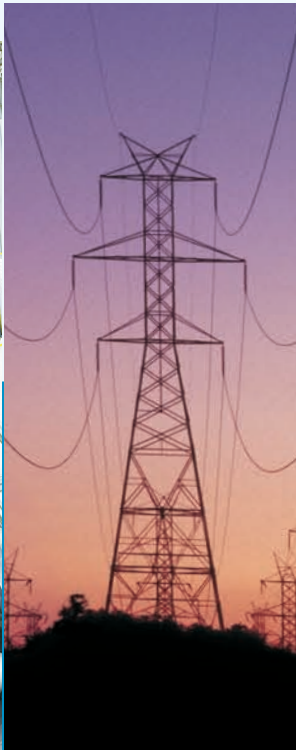
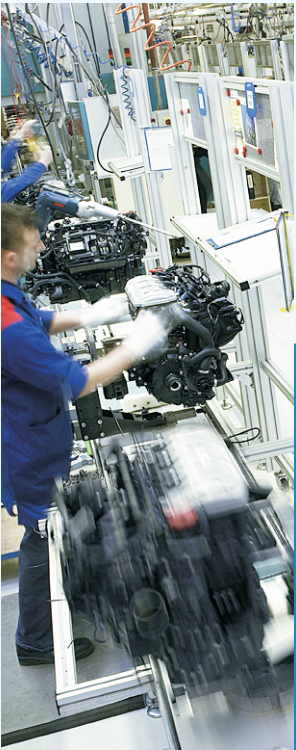


Looking  
BEYOND



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# Looking BEYOND

The global economic meltdown has brought in its wake many limits.

Companies and even countries have gone into slowdown modes both in terms of investments and growth.

The \$490 billion needed to bring India's infrastructure, like roads, ports and airports on par with the best in the world need to come from enterprises that believe in the future.

For, these bits and pieces together hold the key to India realizing its promise to the world.

It will be the collective highway on which the newly emerging youth population of India will drive to its dreams and aspirations.

The business of India's development has just got bigger.

At Jai Corp this fits closely into our overall strategy.


Which is why we are building alternate centers of urbanization.

Where Indian industrial might can grow unfettered by the bottlenecks of congestion and inefficiency.

The new Special Economic Zones will support business from all over the world looking for a stable and competitive manufacturing base.

We know that those who keep their eyes fixed on the far horizon will find the right road.





We have a vision of unfettered growth, of increasing employment, of creating wealth for the nation, of taking India to the world and of bringing the world to India.

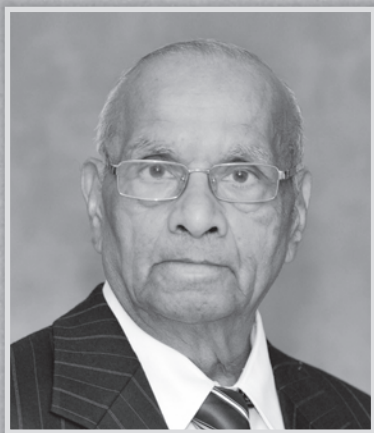
We have a vision that is inclusive in its very inception; one that institutes empowerment as its essential tool and garners growth as a consequence.

We believe that national growth is the business of every Indian citizen and corporation.

The dividends of this growth are not quantifiable but they make an enormous impact on all our lives.

We, at Jai Corp, will continue to sail with our eyes set firmly on the horizon unshaken by the temporary rough seas.

# Looking BEYOND



**“The cornerstone of your  
Company's growth has been  
our focus on creating  
infrastructure which, we  
believe, is the key to national  
development”**

**Dear Shareowners,**

I place on record my gratitude to you for all the support and trust you have placed in Jai Corp. I believe, together, we have witnessed one of the worst crises in the global economy. I am happy to state that as an institution Jai Corp has been able to weather one of the worst down turns in the global economy.

As you know, the cornerstone of your Company's growth has been our focus on creating infrastructure which, we believe, is the key to national development and corporate growth. This development is further highlighted in an effort to integrate our rural economy, leading to inclusive growth. We believe that investments in rural India will eventually empower the rural poor which shall help turning the rural economy into a rapidly growing agro-industrial economy. The new agglomerates in the form of Special Economic Zones that we are involved in are the platform for this transformation.

# MESSAGE FROM THE CHAIRMAN EMERITUS

The Special Economic Zone model of development is geared to extending this capacity to the areas outside existing urban centres. All over the world there are thousands of Special Economic Zones which account for a huge share of global exports besides providing millions of jobs. We have also vested our faith in Special Economic Zones because we believe that India's long-term success depends on bringing a global scale to our manufacturing sector. We see industries such as light and heavy engineering that are oriented towards exports as among the biggest beneficiaries of the facilities available in the Special Economic Zones. Zones like Pudong in Shanghai have shown, that Special Economic Zones can be a significant driver for a country's growth. At the same time we believe that these Special Economic Zones will attract global corporations looking for alternate production facilities outside their home countries. The Special Economic Zones in India are expected to offer enormous benefits to such companies.

The absence of adequate infrastructure is already costing this country very heavily. Estimates suggest that India requires a minimum USD 500 billion to create infrastructure needed to support its current growth. Given that between 1999 and 2005 total private investment in infrastructure projects was USD 51 billion, Jai Corp is visualizing tremendous growth opportunity in creating the much needed infrastructure in India. The creation of this infrastructure ranges from real estate to urban integrated infrastructure that shall help foster

the development across all sectors and put India on an accelerated growth path.

Our diversified portfolio of businesses along with our leadership provides as the comfort to continue to lead towards our vision of creating long-term value in all our future projects. While the global economy is still in recession, India remains firm on its growth track to deliver a GDP of nearly 6% making it the 2<sup>nd</sup> fastest growing economy in the world. We at Jai Corp believe we are well positioned to participate in this massive opportunity to re-create a new India that shall foster enterprise like never before.

I thank all our customers, suppliers, bankers and employees who have reinforced their continued faith and trust in this organisation. I continue to count on their support to take your Company to greater heights.

I thank our Board of Directors for their invaluable insights, constant support and guidance at every stage as we have sought to give shape to our vision. I would also like to thank all our shareowners who have stood by us through all times – good and bad. This Company is committed to realizing its vision and I am confident that together we shall grow and prosper.

With best wishes,

Sincerely,

**J. K. Jain**  
*Chairman Emeritus*  
30<sup>th</sup> July, 2009



“Your Company stands committed to participating in creating world-scale and word-class integrated urban infrastrucutre”

**Dear Shareowners,**

I have great pleasure in sharing with you the performance of Jai Corp and the business initiatives that the Company has taken over the last year.

The financial year 2008-09 witnessed economic volatility of unprecedented proportions, marked by wild swings in commodities, real-estate and stock markets across the globe. The turmoil in the global financial system brought down several large institutions and saw the end of standalone investment banking the U.S.

I am happy to mention that due to a strong and conservative banking system and a well regulated financial system landing, the Indian economy was spared from the hard landing that we saw in the developed world. While our economy has relatively decoupled from the rest of the world, our financial markets are well integrated with the rest of the world and were not spared with the massive fall witnessed by other markets globally. The last year was a truly remarkable year. Very few corporates can survive this sort of volatility. I am happy to state that Jai Corp has been able to withstand this crisis and is better placed to manage its future with greater confidence.

However, the recovery in the financial markets has been a dramatic one. Governments across the globe have come together to fight one of the worst ever recessions the world has faced in this century. Fiscal stimuli extended by governments have provided the much needed life line to several economies including the Indian economy. The global economy in general and the Indian economy in particular have begun to look up. The financial markets have reacted

## MESSAGE FROM THE CHAIRMAN

positively to these developments and have once again provided an opportunity for raising the much required capital to ignite growth. India has for the first time in many years witnessed a negative rate of inflation. The RBI has acted in time to lower interest rates to levels at which the economy can once again move towards rapid growth.

At Jai Corp, we continue to focus on improving the performance of our existing businesses. Our decision to invest in the sunrise sector of integrated urban infrastructure has been further vindicated with the new government and the President of the country emphasising social engineering and infrastructure development to be the growth drivers of our economy.

Through our stakes in Navi Mumbai SEZ (NMSEZ), Mumbai SEZ (MSEZ) and Rewas Port SEZ, Jai Corp has fortified its belief in participating in one of the best growth accelerators - creating of infrastructure in India.

Your Company stands committed to participating in creating world-scale and world-class integrated urban infrastructure that will accelerate the pace of India's economic development. Our country's SEZs will endeavor to touch every facet of the Indian economy, and make a lasting impact on the lives of millions of Indians.

The creation of urban integrated infrastructure will act as a catalyst in transforming businesses in India : helping accelerate the growth of Indian businesses by providing them with an environment that will enhance their global competitiveness. The SEZs, , will encompass all other ancillary services such as power, water, IT, telecom, EPC and other infrastructure resources necessary to facilitate an efficient conduct of commerce. The SEZs will attract companies operating with high Intellectual Property Rights (IPR) and provide businesses a more conducive environment.

In our venture capital business, the funds that we manage and advise have a collective corpus of about Rs. 5,500 crore. Our first fund that we manage has addressed the needs of Indians

who wish to invest in the real estate sector in India. The second fund that we advise is addressing the needs of international investors who wish to invest in the real estate sector in India. These funds have attracted some of the best domestic and international investors to participate in the growth and development of the real estate sector in India. I am confident that our team has the ability to create value for our investors on a sustained basis.

Our existing businesses of spinning, plastic processing and steel continue to provide us a stable operating platform. Further, we are in the process of consolidating our land holdings in our real estate business which we believe will help us in creating sustainable value over an extended period of time.

Apart from these existing businesses we are very excited about our new initiatives in the infrastructure business where we are invested, which shall be the driver of our future value creation. This, we believe, will ensure that Jai Corp will continue to deliver long-term value for all its stakeholders.

I acknowledge the invaluable contribution of all our customers, suppliers, bankers and employees who have demonstrated their unstinted commitment, which is instrumental to our growth and vision.

I thank our Board of Directors for their continuous guidance in shaping our vision and I am grateful to all our shareowners for reposing their faith in our team to execute this vision.

I am confident that our strategic initiatives will ensure robust long-term shareowner value and will go a long way in achieving India's pre-eminence in the global economy. It is our dream of taking India to the world and bringing the world to India.

With best wishes,

Sincerely,

**Anand Jain**

*Chairman*

*30<sup>th</sup> July, 2009*



## ABOUT US

Jai Corp Limited, established in 1985, under the leadership of the Company's Chairman Shri Anand Jain, is fast emerging as a leading urban integrated infrastructure company.

Traditionally, a manufacturing enterprise, the Company produces flexible intermediate bulk containers (FIBC Jumbo bags), woven sacks and fabrics, manmade fibre yarns, and steel coils and sheets. Company is also manufacturing "Master Batch".

In 2006, Shri Jain's vision saw Jai Corp expanding its horizons. Jai Corp is metamorphosing from a manufacturing enterprise to a corporation driven by new growth engine such as asset management and urban infrastructure development

Jai Corp is looking at playing a catalyst role of being one of the key builders of modern India, by creating integrated urban infrastructure. Thus, contributing to the India growth story.

The Company is in the process of building globally relevant centres of excellence in manufacturing and services sector.

Jai Corp is also a leading real estate organisation with a significant funding and development port folio.

The Company is also advisor and manager to some of India's largest real estate funds.

With its registered office in Nanded Maharashtra, the Company has a corporate office is in India's financial capital, Mumbai.

The Company has a shareholder family of over 81,000. The Company's shares are listed on the Bombay Stock Exchange and the National Stock Exchange.

## LOCATIONS

Woven sacks manufacturing division: Khadoli, Athal (Silvassa) and Daman

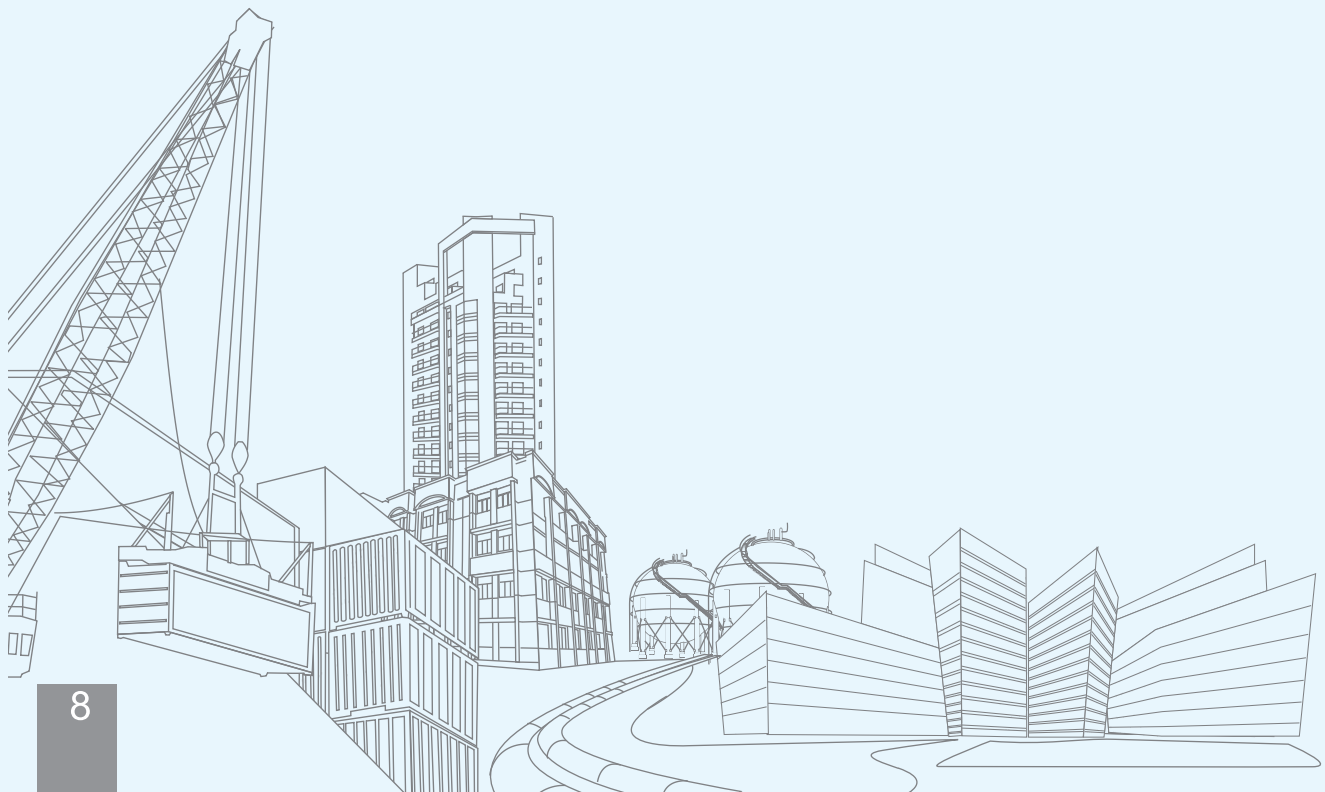
Spinning division: Vasona, Masat (Silvassa) and Sarigam (Gujarat)

Steel Division: Nanded (Maharashtra)

SEZs: Mumbai and Navi Mumbai

Port SEZ: Rewas (Maharashtra)

Asset management Business and Venture Capital Fund offices: Mumbai



## COMPANY INFORMATION

### BOARD OF DIRECTORS

**Jai Kumar Jain**  
*Chairman Emeritus*

**Anand Jain**  
*Chairman*

**Virendra Jain**  
*Vice Chairman*

**Gaurav Jain**  
*Managing Director*

**V. S Pandit**  
*Director – Works*

**K. M. Doongaji**

**S. H Junnarkar**

**D. K Contractor**

**Dr. P. P. Shah**

**S. N. Chaturvedi**

### Vice President-Commercial & Chief Financial Officer

Ashok Tak

### Company Secretary & Compliance Officer

Ananjan Datta

### Board Committees

#### Audit Committee

K. M. Doongaji (*Chairman*)

Virendra Jain

S. N. Chaturvedi

D. K. Contractor

### Shareholders/Investors

#### Grievance Committee

K. M. Doongaji (*Chairman*)

Virendra Jain

S. N. Chaturvedi

Gaurav Jain

### Share Transfer Committee

Jai Kumar Jain (*Chairman*)

Virendra Jain

Gaurav Jain

### Bankers

Axis Bank

Bank of Baroda

Canara Bank

Development Credit Bank Limited

HDFC Bank Limited

South Indian Bank Limited

Union Bank of India

### Registered Office

A-3, M.I.D.C. Indl. Area,  
Nanded- 431 603,  
Maharashtra.

Website : [www.jaicorpindia.com](http://www.jaicorpindia.com)

### Corporate Office:

807, Embassy Centre,  
Nariman Point,  
Mumbai 400021

Maharashtra, India

Tel : +91-22-22817051-52

Fax : +91-22-22875197

### Manufacturing Facilities

#### i) Plastic Processing Division :

- 140/1/1/1 to 140/1/1/9,  
Village Khadoli, Silvassa (D & NH)
- 168/182-191, Dabhel Ind. Co-op.  
Soc. Ltd., Dabhel, Daman  
(Daman & Diu)

#### ii) Plastic Processing & Master Batch :

Survey No.141, Dabhel Ind. Co-op.  
Soc. Ltd., Dabhel, Daman  
(Daman & Diu)

#### iii) Plastic Processing & PSF :

Survey No. 326/1, 326/2/1,  
Village Athal, Silvassa (D & NH)

#### iv) Steel Division:

A-3, M.I.D.C. Indl. Area,  
Nanded, Maharashtra.

#### v) Textile Division - Twisting :

Survey No.45-B, Govt.Ind Estate,  
Masat, Silvassa (D & NH)

#### vi) Textile Division - Deying :

Plot No.1620, GIDC Sarigam,  
Dist. Valsad, Gujarat

#### vii) Textile Division - Spinning :

Survey No.246, Khanvel Road,  
Vasona, Silvassa (D & NH)

### Registrars & Share Transfer Agents

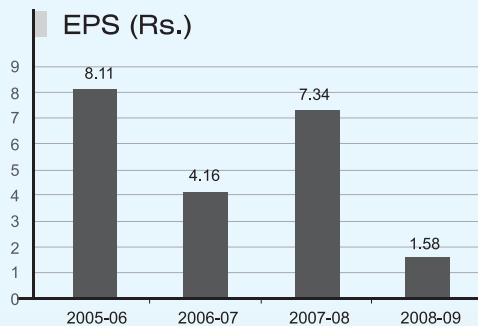
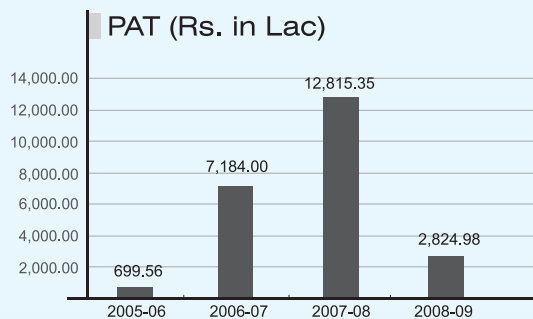
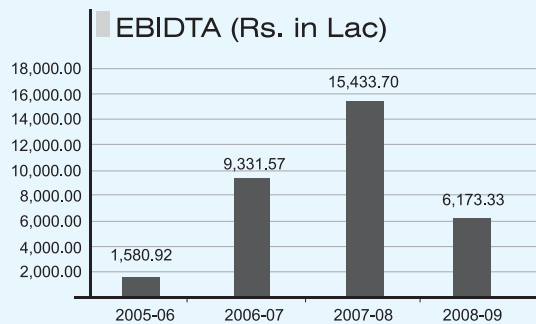
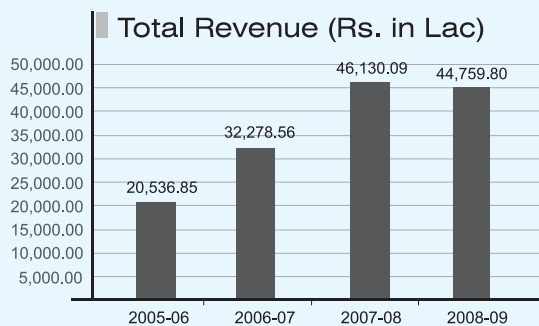
Karvy Computershare Private Limited,  
Plot no. 17-24 , Vittal Rao Nagar,  
Madhapur ,Hyderabad 500 081, India.  
Tel: +91-40-23420815-28 Ext: 187  
Fax: +91-40-23420814 / 23420857  
Email: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

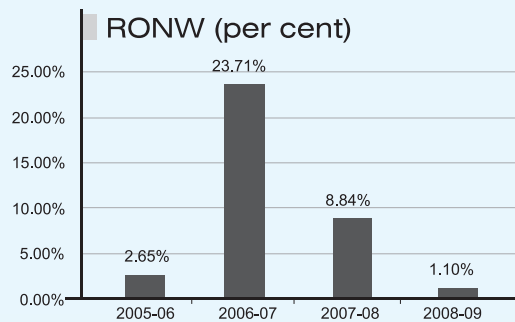
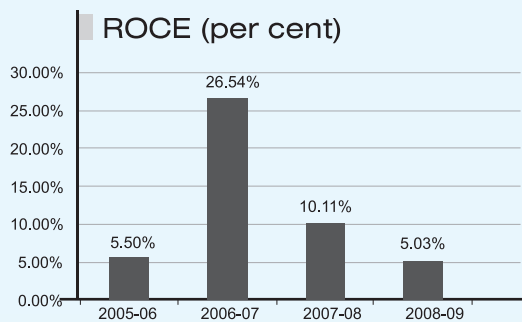
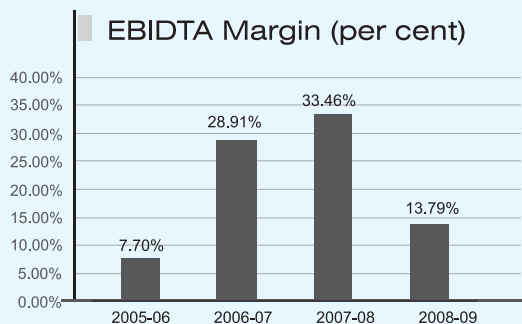
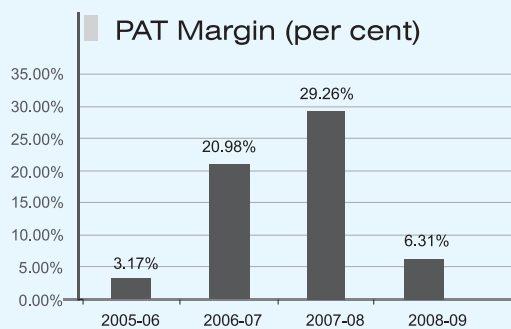
### Auditors

Chaturvedi & Shah  
Chartered Accountants

S.R. Batliboi & Co  
Chartered Accountants

# OUR PERFORMANCE THROUGH NUMBERS







**Management**

# Discussion and Analysis



## Forward-looking Statements

*This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised.*

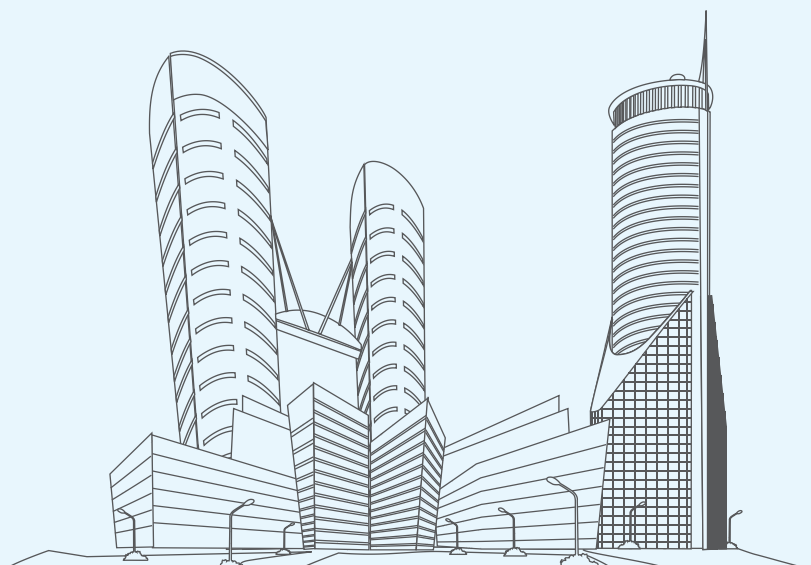
*The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.*

## Overview of FY 2008-09

The financial year 2008-09 saw volatility in markets across geographies of unprecedented proportions. Wild swings in commodities, real-estate, financial and stock markets saw many businesses, across geographical boundaries, go under. India Inc too experienced these shocks. But the underlying resilience of the Indian economy saw most business enterprises sail through this difficult period. Jai Corp too, not losing its long-term growth focus, saw through this difficult period. Key financial performance indicators for financial year 2008-09 are as follows:

- The revenues from operations increased, by 20.48 %, to Rs 395.06 crore in financial year 2008-09 from Rs 327.91 crore in financial year 2007-08.
- The total EBIDTA, decreased by 60.00 %, to Rs 61.73 crore in financial year 2008-09 from Rs 154.34 crore in financial year 2007-08.
- The total PAT decreased, by 77.96 %, to Rs 28.25 crore in financial year 2008-09 from Rs 128.15 crore in financial year 2007-08.

UBAN INTEGRATED  
INFRASTRUCTURER



## BUSINESS REVIEW

### Urban Integrated Infrastructure

#### Sector overview

For bridging the infrastructure deficit and for sustaining a growth rate of 9% per annum, the Planning Commission of India, in the 11<sup>th</sup> Five Year Plan, envisages a total investment of Rs. 20,56,150 crore (USD 514 billion) in infrastructure as against Rs. 8,87,794 crore (USD 222 billion) realised in the 10<sup>th</sup> Five Year Plan. The Planning Commission's paper on infrastructure has estimated that the investment requirements during the ten year period 2007-2017, which covers the 11<sup>th</sup> and 12<sup>th</sup> Five Year Plans, at USD 1.52 trillion. Since, this ambitious target cannot be met through public resources alone, 30 % of the required investment is expected to be channelised through private sector participation. This marks an increase from the 20% share of private sector in the 10<sup>th</sup> Plan. Further, this implies a private sector investment of about Rs. 6,19,591 crore (USD 154.17 billion) for the 11<sup>th</sup> plan (2007-12) as compared to Rs. 1,75,203 crore (USD 43.8 billion) during the 10<sup>th</sup> Plan. Roads, telecom, ports, airports, storage and gas sectors are projected at higher than the average private sector contribution, ranging upwards of 30 %, with nearly 70 % in airports and telecommunications. Private sector participation in asset creation in electricity is a shade lower at 28 %.

## SPECIAL ECONOMIC ZONE-URBAN INFRASTRUCTURE

The urban sector's contribution to India's GDP has increased to 62-63 % from levels of 29 % in 1950-51. The contribution is expected to go up to 75 % of the GDP by the year 2021. The burgeoning urban population in major cities are already under severe infrastructure strain.

India was one of the first in Asia to recognize the effectiveness of the Export Processing Zone (EPZ) model in promoting exports, with Asia's first EPZ set up in Kandla in 1965. With a view to overcome the shortcomings experienced on account of the multiplicity of controls and clearances, absence of world-class infrastructure, an unstable fiscal regime and with a view to attract larger foreign investments in India, the Special Economic Zones (SEZs) Policy was announced in April 2000.

The policy looks at creating islands of economic excellence which would propel India's industrial growth.

### Outlook for SEZs in India

The value of exports made from SEZs during the last three years and the current financial year along with the percentage increase made over the previous year is as follows:

Year	Value of Physical Exports from SEZs (Rs. crore)	Growth Rate (over previous year)
2005-06	22,840	25%
2006-07	34,615	52%
2007-08	66,638	93%
2008-09	99,689	50%

In financial year 2008-09, India's total export grew by 3.5% as compared to a growth of 29.1% a year back. The slow growth of exports was primarily because of adverse impact of global slowdown on the country's exports, especially in the third and fourth quarter period of financial year 2008-09.

The SEZs in India employed about 3,49,203 people (as on June 2008), out of this, 2,14,499 jobs were created after February 2006. Similarly, total investment in SEZs till June 2008 was Rs 81,093 crore, out of which, investments amounting to Rs 77,058 crore were made after February 2006. The employment, investment and export figures indicate to the tremendous impact made by the Government's SEZ policy.

Jai Corp is a stakeholder in entities developing two Special Economic Zones in Maharashtra.

## I- NAVI MUMBAI SEZ (NMSEZ).

The State Government of Maharashtra appointed City and Industrial Development Corporation of Maharashtra (CIDCO) to coordinate the development of Navi Mumbai SEZ (NMSEZ). CIDCO is a joint venture (JV) partner in Navi Mumbai SEZ Private Limited. The total size of NMSEZ is 5,289 acres (approximately 2,140 hectares). With a convenience of existing rail, sea, road and air linkages and also the planned ones, which are expected to be developed in the near future, NMSEZ is well placed to create a world-class industrial hub in Navi Mumbai.

NMSEZ has 3 nodes: Dronagiri, Kalamboli and Ulwe.

The Dronagiri zone is located at the southern tip of Navi Mumbai. The site is located to the east of Uran town, and is bound by the Karanja Creek on the south-east and Jawaharlal Nehru Port Trust (JNPT) India's largest container port on the other side. Residential areas are located to the west and north-west of the zone, while the JNPT port area and township are located towards the north of the zone. The Multi-Product SEZ is notified for an area of 1,223.67 hectares (Ha) at Dronagiri.

The Kalamboli zone lies on the eastern tip of Navi Mumbai and adjoins the Taloja MIDC area. The Special Economic Zone is approved for an area of 310.33 hectares at Kalamboli and has approvals for Multi-Services SEZ (176.71 Ha) and IT/ITES SEZs (133.62 Ha).

The Ulwe zone is situated along the south- western waterfront of the Central Business District of Navi Mumbai and extends towards the new Nhava Sheva Docks (JNPT) to south. The SEZ is approved for an area of 73.04 Ha at Ulwe Waterfront for IT/ITES, out of which 70.18 Ha has been notified. Another SEZ with an area of 161.96 Ha has also been notified at Ulwe south of the proposed airport. This part of the node would skirt the proposed Navi Mumbai international airport.

### Performance Overview:

Government of Maharashtra has declared NMSEZ as a 'Special Planning Authority' for Dronagiri, Kalamboli and Ulwe zones. Maharashtra Pollution Control Board (MPCB) has issued necessary environmental clearance under the Environmental Impact Assessment (EIA) notification and consent to establish have also been obtained for all the notified zones.

## II- Mumbai SEZ (MSEZ)

Mumbai SEZ Limited (MSEZ) has obtained the in-principle approval of the Ministry of Commerce to develop a 5,000 Ha SEZ at Khopta, Maharashtra.

### Performance Overview:

Notification under Section 6 of the Land Acquisition Act has been published for all villages under MSEZ.

## PORTS

### Sector overview

Ports act as the gateways to India's international trade and handle approx 95% of foreign trade by volume and 70% by value. The country has 12 major ports & about 200 non-major ports along the 7,517 kms long its coast-line.

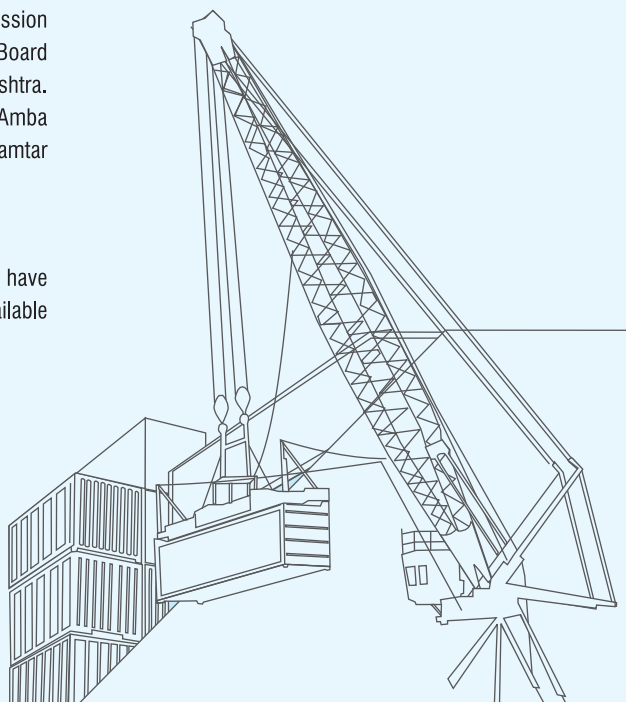
### Rewas Port

#### India's emerging shipping hub

Jai Corp is a stakeholder in the entity developing Rewas Port project in Maharashtra. Rewas Port was conceived as a multi cargo, all weather, deep water port based SEZ. The port is being developed by Rewas Ports Limited under a 'Concession Agreement' executed with the Maharashtra Maritime Board (MMB), a nodal agency of the State Government of Maharashtra. The Rewas Port Project site is located at the confluence of Amba river, Karanja creek and Patalganga river – forming the Dharamtar creek, on the west coast of Maharashtra.

#### Performance Overview:

The approvals necessary prior to commencement of work have been obtained. Work would commence after land is made available to that company.



## PORT

## POWER

### Sector overview:

India's installed power generation capacity is currently around 1,50,323 Mega Watt (MW). The capacity addition targeted during the 11<sup>th</sup> Plan is 78,700 MW. To put this in perspective, all India annual per capita consumption of electricity has risen to 704.2 Kilo Watt Hours (Kwh) in 2007-08 from 566.7 Kwh in 2002-03. Generation capacity has been steadily increasing, however, the demand supply gap has been increasing over the years because of various problems faced by the sector. The energy shortage and peak power shortage during financial year 2008-09 was about 9.5% and 13.8% respectively.

#### Performance Overview:

Jai Corp has strategised its presence in power generation, distribution and transmission through its associate companies, viz. Urban Energy Generation Private Limited (UEGPL), Urban Energy Distribution Private Limited (UEDPL) and Urban Energy Transmission Private Limited (UETPL).

**Power Generation:** UEGPL a special purpose vehicle (SPV), has

been granted the status of a 'co-developer' by the Board of Approval, Ministry of Commerce & Industries, Government of India for power generation in NMSEZ. Presently, it has planned 3 power projects to be located in Raigad District of Maharashtra:

1. 2,000 MW power plant at Dronagiri node of NMSEZ in Uran Taluka will be implemented in 3 phases. Environmental and coastal regulation zone clearances have been obtained,
2. The State Government of Maharashtra has issued support letter for 2,100 MW power plant at Vangni Tarfe Taloja in Panvel Taluka; and
3. The State Government of Maharashtra has issued support letter for 2,100 MW power plant at Kondgaon, Nagothane in Roha Taluka.

**Power Distribution:** UEDPL intends to develop power distribution infrastructure in the Dronagiri node of NMSEZ. The Board of Approval, Ministry of Commerce & Industries, Government of India has granted UEDPL the status of a 'co-developer' for NMSEZ. It has also received the approval of authorized operations from the Ministry of Commerce and Industries, Government of India for establishing a power distribution system.



**Power Transmission:** UETPL intends to develop infrastructure related to operation and maintenance of facilities for transmission of all form of energy/power in the Dronagiri node of NMSEZ. The Board of Approval, Ministry of Commerce & Industries, Government of India has granted UETPL the status of a 'co-developer' for NMSEZ. Route approval is being obtained for the transmission of the power.



POWER

## WATER SUPPLY & SEWERAGE DISPOSAL

### Sector overview

The national water policy has assigned the highest priority for drinking water supply. In successive five year plans, efforts have been made to rapidly improve water supply and sanitation systems.

86 % of the population in India has access to safe water source but only 33% has access to improved sanitation. According to Indian norms, access to safe water supply exists if at least 40 Litres Per Capita Daily (LPCD) of safe drinking water is provided to an individual.

Water conservation through demand management, recycling and reuse after treatment, desalination of brackish or sea-water are the steps to increase the availability of usable water.

### Solid Waste Management

It is estimated that about 1,15,000 Metric Ton (MT) of municipal solid waste is generated daily in the country. The collection efficiency ranges between 70 to 90 % in major metro cities, whereas in several smaller cities it is below 50 %. It has been estimated that the Urban Local Bodies spend about Rs.500 to Rs.1,500 per ton on solid waste collection, transportation, treatment and disposal.

### Performance Overview:

Jai Corp has plans to enter the water supply and sewerage disposal sector, through one of its associate companies viz. Urban Water Supply Private Limited (UWSPL) and is currently at an exploratory and viability stage.

### The objectives of UWSPL are:

- Supply water on 24 X 7 basis as per international standards.
- Develop infrastructure for water treatment storage and distribution.
- Make arrangements for sourcing sufficient quantity of water as per demand and develop necessary infrastructure required to treat and transport water for Distribution.
- Provide waste water management system with arrangement for recycling.
- Develop infrastructure for solid waste management system including waste collection, waste segregation, transportation, treatment, reuse and disposal.

The Board of Approval, Ministry of Commerce & Industries, Government of India has granted UWSPL the status of a 'co-developer' for NMSEZ.



