

HERALDING A NEW GROWTH ERA



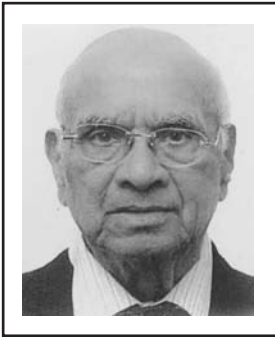
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Heralding New Growth Era

1. Following the showers of monsoon, everything has turned green
2. There is a new found optimism and confidence
3. A government with decisive leader and clear mandate is good news for economy
4. A budget that addresses issues plaguing growth and facilitates infrastructure creation
5. Steps to revitalise the economy will see some time to fructify, but they will eventually lead to growth.
6. Big ticket infrastructure projects expected to tick-off soon, will revive demand for core sector.
7. Thumbs up from global investors, pouring money in the Indian markets
8. Though global economy is not showing any sign of revival, India has been rated as the best-emerging market and has been labelled as 'The Best Turn-around Story'
9. Government's thrust on international trade will help growth
10. India to benefit from double opportunities – domestic growth and increased exports
11. India will also see increased imports and only efficient players will manage to succeed
12. Jai Corp to benefit from growth in core sectors.
13. We have in the last few years become more nimble, efficient and strong.
14. We see good growth momentum in our all lines of businesses
15. Steel and plastics demand is set to escalate.
16. Our efficient operations will stand us in good stead
17. Employees are the core strength of the Company. Their talent, dedication and values has helped the Company in past and will accelerate growth when opportunities arise.
18. The management team of your Company is well placed to deliver growth
19. We are at the cusp of a rapid growth phase.
20. We are seeing a new growth paradigm open up for us and we will capitalise on the same.

MESSAGE FROM THE CHAIRMAN- EMERITUS



Dear Fellow Shareowners,

A recent survey shows that most of the business leaders showed a significant increase in confidence as the majority of them were expecting improvement in the country's economy.

We at Jai Corp are committed to frame our business plans, based on our core competencies that will add more value to our products and services and herald a new growth era. We always maintain that our performance and growth are intrinsically linked with the sustenance and development of the communities in which we operate. We believe that growth and responsibility go hand-in-hand. We have always given the highest priority to our programmes engaging various sections of the society. We feel that these activities are our humble homage to the society.

We remain committed to safe and efficient operations and to conducting our business in an environmentally sound and socially responsible manner.

I thank all our shareholders who have consistently reinforced their faith and trust in the Company. I am confident that we will strive hard to create sustainable growth for all our stakeholders.

I thank our Board of Directors for their valuable insight, constant support and guidance at every stage. I also thank our stakeholders for their unstinted support.

With best wishes,
Sincerely,

Jai Kumar Jain
Chairman- Emeritus
12th August, 2014

MESSAGE FROM THE CHAIRMAN



Dear Fellow Shareowners,

In the financial year ended 31st March, 2014 your Company's gross turnover jumped by 10.78% to ₹ 750.62 crore from ₹ 677.57 crore in FY 2012-13. Net Profit during the period increased by 4.39% to ₹ 78.18 crore from ₹ 74.89 crore in the previous year.

In the quarter ended 30th June, 2014 your Company's un-audited financial results show that net total income from operations increased by about 12% to ₹ 168.45 crore from ₹ 150.38 crore of the previous year's June quarter. Net Profit during the same period however, decreased by about 26% to ₹ 14.62 crore from ₹ 19.73 crore. The decrease can be attributed to a fall in other income during the quarter by about 47% from ₹ 13.70 crore to ₹ 7.31 crore, an increase in the depreciation for the quarter by about 56% from ₹ 4.55 crore to ₹ 7.12 crore pursuant to the requirements of the Companies Act, 2013 and carrying out some major repairs.

The year 2013-14 was not much different for the Indian economy as growth eluded and inflation reigned. Political class was increasingly busy with impending elections. Global turmoil continued to have its toll on the Indian economy. Increased uncertainty in global geo-political environment saw high crude prices, which negatively impacted Indian economy, capping the growth at 4.7%.

In its recent reports the Reserve Bank of India has acknowledged this turnaround in the economic parameters, but has also warned that much needs to be done. While the twin deficits – both current account and fiscal – has narrowed and foreign exchange reserves have been replenished, adjustment of the rupee exchange rate, and more importantly, setting in motion disinflationary impulses, the near-term macro instability factors have diminished. Though much more efforts to remove structural impediments, building business confidence and creating fiscal space to support investments are needed to secure growth. The improvement has been feeble and clear signs of recovery are yet to emerge, even as the economy seems to be gearing for a modest recovery during 2014-15.

Post elections the scenario has changed for better. A new government with a decisive leader and clear mandate is a great positive for the economy. All around there is a renewed optimism and India has once again featured as the investment destination of global FIIs and large corporates. We should see increased investments in the months to come in areas such as infrastructure, manufacturing and services. The Union budget has also tried to iron out a number of glitches that were hampering growth. There is a sincere desire to revitalize the economy which will eventually lead to growth.

India is a largely domestic market driven economy, hence despite the global economy showing few signs of revival, India has been rated as the best-emerging market and labelled as 'The Best Turn-around Story.'

The new government is putting increased emphasis on trade and that will eventually help India to increase its exports. In its recent pronouncements the government has talked of increasing trade with countries and getting FDI for large ticket investments. The government is working on a large disinvestment programme where they are targeting shares to be issued to the common man and rake in large sums of money that will help them bridge the burgeoning fiscal deficit number. This in turn will launch a virtuous cycle that will result in lowering inflation and giving the much needed elbow room to the government to initiate reforms. Also the thrust on reducing subsidies will in the long run make India's balance sheet more robust.

For the quarter ended 30th June, 2014, revenue from the Steel Division decreased from ₹ 7.50 crore in the same quarter of the previous year to ₹ 5.36 crore due to lack of demand. While there was profit of ₹ 0.40 crore in the previous year's quarter, there is a loss of ₹ 0.69 crore in the current quarter. The plastic processing division of the

Company showed an increase in revenue for the quarter ended 30th June, 2014: from ₹ 127.14 crore in the same quarter of the previous year to ₹ 144.64 crore; however, there profit decreased from ₹ 14.61 crore to ₹ 10.99 crore mainly due to increase in depreciation and carrying out of major repairs. Results of the Spinning Division for the quarter ended 30th June, 2014, show an increase in revenue from ₹ 26.18 crore in the same quarter of the previous year to ₹ 28.54 crore in the current quarter while profit increased from ₹ 3.83 crore to ₹ 5.09 crore.

The investments in the real estate sector are long-term in nature and are expected to unlock their potential value in the coming years.

In our asset management business , we manage and advise a collective corpus of approximately ₹ 2,434 crore. The funds' investments are focused on mix – use development projects including large townships. The Urban Infrastructure Opportunities Fund has refunded about ₹ 598 crore to its investors by way of repurchase of units and return of capital.

Special Economic Zones (SEZs) in India are facing grave challenges. Some key tax benefits (earlier available) have been withdrawn making SEZs unviable. The Maharashtra SEZ Act which was to help SEZs in the State has been pending in the Assembly for too long. The good news is that the state government has allowed SEZs to be converted into Integrated Industrial Area (IIA). This will help work out a viable alternative model that will result in achieving our stated goals.

We have always believed in a judicious mix of traditional and new business. While new businesses, which have inherent risks, need a long lead time to develop, the traditional businesses give us the cash flow and stability. All our traditional businesses have in the past few years consolidated and are now at a threshold where we can say that they are heralding a new growth era. As a Company, we have always believed in pursuing a responsible business strategy and delivering quality. This combined with hard work and dedication of our entire team has helped your Company maintain a profitable path even during uncertain times.

