Equity Shares of Rs. 10/- each)	–	778
	<u>37135</u>	<u>743473</u>

SCHEDULE - 2

RESERVES & SURPLUS

(Refer Note No. 6)

	31-03-2010	31-03-2009
	Rs./Thousands	Rs./Thousands
Capital Reserve As per last account	–	156
Capital Redemption Reserve As per last account	–	70486
Share Premium Account As per last account	–	706366
	<u>–</u>	<u>777008</u>



SCHEDULE - 3

LOANS

	31-03-2010	31-03-2009
	Rs./Thousands	Rs./Thousands
SECURED :		
Vehicles Loan (Secured against hypothecation of Cars)	979	1393
Bank Overdraft (Secured against pledge of Fixed Deposit Receipts)	-	58701
	<u>979</u>	<u>60094</u>
UNSECURED :		
J. K. Cement Ltd.	150000	330000
Directors and their relatives	50000	50000
Others	16004	11004
	<u>216004</u>	<u>391004</u>
	<u>216983</u>	<u>451098</u>

SCHEDULE - 4

FIXED ASSETS

DESCRIPTION	Rs./Thousands										
	GROSS BLOCK				DEPRECIATION & IMPAIRMENT LOSS			IMPAIRMENT LOSS		NET BLOCK	
	As at 01-04-2009	Additions	Deductions	As at 31-03-2010	As at 01-04-2009	For the year	Deductions	As at 31-03-2010	As at 31-03-2010	As at 31-03-2009	
Leasehold Land (including development expenses)	384	-	-	384	60	-	-	60	-	324	324
Buildings	102512	-	-	102512	94795	175	-	94970	-	7542	7717
Plant & Machinery	6549	46	-	6595	3328	476	-	3804	-	2791	3221
Furnitures, Fixtures and Office Equipments	1750	-	-	1750	1085	60	-	1145	-	605	665
Vehicles	2682	-	-	2682	716	243	-	959	-	1723	1966
Assets held for disposal at Jhalawar	3078278	-	3078278	-	2720678	-	2720678	-	-	-	357600
	<u>3192155</u>	<u>46</u>	<u>3078278</u>	<u>113923</u>	<u>2820662</u>	<u>954</u>	<u>2720678</u>	<u>100938</u>	<u>-</u>	<u>12985</u>	<u>371493</u>
Previous Year's figures	3199388	2598	9831	3192155	2475219	820	3130	2472909	347753	371493	

SCHEDULE - 5

INVESTMENTS

Name of the Bodies Corporate	31-3-2010			31-3-2009	
	No. of Shares	Class of Shares	Book Value (Rs./Thousands)	No. of Shares	Book Value (Rs./Thousands)
LONG TERM INVESTMENTS					
A. Trade Investments (Quoted) :					
Raymond Ltd.	1500	Equity	82	21940	1200
J.K.Cotton Spg. & Wvg. Mills Co. Ltd.	9510360	Equity	94513	9510360	94513
			<u>94595</u>		<u>95713</u>
B. Other Investments (As per Annexure)					
i. Quoted					
			16952		16971
ii. Unquoted					
			3344		3332
			<u>114891</u>		<u>116016</u>
<i>Less : Provision for Diminution in value of investments</i>			98759		98759
			<u>16132</u>		<u>17257</u>

	31st March, 2010		(Rs./Thousands) 31st March, 2009	
	Book Value (Net)	Market Value	Book Value (Net)	Market Value
Quoted Investments	16132	31142	17257	10867
	<u>16132</u>	<u>31142</u>	<u>17257</u>	<u>10867</u>



