


FOR JHUNJHUNU INVESTMENTS LTD.


(DIRECTOR)

JHUNJHUNU INVESTMENTS LTD.

ANNUAL REPORT

1999-2000

DIRECTORS' REPORT

Your Directors have pleasure in presenting their Twenty fourth Annual Report on the business of the Company together with the Audited Statements of Accounts for the fifteen months' period ended 31st March, 2000.

FINANCIAL RESULTS

	Period ended 31.03.2000 (15 Months)	Period ended 31.12.1998 (9 Months)
INCOME	1,01,250	--
Profit/(Loss) before Tax	4,908	(64,36,313)
Less: Provision for Taxation	515	--
Profit/(Loss) after Taxation	4,393	(64,36,313)

DIVIDEND

Due to accumulated loss, your Directors have not recommended any dividend.

YEAR UNDER REVIEW

For the year under review, the Company earned an income of Rs. 1,01,250/- out of media software business. The Company recorded a pre-tax profit of Rs.4,908/-, which is adjusted against the losses of the previous years.

FUTURE PROSPECTS

The Company proposes to enter into development and marketing of software and other high-tech media business in a big way.

FIXED DEPOSITS

During the period, the Company had not accepted or renewed any fixed deposit.


LISTING:

The Equity Capital of your Company is listed on the Stock Exchange, Mumbai. The Company has paid listing fees upto the period 2000-2001.

CONSERVATION OF ENERGY, ETC.

Since your Company was not engaged in any manufacturing activity during the period under review, information as required under the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Information in the Report of the Board of Directors) Rules, 1988 is not given. During the period, there was no foreign exchange earning or outgo.

FOR FOUNDING DIRECTOR/CHIEF EXECUTIVE OFFICER


(DIRECTOR)

DIRECTORS

The Board of Directors in its meeting held on 05.06.2000 had appointed Mr. U.C. Shukla and Mr. Anand Raj Jain as Additional Directors. The Board in its meeting held on 31.07.2000 had appointed Mr. R. Kamaraj as Additional Director. Mr. U.C. Shukla is a Company Secretary, Mr. Anand Raj Jain is a Chartered Accountant and Mr. R. Kamaraj is Engineer by profession.

Pursuant to the provisions of Section 260 of the Companies Act,1956 they would be vacating the office at the ensuing Annual General Meeting. However, the Company has received notices from its members under Section 257 of the Act, signifying their intention to propose their appointment as Director.

Mr. S.N. Harlalka and Mr. Tushar G. Agarwal resigned from the Board as Directors on 05.06.2000. Pursuant to the Act and to comply with the Articles of Association of the Company, Mr. N.S. Padmnabhan will retire by rotation at the forthcoming Annual General Meeting, but being eligible he offers himself for reappointment.

AUDITORS

Bhandari Pradeep & Co., Chartered Accountants, auditors of your Company, shall retire at the forthcoming Annual General Meeting. However, they are eligible for reappointment. Members are requested to appoint auditors and fix their remuneration.

For & on behalf of the Board


(A.R. JAIN)
DIRECTOR


(U.C. SHUKLA)
DIRECTOR

Regd. Office :
46, Mulji Jetha Building
Princess Street
MUMBAI 400 002

Place:-MUMBAI
Date: 31st July, 2000.

AUDITORS' REPORT

To the Members of **JHUNJHUNU INVESTMENTS LTD.**

We have audited the attached Balance Sheet of **JHUNJHUNU INVESTMENTS LTD.** as at March 31, 2000 together with (and) the Profit and Loss Account of the Company for the period from 1st January 1999 to 31st March 2000 annexed thereto and report that:

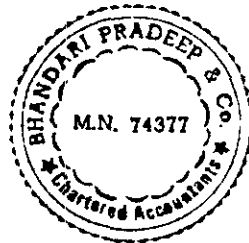
1. I As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988, issued by the Company Law Board in terms of Section 227 4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in the said Order.
2. Further to our comments referred to in the annexure referred to in paragraph 1 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 purpose of our audit.
 - (b) In our opinion , proper books of account as required by law have been kept by the Company so far as is appears from our examination of the books.
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion the Balance Sheet and Profit and Loss Account are in compliance with Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - (e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with the Notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - i. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2000.