This year the monsoon was delayed but has picked up pace. We believe that similarly economic growth which eluded India for a long time to come is setting in and will bring all round development and prosperity. We will continue to be focused towards delivering superior performance and contribute value on a sustainable basis for all our stakeholders.

I am grateful to the Board of Directors for their unwavering support and guidance. I also take this opportunity to express my gratitude to all our stakeholders, who have reposed their trust in us and extended their constant support.

With best wishes,
Sincerely,

Anand Jain
Chairman
12th August, 2014

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 bag), woven sacks and fabrics, manmade fiber yarns, Masterbatch and steel coils and sheets.

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

The Company is in the process of building globally relevant centers of excellence in manufacturing and service sector.

Jai Corp is also a leading real estate organization with a significant funding and development portfolio.

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

With its Registered Office at Nanded, Maharashtra, the Company has its Corporate Office in India's financial capital, Mumbai.

The Company has a shareholder family of about 78,000. The Company's shares are listed on the BSE 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 (As on August 12 , 2014)

Anand Jain
Chairman

Virendra Jain
Vice Chairman

Gaurav Jain
Managing Director

V.S. Pandit
Director – Works

K .M. Doongaji
S.H. Junnarkar
S. N. Chaturvedi
Anup P. Shah
Directors

**CHIEF FINANCIAL OFFICER &
CHIEF ACCOUNTS OFFICER**
Pramod Kumar Jaiswal

**COMPANY SECRETARY &
COMPLAINEE OFFICER**
Ananjan Datta

BOARD COMMITTEES:

Audit Committee
K.M. Doongaji (Chairman)
S.N. Chaturvedi
Anup P. Shah
Virendra Jain

**Corporate Social
Responsibility Committee**
Anand Jain (Chairman)
S.N. Chaturvedi
Anup Shah
Virendra Jain

**Nomination and Remuneration
Committee**
K. M. Doongaji (Chairman)
Anand Jain
S.H. Junnarkar
Virendra Jain

**Stakeholders Relationship
Committee**
K. M. Doongaji (Chairman)
S.N. Chaturvedi
Virendra Jain
Gaurav Jain

Risk Management Committee

Virendra Jain (Chairman)
Gaurav Jain
V.S. Pandit

Share Transfer Committee

Virendra Jain (Chairman)
Gaurav Jain
V.S. Pandit

BANKERS

Axis Bank
Bank of Baroda
Canara Bank
Development Credit Bank Limited
HDFC Bank Limited
IDBI Bank Limited
Kotak Mahindra Bank
South Indian Bank Limited
Union Bank of India

REGISTERED OFFICE

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

CORPORATE OFFICE

12-B, Mittal Tower, Nariman Point,
Mumbai-400021, Maharashtra.
Website: www.jaicorpindia.com
Tel: +91-22-61155300
Fax: +91-22-22875197
e-mail address for shareholders:
cs2@jaicorpindia.com
Others: jaicorp@jaicorpindia.com

REGISTRAR & SHARE TRANSFER AGENT

Karvy Computershare Private Limited
Plot no. 17-24 , Vittal Rao Nagar,
Madhapur, Hyderabad 500 081.
Tel: +91-40-44655000
Fax no: + 91-040-23420814
e- mail: einward.ris@karvy.com
Website : www.karvy.com

AUDITOR

Chaturvedi & Shah
Chartered Accountants

MANUFACTURING FACILITIES

- (i) **Plastic Processing Division**
(a) 140/1/1/1 to 140/1/1/9,
Village Khadoli, Silvassa
(D & N.H)
(100% EOU Unit)
(b) Survey No. 168/182-191,
Dabhel Ind.Co-op.Soc.Ltd.,
Dabhel, Daman (Daman & Diu)
(c) Survey No. 148, 149/1 &2,
180/2 &3, Dabhel Ind.
Co-op. Soc. Ltd., Dabhel,
Daman (Daman & Diu)
(d) Plot No. F-1 & F-2,
Indore SEZ Phase-1, Sector-III
Pithampur (MP) (SEZ Unit)
- (ii) **Plastic Processing & Master
Batch**
Survey No.141,Dabhel Ind.Co-
op.Soc.Ltd.,
Dabhel, Daman (Daman & Diu)
Village Athal, Silvassa, (D&NH)
- (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- Dyeing**
Plot No.1620, G.I.D.C.,
Sarigam,
Dist. Valsad, Gujarat.
- (vii) **Textile Division- Spinning**
Survey No.246, Khanvel Road,
Vasona, Silvassa (D &NH).

29th Annual General Meeting on Friday, 19th September 2014 at 11.00 a.m.
at A-3 M.I.D.C. Indl. Area, Nanded 431 603, Maharashtra.

NOTICE

NOTICE is hereby given that the Twenty-ninth Annual General Meeting of the Members of Jai Corp Limited will be held on Friday the 19th day of September, 2014 at 11.00 a.m. at the Registered Office of the Company at A-3, M.I.D.C. Industrial Area, Nanded-431 603, Maharashtra to transact the following businesses:

AS ORDINARY BUSINESS:

1. To consider and adopt:
 - a. the standalone audited financial statements and the Reports of the Board of Directors and Auditor thereon.
 - b. the consolidated audited financial statements and the Report of the Auditor thereon.
2. To declare a dividend on Preference Shares.
3. To declare a dividend on Equity Shares.
4. To appoint a Director in place of Shri Vasudeo Srinivas Pandit (DIN: 00460320), who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Messrs Chaturvedi & Shah, Chartered Accountants (Registration No. 101720W issued by the Institute of Chartered Accountants of India), as the Auditor of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

AS SPECIAL BUSINESS:

6. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri Khurshed Minocher Doongaji (DIN 00090939), in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 ("the Act") is hereby appointed as an independent director pursuant to the provisions of Sections 149, 152 read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the Rules") (including any statutory modification(s) or re-enactment of the Act and/ or the Rules for the time being in force) for a term of 5 (five) consecutive years with effect from the date of passing of this resolution and whose tenure of office, so long as he remains an independent director, shall not be liable to retire by rotation ."
7. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri Sachin Nath Chaturvedi (DIN 00553459), in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 ("the Act") is hereby appointed as an independent director pursuant to the provisions of Sections

149 and 152 read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the Rules") (including any statutory modification(s) or re-enactment of the Act and/ or the Rules for the time being in force) for a term of 5 (five) consecutive years with effect from the date of passing of this resolution and whose tenure of office, so long as he remains an independent director, shall not be liable to retirement by rotation ."

8. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri Sandeep Hemendra Junnarkar (DIN: 00003534), in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 ("the Act") is hereby appointed as an independent director pursuant to the provisions of Sections 149 and 152 read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the Rules") (including any statutory modification(s) or re-enactment of the Act and/ or the Rules for the time being in force) for a term of 5 (five) consecutive years with effect from the date of passing of this resolution and whose tenure of office, so long as he remains an independent director, shall not be liable to retirement by rotation ."

9. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri Anup Pravin Shah (DIN 00293207), in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 ("the Act") is hereby appointed as an independent director pursuant to the provisions of Sections 149 and 152 read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the Rules") (including any statutory modification(s) or re-enactment of the Act and/ or the Rules for the time being in force) for a term of 5 (five) consecutive years with effect from the date of passing of this resolution and whose tenure of office, so long as he remains an independent director, shall not be liable to retirement by rotation."

10. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 ("the Rules") (including any statutory modification(s) or re-enactment of the Act and/ or the Rules for the time being in force) Messrs ABK & Associates, Cost Auditor appointed by the Board of Directors of the Company to conduct the audit of cost records of

the Company for the financial year ending March 31, 2015 be paid a remuneration of ₹ 50,000/- excluding service tax and re-imburement of all out-of-pocket expenses incurred by Messrs ABK & Associates during the course of the audit.”