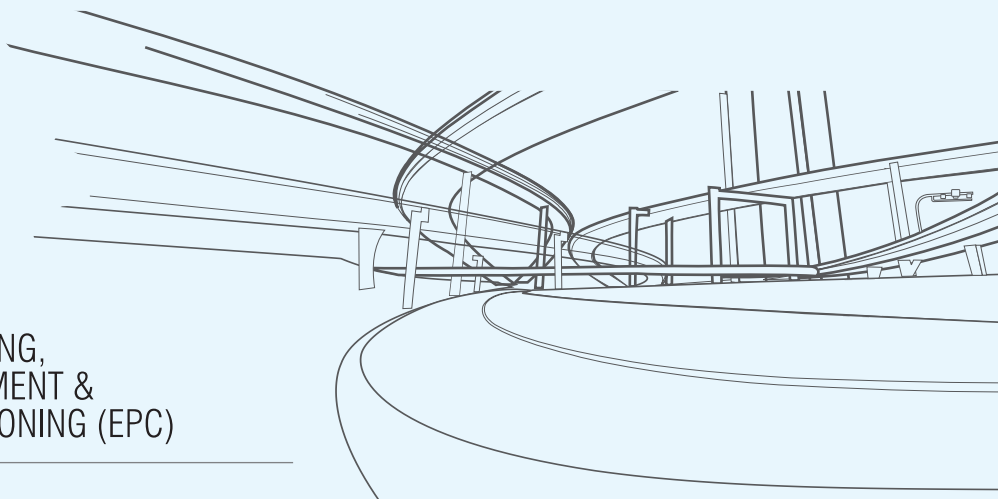
WATER SUPPLY & SEWERAGE DISPOSAL

## ENGINEERING, PROCUREMENT & COMMISSIONING (EPC)

### Sector Overview

The Indian Engineering, Procurement and Commissioning (EPC) sector was slowly and surely evolving into a strong, mature and industry-driven engine to achieve sustained economic growth. It is expected that the construction boom which is in the initial phase in India, would further help accentuate the economic growth, once the regulatory framework and global financial markets stabilises. The sector is slated to grow at an average of around 10-12% over the next five years.

## ENGINEERING, PROCUREMENT & COMMISSIONING (EPC)



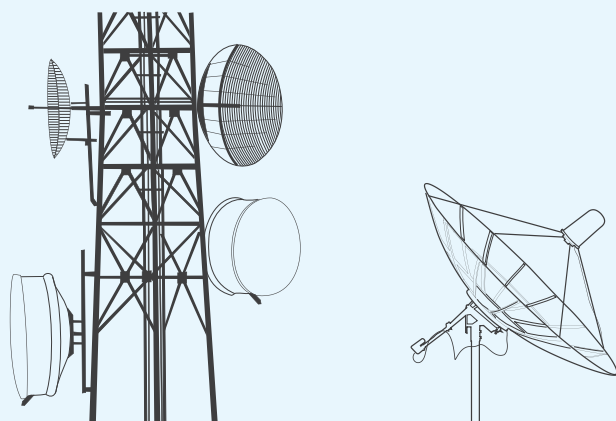
### Performance Overview

Jai Corp intends to enter this business through one of its associate companies viz. Urban Infrastructure Construction Private Limited (UICPL). Through this company, Jai Corp proposes to execute EPC related work primarily in the SEZs. It also plans to undertake the development of residential, commercial and retail spaces in the SEZs. These are currently at an initial basic development stage. UICPL has been granted the status of a 'co-developer' by the Board of Approval, Ministry of Commerce & Industries, Government of India for NMSEZ.

## IT & TELECOM

### Sector Overview

Indian Information Technology / Information Technology enabled Services (IT / ITeS) industry is expected to grow at 13.9% (Compound Annual Growth Rate (CAGR) 2008-13) to touch Rs 5,34,479 crore (over USD 110 billion) in 2013. The domestic market is expected to grow at a slightly higher rate of 15.8% as against export growth rate of 12.7% (CAGR 2008-13). With 273 million connections, India's telephone network is the third largest in the world. The gross revenue for the sector has grown to Rs, 1,30,000 crore, which account for 3% of the national GDP.



## IT & TELECOM

### Performance Overview:

Jai Corp has plans to facilitate the IT and telecom business requirements within the SEZ's through its associate companies viz. Urban Infotech Solutions Private Limited (UISPL) and Urban Communications Infrastructure Private Limited (UCIPL). These are currently at an exploratory and viability stage. UISPL and UCIPL have been granted the status of 'co-developer' by the Board of Approval, Ministry of Commerce & Industries, Government of India for NMSEZ.

## REAL ESTATE

### Sector overview

The global financial meltdown has had the first level impact – that of shocking the world and causing the global markets to crash. Fortunately, India's GDP has an extremely large component of domestic consumption, which is likely to revive this sector.



## REAL ESTATE

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### Performance Overview:

Some of the subsidiary companies of Jai Corp have acquired land and some are in the process of acquiring land. The same will be consolidated for the purpose of development.

## ASSET MANAGEMENT

### Sector overview

The Indian asset management business has grown at 47% annually since 2003, taking the total assets under management (AUM) to USD 135 billion in May 2009. The growth has outpaced that in most countries such as the USA, the UK and Brazil. Only Russia and China outpaced India with AUM growth of 97% and 67% respectively. Indian asset management business is expected, in the next five years, to grow at least 33% annually. The main drivers of this will be the retail segment - expected to grow at 36% annually, and the institutional investor segment - expected to grow at 29% annually. This will take the AUM to USD 440 billion.



## ASSET MANAGEMENT

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**Performance Overview:**

Jai Corp is present in this industry through its wholly owned subsidiary - Urban Infrastructure Venture Capital Limited (UIVCL), a venture capital management company.

UIVCL is currently managing Urban Infrastructure Opportunities Fund (UIOF), a scheme of Urban India Venture Capital Fund (UIVCF) a SEBI registered fund. UIOF is close ended India domiciled venture capital fund with an initial corpus of around Rs 2,221 crore, which is fully drawn. In financial year 2008-09, the fund raised additional commitment of Rs 1,065 crore from existing investors. Out of this, 20 % ( Rs. 213 crore) has been drawn till date. Thus, the total draw down by UIOF till date is Rs. 2,434 crore. In financial year 2008-09, UIOF has reduced its investment commitments by Rs 137 crore to Rs 2,509 crore.

UIVCL, is also advisor to Urban Infrastructure Capital Advisors (UICA), investment manager to India focussed Mauritius domiciled Urban Infrastructure Real Estate Fund (UIREF), with a total fund corpus of over USD 500 million. In financial year 2008-09, UIREF has increased its investment commitments by USD 14.7 million to USD 257 million.

The Funds' investments are focussed on large townships and mixed-use development projects in Tier-I and Tier-II cities of western and southern India. Together, the funds have invested in 31 SPVs executing 63 projects spread across 15 cities of India.

**Investment avenues**

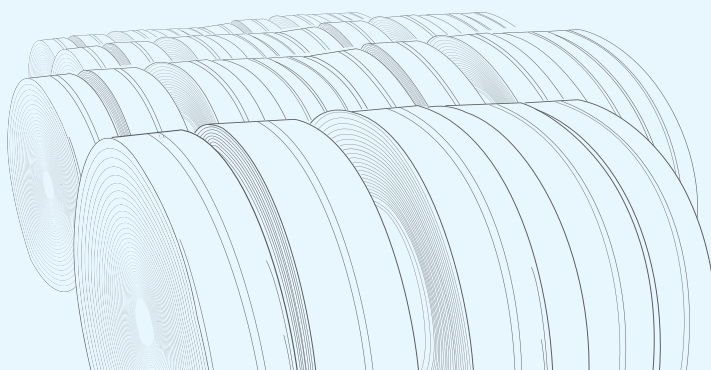
Both the funds are focussed on investments in real estate development projects in India. The investment philosophy is to identify development partners with high growth potential and to invest with them in SPVs for project execution. The intent is to grow the SPVs into large real estate development companies by adding multiple projects. The investment focus is on developing large integrated townships and large mixed-use developments.

**STEEL DIVISION**

**Sector overview**

The near term outlook for the steel industry is challenging as the growth in key end user industries such as construction, automobiles and manufacturing has taken a backseat. The downturn has also led to a decline in the prices for raw materials such as iron ore and coking coal, albeit at a lower rate than the dip in steel prices. However, on the contrary, the prices of hot rolled coils have taken a steep increase which has further led to lowering of margins to the cold rolling and galvanizing sectors.

The Union budget for 2009-10 signals a huge boost for infrastructure spending, with steel and cement sectors looking forward to new business opportunities.



**STEEL**

**Performance Overview:**

Jai Corp manufactures cold rolled coils, galvanised coils and galvanised corrugated sheets at its Nanded unit in Maharashtra. The Company's current capacity of manufacturing cold rolled coils and galvanised coils is 62,500 Metric Tonnes Per Annum (MTPA) and 55,000 MTPA, respectively. In financial year 2008-09, the Company achieved production (including Job Work) of 2,414 MT of CR coils and 3,255 MT of GP/GC.

Cold rolled coils are sold directly to end users, such as auto

component manufacturers. Galvanised sheets are sold through distributors in the domestic market under the brand name of 'SIPTA'. For better realisation, the Company also exports its products.

Presently, the dynamics of this industry have changed in favour of the integrated steel manufacturer with capabilities of manufacturing hot rolled, cold rolled and also galvanising of steel. This factor has put the Company's operating margins under pressure.

## PLASTIC PROCESSING DIVISION

### Flexible Packaging

#### Sector overview

Demand for packaging products is dependent on industrial growth. In the medium term (next five years), the packaging industry is expected to grow by 13% per annum. Within the industry, polymer-based products like woven sacks, Flexible Intermediate Bulk Container (FIBC), and wrapping fabric are expected to grow higher at a CAGR of 17% during the period.

The emphasis of the Government on infrastructure is expected to result in increase in the demand for cement, steel and other products. This is expected to further boost the demand for woven sacks which is an essential packaging material for cement. The future of the polypropylene/ high density polyethylene (PP / HDPE), woven sacks industry appears to be bright and may emerge as one of the most suitable media for packaging of various commodities and other industrial applications.

#### Performance Overview:

The Company's installed capacity for manufacturing of woven sacks, fabrics and staple fibres is 60,580 MTPA. In the financial year 2008-09, the Company produced 25,535 MT of woven sacks, fabrics and staple fibres.

## MASTERBATCHES

### Sector overview

Masterbatches are used to impart colour and various special properties to the products manufactured from plastics. Though the cost of Masterbatches in the final plastic product is very low, its quality is very important for attaining the desired properties of the end product. In general, Masterbatch industry can be broadly classified into Organised Sector and Small Scale Sector.

The Masterbatch segment has been achieving a good year-on-year growth rate and the total demand for 2009-10 is estimated at about 1,00,000 MT for white, black, colours and additive Masterbatches. This is a high value added segment with total value of Rs. 1,000 crore. The domestic market has significant growth potential as the per capita consumption is only 5 kilograms (kgs) against world average of 17 kgs. The per capita growth is expected to grow to 10.5 kgs by the year 2012.

#### Performance Overview:

Jai Corp's products have been well received in the Masterbatch and Antifibrillation Masterbatch segments. The Company's installed capacity for manufacturing of Masterbatches is currently 6,720 MTPA an increase of 149% as compared to capacity of financial year 2007-08. During the year the Company produced 2,710 MT Masterbatches an increase of 100% as compared to production of financial year 2007-08.

## SPINNING

### Sector overview

Indian economy may be showing signs of recovery in certain sectors but textile sector continues to be in the doldrums. Textiles industry

which is the second major employer in India after agriculture, providing employment to approximately 91 million people while contributing to about 13 % in export earning and 4 % in India's GDP is still suffering from the heat of global slowdown as indicated by declining exports and massive layoffs.

#### Performance Overview :

The Company's installed capacity for manufacturing of spinning yarn is 11,100 MTPA. During the year, the Company produced 6,692 MT. The Company was able to substantially increase its production during the financial year, however, the margins fell due to competition and sluggish demand. The Company is rationalising its operations which is expected to improve the profitability.

## HUMAN RESOURCES DEVELOPMENT

Jai Corp has more than 3,170 employees across all locations. The growth and sustained leadership of the Company is largely a function of the competence and quality of its human resource. The Company has always aimed to create a workplace where every person can achieve his optimum potential. The Company has a performance rewarding culture throughout, enabling it to create leaders out of its own employees. The Company has also undertaken various training and development initiatives to hone the skills and expertise of its people.

Being in diversified businesses, the Company empowers the inter-departmental and inter-unit movement within deserving individuals, ensuring better retention of talent and at the same time providing newer avenues to its employees.

## INTERNAL CONTROL SYSTEMS

Jai Corp has a proper and adequate system of internal controls, which is designed to assist in the identification and management of risks. The system ensures the integrity of accounting, proper authorization, recording and reporting of all transactions. It monitors and controls against any unauthorised use or disposition of assets, thus safeguarding the Company's assets.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. It ensures the reliability of financial and operational information. The Audit Committee of the Company reviews the adequacy of internal control systems.

## RISK CONCERNS & RISK MANAGEMENT

Jai Corp is exposed to the normal industry risk factors of competition, economic cycle, raw material availability and uncertainties in the international and domestic markets and credit risk. The Company manages these risks by maintaining a conservative financial profile and by following prudent business and risk management practices.

## HEALTH, SAFETY AND ENVIRONMENT

Health, Safety and Environment are high priority issues at Jai Corp. It is the Company's constant endeavour to prevent accidents and injuries at its workplace. The Company also strives to maintain a proactive check on environmental compliance in its operations. Some of the initiatives undertaken by the Company in this regard are as

follows:

- 1) Well defined work practices ensure work in a manner that promotes safety and health of its employee as well as that of the environment they operate in.
- 2) Provide training to all concern personnel to maintain health, safety and environment.
- 3) Creating awareness on Health, Safety and Environment and developing the required skill, knowledge and confidence of the personnel so as to enable them to understand their responsibility and accountability.
- 4) Provide all required safety posters, safety equipments, first-aid boxes and facilities, purified drinking water and adequate medical facilities under the aegis of a full-time qualified medical practitioner.
- 5) Maintaining excellent housekeeping practices across all locations and premises of the Company.
- 6) Maintaining safe, healthy and pollution-free environment work places with suitable safe work systems and methods of work like protective fencing of machinery, periodical testing of hoist and lifts, ropes and chain pulley blocks, testing of pressure vessels. Periodical and preventive maintenance of compressors and proper arrangement of fire extinguishers at designated places.
- 7) Obtaining a stability certificate of all the factory buildings as per the requirement of the Factories Act, 1948.
- 8) Developing safety awareness among the staff and other concerned workforce.
- 9) Maintaining environmental norms prescribed by State/ Central Governments in the matter of air, water quality, noise, environment etc.
- 10) Cleaning and disposal of waste and effluents, proper ventilation and sustaining pollution-free atmosphere.

### **Social responsibility and community development**

Social responsibility, community care and development are at the heart of Jai Corp's Corporate Social Responsibility (CSR) philosophy. In addition to generating employment opportunities, the Company endeavours to upgrade the standard of living of the neighbouring community.

The Company strives to make a positive contribution to the communities from the underprivileged segment of the society by supporting a wide range of socio-economic, educational and health initiatives. Many community projects and programmes are driven by active participation from the Company. The Company's commitment to address important social needs extends throughout its community outreach programmes driven by the Company's vision of development. The Company has contributed to the Adivasi Vikas Sangathan and 'Midday Meal Project' of ISKCON.

The Company's CSR initiative is aimed for the purpose of improving, guiding and inspiring the lives of the underprivileged.

The Company facilitates programmes and gives direct assistance and resources to individuals, families and other charitable

# Directors'

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## REPORT



<b>FINANCIAL RESULTS</b>	<b>Year Ended 31-03-2009</b>	(Rs. In Lac) <b>Year Ended 31-03-2008</b>
<b>Profit before Depreciation, Interest, Income-tax and adjustments for Prior Period Items</b>	<b>6,173.33</b>	15,433.70
Less: Interest & Finance Charges	<b>464.41</b>	589.75
Depreciation	<b>1,532.51</b>	1,483.62
<b>Profit before Income-tax and adjustments for Prior Period Items</b>	<b>4,176.41</b>	13,360.33
Less: Provision for Taxation:		
Current Tax	<b>1,146.60</b>	1,194.16
MAT Credit	-	(736.53)
Fringe Benefit Tax	<b>15.81</b>	17.4
Deferred Tax	<b>266.51</b>	69.95
Add: Provision for earlier years written back	<b>77.49</b>	-
<b>Profit after Tax but before adjustments for Prior Period Items</b>	<b>2,824.98</b>	12,815.35
Balance brought forward from last year	<b>23,797.21</b>	12,841.74
Less: Prior Period Adjustments (Net)	<b>1.46</b>	3.80
<b>Amount available for Appropriation</b>	<b>26,620.73</b>	25,653.29
<b>Appropriations</b>		
General Reserve	<b>282.50</b>	1,282.00
Proposed Dividend on Preference Shares	<b>1.50</b>	0.52
Proposed Dividend on Equity Shares	<b>240.84</b>	490.17
Tax on Proposed Dividend	<b>41.18</b>	83.39
Surplus carried to Balance Sheet	<b>26,054.71</b>	23,797.21
<b>Total</b>	<b>26,620.73</b>	25,653.29

#### RESULTS OF OPERATIONS:

During the year under review, the turnover of the Company's Steel Division decreased to Rs. 76.65 crore as compared to last year's turnover of Rs. 151.63 crore. The decrease is due to the general economic slow down that has affected the infrastructure sector.

The Plastic Processing Division of the Company achieved a turnover of Rs. 263.28 crore as compared to last year's turnover of Rs. 152.41 crore.

The Spinning Division of the Company achieved a turnover of Rs. 55.13 crore as compared to last year's turnover of Rs. 23.87 crore.

During the year under review, the Company increased its capacity for Master Batch from 2,700 MT to 6,720 MT.

The Preference Shareholders have agreed to roll over the Preference Shares on existing terms and conditions for a further period of two years from the date these Shares become due for redemption.

#### DIVIDEND:

Your Directors have recommended a dividend at the rate of 1% per annum on 1,50,00,000 Non-cumulative Non-Participating Redeemable Preference Shares of Re1/- each for the financial year ended 31st March, 2009. If approved, at the ensuing Annual General Meeting, Rs. 150,000/- will be payable to those preference shareholders whose names appear on the Register of Members of the Company at close of business on 14<sup>th</sup> September, 2009.

Your Directors have also recommended a dividend of Re. 0.50/- (50 per cent) per Equity Share on 4,81,67,010 Equity Shares of Rs. 1/- each for the financial year ended 31<sup>st</sup> March, 2009. This will amount to Rs. 2,40,83,505/- and, if approved at the ensuing Annual General Meeting, this dividend will be paid to equity shareholders whose names appear on the Register of Members of the Company at close of business on 14<sup>th</sup> September, 2009. In respect of shares held in dematerialised form, dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date. The 'promoters' of your Company have voluntarily and irrevocably waived their entitlement to receive dividend on the Equity Shares held by them for the financial year 2008-09. Hence, your Directors have not recommended any dividend on 13,02,82,400 Equity Shares held by the 'promoter group'.



## **DIRECTORS:**

Shri V.S.Pandit, Shri D.K.Contractor and Shri S.N.Chaturvedi retire by rotation and, being eligible, have offered themselves for re-appointment at the ensuing Annual General Meeting.

A brief resume of the Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors *inter se*, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are provided in the Report on Corporate Governance forming part of the Annual Report. The Directors who are being re-appointed have intimated to your Company that they are not disqualified from being re-appointed.

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2009, applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956 have been followed along with proper explanation(s) relating to material departure(s).
- (ii) That appropriate accounting policies have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2009 and of the profit of the Company for the financial year ended on that date.
- (iii) That proper and sufficient care have been taken for the 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.
- (iv) That accounts for the financial year ended 31<sup>st</sup> March, 2009 have been prepared on a 'going concern' basis.

## **CONSOLIDATED FINANCIAL STATEMENTS:**

In accordance with the Accounting Standard (AS-21) on Consolidated Financial Statements read with Accounting Standard (AS-23) on Accounting for Investments in Associates, the audited Consolidated Financial Statements are provided in the Annual Report.

## **AUDITORS AND AUDITORS' REPORT:**

Messrs Chaturvedi & Shah, Chartered Accountants, Mumbai, and Messrs S.R. Batliboi & Co., Chartered Accountants, Mumbai, hold office as joint statutory auditors of the Company until the conclusion of the ensuing Annual General Meeting. It is proposed to re-appoint them as joint statutory auditors of the Company from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting. Pursuant to the provisions of Section 224 (1B) of the Companies Act, 1956 your Company has received certificates from Messrs Chaturvedi & Shah and Messrs S.R. Batliboi & Co. confirming their eligibility for re-appointment.

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

## **DISCLOSURE OF PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in **Annexure-A** forming part of this report.

## **SUBSIDIARY COMPANIES:**

During the financial year 2008-09, the following have become step down subsidiaries of the Company, through

A] Jai Realty Ventures Limited:

1. Belle Terre Realty Limited,
2. Multifaced Impex Private Limited,
3. Welldone Real Estate Private Limited,
4. Oasis Holding FZC;

B] Urban Infrastructure Venture Capital Limited:

1. UI Wealth Advisors Limited.

Government of India, Ministry of Corporate Affairs, vide Orders no. 47/297/2009-CL-III dated 29<sup>th</sup> April, 2009 and 47/297/2009-CL-III dated 7<sup>th</sup> July, 2009 have granted approval that the requirements to attach various documents in respect of subsidiary companies, as contained in sub-section (1) of section 212 of the Companies Act, 1956 shall not apply to the Company for the financial year ended on 31<sup>st</sup> March 2009, viz. copy of the Balance Sheet, Profit and Loss Account, Reports of the Board of Directors and Auditors of the subsidiaries whose accounts have been consolidated for the year ended 31<sup>st</sup> March, 2009 need not be attached with the Balance Sheet of the Company. These documents will be made available upon request by any member of the Company and/or any of its subsidiaries interested in obtaining the same. The accounts of the subsidiary companies will also be kept for inspection by any investor in the Registered Office of the Company and that of the respective subsidiary companies. As directed by the Central Government, the financial data of the subsidiaries have been furnished under 'Financial Information of Subsidiary Companies' forming part of the Annual Report. Further, pursuant to Accounting Standards AS-21, and AS-23, Consolidated Financial Statements presented by the Company *inter alia* include financial results of its subsidiaries.

The Company is carrying on its real estate and infrastructure business mainly through special purpose vehicles in the form of subsidiary companies and step down subsidiary companies. The full impact of forming subsidiaries/ step down subsidiaries is expected to be felt in the years to come.

## **FIXED DEPOSIT:**

Your Company has not accepted any fixed deposit during the year under review.

**PARTICULARS OF EMPLOYEES:**

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are given in **Annexure –B** forming part of this Report.

**INDUSTRIAL RELATIONS :**

The relations with the employees remained cordial and satisfactory during the year under review.

**TRANSFER OF UNPAID/UNCLAIMED AMOUNTS TO IEPF :**

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the declared dividends which remained unpaid/unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C of the said Act.

**CORPORATE GOVERNANCE :**

The Company is committed to maintain highest standards of corporate governance. Your Directors adhere to the requirements set out by the Securities and Exchange Board of India’s corporate governance practices and have implemented all the mandatory requirements stipulated therein. A separate section on Corporate Governance and a certificate from the Statutory Auditors of the Company regarding compliance of the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges form part of the Annual Report.

**Management Discussion and Analysis Report :**

The Management Discussion and Analysis portion of the Corporate Governance Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is presented in a separate section and forms a part of the Directors’ Report.

**GROUP FOR INTER SE TRANSFER OF SHARES :**

Pursuant to an intimation from the promoters, the names of the promoters and entities comprising ‘group’ as defined under the Monopolies and Restrictive Trade Practices (“MRTP”) Act, 1969 are disclosed in the Annual Report for the purpose of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

**OUTLOOK :**

The Company has invested in entities engaged in the businesses of creation of essential integrated urban infrastructure. These businesses relate to SEZs, ports, real estates and other ancillary services related to the creation of urban infrastructure, which will contribute to India emerging as a powerful economic force in the world. The Company also intends to focus on its asset management business in order to deploy global capital in the development of the real estate sector in India. In addition, the Company is also taking steps to improve the performance and efficiency of its existing manufacturing businesses. As a result of these factors, your Directors believe that the Company will continue its endeavour for creation of longterm and substantial value, both for the nation and the stakeholders.

**ACKNOWLEDGEMENT :**

Your Directors express their grateful appreciation for the assistance and co-operation received from the banks, financial institutions, Government authorities, customers, vendors and shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

For and on behalf of the Board of Directors

Mumbai  
30<sup>th</sup> July , 2009

**Anand Jain**  
*Chairman*

**ANNEXURE “A” TO DIRECTORS’ REPORT**

**PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES,1988**

**A) CONSERVATION OF ENERGY :**

- (a) The Company has taken various steps for minimization of energy consumption by putting continuous efforts towards optimisation of operating and processing activities, up-gradation of plant equipments etc.
- (b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy.
- (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on cost of production of goods:  
Due to various steps taken, the Company has been able to conserve energy more effectively.

(d) **FORM-A:**

Form for Disclosure of Particulars with Respect to Conservation of Energy.

	Current Year Ended 31.03.2009	Previous Year Ended 31.03.2008
<b>a) Power and Fuel Consumption:</b>		
<b>1. Electricity</b>		
<b>(a) Purchased</b>		
Units	4,61,34,167	4,06,89,423
Total Amount (Rs.)	17,07,36,561	14,45,57,414
Average Rate/Unit (Rs.)	3.70	3.55
<b>(b) Own generation through Diesel Generator</b>		
Units	35,433	63,175
Units/litre of Diesel Oil	2.31	2.76
Average Rate/Unit (Rs.)	11.59	11.56
<b>2. Others</b>		
<b>(a) HSD/LDO/FO</b>		
Quantity (KL)	20.40	4.91
Total Amount (Rs.)	5,46,422	1,81,276
Average Rate/Unit (Rs/KL)	26,788.04	36,942.26
<b>(b) LPG</b>		
Qty (MT)	14.24	-
Total Amount (Rs.)	5,01,780	-
Average Rate (Rs./MT)	35,249.70	-

**b) Consumption per unit of Production:**

Product	Year Ended 31 <sup>st</sup> March, 2009				Year Ended 31 <sup>st</sup> March, 2008			
	GP/GC Coils/Sheet	CR Coil/Sheet	Woven Sacks/ Fabrics/ Bags/ MB	Spun Yarn	GP/GC Coils/Sheet	CR Coil/Sheet	Woven Sacks/ Fabrics/ Bags/MB	Spun Yarn
Production (MT)	3255	2414	28405	6692	28231	27942	21549	1925
Electricity (Units)	428.01	513.65	939.06	4238.52	243.54	128.97	930	5292.52
Others								
a) HSD (KL)	-	0.02	2.48	3.35	-	-	2.12	6.64
b) LPG (MT)	0.04	-	-	-	-	-	-	-

**B) RESEARCH & DEVELOPMENT (R&D):**

In-house Research & Development work is carried out to develop new products and to improve existing products.

No significant expenditure is incurred.

**C) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**

**i) Efforts in brief, made towards technology absorption, adaptation and innovation:**

At the plants, technology have been fully absorbed and the plants are being operated efficiently.

**ii) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.:**

The Company is producing quality products and is constantly making efforts to reduce cost and develop products so that it leads to import substitution.

iii) In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information to be furnished:

Technology imported	Year of import	Has technology been fully absorbed?	If not fully absorbed areas where this has not taken place, reasons therefore and future plans of action
Not Applicable			

#### D) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Your Company has exported its products during the year under review and has imported raw materials, stores and capital items, the details of which are as follows:

	(Rs. in Lac)
1) FOB Value of Exports	4687.64
2) CIF Value of Imports	4059.75
3) Expenditure in Foreign Currency	13.11

## ANNEXURE “B” TO DIRECTORS’ REPORT

### PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975

Employed throughout the financial year and in receipt of remuneration aggregating to not less than Rs.24,00,000/- per annum.

Name	Age (Years)	Designation/ Nature of Duties	Remuneration per Annum Rs.	Qualification	Total Experience (Years)	Date of Employment	Last employment held Designation-period for which post held
Gaurav Jain	29	Managing Director	26,15,202	B.Sc.(Econ.) B.Sc.(Comp.Sc.)	8	01.10.2006*	Not Applicable

\*Appointed as Managing Director w.e.f. 04.06.2008.

Employed for a part of the financial year and in receipt of remuneration aggregating to not less than Rs.2,00,000/- per month.

Name	Age (Years)	Designation/ Nature of Duties	Remuneration per Annum Rs.	Qualification	Total Experience (Years)	Date of Employment	Last employment held Designation-period for which post held
Virendra Jain	50	Managing Director	4,00,000	B.Com	32	-	Not Applicable

#### Notes:

1. Remuneration as above includes salary, allowance, bonus, ex-gratia, leave travel assistance, re-imbursment of medical expenses, Company's contribution to provident fund and monetary value of other perquisites calculated in accordance with the provisions of the Income- tax Act, 1961 and the Rules framed there under.
2. The nature of employments is contractual.
3. Other terms and conditions of employment of Shri Gaurav Jain are as per resolution passed in the Annual General Meeting held on 30<sup>th</sup> August, 2008.
4. Shri Gaurav Jain is related to Shri Jai Kumar Jain, Shri Anand Jain and Shri Virendra Jain Directors of the Company.
5. Shri Virendra Jain is related to Shri Jai Kumar Jain, Shri Anand Jain and Shri Gaurav Jain Directors of the Company.

For and on behalf of the Board of Directors

Mumbai,  
30<sup>th</sup> July, 2009

**Anand Jain**  
Chairman

GROUP FOR INTER SE TRANSFER OF SHARES UNDER CLAUSE 3(1)(e) OF SECURITIES & EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997.

1	Anand Jain	15	Mrinalini Trading Company Private Limited
2	Ankit Jain	16	Navnetra Trading Company Private Limited
3	Gaurav Jain	17	Nidhi Polyester Limited
4	Harsh Jain	18	Pet Fibres Limited
5	Jai Kumar Jain	19	Polyole Fibre Private Limited
6	Laxmi Jain	20	Prime Wovens Limited
7	Rashi Jain	21	Puriya Industrial Packaging Limited
8	Rina Jain	22	Richmond Traders Private Limited.
9	Satyapal Jain	23	Ridhi Synthetics Limited
10	Sushma Jain	24	Silvassa Fibres Private Limited
11	Virendra Jain	25	Somerset Trading Private Limited
12	Hide N Chic Furniture Private Limited	26	Sparsh Trading Private Limited
13	Jubilant Enterprises Private Limited	27	Sunshine Fibre Private Limited
14	Kasturi Trading Company Private Limited		

A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The buildings are rendered in a monochromatic blue color scheme. A large, solid blue shape, resembling a stylized 'C' or a graphic element, is positioned on the left side of the image, partially overlapping the buildings. The sky is a clear, light blue.

Report on  
**CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges on Corporate Governance, the Company submits, hereunder, a report on the matters mentioned in the said Clause and the practice followed by the Company.

## 1. Company's philosophy on code of governance.

The Company strongly believes in fair, efficient and transparent business operations, proper disclosure of relevant information and to serve the best interests of all the stakeholders, viz., employees, shareholders, customers, lenders, the Government and the society at large. The Company strives towards excellence through adoption of best governance and disclosure practices.

## 2. Board of Directors:

The Board of Directors of the Company has an optimum combination of executive and non-executive Directors. The present strength of the Board is ten Directors, of which two Directors i.e. Managing Director, and Director - Works are Executive Directors and eight Directors are Non-Executive Directors of which five are independent Directors. As on March 31, 2009, the number of independent directors on the Board is in conformity with the requirements of the Listing Agreement.

As against the minimum requirement of four meetings during a financial year, five Board Meetings were held during the year ended 31.03. 2009, with a time gap of not more than four months between two Meetings. The dates of the Board Meetings are 10.05.2008, 04.06.2008, 31.07.2008, 25.10.2008 and 31.01.2009

Name of the Director	Category of Directorship & Designation	Attendance of meetings During 2008-09		#No. of Other Directorships held in other Indian Public Companies	*No. of Board Committee positions held in other Indian Public Companies
		Board Meetings	Last AGM		
Shri J.K.Jain	Promoter - Chairman Emeritus Non-Executive Director	5	No	1	NIL
Shri Anand Jain	Promoter - Chairman Non-Executive Director	5	No	4	NIL
Shri Virendra Jain <sup>#1</sup>	Promoter-Vice Chairman Non-Executive Director	5	No	8	NIL
Shri S.P.Jain <sup>#2</sup>	Promoter-Non-Executive Director	1	N.A.	N.A.	N.A.
Shri K. M. Doongaji	Independent, Non-Executive Director	4	Yes	1	NIL
Shri S. H. Junnarkar	Independent, Non-Executive Director	4	Yes	10 <sup>#3</sup>	6 – Member <sup>#3</sup> out of which 1 - Chairman
Shri D.K. Contractor	Independent, Non-Executive Director	4	No	5	2 - Member out of which 1 - Chairman
Shri V. S. Pandit	Non- Promoter, Non-Independent, Executive Director	1	Yes	NIL	NIL
Dr. P. P. Shah	Independent, Non-Executive Director	3	No	4	4 – Member out of which 1 - Chairman
Shri S. N. Chaturvedi	Independent, Non-Executive Director	5	No	4	2 -Member
Shri Gaurav Jain <sup>#4</sup>	Promoter-Managing Director/ CEO	5	Yes	14	NIL

\*In accordance with Clause 49, Membership/Chairmanship of only the Audit Committee and Shareholders/Investors Grievance Committee of all Indian Public Limited Companies in which he is director has been considered.

# Excludes Directorship in Foreign Companies, Private Limited Companies and Companies incorporated under Section 25 of the Companies Act, 1956.

#1 resigned as Managing Director w.e.f. 04.06.2008, appointed as Non-executive Vice Chairman w.e.f. that date.

#2 resigned as Director w.e.f. 04.06.2008 .

#3 Subsequent to 31.03.2009, he resigned as a Director and Member of Audit Committee of Tilaknagar Industries Limited.

#4 appointed as Managing Director/ Chief Executive Officer w.e.f. 04.06.2008.

No Director is a member in more than ten audit/ shareholders' grievance committees and acts as a chairman in more than five audit/ shareholders' grievance committees across all Indian Public Limited Companies in which he is a director.

Equity shares of the Company held by Non- Executive Directors as on 31.03.2009:

Sr. No	Name of the Non-executive director	No. of shares
1.	Shri J.K.Jain	4,780
2.	Shri Anand Jain	35,11,840
3.	Shri Virendra Jain	98,71,620
4.	Shri K.M. Doongaji	400
5.	Shri S.H. Junnarkar	Nil
6.	Shri D.K.Contractor	3,000
7.	Dr. P.P.Shah	Nil
8.	Shri S.N. Chaturvedi	Nil

## DIRECTORS' PROFILE

Brief resume of all Directors, including Shri V.S.Pandit, Shri D.K.Contractor and Shri S.N.Chaturvedi who are proposed to be re-appointed, nature of their expertise in specific functional areas and names of companies in which they hold directorships, memberships/ chairmanships of Board Committees and their shareholding in the Company are provided herein :

### SHRI ANAND JAIN

Shri Anand Jain (52 years) is the Chairman and a promoter Director of the Company. He has been associated with the Company since its inception. He holds a degree in Risk Management from London Business School. He has over 25 years experience in various businesses. He is a Director of Reliance Haryana SEZ Limited, Mumbai SEZ Limited, Rewas Ports Limited and Urban Infrastructure Venture Capital Limited. He holds 35,11,840 equity shares of the Company. He is related to the following Directors of the Company: Shri Jai Kumar Jain, Shri Virendra Jain and Shri Gaurav Jain.

### Shri Jai Kumar Jain

Shri Jai Kumar Jain (78 years) is the Chairman-Emeritus and a promoter Director of the Company. He has been associated with the Company since its inception. He started his career with transport business and was one of the founder members of Indian Roadways Corporation. He has over 50 years of varied experience and was instrumental in setting up manufacturing units catering to the demands of packaging materials like FIBC, HDPE/PP woven sacks/ Fabrics for various user industries like petrochemicals, cement etc. He is also a Director in Ridhi Synthetics Limited. As on 31.03.2009, he held 4,780 equity shares of the Company. He is related to the following Directors of the Company: Shri Anand Jain, Shri Virendra Jain and Shri Gaurav Jain.

### Shri Virendra Jain

Shri Virendra Jain (50 years) is the Vice Chairman and a promoter Director of the Company. He has been associated with the Company since its inception. He was the Managing Director up to 04.06.2008. He is a graduate from the University of Mumbai. He has over 25 years experience in the business of plastic processing. He is also a Director in Free Press House Limited, Jai Infraprojects Limited, Jai Realty Ventures Limited, Pet Fibres Limited, Prime Wovens Limited, Suniti Commercials Limited, Techfab (India) Industrial Limited and Urban Infrastructure Trustee Limited. As on 31.03.2009, he held 98,71,620 equity shares of the Company. He is related to the following Directors of the Company: Shri Jai Kumar Jain, Shri Anand Jain, and Shri Gaurav Jain.