SCHEDULE - 6

CURRENT ASSETS, LOANS & ADVANCES

	31-03-2010 Rs./Thousands	31-03-2009 Rs./Thousands
A. INVENTORIES		
Stock in Trade - Land & Building	2571	2571
	<u>2571</u>	<u>2571</u>
B. SUNDRY DEBTORS		
Debts over six months (Unsecured)		
— Considered Good	34500	44500
— Considered Doubtful	—	18859
	<u>34500</u>	<u>63359</u>
Less : Provision for Doubtful Debts	—	18859
	<u>34500</u>	<u>44500</u>
C. CASH & BANK BALANCES		
Cash & Cheques in hand	35980	3734
Balances with Scheduled Banks :		
Debtore OTS Payment A/c :		
Balance in Escrow Account	105589	
Less : OTS amount payable to public (Account under reconciliation)	<u>104204</u>	1395
— Other Current Accounts	10918	2058
— Deposit Accounts (Rs. 16639 (Previous year Rs. 69030) Thousands pledged with Banks)	107360	88199
	<u>155643</u>	<u>95386</u>
D. OTHER CURRENT ASSETS		
Interest accrued on Investments and Deposits	6167	10638
E. LOANS & ADVANCES		
UNSECURED - Considered Good Unless Otherwise Stated		
Advances Recoverable in cash or in kind or for value to be received		
— Considered Good	135488	91613
— Considered Doubtful	—	29665
Taxation (Net of Provisions)	69236	49681
Prepaid Expenses	116	263
Deposits	1529	1846
	<u>206369</u>	<u>173068</u>
Less : Provision for Doubtful Advances	—	29665
	<u>206369</u>	<u>143403</u>
	<u>405250</u>	<u>296498</u>

SCHEDULE - 7

CURRENT LIABILITIES & PROVISIONS

	31-03-2010 Rs./Thousands	31-03-2009 Rs./Thousands
CURRENT LIABILITIES		
Sundry Creditors	35686	108516
Other Liabilities	241239	245199
Income Tax (including Interest)	10906	34186
Unpaid Dividend (Kept in abeyance)	19	19
	287850	387920

SCHEDULE - 8

OTHER INCOME

	2009-2010 Rs./Thousands	2008-2009 Rs./Thousands
Interest Received (Tax deducted at source Rs. 4301 Thousands, 2008-2009 Rs. 6193 Thousands)	45101	28735
Rent & Maintenance	8788	6237
Profit on Sale of Assets	-	145412
Dividend on Shares :		
- Trade	-	55
- Others	1293	475
Profit on Sale of Investment (Net)	2736	1399
Excess Provision written back	219	340
Sundry Receipts/Unclaimed Balances	38	205
Registrar & Share Transfer Activities	3725	3325
	61900	186183

SCHEDULE - 9

OTHER EXPENSES

	2009-10 Rs./Thousands	2008-09 Rs./Thousands
1. Payments to and Provisions for Employees :		
Salaries, Wages, Bonus & Superannuation etc.	10601	10794
Contribution to Provident and other funds	1656	1438
Welfare Expenses	1332	1406
	13589	13638
2. Other Expenses :		
Insurance	222	685
Rent	5189	2722
Lease Rent	477	641
Rates & Taxes	854	545
Directors' Fee	97	116
Loss on Assets Discarded / Disposed off	-	5
Bad & doubtful Debts / Advances written off	-	349
Auditors' Remuneration :		
- Audit Fee	50	50
- Other Services	40	45
Miscellaneous Expenses	*19493	17984
	26422	23142
	40011	36780



SCHEDULE - 9 (Contd...)

	2009-2010 Rs./Thousands	2008-09 Rs./Thousands
*Miscellaneous Expenses Include		
Electricity Charges	1844	1972
Security Service Charges	2105	3232
Legal Expenses	4056	3936
Office Maintenance	1019	896
Travelling Expenses	1070	1166
Retainers Fee	722	614
Printing & Stationery	775	816
Postage & Telegram	1377	1164
Compensation Account	1194	-
Other Professional Charges	1458	394
Transport Expenses	742	822