By Order of the Board of Directors

Mumbai
12th August, 2014

A. Datta
Company Secretary

Registered Office:

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

Nanded 431 603, Maharashtra.

CIN: L17120MH1985PLC036500

e-mail for investors: cs2@jaicorpindia.com

NOTES:

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.** The instrument appointing a proxy or Power of Attorney, if any, under which it is signed should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Corporate Members are requested to send a certified copy of Board Resolution authorizing their representatives to attend and vote at the Meeting.
3. The Register of Members and Share Transfer Books will remain closed from Wednesday, the 10th day of September, 2014 to Friday, the 19th day of September, 2014 (both days inclusive).
4. The dividend recommended by the Board of Directors, if declared at the Meeting will be payable to those Members whose names are registered in the Register of Members of the Company at close of business on Tuesday 9th September, 2014.
5. Un-paid/ un-claimed dividend for the financial years 2007-08, 2008-09, 2009-10 2010-11, 2011-12 and 2012-13 will be transferred to the Investor Education and Protection Fund on or after 01st October, 2015, 29th October, 2016, 06th October, 2017, 22nd October, 2018, 27th October, 2019 and 4th November, 2020 respectively pursuant to the provisions of Section 124 of the Companies Act, 2013. The members who have not cashed their dividend warrant/s are requested to immediately make their claims to the Company's Registrar and Share Transfer Agent, Messrs Karvy Computershare Private Limited. It may be noted that pursuant to Section 124(6) of the Companies Act, 2013, all shares in respect of which unpaid or unclaimed dividend has been transferred shall also be transferred by the Company in the name of Investor Education and Protection Fund.
6. Members who are holding shares in physical form in identical order of names in more than one folio are requested to send to the Company's Registrar and Share Transfer Agent, Messrs Karvy Computershare Private limited details of such folios together with the share certificates for consolidating their holding in one folio. The share certificate will be returned to the Member/s after making requisite changes thereon.
7. The Securities and the Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding securities in the electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agent, Messrs Karvy Computershare Private Limited.
8. Non-resident Indian shareholders are requested to inform the Company immediately:-
 - i. Change in residential status on return to India for permanent settlement.
 - ii. Particulars of bank account maintained in Indian with complete name, branch, branch code, account type, account number and address of bank, if not furnished earlier.
 - iii. Copy of Reserve Bank of India permission.
9. Consequent to Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 shareholders are entitled to make nomination in respect of shares held by them. Shareholders desirous of making nominations in respect of shares held by them are requested to send the necessary particulars in Form No. SH. 13 (available on request) to the Company's Registrar and Share Transfer Agent, Messrs Karvy Computershare Private Limited.
10. Brief resume of all Directors who are proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas, names of other companies in which they hold directorships and memberships/chairmanships of Committees of the Board, shareholdings and relationships between Directors *inter-se* as required to be provided pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges are given elsewhere in the Annual Report.

11. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically. Pursuant to Sections 20, 101 and 136 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014 and Rule 11 of the Companies (Accounts) Rules, 2014 service of documents through electronic mode is now permitted.
12. Pursuant to Sections 107 and 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with the Stock Exchanges, the Company is required to provide to its members facility to exercise their right to vote at this meeting by electronic means in respect of all the items set forth in this Notice. Procedure concerning e-voting is given on the reverse of the Attendance Slip-cum- Proxy Form. Once the vote on a resolution is cast by the shareholder, he/ she shall not be allowed to

change it subsequently. Further, the shareholders who have cast their vote electronically shall not be allowed to vote again at the meeting.

By Order of the Board of Directors

Mumbai
12th August, 2014

A. Datta
Company Secretary

Registered Office:

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

CIN: L17120MH1985PLC036500

e-mail for investors: cs2@jaicorpindia.com

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

Item Nos. 6:

Appointment of Shri K. M. Doongaji as an independent director:

Shri K. M. Doongaji (DIN 00090939), having wide experience in project and corporate finance is a non-executive independent director of the Company. He joined the Board of Directors in June, 1999. He is the Chairman of the Company's Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 ("the Act"), Shri K.M. Doongaji, already an independent director pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, is eligible for appointment as an independent director pursuant to Section 149 (6) and all other applicable provisions, if any, of the Act read with revised Clause 49 (to take effect from 1st October, 2014) of the Listing Agreement for a term of 5 (five) consecutive years. The Company has received from a member notice in writing pursuant to Section 160 of the Act along with the requisite deposit proposing the name of Shri K. M. Doongaji for the office of independent director. Shri K.M. Doongaji has given a declaration pursuant to Section 149 (7) of the Act that he meets the criteria of independence as provided in Section 149 (6) of the Act. Pursuant to Section 149 (10) of the Act it is proposed to appoint him for a term of 5 consecutive years during which he will not, so long he remains an independent director, be liable to retirement by rotation pursuant to Section 149(13) of the Act.

The Board is of the opinion that Shri K. M. Doongaji fulfills the conditions specified in the Act as well as in the Listing Agreement for the appointment of an independent director. A copy of the draft letter for appointment of Shri K. M. Doongaji as an independent director setting out the terms and conditions specified in Schedule IV to the Act is open for inspection at the Registered Office of the Company by any member during normal business hours without payment of any fee and shall also be posted on the Company's website. Shri K. M. Doongaji is independent of the management.

The Board of Directors is of the opinion that the continued association of Shri K. M. Doongaji with the Company to be beneficial to the Company and accordingly recommend the resolution set out in Item No. 6 of the accompanying Notice for approval of the members.

Other than Shri K. M. Doongaji, no other Director/ Key Managerial Personnel/ their relatives is in any way, considered concerned or interested, financially or otherwise in this resolution except as a member of the Company.

Item Nos. 7:

Appointment of Shri S.N. Chaturvedi as an independent director:

Shri S.N. Chaturvedi (DIN 00553459), a practicing Chartered Accountant, is a non-executive independent director of the Company. He joined the Board of Directors in March, 2004. He is a member of the Company's Audit Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 ("the Act"), Shri S.N. Chaturvedi,

already an independent director pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, is eligible for appointment as an independent director pursuant to Section 149 (6) and all other applicable provisions, if any, of the Act read with revised Clause 49 (to take effect from 1st October, 2014) of the Listing Agreement for a term of 5 (five) consecutive years. The Company has received from a member notice in writing pursuant to Section 160 of the Act along with the requisite deposit proposing the name of Shri S.N. Chaturvedi for the office of independent director. Shri S.N. Chaturvedi has given a declaration pursuant to Section 149 (7) of the Act that he meets the criteria of independence as provided in Section 149 (6) of the Act. Pursuant to Section 149 (10) of the Act it is proposed to appoint him for a term of 5 consecutive years during which he will not, so long he remains an independent director, be liable to retirement by rotation pursuant to Section 149(13) of the Act.

The Board is of the opinion that Shri S.N. Chaturvedi fulfills the conditions specified in the Act as well as in the Listing Agreement for the appointment of an independent director. A copy of the draft letter for appointment of Shri S.N. Chaturvedi as an independent director setting out the terms and conditions specified in Schedule IV to the Act is open for inspection at the Registered Office of the Company by any member during normal business hours without payment of any fee and shall also be posted on the Company's website. Shri S.N. Chaturvedi is independent of the management.

The Board of Directors is of the opinion that the continued association of Shri K. M. Doongaji with the Company to be beneficial to the Company and accordingly recommend the resolution set out in Item No. 7 of the accompanying Notice for approval of the members.