And

- ii. In the case of the Profit and Loss Account, of the profit of the Company for the period ended on that date.

For Bhandari Pradeep & Co
Chartered Accountants

Pradeep Bhandari
(Pradeep Bhandari)
Proprietor.



FOR JHUNJHUNU INVESTMENTS LTD.

[Signature]
(DIRECTOR)

Place:- MUMBAI
Date:-31.07.2000

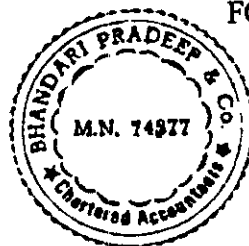
ANNEXURE TO AUDITORS' REPORT

(REFERRED TO IN PARAGRAPH I THEREOF)

1. The nature of Company's activities is such that clause (iii),(iv) ,(v), (vi), (xii),(xiv), and (xvi) of the said order are not applicable to the Company.
2. The Company is maintaining proper records to show full particulars, including quantitative details and situation of fixed assets. The assets have been physically verified by the management during the year. On the basis of explanations given to us, no material discrepancies have been noticed on verification.
3. Fixed Assets has not been revalued during the year.
4. The Company has not taken unsecured loans from the parties listed in the register maintained under Section 301 of the Companies Act,1956, The Company has not taken any loans , secured or unsecured from the Companies under the same management as defined under Section of the Companies Act, 1956 during the year.
5. The Company has not granted any loans, secured or unsecured, to the Companies, Firms or Other Parties listed in the Register maintained under Section 301 of the Companies Act, 1956 and /or to the Companies under the same Management as defined under Sub-Section (1B) of Section 370 of the Companies Act, 1956.
6. The company has not given any loans or advances in the nature of loan.
7. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with size of the company and the nature of its business with regard to the purchases of equipment's and other assets.
8. In our opinion and according to the explanations given to us, there are no transactions of purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000 or more in respect of each party . In our opinion and according to the information and explanations given to us and having regard to the explanations given that services are sold at prices which are reasonable having regard to the prevailing market prices for such goods, materials & services or the prices at which transactions for similar goods, materials or services have been made with other parties.
9. In our opinion & according to the information & explanations given to us, the Company has not accepted any Deposits from public within the meaning of the provisions of Section 58-A of the Companies Act, 1956 & the Companies (Acceptance of Deposits) Rules, 1975.

10. The Company has an adequate internal audit system commensurate with size and nature of the business of the company.
11. The Provident Fund and Employee's state Insurance are not applicable to the company.
12. According to the books and records examined by us and the information and explanations given to us, there were no undisputed amounts payable in respect of income-tax, wealth tax, sales tax, customs duty and excise duty which have remained outstanding as at March 31,2000 for a period exceeding six months from the date they became payable.
13. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices & on the basis of the explanations given to us, no personal expenses other than those covered by the service contracts/terms of appointment of the employees & the directors & those borne by the Company in accordance with the accepted business practices have been charged to the Profit & Loss account.
14. As explained to us, the Company is not Sick Industrial Company within the meaning of Section 3(1) (0) of the Sick Industrial companies (special Provision) Act, 1985.
15. The company's services activities are such that they do not involve consumption of materials and stores.
16. According to the information and explanation given to us , the company has a reasonable system of allocating man hours utilised to the relative jobs, commensurate with its size and the nature of its business.
17. There is a reasonable system of authorization at proper levels and an adequate system of internal control commensurate with the size of the Company and the nature of its services activities for the allocation of labour to jobs.

Mumbai 31st July 2000



FOR BHANDARI PRADEEP & CO.
Chartered Accountants

Pradeep Bhandari
(PRADEEP BHANDARI)
Proprietor.