SCHEDULE - 10

NOTES ON THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

	31.3.2010 Rs./Thousands	31.3.2009 Rs./Thousands
1. CONTINGENT LIABILITIES		
(i) In respect of claims against the Company not acknowledged as debts.	19646	19646
(ii) In respect of non-fulfilment of export obligations against advance licences		Indeterminate
(iii) In respect of claims of penalty and interest on late payments.		Indeterminate
(iv) In respect of disputed demands, appeals pending with Appellate Authorities/ Courts – no provision has been considered necessary by the Management :		
(a) Excise Duty on waste of base yarn used for manufacture of Texturising Yarn.	27606	27606
(b) Income Tax (paid under dispute)	11279	22594
(c) Trade Tax	1469	1469
(d) Custom Duty and Penalty	87261	-
2. Sundry Debtors considered good includes Rs. 34500 Thousands recoverable from Arfat Petrochemicals Pvt. Ltd. for sale of Kota Assets in the year 2004-2005.		
3. Loans and Advances considered good include Rs. 41946 Thousands due from J. K. Cotton Spg. & Wvg. Mills Co. Ltd. (JKCM) paid in earlier years as advance against purchase of Land. JKCM is a sick Industrial Company. BIFR has approved a rehabilitation scheme on 20.12.2002 which is under implementation. The scheme envisages refund of above amount to the company. Some directors of the company are interested as director.		
4. In view of the reliefs granted by the Appellate Authorities in respect of various earlier years, no provision for income tax liability for the current year is considered necessary by the management.		
5. EXTRA-ORDINARY ITEMS (NET)		Amount (Rs. / Thousands)
(1) Suppliers / Customers balances written back		70100
(2) Bad Debts / Advances written off	49383	
Less : Provision for doubtful Debts/Advances	48523	(860)
(3) Suppliers / Customers balances written off		(3086)
TOTAL (1-2-3)		66154
6. In pursuance of Hon'ble Allahabad High Court Order dated 18.12.2009, Equity Share Capital of the Company has been reduced from Rs. 742695 Thousands divided into 74269503 Equity Shares of Rs.10/- each to Rs. 37135 Thousands divided into 37134752 Equity Shares of Re. 1/- each fully paid up. The opening balances in Capital Reserve Rs. 156 Thousands, Capital Redemption Reserve Rs.70486 Thousands, Share Premium Account Rs.706366 Thousands and Forfeited Shares Account Rs.778 Thousands stand reduced to nil. The amount of reduction in Equity Shares Capital Rs. 705560 Thousands and opening balances in the aforesaid reserves have been set off / adjusted against the accumulated losses of the company during the year. Consequently opening debit balance of Profit & Loss Account representing accumulated losses of Rs.1674251 Thousands stands reduced to Rs.190903 Thousands.		

7. Deferred Tax assets have not been recognised, considering the principle of virtual certainty as stated in the Accounting Standard AS-22 – Accounting for Taxes on Income.
8. Investments in equity shares of Plastic Products Ltd. (In Liquidation), J.K. Satoh Agricultural Machines Ltd. and Africa Synthetic Fibres Ltd. have been written off in earlier years. However the company holds shares in physical form of these companies.

9. Earning per share (EPS) :

	2009-10 (Rs. /Thousands)	2008-09 (Rs. /Thousands)
a) Net Profit available for Equity Share holders before Extra Ordinary Items (Numerator used for calculation)	17148	27855
b) Number of Equity Shares (denominator used for calculating EPS)	37134752	74269503
c) Basic and Diluted earnings per shares of Re. 1 each. (Ref. Note No. 6) (Previous year also adjusted at Re. 1/-)		
i) Before Extra ordinary items	(Rs.) 0.46	0.75
ii) After Extra ordinary items	(Rs.) 2.24	(1.80)

10. Segment Reporting

The Company has income from other sources only. Hence, no segment wise information is being furnished.

11. Related Parties Disclosures :

List of related parties with whom transactions have taken place during the year :

- A. Associate Company
J.K. Cotton Spg. & Wvg. Mills Co. Ltd.
- B. Key Management Personnel :
- | | |
|-------------------------------|----------|
| 1. Shri Y.P. Singhania | MD & CEO |
| 2. Dr. Gaur Hari Singhania | Relative |
| 3. Shri Govind Hari Singhania | Relative |
- C. Entities over which key management personnel has significant influence :
J. K. Cement Ltd.