Other than Shri S.N. Chaturvedi, no other Director/ Key Managerial Personnel/ their relatives is in any way, considered concerned or interested, financially or otherwise in this resolution, except as a member of the Company.

Item Nos. 8:

Appointment of Shri S.H. Junnarkar as an independent director:

Shri S.H. Junnarkar (DIN 00003534), an advocate and solicitor, is a non-executive independent director of the Company. He joined the Board of Directors in August 1994. He is a member of the Company's Nomination and Remuneration Committee. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 ("the Act"), Shri S.H. Junnarkar, already an independent director pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, is eligible for appointment as an independent director pursuant to Section 149 (6) and all other applicable provisions, if any, of the Act read with revised Clause 49 (to take effect from 1st October, 2014) of the Listing Agreement for a term of 5 (five) consecutive years. The Company has received from a member notice in writing pursuant

to Section 160 of the Act along with the requisite deposit proposing the name of Shri S.H. Junnarkar for the office of independent director. Shri S.H. Junnarkar has given a declaration pursuant to Section 149 (7) of the Act that he meets the criteria of independence as provided in Section 149 (6) of the Act. Pursuant to Section 149 (10) of the Act it is proposed to appoint him for a term of 5 consecutive years during which he will not, so long he remains an independent director, be liable to retirement by rotation pursuant to Section 149(13) of the Act.

The Board is of the opinion that Shri S.H. Junnarkar fulfills the conditions specified in the Act as well as in the Listing Agreement for the appointment of an independent director. A copy of the draft letter for appointment of Shri S.H. Junnarkar as an independent director setting out the terms and conditions specified in Schedule IV to the Act is open for inspection at the Registered Office of the Company by any member during normal business hours without payment of any fee and shall also be posted on the Company's website. Shri S.H. Junnarkar is independent of the management.

The Board of Directors is of the opinion that the continued association of Shri S.H. Junnarkar with the Company to be beneficial to the Company and accordingly recommend the resolution set out in Item No. 8 of the accompanying Notice for approval of the members.

Other than Shri S.H. Junnarkar, no other Director/ Key Managerial Personnel/ their relatives is in any way, considered concerned or interested, financially or otherwise in this resolution, except as a member of the Company.

Item Nos. 9:

Appointment of Shri A.P. Shah as an independent director:

Shri A. P. Shah (DIN 00293207), is a non-executive independent director of the Company. He joined the Board of Directors in May 2013. He is a member of the Company's Corporate Social Responsibility Committee. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 ("the Act"), Shri A. P. Shah, already an independent director pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, is eligible for appointment as an independent director pursuant to Section 149 (6) and all other applicable provisions, if any, of the Act read with revised Clause 49 (to take effect from 1st October, 2014) of the Listing Agreement for a term of 5 (five) consecutive years. The Company has received from a member notice in writing pursuant to Section 160 of the Act along with the requisite deposit proposing the name of Shri A.P. Shah for the office of independent director. Shri A.P. Shah has given a declaration pursuant to Section 149 (7) of the Act that he meets the criteria of independence as provided in Section 149 (6) of the Act. Pursuant to Section 149 (10) of the Act it is proposed to appoint him for a term of 5 consecutive years during which he will not, so long he remains an independent director, be liable to retirement by rotation pursuant to Section 149(13) of the Act.

The Board is of the opinion that Shri A.P. Shah fulfills the conditions specified in the Act as well as in the Listing Agreement for the appointment of an independent director. A copy of the draft letter for appointment of Shri A.P. Shah as an independent director setting out the terms and conditions specified in Schedule IV to the Act is open for inspection at the Registered Office of the Company by any member during normal business hours without payment of any fee and shall also be posted on the Company website. Shri A.P. Shah is independent of the management.

The Board of Directors is of the opinion that the continued association of Shri A.P. Shah with the Company to be beneficial to the Company and accordingly recommend the resolution set out in Item No. 9 of the accompanying Notice for approval of the members.

Other than Shri A.P. Shah, no other Director/ Key Managerial Personnel/ their relatives is in any way, considered concerned or interested, financially or otherwise in this resolution, except as a member of the Company.

Item Nos. 10:

Remuneration of Cost Auditor

The Board of Directors has appointed Messrs ABK & Associates (Registration No. 000036 issued by the Institute of Cost Accountants of India) as the cost auditor of the Company for the financial year 2014-15. Pursuant to Section 148 of the Companies Act, 2013 read with Rule 3(B)(a)(v) of the Companies (cost records and audit) Rules, 2014 ('the Rules') if the turnover from the 'Steel' product crosses the thresholds limit of Rupees fifty crore or more, the Company shall be required to

maintain cost records and shall be required to get its cost records audited in accordance with these Rules for the financial year 2014-15. Pursuant to Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 members are required to ratify the remuneration payable to the cost auditor.

Based on the recommendation of the Audit Committee, the Board of Directors has approved remuneration of ₹ 50,000/- to Messrs ABK & Associates excluding service tax and reimbursement of out-of-pocket expenses.

The Board of Directors accordingly recommends the Resolution set out at Item No. 10 of the accompanying Notice for approval of the members which is an enabling resolution.

No Director / Key Managerial Personnel/ their relatives is in any way, considered concerned or interested, financially or otherwise in this resolution, except as a member of the Company.

By Order of the Board of Directors

Mumbai
12th August, 2014

A. Datta
Company Secretary

Registered Office:

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

CIN: L17120MH1985PLC036500

e-mail for investors: cs2@jaicorpindia.com

Details of Directors seeking re-appointment/ appointment at the 29th Annual General Meeting pursuant to Clause 49 of the Listing Agreement

Name of the Director	Shri V. S. Pandit	Shri K.M. Doongaji	Shri S.N. Chaturvedi	Shri Sandeep H. Junnarkar	Shri Anup P. Shah
Date of Birth	01/10/1950	06/07/1939	30/09/1950	02/07/1951	02/10/1976
Date of Appointment	01/04/1997	23/06/1999	12/03/2004	19/08/1994	08/05/2013
Expertise in specific functional area	Woven sacks/ bags industry	Project & corporate finance	Chartered Accountant	Advocate & Solicitor	Chartered Accountant
Qualification	B.Sc.	B.A., LLB	C.A., M.B.A., B. Tech.,	B.Sc., LLB., Solicitor	C.A., LLB., B.Com.
No. of shares held in the Company	Nil	400	Nil	Nil	Nil
Directorships in other Indian public limited companies	None	Balkrishna Industries Ltd.	<ol style="list-style-type: none"> 1. Balkrishna Industries Ltd. (Member Audit Committee) 2. Balkrishna Paper Mills Ltd. 3. Jai Realty Ventures Ltd. (Member Audit Committee & Nomination and Remuneration Committee) 4. N.R. Agarwal Industries Ltd. (Member Audit Committee) 5. Tufropes Pvt. Ltd. 6. ValueDel Consultancy Pvt. Ltd. 	<ol style="list-style-type: none"> 1. Everest Industries Ltd. (Member Audit Committee & Remuneration Committee) 2. Excel Crop Care Ltd. (Member of Remuneration Committee) 3. IIDC Ltd. (Member of Remuneration Committee) 4. IL&FS Tamil Nadu Power Co. Ltd. 5. Jai Realty Ventures Ltd. (Member Audit Committee & Nomination and Remuneration Committee) 6. Reliance Industrial Infrastructure Ltd. (Member Audit Committee, Shareholders / Investors Grievance Committee & Remuneration Committee) 7. Reliance Industrial Investments & Holdings Ltd. 8. Reliance Ports and Terminals Ltd. 	<ol style="list-style-type: none"> 1. Ruby Mills Ltd. (Chairman of Audit Committee & Shareholders / Investors Grievance Committee) 2. Claris Life-sciences Ltd. (Chairman of Audit Committee, Member of Shareholders / Investors Grievance Committee & Remuneration Committee)
Relationship between Directors <i>inter se</i>	None	None	None	None	None
DIN	00460320	00090939	00553459	00003534	00293207

Management Discussion and Analysis

Forward-looking Statement

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 Financial Year (FY)

The latest Economic Survey has pegged gross domestic product (GDP) growth at 5.4-5.9 per cent for 2014-15, after it had dropped to below five per cent in the previous two years. It states that there are downside risks to the economy arising from a poor monsoon, the external environment and the poor investment climate. The combination of domestic structural constraints, inflationary pressures, particularly food inflation and uncertainty in the global economy, has affected growth and posed challenges for macroeconomic stability. The growth slowdown was broad based, affecting in particular the industrial sector.