### Shri Dady Kaikhushru Contractor

Shri D.K.Contractor (81 years) is a commerce graduate from the University of Mumbai and a Fellow of the Indian Institute of Bankers. He has over 55 years experience in banking and administrative matters. He retired as the Executive Director of Central Bank of India. He has been associated with the Company since 1996 and is a Member of the Audit Committee. He is also a Director of IL&FS Trust Company Limited, Lupin Limited, Mazda Limited, Victoria Mills Limited, and Zorastrian Co-operative Bank Limited. He is member of the Audit Committees of IL&FS Trust Company Limited, Lupin Limited. As on 31.03.2009, he held 3,000 equity shares of the Company. He is not related to any other Director of the Company.

### Shri Khurshed Minocher Doongaji

Shri Khurshed Minocher Doongaji (69 years) holds bachelors' degrees in economics and law from the University of Mumbai. He is a Certified Business Manager (CBM). He has over 40 years of experience in project and corporate finance, legal, operations and corporate laws with ICICI Limited. He has been associated with the Company since 1999 and is the Chairman of the Audit Committee. He is also a Director of Balakrishna Industries Limited. As on 31.03.2009, he held 400 equity shares of the Company. He is not related to any other Director of the Company.

### Shri Sandeep Hemendra Junnarkar

Shri Sandeep Hemendra Junnarkar (58 years) holds bachelors' degrees in science and law from the University of Mumbai. He is a



solicitor by profession. He is a partner of Junnarkar and Associates, Advocates, Solicitors and Notaries, Mumbai. His area of specialization includes banking laws, corporate laws including monopolies laws, exchange control laws, securities regulations etc. He has been associated with the Company since 1994. He is a Member of the Committee of the Bombay Incorporated Law Society. He is also a Director of Everest Industries Limited, Excel Crop Care Limited, IL&FS Infrastructure Development Corporation Limited, Jai Realty Ventures Limited, Reliance Industrial Infrastructure Limited, Reliance Industrial Investments & Holdings Limited, Reliance Ports and Terminals Limited, Reliance Utilities Private Limited, Sterlite Industries (India) Limited and Sunshield Chemicals Limited. He is member of the Audit Committees of Everest Industries Limited, Reliance Industrial Infrastructure Limited, Reliance Utilities Private Limited, Sterlite Industries (India) Limited. He is a member of Shareholders/ Investor Grievance Committees of Reliance Industrial Infrastructure Limited and Sterlite Industries (India) Limited. Subsequent to 31.03.2009, he resigned as a Director and Member of Audit Committee of Tilaknagar Industries Limited. He does not hold any share of the Company and is not related to any Director of the Company.

#### **Shri Sachin Nath Chaturvedi**

Shri Sachin Nath Chaturvedi (58 years) holds a bachelors' degree with honours in technology. He is a Fellow of the Institute of Chartered Accountants of India and also holds a masters in business administration. He has over 20 years of experience as a Practicing Chartered Accountant-as a partner of Messrs Chaturvedi & Company, Chartered Accountants. He has varied experience of audit of banks, financial institutions, public sector units and many large companies. He also has valuable experience in monitoring/inspection/investigation of units / companies at the behest of banks/financial institutions/income-tax authorities/High Courts/Company Law authorities as well as inspection of mutual funds/ stock exchange brokers/plantation companies on behalf of SEBI. He has been associated with the Company since 2004 and is Member of the Audit Committee. He is also a Director of Balkrishna Industries Limited, Balkrishna Paper Mills Limited, Jai Realty Ventures Limited and N.R.Agarwal Industries Limited. He is member of the Audit Committees of Balkrishna Industries Limited and N.R.Agarwal Industries Limited. He does not hold any share of the Company and is not related to any Director of the Company.

#### **Dr. Pravin Pranlal Shah**

Dr. Pravin Pranlal Shah (64 years) is a Practicing Chartered Accountant having over 38 years of profession experience in the areas of financial consultancy, corporate structuring/ restructuring, foreign collaborations, business re-organizations, taxation, valuation, property matters, accounting, auditing, company law and FEMA. He is also a Member of the Taxation Committee of the Indian Merchants' Chamber. He is a partner of Pravin P. Shah & Co., Chartered Accountants. He has been associated with the Company since 2002. He is also a Director of Adani Enterprises Limited, Bombay Rayon Fashions Limited, Claris Lifesciences Limited and JM Financial Limited. He is member of the Audit Committees of Adani Enterprises Limited, Bombay Rayon Fashions Limited, Claris Lifesciences Limited

and JM Financial Limited. He does not hold any share of the Company and is not related to any Director of the Company.

#### **Shri Gaurav Jain**

Shri Gaurav Jain (29 years) was appointed the Managing Director of the Company on 04.06.2008. Earlier he was an Executive Director of the Company. He graduated with dual degrees from The Warton School- Bachelor of Science in Economics with specialisation in finance and School of Engineering and Applied Science-Bachelor of Science in Engineering with major in Computer Science and Engineering from University of Pennsylvania, U.S.A. He was instrumental in setting up Adventity BPO India Private Limited (now known as Adventity Global Services Private Limited) which is a business process outsourcing (BPO) Company. He has been associated with the Company since 2004. He is also a Director of Awas Realtors Limited, Dev Realty and Developers Limited, Jailaxmi Realty and Developers Limited, Jai Infraprojects Limited, Jai Realty Ventures Limited, Novelty Realty & Developers Limited, Pet Fibres Limited, Polyresin Agencies (India) Limited, Srinivas Electro Steel Limited, Samrat Realty and Developers Limited, Urban Gas Limited, Urban Gas Distributors Limited, Urban Gas Suppliers Limited and Welldone Real Estate Limited. As on 31.03.2009, he held 1,04,27,200 equity shares of the Company. He is related to the following Directors of the Company: Shri Jai Kumar Jain, Shri Anand Jain and Shri Virendra Jain.

#### **Shri Vasudeo Srinivas Pandit**

Shri Vasudeo Srinivas Pandit (59 years) is the Director-Works of the Company. He holds bachelors' degrees in science and has more than 25 years of experience in the plastic industries with more than 22 years in woven sacks/ bags industry and in setting up and operating woven sacks manufacturing units. He has been associated with the Company since 1988 and has been an Executive Director of the Company since 1997 with the overall responsibility of the manufacturing and export activities of packaging division. He is a Director of Sarbags Limited. He is not a director in any other Indian company and does not hold any share of the Company. He is not related to any other Director of the Company.

#### **CEO/CFO**

Shri Gaurav Jain, Managing Director is designated as Chief Executive Officer (CEO) and Shri Ashok Tak, Vice President-Commercial has been vested with the authority to head the finance function and to act as the Chief Financial Officer (CFO) of the Company w.e.f. 01.11.2008 as per the Clause 49 of the Listing Agreement.

Shri Rajesh Kumar Mundra the erstwhile CFO has resigned with effect from 31.10.2008.

The Managing Director-cum-Chief Executive Officer and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement with the Stock Exchanges. The Managing Director-cum-Chief Executive Officer and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement with the Stock Exchanges.

### Board Meetings:

The Board of Directors meets at least once in every quarter to review performance of the Company along with the financial results. The functions of the Board are effectively and efficiently discharged by briefing each Board Member of development that have taken place.

The Board is given presentation covering finance, investments, sales, marketing and operations of the Company, before taking on record the quarterly results of Company. The Board periodically reviews compliance reports, of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliance.

In special and exceptional circumstances, additional or supplementary items on the agenda are permitted. The Company Secretary records/enters the minutes of the proceedings of each Board and Committee Meeting within 30 days from the conclusion of the meeting.

The Minutes of meetings of audit committee and other committees of the Board were placed before it.

The Minutes of Board Meetings of subsidiaries and stepdown subsidiaries were placed before the Board.

### 3. Audit Committee:

The Audit Committee has four members out of which three are independent directors. Shri K. M. Doongaji, Independent Director acts as Chairman of the Committee. Shri S. N. Chaturvedi, Shri D.K. Contractor and Shri Virendra Jain are other members. The constitution of Audit Committee meets with the requirements under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. All the Members of the Audit Committee possess financial/ accounting expertise.

#### Powers of Audit Committee:

The audit committee has the following powers:

- (1) To investigate any activity within its terms of reference.
- (2) To seek information from any employee.
- (3) To obtain outside legal or other professional advice.
- (4) To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### Role of Audit Committee:

The terms of reference stipulated by the Board to the Audit Committee, are, as contained under Clause 49 of the Listing Agreement, as follows:

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of statutory auditor, and the fixation of audit fee and approval of payment for any other service rendered by the statutory auditor.

- c. Reviewing, with management, the annual financial statements before submission to the Board for approval, with particular reference to: (i) matters to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956, (ii) any change in accounting policies and practices and the reason for the same, (iii) major accounting entries based on exercise of judgement by management, (iv) significant adjustments made in financial statements arising out of audit findings, (v) compliance with listing and legal requirements relating to financial statements, (vi) disclosure of any related party transactions, (vii) qualifications in the draft audit report., (viii) the going concern assumption, (ix) Compliance with accounting standards.
- d. Reviewing, with management, the quarterly financial statements before submission to the Board for approval,
- e. Reviewing, with management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for the purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- f. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- g. Reviewing the adequacy of internal audit functions, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- h. Discussing with internal auditors any significant findings and follow up there on.
- i. Reviewing the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- j. Discussing with statutory auditors before the audit commences, about nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- k. Reviewing the Company's financial and risk management policies.
- l. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividend) and creditors.
- m. Reviewing the financial statements and in particular investments made by unlisted subsidiary Company.
- n. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing.

#### REVIEW OF INFORMATION BY AUDIT COMMITTEE

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letter / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor.

#### MEETING OF THE AUDIT COMMITTEE

The Audit Committee has met four times during the year 2008-2009, on 10.05.2008, 31.07.2008, 25.10.2008 and 31.01.2009.

Representatives of Statutory Auditors were invited and were present at the Audit Committee Meetings.

Attendance of each Member at the Audit Committee meetings held during the year:

Name of Director	Designation	Meetings Held	Meetings Attended
Shri K.M.Doongaji	Chairman	4	4
Shri S.N.Chaturvedi	Member	4	4
Shri Virendra Jain	Member	4	4
Shri D.K.Contractor	Member	4	4

The Company Secretary acts as the Secretary to the Audit Committee. The Chairman of Audit Committee attended the last Annual General Meeting of the Company.

#### 4. Remuneration committee & details of remuneration to Directors :

The Company has not constituted a remuneration committee. Presently, there is one Managing Director and one Whole-Time Director. The remuneration paid to them is subject to the limits laid down under Sections 198, 309 and Schedule XIII to the Companies Act, 1956. The remuneration consists of salary, Company's contribution to provident fund, superannuation fund, perquisites and allowances in accordance with the respective service contracts and Rules of the Company, applicable from time to time.

The Managing Director and the Whole-time Director are not paid any sitting fee for attending the Board/ Committee meetings. The non-executive directors are paid sitting fees @ Rs.5,000/- per Board and Audit Committee meetings and out-of-pocket expenses to attend these meetings.



The terms of appointment of the executive directors are as under:

Name of the Director/ Designation	Salary	Commission	Perquisites & Allowance*	Service Contract	
				Tenure	Notice Period
Shri Gaurav Jain Managing Director	Rs. 2,00,000/- per month	not exceeding the limits laid down in Section 309(3) of the Act	up to Rs.2,00,000/- per month, subject to overall ceiling of remuneration as stipulated under the Companies Act, 1956.	04-06-2008 to 03-06-2013	3 months
Shri Vasant S. Pandit Director- Works	Not exceeding Rs.2,00,000/- per month	not exceeding the limits laid down in Section 309(3) of the Act	up to Rs.2,00,000/- per month, subject to overall ceiling of remuneration as stipulated under the Companies Act, 1956.	01-04-2007 to 31-03-2012	3 months

\*Perquisites and Allowances include Accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with re-imbursment of expenses or allowances for utilization of gas, electricity, water, furnishing and repairs, medical expenses/re-imbursment for self and his family including dependants, leave travel concession for self and his family including dependants, club fees, medical insurance and such other perquisites and allowances as agreed/authorized by the Board.

There is no separate provision for payment of severance fee.

The details of remuneration paid to the Directors (including perquisites and allowances) for the year ended 31 .03. 2009 are as under:

Name of Director	Sitting Fees (Rs.)	Salary (Rs.)	Perquisites (Rs.)	Total (Rs.)
Shri J.K.Jain	25,000	NIL	NIL	25,000
Shri Anand Jain	25,000	NIL	NIL	25,000
Shri Virendra Jain	30,000	4,00,000	NIL	4,30,000
Shri S.P. Jain	5,000	NIL	NIL	5,000
Shri K.M.Doongaji	40,000	NIL	NIL	40,000
Shri S.H.Junnarkar	20,000	NIL	NIL	20,000
Shri D.K.Contractor	40,000	NIL	NIL	40,000
Shri V.S.Pandit	NIL	11,86,250	13,750	12,00,000
Dr. P.P.Shah	15,000	NIL	NIL	15,000
Shri S. N. Chaturvedi	45,000	NIL	NIL	45,000
Shri Gaurav Jain	NIL	24,00,000	2,15,202	26,15,202

The Company has paid Rs. 7,49,698/- as professional charges during the year to Pravin P. Shah & Associates, Chartered Accountants and Pravin P. Shah & Company where Dr. Pravin P. Shah, Director of the Company is a partner and the proprietor respectively and Rs. 2,58,000/- to Junnarkar & Associates, Advocates where Shri Sandeep H. Junnarkar, Director of the Company is a partner.

#### 5. Shareholders' / Investors' Grievance Committee :

The Company has delegated the powers to approve the transfer of shares and to deal with investors' grievances to a Committee consisting of 3 members: (1) Shri Jai Kumar Jain, Non-executive Chairman, (2) Shri Virendra Jain, and (3) Shri Gaurav Jain as members. This Committee is known as Investors' Grievance and Share Transfer Committee.

Shri Satyapal Jain who was a member resigned with effect from 04.06.2008.

The Investors' Grievance and Share Transfer Committee met at least once in every quarter to review and to take note of the Compliance Reports submitted to the Stock Exchanges and grievances of the shareholders.

#### Meeting of the Investors' Grievance & Share Transfer Committee :

During the Financial Year 2008-09 the Investors' Grievance & Share Transfer Committee has met 27 times.

#### Attendance of each Member at the Investor Grievance Committee meetings held during the year:

Name of Director	Designation	Meetings Held	Meetings Attended
Shri Jai Kumar Jain	Chairman	27	27
Shri S.P. Jain*	Member	8**	1
Shri Virendra Jain	Member	27	26
Shri Gaurav Jain	Member	27	25

\* resigned as director w.e.f. 04.06.2008.

\*\* Number of meetings held before his resignation

#### NAME AND DESIGNATION OF COMPLIANCE OFFICER:

Shri Ananjan Datta, Company Secretary.

757 shareholders' complaints were received during the year ended 31.03.2009 out of which 745 shareholders' complaints were resolved. As on 31.03.2009, 12 shareholders' complaints were pending. These 12 complaints were inter alia forwarded to the Company by SEBI. The Company has requested SEBI to furnish copies of the these 12 complaints. Pending receipt of the same, the complaints cannot be resolved.

#### Procedure at the Committee Meetings

The procedure of Board Meetings is applicable to the Committee Meetings as far as may be practicable. The minutes of the Committee Meetings are placed before the Board of Directors for their perusal and noting.

#### Prevention of Insider Trading

The Board ensures that the Model Code of Conduct for Prevention of Insider Trading adopted in terms of Regulation 12(1) of the SEBI [Prohibition of Insider Trading] Regulations, 1992 is strictly adhered to. All directors, officers and designated employees have furnished annual statements of their shareholdings in the Company.

**Code of Business Conduct and Ethics for Directors, Senior Management and Employees.** Code of Conduct and Ethics for Directors, Officers and Employees has been approved by the Board in its meeting held on 28.10.2005. The Code lays down the standards of business conduct, ethics and governance. The same has been posted on the website of the Company. All Directors, senior management and employees have affirmed their compliance with the Code. The Code has been circulated to all the members of the Board and management personnel and compliance of the same is affirmed by them annually.

## 6. Subsidiary monitoring framework:

All subsidiary companies of the Company are Board managed with their respective Boards having rights and obligations to manage such companies in the best interest of their stakeholders. As the majority shareholder, the Company has placed two of its independent directors on the Board of a subsidiary company where it has made substantial investment. It monitors the performance of all subsidiary companies, *inter alia* by the following means:

- Financial statements, in particular the investments made by the unlisted subsidiary companies, are reviewed and noted by the Audit Committee of the Company.
- All minutes of the meetings of the unlisted subsidiary companies are placed before the Company's Board.
- A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary Companies are placed before the Board.

## 7. General body meetings :

i) a) Details of last three Annual General Meetings of the Company and the special resolutions passed therein:

Year	Date	Day	Time	Location	Special Resolutions Passed
2006	24.08.2006	Thursday	2.00 p.m.	Registered Office at A-3, MIDC Industrial Area, Nanded-431603 Maharashtra	1. No special resolution was passed.
2007	14.09.2007	Saturday	2.00 p.m.	-do-	<ol style="list-style-type: none"> <li>Subdivision of each equity shares of face value Rs. 10/- to 10 equity shares of Re.1/- each and increase of authorized share capital from Rs. 25,00,00,000/- to Rs. 50,00,00,000/-.</li> <li>Increase in limit of investments allowable under section 372A of the Companies Act, 1956 to Rs. 10,00,00,00,000/-.</li> <li>Approval for placement of shares by way of qualified institutional placement.</li> <li>Approval for follow-on public offer.</li> <li>Approval for offering shares in international market.</li> <li>Approval for raising the total foreign institutional investors holdings in the Company up to 49%.</li> <li>Approval for issuing shares under employee stock option scheme.</li> <li>Approval for extending the employee stock option scheme to the permanent employees and directors of subsidiary companies.</li> </ol>
2008	30.08.2008	Saturday	12:00 noon	-do-	<ol style="list-style-type: none"> <li>Adoption of new Articles of Association.</li> <li>Approval for placement of shares by way of qualified institutional placement.</li> </ol>

b) Details of Extra-ordinary General Meetings of the Company during 2006, 2007 and 2008 and the special resolutions passed therein:

Year	Date	Day	Time	Location	Special Resolutions Passed
2006	-	-	-	-	No Extra-ordinary General Meeting was held
2007	17.11.2007	Saturday	12:00 noon	Registered Office at A-3, MIDC Industrial Area, Nanded-431603 Maharashtra.	<ol style="list-style-type: none"> <li>Re-classification of authorized share capital to make it 45,00,00,000 equity shares of Re.1/- each, Rs.1,50,00,000 redeemable preference shares of Re.1/- each and 3,50,00,000 un-classified shares of Re.1/- each.</li> <li>Approval for issue of 59,10,610 equity shares of Re.1/- each for Rs. 1,035/- by way of preferential allotment.</li> <li>Approval for issue of 1,50,00,000 redeemable preference shares of Re.1/- each for Rs.1,000/- per share to promoters/ promoter group.</li> </ol>
2008	Saturday	12:00 noon	-do-		<ol style="list-style-type: none"> <li>Amendment to the Articles of Association to state that the numbers of directors shall not be less than 3 &amp; more than 12.</li> <li>Increase in limit of investments allowable under Section 372A of the Companies Act, 1956 to Rs.75,00,00,00,000/-.</li> </ol>

c) Details of special resolutions passed by postal ballot during 2006, 2007 and 2008.

Year & Name of person who conducted postal ballot exercise	Declaration of Results of Postal Ballot			Location	Special Resolutions Passed
	Date	Day	Time		
2006	-	-	-	-	No resolution was passed by postal ballot.
2007 Ms. Savita Jyoti, Practising Company Secretary	2.11.2007	Friday	18.30 hours	807, Embassy Centre, Nariman Point, Mumbai 400 021	1. Alteration to the Object of Clause of the Memorandum of Association of the Company.  2. Approval for commencement of new business by the Company.
2008	-	-	-	-	No resolution was passed by postal ballot.

ii) There is no proposal of passing a special resolution that requires to be conducted through postal ballot.

iii) Procedure for postal ballot: Not Applicable.

## 8. Disclosures:

### a) Materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, the directors or the management, the subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large:

None of the transactions with any of the related parties were in conflict with the interests of the Company at large.

Further in compliance to the Accounting Standard, a detailed disclosure of transactions with related parties as laid down under AS-18 has been made in Notes on Accounts – ‘Schedule “O” forms part of the Annual Report.

### b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges, SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

On a matter concerning allotment inter alia to, and sale by, the Company of equity shares of RAP Media Limited, a listed company, where certain provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and SEBI (Prohibition of Insider Trading) Regulations, 1992 were allegedly not adhered to, the Company along with two other companies made an application for consent order to SEBI on 18.09.2008. After SEBI vide its letter dated 30.01.2009 had intimated its acceptance to the amount offered, the Company and the companies acting- in –concert, had submitted to SEBI the payment instrument of the accepted amount of Rs. 10,25,000/- towards settlement and administrative charges within the specified time limit. Thereafter, by its subsequent letter dated 19.02.2009, SEBI intimated its non-acceptance of the consent application and advised the Company to re-negotiate the consent terms. The Company through its letter dated 02.03.2009, informed SEBI that no re-negotiation was required as the matter has been duly accepted for settlement. SEBI by its order/decision dated 07.05.2009 has intimated that the consent terms proposed by the Company are

not acceptable to them and that enforcement proceedings will be revived and the payment instrument for the amount of Rs.10,25,000/- was also returned along with this letter. SEBI by its letter dated 29.05.2009 asked all the three companies to appear before the Adjudicating Officer for hearing.

The Company and the other noticees have moved the Hon’ble Securities Appellate Tribunal against the order dated 07.05.2009 and have also sought for a stay on the adjudication process. The matter is pending before the Hon’ble Securities Appellate Tribunal.

Other than the matter referred to above there is no instance of non-compliance by the Company on any matter related to capital markets during the last three years.

### c) Management Discussion & Analysis Report is a part of the Directors’ Report for the year ended March 31, 2009.

### d) Whistle Blower policy and affirmation that no personnel has been denied access to the Audit Committee.

The Company has no written Whistle Blower policy, however, the Company’s internal policies allows any personnel to approach the Audit Committee in this respect.

### e) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause

All mandatory provisions have been complied with. The Company has not adopted the non-mandatory provisions.

### 9. Secretarial Audit :

In compliance to the circular received from the Stock Exchanges mandating all listed companies to subject themselves to a Secretarial Audit for purpose of reconciliation of the total admitted capital with both the depositories and the total issued and listed capital, the Company confirms that there exist no discrepancies with regard to its admitted capital. A certified report to this effect by Practicing Company Secretary Messrs Savita Jyoti Associates, is submitted at close of each quarter to the Stock Exchanges.

## 10. Means of Communication :

(a) **Quarterly Results:** Quarterly results are published in 'The Free Press Journal' and 'Navshakti'.

(b) **News Releases, Presentations, etc.:** Official news releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website: [www.jaicorpindia.com](http://www.jaicorpindia.com). Official media releases are sent to the Stock Exchanges.

(c) **Website:** The Company's website: [www.jaicorpindia.com](http://www.jaicorpindia.com) contains a separate dedicated section 'Investor Relations' where shareholders information is available. The Annual Report of the Company is also available on the website in a user-friendly and downloadable form.

(d) **Annual Report:** Annual Report containing, *inter alia*, audited annual accounts, consolidated financial statements, Directors' Report, Auditors' Report, Corporate Governance Report, Notice of Annual General Meeting and other important information is circulated to the members and other entitled to receive it. The Management Discussion and Analysis (MD&A) forms part of the Annual Report.

(e) **Reminder to Investors:** Reminder to investors to cash unclaimed dividend is included in the Notice to the Annual General Meeting.

(f) **SEBI Electronic Data Information Filing and Retrieval System (EDIFAR):** Annual Report, Quarterly Results, Shareholding Pattern, Quarterly Corporate Governance Report etc. of the Company are posted on the SEBI EDIFAR website: [www.sebiedifar.nic.in](http://www.sebiedifar.nic.in).

(g) **Corporate Filing and Dissemination System (CFDS):** The CFDS portal jointly owned and managed by BSE and NSE is a single source to view information filed by listed companies. Filings done by the Company with the Stock Exchanges are also available at this site: [www.corpfiling.co.in](http://www.corpfiling.co.in).

(h) **Designated exclusive email-id :** The Company has designated the following email id exclusively for investor servicing: [cs2@jaicorpindia.com](mailto:cs2@jaicorpindia.com).

## 11. General shareholders' Information :

24th Annual General Meeting: Date, Time and Venue:

Wednesday the 23<sup>rd</sup> day of September 2009, at 2:00 pm at the Registered Office of the Company at A-3, MIDC Industrial Area, Nanded 431 603, Maharashtra.

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**Financial Year :** 01-04-2009 to 31-03-2010

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### Financial Calendar (Tentative)

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Results for the quarter ended June, 2009	: end July, 2009
Results for the quarter ended September, 2009	: end October, 2009
Results for the quarter ended December, 2009	: end January, 2010
Results for the quarter ended March, 2010	: end May, 2010
Annual General Meeting	: end August, 2010
Dates of Book Closure	: 15-9-09 to 23-9-09 (both days inclusive)
Dividend Payment Date	: On or after 24-9-09

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### The Company's shares are listed on the following Stock Exchanges:

#### Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400 001.

#### National Stock Exchange of India Limited.

Exchange Plaza, 5th Floor, Plot No. C/1,  
G Block, Bandra- Kurla Complex,  
Bandra (East), Mumbai – 400 051.

Annual Listing Fee have been paid to the above stock exchanges for the financial year 2008-09.

#### Stock Code:

Bombay Stock Exchange (BSE): 512237  
National Stock Exchange (NSE): JAICORPLTD

Demat ISIN for NSDL and CDSL : INE070D01027.

#### Registration details with Registrar of Companies:

The Company is registered in the State of Maharashtra, India. It falls under the jurisdiction of the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs (MCA):

L17120MH1985PLC036500.

**Registrars and Share Transfer Agents:**

KARVY COMPUTERSHARE PRIVATE LIMITED

Unit: Jai Corp Limited

 Plot No. 17-24, Vittal Rao Nagar,  
 Madhapur, Hyderabad- 500 081

Tel. Nos. 040 –23420815 - 28 Extn.: 187

Fax: 040-23420814 / 23420857

Email: einward.ris@karvy.com

**Address for correspondence:**

Shareholders' correspondence should be addressed to the Registrar and Share Transfer Agents of the Company at the address mentioned above.

The Shareholders can also contact the Company through e-mail: cs2@jaicorpindia.com

Website : www.jaicorpindia.com

**Share transfer system:**

Presently, the share transfers in physical form are registered and returned within the stipulated period of 10 to 15 days from the receipt, if the documents are clear in all respects.

**Dematerialization of shares:**

The equity shares of the company are traded in compulsory dematerialized form by all the investors' w.e.f. 09.03.2001.

The Company has entered into agreements with both the depositories viz, National Securities Depository Ltd. (NSDL) &amp; Central Depository Services (India) Ltd (CDSL), enabling the investors to hold shares of the Company in electronic form through the depository of their choice.

As on 31.03.2009, the number of dematerialized equity shares was 17,70,04,110 which represents 99.17 % of the total paid up equity capital.

**Details of dematerialized and physical shares as on 31.03. 2009:**

Sr. No.	Particulars	No. of Shareholders	No. of Equity Shares	% Equity Shares
1.	CDSL	26,342	38,12,295	2.14
2.	NSDL	49,938	17,31,91,815	97.03
	<b>Total Demat Holding</b>	<b>76,280</b>	<b>17,70,04,110</b>	<b>99.17</b>
3.	Physical	1,204	14,89,900	0.83
	<b>Total</b>	<b>77,484</b>	<b>17,84,94,010</b>	<b>100.00</b>

Outstanding GDRs/ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity -

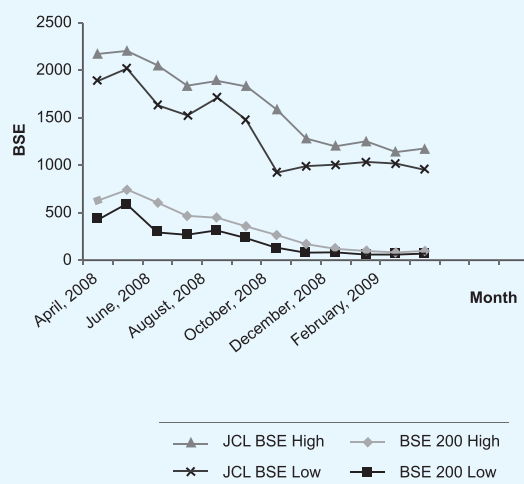
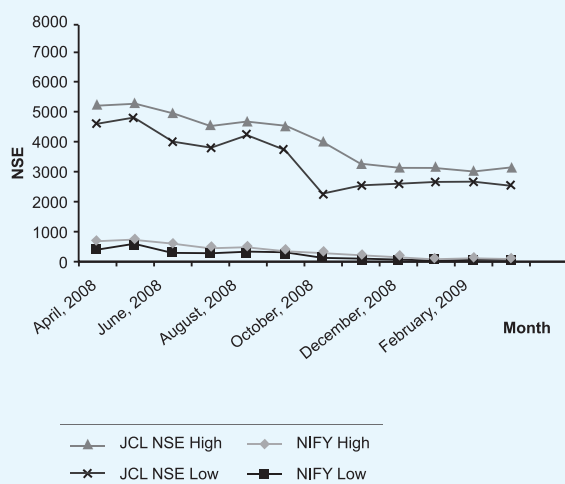
Not Applicable as the company has not issued such instruments.

**Plant Locations :**

Steel Division	:	Nanded, Maharashtra
Plastic Processing Division	:	Khadoli, Silvassa (Dadra & Nagar Haveli-U.T.) and Daman (Daman & Diu-U.T.)
Spinning Division	:	Vasona, Silvassa (Dadra & Nagar Haveli-U.T.), Masat, Silvassa (Dadra & Nagar Haveli-U.T.), Sarigam, Gujarat.



### Market Statistics 2008-2009



Market price data during each month in last financial year on the BSE and the NSE:

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2008	636.70	430.50	638.15	429.30
May, 2008	740.65	587.45	741.05	587.95
June, 2008	597.00	298.35	599.80	297.80
July, 2008	466.45	269.10	466.75	268.85
August, 2008	442.00	306.00	440.30	307.00
September, 2008	340.10	236.80	359.00	236.10
October, 2008	255.35	123.80	255.00	124.00
November, 2008	173.95	78.00	173.45	78.55
December, 2008	119.20	77.05	119.60	77.10
January, 2009	89.70	57.35	89.80	59.20
February, 2009	80.45	65.50	80.00	65.05
March, 2009	88.40	59.40	88.50	59.40

**Distribution of equity shareholding as on 31.03. 2009 is as follows:**

Sr. No.	Category From - To	No. of Share Holders	No. of Shares	% of Holders
1	1- 5000	77,058	96,73,455	99.45
2	5001-10000	220	15,95,227	0.28
3	10001-20000	92	13,44,533	0.12
4	20001-30000	20	4,75,542	0.03
5	30001-40000	13	4,63,541	0.02
6	40001-50000	10	4,57,868	0.01
7	50001-100000	12	16,91,984	0.01
8	100001 and above	59	1,62,791,860	0.08
	<b>TOTAL</b>	<b>77,484</b>	<b>17,84,94,010</b>	<b>100.00</b>

**The equity shareholding pattern as on 31.03. 2009 is as follows:**

Sr. No.	Description	No. of Share Holders	No. of Shares	% of Share Capital
1	Promoters(including Directors, their relatives )	20	13,02,85,800	72.99
2	Mutual Funds	15	7,73,480	0.43
3	Financial Institutions and Banks	11	34,80,919	1.95
4	Bodies Corporate	1,405	45,68,721	2.56
5	NRI / Foreign Nationals/FII	604	2,63,30,968	14.75
6	Resident Individuals	75,263	1,23,25,314	6.91
7	Trusts	3	1,35,500	0.08
8	Clearing Members	163	5,93,308	0.33
	<b>TOTAL</b>	<b>77,484</b>	<b>17,84,94,010</b>	<b>100.00</b>

**Build up of equity share capital:**

Sr. No.	Particulars	Year of Event	No. of Shares
1.	Subscribers to the Memorandum	1985	70
2.	Further Issue	-do-	1,99,930
3.	Public Issue	-do-	3,00,000
4.	Rights Issue	1987	3,00,000
5.	Bonus Issue	1994	24,00,000
6.	Public Issue	1994	11,00,000
7.	Amalgamation of Sipta Coated Steels Limited and Comet Steels Limited with the Company	1996	49,63,522
8.	Cancellation of shares under Scheme of Arrangement	2002	6,32,122
9.	Share Split (1:10)	2007	8,63,14,000
10.	Bonus Shares (1:1 excluding shares forfeited but not cancelled or re-issued)	-do-	8,62,69,400
11.	Preferential Offer	-do-	59,10,610

**Transfer of Unclaimed & Unpaid Dividend Amount to Investor Education & Protection Fund:**

During the year under review the Company has credited unclaimed and unpaid dividend amount declared for the year 2000-01, a sum of Rs. 2,96,018/- to the Investor Education and Protection Fund (IEPF) pursuant to Section 205C of the Companies Act, 1956 and the IEPF (Awareness and Protection of Investors) Rules, 2001.

**DECLARATION ON CODE OF CONDUCT**

As required by Clause 49(1D) of the Listing Agreement with the Stock Exchange(s), it is hereby declared that all Board Members and senior management personnel have affirmed compliance with the Code of Conduct of the Company.

Mumbai,  
26<sup>th</sup> June, 2009

**Gaurav Jain**  
*Managing Director & Chief Executive Officer*

## CERTIFICATE OF CORPORATE GOVERNANCE

**To,  
The Members,  
JAI CORP LIMITED**

We have examined the compliance of conditions of Corporate Governance by JAI CORP LIMITED, for the year ended on 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has, complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing agreement.

We 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 CHATURVEDI & SHAH**  
Chartered Accountants

**For S.R. BATLIBOI & Co.**  
Chartered Accountants

**R. Koria**  
Partner  
Membership No.: 3562  
Place: Mumbai  
Date: 26<sup>th</sup> June 2009

**per Tridibes Basu**  
Partner  
Membership No.: F-17401  
Place: Mumbai  
Date: 26<sup>th</sup> June 2009

# Financial

## SECTION



## Auditors' Report

**To  
The Members of  
JAI CORP LIMITED**

We have audited the attached Balance Sheet of 'JAI CORP LIMITED' ('the Company') as at 31<sup>st</sup> March, 2009, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting 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.

1. As required by the Companies (Auditor's Report) Order, 2003 ('the Order'), issued by Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure hereto, a Statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. 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 and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account;

- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e) On the basis of the written representations received from the Directors, as on 31<sup>st</sup> March 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2009 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 explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon, 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:
  - I) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2009;
  - II) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
  - III) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**For CHATURVEDI & SHAH**  
Chartered Accountants

**R. Koria**  
Partner  
Membership No.: 35629  
Place: Mumbai  
Date: 26<sup>th</sup> June 2009

**For S.R. BATLIBOI & Co.**  
Chartered Accountants

**per Tridibes Basu**  
Partner  
Membership No.: F-17401  
Place: Mumbai  
Date: 26<sup>th</sup> June 2009

## ANNEXURE TO AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date to the members of Jai Corp Limited on the accounts for the year ended 31<sup>st</sup> March, 2009)

- (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.
  - (b) As explained to us, all the fixed assets have been physically verified by the management in accordance with the programme of verification, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification as compared to the book records.
  - (c) In our opinion and according to the information and explanations given to us, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
- (ii) In respect of its inventories:
- (a) Inventories have been physically verified during the year by the management. In our opinion the programme of verification is reasonable.
  - (b) In our opinion, and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) On the basis of our examination of inventory records, we are of the opinion that the Company is maintaining proper records of inventory. As explained to us, no material discrepancies were noticed on physical verification of the inventories, as compared to book records maintained.
- (iii) In respect of loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956: -
- (a) The Company has granted unsecured loans to two wholly-owned subsidiary companies of it. The maximum amount outstanding at any time during the year was Rs. 398,37.61 lacs and the year-end balance was Rs. 386,90.54 lacs.
  - (b) In our opinion and according to the information and explanations given to us, the aforesaid loan is interest free and others terms and conditions, are not prima facie prejudicial to the interest of the Company.
  - (c) The said loans are repayable on demand and there is no repayment schedule.
  - (d) As the said loans are repayable on demand, the question of overdue amounts does not arise.
  - (e) The Company has not taken any loans during the year from companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956. Consequently, the provisions of sub clauses (f) and (g) of paragraph 4 of the said Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventories and fixed assets and also for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that transactions 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 during the year in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs for each party, have been made at prices which are prima facie reasonable having regard to the prevailing market price at the relevant time, except for certain transactions for purchase and sale of goods and materials of specific nature for which alternative quotations are not available and hence upon which, we are unable to comment .
- (vi) The Company has not accepted any deposits from the public and accordingly, the provisions of clause (vi) of paragraph 4 of the said Order are not applicable to the Company.
- (vii) The Company has an internal audit system, which in our opinion, needs to be strengthened to make it commensurate with the size and nature of its business.
- (viii) We are informed by the management that the Central Government has prescribed the maintenance of Cost Records pursuant to clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956, in respect of one of the products of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.
- (ix) (a) According to records of the Company examined by us, the Company has generally been regular during the year in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Investor Education and Protection Fund, Income-tax, Sales-tax, Wealth tax, Service tax, Custom Duty, Excise Duty, Cess and other material statutory dues. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31,2009 for a period of more than six months from the date they became payable;
- (b) The disputed statutory dues aggregating Rs. 125.54 lacs as at 31.03.09, that have not been deposited on account of matters pending before appropriate authorities, are as under:

Name of the Statute	Nature of the Dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending	
Central and Bombay Sales Tax Act	Sales Tax	5.49	2003-04	Dy. Commissioner (Appeals)	
Bombay Sales Tax Act	Sales Tax	30.56	2000-01 through 2002-03	Maharashtra Sales Tax Tribunal	
Central Excise Act, 1944	Excise duty	13.26	2005-06	Commissioner (Appeals)	
		75.00	1.23	2001-02	Central Excise and Service Tax Appellate Tribunal
<b>Total</b>		<b>125.54</b>			

- (x) The Company does not have accumulated losses at the end of the financial year. It has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
- (xi) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks. During the year, the Company did not have any loans from financial institutions or by way of debentures.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund /society, and hence the provisions of clause (xiii) of paragraph 4 of the said Order 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 in respect of

dealing in shares and other investments and timely entries have been made therein. The investments are held by the Company in its own name.