Details of Transactions are as follows :

	2009-2010 (Rs./Thousands)	2008-2009 (Rs./Thousands)
1. Remuneration		
– Key Management Personnel & Relatives	95	84
2. Rent, Interest and other expenses paid		
(i) Associate Company	1200	
(ii) J. K. Cement Ltd.	5	1204
3. Rent, Expenses recovered and Services rendered		
(i) Associate Company	564	
(ii) J. K. Cement Ltd.	22065	19940
4. Loan Received		
(i) J. K. Cement Ltd.		
– Unsecured Loan		
Balance as at beginning	330000	350000
Repayment of Loan	180000	20000
Balance as at close of the year	150000	330000
(ii) Directors and their relatives (including Rs.10000 Thousands of a Director)	50000	50000
Due from –		
– Associate company	42320	41946
12. Due to closure of Kota and Jhalawar plants since 1996/97, the information about status of creditors with regard to their Micro, Small, Medium Enterprises and Small Scale Undertakings is not available.		
13. Balances in Customers, Suppliers and Deposit accounts taken as per books are subject to confirmation/reconciliation and consequential adjustments.		
14. Previous year's figures have been recasted / regrouped wherever necessary to conform to the classification of the year.		
15. Information pursuant to the provisions of Paragraphs 3, 4C & 4D of Part – II of Schedule VI to the Companies Act, 1956 i.e. Capacity, Turnover, Production, Stocks, Raw Material and Stores and Spares Consumed, CIF Value of Imports and Expenditure in Foreign Currency are "NIL" as all the plants have been sold. However, earning in Foreign Currency by way of dividend income is Rs. 4 Thousands (Previous Year Rs.60 Thousands).		
16. Schedules 1 to 10 and Significant Accounting Policies form integral part of the accounts and have been duly authenticated.		



SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Concepts

The Financial Statements are prepared under the historical cost convention on accrual basis and in accordance with the applicable mandatory Accounting Standards.

2. Fixed Assets

Gross Block of Fixed Assets is stated at Historical Cost.

3. Depreciation & Impairment Loss

(a) Depreciation on Fixed Assets is provided at the Straight Line Method rates prescribed in Schedule XIV to the Companies Act, 1956.

(b) An impairment loss is recognised wherever the carrying amount of an asset exceeds its estimated recoverable amount.

4. Investments

Investments are stated at cost. Quoted investments purchased before 31.03.1990 are stated at book value based on market value as on 31.03.1990.

Provision for diminution, other than temporary, is determined and made from time to time to recognise the decline in the value of investments.

5. Inventories

Inventories are stated “**at cost or net realisable value, whichever is lower**”. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formula used are “**First-in-First-out**” or “**Average Cost**” as applicable.

6. Revenue Recognition

(a) Revenue is generally recognised when no significant uncertainty as to its measurability or collectability exists.

(b) Interest payable / receivable on demands / refunds of Excise duty / Income Tax / Sales Tax are accounted for in the year of payment / receipt.

7. Retirement benefits

The Company’s contributions to Provident Fund and Superannuation Fund are charged to Profit & Loss Account. Contribution to Gratuity Fund and provision for Leave encashment are made on the basis of actual liability and charged to Profit & Loss Account.