Jai Corp was able to hold on to its own and has reported a decent financial performance. Key financial performance indicators for FY 2013-14 are as under:

- The gross turnover increased by 10.78 per cent to ₹ 750.62 crore in FY 2013-14 from ₹ 677.57 crore in FY 2012-13.
- The total EBIDTA increased by 6.09 per cent to ₹ 135 crore in FY 2013-14 from ₹ 127.24 crore in FY 2012-13.
- The Net Profit increased by 4.39 per cent to ₹ 78.18 crore in FY 2013-14 from ₹ 74.89 crore in FY 2012-13.

Business Review

Urban Integrated Infrastructure

Sector Overview:

"The growth story of India shall be written on the canvas of planned urban development" is mentioned prominently in the website of the Government of India, Ministry of Urban Development. Hence, it will not be going overboard to say that development of urban integrated infrastructure is of paramount importance to develop India.

Special Economic Zones (SEZs)

Outlook for SEZs in India

The SEZ Industry in India is facing grave challenges. Govt. of India (GoI) has withdrawn key tax benefits (earlier available) which have made SEZ business unviable. These and other policy changes have shaken the foundation of SEZ Industry and future looks uncertain. In addition to this, Maharashtra SEZ Act which provides State level fiscal benefits has been pending enactment since long. Lately Govt of Maharashtra (GoM) has recognized the serious difficulties faced by SEZ in Maharashtra and has allowed SEZ to exit and move towards being developed into Integrated Industrial Area (IIA).

Jai Corp is a stakeholder in entities developing SEZs in Maharashtra.

I- Navi Mumbai SEZ Private Limited (NMSEZ)

Performance Overview:

NMSEZ has commenced horizontal and vertical development of SEZ in a phased manner. NMSEZ is facing demand constraints due to worldwide recession and financial crisis in many European countries. The Maharashtra SEZ Act has been introduced in the Maharashtra Legislature, but is awaiting enactment since quite some time. In the absence of fiscal incentives in the State, it is not very easy to attract the units in the SEZ. The amendments to certain Income-tax provisions are also making the SEZs less attractive. GoM has, in its Industrial Policy of 2013 subject to certain terms and conditions, allowed SEZ to exit and move towards being developed as IIA. NMSEZ is in discussion with its Joint Venture Partner CIDCO to take advantage of this exit option and move towards IIA. The Board of Approval for SEZ has extended the validity of the formal approval up to 24th October, 2014 for IT/ITES-A and IT/ITES-B at Ulwe and up to up to 21st November, 2014 for IT/ITES-C at Ulwe. The extension of the validity period of formal approval, granted for setting up of multi product SEZ at Dronagiri was up to 29th July, 2014 and that IT/ITES and Multi Services SEZ at Kalamboli was up to 25th July, 2014.

II- Mumbai SEZ Limited (MSEZ)

Performance Overview:

MSEZ has acquired land in Uran, Pen and Panvel areas in the state of Maharashtra. So far, consent award and sale deeds have been executed for around 4,600 acres. The subject land is not contiguous. The new Land Acquisition Act which has been notified in January, 2014 makes it difficult to buy land for contiguity. MSEZ is in discussion with GoM on way forward. The Board of Approval for SEZ has extended the validity of the in-principle approval up to 3rd October, 2014.

III- Rewas Ports Limited (RPL)

Performance Overview:

All statutory approvals have been obtained. RPL has signed the lease deed for 839 hectares (Ha) of

inter tidal land. The Government land of about 167 hectares has been transferred by the Government of Maharashtra to Maharashtra Maritime Board. RPL will sign the lease deed for the same at the time of financial closure. RPL has been in discussions with Indian Railways and Government of Maharashtra in order to firm up the rail and road connectivity of the port with the hinter land, but progress has been slow. RPL has been unable to make much progress on the issues relating to right of way for some portion of the Rewas channel with Mumbai Port Trust .

Real Estate

Sector Overview

As per the latest Economic Survey, the growth of services-sector GDP has been higher than that of overall GDP during 2000-01 to 2013-14. Despite deceleration, services GDP growth at 6.8 per cent was above the 4.7 per cent overall GDP growth in 2013-14. However, construction a borderline service inclusion which has not been performing well since 2012-13, grew by only 1.6 per cent in 2013-14.

In the recent budget, the Finance Minister has proposed to relax the Foreign Direct Investment (FDI) norms in real estate by reducing the minimum built-up area from 50,000 square metres to 20,000 square metres and by lowering minimum capitalization from \$10 million to \$5 million. He has further proposed to provide incentives to Real Estate Investment Trusts (REITs) that will have pass through for the purpose of taxation. The Securities and Exchange Board of India (SEBI) on 10-08-2014 gave approval of the SEBI (Real Estate Investment Trust) Regulation, 2014 thereby providing a framework for registration and regulation of REITs and listing of units issued by them.

Performance Overview:

Certain subsidiaries of Jai Corp have acquired land. The same may be consolidated for the purpose of development subject to the applicable legislations at that point of time. The Company is of the view that any presumed fall in the current valuation of land held by some of the subsidiary companies is a temporary phenomenon. These are long-term investments and in the course of time are expected to realise their fair value.

Asset Management

Sector Overview:

Private Equity (PE) investments grew substantially till 2011 in India. As more traditional financing sources dried up because of increased rates and volatile stock market conditions , Indian companies were forthcoming in raising money from PE Investors.

Last year witnessed as many deals as 393 PE deals totaling to \$ 9.67 billion. India's strong economic fundamentals coupled with weakness and uncertainty in the developed markets attracted investors to India. SEBI has brought all kind of pooled investments under the Alternative Investment Funds (AIF) Regulations and thereby bringing more transparency and accountability in the functioning of the alternate asset industry. It is expected that the new regulations will provide a more

conducive environment to the growth of the industry. Since the new AIF Regulations, 100 funds have already registered themselves as AIF.

With the approval of the REITs Regulation, REITs are likely to emerge as a preferred form of asset backed investment with established revenue streams, provide liquidity into the Indian real estate market.

PE investments in real estate sector grew exponentially in the 2006-2008 period attracting more than \$11 billion in 3 years. Since then the industry has witnessed a sharp decline in fresh investments and continues to struggle against macro head winds in India. There have been 10 investments worth \$514 million (₹ 2,282.16 crore today) in real estate during this year, according to VCCEdge. Many industry specific factors like delay in land acquisition, approval paralysis, increase in construction cost, tight monetary policy, decline in absorption and negative capital market sentiment has hit the sector adversely. This has resulted into high input cost and consequently high prices resulting into a decline in absorption in last year in spite of a strong underlying demand for housing. All these factors have stretched the cash flows of developers, eventually delaying exits for the private equity players.