- (xv) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) According to the information and explanations given to us, term loans were prima facie applied for the purposes for which the loans were obtained.
- (xvii) On a review of utilization of funds based on an overall examination of the Balance Sheet of the Company as at 31st March, 2009, we report that prima facie, funds raised on short-term basis have not been utilized for long-term investment.
- (xviii) During the year, 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.
- (xix) The Company has not issued any debentures and hence provisions of clause (xix) of paragraph 4 of the said Order are not applicable to the Company.
- (xx) During the year the Company has not raised any monies by way of public issue.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For CHATURVEDI & SHAH**  
Chartered Accountants

**For S.R. BATLIBOI & Co.**  
Chartered Accountants

**R. Koria**  
Partner  
Membership No.: 35629

Place: Mumbai  
Date: 26<sup>th</sup> June 2009

**per Tridibes Basu**  
Partner  
Membership No.: F-17401

Place: Mumbai  
Date: 26<sup>th</sup> June 2009



## BALANCE SHEET as at 31<sup>st</sup> March , 2009

	SCHEDULE	AS AT 31.03.2009	(Rs.in Lacs) AS AT 31.03.2008
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	A	1,934.71	1,934.71
Reserves and Surplus	B	256,661.32	254,121.32
		<b>258,596.03</b>	256,056.03
<b>Loan Funds</b>			
Secured Loans	C	3,539.35	3,490.00
Unsecured Loans	D	721.10	4,654.64
		<b>4,260.45</b>	8,144.64
<b>Deferred Tax Liability (Net)</b> (Refer Note No. 9 of Schedule 'O' )		<b>1,632.63</b>	1,366.12
<b>Total</b>		<b>264,489.11</b>	265,566.79
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	E	35,528.92	35,605.40
Less: Depreciation		15,501.54	14,365.13
Net Block		20,027.38	21,240.27
Capital Work-in-Progress		3,230.77	2,025.16
		<b>23,258.15</b>	23,265.43
<b>Investments</b>	F	<b>172,263.48</b>	184,390.47
<b>Current Assets, Loans and Advances</b>			
	G		
Inventories		4,137.50	4,426.29
Sundry Debtors		8,989.34	7,557.16
Cash and Bank Balances		6,177.94	504.15
Other Current Assets		1.58	1.58
Loans and Advances		52,186.93	49,658.49
		<b>71,493.29</b>	62,147.67
<b>Less:Current Liabilities and Provisions</b>	H		
Current Liabilities		1,761.16	2,258.83
Provisions		764.65	1,977.95
		<b>2,525.81</b>	4,236.78
<b>Net Current Assets</b>		<b>68,967.48</b>	57,910.89
<b>Total</b>		<b>264,489.11</b>	265,566.79
<b>Significant Accounting Policies</b>	N		
<b>Notes on Accounts</b>	O		

The Schedules referred to above form an integral part of the Balance Sheet.  
As per our report of even date

**For CHATURVEDI & SHAH**  
Chartered Accountants

**For S.R.BATLIBOI & CO.**  
Chartered Accountants

For and on behalf of the Board of Directors

**A Datta**  
Company Secretary

**Virendra Jain**  
Vice Chairman

**Gaurav Jain**  
Managing Director

**R. Korla**  
Partner

**per Tridibes Basu**  
Partner

**Ashok Tak**  
Vice President-Commercial &  
Chief Financial Officer

**Place: Mumbai**

**Date :- 26<sup>th</sup> June, 2009**

# PROFIT AND LOSS ACCOUNT for the Year Ended 31<sup>st</sup> March, 2009

	SCHEDULE	YEAR ENDED 31.03.2009	(Rs.in Lacs) YEAR ENDED 31.03.2008
<b>INCOME</b>			
Turnover (Gross)	I	39,506.21	32,790.54
Less: Excise duty/ Service Tax recovered		1,964.67	1,937.50
Net Turnover		37,541.54	30,853.04
Other Income	J	5,371.46	12,948.04
Variation In Stocks	K	(117.87)	391.51
		42,795.13	44,192.59
<b>EXPENDITURE</b>			
Purchases		6,569.91	8,704.12
Manufacturing and Other Expenses	L	30,051.89	20,054.77
Interest & Finance Charges	M	464.41	589.75
Depreciation		1,532.51	1,483.62
		38,618.72	30,832.26
<b>Profit for the year before tax</b>		4,176.41	13,360.33
Less : Provision for Taxation :			
Current Tax		1,146.60	1,194.16
MAT Credit		-	(736.53)
Deferred Tax		266.51	69.95
Fringe Benefit Tax		15.81	17.40
Add: Write back of provision for Tax of earlier years		77.49	-
<b>Profit after tax</b>		2,824.98	12,815.35
Balance brought forward from last year		23,797.21	12,841.74
Prior Period Adjustments (Net)		(1.46)	(3.80)
<b>AMOUNT AVAILABLE FOR APPROPRIATIONS</b>		26,620.73	25,653.29
<b>Appropriations</b>			
General Reserve		282.50	1,282.00
Proposed Dividend on Preference Shares		1.50	0.52
Proposed Dividend on Equity Shares		240.84	490.17
Tax on Proposed Dividend		41.18	83.39
<b>SURPLUS CARRIED TO BALANCE SHEET</b>		26,054.71	23,797.21
Basic & Diluted Earning Per Share of Face Value of Re. 1 each (Refer Note No. 11 of Schedule 'O')		1.58	7.34
<b>Significant Accounting Policies</b>	N		
<b>Notes on Accounts</b>	O		

The schedules referred to above form an integral part of the Profit and Loss Account.  
As per our report of even date

**For CHATURVEDI & SHAH**  
Chartered Accountants

**For S.R.BATLIBOI & CO.**  
Chartered Accountants

For and on behalf of the Board of Directors

**A Datta**  
Company Secretary

**Virendra Jain**  
Vice Chairman

**Gaurav Jain**  
Managing Director

**R. Korla**  
Partner

**per Tridibes Basu**  
Partner

**Ashok Tak**  
Vice President-Commercial &  
Chief Financial Officer

**Place: Mumbai**  
**Date :- 26<sup>th</sup> June, 2009**

Standalone Accounts

## CASH FLOW STATEMENT for the Year Ended 31<sup>st</sup> March, 2009

	2008-2009	(Rs.in Lacs)	
		2007-2008	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax as per Profit and Loss Account	4,176.41	13,360.33	
<b>Adjusted for :</b>			
Depreciation	1,532.51	1,483.62	
Wealth Tax	5.15	9.00	
Effects of exchange rate change	(19.76)	(159.49)	
Sundry Balance written off	(20.52)	(1.82)	
Loss / (Profit) on sale of investments ( Net )	2,950.49	(8,500.42)	
Provision for diminuation in value of Investment	-	267.16	
Loss / (Profit) on sale/discarding of fixed assets ( Net )	(134.07)	31.97	
Interest and Finance Charges	378.79	516.97	
Interest Income	(1,230.90)	(985.04)	
Interest Subsidy	-	(61.72)	
Dividend Income	(1,693.74)	1,767.95	(2,803.07)
<b>Operating Profit before Working Capital Changes</b>	<b>5,944.36</b>	<b>3,157.49</b>	
<b>Adjusted for :</b>			
Trade & Other Receivables	(1,922.18)	(2,262.32)	
Inventories	288.79	569.57	
Trade Payables	(771.57)	341.85	
Cash generated from operations	3,539.40	1,806.59	
Direct taxes paid	(630.85)	(1,237.25)	
Net Prior period adjustment	(1.46)	(3.80)	
<b>Net Cash Flow from / (used in) Operating Activities</b>	<b>2,907.09</b>	<b>565.54</b>	
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets	(2,496.51)	(2,854.93)	
Sale of Fixed Assets	1,383.80	191.15	
Fixed Deposit with bank having maturity of more-than three months	(5,000.00)	-	
Acquisition/Purchase of Business	-	(12,500.00)	
Purchase of Investments	(162,089.77)	(570,258.15)	
Sale of Investments	185,438.70	396,589.43	
Investment in Equity Shares of Subsidiaries (Net)	-	(277.79)	
Movement in Loans	(16,903.21)	(27,552.77)	
Interest Income	570.52	922.53	
Dividend Received	1,693.74	2,803.07	
<b>Net Cash Flow from / (used in) Investing Activities</b>	<b>2,597.27</b>	<b>(212,937.46)</b>	

	2008-2009	(Rs.in Lacs) 2007-2008
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital including Securities Premium	-	211,174.81
Share issue expenses	-	(176.74)
Proceeds of Long Term Loans	<b>675.00</b>	-
Repayment of Long Term Loans	<b>(996.49)</b>	(556.69)
Short Term Loans (Net)	<b>(3,562.70)</b>	1,493.43
Unclaimed for Scheme of Arrangement	<b>0.38</b>	(1.44)
Interest paid	<b>(376.73)</b>	(581.77)
Dividend paid	<b>(570.02)</b>	(2.67)
<b>Net Cash Flow from /(used in) Financing Activities</b>	<b>(4,830.56)</b>	211,348.93
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>673.79</b>	(1,022.99)
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>504.15</b>	1,527.14
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>1,177.94</b>	504.15
Fixed Deposit with bank whose maturity of more than three months	<b>5,000.00</b>	-
<b>Closing Balance of Cash and Bank #</b>	<b>6,177.94</b>	504.15

# For composition, refer Shedule "G"

**Notes :**

- 1 The above Cash Flow Statements has been prepared under the "Indirect Method" as set out in Accounting Standard-3 "Cash Flow Statement" as notified in the Companies (Accounting Standards) Rules, 2006.
- 2 Cash and cash equivelant includes Fixed Deposit pledge with the Govt. deptt. amounting to **Rs. 116.98 Lacs** (Previous year Rs. 208.41 Lacs) and balance of **Rs. 7.04 Lacs** (Previous Year Rs. 2.98 Lacs) with schedule bank on unpaid dividend account.
- 3 The Previous year's figures have been regrouped, rearranged, restated and reclassified wherever necessary.
- 4 Bracket indicates cash outflow.

As per our report of even date

**For CHATURVEDI & SHAH**  
Chartered Accountants

**For S.R.BATLIBOI & CO.**  
Chartered Accountants

For and on behalf of the Board of Directors

**A Datta**  
Company Secretary

**Virendra Jain**  
Vice Chairman

**Gaurav Jain**  
Managing Director

**R. Koria**  
Partner

**per Tridibes Basu**  
Partner

**Ashok Tak**  
Vice President-Commercial &  
Chief Financial Officer

**Place: Mumbai**  
**Date :- 26<sup>th</sup> June, 2009**

## SCHEDULES forming part of the Balance Sheet

	AS AT 31.03.2009	(Rs. in Lacs) AS AT 31.03.2008
<b>SCHEDULE "A"</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
45,00,00,000 Equity Shares of Re. 1 each (45,00,00,000)	<b>4,500.00</b>	4,500.00
1,50,00,000 1% Non-Cumulative, Non-Participating Redeemable (1,50,00,000) Preference Shares of Re. 1 each	<b>150.00</b>	150.00
3,50,00,000 Unclassified Shares of Re. 1 each (3,50,00,000)	<b>350.00</b>	350.00
	<u><b>5,000.00</b></u>	<u>5,000.00</u>
<b>ISSUED AND SUBSCRIBED</b>		
17,84,94,010 Equity Shares of Re. 1 each (17,84,94,010)	<b>1,784.94</b>	1,784.94
1,50,00,000 1% Non-Cumulative, Non-Participating Redeemable (1,50,00,000) Preference Shares of Re. 1 each	<b>150.00</b>	150.00
	<u><b>1,934.94</b></u>	<u>1,934.94</u>
<b>FULLY PAID UP</b>		
17,84,49,410 Equity Shares of Re. 1 each (17,84,49,410)	<b>1,784.49</b>	1,784.49
1,50,00,000 1% Non-Cumulative, Non-Participating Redeemable (1,50,00,000) Preference Shares of Re. 1 each	<b>150.00</b>	150.00
Add: Forfeited Shares (Amount Originally Paid up on 4,460 Shares of Rs. 10/- each)	<b>0.22</b>	0.22
	<u><b>1,934.71</b></u>	<u>1,934.71</u>

### Notes :-

- 1) Of the above Equity Shares:
  - (a) 49,63,522 Equity Shares of Rs.10 each were allotted, without payment being received in cash, pursuant to the Scheme of Amalgamation of Sipta Coated Steels Limited and Comet Steels Limited with the Company before subdivision and issue of bonus shares.
  - (b) Bonus Shares :-
    - i) 24,00,000 Equity Shares of Rs. 10 each were allotted as bonus shares by Capitalisation of free reserve before subdivision.
    - ii) 8,62,69,400 Equity Shares of Re.1 each have been allotted as fully paid up Bonus Shares by way of Capitalisation of Securities Premium.
- 2) Equity Shares having face value of Rs. 10 each (fully paid-up) were subdivided into Re.1 each fully paid-up in the Financial year 2007-08
- 3) (a) 1% Non-cumulative, Non-Participating Redeemable Preference Share of Re.1 each fully paid-up are redeemable at a premium of 6% p.a. on issue price of Rs. 1,000 per share on the expiry of two years from the date of allotment i.e. 26th November, 2007 with an option to the company/shareholder to redeem the same after one year from the date of allotments.
  - (b) Redemption premium on preference shares as mentioned above will be paid out of the Securities Premium and hence no provision has been considered necessary.
- 4) Figures in bracket represent previous year figures.

## SCHEDULES forming part of the Balance Sheet

	AS AT 31.03.2009	(Rs. in Lacs) AS AT 31.03.2008
<b>SCHEDULE "B"</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>Capital Reserve</b>	<b>92.17</b>	92.17
<b>Securities Premium Account</b>		
As per last Balance Sheet	<b>214,930.94</b>	6,068.22
Add: Received during the year	-	210,965.70
	<b>214,930.94</b>	217,033.92
Less: Issue of Fully paid up Bonus Shares	-	862.69
Less: Share issue Expenses	-	1,240.29
	<b>214,930.94</b>	214,930.94
<b>General Reserve</b>		
As per last Balance Sheet	<b>15,301.00</b>	14,019.00
Add : Transferred from Profit and Loss Account	<b>282.50</b>	1,282.00
	<b>15,583.50</b>	15,301.00
<b>Profit and Loss Account</b>	<b>26,054.71</b>	23,797.21
	<b>256,661.32</b>	254,121.32
<b>SCHEDULE "C"</b>		
<b>SECURED LOANS</b>		
Term Loans from a Bank	<b>3,229.00</b>	3,490.00
Working Capital Loan from a Bank	<b>310.35</b>	-
	<b>3,539.35</b>	3,490.00
Notes:		
1]	The term Loans referred to above aggregating to <b>Rs.2,554.00 Lacs</b> (Previous Year Rs. 3,490.00 Lacs) are secured by way of First Mortgage and charge on pari passu basis on Fixed Assets of the company situated at Nanded , Vasona & Khadoli (Silvassa) and <b>Rs.675.00 Lacs</b> (Previous Year Rs. Nil) are to be secured by way of First Mortgage and charge on pari passu basis on all Fixed Assets of the Company.	
2]	The above term loans are further secured by a negative lien on quoted portfolio investment of the company to the extent of <b>Rs. 5,000.00 Lacs</b> (Previous Year Rs. 5,000.00 Lacs).	
3]	Working Capital loans referred to above are secured by hypothecation by way of First charge over entire stocks, book debts and Second charge on Fixed Assets of the compnay.	
4]	Of the above, loans aggregating to <b>Rs. 2,864.35 Lacs</b> (Previous Year Rs.3,490.00 Lacs) are guaranteed by two Directors of the Company in their personal capacity.	
<b>SCHEDULE "D"</b>		
<b>UNSECURED LOANS</b>		
Interest Free Sales-tax Loan	<b>721.10</b>	781.59
Buyer's Credit	-	3,873.05
	<b>721.10</b>	4,654.64

Note : Amount repayable within one year **Rs. 60.49 Lacs** (Previous Year Rs. 3,933.54 Lacs).

## SCHEDULES forming part of the Balance Sheet

### SCHEDULE - E

#### FIXED ASSETS

(Rs. in Lacs)

PARTICULARS	G R O S S B L O C K				D E P R E C I A T I O N				N E T B L O C K	
	AS AT 01.04.2008	Additions	Deductions/ Adjustments	AS AT 31.03.2009	UPTO 01.04.2008	For The Year	Deductions/ Adjustments	UPTO 31.03.2009	AS AT 31.03.2009	AS AT 31.03.2008
<b>TANGIBLE ASSETS</b>										
Freehold Land	2,099.29	0.82	-	<b>2,100.11</b>	-	-	-	-	<b>2,100.11</b>	2,099.29
Leasehold Land	527.67	-	2.97	<b>524.70</b>	12.37	6.38	0.08	<b>18.67</b>	<b>506.03</b>	515.30
Buildings	6,033.18	15.20	42.80	<b>6,005.58</b>	1,205.55	182.07	28.42	<b>1,359.20</b>	<b>4,646.38</b>	4,827.63
Plant & Machinery	25,730.43	690.41	754.22	<b>25,666.62</b>	12,496.39	1,264.70	351.54	<b>13,409.55</b>	<b>12,257.07</b>	13,234.04
Furniture & Fixtures	206.17	4.21	-	<b>210.38</b>	118.49	10.26	-	<b>128.75</b>	<b>81.63</b>	87.68
Office Equipments	350.31	10.67	5.48	<b>355.50</b>	235.83	19.88	4.95	<b>250.76</b>	<b>104.74</b>	114.48
Vehicles	592.97	21.67	13.99	<b>600.65</b>	231.12	49.22	11.11	<b>269.23</b>	<b>331.42</b>	361.85
<b>INTANGIBLE ASSETS</b>										
Drawings & Designs*	65.38	-	-	<b>65.38</b>	65.38	-	-	<b>65.38</b>	-	-
<b>Total</b>	<b>35,605.40</b>	<b>742.98</b>	<b>819.46</b>	<b>35,528.92</b>	<b>14,365.13</b>	<b>1,532.51</b>	<b>396.10</b>	<b>15,501.54</b>	<b>20,027.38</b>	<b>21,240.27</b>
Previous Year	24,166.42	11,932.36	493.38	35,605.40	13,151.77	1,483.62	270.26	14,365.13	21,240.27	-
Capital Work In Progress									<b>3,230.77</b>	2,025.16

\* Other than internally generated.

#### Notes :-

- Freehold land includes **Rs. 131.25 Lacs** (Previous Year Rs. 131.25 Lacs) in respect of which conveyance deed is yet to be registered in the name of the company.
- Building includes **Rs.0.01 Lacs** (Previous Year Rs. 0.01 Lacs) being the cost of shares in Co operative Housing Society towards ownership of residential flats.
- Capital Work-in-Progress includes :
  - Rs. 37.89 Lacs** (Previous Year Rs. Nil) on account of Pre-Operative Expenditure.
  - Rs.24.82 Lacs** (Previous year Rs. 61.50 Lacs) on account of cost of construction Material at site.
  - Rs. 396.09 Lacs** ( Previous year Rs. 728.87 Lacs) on account of advances made to the suppliers for capital expenditure.
- Plant & Machinery includes Rs. 64.68 Lacs (Previous year Rs. 64.68 Lacs) and Rs. 33.56 Lacs (Previous Year Rs. 33.56 Lacs) being the amount spent for laying Power Line and Water Pipe Line respectively, the ownership of which vests with the respective Government Authorities.

## SCHEDULES forming part of the Balance Sheet

(Rs. in Lacs)

	QUANTITY (Nos.)		FACE VALUE (Rs. unless otherwise stated)	(Rs. in Lacs)	
	AS AT 31.03.2009	AS AT 31.03.2008		AS AT 31.03.2009	AS AT 31.03.2008
<b>SCHEDULE "F"</b>					
<b>INVESTMENTS</b>					
(Refer Note No. e of schedule 'N')					
<b>(A) LONG TERM INVESTMENTS</b>					
<b>(I) TRADE INVESTMENTS (UNQUOTED)</b>					
<b>SUBSIDIARY COMPANIES</b>					
<b>IN EQUITY SHARES-FULLY PAID UP</b>					
Jai Corp Finance & Holding Ltd. (Including 60 Shares of Rs. 10 each fully paid up held jointly with nominees)	1,500,000	1,500,000	10	215.00	215.00
Jai Infraprojects Ltd. (Including 6 Shares of Rs. 10 each fully paid up held jointly with nominees)	50,000	50,000	10	5.00	5.00
Jai Realty Ventures Ltd. (Including 6 Shares of Rs. 10 each fully paid up held jointly with nominees)	50,000	50,000	10	5.00	5.00
Sarbags Pty Ltd	50,000	50,000	A\$1	12.34	12.34
Urban Infrastructure Venture Capital Ltd. (Including 6 Shares of Rs. 10 each fully paid up held jointly with nominees)	1,000,000	1,000,000	10	100.28	100.28
Urban Infrastructure Trustees Ltd. (Including 6 Shares of Rs. 10 each fully paid up held jointly with nominees)	50,000	50,000	10	5.01	5.01
<b>Total [ i ]</b>				<b>342.63</b>	<b>342.63</b>
<b>ASSOCIATE COMPANIES</b>					
<b>IN EQUITY SHARES-FULLY PAID UP</b>					
Urban Communications Infrastructure Pvt. Ltd	4,000	4,000	10	0.40	0.40
Urban Energy Distribution Pvt. Ltd.	4,000	4,000	10	0.40	0.40
Urban Energy Generation Pvt. Ltd.	4,000	4,000	10	0.40	0.40
Urban Energy Transmission Pvt. Ltd.	4,000	4,000	10	0.40	0.40
Urban Infotech Solutions Pvt. Ltd.	4,000	4,000	10	0.40	0.40
Urban Infrastructure Construction Pvt. Ltd.	4,000	4,000	10	0.40	0.40
Urban Infrastructure Holding Pvt. Ltd.	113,517,714	32,003,200	10	11,351.77	3,200.32
Urban Water Supply Pvt. Ltd.	4,000	4,000	10	0.40	0.40
<b>IN DEBENTURES-FULLY PAID UP</b>					
Zero percent Optionally Fully Convertible Debentures of Urban Infrastructure Holding Pvt. Ltd.	727,540	727,540	100	727.54	727.54
<b>Total [ ii ]</b>				<b>12,082.11</b>	<b>3,930.66</b>



## SCHEDULES forming part of the Balance Sheet

(Rs. in Lacs)

	QUANTITY (Nos.)		FACE VALUE (Rs. unless otherwise stated)		
	AS AT 31.03.2009	AS AT 31.03.2008		AS AT 31.03.2009	AS AT 31.03.2008
<b>SCHEDULE "F" (Contd.)</b>					
<b>OTHERS</b>					
<b>IN EQUITY SHARES-FULLY PAID UP</b>					
Applewoods Estate P. Ltd.	6,700	-	10	0.67	-
Earnest Tower Pvt. Ltd.	420,513	-	10	210.26	-
Goldbricks Infrastructure Pvt. Ltd.	120,000	120,000	10	12.00	12.00
Greenary Power Generation Pvt. Ltd.	1,800	1,800	10	0.18	0.18
Mumbai SEZ Ltd.	126,341,463	105,000,000	10	13,219.09	11,084.94
Neelkanth Realty Pvt. Ltd.	213,333	-	10	77.33	-
Neelkanth Rice Lands Pvt. Ltd.	80,000	80,000	10	8.00	8.00
Nirmal Infrastructure Pvt. Ltd.	100,000	100,000	10	10.00	10.00
Ozone Projects Pvt. Ltd.	957,133	68,293	10	463.91	375.03
Rewas Ports Ltd.	50,000,000	50,000,000	10	5,000.00	5,000.00
Spectra Power Distribution Pvt. Ltd.	1,800	1,800	10	0.18	0.18
Sterling Urban Infraprojects Pvt. Ltd.	600,000	600,000	10	60.00	60.00
Supernal Realtors Pvt. Ltd.	26,667	26,667	10	2.67	2.67
Urban Assets Reconstruction Pvt. Ltd.	1,800	1,800	10	0.18	0.18
Urban Telecom Pvt. Ltd.	1,800	1,800	10	0.18	0.18
Vengas Realtors Pvt. Ltd.	26,667	-	10	2.67	-
<b>IN EQUITY SHARES-PARTLY PAID UP</b>					
Nilayami Realtors Pvt. Ltd. (Partly Paid Rs. 5 per Share)	106,000	106,000	10	5.30	5.30
<b>IN DEBENTURES FULLY PAID UP</b>					
Zero Percent Fully Compulsorily Convertible Debentures of:					
Goldbricks Infrastructure Pvt. Ltd.	128,000	128,000	100	128.00	128.00
Goldbricks Infrastructure Pvt. Ltd. 'Series C'	150,000	-	100	150.00	-
Neelkanth Realty Pvt. Ltd.	33,600	-	100	33.60	-
Neelkanth Rice Lands Pvt. Ltd.	11,200	11,200	1,000	112.00	112.00
Nirmal Infrastructure Pvt. Ltd.	9,000	9,000	1,000	90.00	90.00
Ozone Projects Pvt. Ltd.	-	4,318	1,000	-	43.18
Sterling Urban Infraprojects Pvt. Ltd.	160,000	160,000	100	160.00	160.00
Supernal Realtors Pvt. Ltd.	18,721	14,321	1,000	187.21	143.21
Vengas Realtors Pvt. Ltd.	26,733	-	1,000	267.33	-
9 % Fully Compulsorily Convertible - -Debentures of Ozone Projects Pvt. Ltd.	-	457,040	10	-	45.70
15.5 % Fully Compulsorily Convertible- -Debentures of Applewoods Estate P. Ltd.	267,840	-	100	267.84	-
<b>IN DEBENTURES PARTLY PAID UP</b>					
Zero Percent Fully Compulsorily Convertible - -Debentures of Nilayami Realtors Pvt. Ltd. (Partly Paid Rs. 10 each)	8,480	8,480	1,000	0.85	0.85
<b>IN PREFERENCE SHARES -FULLY PAID UP</b>					
0.01% Compulsory convertible Preference - -Shares of Earnest Tower Pvt. Ltd.	1,742,504	-	10	871.25	-
<b>IN UNITS- FULLY PAID UP</b>					
HDFC India Real Estate Fund	99,318	99,318	1,000	993.18	993.18
Urban Infrastructure Opportunity Fund	3,000	3,000	100,000	3,014.95	3,014.95
<b>IN UNITS -PARTLY PAID UP</b>					
Urban Infrastructure Opportunity Fund (Rs. 20,000 paid up each)	23,093	-	100,000	5,542.32	-
<b>Total [ iii ]</b>				<b>30,891.15</b>	21,289.73
<b>Total Trade Investments [ iv=i+ii+iii]</b>				<b>43,315.89</b>	25,563.02

# SCHEDULES forming part of the Balance Sheet

(Rs. in Lacs)

## SCHEDULE "F" (Contd.)

	QUANTITY (Nos.)		FACE VALUE (Rs. unless otherwise stated)	AS AT	
	AS AT 31.03.2009	AS AT 31.03.2008		31.03.2009	31.03.2008
<b>(II) OTHER THAN TRADE INVESTMENTS</b>					
<b>a) - UNQUOTED</b>					
<b>IN EQUITY SHARES- FULLY PAID UP</b>					
Piramal Life Sciences Ltd	-	2,500	10	-	14.07
<b>IN UNITS- FULLY PAID UP</b>					
LICMF Index Fund Nifty Dividend Plan	36,288,358	-	10	3,714.58	-
<b>b) - QUOTED</b>					
<b>IN EQUITY SHARES - FULLY PAID UP</b>					
Aditya Birla Nuvo Ltd.	10,000	10,000	10	205.30	205.30
Ambuja Cement Ltd.	5,100,000	-	2	2,373.65	-
Century Textiles Ltd.	25,000	25,000	10	277.17	277.17
Dalmiya Cement Ltd.	286,000	286,000	2	1,438.97	1,438.97
Federal Bank Ltd.	270,000	270,000	10	910.72	910.72
Grasim Industries Ltd.	20,000	20,000	10	676.00	676.00
ICICI Bank Ltd.	75,000	75,000	10	977.91	977.91
IDEA Cellular Ltd.	480,600	-	10	442.37	-
IDFC Ltd.	200,000	200,000	10	401.52	401.52
Indiabulls Financial Services Ltd.	100,000	100,000	2	937.49	937.49
Indiabulls Securities Ltd.	100,000	100,000	2	27.37	27.37
Mahanagar Telephone Nigam Ltd	1,014,800	-	10	816.95	-
National Thermal Power Corp. Ltd.	550,000	550,000	10	1,493.23	1,493.23
Nicholas Piramal India Ltd.	-	25,000	2	-	67.20
Piramal Life Sciences Ltd	2,500	-	10	14.07	-
Ranbaxy Laboratories Ltd.	107,780	-	5	585.69	-
Reliance Communications Ltd.	533,100	-	5	1,909.87	-
Reliance Industries Ltd.	2,373,506	2,194,513	10	64,355.23	61,865.83
State Bank of India	908,723	678,187	10	19,200.35	15,851.30
Tata Steel Ltd.	-	168,493	10	-	1,418.99
<b>Total Other Than Trade Investment [v]</b>				<b>100,758.44</b>	<b>86,563.07</b>
<b>Total Long Term Investment [vi=iv+v]</b>				<b>144,074.33</b>	<b>112,126.09</b>
<b>(B) CURRENT INVESTMENTS</b>					
<b>OTHER THAN TRADE INVESTMENT (QUOTED)</b>					
<b>IN CORPORATE BONDS</b>					
8.65% Rural Electrification Corporation	50	-	1,000,000	473.47	-
11.25% Power Finance Corporation	150	-	1,000,000	1,689.44	-
<b>OTHER THAN TRADE INVESTMENT (UNQUOTED)</b>					
<b>IN UNITS - FULLY PAID UP</b>					
Birla Sunlife Savings Fund Instl Growth B332G	43,566,699	-	10	7,160.56	-
DSP Black Rock Liquid Cash Plus Instl Growth	20,263	-	10	219.79	-
DSP Black Rock Liquid Fund Instl Growth	50,444	-	10	636.50	-
DSP Black Strategic Bond Fund Institutional Plan Growth	119,130	-	1,000	1,223.55	-
DSP Merrill Lynch Bond Fund	-	950,886	1,000	-	9,514.09
Fidelity Liquid Plus Fund Super Inst - Daily Dividend	-	30,102,989	10	-	3,010.76
Fidelity Ultra short Term Debt Fund Super Inst- Growth	24,127,293	-	10	2,607.05	-
J.M. Floter Fund Short Term Plan Growth Option 74	67,404,880	-	10	9,625.01	-
J.M. High Liquidity Fund Super Institutional Plan Daily Dividend	-	444,884,518	10	-	44,506.69
LICMF Index Fund Nifty Dividend Plan	-	122,712,326	10	-	12,561.20
Prudential ICICI Inst Liquid Plan Growth 311 SG	17,388,591	-	10	2,250.00	-
UTI Index Select fund Dividend plan Payout	-	8,454,106	10	-	1,400.00
UTI Nifty Index Fund Dividend plan Payout	-	8,359,053	10	-	1,271.64
<b>IN OTHERS</b>					
IL & FS Commercial Papers	500	-	500,000	2,303.78	-
<b>Total Current Investment [vii]</b>				<b>28,189.15</b>	<b>72,264.38</b>
<b>TOTAL INVESTMENT [viii=vi+vii]</b>				<b>172,263.48</b>	<b>184,390.47</b>

## SCHEDULES forming part of the Balance Sheet

### SCHEDULE "F" (Contd.)

#### NOTES:

- 1) Aggregate value of Investments :-

	As at 31.03.2009		As at 31.03.2008	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	99,206.77	75,869.00	86,563.07	66,392.15
Unquoted Investments	73,056.71	-	97,827.40	-

- 2) The Current investments are net off provision for diminution in value of current investment by Rs. Nil ( Previous Year Rs 267.16 Lacs.)  
 3) In the opinion of the management, diminution in the value of Long Term Investment is temporary in nature and hence no provision has been considered necessary.

- 4) **Movements during the year**

	Face Value (Rs.)	Nos.	Cost (Rs. In Lacs)
<b>Purchased and Sold In Equity Shares</b>			
Ranbaxy Laboratories Ltd	5	92,220	500.51
Spice Communications Ltd.	10	200,000	117.25
<b>In Certificates of Deposit</b>			
Allahabad Bank	100,000	5,000	4,889.11
IDBI Bank	100,000	5,000	4,924.24
Indian Bank	100,000	2,500	2,483.37
Oriental Bank of Commerce	100,000	2,500	2,443.78
PNB	100,000	2,500	2,453.23
State Bank of Indore	100,000	2,500	2,441.08
<b>Mutual Fund Units</b>			
Birla Sunlife Cash Plus Instl Prem Growth (B503G)	10	51,493,310	7,150.00
Birla Sunlife Cash Plus Instl Prem Growth (B85IG)	10	4,905,809	500.11
DSP Blackrock Institutional Plan Growth	1,000	935,563	10,954.58
DSP Blackrock Liquid Fund Inst Plan Growth	1,000	95,980	1,200.00
DSP Merrill Lynch Cash Plus Instl - Growth	1,000	868,534	9,420.81
DSP Merrill Lynch Liquid Plus Instl Daily Dividend - Reinvestment	1,000	23,686	237.05
Fidelity International (Liquid Plus )	10	883,625	88.38
Fidelity Liquid Plus Fund (Super Institutional) Growth	10	4,556,847	492.39
ICICI Prudential Inst Liquid Plan (32ISD)	10	43,069,092	4,307.12
JM Financial Mutual Fund (Super inst Plan - Growth (92)	10	233,936,913	23,432.31
JM Financial Mutual Fund (Super Inst Plan - Growth (94)	10	135,058,857	18,227.83
JM Financial Mutual Fund (Superplus Plan - Daily Dividend (171)	10	59,102,202	5,912.64
JM Financial Mutual Fund (Superplus Plan- Daily Dividend (172)	10	158,603,618	18,539.34
LIC Mutual Fund Daily Dividend (Nifty-Index Plan)	10	36,500,254	4,007.76

## SCHEDULES forming part of the Balance Sheet

	AS AT 31.03.2009	(Rs. in Lacs) AS AT 31.03.2008
<b>SCHEDULE "G"</b>		
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>		
<b>CURRENT ASSETS</b>		
<b>INVENTORIES</b>		
(As taken, Valued and Certified by the Management)		
Stores, Spares, Packing Materials, Fuel, etc.	686.75	639.86
Raw Materials	1,413.44	1,631.25
Work-in-Progress	616.40	459.57
Finished Goods	1,325.97	1,633.79
Scrap	92.00	58.88
Others*	2.94	2.94
	<b>4,137.50</b>	<b>4,426.29</b>
* includes realisable value of discarded fixed assets <b>Rs.2.94 Lacs</b> ( Previous year Rs.2.94 Lacs ).		
<b>SUNDRY DEBTORS</b>		
(Unsecured and considered good )		
For a period of more than six months	80.92	18.86
Others *	8,908.42	7,538.30
	<b>8,989.34</b>	<b>7,557.16</b>
*Includes <b>Rs. 2.50 Lacs</b> (Previous Year Rs. 53.41 Lacs) due from Sarbags Pty Ltd., a Subsidiary Company.		
<b>CASH AND BANK BALANCES</b>		
Cash on hand	1.29	1.97
<b>Balances with Banks</b>		
In Current Accounts		
With Scheduled Bank	220.66	293.77
In Fixed Deposit Accounts		
With Scheduled Bank *	5,955.99	208.41
	<b>6,177.94</b>	<b>504.15</b>
* Includes <b>Rs. 116.98 Lacs</b> pledged with various Govt. Depts. ( Previous year Rs 208.41 Lacs.)		
<b>OTHER CURRENT ASSETS</b>		
Interest accrued on Investment	1.58	1.58
<b>LOANS AND ADVANCES</b>		
(Unsecured and considered good )		
Loans to Subsidiary Companies	38,690.54	23,587.79
Advances recoverable in cash or in kind or for - -value to be received *	11,645.58	23,181.00
Deposits	196.62	189.52
Balance with Customs & Excise Authorities	645.97	324.54
Income Tax (Net)	705.37	1,213.88
MAT Credit	1,161.76	1,161.76
Less: MAT Credit Utilisation	858.91	-
	<b>302.85</b>	<b>1,161.76</b>
	<b>52,186.93</b>	<b>49,658.49</b>
	<b>71,493.29</b>	<b>62,147.67</b>
* Includes <b>Rs. 2,608.51 Lacs</b> (Previous year Rs. 16,780.94 Lacs) as share and debenture application money		

## SCHEDULES forming part of the Balance Sheet

	AS AT 31.03.2009	(Rs. in Lacs) AS AT 31.03.2008
<b>SCHEDULE "H"</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
<b>Sundry Creditors *</b>		
(i) Micro and Small Enterprises	10.30	25.75
(ii) Others	911.71	1,337.86
(Refer Note No. 27 of Schedule 'O')	<b>922.01</b>	1,363.61
Subsidiary Company	15.30	12.09
Advanced Received against Sale of Fixed Assets	170.00	-
Other Liabilities	575.18	810.96
Interest accrued but not due on Loan	32.44	30.38
Unclaimed for Scheme of Arrangement	39.19	38.81
Investors Education & Protection Fund #		
Unclaimed Dividend	7.04	2.98
	<b>1,761.16</b>	2,258.83
<b>PROVISIONS</b>		
Income Tax and Fringe Benefit Tax	1,162.41	1,211.56
Less: MAT Credit Utilisation	858.91	-
	<b>303.50</b>	1,211.56
Wealth Tax (Net)	9.78	9.94
Proposed Dividend on Preference Shares	1.50	0.52
Proposed Dividend on Equity Shares	240.84	490.17
Tax on Proposed Dividend	41.18	83.39
Staff Benefits Schemes	95.70	89.73
Forward Contract (MTM)	29.40	22.75
Other Provision **	42.75	69.89
	<b>764.65</b>	1,977.95
	<b>2,525.81</b>	4,236.78

\* Includes **Rs. 176.97 Lacs** ( previous year Rs. 68.53 Lacs ) for capital expenditure.