OTHER INVESTMENTS

ANNEXURE

Accounting Year 2009–10

Name of the Bodies Corporate	31st March, 2010		31st March, 2009	
	No. of Shares	Book Value (Rs.)	No. of Shares	Book Value (Rs.)
OTHER INVESTMENTS:				
(FULLY PAID-UP)				
INDIVIDUAL :				
Param Shubham Vanijya Ltd.	1050 Equity	30000	1050 Equity	30000
Bengal & Assam Company Ltd.	21571 Equity	2570308	21571 Equity	2570308
Nav Bharat Vanijya Ltd.	300 Equity	40313	300 Equity	40313
Nav Bharat Vanijya Ltd.	* 3750 6% Bonds	–	3750 6% Bonds	–
Impex (India) Ltd.	3000 Ordy.	15000	3000 Ordy.	15000
Juggilal Kamalapat Udyog Ltd.	639 Equity	175000	639 Equity	175000
J.K. Lakshmi Cement Ltd. (Formerly J.K. Corp Ltd.)	** 411410 Equity	16867876	205705 Equity	16867876
Hoyle's Paints Ltd.	5000 Equity	50000	5000 Equity	50000
Hoyle's Paints Ltd.	100 Pref.	10000	100 Pref.	10000
Hifazat Chemicals Ltd. (Formerly JKBM Ltd.)	36000 Equity	441514	36000 Equity	441514
J.K.Steel Employees Consumers Co-operative Stores Society Ltd.	14 Equity	3500	14 Equity	3500
Sarnath Co-operative Housing Society Ltd.	10 Ordy.	500	10 Ordy.	500
J.K. Investors (Bombay) Ltd.	360 Equity	30000	360 Equity	30000
Accurate Finman Services Ltd.	2532 Equity	–	2532 Equity	–
	Total :	<u>20234011</u>		<u>20234011</u>
BANKS :				
Habib Bank Ltd.	# 350 Ordy.	946	350 Ordy.	946
Barclays plc	144 Ordy.Stock	723	144 Ordy.Stock	723
State Bank of Mysore	20 Ordy.	2180	20 Ordy.	2180
Bharat Nidhi Ltd.	50 Ordy.	175	50 Ordy.	175
	Total :	<u>4024</u>		<u>4024</u>
CEMENT :				
J. K. Cement (Western) Ltd. (Formerly – Navodaya Sidhi Cement Ltd.)	20 Equity	200	20 Equity	200
	Total :	<u>200</u>		<u>200</u>
CHEMICAL :				
Anil Bioplus Ltd. (Formerly Anil Biochem Ltd.)	1 Equity	–	1 Equity	–
	Total :	<u>–</u>		<u>–</u>
COTTON :				
The Phoenix Mills Ltd.	903 Ordy.	126	903 Ordy.	126
The Khatau Makanjee Spg.& Wvg.Co.Ltd	10 Equity	1300	10 Equity	1300
Simplex Realty Ltd. (Formerly – The Simplex Mills Co. Ltd.)	5 Ordy.	260	5 Ordy.	260

* First redemption of Bonds of Rs. 3/- each, received during the the year @ Rs.1.50 per Bond

** Equity shares of Rs. 10/- each, sub-divided into -2- equity shares of Rs. 5/- each.

Includes 150 Bonus Shares, the Scrips whereof not received till 31.3.2010, but allotment letter in respect thereof is in our possession.



Name of the Bodies Corporate	31st March, 2010		31st March, 2009	
	No. of Shares	Book Value (Rs.)	No. of Shares	Book Value (Rs.)
Simplex Mills Co. Ltd. (Formerly – Gaalaxy Garments Ltd.)	2 Equity	–	2 Equity	–
Simplex Papers Ltd. (Formerly – Simplex Paper & Pulp Ltd.)	2 Equity	–	2 Equity	–
Beard Sell Ltd.	30 Equity	435	30 Equity	435
SIL Investments Ltd. (Formerly – Suttlej Industries Ltd.)	235 Equity	12560	235 Equity	12560
Kesoram Textile Mills Ltd.	337 Equity	–	337 Equity	–
Chaitra Realty Ltd.	@ 2 Equity	10000	–	–
	Total :	24681		14681
ELECTRIC :				
The Karachi Electric Supply Corpn.Ltd.	5 Ordy.	1278	5 Ordy.	1278
	Total :	1278		1278
ENGINEERING :				
Jessop & Company Ltd.	100 Ordy.	662	100 Ordy.	662
Mahindra & Mahindra Ltd.	* 1032 Ordy.	–	516 Ordy.	–
Tata Steel Ltd. (Formerly – Tata Iron & Steel Co. Ltd.)	454 Equity	–	454 Equity	–
	Total :	662		662
INSURANCE :				
Royal & Sun Alliance Insurance Group Plc	48 Shares	908	48 Shares	908
	Total :	908		908
JUTE :				
The Naihati Jute Mills Co.Ltd.	10 Ordy.	70	10 Ordy.	70
Kamarhatty Co.Ltd.	90 Equity	600	90 Equity	600
Howrah Mills Co.Ltd.	125 Ordy.	531	125 Ordy.	531
Fort Gloster Industries Ltd.	10 Ordy.	400	10 Ordy.	400
Gloster Jute Mills Ltd.	4 Ordy.	–	4 Ordy.	–
Auckland International Ltd.	198 Equity	213	198 Equity	213
Reliance Jute Mills (International) Ltd.	338 Equity	–	338 Equity	–
	Total :	1814		1814
MINING :				
Aviva Plc	48 Ordy.	280	48 Ordy.	280
London & Associated Properties Plc	120 Ordy.	220	120 Ordy.	220
	Total :	500		500
MISC. :				
Hindalco Industries Ltd.	** –	–	157 6% Pref. Sh.	17850
Unilever Plc	771 Ordy.Sh.	476	771 Ordy.Sh.	476
Diageo Plc	295 Ordy.Sh.	–	295 Ordy.Sh.	–
	Total :	476		18326