Our Business:

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 the manager to Urban Infrastructure Opportunities Fund (UIOF), a scheme of Urban Infrastructure Venture Capital Fund (UIVCF), a SEBI registered fund. UIOF is a close ended India domiciled venture capital fund having raised a corpus of approximately ₹ 2,434 crore.

UIVCL, is also Indian advisor to Urban Infrastructure Capital Advisors (UICA), investment manager to India focused real estate fund Urban Infrastructure Real Estate Fund (UIREF), having a total capital commitment of \$300 million.

The investments of these Funds' are focused on large townships and mixed-use development projects in Tier-I and Tier-II cities of western and southern India. These Funds have invested in 28 special purpose vehicles spread across 13 cities of India.

Performance Overview:

The major source of revenue for UIVCL is the investment management fees from UIOF and advisory fees from UICA. During the year the investment management fee from the UIOF was reduced from 2 percent to 1 percent with effect from June 8, 2013. In FY 2013-14, UIVCL earned an income of ₹ 48.60 crore and profit after tax of ₹ 20.00 crore.

The tenure of UIOF was to originally get completed in June 2013. However, the Trustees based on the recommendation of UIVCL can extend the tenure for two further periods of one (1) year each. Accordingly, the Trustees of UIOF in consultation with UIVCL have decided to further extend the tenure of UIOF by a period of 1 year till June 2015. Despite various macroeconomic and industry specific issues, UIOF

has refunded ₹ 597.94 crore to its contributors by way of repurchase of units and return of capital/profits. It is expected that going forward, a softer rate regime, easing liquidity conditions and improvement in sales will help in achieving further exits.

Steel Division

Sector Overview:

The World Steel Association (worldsteel) released its Short Range Outlook (SRO) in April for 2014 and 2015. worldsteel forecasts that global apparent steel use will increase by 3.1 per cent to 1,527 Metric Tonne (MT) in 2014 following growth of 3.6 per cent in 2013. In 2015, it is forecast that world steel demand will grow further by 3.3 per cent and will reach 1,576 MT. In India, steel demand is expected to grow by 3.3 per cent to 76.2 MT in 2014, following 1.8 per cent growth in 2013, due to an improved outlook for the construction and manufacturing sectors, even though this will be constrained by high inflation and structural problems. Despite uncertainties relating to the impact of elections steel demand is projected to grow by 4.5 per cent in 2015 supported by the expectation that structural reforms will be implemented.

Performance Overview:

Jai Corp manufactures cold rolled coils, galvanized coils and galvanized corrugated sheets at its Nanded unit in Maharashtra. During FY 2013-14, the Company achieved a production (including job work) of 57,450 MT of coiled rolled coils (CR) and 56,955 MT of galvanized plain and galvanized corrugated steel sheets (GP/GC) sheets as compared to 59,483 MT and 61,107 MT respectively in FY 2012-13 a decrease of about 3 per cent and 7 per cent respectively. However, the Division reported a higher turnover of ₹ 60.61 crore in FY 2013-14 as compared to ₹ 30.98 crore during FY 2012-13 the profit also rose by 77 per cent from ₹ 0.88 crore in FY 2012-13 to ₹ 1.56 crore in FY 2013-14 due to improvement in product mix.

Plastic Processing Division

Tape Woven Products

Sector Overview:

The usage of polyethylene (PE)/ polypropylene (PP) woven tape products like sacks, bags, Flexible Intermediate Bulk Containers (FIBCs), fabrics, geotextiles etc. has been growing at the rate of about 15 per cent compounded annual growth rate (CAGR) over the last decade. In recent times, these products have also been used for food grains and sugar. All sugar exports are packed in PP woven bags only. Another usage of these products has emerged in Biaxially-Oriented Polypropylene (BOPP) reverse printed bags, which is also growing exponentially for food packaging. As the production of cement, fertilizers and petrochemicals is increasing in the country, PP/PE woven tape products are having a bright future. As per data available with the Indian Flexible Intermediate Bulk Container Association, India, FIBC industry has grown 4 times in last ten years.

Performance Overview:

The Company's production remained nearly constant at 39,724 MT in FY 2013-14 as compared to 39,781 MT in FY 2012-13. The net turnover increase by about 8 per cent to ₹ 481.13 crore in FY 2013-14 as compared to net turnover of ₹ 444.94 crore in FY 2012-13. The Company's exports were 7,077 MT in FY 2012-13 as compared to 4,838 MT in FY 2012-13 an increase of about 46 per cent. The FOB value of the exports increased by about 64 per cent from ₹ 66.37 crore in FY 2012-13 to ₹ 108.85 crore in FY 2013-14.

Masterbatch

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 product is very low, its quality is very important for attaining the desired properties of the end product. In general, masterbatch industry, in India, can broadly be classified into organized sector and small scale sector with more than 250 players. Major operators in the organized sector hold about 50 percent of the market.

Performance Overview:

Jai Corp's products have been well received in the masterbatch and antifibrillation masterbatch segments of the market. The Company produced 14,204 MT in FY 2013-14, as compared to 13,614 MT in FY 2012-13, an increase of about 4 per cent. The net turnover increased by about 16 per cent from ₹ 44.06 crore in FY 2012-13 to ₹ 51.70 crore in FY 2013-14. The total quantity exported decreased by about 12 per cent from 720 MT in FY 2012-13 to 642 MT in FY 2013-14. The FOB value of exports decreased by about 5 per cent from ₹ 5.10 crore in FY 2012-13 to ₹ 4.85 crore in FY 2013-14. The decrease is mainly attributable to the economic recession in Europe.

Spinning Division

Sector Overview:

As per the Ministry of Textiles, Government of India, spinning sector is relatively in the organized sector. During the last ten years the number of spinning and powerloom units registered positive growth rates. During the decade 2001-02 to 2011-12, non- small scale industry spinning mills grew from 1,579 to 1,791 with a CAGR of 1 per cent. During the last five years, the production of man-made fibres increased at a CAGR of 3.63 per cent, man-made filament yarn at 3.88 per cent and spun yarn at 3.17 per cent.

Performance Overview:

The Company produced 4,390 MT in FY 2013-14 as compared to 5,675 MT in FY 2012-13 a decrease of about 23 per cent. The net turnover of this Division decreased from ₹ 114.39 crore in FY 2012-13 to ₹ 105.13 crore in FY 2013-14 a decrease of about 8 per cent.

Human Resource Development

Jai Corp's most valuable assets are its human resource. With the support of its dedicated human resource it confronted the economic shocks and rapid changes

in the business environment last year with the resolve and determination to ensure that the business of the Company continue to enhance value creation.

The Company's talent pool as on 31st March, 2014 was 3,362, which includes highly qualified professionals across its business. The growth and sustained leadership of the Company is largely a function of its human resource. The Company has always aimed to create a workplace where every person can achieve his/her optimum potential. The Company has a performance rewarding culture, enabling it to create leaders out of its employees. The Company has also undertaken various training and development initiatives to hone the skill and expertise of its employees.

With diversified business interests, the Company empowers the inter-departmental and inter –unit movement to deserving individuals, ensuring better retention of talent and at the same time providing avenues to its employees.

Internal Control System

Jai Corp has a comprehensive system of internal controls to safeguard the Company's assets against loss from unauthorized use and ensure proper authorization of financial transactions. The system ensures the integrity of the accounting, recording and reporting of all transactions. It monitors and controls against any unauthorized disposition of assets, thus safeguarding the Company's assets.

Jai Corp ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. This enhances the reliability of financial and operational information. The Company has appointed a reputed firm, Messrs Mahajan & Aibara as the internal auditor. The Audit Committee of the Company periodically reviews, with the management, *inter alia* performance of the internal auditor and adequacy of the internal control systems.