**JHUNJHUNU INVESTMENTS LTD.
BALANCE SHEET AS AT 31.3.2000**

PARTICULARS	SCH	As at 31.03.2000 (Rs.)	As at 31.12.1998 (Rs.)
I. SOURCES OF FUND			
SHAREHOLDERS' FUNDS			
Share Capital	1	7000000	7000000
LOAN FUNDS			
Unsecured Loan	2	20000	5000
TOTAL		7020000	7005000
II. APPLICATION OF FUND			
FIXED ASSETS(GROSS BLOCK)	3	30500	---
Less Depreciation		277	
Net Block		30223	---
INVESTMENT		---	---
CURRENT ASSETS, LOANS & ADVANCES			
Sundry Debtors	4	97000	---
Cash & Bank Balance	5	116444	520232
Loan & Advances	6	431301	127503
		644745	647735
Less - Current Liabilities & Provisions	7	5715	700
NET CURRENT ASSETS		639030	647035
MISCELLANEOUS EXPENDITURE (To the extent not written off)	8	5650	8475
PROFIT & LOSS ACCOUNT		6345097	6349490
TOTAL		7020000	7005000
Significant Accounting policies & Notes on Accounts	11		

As per our report of even date
For Bhandari Pradeep & Co.
Chartered Accountants

Pradeep Bhandari
(Pradeep Bhandari)
Proprietor.



For & on behalf of the Board
JHUNJHUNU INVESTMENTS LTD.

Anand Raj Jain
(Anand Raj Jain)
Director.

Upendra Shukla
(Upendra Shukla)
Director.

Place:- Mumbai
Date :-31.07.2000

FOR JHUNJHUNU INVESTMENTS LTD.

Upendra Shukla

JHUNJHUNU INVESTMENTS LTD.

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31.03.2000

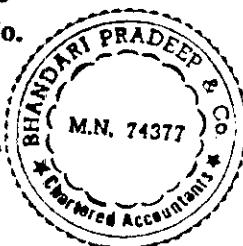
PARTICULARS	SCH	For the period 31.03.2000 (Rs.)	For the period 31.12.1998 (Rs.)
<u>INCOME</u>			
Income from I. T. Activities		101250	—
Total Income		101250	—
<u>EXPENDITURE</u>			
Loss on Sales of Investments		—	6392301
Personnel Expenses	9	38335	—
Operating & other expenses	10	57730	44012
Depreciation		277	—
Total Expenses		96342	6436313
Profit (Loss) Before Taxation		4908	-6436313
Provision for taxation		515	—
Profit (Loss) after Taxation		4393	-6436313
Balance b/f from previous year		-6349490	86823
Balance Transferred to Balance Sheet		-6345097	-6349490

**Significant Accounting policies
& Notes on Accounts**

11

As per our report of even date
For Bhandari Pradeep & Co.
Chartered Accountants

Pradeep Bhandari
(Pradeep Bhandari)
Proprietor.



For & on behalf of the Board
JHUNJHUNU INVESTMENTS LTD.

Anand Raj Jain
(Anand Raj Jain)
Director.

Upendra Shukla
(Upendra Shukla)
Director.

Place:- Mumbai
Date :-31.07.2000

FOR JHUNJHUNU INVESTMENTS LTD.

Upendra Shukla
(DIRECTOR)

JHUNJHUNU INVESTMENTS LTD.**SCHEDULE FORMING PART OF THE BALANCE SHEET AS ON 31.3.2000.**

SCHEDULE-4	For the period 31.03.2000 (RS.)	For the period 31.12.98 (RS.)
SUNDRY DEBTORS		
Unsecured and considered good Outstanding for more than six months	NIL	NIL
Others	<u>97000</u> <u>97000</u>	<u>NIL</u> <u>---</u>
SCHEDULE-5		
CASH & BANK BALANCE		
Cash on Hand	113616	2213
Current A/c. with Schedule Bank	<u>2828</u> <u>116444</u>	<u>518019</u> <u>520232</u>
SCHEDULE-6		
LOAN & ADVANCES		
(Recoverable in Cash or Kind or for value to be received)	400000	NIL
Loans & Deposits	NIL	96202
Income Tax payments (T.D.S)	<u>31301</u> <u>431301</u>	<u>31301</u> <u>127503</u>
SCHEDULE-7		
CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors for Expenses	4500	NIL
PROVISIONS		
Provision for taxation	<u>1215</u> <u>5715</u>	<u>700</u> <u>700</u>
SCHEDULE- 8		
MISCELLANOUS EXPENDITURE		
(To the extent not written off or adjusted)	8475	11300
Less:- 1/10 of Misc. Exps. W/off	<u>2825</u> <u>5650</u>	<u>2825</u> <u>8475</u>