@ Shares purchased during the year

* Equity shares of the face value of Rs. 10/- each has been sub-divided in-2-equity shares of Rs. 5/- each.

** Pursuant to the Scheme of arrangement, Indian Aluminium Co. Ltd. (INDAL) merged with Hindalco Industries Ltd. (HIL) and HIL issued 6% Redeemable Pref. Shares of Rs. 2/- each in the ratio of 1 : 1 to the shareholders of INDAL. Subsequently, the Preference Shares of HIL redeemed during the year.

Name of the Bodies Corporate	31st March, 2010		31st March, 2009	
	No. of Shares	Book Value (Rs.)	No. of Shares	Book Value (Rs.)
PAPER :				
Titagarh Steels Ltd. (Formerly Titagarh Industries Ltd)	3 Equity	178	3 Equity	178
Speciality Papers Ltd.	50 Equity	200	50 Equity	200
The Mysore Paper Mills Ltd.	80 Ordy.	985	80 Ordy.	985
	Total :	<u>1363</u>		<u>1363</u>
INVESTMENT :				
R.V. Investment and Dealers Ltd.	22 Equity	–	22 Equity	–
	Total :	<u>–</u>		<u>–</u>
SUGAR :				
Balrampur Commercial Enterprises Ltd.	41 Ordy.	400	41 Ordy.	400
New India Retailing & Investment Ltd. (Formerly New India Sugar Mills Ltd.)	525 Ordy.	22575	525 Ordy.	22575
	Total :	<u>22975</u>		<u>22975</u>
NAVIGATION :				
The Scindia Steam Navigation Co.Ltd.	120 Ordy.	1740	120 Ordy.	1740
	Total:	<u>1740</u>		<u>1740</u>
TEA :				
Balanoor Plantations & Industries Ltd.	@ 45 Equity	900		–
	Total :	<u>900</u>		<u>–</u>
	GRAND TOTAL	<u>20295532</u>		<u>20302482</u>

@ Shares purchased during the year

J. K. SYNTHETICS LIMITED

Regd. Office : Kamla Tower, Kanpur - 208 001

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

DP. Id*	
---------	--

Folio No.	
-----------	--

Client Id*	
------------	--

NAME AND ADDRESS OF THE SHAREHOLDER

.....

Number of Shares held :

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company to be held on Saturday, the 18th September, 2010 at 12.00 Noon in the Sir Padampat Singhania Auditorium of the Merchants' Chamber of Uttar Pradesh, 14/76, Civil Lines, Kanpur.

* Applicable for Investors holding Shares in electronic form.

** Strike out whichever is not applicable.

SIGNATURE OF THE SHAREHOLDER OR PROXY**

..... CUT HERE

J. K. SYNTHETICS LIMITED

Regd. Office : Kamla Tower, Kanpur - 208 001

PROXY FORM

DP. Id*	
---------	--

Folio No.	
-----------	--

Client Id*	
------------	--

I/We

being a Member/Members of J. K. Synthetics Limited hereby appoint

..... of

(or failing him) of

(or failing him) of

as my/our Proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Saturday, the 18 September, 2010 at 12.00 Noon and at any adjournment thereof.

Signed this.....day of.....2010

Signature.....

Affix Revenue Stamp

* Applicable for Investors holding Shares in electronic form.

Note : The Proxy Form must be deposited at the Registered Office of the Company at Kamla Tower, Kanpur-208001 not less than 48 hours before the time for holding the meeting. The Proxy need not be a member of the Company.

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