\*\* The Company has recognised liability based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on 31st March 2008 of Rs. 69.89 Lacs as per the estimated pattern of dispatches. During the year Rs. 69.89 Lacs was utilized for clearance of goods. Liability recognized on this account for the year is Rs. 42.75 Lacs, which is outstanding as on 31st March 2009. Actual outflow is expected in the next financial year.

# The amount does not include amount, due & outstanding, to be credited to Investor Education & Protection Fund.

## SCHEDULES forming part of the Profit and Loss Account

	AS AT 31.03.2009	(Rs. in Lacs) AS AT 31.03.2008
<b>SCHEDULE "I"</b>		
<b>TURNOVER</b>		
Sales	38,205.51	30,803.04
Job work Charges	602.84	1,562.12
Export Incentive	3.77	-
Commission	694.09	425.38
	<u>39,506.21</u>	<u>32,790.54</u>
<b>SCHEDULE "J"</b>		
<b>OTHER INCOME</b>		
Profit on Sale of Fixed Assets (Net)	134.07	-
Dividend on (Other than Trade)		
Long Term Investments	546.61	391.05
Current Investments	1,147.13	2,412.02
Profit on sale of :		
Long Term Investments	-	4,217.79
Current Investments	1,194.71	4,282.63
Interest on Long Term Investment (Trade) *	0.30	1.58
Interest on Investments (Other than Trade)		
Current Investments	63.19	-
Long Term Investments *	4.64	-
Interest on Others *	1,849.86	999.01
* (Tax deducted at Source <b>Rs. 250.29 Lacs</b> (Previous year Rs.122.30 Lacs )		
Interest Subsidy	-	61.72
Rent Received	208.44	208.32
Exchange difference (Net)	-	159.49
Sundry Balances W/Back(Net)	20.52	1.82
Sales Tax Refund	-	61.08
Miscellaneous Income	201.99	151.53
	<u>5,371.46</u>	<u>12,948.04</u>
<b>SCHEDULE "K"</b>		
<b>Variation In Stocks</b>		
Closing Stock		
Work-in-Progress	616.40	459.57
Finished Goods	1,325.97	1,633.79
Scrap	92.00	58.88
	<u>2,034.37</u>	<u>2,152.24</u>
Less: Business Purchase		
Work-in-Progress	-	84.35
Finished Goods	-	530.58
Scrap	-	5.10
	<u>-</u>	<u>620.03</u>
Less :Opening Stock		
Work-in-Progress	459.57	375.57
Finished Goods	1,633.79	746.97
Scrap	58.88	18.16
	<u>2,152.24</u>	<u>1,140.70</u>
Variation In Stocks	<u>(117.87)</u>	<u>391.51</u>

## SCHEDULES forming part of the Profit and Loss Account

	AS AT 31.03.2009	(Rs. in Lacs) AS AT 31.03.2008
<b>SCHEDULE "L"</b>		
<b>MANUFACTURING AND OTHER EXPENSES</b>		
<b>RAW MATERIALS CONSUMED</b>		
Opening Stock	1,631.25	2,216.87
Less: Cost of Raw Material sold	0.04	15.00
Add: Purchases	18,889.81	12,335.53
	<u>20,521.02</u>	<u>14,537.40</u>
Less: Closing Stock	1,413.44	1,631.25
	<b>19,107.58</b>	<b>12,906.15</b>
<b>MANUFACTURING EXPENSES</b>		
Power, Fuel and Water	1,767.24	1,473.97
Stores, Spares and Packing Materials Consumed	849.41	892.13
Excise Duty ( Refer Note No.25 of Schedule 'O' )	(27.14)	72.28
Job Work Charges	44.15	1,527.85
Repairs and Maintenance:		
Plant & Machinery	72.13	61.69
Buildings	21.63	38.77
	<u>2,727.42</u>	<u>4,066.69</u>
<b>EMPLOYEES' REMUNERATION AND BENEFITS</b>		
Salaries, Wages and Perquisites	2,169.65	1,820.51
Contribution to Provident and Other Funds	109.85	81.63
Staff Welfare & amenities	25.80	19.73
Gratuity	17.60	8.50
	<u>2,322.90</u>	<u>1,930.37</u>
<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		
Advertisement, Publicity and Sales Promotion	3.92	14.51
Freight, Handling Charges and Octroi (Net)	235.14	175.98
Brokerage, Commission and Discount	80.33	83.36
	<u>319.39</u>	<u>273.85</u>
<b>ADMINISTRATION &amp; GENERAL EXPENSES</b>		
Rent	24.40	27.07
Rates and Taxes	36.56	36.26
Repair & Maintenance - Others	14.97	20.07
Insurance	43.26	42.30
Legal, Professional and Consultancy Charges	106.62	108.46
Investment Management Fee	65.96	18.92
Traveling and Conveyance	133.70	131.23
Payment to Auditors	82.06	50.64
Provision for Diminution in value of current Investments	-	267.16
Loss on Sale of Long Term Investment(Net)	4,145.20	-
Directors Sitting Fees	2.45	4.05
Donation	2.91	2.72
Loss on Sale of Fixed Assets ( Net )	-	31.97
Exchange difference (Net)	728.74	-
Wealth Tax	5.15	9.00
Other Expenses	182.62	127.86
	<u>5,574.60</u>	<u>877.71</u>
	<b>30,051.89</b>	<b>20,054.77</b>
<b>SCHEDULE "M"</b>		
<b>INTEREST &amp; FINANCE CHARGES</b>		
Interest on Fixed Loans (Net)	299.43	331.41
Interest on Others	79.36	185.56
Bank Charges	85.62	72.78
	<u>464.41</u>	<u>589.75</u>

# SCHEDULES forming part of the Balance Sheet and Profit and Loss Account

## SCHEDULE "N"

### SIGNIFICANT ACCOUNTING POLICIES

#### a. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared as a going concern under historical Cost convention, in accordance with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 as amended and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

#### b. USE OF ESTIMATES

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon managements' best knowledge of current events and actions, actual results could differ from this estimates. Difference between the actual result and estimates are recognised in the period in which the results are known/materialised.

#### c. FIXED ASSETS

Fixed Assets are stated at cost of acquisition or construction, net of modvat \ cenvat, Value Added Tax, less accumulated depreciation and impairment loss, if any. All costs, including trial production and financing costs till commencement of commercial production are capitalised.

#### d. DEPRECIATION

- i) Depreciation has been provided on Fixed Assets on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 except acquisition of insurance spares and on additions /extensions forming an integral part of existing plants on which depreciation has been provided over residual life of the respective fixed assets.
- ii) Drawings & Designs are written off on straight line method over a period of ten years.
- iii) The lease hold land has been amortised over the lease period.
- iv) Fixed assets where ownership vest with the Government/Local authorities are amortised at the rates of depreciation specified in Schedule XIV to the Companies Act, 1956.

#### e. INVESTMENTS

Current investments are carried at lower of cost and market value/NAV, computed individually. Long Term Investments are stated at cost. Provision for diminution in the value of Long Term investments is made only if such decline is other than temporary in the opinion of the management.

#### f. VALUATION OF INVENTORIES

In general, all inventories of Finished Goods, Work-in-Progress etc., are stated at lower of cost or net realisable value. Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Raw Material and Stores & Spares are stated at lower of cost or net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The cost is determined on FIFO basis in respect of Packaging / Spinning Division and in respect of Steel Division on Average basis. Scrap and trial run products are valued at estimated net realisable value. Inventories of Finished Goods and Scrap includes excise duty wherever applicable.

#### g. CUSTOMS

The liability on account of Customs duty is recognised in respect of imported goods lying in the bonded warehouse.

#### h. EXPORT INCENTIVES

- i) The benefits in respect of Duty Draw Back, Credit in Duty Entitlement Pass Book scheme and any other Export incentive except Advance Licence specified in Foreign Trade Policy, is recognised as and when right to receive are established as per the terms of scheme.
- ii) The benefits in respect of Advance Licence received by the company against the Export made by it are recognised as and when goods are imported against them.

#### i. FOREIGN CURRENCY TRANSACTIONS

- i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
- ii) Monetary items denominated in foreign currencies at the year end are restated at the year end rates. In case of monetary items, which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange rate difference and the premium paid on forward contracts has been recognized over the life of the contract.
- iii) Non monetary foreign currency items are carried at cost.
- iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Account.



## SCHEDULES forming part of the Balance Sheet and Profit and Loss Account

### SCHEDULE "N" (Contd.)

#### j. REVENUE RECOGNITION

Turnover includes sales of goods, services, scrap, commission, export incentive, excise duty and service tax but excludes sales tax/ value added tax. Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods have passed to the buyer. Dividend Income is recognised when right to receive the payment is established by the balance sheet date. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable. Commission is recognised on an accrual basis in accordance with the terms of relevant agreement.

#### k. EMPLOYEES' BENEFITS

- i) Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- ii) Post employment benefits in the form of gratuity, which is defined benefit obligation, is recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques based on Projected unit credit method. Actuarial gains and losses in respect of post employment benefits are charged to the profit and loss account.
- iii) Compensated absences are accounted similar to the short term employee benefits.
- iv) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligation other than the contributions payable to the respective funds.

#### l. BORROWING COST

Borrowing costs that are attributable to the acquisition or Construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

#### m. PROVISION FOR CURRENT AND DEFERRED TAX

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable that the assets will be realized in future. In the case of unabsorbed depreciation and carry forward tax losses, all deferred tax asset are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. The carrying amount of deferred tax assets are reviewed at each balance sheet date for their appropriateness.

Deferred Tax Assets and Deferred Tax Liabilities are off set if legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

Minimum Alternative Tax (MAT) is recognised as an assets only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an assets in accordance with the recommendations contained in guidance Note issued by the ICAI, the said asset is created by way of a credit to the Profit & Loss Account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal income tax during the specified period.

#### n. IMPAIRMENT OF ASSETS

The carrying amount of assets are reviewed at each balance sheet if there is an indication of impairment based on internal /external factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

#### o. PROVISION ,CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes on Accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

#### p. DERIVATIVE TRANSACTIONS

Derivative Contract, other than those covered under AS-11, are marked to market and the loss is charged to Profit and Loss account. Gains, if any are ignored.

#### q. SUBSIDY

Subsidy relating to revenue expenditure for the year is adjusted against the related expenses.

# SCHEDULES forming part of the Balance Sheet and Profit and Loss Account

## SCHEDULE 'O'

### NOTES ON ACCOUNTS

- In the opinion of the Management, the Current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business.
- The company has adopted Accounting Standard 15 (Revised 2005) - Employee benefits. As per Accounting Standard the disclosure of employees' benefits as defined in AS are given below:-

#### (i) Gratuity - Long Term Defined Benefit Plan (Unfunded) :-

The Company provides for Gratuity, covering eligible employees, in accordance with the Payment of Gratuity Act, 1972. In accordance with revised AS-15, "Employee Benefits", the company has provided the liability on actuarial basis. As per the actuarial certificate the details of unfunded post employment defined benefit plan in respect of Gratuity are as follows:

Particulars Actuarial assumptions Particulars	Gratuity (Rs. In Lacs)	
	2008-09 1994-96 (ultimate)	2007-08 1994-96 (ultimate)
Mortality Table (LIC)		
Salary growth	6%	6%
Discount rate	8%	8%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as demand and supply in employment market.

#### Amount recognised in the income statement (under Employees' Remuneration & Benefits)

Current service cost	21.90	20.98
Interest cost	3.49	3.20
Expected Return on Plan Assets	-	-
Net actuarial (gains)/losses recognised in the period	(7.79)	(15.68)
<b>Total</b>	<b>17.60</b>	<b>8.50</b>

#### Movement in present value of defined benefit obligation

Particulars		
Obligation at the beginning of the year	48.52	40.95
Current service cost	21.90	20.98
Interest cost	3.49	3.20
Actuarial (gains)/losses on obligation	(7.79)	(14.68)
Benefits paid	(9.90)	(1.93)
<b>Obligation at the end of the year</b>	<b>56.22</b>	<b>48.52</b>

#### Amount recognised in the balance sheet

Present value of obligations at the end of the year	56.22	48.52
Less: Fair value of plan assets at the end of the year	-	-
<b>Net liability recognised in the balance sheet</b>	<b>56.22</b>	<b>48.52</b>

#### Amounts for the current and previous period are as follows:

	Gratuity	
	2009	2008
Defined benefit obligation	56.22	48.52
Plan assets	-	-
Surplus / (deficit)	(56.22)	(48.52)
Experience adjustments on plan liabilities	(7.79)	(14.68)
Experience adjustments on plan assets	-	-

#### (ii) Defined Contribution Plan :-

Contribution to Defined Contribution Plan, recognised as expense for the year, are as under:

Employer's Contribution to Provident Fund	78.11	68.16
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## SCHEDULES forming part of the Balance Sheet and Profit and Loss Account

### SCHEDULE 'O' (Contd.)

<b>3 Auditor's Remuneration</b>	(Rs. In lacs)	
	<b>2008-09</b>	2007-08
Audit Fees	<b>30.00</b>	15.00
Tax Audit Fees	<b>8.00</b>	8.00
Certification Fees	<b>22.75</b>	4.55
Fee for Other Services	<b>16.87</b>	19.00
Out of Pocket Expense	<b>4.44</b>	4.09
	<b>82.06</b>	50.64

4. a) The Company has been advised that the computation of net Profits for the purpose of Directors' remuneration under Section 349 of the Companies Act, 1956 need not be enumerated since no commission has been paid to the Directors. Fixed monthly remuneration has been paid to the Directors as per Schedule XIII to the Companies Act, 1956.

<b>b) Directors' Remuneration</b>	(Rs. In lacs)	
	<b>2008-09</b>	2007-08
Salary	<b>39.86</b>	57.85
Perquisites	<b>2.29</b>	2.32
	<b>42.15</b>	60.17

Note: Above remuneration excludes contribution to gratuity fund and provision for leave encashment on retirement since the same are provided on an overall all basis.

### 5 Disclosure of Financial and Derivative Instruments

- a) Derivative contracts entered into by the company and outstanding as on 31st March 2009 for Hedging Foreign Currency fluctuation :-

	(Rs. In lacs)	
	<b>2008-09</b>	2007-08
Forward Contracts (Forecast transaction)	<b>480.10</b>	<b>3,574.55</b>
	<b>[US \$ 10,00,000]</b>	<b>[US \$ 90,00,000]</b>

- b) Unhedged foreign currency exposure is as under :-

	<b>2008-09</b>	2007-08
Payable	-	1,111.74
Receivable	<b>898.85</b>	-
Investment in Foreign Subsidiary	<b>12.34</b>	12.34

- c) Pursuant to ICAI announcement dated March 29, 2008 on "Accounting for Derivatives" the company based on principles of prudence and other applicable guidelines as per Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 read with Schedule VI of the Companies Act, 1956, has charged an amount of **Rs. 29.40 Lacs** (Previous year Rs. 22.75 Lacs) to the Profit and Loss Account in respect of derivative contracts outstanding as at year end.

- d) All derivative financial instruments acquired by the company are for hedging purpose only.

- 6 The Company has incurred Shares Issue Expenses amounting to **Rs. Nil** (Previous Year Rs. 1,240.29 Lacs) in connection with Issue of shares on preferential basis and sub-division of existing share of Rs. 10/- each into Re.1/- each, which has been adjusted against the Securities Premium.

- 7 The details of Pre-operative expenditure :

<b>Particulars</b>	(Rs. In lacs)	
	<b>2008-09</b>	2007-08
Employee's Remuneration & Benefits	<b>0.02</b>	29.77
Power, Fuel & Water	<b>5.09</b>	10.36
Rates & Taxes	<b>2.62</b>	2.29
Legal, Professional & Consultancy	<b>18.29</b>	2.03
Travelling & Conveyance	<b>0.24</b>	2.95
Other Expenses	<b>1.04</b>	3.63
Bank Charges	<b>0.18</b>	0.13
Consumable & Stores	<b>9.95</b>	2.54
Repair & Maintenance	<b>0.01</b>	0.17
Loss on Sale of Plant & Machinery	-	2.54
Freight Inward	<b>0.49</b>	0.35
Total Expenses	<b>37.93</b>	56.76
Less :- Misc. Income	<b>0.04</b>	0.75
Total	<b>37.89</b>	56.01
Less :- allocated During the Year	-	56.01
	<b>37.89</b>	-

Note: The expenses appearing in the Profit and Loss account are net off the above expenses.

## SCHEDULES forming part of the Balance Sheet and Profit and Loss Account

### SCHEDULE 'O' (Contd.)

- 8 Advance recoverable in cash or in kind / debtors, includes the following amounts due from Pvt. Companies/Partnership Firms, in which directors are interested:-

Name of the Party	(Rs. In lacs)	
	2008-09	2007-08
Daman Plastic	-	0.03
Polyplast Agencies (I) Pvt.Ltd.	0.66	1.99
Resin Distributors Pvt. Ltd.	-	158.01
Sarbags Pty Ltd.	2.50	-
Silvassa Plastic	-	0.07
<b>Total</b>	<b>3.16</b>	<b>160.10</b>

- 9 The deferred tax liability comprises of the following:

	(Rs. In lacs )	
	As on 31.03.2009	As on 31.03.2008
<b>(i) Deferred Tax Liability</b>		
Related to fixed assets	1,665.16	1,487.43
	<u>1,665.16</u>	<u>1,487.43</u>
<b>(ii) Deferred Tax Assets</b>		
Provision for diminution in value of current investment	-	90.81
Disallowances under the Income Tax Act, 1961	32.53	30.50
<b>Total</b>	<b>32.53</b>	<b>121.31</b>
<b>Deferred tax Liability (net)</b>	<b>1,632.63</b>	<b>1,366.12</b>

- 10 As per Accounting Standard-21 on " Consolidated Financial Statement "and Accounting Standard - 23 on "Accounting for Investment in associates in Consolidated Financial Statement ", the company has presented Consolidated Financial Statement, including Subsidiaries and Associates. Accordingly Segment Information as required under Accounting Standard - 17 on "Segment reporting" is included under the notes to Consolidated Financial Statements.

### 11 Basic and Diluted Earnings per Share

	(Rs. In lacs )	
	2008-09	2007-08
Net Profit after tax	2,824.98	12,815.35
Less: Adjustment of Prior period items	1.46	3.80
Less :- Dividend on Preference Shares and tax thereon	1.75	0.61
Profit attributable to equity share holders	<u>2,821.77</u>	<u>12,810.94</u>
Weighted Average No of equity shares outstanding during the year	178,449,410	174,583,335
Basic & Diluted Earning Per Share (Rs.)	1.58	7.34
Nominal Value per share	Re.1/-	Re.1/-

## SCHEDULES forming part of the Balance Sheet and Profit and Loss Account

### SCHEDULE 'O' (Contd.)

12 As per Accounting Standard 18, "Related party Disclosures" disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

(I) List of related parties and relationship.

- (i) Subsidiary:
- Ashoka Realty & Developers Limited
  - Awas Realtors Limited
  - Belle Terre Realty Limited (Subsidiary w.e.f. 04.06.2008)
  - Dev Realty & Developers Limited
  - Ekdant Realty & Developers Limited
  - Hari Darshan Realty Limited
  - Hill Rock Construction Limited
  - Hind Agri Properties Limited
  - Iconic Realtors Limited
  - Jai Corp Finance & Holding Limited
  - Jai Infraprojects Limited
  - Jai Laxmi Realty & Developers Limited
  - Jai Realty Venture Limited
  - Krupa Land Limited
  - Krupa Realtors Limited
  - Multifaced Impex Limited (Subsidiary w.e.f. 30.06.08)
  - Novelty Realty & Developers Limited
  - Oasis Holding FZC (Subsidiary w.e.f.16.06.2008)
  - Rainbow Infraprojects Limited
  - Rejoice Land Developers Limited
  - Rudradev Developers Limited
  - Sarbags Pty Limited
  - Smart Realty & Developers Limited
  - Swar Land Developers Limited
  - Swastik Land Developers Limited
  - UI Wealth Advisors Limited (Subsidiary w.e.f. 20.11.2008)
  - Urban Gas Distribution Limited
  - Urban Gas Limited
  - Urban Gas Suppliers Limited
  - Urban Infrastructure Trustees Limited
  - Urban Infrastructure Venture Capital Limited
  - Vasant Bahar Realty Limited
  - Welldone Real Estate Limited (Subsidiary w.e.f. 09.06.2008)
  - Yug Developers Limited
- (ii) Associates :-
- Searock Devlopers FZC (Associate w.e.f. 10.06.2008)
  - Urban Communication Infrastructure Private Limited
  - Urban Energy Distribution Private Limited
  - Urban Energy Generation Private Limited
  - Urban Energy Transmission Private Limited
  - Urban Infotech Solution Private Limited
  - Urban Infrastructure Construction Private Limited
  - Urban Infrastructure Holding Private Limited
  - Urban Water Supply Private Limited

# SCHEDULES forming part of the Balance Sheet and Profit and Loss Account

## SCHEDULE 'O' (Contd.)

- (iii) Key Managerial Personnel :-
- Shri J. K. Jain
  - Shri Anand Jain
  - Shri S.P.Jain (upto 04.06.2008)
  - Shri Virendra Jain
  - Shri V. S. Pandit
  - Shri Gaurav Jain
- (iv) Relatives of Key Managerial Personnel :-
- Smt. Laxmi Jain Relative of Shri Gaurav Jain, Shri J.K.Jain, Shri Anand Jain and Shri Virendra Jain.
  - Smt. Rina Jain Relative of Shri Virendra Jain, Shri J.K.Jain and Shri Anand Jain
  - Smt. Sushma Jain Relative of Shri Anand Jain, Shri J.K.Jain and Shri Virendra Jain
- (v) Enterprises over which Key Managerial Personnel and their relatives are able to exercise significant influence:-
- Clean Pet
  - Daman Plastic
  - Pet Fibres Limited
  - Polyole Fibre Pvt. Limited
  - Polyplast Agencies (I) Pvt Limited
  - Poly-Resin Agencies (I) Limited
  - Polysil Pipes
  - Prime Wovens Limited
  - Puriya Industrial Packaging Limited
  - Resin Distributors Limited
  - Silvassa Plastic
  - Suniti Commercials Limited
  - Sunshine Fibre Pvt. Limited
  - Techfab (I) Industries Limited
  - Tufropes Pvt. Limited

## (II) Transactions during the year with related parties :

(Rs. In Lacs )

Nature of Transaction	Subsidiary	Associates	Key Managerial Personnel	Other Related Parties	Relatives of Key managerial person	Total
<b>Preference Share</b>						
(a) Balance as on 31.03.2009	-	-	-	-	150,000.00	150,000.00
	(-)	(-)	(-)	(-)	(150,000.00)	(150,000.00)
<b>Business Purchase</b>						
(a) Acquired during the year	-	-	-	-	-	-
	(-)	(-)	(-)	(12,500.00)	(-)	(12,500.00)
<b>Fixed Assets</b>						
(a) Sold during the year	-	-	-	684.20	-	684.20
	(-)	(-)	(-)	(136.94)	(-)	(136.94)
(b) Purchased during the year	-	-	-	88.38	-	88.38
	(-)	(-)	(-)	(161.19)	(-)	(161.19)
<b>Investments</b>						
(a) Purchased/adjusted during the year	-	8,151.45	-	-	-	8,151.45
	(277.80)	(2,132.34)	(-)	(696.16)	(-)	(3,106.30)
(b) Sale during the year	-	-	-	-	-	-
	(-)	(0.98)	(-)	(13,500.00)	(-)	(13,500.98)
(c) Balance as at 31 <sup>st</sup> March, 2009	342.63	12,082.11	-	-	-	12,424.74
	(342.63)	(3,930.66)	(-)	(-)	(-)	(4,273.29)

Schedules

## SCHEDULES forming part of the Balance Sheet and Profit and Loss Account

### SCHEDULE 'O' (Contd.)

(Rs. In Lacs)

Nature of Transaction	Subsidiary	Associates	Key Managerial Personnel	Other Related Parties	Relatives of Key managerial person	Total
<b>Sundry Debtors as at 31st March, 2009</b>	<b>2.50</b>	-	-	-	-	<b>2.50</b>
	(53.41)	(-)	(-)	(0.10)	(-)	(53.51)
<b>Loans and Advances</b>						
(a) Given/adjusted during the year	<b>20,127.33</b>	-	-	<b>50.00</b>	-	<b>20,177.33</b>
	(23,587.79)	(-)	(-)	(-)	(-)	(23,587.79)
(b) Returned/adjusted during the year	<b>5,024.58</b>	<b>8,151.45</b>	-	<b>50.00</b>	-	<b>13,226.03</b>
	(-)	(-)	(-)	(-)	(-)	(-)
(c) Share Application Money	-	-	-	-	-	-
	(-)	(10,751.45)	(-)	(-)	(-)	(10,751.45)
(d) Balance as at 31st March, 2009	<b>38,690.54</b>	<b>2,600.00</b>	-	<b>224.17</b>	-	<b>41,514.71</b>
	(23,587.79)	(10,751.45)	(-)	(160.00)	(-)	(34,499.24)
<b>Sundry Creditors as at 31st March, 2009</b>	<b>15.30</b>	-	-	-	-	<b>15.30</b>
	(12.09)	(-)	(-)	(-)	(-)	(12.09)
<b>Current Liability as on 31st March 2009</b>	-	-	-	<b>0.14</b>	-	<b>0.14</b>
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Unsecured Loans</b>						
(a) Received during the year	<b>12.16</b>	-	-	-	-	<b>12.16</b>
	(-)	(-)	(-)	(-)	(-)	(-)
(b) Returned during the year	<b>12.16</b>	-	-	-	-	<b>12.16</b>
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Sale of Goods</b>						
(a) Sales	<b>178.16</b>	-	-	<b>557.00</b>	-	<b>735.16</b>
	(137.10)	(-)	(-)	(947.53)	(-)	(1,084.63)
(b) Services	-	-	-	<b>552.74</b>	-	<b>552.74</b>
	(-)	(-)	(-)	(1,074.91)	(-)	(1,074.91)
<b>Other Income</b>						
(a) Interest received	-	-	-	<b>99.38</b>	-	<b>99.38</b>
	(-)	(-)	(-)	(-)	(-)	(-)
(b) Miscellaneous Income	-	-	-	<b>0.44</b>	-	<b>0.44</b>
	(-)	(-)	(-)	(-)	(-)	(-)
<b>Purchase of Goods</b>	-	-	-	<b>106.22</b>	-	<b>106.22</b>
	(-)	(-)	(-)	(342.37)	(-)	(342.37)
<b>Discount on Raw Materials (Deducted from Purchases)</b>	-	-	-	<b>1,000.93</b>	-	<b>1,000.93</b>
	(-)	(-)	(-)	(424.19)	(-)	(424.19)
<b>Recovery of Expenses</b>	<b>1.46</b>	-	-	-	-	<b>1.46</b>
	(-)	(-)	(-)	(0.07)	(-)	(0.07)
<b>Dividend on Preference shares</b>	-	-	-	-	<b>1.50</b>	<b>1.50</b>
	(-)	(-)	(-)	(-)	(0.52)	(0.52)
<b>Expenditure</b>	-	-	-	-	-	-
(a) Directors' Remuneration & Perquisite	-	-	<b>42.16</b>	-	-	<b>42.16</b>
	(-)	(-)	(60.17)	(-)	(-)	(60.17)
(b) Directors' Sitting Fee	-	-	<b>0.85</b>	-	-	<b>0.85</b>
	(-)	(-)	(0.90)	(-)	(-)	(0.90)
(c) Job work Charges	-	-	-	<b>9.89</b>	-	<b>9.89</b>
	(-)	(-)	(-)	(11.79)	(-)	(11.79)
(d) Rent	-	-	-	-	-	-
	(-)	(-)	(-)	(7.62)	(-)	(7.62)
(e) Investment Management Fee	<b>65.96</b>	-	-	-	-	<b>65.96</b>
	(18.92)	(-)	(-)	(-)	(-)	(18.92)
(f) Other Expenses	<b>0.54</b>	-	-	<b>2.17</b>	-	<b>2.71</b>
	(-)	(-)	(-)	(0.81)	(-)	(0.81)

Note: Figures in bracket represent previous year's amounts.

## SCHEDULES forming part of the Balance Sheet and Profit and Loss Account

### SCHEDULE 'O' (Contd.)

#### Significant transactions with related parties:-

- i) Preference Share allotted Includes Rs. Nil (Previous Year Rs. 50,000.00 Lacs) to Sushma Jain, Rs. Nil (Previous Year Rs. 55,000.00 Lacs) to Rina Jain and Rs. Nil (Previous Year Rs. 45,000.00 Lacs) to Laxmi Jain.
- ii) Business purchased Includes Rs. Nil (Previous Year Rs. 5,500.00 Lacs) purchased from Pet Fibres Limited and Rs. Nil (Previous Year Rs. 7,000.00 Lacs) purchased from Prime Wovens Limited.
- iii) Fixed Assets Includes Rs.Nil (Previous Year Rs.118.87 Lacs) sold to Pet Fibres Limited Rs. Nil (Previous Year Rs. 0.42 Lacs ) sold to Prime Wovens Limited, Rs.Nil (Previous Year Rs. 17.30 Lacs) sold to Adventity BPO India Pvt. Limited, Rs. 684.19 Lacs (Previous Year Rs. Nil) sold to Techfab (I) Industries Limited.
- iv) Fixed Assets Includes Rs. Nil (Previous Year Rs. 155.03 Lacs) purchased from Pet Fibres Limited, Rs.Nil (Previous Year Rs.6.16 Lacs) purchased from Prime Wovens Limited, Rs. 58.74 Lacs (Previous Year Rs. Nil) purchased from Techfab (I) Industries Limited and Rs. 29.64 Lacs (Previous Year Rs. Nil) purchased from Puriya Industrial Packaging Limited.
- v) Investment made during the year Rs. Nil (Previous Year Rs.50.28 Lacs) in Urban Infrastructure Venture Capital Limited, Rs. Nil (Previous year Rs. 2131.54 Lacs) in Urban Infrastructure Holding Pvt. Limited and Rs. Nil (Previous year Rs.696.16) in Pet Fibres Limited
- vi) Investment Includes shares allotted out of Share Application Money of Rs.8151.45 Lacs (Previous Year Rs.Nil) in Urban Infrastructure Holding Pvt. Limited.
- vii) Investment redeemed during the year Includes Rs. Nil (Previous Year Rs. 4560 Lacs) in Pet Fibres Limited and Rs. Nil (Previous Year Rs. 8940 Lacs) in Prime Wovens Limited.
- viii) Investment as at 31st March 2009, Includes Rs. 12079.31 Lacs (Previous Year Rs. 3927.86 Lacs) in Urban Infrastructure Holding Pvt. Limited
- ix) Debtors as on 31.03.2009 Includes Rs. 2.50 Lacs (Previous Year Rs. 53.41 Lacs) due from Sarbag PTY Limited.
- x) Loans and advances was given Rs. 20127.33 Lacs (Previous Year Rs. 23567.79 Lacs) given to Jai Realty Ventures Limited.
- xi) Loans and Advances Includes Rs. 5016.58 Lacs (Previous Year Rs.Nil) return by Jai Realty Ventures Limited.
- xii) Share Application Money Includes Rs. Nil (Previous Year Rs. 8151.45 Lacs) in Urban Infrastructure Holding Pvt. Limited.
- xiii) Loans and advances as at 31st March 2009, Includes Rs. 38,678.54 Lacs (Previous Year Rs. 23567.79 Lacs) in Jai Realty Ventures Limited and Rs. Nil (Previous Year Rs. 8151.45 Lacs) in Urban Infrastructure Holding Pvt. Limited.
- xiv) Unsecured Loans received Includes Rs. 12.16 Lacs (Previous Year Rs. Nil) from Jai Corp Finance & Holding Limited.
- xv) Loans Return during the year Includes Rs. 12.16 Lacs (Previous Year Rs. Nil) to Jai Corp Finance & Holding Limited .
- xvi) Creditors as on 31.03.2009 Includes Rs. 15.30 Lacs (Previous Year Rs. 12.09) due to Urban Infrastructure Venture Capital Limited.
- xvii) Other Liabilities Includes Rs.0.14 Lacs (Previous Year Rs. Nil) due to Poly Resin Agencies (I) Limited.
- xviii) Sales Includes Rs.Nil (Previous Year Rs. 127.69 Lacs) sold to Prime Wovens Limited, Rs. 458.61 Lacs (Previous Year Rs. 753.89 Lacs) sold to Puriya Industrial Packaging Limited, Rs. 178.16 Lacs (Previous Year Rs.137.10 Lacs) sold to Sarbags Pty Limited,
- xix) Services Includes Rs. 552.74 Lacs (Previous Year Rs. 1074.35 Lacs) provided to Puriya Industrial Packaging Limited.
- xx) Interest received of Rs. 99.27 Lacs (Previous Year Rs. Nil) from Techfab (I) Industries Limited.
- xxi) Miscellaneous Income Includes Rs. 0.29 Lacs (Previous Year Rs.Nil) received from Silvassa Pipes and Rs. 0.12 Lacs (Previous Year Rs. Nil) received from Polyole Fibres Pvt. Limited.
- xxii) Purchased of Goods Includes Rs.Nil (Previous Year Rs.140.39 Lacs) purchased from Prime Wovens Limited, Rs 4.88 Lacs (Previous Year Rs. 39.28 Lacs) purchased from Puriya Industrial Packaging Limited, Rs 95.36 Lacs (Previous Year Rs. 81.80 Lacs) purchased from Sunshine Fibres Pvt. Limited and Rs. Nil (Previous Year Rs. 45.48 Lacs) purchased from Tufropes Pvt. Limited.
- xxiii) Discount on Raw material Includes Rs. 1000.93 Lacs (Previous Year Rs. 411.14 Lacs ) received from Resin Distributors Limited and Rs. Nil (Previous Year Rs. 13.05 Lacs ) received from Polyplast Agencies (I)Pvt. Limited.
- xxiv) Recovery of Expenses represents Rs.Nil (Previous Year Rs. 0.02 Lacs) from Prime Wovens Limited, Rs. Nil (Previous Year Rs. 0.05 Lacs) from Techfab (i) Industries Limited and Rs. 1.46 Lacs (Previous Year Rs. Nil) from Jai Corp Finance and Holding Limited.
- xxv) Dividend on Preference Shares paid Includes Rs. 0.50 Lacs (Previous Year Rs. 0.17 Lacs) to Sushma Jain, Rs. 0.55 Lacs (Previous Year Rs. 0.19 Lacs) to Rina Jain and Rs. 0.45 Lacs (Previous Year Rs. 0.16 Lacs) to Laxmi Jain.
- xxvi) Director remuneration and perks Includes Rs. 26.16 Lacs (Previous Year Rs.26.17 Lacs) paid to Gaurav Jain , Rs. 12.00 Lacs (Previous Year Rs. 10.00 Lacs) paid to V. S. Pandit and Rs. 4.00 Lacs (Previous Year Rs. 24.00 Lacs) paid to Virendra Jain.
- xxvii) Director sitting fees Includes Rs. 0.30 Lacs (Previous Year Rs.Nil) paid to Virendra Jain , Rs. 0.05 Lacs (Previous Year Rs.0.20 Lacs) paid to S.P. Jain., Rs.0.25 Lacs (Previous Year Rs. 0.40 Lacs) paid to J.K. Jain and Rs. 0.25 Lacs (Previous Year 0.30 Lacs) paid to Anand Jain.
- xxviii) Job work charges Includes Rs.Nil (Previous Year Rs.11.54 Lacs) paid to Prime Wovens Limited, Rs.Nil (Previous Year Rs. 0.07 Lacs) paid to Daman Plastics and Rs. 9.89 Lacs (Previous Year Rs. Nil) paid to Puriya Industrial Packaging Limited.
- xxix) Rent Expenditure Includes Rs. Nil (Previous Year Rs.7.62 Lacs) paid to Pet Fibres Limited.
- xxx) Investment Management Fees Includes Rs. 65.95 Lacs (Previous Year Rs. 18.92 Lacs) paid to Urban Infrastructure Venture Capital Limited.
- xxxi) Other Expenses Includes Rs. Nil Lacs (Previous Year Rs. 0.16 Lacs) paid to Pet Fibres Limited, Rs.Nil (Previous Year Rs. 0.06 Lacs) paid to Prime Wovens Limited, Rs. 1.44 Lacs (Previous Year Rs.0.23 Lacs) paid to Poly Resin Agencies (I) Limited, Rs. 0.73 Lacs (Previous Year Rs. 0.18 Lacs) paid to Resin Distribution Limited, Rs. Nil (Previous Year Rs. 0.17 Lacs) paid to Polyole Fibres Pvt. Limited and Rs. 0.54 Lacs (Previous Year Rs. Nil) paid to Jai Corp Finance & Holding Limited.