Risk Concerns and Risk Management

Jai Corp is exposed to the normal industry risk of factors of competition, economic cycle, raw material availability and uncertainties in the international and domestic markets and credit risk. The Company has a system-based approach to business risk management. It has a proper and adequate system of controls designated to assist in the identification and management of risks. The Company manages these risks by maintaining a conservative financial profile and by following prudent business and risk management policies:

- a) Clearly laid down roles and responsibilities of the various entities in relation to risk management. A range of responsibilities, from the strategic to the operational, is specified therein. These role definitions, *inter alia*, are aimed at ensuring formulation of appropriate risk management policies and procedures, their effective implementation, independent monitoring and reporting by internal audit.
- b) A combination of centrally issued policies and divisionally-evolved procedures to bring strength

to the process of ensuring that business risks are effectively addressed.

- c) Appropriate structures are in place to pro-actively monitor and manage the inherent risks in businesses with proper risk profiling.
- d) A professional and independent firm has been appointed as internal auditor to carry out the risk focused audits across divisions, enabling identification of areas where risk management processes may need to be improved. The Audit Committee of the Board of Directors regularly reviews internal auditor's findings and provides strategic guidance on internal controls.
- e) A comprehensive framework of strategic planning and performance management ensures realization of business objectives based on effective strategy implementation. The annual planning exercise requires all divisions to clearly identify their main risks and set out a mitigation plan with agreed time line and accountability.

Health, Safety and Environment

Jai Corp is committed to ensuring the health and safety of its employees, its plants and its surrounding communities at all its operations sites. It's the constant endeavor of the Company to provide safe and hygienic working conditions for its employees. The Company also strives to maintain a pro-active check on environmental compliance in its operations. Some of the initiatives undertaken by the Company in this regard are as follows:

- a) Well defined work practices ensure work in a manner that promotes safety and health of its employees as well as that of the environment they operate in.
- b) Provide training to all concerned personnel to maintain health, safety and environment.
- c) Creating awareness on health, safety, environment and developing the required skill, knowledge and confidence of the personnel so as to enable them to understand their responsibility.
- d) Provide all required safety poster, safety equipment, first-aid box and facility, purified drinking water and adequate medical facility under the aegis of a full time qualified medical practitioner.
- e) Maintaining excellent housekeeping practices across all locations and premises of the Company.
- f) Maintaining safe, healthy and pollution-free environment in the 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.
- g) Obtaining a stability certificate for all the factory buildings as per the requirement of the Factories Act, 1948.

- h) Developing safety awareness among the staff and other concerned workers.
- i) Maintaining environmental norms prescribed by State/ Central Governments in the matter of air, water, quality, noise, environment etc.
- j) Cleaning and disposing off of wastes and effluents, proper ventilation and sustaining of pollution-free atmosphere.
- k) Taking suitable insurance policies such as fire, safety, group, personal accident etc.

Social responsibility and community development

The Companies Act 2013 mandates every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year to constitute a Corporate Social Responsibility Committee of the Board. The board of every such company shall ensure that the company spends, in every financial year, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. Schedule VII to the Act, gives a list of activities which may be included by companies in their Corporate Social Responsibility Policies

Activities relating to:—

- (i) eradicating hunger, poverty and malnutrition, promoting preventative health care and sanitation and making available safe drinking water;
- (ii) promotion of education, including special education and employment enhancing vocation skills specially among children, women, elderly and the differently abled and livelihood enhancement projects;
- (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining of quality of soil, air and water;
- (v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;
- (vii) training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- (viii) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (ix) contributions or funds provided to technology incubators located within academic institutions

- which are approved by the Central Government;
- (x) rural development projects.
- (xi) slum area development

An essential component of Jai Corp's social responsibility is to care for the community. The Company endeavors to make a positive contribution to the under privileged communities by supporting a wide range of socio-economic, educational and health initiatives. Many of the community projects and programmes are driven by active participation from our employees. We, at Jai Corp, have defined a set of core values for ourselves-care, innovation, passion and trust – to guide us in all we do. We have decided to act as a catalyst between the government and the people. We are helping implement the roadmap drafted with the help of the Administration of Dadra & Nagar Haveli (D & NH) and the District Panchayat of D & NH. The Administration of D & NH has encouraged the Company to participate in a private-public initiative to make the village Sindoni in the Mandoni Patelad of the Union Territory D & NH, a 'model village'. The Company is making its resources and volunteers available to the notified schemes. The broad objectives of these schemes are:

- a) Bring about an improvement in the general quality of life in rural areas.
- b) Accelerate sanitation coverage in rural areas to have toilets accessible for all.
- c) Motivate the communities and the panchayati raj institutions promoting sustainable sanitation facilities through awareness creation and health education.
- d) Cover schools and anganwadis in rural areas with sanitation facilities and promote hygiene education and sanitary habits among students.

In continuation of the project to make Sindoni Village a 'model village' material for construction of 5 new houses was provided by the Company.

In association with the D& NH Power Distribution Corporation Ltd, the Company provided solar street lights and individual house hold light lamp in a tribal hamlet where it was not possible to provide electricity connection due to logistic difficulties.

In association with the Sports Council of D & N H Administration the Company organized a sports' meet with a view to promote sports activity among the local tribal community.

The Company provided 400 rajai (blankets) and temporary tents for poor local tribal community.

In continuation with its efforts to make the local tribal youths earn proper livelihood, the Company sponsored the fee for giving driving lessons to 21 persons.

The Company received the 'Sankalp Award - 2014' from the Administration of D&NH- "for outstanding work in fulfilling the Corporate Social Responsibility towards the improvement in the living conditions of the people of Dadra & Nagar Haveli."

It was also awarded 'Certificate of Appreciation' in 2013 by the Administration of D&NH for "outstanding Corporate Social Responsibility work in the development of infrastructure and improvement in the living conditions of the people of Dadra & Nagar Haveli."

DIRECTORS' REPORT

Your Directors are pleased to present the Twenty-ninth Annual Report and the audited accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS:

(₹ in Lakh)

	Year Ended 31-03-2014	Year Ended 31-03-2013
Profit before Depreciation, Finance Costs, Income –tax and adjustments for Prior Period Items	13,499.56	12,724.03
Less: Finance Costs	8.54	52.71
Depreciation and Amortization Expense	1,823.07	1,802.41
Profit before Income-tax and adjustments for Prior Period Items	11,667.95	10,868.91
Less: Provision for Taxation:		
Current Tax	3,827.12	3,174.60
Deferred Tax Expenses	22.46	205.51
Profit after Tax but before adjustments for Prior Period Items	7,818.37	7,488.80
Balance brought forward from last year	54,402.09	47,934.59
Amount available for Appropriation	62,220.46	55,423.39
Appropriations:		
General Reserve	781.84	748.88
Proposed Dividend on Preference Shares	0.77	0.83
Proposed Dividend on Equity Shares	240.84	240.84
Tax on Proposed Dividend	18.17	32.57
Reversal of proposed dividend on Preference Shares redeemed and tax thereon	-	(1.82)
Balance at the end of the year	61,178.84	54,402.09
Total	62,220.46	55,423.39

RESULTS OF OPERATIONS:

During the year under review, the gross turnover of the Company's Steel Division was ₹ 60.61 crore as compared to the previous year's gross turnover of ₹ 30.98 crore. The Division reported a profit of ₹1.56 crore during the year under review as against a loss of ₹0.88 crore the previous year due to an improved product mix.

The Plastic Processing Division of the Company achieved a gross turnover of ₹586.49 crore as compared to previous year's gross turnover of ₹ 533.48 crore. The Division reported a profit of ₹ 67.77 crore during the year under review as against a profit of ₹ 56.24 crore the previous year.