JHUNJHUNU INVESTMENTS LTD.

SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE PERIOD 31.3.2000

SCHEDULE-9	For the period 31.03.2000 (RS.)	For the period 31.12.98 (RS.)
PERSONNEL EXPENSES		
Salaries	32750	NIL
Welfare Expenses	5585	NIL
	<u>38335</u>	<u>NIL</u>

SCHEDULE-10	For the period 31.03.2000 (RS.)	For the period 31.12.98 (RS.)
OPERATING & OTHER EXPENSES		
Conveyance	5250	NIL
Advertisement Expenses	4275	7068
Listing Fees	20500	20500
Professional fee	14000	8250
Bank charges	140	149
Mis. Expenses	6240	720
Audit fee	4500	4500
Preliminary Exp. W/o	2825	2825
	<u>57730</u>	<u>44012</u>

SCHEDULE-11

Significant accounting policies and notes on accounts for the period ended 31.3.2000

1. Significant Accounting Policies:-
 - a. Revenue Recognition :-
Sale of services are recognised when the services are rendered.
 - b. Fixed Assets:-
Fixed Asset is stated at cost less depreciation.
 - c. Depreciation on fixed assets:-
Depreciation is provided on the straight line method at the rates and in the manner prescribed in Scheduled XIV to the Companies Act. Depreciation on addition had been provided on pro-rata basis from the date of put to use .
 - d. Miscellaneous Expenditure:-
Preliminary Exp. are amortised in equal installments over a period of ten years.
 - e. Retirement Benefits:-
Provision for retirement benefits is not made and accounted on payment basis.
2. The Company is engaged in the development of computer software. The production and sale of such software cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and the information as required under Paragraphs 3 and 4C of part II of schedule VI of the companies Act, 1956.

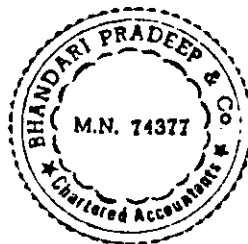
3. Remuneration to the auditors :

	<u>For the period ended 31.03.2000</u>	<u>For the period ended 31.12.1998</u>
Audit fees	4500.00	4500.00
Others	NIL	NIL

4. Remuneration to the Directors: NIL NIL
5. Previous year figures, wherever necessary, have been regrouped, recast, rearranged to conform with those of the current year.
6. Current accounting year consists of 15 month whereas previous accounting year was of 9 months. Therefore, figures are not comparable.
7. Contingent liabilities not provided for :- NIL NIL

As per our report of even date
For Bhandari Pradeep & Co.
Chartered Accountants

Pradeep Bhandari
(Pradeep Bhandari)
Proprietor.



For & on behalf of the Board
JHUNJHUNU INVESTMENTS LTD.

Anand Raj Jain
(Anand Raj Jain)
Director.

Upendra Shukla
(Upendra Shukla)
Director.

Place:- Mumbai
Date :-31.07.2000

FOR JHUNJHUNU INVESTMENTS LTD.