## SCHEDULES forming part of the Balance Sheet and Profit and Loss Account

### SCHEDULE 'O' (Contd.)

13 In accordance with the Clause 32 of listing agreement, advance in the nature of loans is/are as under:-

(Rs. In lacs)				
(a) Name of the company	Relationship	Balance as at 31.03.2009	Balance as at 31.03.2008	Maximum amount outstanding during the year
Jai Corp Finance & Holding Ltd.	Subsidiary	-	5.00	5.33
Jai Infraprojects Ltd.	Subsidiary	12.00	15.00	15.00
Jai Realty Ventures Ltd	Subsidiary	38,678.54	23,567.79	39,822.61

#### Note:-

- (i) The above loans and advances are repayable on demand and are free of interest.  
(ii) As per the Company policy loan to employee are not considered in (a) above.  
**(b)** None of the loanees have made, per se, investment in the shares of the Company.  
**(c)** Investment in subsidiaries by:

(i) Jai Infraprojects Limited		31.03.2009	31.03.2008
S.No.	Name of Company	No. of Shares	No. of Shares
1	Urban Gas Distribution Limited.	50000	50000
2	Urban Gas Limited.	50000	50000
3	Urban Gas Suppliers Limited.	50000	50000

(ii) Jai Realty Ventures Limited		No. of Shares		No. of Shares	
S.No.	Name of Company	Equity	Preference	Equity	Preference
1	Asoka Realty & Developers Limited.	50000	-	10000	-
2	Awas Realtors Limited.	50000	-	10000	-
3	Belle Terre Realty Limited.	9,933	-	-	-
4	Dev Realty & Developers Limited.	50000	-	10000	-
5	Ekdant Realty & Developers Limited.	50000	-	10000	-
6	Hari Darshan Realty Limited.	50000	10200	10000	10200
7	Hill Rock Construction Limited.	50000	9550	10000	9550
8	Hind Agri Properties Limited.	50000	-	10000	-
9	Iconic Realtors Limited.	50000	-	10000	-
10	Jai Laxmi Realty & Developers Limited.	50000	-	10000	-
11	Krupa Land Limited.	50000	-	10000	-
12	Krupa Realtors Limited.	50000	-	10000	-
13	Multifaced Impex Limited.	50000	-	-	-
14	Novelty Realty & Developers Limited.	50000	-	10000	-
15	Rainbow Infraprojects Limited.	50000	-	10000	-
16	Rejoice Land Developers Limited.	50000	-	10000	-
17	Rudradev Developers Limited.	50000	-	10000	-
18	Smart Realty & Developers Limited.	50000	-	10000	-
19	Swar Land Developers Limited.	50000	-	10000	-
20	Swastik Land Developers Limited.	50000	-	10000	-
21	Vasant Bahar Realty Limited.	50000	3300	10000	3300
22	Welldone Real Estate Limited.	50000	-	-	-
23	Yug Developers Limited.	50000	5000	10000	5000

# SCHEDULES forming part of the Balance Sheet and Profit and Loss Account

## SCHEDULE 'O' (Contd.)

### 14 LICENSED AND INSTALLED CAPACITY (as certified by the Management)

	Unit	Licensed Capacity		Installed Capacity	
		2008-09	2007-08	2008-09	2007-08
(a) CR Coils	MT	N.A.	N.A.	62,500	62,500
(b) GP/GC Coils/Sheets	MT	N.A.	N.A.	55,000	55,000
(c) Woven Sacks/Fabrics	MT	N.A.	N.A.	57,380	57,380
(d) Spinning Yarn	MT	N.A.	N.A.	11,100	11,100
(e) Master Batch	MT	N.A.	N.A.	6,720	2,700
(f) Staple Fibers	MT	N.A.	N.A.	3,200	3,200

Note : Licensed Capacity is not applicable in view of the Company's products have been delicensed.

### 15 ACTUAL PRODUCTION

	Unit	2008-09	2007-08
(a) CR Coils/Sheets *	MT	2,414	27,942
(b) GP/GC Coils/Sheets #	MT	3,255	28,231
(c) HR Coil/Plates	MT	-	15,440
(d) Woven Sacks/Fabrics * #	MT	24,870	19,563
(e) Tape & Liner *#	MT	160	203
(f) Spinning Yarn	MT	6,692	1,925
(g) Master Batch *#	MT	2,710	1,352
(h) Staple Fibers	MT	665	431

\* Including 977 MT in CR Coils (Previous year Nil MT) captive consumption, includes 818 MT in Master Batch (Previous 561 MT), includes 66 MT in Tape & Liner (Previous year Nil), includes 6 MT in Woven Sacks/Fabrics (Previous year Nil) as Captive consumption and includes 2600 MT in spinning yarn (Previous year Nil. MT)

# Including the goods manufactured as job processor CR Coils 1437 MT (Previous year CR Coils 27942 MT) GP/GC Coils 2250 MT (Previous year GP/CG Coils 28231 MT), Woven Sacks/Fabric 3079 MT (Previous Year 6389 MT), Tape & Liner Nil MT (Previous Year 24 MT), Master Batch 5 MT (Previous year 5 MT).

### 16 STOCKS

	2008-09		2007-08	
	Qty. (MT)	Value	Qty. (MT)	Value
(Rs. In lacs)				
<b>OPENING STOCK</b>				
Staple Fibers	31	28.98	-	-
Master Batch	65	29.31	-	-
Woven Sacks/Fabrics	1,270	1,048.80	737	541.89
Spinning Yarn	423	526.70	181	205.08
Others	-	2.94	-	2.94
		<u>1,636.73</u>		<u>749.91</u>
<b>BUSINESS PURCHASE</b>				
Woven Sacks/Fabrics	-	-	507	500.21
Staple Fibres	-	-	36	30.37
		<u>-</u>		<u>530.58</u>
<b>CLOSING STOCK</b>				
GP/GC Coils/Sheets	1,005	376.87	-	-
Woven Sacks/Fabrics	667	530.78	1,270	1,048.80
Spinning Yarn	269	334.57	423	526.70
Master Batch	136	65.32	65	29.31
Staple Fibers	21	18.43	31	28.98
Others	-	2.94	-	2.94
		<u>1,328.91</u>		<u>1,636.73</u>

## SCHEDULES forming part of the Balance Sheet and Profit and Loss Account

### SCHEDULE 'O' (Contd.)

	(Rs. In lacs)			
	2008-09		2007-08	
	Qty. (MT)	Value	Qty. (MT)	Value
<b>17 TURNOVER</b>				
H.R. Coils/Plate	3,314	1,519.20	15,440	5,218.32
Melting Scrap	15,242	3,881.09	22,196	3,393.82
Iron Spong	4,520	1,477.09	9,613	1,764.44
Structural Steel	-	-	9,676	3,675.93
Woven Sacks/Fabrics	22,388	23,777.91	13,148	13,205.82
Master batch	1,816	821.14	721	288.27
Tape & Liner	94	83.87	179	191.76
Staple Fibers	675	642.56	436	406.39
Spinning Yarn	4,246	5,502.09	1,683	2,339.52
PP/Reprocess granules	559	317.58	94	37.75
PSF/VSF	-	-	50	44.46
Scrap	69	133.40	656	117.66
Zinc	-	-	12	15.00
Others	-	49.58	-	103.89
Export Incentive	-	3.77	-	-
Jobwork and Commission	-	1,296.93	-	1,987.50
		<u>39,506.21</u>		<u>32,790.54</u>

### 18 RAW MATERIALS CONSUMED

	(Rs. In lacs)			
	2008-09		2007-08	
	Qty. (MT)	Value	Qty. (MT)	Value
HR Steel Coils	1,687	438.03	-	-
Melting Scrap	-	-	18,085	2,992.00
Zinc & other Alloys	47	42.37	-	0.01
PSF/VSF	4,265	3,425.38	1,928	1,526.33
HDPE/PP/LDPE/LLDPE	24,524	15,152.02	12,877	7,765.58
Master Batch	95	49.78	1,584	605.60
Fabric	-	-	23	17.07
		<u>19,107.58</u>		<u>12,906.15</u>

### 19 PURCHASES (TRADE)

	(Rs. In lacs)			
	2008-09		2007-08	
	Qty. (MT)	Value	Qty. (MT)	Value
H.R. Coils	3,314	1,480.70	-	-
Melting Scrap	15,242	3,373.69	22,196	3,327.27
Iron Spong	4,520	1,441.07	9,613	1,719.72
Structural Steel	-	-	9,676	3,582.76
Zinc	-	-	12.25	15.00
Cotton /PSF/VSF	-	-	50	44.46
PP Granules	441.35	271.78	-	-
Scrap	-	-	-	0.87
Others	-	2.68	-	14.04
		<u>6,569.91</u>		<u>8,704.12</u>

**SCHEDULES** forming part of the Balance Sheet and Profit and Loss Account**SCHEDULE 'O' (Contd.)****20 VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS AND SPARE PARTS AND COMPONENTS CONSUMED**

	2008-09		2007-08	
	Value	% of Total	Value	% of Total
(i) <b>Raw Materials</b>				
Indigenous	19,094.56	99.93	9,837.32	76.22
Imported	13.02	0.07	3,068.83	23.78
	<u>19,107.58</u>	<u>100.00</u>	<u>12,906.15</u>	<u>100.00</u>
(ii) <b>Spare Parts &amp; Components</b>				
Indigenous	828.36	97.50	868.09	97.30
Imported	21.05	2.50	24.04	2.70
	<u>849.41</u>	<u>100.00</u>	<u>892.13</u>	<u>100.00</u>

**21 VALUE OF IMPORTS ON CIF BASIS**

	(Rs. In lacs)	
	2008-09	2007-08
Raw Materials	-	1,079.28
Stores items	29.63	12.37
Capital Goods	656.43	65.94
Trading Goods	3,373.69	3,327.27
	<u>4,059.75</u>	<u>4,484.85</u>

**22 EXPENDITURE IN FOREIGN CURRENCY**

	(Rs. In lacs)	
	2008-09	2007-08
Travelling	11.89	13.24
Interest and Bank Charges	0.86	137.14
Others	0.36	-
	<u>13.11</u>	<u>150.38</u>

**23 EARNINGS IN FOREIGN CURRENCY**

	(Rs. In lacs)	
	2008-09	2007-08
FOB value of Exports	4,687.64	5,423.65

**24 Additional Information**

	(Rs. In lacs)	
	As at 31.03.2009	As at 31.03.2008
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for ( net of advance paid) (Cash outflow is expected on execution of such capital contracts)	599.01	1,209.93
(b) Uncalled Liability on partly paid up Share / Debenture (net of advance paid towards unpaid calls)	22,258.53	89.25
(c) Contingent Liabilities		
(i) Claims against the Company not acknowledged as debts (Disputed liability in appeal)		
Sales Tax	10.45	16.03
Excise Duty	92.34	89.49
Railway Claims	80.66	80.66
	<u>183.45</u>	<u>186.18</u>
(ii) Unexpired letter of credit (These are established in favour of suppliers, but materials under the aforesaid letter of credit are yet to be received as on year end date. Cash outflow expected on the basis of payment terms as mentioned in Letter of Credit.)	-	1,329.04
(iii) Bank Guarantees (Bank Guarantees are provided under contractual/legal obligation. No Cash outflow is probable)	144.88	63.54

## SCHEDULES forming part of the Balance Sheet and Profit and Loss Account

### SCHEDULE 'O' (Contd.)

#### 25 Excise duty

(Rs. In lacs)

	2008-09	2007-08
a) Excise duty shown as a reduction from Turnover	1,891.73	1,891.00
b) Excise duty charged to Profit & Loss Account		
i) Difference between closing & opening stock	(27.14)	66.14
ii) Excise duty paid on Consignment Sale	-	6.14
	<u>(27.14)</u>	<u>72.28</u>

26 During the year the company has shifted manufacturing activities of JCL Murbad Unit to other Packaging Manufacturing Division. In view of this the Leasehold Land, Building and Electric Installation having net block amounting to Rs. 4.09 Lacs, Rs. 20.86 Lacs and Rs.2.18 Lacs respectively as at 31st March, 2009, are held for sale. Pending sale/disposal of such assets, the profit/loss if any on this account will be accounted for, as and when the same are sold.

27 Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 and Companies Act, 1956 have been determined based on the information available with the Company and the required disclosures are given below:

(Rs. In Lacs)

	2008-09	2007-08
a Principal amount remaining unpaid as on 31st March, 2009	10.30	25.75
b Interest due thereon as on 31st March, 2009	-	-
c Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond he appointed day during the year.	-	-
d Interest due and payable for the period of delay in making payment (which have been paid but beyond he appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
e Interest accrued and remaining unpaid as at 31st March, 2009	-	-
f Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

28 Interest Subsidy of **Rs. 84.58 Lacs** (Previous Year Rs.61.72 Lacs) received under the Technology Upgradation Fund Scheme (TUFS) governed by Ministry of Textiles of India has been netted off against Interest expenses.

29 The Previous year's figures have been regrouped, rearranged, restated and reclassified wherever necessary. Amount and other disclosures for the preceding year are included as an internal part of the current year financial statement & are to be read in relation to the amount and other disclosures relating to the current year.

As per our report of even date

**For CHATURVEDI & SHAH**  
Chartered Accountants

**For S.R.BATLIBOI & CO.**  
Chartered Accountants

For and on behalf of the Board of Directors

**A Datta**  
Company Secretary

**Virendra Jain**  
Vice Chairman

**Gaurav Jain**  
Managing Director

**R. Koria**  
Partner

**per Tridibes Basu**  
Partner

**Ashok Tak**  
Vice President-Commercial &  
Chief Financial Officer

Place: Mumbai

Date :- 26<sup>th</sup> June, 2009

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Registration No . 3 6 5 0 0 State Code 1 1

Balance Sheet Date 3 1 - 0 3 - 2 0 0 9

CAPITAL RAISED DURING THE YEAR ( Amount in Rs Thousands ) :

Public Issue N I L Right Issue N I L

Bonus Issue N I L Private Placement N I L

Preference Issue N I L

POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS ( Amount in Rs. Thousands )

Total Liabilities 2 6 7 0 1 4 9 2 Total Assets 2 6 7 0 1 4 9 2

Sources of Funds

Paid-up Capital 1 9 3 4 7 1 Reserves and Surplus 2 5 6 6 6 1 3 2

Secured Loans 3 5 3 9 3 5 Unsecured Loans 7 2 1 1 0

Application of Funds

Net Fixed Assets 2 3 2 5 8 1 5 Investments 1 7 2 2 6 3 4 8

Net Current Assets 6 8 9 6 7 4 8 Misc . Expenditure N I L

PERFORMANCE OF COMPANY (Amount in Rs. Thousand )

Turnover (Net) & Other Income 4 2 9 1 3 0 0 Total Expenditure 3 8 7 3 6 5 9

Profit before Tax 4 1 7 6 4 1 Profit after Tax 2 8 2 4 9 8

Earning Per Share in Rs. 1 . 5 8 Dividend rate % (Equity) 50

(Basic & Diluted)

**Other than Promoters**

GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY ( as per monetary terms ) :

Product Description I T C C O D E

Cold Rolled Steel Coil/Sheets 7 2 0 9

Galvanised Plain/Corrugated Coil/Sheet 7 2 1 0

Woven Sacks & Bags 3 9 2 3

Synthetic Yarn 5 5 0 9

### FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

(as at 31.03.2009)

(Particulars regarding Subsidiary Companies under Section 212(B) of the Companies Act, 1956 pursuant to letters no. 47/297/2009-C.I-III dated 29.04.2009 and 47/297/2009-C.I-III dated 07.07.2009 of the Government of India, Ministry of Corporate Affairs)

S.No.	Capital	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments		Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	Country
							Total	Sub. Invnt						
1	Asoka Realty and Developers Limited.	INR	5.00	(0.57)	1,740.35	1,735.92	-	-	-	(0.25)	-	(0.25)	-	India
2	Awas Realtors Limited	INR	5.00	(0.55)	4.60	0.15	-	-	-	(0.02)	-	(0.02)	-	India
3	Belle Terre Realty Limited.	INR	4.24	1,073.85	11,037.82	9,959.73	13.74	10.41	-	(8.36)	-	(8.36)	-	Mauritius
4	Dev Realty and Developers Limited	USD (MN)	0.01	(0.02)	22.43	22.44	0.03	0.02	-	(0.02)	-	(0.02)	-	India
5	Ekdant Realty & Developers Limited	INR	5.00	(0.48)	1,629.31	1,624.79	-	-	-	(0.30)	0.02	(0.32)	-	India
6	Hari Darshan Realty Limited	INR	6.02	100.18	860.16	753.96	-	-	-	(0.25)	-	(0.25)	-	India
7	Hill Rock Construction Limited	INR	5.96	90.07	422.06	326.03	-	-	-	(2.66)	0.63	(3.29)	-	India
8	Hind Agri Properties Limited	INR	5.00	(1.52)	699.02	695.54	0.31	0.31	-	(0.33)	-	(0.33)	-	India
9	Iconic Realtors Limited.	INR	5.00	(1.74)	10,059.50	10,056.24	-	-	-	(0.83)	0.19	(1.02)	-	India
10	Jai Corp Finance & Holding Limited	INR	150.00	89.36	246.68	7.32	-	-	-	21.27	6.57	14.70	-	India
11	Jai Infraprojects Limited	INR	5.00	(1.98)	15.17	12.15	15.00	15.00	-	(0.29)	-	(0.29)	-	India
12	Jai Laxmi Realty and Developers Limited	INR	5.00	(0.45)	1,722.13	1,717.58	-	-	-	(0.24)	-	(0.24)	-	India
13	Jai Realty Ventures Limited	INR	5.00	(30.36)	38,655.35	38,680.71	1,304.75	0.80	-	(28.95)	0.05	(29.00)	-	India
14	Krupa Land Limited	INR	5.00	(0.77)	1,368.98	1,364.75	-	-	-	(0.58)	-	(0.58)	-	India
15	Krupa Realtors Limited	INR	5.00	(0.49)	723.65	719.14	-	-	-	(0.26)	-	(0.26)	-	India
16	Multifaced Impex Limited	INR	5.00	(7.98)	94.48	97.46	-	-	-	(0.23)	-	(0.23)	-	India
17	Novelty Realty & Developers Limited	INR	5.00	(0.49)	968.28	963.77	-	-	-	(0.27)	0.04	(0.31)	-	India
18	Oasis Holding FZC	AED (MN)	18.32	466.65	4,438.90	3,953.93	-	-	-	(2.38)	-	(2.38)	-	U.A.E.
19	Rainbow Infraprojects Limited	INR	0.15	(0.02)	31.24	31.11	-	-	-	(0.02)	-	(0.02)	-	India
20	Rejoice Land Developers Limited	INR	5.00	(1.90)	1,235.04	1,231.94	-	-	-	(1.07)	0.57	(1.64)	-	India
21	Rudradev Developers Limited	INR	5.00	(0.50)	4.65	0.15	-	-	-	(0.06)	-	(0.06)	-	India
22	Sarbags Pty Ltd.	INR	5.00	(0.37)	1,000.18	995.55	-	-	-	(0.26)	-	(0.26)	-	India
23	Samar Realty and Developers Limited	AUD (MN)	12.34	378.34	436.54	45.86	-	-	349.06	59.13	21.21	37.92	-	Australia
24	Swar Land Developers Limited	INR	0.05	1.07	1.25	0.13	-	-	0.97	0.17	0.06	0.11	-	India
25	Swastik Land Developers Limited	INR	5.00	(0.28)	4.86	0.14	-	-	-	(0.04)	-	(0.04)	-	India
26	UI Wealth Advisors Limited	INR	5.00	(2.08)	415.38	412.46	-	-	-	(0.50)	-	(0.50)	-	India
27	Urban Gas Distribution Limited	INR	5.00	(3.01)	3,102.43	3,100.44	-	-	-	(2.44)	0.17	(2.61)	-	India
28	Urban Gas Limited	INR	210.00	0.81	212.74	1.93	197.29	197.29	-	0.81	-	0.81	-	India
29	Urban Gas Suppliers Limited	INR	5.00	(0.43)	4.72	0.15	4.23	4.23	-	(0.06)	-	(0.06)	-	India
30	Urban Infrastructure Trustees Limited	INR	5.00	(0.42)	4.73	0.15	4.23	4.23	-	(0.06)	-	(0.06)	-	India
31	Urban Infrastructure Venture Capital Limited	INR	5.00	(0.42)	4.73	0.15	4.23	4.23	-	(0.06)	-	(0.06)	-	India
32	Vasant Bahar Realty Limited	INR	100.00	13.07	21.40	3.33	15.89	15.89	9.53	9.97	2.82	7.15	-	India
33	Weidone Real Estate Limited	INR	5.33	2,582.64	3,865.01	1,182.37	2,153.18	210.00	6,407.77	2,084.24	1,078.40	1,005.84	-	India
34	Yug Developers Limited	INR	5.74	31.64	98.10	61.13	-	-	-	(0.37)	-	(0.37)	-	India
		INR	5.00	64.22	284.38	214.42	8.43	8.43	-	(5.06)	0.30	(5.35)	-	India
		INR	5.00	47.99	638.35	584.86	-	-	-	(0.33)	-	(0.33)	-	India

Note: Exchange rate (as on 31<sup>st</sup> March, 2009) used in :

a) Sarbags Pty. Limited AUD1 = Rs.35.02

b) Oasis Holding FZC AED1 = Rs.14.21

c) Belle Terre Realty Limited. USD1 = Rs.50.95

## Auditors' Report on Consolidated Financial Statements

**To**  
**The Board of Directors**  
**Jai Corp Limited**

- 1) We have audited the attached Consolidated Balance Sheet of Jai Corp Limited (the Company) and its subsidiaries and associates (collectively referred to as 'the Group'), as at 31st March, 2009, and also the Consolidated Profit and Loss account and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. 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 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) Financial statements of nine subsidiaries, which reflect total assets of Rs.43013.93 lacs as at 31st March, 2009, total revenue of Rs.5900.99 lacs and net cash outflows amounting to Rs. 233.61 lacs for the year then ended and financial statements of six associates in which the share of profit of the Group is Rs.9.81 lacs have been audited by one of us.
- 4) We did not audit the financial statements of twenty five subsidiaries, whose financial statements reflect total assets of Rs.42990.22 lacs as at 31st March, 2009, total revenue of Rs. 376.42 lacs and net cash outflows amounting to Rs. 50.97 lacs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.
- 5) We have relied on the unaudited financial statements of one associate wherein the Group's share of loss for the year ended March 31, 2009 is Rs 489.01 lacs. These unaudited financial statements as approved by the Board of Directors of the associate have been furnished to us by the Management and our report in so far as it relates to the amounts included in respect of the associate is based solely on such approved financial statements.
- 6) We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard 21, Consolidated financial statements and Accounting Standard 23, Accounting for Investments in Associates in Consolidated Financial Statements notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended).
- 7) Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i. in the case of the consolidated balance sheet, of the state of affairs of the Group as at 31st March, 2009;
  - ii. in the case of the consolidated profit and loss account, of the profit of the Group for the year ended on that date; and
  - iii. in the case of the consolidated cash flow statement, of the cash flows of the Group for the year ended on that date.

**For CHATURVEDI & SHAH**  
 Chartered Accountants

**R. Koria**  
 Partner  
 Membership No.: 35629

Place: Mumbai  
 Date: 26<sup>th</sup> June 2009

**For S.R. BATLIBOI & Co.**  
 Chartered Accountants

**per Tridibes Basu**  
 Partner  
 Membership No.: F-17401

Place: Mumbai  
 Date: 26<sup>th</sup> June 2009



## CONSOLIDATED BALANCE SHEET as at 31<sup>st</sup> March , 2009

	SCHEDULE	(Rs.in Lacs)	
		AS AT 31.03.2009	AS AT 31.03.2008
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	A	1,934.71	1,934.71
Reserves & Surplus	B	<u>260,364.48</u>	<u>256,215.93</u>
		<b>262,299.19</b>	<b>258,150.64</b>
<b>Minority Interest</b>		<b>121.24</b>	-
<b>Loan Funds</b>			
Secured Loans	C	3,539.35	3,490.00
Unsecured Loans	D	<u>1,816.65</u>	<u>4,654.64</u>
		<b>5,356.00</b>	<b>8,144.64</b>
<b>Deferred Tax Liability (Net)</b> (Refer Note No.3 of Schedule 'N')		<b>1,612.99</b>	1,347.25
<b>Total</b>		<u><b>269,389.42</b></u>	<u><b>267,642.53</b></u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	E	36,275.44	35,773.86
Less: Depreciation		<u>15,551.89</u>	<u>14,393.64</u>
Net Block		<b>20,723.55</b>	<b>21,380.22</b>
Capital Work-in-Progress		<u>3,231.18</u>	<u>2,025.16</u>
		<b>23,954.73</b>	<b>23,405.38</b>
<b>Investments</b>			
In Associates		11,786.13	4,131.87
In Others		<u>162,017.32</u>	<u>181,458.59</u>
		<b>173,803.45</b>	<b>185,590.46</b>
<b>Current Assets, Loans and Advances</b>			
Inventories	F	14,080.17	8,680.53
Sundry Debtors		9,264.24	7,717.67
Cash & Bank Balances		6,812.18	1,371.42
Other Current Assets		1.58	1.58
Loans & Advances		<u>45,374.64</u>	<u>46,832.21</u>
		<b>75,532.81</b>	<b>64,603.41</b>
<b>Less: Current Liabilities and Provisions</b>			
Current Liabilities	G	1,978.93	3,165.21
Provisions		<u>1,922.64</u>	<u>2,791.51</u>
		<b>3,901.57</b>	<b>5,956.72</b>
<b>Net Current Assets</b>		<b>71,631.24</b>	<b>58,646.69</b>
Total		<u><b>269,389.42</b></u>	<u><b>267,642.53</b></u>
<b>Significant Accounting Policies</b>	M		
<b>Notes on Accounts</b>	N		

The schedules referred to above form an integral part of the Consolidated Balance Sheet.

As per our report of even date

**For CHATURVEDI & SHAH**  
Chartered Accountants

**For S.R.BATLIBOI & CO.**  
Chartered Accountants

For and on behalf of the Board of Directors

**A Datta**  
Company Secretary

**Virendra Jain**  
Vice Chairman

**Gaurav Jain**  
Managing Director

**R. Koria**  
Partner

**per Tridibes Basu**  
Partner

**Ashok Tak**  
Vice President - Commercial &  
Chief Financial Officer

**Place: Mumbai**  
**Date :- 26<sup>th</sup> June, 2009**

Annual Report 2008-2009

# CONSOLIDATED PROFIT AND LOSS ACCOUNT for the Year Ended 31<sup>st</sup> March, 2009

	SCHEDULE	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
(Rs.in Lacs)			
<b>INCOME</b>			
Turnover (Gross)	H	46,040.01	35,621.90
Less: Excise duty/ Service Tax recovered		2,576.74	2,208.02
Net Turnover		43,463.27	33,413.88
Other Income	I	5,484.79	13,160.90
Variation In Stock	J	5,424.82	4,591.69
		<u>54,372.88</u>	<u>51,166.47</u>
<b>EXPENDITURES</b>			
Purchases		6,621.43	8,802.25
Manufacturing and Other Expenses	K	39,427.01	25,451.13
Interest & Finance Charges	L	465.84	590.34
Depreciation		1,551.83	1,490.71
		<u>48,066.11</u>	<u>36,334.43</u>
Profit for the year before tax		6,306.77	14,832.04
Less : Provision for Taxation :			
Current Tax		2,237.21	1,734.07
MAT Credit		-	(736.53)
Deferred Tax		265.57	75.84
Fringe Benefit Tax		37.10	26.78
Add: Write back of provision for Tax of earlier years		77.49	-
<b>Profit for the year after tax</b>		<b>3,844.38</b>	<b>13,731.88</b>
Less: Share of Profit/(Loss) transferred to Minority		(0.59)	-
Add: Share in Profit/(Loss) of Associates		(487.60)	377.61
<b>Profit for the year</b>		<b>3,357.37</b>	<b>14,109.49</b>
(after adjustment for Minority Interest and including Associates)			
Balance brought forward from last year		25,527.05	13,266.83
Prior Period Adjustments (Net)		(2.24)	(4.83)
Transitional Provisional adjustment under Accounting Standard-15		-	11.64
<b>AMOUNT AVAILABLE FOR APPROPRIATIONS</b>		<b>28,882.18</b>	<b>27,383.13</b>
<b>APPROPRIATIONS</b>			
General Reserve		282.50	1,282.00
Proposed Dividend on Preference Shares		1.50	0.52
Proposed Dividend on Equity Shares		240.84	490.17
Tax on Proposed Dividend		41.18	83.39
<b>SURPLUS CARRIED TO BALANCE SHEET</b>		<b>28,316.16</b>	<b>25,527.05</b>
Basic & Diluted Earning Per Share of Face Value of Re. 1 each (Refer Note No. 6 of Schedule 'N')		1.88	8.08
<b>Significant Accounting Policies</b>	M		
<b>Notes on Accounts</b>	N		

The schedules referred to above form an integral part of the Consolidated Profit and Loss Account.

As per our report of even date

For **CHATURVEDI & SHAH**  
Chartered Accountants

For **S.R.BATLIBOI & CO.**  
Chartered Accountants

For and on behalf of the Board of Directors

**A Datta**  
Company Secretary

**Virendra Jain**  
Vice Chairman

**Gaurav Jain**  
Managing Director

**R. Koria**  
Partner

**per Tridibes Basu**  
Partner

**Ashok Tak**  
Vice President - Commercial &  
Chief Financial Officer

**Place: Mumbai**  
**Date :- 26<sup>th</sup> June, 2009**

## Consolidated Cash Flow Statement for the Year Ended 31<sup>st</sup> March, 2009

	(Rs.in Lacs)	
	2008-09	2007-08
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before tax as per P & L Account	<b>6,306.77</b>	<b>14,832.04</b>
Adjusted for :		
Depreciation	1,551.83	1,490.71
Wealth Tax	5.15	9.00
Effects of exchange rate change *	1,509.62	(172.53)
Preliminary and Issue expenses written off	5.33	8.80
Loss / (Profit) on sale of investments ( Net )	3,200.32	(8,530.98)
Profit on sale of Futures and Option	-	(136.11)
Provision for Doubtful debts	18.14	-
Loss on Equity Derivatives (Net)	186.09	-
Provision for diminution in value of Investments	759.88	436.35
Loss/ (Profit) on sale of Fixed Assets	(133.70)	31.97
Interest & Finance Charges	378.58	516.99
Sundry Balances written back	(20.52)	(1.82)
Interest Income	(1,967.32)	(993.93)
Interest Subsidy	-	(61.72)
Dividend Income	(1,755.67)	(2,818.34)
	<b>3,737.73</b>	<b>(10,221.61)</b>
<b>Operating Profit before Working Capital Changes</b>	<b>10,044.50</b>	<b>4610.43</b>
Adjusted for :		
Trade & Other Receivables	(12,771.58)	(22,247.51)
Inventories	(5,399.64)	(3,630.62)
Trade Payables	(1,292.41)	1,203.69
Cash generated from operations	<b>(9,419.13)</b>	<b>(20,064.01)</b>
Direct taxes paid	(1,791.57)	(1,752.28)
Cash Flow before prior period adjustments	<b>(11,210.70)</b>	<b>(21,816.29)</b>
Net Prior period adjustment	(2.24)	(4.83)
<b>Net Cash from / (used in) Operating Activities</b>	<b>(11,212.94)</b>	<b>(21,821.12)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(1,913.54)	(2,951.80)
Sale of Fixed Assets	557.20	191.27
Fixed Deposit with bank having maturity of more than three months	(5,000.00)	-
Acquisition/Purchase of Business	-	(12,500.00)
Purchase of Investments	(170,388.33)	(576,027.40)
Sale of Investments	191,052.14	401,403.16
Movement in Loans	(1,800.00)	(3,964.98)
Profit on sale of Futures and Option	-	136.11
Loss on Equity Derivatives (Net)	(186.09)	-
Interest Received	1,306.94	931.42
Dividend Received	1,755.67	2,818.34
<b>Net Cash ( used in ) / from Investing Activities</b>	<b>15,383.99</b>	<b>(189,963.88)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Issue of Share Capital including Securities Premium	4.58	211,174.81
Preliminary and Issue expenses	(0.07)	(185.54)
Proceeds of Long Term Loans	1,770.55	-
Repayment of Long Term Loans	(996.49)	(556.69)
Unclaimed for Scheme of Arrangement	0.38	(1.44)
Short Term Loans (Net)	(3,562.70)	1,493.43
Interest paid	(376.52)	(581.17)
Dividends paid	(570.02)	(2.67)
<b>Net Cash from / ( used in ) Financing Activities</b>	<b>(3,730.29)</b>	<b>211,340.73</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>440.76</b>	<b>(444.27)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>1,371.42</b>	<b>1,814.70</b>
Add: Upon addition of New Subsidiaries	-	0.99
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>1,812.18</b>	<b>1,371.42</b>
Fixed Deposit with bank having maturity of more than three months	5,000.00	-
<b>Closing Balance of Cash and Bank #</b>	<b>6,812.18</b>	<b>1,371.42</b>

# For composition, refer Shedule "F"

\* includes exchange difference on account of translation of foreign subsidiary company's financial statement.

## Notes :

- 1 The above Cash Flow Statements has been prepared under the "Indirect Method" as set out in Accounting Standard-3 "Cash Flow Statement" as notified in the Companies (Accounting Standards) Rules, 2006.
- 2 Cash and cash equivalent includes Fixed Deposit pledge with the Govt. deptt. amounting to **Rs. 116.98 Lacs** (Previous year Rs. 208.41 Lacs) and balance of **Rs. 7.04 Lacs** (Previous Year Rs. 2.98 Lacs) with schedule bank on unpaid dividend account.
- 3 The Previous year's figures have been regrouped, rearranged, restated and reclassified wherever necessary.
- 4 Bracket indicates cash outflow.

As per our report of even date

**For CHATURVEDI & SHAH**  
Chartered Accountants

**For S.R.BATLIBOI & CO.**  
Chartered Accountants

For and on behalf of the Board of Directors

**A Datta**  
Company Secretary

**Virendra Jain**  
Vice Chairman

**Gaurav Jain**  
Managing Director

**R. Koria**  
Partner

**per Tridibes Basu**  
Partner

**Ashok Tak**  
Vice President - Commercial &  
Chief Financial Officer

**Place: Mumbai**  
**Date :- 26<sup>th</sup> June, 2009**

## SCHEDULES forming part of the consolidated Balance Sheet

	AS AT 31.03.2009	(Rs.in Lacs) AS AT 31.03.2008
<b>SCHEDULE "A"</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
45,00,00,000 Equity Shares of Re. 1 each (45,00,00,000)	<b>4,500.00</b>	4,500.00
1,50,00,000 1% Non-Cumulative, Non-Participating Redeemable (1,50,00,000) Preference Shares of Re. 1 each	<b>150.00</b>	150.00
3,50,00,000 Unclassified Shares of Re. 1 each (3,50,00,000)	<b>350.00</b>	350.00
	<b><u>5,000.00</u></b>	<b><u>5,000.00</u></b>
<b>ISSUED AND SUBSCRIBED</b>		
17,84,94,010 Equity Shares of Re. 1 each (17,84,94,010)	<b>1,784.94</b>	1,784.94
1,50,00,000 1% Non-Cumulative, Non-Participating Redeemable (1,50,00,000) Preference Shares of Re. 1 each	<b>150.00</b>	150.00
	<b><u>1,934.94</u></b>	<b><u>1,934.94</u></b>
<b>FULLY PAID UP</b>		
17,84,49,410 Equity Shares of Re. 1 each (17,84,49,410)	<b>1,784.49</b>	1,784.49
1,50,00,000 1% Non-Cumulative, Non-Participating Redeemable (1,50,00,000) Preference Shares of Re. 1 each	<b>150.00</b>	150.00
Add: Forfeited Shares (Amount Originally Paid up on 4,460 Shares of Rs. 10/- each)	<b>0.22</b>	0.22
	<b><u>1,934.71</u></b>	<b><u>1,934.71</u></b>

### Notes :-

- 1) Of the above Equity Shares:
  - (a) 49,63,522 Equity Shares of Rs.10 each were allotted, without payment being received in cash, pursuant to the Scheme of Amalgamation of Sipta Coated Steels Limited and Comet Steels Limited with the Company before subdivision and issue of bonus shares.
  - (b) Bonus Shares :-
    - i) 24,00,000 equity Shares of Rs. 10 each were allotted as bonus shares by Capitalisation of free reserve before subdivision.
    - ii) 8,62,69,400 Equity Shares of Re.1 each have been allotted as fully paid up Bonus Shares by way of Capitalisation of Securities Premium.
- 2) Equity Shares having face value of Rs. 10 each (fully paid-up) were subdivided into Re.1 each fully paid-up in the Financial year 2007-08
- 3) (a) 1% Non-cumulative, Non-Participating Redeemable Preference Share of Re.1 each fully paid-up are redeemable at a premium of 6% p.a. on issue price of Rs. 1,000 per share on the expiry of two years from the date of allotment i.e. 26th November, 2007 with an option to the company/shareholder to redeem the same after one year from the date of allotments.
  - (b) Redemption premium on preference shares as mentioned above will be paid out of the Securities Premium and hence no provision has been considered necessary.
- 4) Figures in bracket represent previous year figures.

## SCHEDULES forming part of the consolidated Balance Sheet

	(Rs.in Lacs)	
	AS AT 31.03.2009	AS AT 31.03.2008
<b>SCHEDULE "B"</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>Capital Reserve</b>	<b>92.17</b>	92.17
<b>Capital Reserve on Consolidation</b> (Refer Note No. 17 of Schedule 'N')	-	341.64
<b>Securities Premium Account:</b>		
As per last Balance Sheet	<b>214,930.94</b>	6,068.22
Add: Received during the year	-	210,965.70
	<b>214,930.94</b>	217,033.92
Less: Issue of Fully paid up Bonus Shares	-	862.69
Less: Share issue Expenses	-	1,240.29
	<b>214,930.94</b>	214,930.94
<b>Foreign Currency Translation Reserve</b>	<b>1,441.71</b>	23.13
<b>General Reserve</b>		
As per last Balance Sheet	<b>15,301.00</b>	14,019.00
Add : Transferred from Profit and Loss Account	<b>282.50</b>	1,282.00
	<b>15,583.50</b>	15,301.00
<b>Profit and Loss Account</b>	<b>28,316.16</b>	25,527.05
	<b>260,364.48</b>	256,215.93

### SCHEDULE "C"

#### SECURED LOANS

Term Loans from Bank	<b>3,229.00</b>	3,490.00
Working Capital Loan from Bank	<b>310.35</b>	-
	<b>3,539.35</b>	3,490.00

#### Notes:

- 1] The term Loans referred to above aggregating to **Rs.2,554.00 Lacs** (Previous Year Rs. 3,490.00 Lacs) are secured by way of First Mortgage and charge on pari passu basis on Fixed Assets of the company situated at Nanded , Vasona & Khadoli (Silvassa) and **Rs.675.00 Lacs** (Previous Year Rs. Nil) are to be secured by way of First Mortgage and charge on pari passu basis on all Fixed Assets of the Company.
- 2] The above term loans are further secured by a negative lien on quoted portfolio investment of the company to the extent of **Rs. 5,000.00 Lacs** (Previous Year Rs. 5,000.00 Lacs).
- 3] Working Capital loans referred to above are secured by hypothecation by way of First charge over entire stocks, book debts and Second charge on Fixed Assets of the company.
- 4] Of the above, loans aggregating to **Rs. 2,864.35 Lacs** (Previous Year Rs.3,490.00 Lacs) are guaranteed by two Directors of the Company in their personal capacity.

### SCHEDULE "D"

#### UNSECURED LOANS

Interest Free Sales-tax Loan	<b>721.10</b>	781.59
Buyer's Credit	-	3,873.05
Others	<b>1,095.55</b>	-
	<b>1,816.65</b>	4,654.64

Note : Amount repayable within one year **Rs. 60.49 Lacs** (Previous Year Rs. 3,933.54 Lacs).

## SCHEDULES forming part of the consolidated Balance Sheet

### SCHEDULE - E FIXED ASSETS

(Rs.in Lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	AS AT 01.04.2008	Addition on account of Acquisition of Subsidiary	Additions	Deductions/ Adjustments	AS AT 31.03.2009	UPTO 01.04.2008	Depreciation on account of Acquisition of Subsidiary	For The Year	Deductions/ Adjustments	UPTO 31.03.2009	AS AT 31.03.2009	AS AT 01.04.2008
<b>TANGIBLE ASSETS</b>												
Freehold Land	2,099.29	-	0.82	-	2,100.11	-	-	-	-	-	2,100.11	2,099.29
Leasehold Land	527.67	-	-	2.97	524.70	12.36	-	6.38	0.08	18.66	506.04	515.31
Buildings	6,033.17	-	15.20	42.80	6,005.57	1,205.54	-	182.07	28.43	1,359.18	4,646.39	4,827.63
Plant & Machinery	25,730.43	-	690.42	754.22	25,666.63	12,496.39	-	1,264.70	351.54	13,409.55	12,257.08	13,234.04
Furniture & Fixtures	253.56	7.75	22.20	-	283.51	122.47	0.45	17.05	-	139.97	143.54	131.09
Office Equipments	409.10	1.86	47.35	6.58	451.73	244.90	0.12	28.17	5.09	268.10	183.63	164.20
Vehicles	592.96	0.55	29.80	13.99	609.32	231.14	0.07	49.94	11.11	270.04	339.28	361.82
<b>INTANGIBLE ASSETS</b>												
Goodwill	62.30	-	-	-	62.30	15.46	-	5.55	-	21.01	41.29	46.84
Goodwill on Consolidation	-	-	506.19	-	506.19	-	-	-	-	-	506.19	-
(Refer Note No.15 of schedule 'N')												
Drawing & Designs*	65.38	-	-	-	65.38	65.38	-	-	-	65.38	-	-
Total	35,773.86	10.17	1,311.98	820.56	36,275.44	14,393.64	0.63	1,553.87	396.25	15,551.89	20,723.55	21,380.22
Previous Year	24,231.77	54.28	11,981.31	493.50	35,773.86	13,168.72	6.36	1,488.83	270.27	14,393.64	21,380.22	-
<b>CAPITAL WORK IN PROGRESS</b>											3,231.18	2,025.15

\* Other than internally generated.

Notes :-

- Freehold land includes Rs. 131.25 Lacs (Previous Year Rs. 131.25 Lacs) in respect of which conveyance deed is yet to be registered in the name of the company.
- Building includes Rs.0.01 Lacs (Previous Year Rs. 0.01 Lacs) being the cost of shares in Co operative Housing Society towards ownership of residential flats.
- Capital Work-in-Progress includes :
  - Rs. 37.89 Lacs (Previous Year Rs. Nil) on account of Pre-Operative Expenditure.
  - Rs.24.82 Lacs (Previous year Rs. 61.50 Lacs) on account of cost of construction Material at site.
  - Rs. 396.09 Lacs ( Previous Year Rs. 728.87 Lacs ) on account of advances made to the suppliers for capital expenditure.
- Plant & Machinery includes Rs. 64.68 Lacs (Previous year Rs. 64.68 Lacs) and Rs. 33.56 Lacs (Previous Year Rs. 33.56 Lacs) being the amount spent for laying Power Line and Water Pipe Line respectively, the ownership of which vests with the respective Government Authorities.
- Depreciation includes Rs.2.04 Lacs (Previous Year excludes Rs. 1.88 Lacs) on account of translation of depreciation to date respectively of foreign subsidiary. The effect of which is considered in Foreign Currency Translation Reserve.

## SCHEDULES forming part of the consolidated Balance Sheet

	AS AT 31.03.2009	(Rs.in Lacs) AS AT 31.03.2008
<b>SCHEDULE "F"</b>		
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>		
<b>CURRENT ASSETS</b>		
<b>INVENTORIES</b>		
(As taken, Valued and Certified by the Management)		
Stores, Spares, Packing Materials, Fuel, etc.	686.75	639.86
Raw Materials	1,413.44	1,631.25
Work-in-Progress	10,497.15	4,654.96
Finished Goods	1,367.90	1,692.64
Scrap	111.99	58.88
Others*	<u>2.94</u>	<u>2.94</u>
	<b>14,080.17</b>	<b>8,680.53</b>
* includes realisable value of discarded fixed assets <b>Rs.2.94 Lacs</b> (Previous year Rs.2.94 Lacs ).		
<b>SUNDRY DEBTORS</b>		
(Unsecured and subject to confirmation)		
For a period of more than six months		
Consider Good	80.91	18.86
Consider Doubtful	<u>18.14</u>	<u>-</u>
	<b>99.05</b>	<b>18.86</b>
Less: Provision for Doubtful debts	<u>18.14</u>	<u>-</u>
	<b>80.91</b>	<b>18.86</b>
Others, Consider Good	<u>9,183.33</u>	<u>7,698.81</u>
	<b>9,264.24</b>	<b>7,717.67</b>
<b>CASH AND BANK BALANCES</b>		
Cash on hand	2.35	3.46
Balances with Banks		
In Current Accounts		
With Scheduled Bank	320.23	673.45
With Others	77.47	76.39
In Fixed Deposit Accounts		
With Scheduled Bank *	6,194.96	432.47
With Others	<u>217.17</u>	<u>185.65</u>
	<b>6,812.18</b>	<b>1,371.42</b>
* Includes <b>Rs. 116.98 Lacs</b> pledged with various Govt. Depts. (Previous year Rs 208.41 Lacs.)		
<b>OTHER CURRENT ASSETS</b>		
Interest accrued on Investment	1.58	1.58
<b>LOANS AND ADVANCES</b>		
(Unsecured and considered good )		
Advances recoverable in cash or in kind or for value to be received *	42,306.60	43,133.09
Deposits	298.63	287.23
Balance with Customs & Excise Authorities	651.18	326.26
Income Tax (Net)	1,815.38	1,923.87
MAT Credit	1,161.76	1,161.76
Less: MAT Credit Utilisation	<u>858.91</u>	<u>-</u>
	<b>302.85</b>	<b>1,161.76</b>
	<b>45,374.64</b>	<b>46,832.21</b>
	<b>75,532.81</b>	<b>64,603.41</b>

\* Includes **Rs. 2,608.51 Lacs** (Previous year Rs. 16,971.74 Lacs) as share and debenture application money.

\* Advance Recoverable in cash or kind includes **Rs. 3.00 Lacs** (previous year Rs 3.50 Lacs) due from the Manager / Officer and maximum balance outstanding at any time during the year **Rs. 5.75 Lacs** ( previous year Rs. 6.17 Lacs )



## SCHEDULES forming part of the consolidated Balance Sheet

### SCHEDULE "G"

#### CURRENT LIABILITIES AND PROVISIONS

		(Rs.in Lacs)	
		AS AT	AS AT
		31.03.2009	31.03.2008
<b>CURRENT LIABILITIES</b>			
Sundry Creditors *			
(i) Micro and Small Enterprises @	10.30		25.75
(ii) Others	1,024.66		2,207.14
Advanced Received against Sale of Fixed Assets	170.00		-
Other Liabilities	695.30		860.15
Interest accrued but not due on Loan	32.44		30.38
Unclaimed for Scheme of Arrangement	39.19		38.81
Investors Education & Protection Fund # :			
Unclaimed Dividend	<u>7.04</u>		<u>2.98</u>
		<b>1,978.93</b>	<b>3,165.21</b>
<b>PROVISIONS</b>			
Income Tax and Fringe Benefit Tax	2,257.90		1,955.83
Less: MAT Credit Utilisation	<u>858.91</u>		<u>-</u>
	<b>1,398.99</b>		<b>1,955.83</b>
Wealth Tax (Net)	9.78		9.94
Proposed Dividend on Preference Shares	1.50		0.52
Proposed Dividend on Equity Shares	240.84		490.17
Tax on Proposed Dividend	41.18		83.39
Staff Benefits Schemes	158.20		159.02
Forward Contract (MTM)	29.40		22.75
Other Provision**	<u>42.75</u>		<u>69.89</u>
		<b>1,922.64</b>	<b>2,791.51</b>
		<b><u>3,901.57</u></b>	<b><u>5,956.72</u></b>

\* Includes **Rs. 176.97 Lacs** ( previous year Rs. 68.53 Lacs ) for capital expenditure.

\*\* The Company has recognised liability based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on 31st March 2008 of Rs. 69.89 Lacs as per the estimated pattern of dispatches. During the year Rs. 69.89 Lacs was utilized for clearance of goods. Liability recognized on this account for the year is Rs. 42.75 Lacs, which is outstanding as on 31st March 2009. Actual outflow is expected in the next financial year.

# The amount does not include amount, due & outstanding, to be credited to Investor Education & Protection Fund.

@ To the extent information available with company.

## SCHEDULES forming part of the consolidated Profit and Loss Account

	(Rs.in Lacs)	
	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
<b>SCHEDULE "H"</b>		
<b>TURNOVER</b>		
Sales	38,387.97	31,023.79
Job work Charges	602.84	1,562.12
Services	6,351.34	2,610.61
Export Incentive	3.77	-
Commission	694.09	425.38
	<u>46,040.01</u>	<u>35,621.90</u>
<b>SCHEDULE "I"</b>		
<b>OTHER INCOME</b>		
Profit on Sale / Discarding of Fixed Assets (Net)	133.70	-
Dividend on (Other than Trade)		
Long Term Investments	547.29	391.05
Current Investments	1,208.38	2,427.29
Profit on Sale of Future & Options (Net)	-	136.11
Profit on sale of :		
Long Term Investments	-	4,217.79
Current Investments	1,194.75	4,313.19
Interest on Long Term Investment (Trade) *	0.30	1.58
Interest on Investments (Other than Trade)		
Current Investments	63.19	-
Long Term Investments *	4.64	-
Interest on Others *	1,899.19	1,026.90
* (Tax deducted at Source <b>Rs. 255.06 Lacs</b> (Previous year Rs.126.21 Lacs )		
Interest Subsidy	-	61.72
Rent Received	208.44	208.32
Exchange difference (Net)	-	160.27
Sundry Balances W/Back(Net)	20.52	1.82
Sales Tax Refund	-	61.08
Miscellaneous Income	204.39	153.78
	<u>5,484.79</u>	<u>13,160.90</u>
<b>SCHEDULE "J"</b>		
<b>VARIATION IN STOCKS</b>		
Closing Stock		
Work-in-Progress	10,497.15	4,654.97
Finished Goods	1,367.89	1,692.64
Scrap	111.99	58.88
Others	-	-
	<u>11,977.03</u>	<u>6,406.49</u>
Less: Business Purchase/on acquisition of Subsidiary Company		
Work-in-Progress	145.72	84.35
Finished Goods	-	530.58
Scrap	-	5.11
	<u>145.72</u>	<u>620.04</u>
Less :Opening Stock		
Work-in-Progress	4,654.97	375.58
Finished Goods	1,692.64	801.02
Scrap	58.88	18.16
Others	-	-
	<u>6,406.49</u>	<u>1,194.76</u>
Variation In Stock	<u>5,424.82</u>	<u>4,591.69</u>

## SCHEDULES forming part of the consolidated Profit and Loss Account

	(Rs. in Lacs)	
	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
<b>SCHEDULE "K"</b>		
<b>MANUFACTURING AND OTHER EXPENSES</b>		
RAW MATERIALS CONSUMED		
Opening Stock	1,631.25	2,216.87
Less: Cost of Raw Material sold	0.04	15.00
Add: Purchases	<u>18,889.81</u>	<u>12,335.53</u>
	<u>20,521.02</u>	<u>14,537.40</u>
Less: Closing Stock	<u>1,413.44</u>	<u>1,631.25</u>
	<u>19,107.58</u>	<u>12,906.15</u>
	<u>19,107.58</u>	<u>12,906.15</u>
Land & Development Expenses*	5,341.40	4,167.34
<b>MANUFACTURING EXPENSES</b>		
Power, Fuel and Water	1,767.24	1,473.97
Stores, Spares and Packing Materials	849.41	892.13
Excise Duty (Refer Note No.15 of Schedule 'N' )	(27.14)	72.28
Job Work Charges	44.15	1,527.85
Repairs and Maintenance :		
Plant & Machinery	72.13	61.69
Buildings	<u>103.27</u>	<u>116.92</u>
	<u>8,150.46</u>	<u>8,312.18</u>
<b>EMPLOYEES' REMUNERATION AND BENEFITS</b>		
Salaries, Wages and Perquisites	3,770.13	2,299.26
Contribution to Provident and Other Funds	178.41	113.22
Staff Welfare & amenities	51.59	27.89
Gratuity	<u>45.98</u>	<u>8.50</u>
	<u>4,046.11</u>	<u>2,448.87</u>
<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		
Advertisement, Publicity and Sales Promotion	31.38	22.91
Freight, Handling Charges and Octroi (Net)	237.61	176.59
Brokerage, Commission and Discount	<u>80.47</u>	<u>83.36</u>
	<u>349.46</u>	<u>282.86</u>
<b>ADMINISTRATION &amp; GENERAL EXPENSES</b>		
Rent	422.38	225.12
Rates and Taxes	38.21	38.08
Repair & Maintenance Others	24.38	20.07
Insurance	44.78	43.54
Legal, Professional and Consultancy Charges	431.99	261.45
Investment Management Fee	-	0.75
Travelling and Conveyance	198.81	146.66
Payment to Auditors	97.12	60.47
Preliminary and Issue expenses written off	5.33	8.80
Provision for Diminution in value of Current Investments	759.88	436.35
Provision for Doubtful debts	18.14	-
Loss on Sale of Current Investment(Net)	4,395.07	-
Loss on Equity Derivatives (Net)	186.09	-
Directors Sitting Fees	4.13	4.05
Charity and Donation	13.91	2.72
Loss on Sale / Discarding of Fixed Assets ( Net )	-	31.97
Exchange difference (Net)	722.91	-
Wealth Tax	5.15	9.00
Other Expenses	<u>405.12</u>	<u>212.04</u>
	<u>7,773.40</u>	<u>1,501.07</u>
	<u>39,427.01</u>	<u>25,451.13</u>

\* Includes Land of **Rs. 2923.78 Lacs** (Previous Year Rs. 1,336.62 Lacs) pending execution conveyance/sale deed.

## SCHEDULES forming part of the consolidated Profit and Loss Account

(Rs. in Lacs)

	YEAR ENDED 31.03.2009	YEAR ENDED 31.03.2008
<b>SCHEDULE "L"</b>		
<b>INTEREST &amp; FINANCE CHARGES</b>		
Interest on Fixed Loans (Net)	299.43	331.41
Interest on Others	79.15	185.58
Bank Charges	87.26	73.35
	<u>465.84</u>	<u>590.34</u>

## SCHEDULES forming part of the consolidated Account

### SCHEDULE "M"

#### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

##### 1 Principles of Consolidation

The Consolidated financial statements relate to Jai Corp Ltd. {‘the Company’}, its Subsidiary Companies and Associate Companies. The Consolidated Financial statements have been prepared on the following basis:

- (i) The financial statements of the Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard-21 (AS-21) “Consolidated Financial Statements”.
- (ii) In case of foreign subsidiary, being non-integral operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the foreign exchange translation reserve.
- (iii) The difference between the cost of Investments in the subsidiaries, over the net assets at the time of acquisition of shares in subsidiaries, or on the date of the financial statement immediately preceeding the date of acquisition in Subsidiaries, is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.  
The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated statement of Profit and Loss Account as the profit or loss on disposal of investment in subsidiary.
- (iv) Minority Interest’s share of net profit of Consolidated financial statements for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the company.
- (v) Minority Interest in share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company’s shareholders.
- (vi) In case of associate, where the Company directly or indirectly through subsidiaries holds more than 20% of equity Investments, accounting is done based on equity method in accordance with AS-23 - “Accounting for Investments in associates in Consolidated Financial Statements”.
- (vii) The Company accounts for its share in the change in the net assets of the associate, post acquisition, after eliminating unrealised profits and losses resulting from transaction between the company and its associate to the extent of its share, through its profit and loss account to the extent such change is attributable to the associates’ profit and loss account and through its reserves for the balance, based on available information.
- (viii) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified and separately disclosed in the financial statements as Goodwill or Capital Reserve as the case may be.
- (ix) The Consolidated Financial Statements have been prepared using Uniform Accounting Policies for like transactions and other events in similar circumstances except mentioned in the Note No.2 of Notes on Accounts and are presented to the extent possible, in the same manner as the company’s separate financial statements.

2 Investment other than in Subsidiaries and Associates have been accounted as per AS-13 on “Accounting for Investments”.

##### 3 Other Significant Accounting Policies

These are set out under “Significant Accounting Policies” as given in the Standalone Financial Statements of Jai Corp Limited and its subsidiaries.

## SCHEDULES forming part of the consolidated Account

### SCHEDULE "N"

#### NOTES ON ACCOUNTS

- 1 The following subsidiary companies and associate companies as on 31st March, 2009 have been considered in the preparation of Consolidated Financial Statements:-

Name of the Company	Nature of Interest	Country of Incorporation	Proportion of ownership Interest	Remarks	
Ashoka Realty & Developers Limited	Subsidiary	India	100%	Subsidiary w.e.f. 04.06.08	
Awas Realtors Limited	Subsidiary	India	100%		
Belle Terre Realty Limited	Subsidiary	Mauritius	100%		
Dev Realty & Developers Limited	Subsidiary	India	100%		
Ekdant Realty & Developers Limited	Subsidiary	India	100%		
Hari Darshan Realty Limited	Subsidiary	India	100%		
Hill Rock Construction Limited	Subsidiary	India	100%		
Hind Agri Properties Limited	Subsidiary	India	100%		
Iconic Realtors Limited	Subsidiary	India	100%		
Jai Corp Finance & Holding Limited	Subsidiary	India	100%		
Jai Infraprojects Limited	Subsidiary	India	100%		
Jai Laxmi Realty & Developers Limited	Subsidiary	India	100%		
Jai Realty Venture Limited	Subsidiary	India	100%		
Krupa Land Limited	Subsidiary	India	100%		
Krupa Realtors Limited	Subsidiary	India	100%		
Multifaced Impex Limited	Subsidiary	India	100%	Subsidiary w.e.f. 30.06.08	
Novelty Realty & Developers Limited	Subsidiary	India	100%	Subsidiary w.e.f. 16.06.08	
Oasis Holding FZC	Subsidiary	Sharjah, UAE	75%		
Rainbow Infraprojects Limited	Subsidiary	India	100%		
Rejoice Land Developers Limited	Subsidiary	India	100%		
Rudradev Developers Limited	Subsidiary	India	100%		
Sarbags Pty Limited	Subsidiary	Australia	100%		
Smart Realty & Developers Limited	Subsidiary	India	100%		
Swar Land Developers Limited	Subsidiary	India	100%		
Swastik Land Developers Limited	Subsidiary	India	100%		
UI Wealth Advisors Limited	Subsidiary	India	100%		Subsidiary w.e.f. 20.11.2008
Urban Gas Distribution Limited	Subsidiary	India	100%	Subsidiary w.e.f. 09.06.08	
Urban Gas Limited	Subsidiary	India	100%		
Urban Gas Suppliers Limited	Subsidiary	India	100%		
Urban Infrastructure Trustees Limited	Subsidiary	India	100%		
Urban Infrastructure Venture Capital Limited	Subsidiary	India	100%		
Vasant Bahar Realty Limited	Subsidiary	India	100%		
Welldone Real Estate Limited	Subsidiary	India	100%		
Yug Developers Limited	Subsidiary	India	100%		
Searock Devlopers FZC	Associate	Sharjah, UAE	50%		Associate w.e.f. 10.06.08
Urban Communication Infrastructure Private Limited	Associate	India	26%		Associate
Urban Energy Distribution Private Limited	Associate	India	26%		
Urban Energy Generation Private Limited	Associate	India	26%		
Urban Energy Transmission Private Limited	Associate	India	26%		
Urban Infotech Solution Private Limited	Associate	India	26%		
Urban Infrastructure Construction Private Limited	Associate	India	26%		
Urban Infrastructure Holding Private Limited	Associate	India	32%		
Urban Water Supply Private Limited	Associate	India	26%		

## CK

# SCHEduLES forming part of the consolidated Account

### SCHEDULE "N" (Cont.)

- 2 In respect of following item Accounting Policy followed by subsidiary company is different than that of the company:

Item	Particulars	Amount Cost (Rs. In Lacs)	Proportion to the Cost of Fixed Assets
Depreciation	Sarbags Pty.Ltd. has charged depreciation on Office Equipment @ 7.5% & 33.30% as against Schedule XIV rates followed by the company.	3.05	0.008

- 3 The deferred tax liability as at 31<sup>st</sup> March 2009 comprises of the following:

	As on 31.03.2009	As on 31.03.2008
(Rs. In lacs )		
<b>(i) Deferred Tax Liability</b>		
Related to fixed assets	<b>1,673.92</b>	1,492.19
	<u>1,673.92</u>	<u>1,492.19</u>
<b>(ii) Deferred Tax Assets</b>		
Provision for diminution in value of current investment	-	90.81
Disallowance under the Income Tax Act, 1961	<b>60.93</b>	54.13
<b>Total</b>	<u>60.93</u>	<u>144.94</u>
<b>Deferred tax Liability (net)</b>	<u>1,612.99</u>	<u>1,347.25</u>

- 4 Upto 31<sup>st</sup> March 2008, Welldone Real Estate Limited, a fellow subsidiary of the Company, provided depreciation in respect of fixed assets on the written down value method at the rates and manner specified in Schedule XIV of the Companies Act, 1956. From 1st April 2008, to be in line with the accounting policy of ultimate holding Company, it has changed the policy to provide depreciation on fixed assets on straight line method at the rates and manner specified in Schedule XIV of the Companies Act, 1956.

In compliance with the Accounting Standard (AS 6) as notified in the Companies (Accounting Standards) Rules 2006 (as amended), in case of change in the method of depreciation from written down value method as per the Companies Act, 1956 to straight line method as per the Companies Act, 1956, depreciation has been recomputed from the date of capitalisation of fixed assets on straight line method applicable to those years. Consequent to this, there is a reduction for accumulated depreciation during the year of Rs. 0.40 lacs which related to previous years. Had there been no change in the policy on depreciation, the charge for the year would have been higher by Rs.1.09 lacs, the net block of the fixed assets as at 31st March 09 would have been higher by Rs.1.49 lacs and the profit would have been higher to that extent.

- 5 The company has adopted Accounting Standard 15 (Revised 2005) - Employee benefits. As per Accounting Standard the disclosure of employees' benefits as defined in AS are given below:-
- (i) Gratuity - Long Term Defined Benefit Plan (Unfunded) :-

The Company provides for Gratuity, covering eligible employees, in accordance with the Payment of Gratuity Act, 1972. In accordance with revised AS-15, "Employee Benefits", the company has provided the liability on actuarial basis. As per the actuarial certificate the details of unfunded post employment defined benefit plan in respect of Gratuity are as follows:

Particulars	(Rs. In Lacs)	
	Gratuity	
Actuarial assumptions	2008-09	2007-08
Particulars	1994-96 (ultimate)	1994-96 (ultimate)
Mortality Table (LIC)	5% to 10%	6% to 10%
Salary growth	6.9% to 8%	7.6% to 8%
Discount rate		
<b>Amount recognised in the income statement (under Employees' Remuneration &amp; Benefits)</b>		
Current service cost	29.50	20.98
Interest cost	4.77	3.20
Expected Return on Plan Assets	-	-
Net actuarial (gains)/losses recognised in the period	<b>11.71</b>	(15.68)
<b>Total</b>	<u>45.98</u>	<u>8.50</u>

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as demand and supply in employment market.

## SCHEDULES forming part of the consolidated Account

### SCHEDULE "N" (Contd.)

	2008-09	(Rs. In Lacs) 2007-08
<b>Movement in present value of defined benefit obligation</b>		
<b>Particulars</b>		
Obligation at the beginning of the year	59.94	43.45
Current service cost	29.50	23.45
Interest cost	4.77	3.60
Actuarial (gains)/losses on obligation	11.71	(7.67)
Benefits paid	(10.25)	(2.88)
<b>Obligation at the end of the year</b>	<b>95.67</b>	<b>59.94</b>
<b>Amount recognised in the balance sheet</b>		
Present value of obligations at the end of the year	95.67	59.94
Less: Fair value of plan assets at the end of the year	-	-
<b>Net liability recognised in the balance sheet</b>	<b>95.67</b>	<b>59.94</b>
<b>Amounts for the current and previous period are as follows:</b>		
		Gratuity
	<b>2009</b>	<b>2008</b>
Defined benefit obligation	95.67	59.94
Plan assets	-	-
Surplus / (deficit)	(95.67)	(59.94)
Experience adjustments on plan liabilities	11.71	(7.67)
Experience adjustments on plan assets	-	-
<b>(ii) Defined Contribution Plan :-</b>		
Contribution to Defined Contribution Plan, recognised as expense for the year, are as under:		
Employer's Contribution to Provident Fund	123.32	68.16
Employer's Contribution to Superannuation Fund	5.5	-
Employer's Contribution to Pension Scheme	3.91	-
<b>6 Basic and Diluted Earnings per Share</b>		
		(Rs. In lacs )
	<b>2008-09</b>	<b>2007-08</b>
Net Profit after tax	3,357.37	14,109.49
Less: Adjustment of Prior period items	2.24	4.83
Less :- Dividend on Preference Shares and tax thereon	1.75	0.61
Profit attributable to equity share holders	<b>3,353.38</b>	<b>14,104.05</b>
Weighted Average no of equity shares outstanding during the year	<b>178,449,410</b>	<b>174,583,335</b>
Basic & Diluted Earning Per Share (Rs.)	<b>1.88</b>	<b>8.08</b>
Nominal Value per share	<b>Re.1/-</b>	<b>Re.1/-</b>

## SCHEDULES forming part of the consolidated Account

### SCHEDULE "N" (Contd.)

7 As per Accounting Standard 18, "Related party Disclosures" disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

**(A) (I) List of related parties and relationship**

(i) Associates :-

Urban Communication Infrastructure Private Limited  
Urban Energy Distribution Private Limited  
Urban Energy Generation Private Limited  
Urban Energy Transmission Private Limited  
Urban Infotech Solution Private Limited  
Urban Infrastructure Construction Private Limited  
Urban Infrastructure Holding Private Limited  
Urban Water Supply Private Limited  
Searock Devlopers FZC (Associate w.e.f. 10.06.2008)

(ii) **Key Managerial Personnel :-**

(a) Shri J. K. Jain  
(b) Shri Anand Jain  
(c) Shri S.P.Jain (upto 04.06.2008)  
(d) Shri Virendra Jain  
(e) Shri V. S. Pandit  
(f) Shri Gaurav Jain  
(g) Shri Parag Parekh  
(h) Shri Dilip Shukla  
(i) Shri Rajesh Mundra  
(j) Shri Bijay Kumar Saraf  
(k) Shri K. B. Kagzi

(iii) **Relatives of Key Managerial Personnel :-**

(a) Smt. Laxmi Jain Relative of Shri Gaurav Jain, Shri J.K.Jain, Shri Anand Jain and Shri Virendra Jain.  
(b) Smt. Rina Jain Relative of Shri Virendra Jain, Shri J.K.Jain and Shri Anand Jain  
(c) Smt. Sushma Jain Relative of Shri Anand Jain, Shri J.K.Jain and Shri Virendra Jain

(iv) **Enterprises over which Key Managerial Personnel and their relatives are able to exercise significant influence:-**

(a) Clean Pet  
(b) Daman Plastic  
(c) Pet Fibres Limited  
(d) Polyole Fibre Pvt. Limited  
(e) Polyplast Agencies (I) Pvt Limited  
(f) Poly-Resin Agencies (I) Limited  
(g) Polysil Pipes  
(h) Prime Wovens Limited  
(i) Puriya Industrial Packaging Limited  
(j) Resin Distributors Limited  
(k) Silvassa Plastic  
(l) Suniti Commercials Limited  
(m) Sunshine Fibre Pvt. Limited  
(n) Techfab (I) Industries Limited  
(o) Tufropes Pvt. Limited



## SCHEduLES forming part of the consolidated Account

### SCHEDULE "N" (Contd.)

(II) Transactions during the year with related parties :

Nature of Transaction	(Rs. In lacs)				
	Associates	Key Managerial Personnel	Other Related Parties	Relatives of Key managerial person	Total
<b>Preference Share</b>					
(a) Balance as on 31.03.2009	-	-	-	150,000.00	150,000.00
	(-)	(-)	(-)	(150,000.00)	(150,000.00)
<b>Business Purchase</b>					
(a) Acquired during the year	-	-	-	-	-
	(-)	(-)	(12,500.00)	(-)	(12,500.00)
<b>Fixed Assets</b>					
(a) Sold during the year	-	-	684.20	-	684.20
	(-)	(-)	(136.94)	(-)	(136.94)
(b) Purchased during the year	-	-	88.38	-	88.38
	(-)	(-)	(161.19)	(-)	(161.19)
<b>Investments</b>					
(a) Purchased/adjusted during the year	8,151.45	-	-	-	8,151.45
	(2,132.34)	(14.46)	(696.16)	(-)	(2,842.96)
(b) Sold During the year	-	-	-	-	-
	(-)	(-)	(13,500.00)	(-)	(13,500.00)
(c) Balance as at 31st March, 2009	12,082.11	-	-	-	12,082.11
	(3,930.66)	(-)	(-)	(-)	(3,930.66)
<b>Sundry Debtors as at 31st March, 2009</b>					
	-	-	-	-	-
	(-)	(-)	(0.10)	(-)	(0.10)
<b>Loans &amp; Advances</b>					
(a) Given/adjusted during the year	-	990.25	114.17	36.02	1,140.44
	(7.23)	(-)	(-)	(-)	(7.23)
(b) Returned/adjusted during the year	8,151.45	268.37	50.00	177.07	8,646.89
	(-)	(-)	(-)	(-)	(-)
(c) Balances as at 31st March, 2009	2,600.00	721.88	224.17	35.74	3,581.79
	(10,751.45)	(-)	(160.00)	(-)	(10,911.45)
<b>Other Liability as at 31st March, 2009</b>					
	-	-	0.14	-	0.14
	(0.20)	(-)	(-)	(-)	(0.20)
<b>Sale of Goods</b>					
(a) Sales	-	-	557.00	-	557.00
	(-)	(-)	(947.53)	(-)	(947.53)
(b) Services	-	-	552.74	-	552.74
	(2,628.12)	(-)	(1,074.91)	(-)	(3,703.03)
<b>Other Income</b>					
(a) Interest received	-	-	99.38	-	99.38
	(-)	(-)	(-)	(-)	(-)
(b) Miscellaneous Income	-	-	0.44	-	0.44
	(-)	(-)	(-)	(-)	(-)
<b>Purchase of Goods</b>					
	-	-	106.22	-	106.22
	(-)	(-)	(342.37)	(-)	(342.37)

## SCHEduLES forming part of the consolidated Account

### SCHEDULE "N" (Contd.)

Nature of Transaction	(Rs. In lacs )				
	Associates	Key Managerial Personnel	Other Related Parties	Relatives of Key managerial person	Total
<b>Discount on Raw Materials</b>	-	-	<b>1,000.93</b>	-	<b>1,000.93</b>
(Deducted from Purchases)	(-)	(-)	(424.19)	(-)	(424.19)
<b>Recovery of Expenses</b>	-	-	-	-	-
	(-)	(-)	(0.07)	(-)	(0.07)
<b>Dividend on Preference shares</b>	-	-	-	<b>1.50</b>	<b>1.50</b>
	(-)	(-)	(-)	(0.52)	(0.52)
<b>Expenditure</b>					
(a) Directors' Remuneration & Perks	-	<b>244.03</b>	-	-	<b>244.03</b>
	(-)	(214.64)	(-)	(-)	(214.64)
(b) Directors' Sitting Fee	-	<b>1.00</b>	-	-	<b>1.00</b>
	(-)	(0.90)	(-)	(-)	(0.90)
(c) Job work Charges	-	-	<b>9.89</b>	-	<b>9.89</b>
	(-)	(-)	(11.79)	(-)	(11.79)
(d) Rent	-	<b>137.10</b>	-	<b>53.40</b>	<b>190.50</b>
	(-)	(137.10)	(7.62)	(53.40)	(198.12)
(e) Reimbursement of Expenses	-	-	-	-	-
	(43.81)	(-)	(0.06)	(-)	(43.87)
(f) Other Expenses	-	-	<b>2.17</b>	-	<b>2.17</b>
	(-)	(-)	(0.75)	(-)	(0.75)

**Note:**

Figures in bracket represent previous year's amounts

**Significant transactions with related parties:-**

- i) Preference Share allotted includes Rs. Nil (Previous Year Rs. 50,000.00 Lacs) to Sushma Jain, Rs. Nil (Previous Year Rs. 55,000.00 Lacs) to Rina Jain and Rs. Nil (Previous Year Rs. 45,000.00 Lacs) to Laxmi Jain.
- ii) Business purchased includes Rs. Nil (Previous Year Rs. 5,000.00 Lacs) purchased from Pet Fibres Limited and Rs. Nil (Previous Year Rs. 7,000.00 Lacs) purchased from Prime Wovens Limited.
- iii) Fixed Assets includes Rs. Nil (Previous Year Rs. 118.87 Lacs) sold to Pet Fibres Limited Rs. Nil (Previous Year Rs. 0.42 Lacs) sold to Prime Wovens Limited, Rs. Nil (Previous Year Rs. 17.30 Lacs) sold to Adventity BPO India Pvt. Limited and Rs. 684.19 Lacs (Previous Year Rs. Nil) sold to Techfab (I) Industries Limited.
- iv) Fixed Assets includes Rs. Nil (Previous Year Rs. 155.03 Lacs) purchased from Pet Fibres Limited, Rs. Nil (Previous Year Rs. 6.16 Lacs) purchased from Prime Wovens Limited, Rs. 58.74 Lacs (Previous Year Rs. Nil) purchased from Techfab (I) Industries Limited and Rs. 29.64 Lacs (Previous Year Rs. Nil) purchased from Puriya Industrial Packaging Limited.
- v) Investment made during the year Rs. Nil Lacs (Previous year Rs. 2131.54 Lacs) in Urban Infrastructure Holding Pvt. Limited and Rs. Nil (Previous year Rs. 696.16 Lacs) in Pet Fibres Limited.
- vi) Investment includes shares allotted out of Share Application Money of Rs. 8151.45 Lacs (Previous Year Rs. Nil) in Urban Infrastructure Holding Pvt. Limited.
- vii) Investment redeemed during the year includes Rs. Nil (Previous Year Rs. 4,560.00 Lacs) in Pet Fibres Limited and Rs. Nil (Previous Year Rs. 8,940.00 Lacs) in Prime Wovens Limited.
- viii) Investment as at 31st March 2009, includes Rs. 12079.31 Lacs (Previous Year Rs. 3927.86 Lacs) in Urban Infrastructure Holding Pvt. Limited
- ix) Debtors as on 31.03.2009 includes Rs. Nil (Previous Year Rs. 0.03 Lacs) due from Daman Plastics and Rs. Nil (Previous Year Rs. 0.07 Lacs) due from Silvassa Plastics.