Upendra Shukla
(DIRECTOR)

JHUNJHUNU INVESTMENTS LTD.**CASH FLOW FOR THE PERIOD ENDED 31ST MARCH, 2000**

	Period ended 31.3.2000	Period ended 31.12.1998
A. <u>Cash Flow From Operating Activities</u>		
Net Profit after Tax as per P & L Account	4393	-6436313
Adjusted for		
Depreciation	277	
Miscellaneous Expenses written off	2825	2825
Loss on sale of Investment	0	6392301
 Operating profit before working capital		
Change Adjusted for	7495	-41187
 Trade & other receivable	-400798	
Work in Progress		
Inventories		
Trade Payable	5015	-8950
 Cash Generated from operation	-395783	-8950
 Net Cash from operating activities	-388288	-50137
 B. <u>Fund Flow from Investing activities</u>		
Purchase of Fixed Assets	-30500	
Proceeds from sales of Shares		907352
 Net cash used in investing activities	-30500	907352
 C. <u>Funds from financing activities</u>		
Proceeds from issue of share capital	0	0
Net Proceeds from borrowing	15000	-370000
 Net cash used in financing activities	15000	-370000
 Net increasing cash & cash equivalents(A+B+C)	-403788	487215
 Opening Balance of cash & cash equivalents	520232	33017
Closing Balance of cash & cash equivalents	116444	520232
Net increase/(Decrease) as disclose above	-403788	487215

For & on behalf of the Board

JHUNJHUNU INVESTMENTS LTD.

(Anand Raj Jain)

Director.



(Upendra Shukla)

Director.

Place:- Mumbai

Date :-31.07.2000

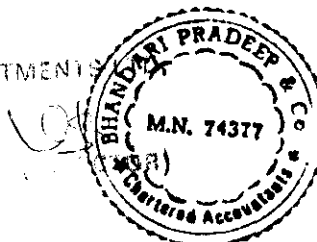
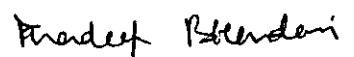
AUDITORS' CERTIFICATE

The Board of Directors,

We have examined the above cash flow statement of Jhunjhunu Investments Ltd. for the period ended 31.03.2000

The statement has been prepared by the company in accordance with the requirements of Listing agreement with the Stock Exchange Mumbai and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by report of even date to the members of the company.

FOR JHUNJHUNU INVESTMENTS

For Bhandari Pradeep & Co.
Chartered Accountants
(Pradeep Bhandari)
Proprietor.

Place:- Mumbai

Date :-31.07.2000

JHUNJHUNU INVESTMENTS LTD.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No.	:	18902
State Code	:	11
Balance Sheet Date	:	31st March,2000

II. CAPITAL RAISED DURING THE YEAR

(Rs. in Thousands)

Public Issue	:	NIL
Rights Issue	:	NIL
Bonus Issue	:	NIL
Private Placement	:	NIL

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

(Rs. in Thousands)

Total Liabilities	:	7020.00
Total Assets	:	7020.00
Sources of Funds		
Paid Up Capital	:	7000.00
Share Application Money	:	NIL
Reserves & Surplus	:	NIL
Secured Loan	:	NIL
Unsecured Loan	:	20.00
Application of Funds		
Net Fixed Assets	:	30.22
Capital Work-in-Progress including	:	---
Pre-operative Expenses pending allocation	:	---
Investments	:	NIL
Net Current Assets	:	639.03
Misc. Expenditure	:	5.65
Accumulated Losses	:	6345.10

IV. PERFORMANCE OF COMPANY

(Rs. in Thousands)

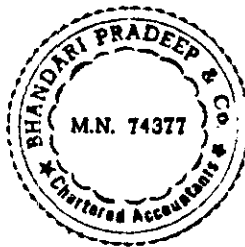
Turnover / Income	:	101.25
Total Expenditure	:	96.34
Profit before Tax	:	4.91
Profit after Tax	:	4.39
Earnings per Share in Rs.	:	0.01
Dividend	:	NIL

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF Company

Item Code No. (ITC Code)	:	N. A.
Product Description	:	Software Services

As per our report of even date
For Bhandari Pradeep & Co.
Chartered Accountants

Pradeep Bhandari
(Pradeep Bhandari)
Proprietor.



For & on behalf of the Board
JHUNJHUNU INVESTMENTS LTD.

Anand Raj Jain
(Anand Raj Jain)
Director.

Upendra Shukla
(Upendra Shukla)
Director.

Place:- Mumbai
Date :-31.07.2000