## SCHEDULES forming part of the consolidated Account

### SCHEDULE "N" (Contd.)

- x) Loans and Advances was given Rs. 136.00 Lacs (Previous Year Rs. Nil ) to Gaurav Jain and Rs. 990.25 Lacs (Previous Year Rs. Nil Lacs) to V. S. Pandit.
- xi) Loans and Advances return Rs. 136.00 Lacs (Previous Year Rs. Nil ) by Gaurav Jain and Rs. 268.37 Lacs (Previous Year Rs. Nil Lacs) by V. S. Pandit
- xii) Share Application Money includes Rs. Nil (Previous Year Rs. 8151.45 Lacs) in Urban Infrastructure Holding Pvt. Limited.
- xiii) Loans and advances as at 31st March 2009, includes Rs. Nil (Previous Year Rs. 8151.45 Lacs) in Urban Infrastructure Holding Pvt. Limited and Rs. 721.88 Lacs (Previous Year Rs. Nil) from V. S. Pandit.
- xiv) Other Liabilities includes Rs.0.14 Lacs (Previous Year Rs. Nil) due to Poly Resin Agencies (I) Limited.
- xv) Sales includes Rs.Nil (Previous Year Rs. 127.69 Lacs) sold to Prime Wovens Limited and Rs. 458.61 Lacs (Previous Year Rs. 753.89 Lacs) sold to Puriya Industrial Packaging Limited.
- xvi) Services includes Rs. 552.74 Lacs (Previous Year Rs. 1074.35 Lacs) provided to Puriya Industrial Packaging Limited.
- xvii) Interest received of Rs. 99.27 Lacs (Previous Year Rs. Nil) from Techfab (I) Industries Limited and Rs. 0.11 Lacs (Previous Year Rs. Nil) from Puriya Industrial Packaging Limited
- xviii) Miscellaneous Income includes Rs. 0.29 Lacs (Previous Year Rs.Nil) received from Silvassa Pipes and Rs. 0.12 Lacs (Previous Year Rs. Nil) received from Polyole Fibres Pvt. Limited.
- xix) Purchased of Goods includes Rs.Nil (Previous Year Rs.140.39 Lacs) purchased from Prime Wovens Limited, Rs 4.88 Lacs (Previous Year Rs. 39.28 Lacs) purchased from Puriya Industrial Packaging Limited, Rs 95.36 Lacs (Previous Year Rs. 81.80 Lacs) purchased from Sunshine Fibres Pvt. Limited and Rs. Nil (Previous Year Rs. 45.48 Lacs) purchased from Tufropes Pvt. Limited.
- xx) Discount on Raw material includes Rs. 1000.93 Lacs (Previous Year Rs. 411.14 Lacs ) received from Resin Distributors Pvt. Limited and Rs. Nil (Previous Year Rs. 13.05 Lacs ) received from Polyplast Agencies (I) Pvt. Limited.
- xxi) Recovery of Expenses represents Rs.Nil (Previous Year Rs. 0.02 Lacs) from Prime Wovens Limited and Rs. Nil (Previous Year Rs. 0.05 Lacs) from Techfab (I) Industries Limited.
- xxii) Dividend on Preference Shares paid includes Rs. 0.50 Lacs (Previous Year Rs. 0.17 Lacs) to Sushma Jain, Rs. 0.55 Lacs (Previous Year Rs. 0.19 Lacs) to Rina Jain and Rs. 0.45 Lacs (Previous Year Rs. 0.16 Lacs) to Laxmi Jain.
- xxiii) Director remuneration and perks includes Rs. 26.16 Lacs (Previous Year Rs.26.17 Lacs) paid to Gaurav Jain , Rs. 12.00 Lacs (Previous Year Rs. 10.00 Lacs) paid to V. S. Pandit, Rs. 4.00 Lacs (Previous Year Rs. 24.00 Lacs) paid to Virendra Jain, Rs. 46.96 Lacs (Previous Year Rs.32.99 Lacs) paid to Dilip Shukla, Rs. 122.37 Lacs (Previous Year Rs. 121.48 Lacs) paid to Parag Pareek, Rs. 17.54 Lacs (Previous Year Rs. Nil) paid to Atul Pawar and Rs. 15.00 Lacs (Previous Year Rs. Nil) paid to L.M.Dhanda.
- xxiv) Director sitting fees includes Rs. 0.30 Lacs (Previous Year Rs.Nil) paid to Virendra Jain , Rs. 0.05 Lacs (Previous Year Rs.0.20 Lacs) paid to S.P. Jain., Rs.0.25 Lacs (Previous Year Rs. 0.40 Lacs) paid to J.K. Jain, Rs. 0.25 Lacs (Previous Year 0.30 Lacs) paid to Anand Jain and Rs. 0.15 Lacs (Previous Year Rs. Nil) paid to Rajesh Mundra.
- xxv) Job work charges includes Rs.Nil (Previous Year Rs.11.54 Lacs) paid to Prime Wovens Limited, Rs.Nil (Previous Year Rs. 0.07 Lacs) paid to Daman Plastics and Rs. 9.89 Lacs (Previous Year Rs. Nil) paid to Puriya Industrial Packaging Limited.
- xxvi) Rent Expenditure includes Rs. Nil (Previous Year Rs.7.62 Lacs) paid to Pet Fibres Limited, Rs. 66.75 Lacs (Previous Year Rs. 66.75 Lacs) paid to S.P Jain, Rs. 70.35 Lacs (Previous Year Rs. 70.35 Lacs) paid to Anand Jain and Rs.53.40 Lacs (Previous Year Rs. 53.40 Lacs) paid to Rina Jain.
- xxvii) Reimbursement of expenses Rs. Nil (Previous Year Rs. 0.06 Lacs) Paid to Prime Wovens Limited.
- xxviii) Other Expenses includes Rs. Nil (Previous Year Rs. 0.16 Lacs) paid to Pet Fibres Limited, Rs.Nil (Previous Year Rs. 0.06 Lacs) paid to Prime Wovens Limited, Rs. 1.44 Lacs (Previous Year Rs.0.23 Lacs) paid to Poly Resin Agencies (I) Limited, Rs. 0.73 Lacs (Previous Year Rs. 0.18 Lacs) paid to Resin Distribution Limited and Rs. Nil (Previous Year Rs. 0.17 Lacs) paid to Polyole Fibres Pvt. Limited.

## SCHEDULES forming part of the consolidated Account

### SCHEDULE "N" (Contd.)

08. Segment information as per Accounting Standard – 17 on Segment Reporting for the year ended 31st March 2009.

i) Information about Primary (Product wise) Segments.

(Rs.in Lacs)

Particulars	Steel		Plastic Processing		Spinning		Real Estate		Assets Management		Other		Unallocated		Total			
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08		
<b>Segment Revenue</b>																		
External Turnover	7665.16	15163.33	26511.46	15461.21	5513.05	2,386.75	-	-	6,341.81	2,607.00	8.53	3.61	-	-	46040.01	35621.90	-	
Inter Segment Turnover	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross Turnover	7665.16	15163.33	26511.46	15461.21	5513.05	2386.75	-	-	6341.81	2607.00	8.53	3.61	-	-	46040.01	35621.90	-	
Less : Excise duty/Service Tax recovered	76.74	805.01	1855.26	1114.20	32.67	18.29	-	-	612.07	-	-	270.53	-	-	2576.74	2208.03	-	-
Net Turnover	7588.42	14358.32	24656.20	14347.01	5480.38	2,368.46	-	-	5729.74	2607.00	8.53	(266.92)	-	-	43463.27	33413.87	-	-
<b>Results</b>																		
Segment Results	112.66	53.24	4661.54	2369.79	(396.07)	(364.48)	(55.17)	(5.00)	1,959.01	1,332.74	5.46	38.72	-	-	6287.43	3425.01	-	-
Unallocated Corporate Income (Net)	-	-	-	-	-	-	-	-	-	-	-	-	(3906.57)	8258.16	(3906.57)	8258.16	-	-
Operating Profit/ (Loss)	112.66	53.24	4661.54	2369.79	(396.07)	(364.48)	(55.17)	(5.00)	1959.01	1332.74	5.46	38.72	(3906.57)	8258.16	(3906.57)	8258.16	-	-
Interest Expenses	201.53	328.43	6.89	8.32	255.49	253.13	0.86	-	0.31	-	0.01	0.45	0.75	0.05	465.84	590.38	-	-
Interest/ Dividend/Rent Income	535.87	647.29	22.77	19.94	128.56	102.75	0.17	-	60.39	34.26	24.14	-	3132.96	3312.62	3904.86	4116.86	-	-
Provision for Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	2462.51	1100.16	2462.51	1100.16	-	-
Net Profit/ (Loss)	447.00	372.10	4677.42	2381.41	(523.00)	(514.86)	(55.86)	(5.00)	2019.09	1367.00	29.59	38.27	(3236.87)	10470.57	3367.37	14109.49	-	-
<b>Other Information</b>																		
Segment Assets	9248.61	7903.71	22888.01	22377.03	5853.99	5,951.27	41,421.24	23,995.00	3,849.38	2,919.00	268.12	267.70	-	-	83529.35	63413.71	-	-
Unallocated Corporate Assets	-	-	-	-	-	-	-	-	-	-	-	-	189761.63	210185.52	189761.63	210185.52	-	-
Total Assets	9248.61	7903.71	22888.01	22377.03	5853.99	5951.27	41421.24	23995.00	3849.38	2919.00	268.12	267.70	189761.63	210185.52	273290.98	273599.23	-	-
Segment Liabilities	2223.30	5626.96	779.08	732.57	3048.20	3,089.68	1,371.31	407.00	1,165.91	1,241.00	11.21	844.65	-	-	8599.01	11941.86	-	-
Unallocated Corporate Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	2392.79	4320.75	2392.79	4320.75	-	-
Total Liabilities	2223.30	5626.96	779.08	732.57	3048.20	3089.68	1371.31	407.00	1165.91	1241.00	11.21	844.65	2392.79	4320.75	10991.80	16262.61	-	-
Capital Expenditure	8.00	1.80	1795.08	11832.31	147.00	455.92	20.81	-	51.78	-	-	103.25	(0.68)	171.93	2021.99	12565.21	-	-
Depreciation	273.00	410.07	811.40	619.17	386.00	391.27	1.23	-	14.19	-	-	3.68	66.01	66.52	1551.83	1490.71	-	-
Non - Cash Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	789.00	436.35	789.00	436.35	-	-

## SCHEDULES forming part of the consolidated Account

### SCHEDULE "N" (Contd.)

#### ii) Notes:

- (a) Segments have been identified and reported taking into account, the differing risks and returns, the organization structure and the internal reporting system. These are organized into following main business segment based on products:

**Steel :-** The company is manufacturing CR/GP/GC Coils/ Sheets at Steel unit located at Nanded (Maharashtra)

**Plastic Processing :-** The company is manufacturing Woven sacks/ Fabrics at packaging units which are mainly located at Murbad (Maharashtra) , Khadoli, Athal (Silvassa) and Daman

**Spinning :-** The company is manufacturing spinning yarn at its units located at Vasona, Masat (Silvassa) and Sarigam (Gujarat)

**Realestate** The Real Estate Segment includes development of Land and Buildings.

**Assets Management** The Assets Management activity Segment includes Investment Advisory Services.

**Others** Other includes Non Banking Finance Activities, Trusteeship and Infrastructure Activities

**Unallocated :-** Consists of expenses incurred at the corporate level which relates to the company as a whole, income from investments of surplus funds, Corporate assets includes investment and ICDs.

- (b) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments. Unallocated includes expenses incurred at the corporate level which relates to the company as a whole.

iii) Secondary Segment Information (Geographical Segments)	(Rs. In Lacs)	
	2008-09	2007-08
1. Segment Revenue - External Turnover		
- Within India	45856.56	29977.50
- Outside India	183.45	5644.40
Total Revenue	<u>46040.01</u>	<u>35621.90</u>
2. Segment Assets		
- Within India	260271.78	273171.63
- Outside India	13019.20	427.60
Total Assets	<u>273290.98</u>	<u>273599.23</u>
3. Segment Liability		
- Within India	10951.04	15387.71
- Outside India	40.76	60.90
Total Liability	<u>10991.80</u>	<u>15448.61</u>
4. Capital Expenditure		
- Within India	2021.99	12565.21
- Outside India	-	-
Total Capital Expenditure	<u>2021.99</u>	<u>12565.21</u>

## SCHEDULES forming part of the consolidated Account

### SCHEDULE "N" (Contd.)

#### 9 Auditor's Remuneration

	(Rs. In lacs )	
	2008-09	2007-08
Audit Fees	40.69	23.25
Tax Audit Fees	9.00	8.75
Certification Fees	22.75	4.77
Fee for Other Services	20.24	19.00
Out of Pocket Expenses	4.44	4.09
Other Capacity	-	0.61
	<u>97.12</u>	<u>60.47</u>

#### 10 Directors' Remuneration

	2008-09	2007-08
Salary	227.88	208.74
Perquisites	16.15	5.90
	<u>244.03</u>	<u>214.64</u>

Note: Above remuneration excludes contribution to gratuity fund and provision for leave encashment on retirement since the same are provided on an overall all basis.

#### 11 Disclosure of Financial and Derivative instruments

(i) Derivative contracts entered into by the company and outstanding as on 31<sup>st</sup> March 2009 for Hedging Foreign Currency :-

	(Rs. In lacs )	
	2008-09	2007-08
Forward Contracts (Forecast transaction)	480.10	3,574.55
	<b>[US \$ 10,00,000]</b>	<b>[US \$ 90,00,000]</b>

(ii) Unhedged foreign currency exposure is as under :-

	(Rs. In lacs)	
	2008-09	2007-08
Payable	1.27	1,111.74
Receivable	4383.63	129.81

(iii) Pursuant to ICAI announcement dated March 29, 2008 on "Accounting for Derivatives" the company based on principles of prudence and other applicable guidelines as per Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 read with Schedule VI of the Companies Act, 1956, has charged an amount of Rs. 29.40 Lacs (Previous year Rs. 22.75 Lacs) to the Profit and Loss Account in respect of derivative contracts outstanding as at year end.

(iv) All derivative financial instruments acquired by the company are for hedging purpose only.

12 The Company has incurred Issue Expenses amounting to **Rs. Nil** (Previous year Rs. 1240.29 Lacs) in connection with Issue of shares on preferential basis and sub-division of existing share of Rs. 10/- each into Re.1/- each, which has been adjusted against the Securities Premium. The preliminary and other issue expenses incurred by the Subsidiaries amounting to **Rs. Nil** (Previous year Rs. 8.80 Lacs) has been charged to Profit and Loss Account.

## SCHEDULES forming part of the consolidated Account

### SCHEDULE "N" (Contd.)

#### 13 The details of Pre-operative expenditure :-

Particulars	2008-09	(Rs. In lacs )
		2007-08
Employee's Remuneration & Benefits	0.02	29.77
Electrical & Others	-	-
Power, Fuel & Water	5.09	10.36
Rates & Taxes	2.62	2.29
Legal, Professional & Consultancy	18.29	2.03
Travelling & Conveyance	0.24	2.95
Other Expenses	1.04	3.63
Bank Charges	0.18	0.13
Consumable & Stores	9.95	2.54
Repair & Maintenance	0.01	0.17
Loss on Sale of Plant & Machinery	-	2.54
Freight Inward	0.49	0.35
Total Expenses	<u>37.93</u>	<u>56.76</u>
Less :- Misc. Income	0.04	0.75
Total	<u>37.89</u>	<u>56.01</u>
Less :- allocated During the Year	-	56.01
	<u>37.89</u>	<u>-</u>

Note: The expenses appearing in the Profit and Loss account are net off the above expenses.

14 Additional Information	31.03.2009	(Rs. In lacs)
		31.03.2008
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for ( net of advance paid) (Cash outflow is expected on execution of such capital contracts)	599.01	1,209.93
(b) Uncalled Liability on partly paid up share/ debenture (net of advance paid towards unpaid calls)	22,258.53	89.25
(c) Contingent Liabilities		
(i) Claims against the Company not acknowledged as debts (Disputed liability in appeal)		
Sales Tax	10.45	16.03
Excise Duty	92.34	89.49
Railway Claims	80.66	80.66
	<u>183.45</u>	<u>186.18</u>
(ii) Unexpired letter of credit (These are established in favour of suppliers, but materials under the aforesaid letter of credit are yet to be received as on year end date. Cash outflow expected on the basis of payment terms as mentioned in Letter of Credit.)	-	1,329.04
(iii) Bank Guarantees (Bank Guarantees are provided under contractual/legal obligation. No Cash outflow is probable)	144.88	63.54
15 Excise duty		
	2008-09	2007-08
a) Excise duty shown as a reduction from Turnover	1,891.73	1,891.00
b) Excise duty charged to Profit & Loss Account		
i) Difference between closing & opening stock	(27.14)	66.14
ii) Excise duty paid on Consignment Sale	-	6.14
	<u>(27.14)</u>	<u>72.28</u>

## SCHEDULES forming part of the consolidated Account

### SCHEDULE "N" (Contd.)

16 The carrying amount of Investment in Associate Companies includes Rs.39.90 Lacs as Capital Reserve arise on the date of acquisition of shares in its associates.

17 Capital Reserve (net) on Consolidation/ Goodwill on Consolidation (net) consist of :-

	31.03.2009	31.03.2008
Goodwill on consolidation	856.14	-
Capital Reserve on consolidation	349.95	341.64
<b>Net Goodwill/(Capital Reserve) on consolidation</b>	<b>506.19</b>	<b>(341.64)</b>

### 18. DETAILS OF INVESTMENT

	QUANTITY (Nos.)		FACE VALUE (Rs. unless otherwise stated)	(Rs. in Lacs)	
	31.03.2009	31.03.2008		31.03.2009	31.03.2008
<b>(A) LONG TERM INVESTMENTS</b>					
<b>(I) TRADE INVESTMENTS</b>					
<b>a) UNQUOTED</b>					
<b>ASSOCIATE COMPANIES</b>					
<b>IN EQUITY SHARES-FULLY PAID UP</b>					
Urban Communications Infrastructure Pvt. Ltd.	4,000	4,000	10	0.83	0.07
Urban Energy Distribution Pvt. Ltd.	4,000	4,000	10	4.53	0.31
Urban Energy Generation Pvt. Ltd.	4,000	4,000	10	-	0.31
Urban Energy Transmission Pvt. Ltd.	4,000	4,000	10	2.86	0.12
Urban Infotech Solutions Pvt. Ltd.	4,000	4,000	10	2.86	0.07
Urban Infrastructure Construction Pvt. Ltd.	4,000	4,000	10	35.73	40.73
Urban Infrastructure Holding Pvt. Ltd.	113,517,714	32,003,200	10	11,004.74	3,342.32
Urban Water Supply Pvt. Ltd.	4,000	4,000	10	0.02	0.40
Searock Developer FZC	50	-	AED 1	7.02	-
Urban Infrastructure Venture Capital Fund	-	20,000	100	-	20.00
<b>IN DEBENTURES-FULLY PAID UP</b>					
Zero percent Optionally Fully Convertible Debentures of Urban Infrastructure Holding Pvt. Ltd.	727,540	727,540	100	727.54	727.54
<b>Total [ i ]</b>				<b>11,786.13</b>	<b>4,131.87</b>
<b>OTHERS</b>					
<b>IN EQUITY SHARES-FULLY PAID UP</b>					
Applewoods Estate P. Ltd.	6,700	-	10	0.67	-
Earnest Tower Pvt. Ltd.	420,513	-	10	210.26	-
Goldbricks Infrastructure Pvt. Ltd.	120,000	120,000	10	12.00	12.00
Greenary Power Generation Pvt. Ltd.	1,800	1,800	10	0.18	0.18
Mumbai SEZ Ltd.	126,341,463	105,000,000	10	13,219.09	11,084.94
Neelkanth Realty Pvt. Ltd.	213,333	-	10	77.33	-
Neelkanth Rice Lands Pvt. Ltd.	80,000	80,000	10	8.00	8.00
Nirmal Infrastructure Pvt. Ltd.	100,000	100,000	10	10.00	10.00
Ozone Projects Pvt. Ltd.	957,133	68,293	10	463.91	375.03
Prestige Estate Projects Ltd.	8,007	-	10	0.80	-
Rewas Ports Ltd.	50,000,000	50,000,000	10	5,000.00	5,000.00
Spectra Power Distribution Pvt. Ltd.	1,800	1,800	10	0.18	0.18
Sterling Urban Infraprojects Pvt. Ltd.	600,000	600,000	10	60.00	60.00
Supernal Realtors Pvt. Ltd.	26,667	26,667	10	2.67	2.67
Urban Assets Reconstruction Pvt. Ltd.	1,800	1,800	10	0.18	0.18



## SCHEduLES forming part of the consolidated Account

### SCHEDULE "N" (Contd.)

	QUANTITY (Nos.)		FACE VALUE (Rs. unless otherwise stated)	(Rs. in Lacs)	
	31.03.2009	31.03.2008		31.03.2009	31.03.2008
Urban Telecom Pvt. Ltd.	1,800	1,800	10	0.18	0.18
Vengas Realtors Pvt. Ltd.	26,667	-	10	2.67	-
<b>IN EQUITY SHARES-PARTLY PAID UP</b>					
Nilayami Realtors Pvt. Ltd. (Partly Paid Rs. 5 per Share)	106,000	106,000	10	5.30	5.30
<b>IN DEBENTURES FULLY PAID UP</b>					
Zero Percent Fully Compulsorily Convertible Debentures of:					
Goldbricks Infrastructure Pvt. Ltd.	128,000	128,000	100	128.00	128.00
Goldbricks Infrastructure Pvt. Ltd. 'Series C'	150,000	-	100	150.00	-
Neelkanth Realty Pvt. Ltd.	33,600	-	100	33.60	-
Neelkanth Rice Lands Pvt. Ltd.	11,200	11,200	1,000	112.00	112.00
Nirmal Infrastructure Pvt. Ltd.	9,000	9,000	1,000	90.00	90.00
Ozone Projects Pvt. Ltd.	-	4,318	1,000	-	43.18
Sterling Urban Infraprojects Pvt. Ltd.	160,000	160,000	100	160.00	160.00
Supernal Realtors Pvt. Ltd.	18,721	14,321	1,000	187.21	143.21
Vengas Realtors Pvt. Ltd.	26,733	-	1,000	267.33	-
9 % Fully Compulsorily Convertible Debentures of Ozone Projects Pvt. Ltd.	-	457,040	10	-	45.70
15.5 % Fully Compulsorily Convertible Debentures of Applewoods Estate P. Ltd.	267,840	-	100	267.84	-
<b>IN DEBENTURES PARTLY PAID UP</b>					
Zero Percent Fully Compulsorily Convertible Debentures of Nilayami Realtors Pvt. Ltd. (Partly Paid Rs. 10 each)	8,480	8,480	1,000	0.85	0.85
<b>IN PREFERENCE SHARES -FULLY PAID UP</b>					
0.01% Compulsory convertible Preference Shares of Earnest Tower Pvt. Ltd.	1,742,504	-	10	871.25	-
<b>IN UNITS- FULLY PAID UP</b>					
HDFC India Real Estate Fund	99,318	99,318	1,000	993.18	993.18
Urban Infrastructure Opportunity Fund	3,000	3,000	100,000	3,014.95	3,014.95
<b>IN UNITS -PARTLY PAID UP</b>					
Urban Infrastructure Opportunity Fund (Rs. 20,000 paid up each)	23,093	-	100,000	5,542.32	-
<b>IN AGRICULTURAL LAND</b>					
	-	-	-	0.31	0.31
<b>Total [ ii ]</b>				<b>30,892.26</b>	<b>21,290.04</b>
<b>(II) OTHER THAN TRADE INVESTMENTS</b>					
<b>a) - UNQUOTED</b>					
<b>IN EQUITY SHARES- FULLY PAID UP</b>					
Piramal Life Sciences Ltd	-	2,500	10	-	14.07
<b>IN UNITS- FULLY PAID UP</b>					
LICMF Index Fund Nifty Dividend Plan	36,288,358	-	10	3,714.58	-
Urban Infrastructure Venture Capital Fund - Class B	20,000	-	100	20.00	-
<b>b) - QUOTED</b>					
<b>IN EQUITY SHARES - FULLY PAID UP</b>					
Aditya Birla Nuvo Ltd.	10,000	10,000	10	205.30	205.30
Ambuja Cement Ltd.	5,100,000	-	2	2,373.65	-
Century Textiles Ltd.	25,000	25,000	10	277.17	277.17

## SCHEduLES forming part of the consolidated Account

### SCHEDULE "N" (Contd.)

	QUANTITY (Nos.)		FACE VALUE (Rs. unless otherwise stated)	(Rs. in Lacs)	
	31.03.2009	31.03.2008		31.03.2009	31.03.2008
Dalmiya Cement Ltd.	286,000	286,000	2	1,438.97	1,438.97
Federal Bank Ltd.	270,000	270,000	10	910.72	910.72
Grasim Industries Ltd.	20,000	20,000	10	676.00	676.00
ICICI Bank Ltd.	75,000	75,000	10	977.91	977.91
IDEA Cellular Ltd.	480,600	-	10	442.37	-
IDFC Ltd.	200,000	200,000	10	401.52	401.52
Indiabulls Financial Services Ltd.	100,000	100,000	2	937.49	937.49
Indiabulls Securities Ltd.	100,000	100,000	2	27.37	27.37
Mahanagar Telephone Nigam Ltd	1,014,800	-	10	816.95	-
Mid day Multimedia Ltd.	16,500	-	10	8.43	-
National Thermal Power Corp. Ltd.	550,000	550,000	10	1,493.23	1,493.23
Nicholas Piramal India Ltd.	-	25,000	2	-	67.20
Piramal Life Sciences Ltd	2,500	-	10	14.07	-
Ranbaxy Laboratories Ltd.	107,780	-	5	585.69	-
Reliance Communications Ltd.	533,100	-	5	1,909.87	-
Reliance Industries Ltd.	2,373,506	2,194,513	10	64,355.23	61,865.83
State Bank of India	908,723	678,187	10	19,200.35	15,851.30
Tata Steel Ltd.	-	168,493	10	-	1,418.99
Akruti City Ltd	10	10	10	0.04	0.04
Anant Raj Industries Ltd	5	5	2	0.01	0.01
Ansal Buildwell Ltd	100	100	10	0.17	0.17
Ansal Housing & Construction Ltd.	100	100	10	0.35	0.35
Ansal Properties & Infrastructure Ltd.	1	1	5	-	-
Arihant Foundation & Housing Ltd	1	1	10	-	-
Ashiana Housing Ltd.	3	3	10	-	-
BSEL Infrastructure Reality Ltd	10	10	10	0.01	0.01
D.S.Kulkarni Developers Ltd	10	10	10	0.02	0.02
DLF Ltd	1	1	2	0.01	0.01
Diwan Housing and Finance Ltd.	1	1	10	-	-
ERA Infra Engineering Limited	5	1	2	-	-
Ganesh Housing Corporation Ltd	1	1	10	-	-
GIC Housing Finance Ltd	1	1	10	-	-
Gruh Finance Ltd	1	1	10	-	-
Housing Development Finance Corporation Limited	1	1	10	0.03	0.03
Hindusthan Construction Company Ltd	5	5	1	0.01	0.01
Housing Development & Infrastructure Ltd	1	1	10	0.01	0.01
Indiabulls Real Estate Ltd	1	1	2	0.01	0.01
IVR Prime Urban Developers Ltd	1	1	10	-	-
IVRCL Infrastructure & Project Ltd	1	1	2	-	-
Lanco Infratech Ltd	1	1	10	-	-
LIC Housing Finance Ltd	1	1	10	-	-
Lok Housing & Construction Ltd	5	5	10	0.01	0.01
Mahendra Lifespace Developers Ltd	100	100	10	0.89	0.89
Omaxe Ltd	450	450	10	1.40	1.40
Orbit Corporation Ltd	5	5	10	0.01	0.01
Brigade Enterprises Ltd	1	-	10	-	-

## SCHEduLES forming part of the consolidated Account

### SCHEDULE "N" (Contd.)

	QUANTITY (Nos.)		FACE VALUE (Rs. unless otherwise stated)	(Rs. in Lacs)	
	31.03.2009	31.03.2008		31.03.2009	31.03.2008
The Ruby Mills Ltd	1	-	10	0.01	-
Pantaloon Retail (India) Ltd	1	1	2	-	-
Parsvnath Developers Ltd.	100	100	10	0.47	0.47
Peninsula Land Ltd	10	10	2	0.01	0.01
Prajay engineers Syndicate Ltd	5	5	10	0.01	0.01
Provogue (India) Ltd	5	1	2	-	-
Purvankara Projects Ltd	1	1	5	-	-
Radhe Developers (India) Ltd	10	10	10	-	-
Shopper's Stop Ltd	1	1	10	0.01	0.01
Sobha Developers Ltd.	10	10	10	0.08	0.08
The Phoenix Mills Ltd	5	5	2	0.02	0.02
Trent Ltd	1	1	10	0.01	0.01
Unitech Ltd	200	200	2	0.49	0.49
Vipul Ltd	5	5	2	0.01	0.01
<b>Total [ iii ]</b>				<b>100,790.97</b>	<b>86,567.16</b>
<b>Total Long Term Investment [iv=i+ii+iii]</b>				<b>143,469.36</b>	<b>111,989.07</b>
<b>(B) CURRENT INVESTMENTS</b>					
<b>OTHER THAN TRADE INVESTMENT</b>					
<b>a) QUOTED</b>					
<b>IN EQUITY SHARES - FULLY PAID UP</b>					
Ansal Properties & Infrastructure Ltd.	7 62 608	-	5	190.27	-
Bajaj Auto Ltd.	4 500	-	10	27.83	-
Bajaj Finserve Ltd.	4 500	-	5	7.61	-
Bajaj Holdings & Investment Ltd.	4 500	4,500	10	13.41	31.12
Bombay Dyeing & Mfg.Co. Ltd.	35 200	20,000	10	59.14	122.94
Cinemax India Ltd.	7 815	7,815	10	3.59	8.26
Electrotherm (India) Ltd.	2 500	2,500	10	2.39	11.03
Essar Shipping Ltd.	44 494	44,494	10	13.10	17.84
The Indian Hotels Company Ltd.	19 4532	150,000	1	76.74	168.30
State Bank of India	22 000	10,000	10	234.76	160.02
Tata Communication Ltd.	58 700	98,000	10	304.27	503.48
<b>IN CORPORATE BONDS</b>					
8.65% Rural Electrification Corporation	50	-	1,000,000	473.47	-
11.25% Power Finance Corporation	150	-	1,000,000	1,689.44	-
<b>b) UNQUOTED</b>					
<b>IN EQUITY SHARES - FULLY PAID UP</b>					
Bajaj Auto Ltd.	-	4,500	10	-	28.04
Bajaj Finserve Ltd.	-	4,500	5	-	27.15
<b>IN UNITS - FULLY PAID UP</b>					
Birla Sunlife Savings Fund Instl Growth B332G	43,566,699	-	10	7,160.56	-
Birla Cash Plus - Retail - Daily Dividend	97,062	67,392	10	15.90	11.03
DSP Black Rock Liquid Cash Plus Instl Growth	20,263	-	10	219.79	-
DSP Black Rock Liquid Fund Instl Growth	50,444	-	10	636.50	-
DSP Black Strategic Bond Fund					
Institutional Plan Growth	119,130	-	1,000	1,223.55	-
DSP Merrill Lynch Bond Fund	-	950,886	1,000	-	9,514.09

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# SCHEduLES forming part of the consolidated Account

### SCHEDULE "N" (Contd.)

	QUANTITY (Nos.)		FACE VALUE (Rs. unless otherwise stated)	(Rs. in Lacs)	
	31.03.2009	31.03.2008		31.03.2009	31.03.2008
Fidelity Liquid Plus Fund Super Inst - - Daily Dividend	-	30,102,989	10	-	3,010.76
Fidelity Ultra short Term Debt Fund Super Inst- Growth	<b>24,127,293</b>	-	10	<b>2,607.05</b>	-
ICICI Prudential Liquid Plan	<b>35,657</b>	-	10	<b>4.23</b>	-
ICICI Prudential Liquid Plan	<b>35,657</b>	-	10	<b>4.23</b>	-
ICICI Prudential Liquid Plan	<b>35,657</b>	-	10	<b>4.23</b>	-
J.M. Floter Fund Short Term Plan Growth Option 74	<b>67,404,880</b>	-	10	<b>9,625.01</b>	-
J.M. High Liquidity Fund Super Institutional Plan Daily Dividend	-	444,884,518	10	-	44,506.69
LICMF Index Fund Nifty Dividend Plan	-	122,712,326	10	-	12,561.20
Principal Floating Rate Fund - FMP Dividend Reinvestment - Daily	<b>71 08 676</b>	-	10	<b>985.95</b>	-
Principal CMS Liquid Option - Institutional Plan Dividend Reinvestment - Daily	-	2,473,065	10	-	247.80
Principal Ultra Short Term Fund - Daily Dividend	<b>19 68 987</b>	-	10	<b>197.29</b>	-
Prudential ICICI Inst Liquid Plan Growth 311 SG	<b>17,388,591</b>	-	10	<b>2,250.00</b>	-
UTI Index Select fund Dividend plan Payout	-	8,454,106	10	-	1,400.00
UTI Nifty Index Fund Dividend plan Payout	-	8,359,053	10	-	1,271.64
<b>IN OTHERS</b>					
IL & FS Commercial Papers	<b>500</b>	-	500,000	<b>2,303.78</b>	-
<b>Total Current Investment [ v ]</b>				<b>30,334.09</b>	<b>73,601.39</b>
<b>Total Investment [vi=iv+v]</b>				<b>173,803.45</b>	<b>185,590.46</b>

Note:

- (1) The Current Investments are net of provision for diminution in value of **Rs.759.88 Lacs** (Previous year Rs. 430.54 Lacs).
- (2) Shares pledged as security with the broker are as follows:  
3 00 000 Equity Share of Ansal Properties & Infrastructure Ltd. & 35 200 Equity Shares of Bombay Dying & Mfg. Co. Ltd.

19 The Previous year's figures have been regrouped, rearranged, restated and reclassified wherever necessary. Amount and other disclosures for the preceding year are included as an internal part of the current year financial statement & are to be read in relation to the amount and other disclosures relating to the current year.

As per our report of even date

**For CHATURVEDI & SHAH**  
Chartered Accountants

**For S.R.BATLIBOI & CO.**  
Chartered Accountants

For and on behalf of the Board of Directors

**A Datta**  
Company Secretary

**Virendra Jain**  
Vice Chairman

**Gaurav Jain**  
Managing Director

**R. Koria**  
Partner

**per Tridibes Basu**  
Partner

**Ashok Tak**  
Vice President - Commercial &  
Chief Financial Officer

**Place: Mumbai**  
**Date :- 26<sup>th</sup> June, 2009**

## Notes



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