The Spinning Division of the Company achieved a gross turnover of ₹ 105.13 crore as compared to the previous year's gross turnover of ₹114.40 crore. The Division reported a profit of ₹ 16.50 crore during the year under review as against a profit of ₹ 10.05 crore the previous year. The increase in profit can be attributed to a better product mix.

During the year under review, the production of Plastic Processing Division excluding Masterbatch decreased marginally from 39,781 MT during 2012-13 to 39,724 MT during 2013-14.

The production of Masterbatch increased from 13,614 MT during 2012-13 to 14,204 MT during 2013-14.

The production of the Spinning Division decreased from 5,675 MT during 2012-13 to 4,390 MT during 2013-14.

The production of CR coils and sheets and GP/GC coils and sheets decreased from 59,483 MT and 61,107 MT respectively during 2012-13 to 57,450 MT and 56,955 MT respectively during 2013-14 due to a decrease in demand for the Company's products.

The Company's un-audited financial results for the quarter ended 30-06-2014 show an overall increase in turnover as compared to the same quarter of the previous year: ₹ 168.45 crore vis-à-vis ₹ 150.38 crore. However, the net profit decreased from ₹ 19.73 crore to ₹ 14.62 crore. Turnover of the Steel Division has decreased from ₹ 7.50 crore during quarter ended 30-06-2013 to ₹ 5.36 crore during the quarter ended 30-06-2014. The Division had earned a profit of ₹ 0.40 crore during the same quarter last year, during this year's quarter there is a loss of ₹ 0.69 crore mainly due to lack of demand. The Plastic Processing Division, showed an increase in turnover: from ₹ 127.14 crore during quarter ended 30-06-2013 to ₹ 144.64 crore during the quarter ended 30-06-2014. However, this Division's profits decreased from ₹ 14.61 crore to ₹ 10.99 crore mainly due to change in depreciation pursuant to the requirements of the Companies Act, 2013 and some major repairs. The Spinning Division, showed an increase in turnover, from ₹ 26.18 crore during quarter ended 30-06-2013 to ₹ 28.54 crore during quarter ended 30-06-2014 and its profits increased from ₹ 3.83 crore to ₹ 5.09 crore.

During the year under review, 3,75,000 preference shares were redeemed at a premium in accordance with the terms of issue. After the redemption, 79,74,900 preference shares remained outstanding as at 31-03-2014. During the current financial year (2014-15) 3,00,000 preference shares were redeemed at a premium in accordance with the terms of issue. The Board has approved redemption of another 3,00,000 preference shares. At the 28th Annual General Meeting held on 28-09-2013, the shareholders had agreed to roll-over these preference shares for a further period up to two years from the date these shares become due for redemption.

DIVIDEND:

Your Directors have recommended a dividend at the rate of ₹ 0.01 (1 per cent) per preference share be paid on the 73,74,900 non-cumulative non-participating redeemable preference shares of ₹ 1/- each for the financial year ended 31st March, 2014 after considering the redemption of the afore said 6,00,000 preference shares. If approved at the ensuing 29th Annual General Meeting, ₹ 73,749/- will be payable to those preference shareholders whose names appear on the Register of Members of the Company at close of business on 9th September, 2014.

Your Directors have also recommended a dividend of ₹ 0.50/- (50 per cent) per equity share on 4,81,67,010 equity shares of ₹ 1/- each for the financial year ended 31st March, 2014. This will amount to ₹ 2,40,83,505/- and, if approved at the ensuing 29th Annual General Meeting will be paid to Members whose names appear on the Register of Members of the Company at close of business on 9th September, 2014. In respect of shares held in dematerialized form, it 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 for the financial year 2013-14. Hence your Directors have not recommended any dividend on 13,02,82,400 equity shares held by the 'promoter group'.

DIRECTORS:

Shri Vasudeo Srinivas Pandit (DIN: 00460320) retires by rotation and, being eligible, has offered himself for the re-appointment at the ensuing Annual General Meeting.

During the year under review, Shri Jai Kumar Jain (DIN: 00093708), tendered his resignation as a Director. However the Board requested him to continue as Chairman- Emeritus and be a permanent invitee to all meetings of the Board of the Directors. Your Directors place on record their sincere appreciation of the valuable guidance and leadership provided by Shri Jai Kumar Jain during his long association with the Company.

During the year under review, Shri Anup Pravin Shah was appointed a Director.

The Independent Directors of the Company, Shri Khurshed Minocher Doongaji (DIN: 00090939), Shri Sandeep Hemendra Junnarkar (DIN: 00003534), Shri Sachin Nath Chaturvedi (DIN: 00553459) and Shri Anup Pravin Shah (DIN: 00293207) are seeking approval of the shareholders to continue as 'independent directors' pursuant to Section 149(4) read with Schedule IV of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement notified by the Securities and Exchange Board of India. The Company has received notices from shareholders proposing their names along with the stipulated deposits.

In the opinion of the Board, Shri Khurshed Minocher Doongaji, Shri Sandeep Hemendra Junnarkar, Shri Sachin Nath Chaturvedi and Shri Anup Pravin Shah, the independent directors proposed to be appointed fulfill the conditions specified in the Act and the rules made thereunder and that the proposed directors are independent of the management.

A brief resume of all Directors including those proposed to be re-appointed/ appointed, nature of their expertise in specific functional areas and names of public limited companies in which they hold directorship, memberships/chairmanships of Board Committees, as stipulated under Schedule IV and other provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement are provided elsewhere in the Annual Report. The Directors who are being re-appointed/ appointed have intimated to the Company that they are eligible for re-appointment/ appointment.

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 annual accounts for the financial year ended 31st March, 2014, the applicable accounting standards read with requirements set out under Schedule VI of the Companies Act, 1956 have been followed along with proper explanation relating to material departure(s).
- ii. That appropriate accounting policies have been selected and applied consistently and judgments 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 31st March, 2014 and of the profit of the Company for the year ended on that date.
- iii. That proper and sufficient care has 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 annual accounts for the financial year ended 31st March, 2014 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 in Consolidated Financial Statements, the audited Consolidated Financial Statements are provided in the Annual Report.

AUDITORS AND AUDITORS' REPORTS:

It is proposed to appoint Messrs Chaturvedi & Shah as the statutory auditor of the Company. Pursuant to the provisions of Section 139 of the Companies Act, 2013 the Company has received certificate from Messrs Chaturvedi & Shah confirming their eligibility for re-appointment.

The Central Government has approved the appointment of Messrs ABK & Associates as the cost auditor for the financial year 2013-14 for the products of the Company covered by cost audit.

The Board has appointed Messrs ABK & Associates as the cost auditor for the financial year 2014-15. The remuneration payable to Messrs ABK & Associates is to be ratified by the members at the ensuing Annual General Meeting.

The Auditors have 'draw attention' to certain notes in the 'Independent Auditors' Report on Consolidated Financial Statements' by way of 'emphasis on matter' which are self-explanatory.

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 as required to be disclosed under Section

217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are given in **Annexure-A** to the Directors' Report.

SUBSIDIARY COMPANIES:

During the year under review, the Company formed a wholly-owned subsidiary in the United States of America. However, there was no financial transaction with that company before the end of the year under review.

In accordance with the General Circular No. 2/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the balance Sheet of the Company. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies. These documents will be put up on the Company's website viz. www.jaicorpindia.com. Financial information of subsidiary companies is disclosed in the Annual Report in compliance with the said Circular. The financial data of the subsidiaries have been furnished under 'Financial Information of Subsidiary Companies' forming part of the Annual Report. The Consolidated Financial Statements presented by the Company include the financial results of the subsidiary companies.

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 the subsidiaries/ step down subsidiaries is expected to be felt in subsequent years.

FIXED DEPOSIT:

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

PARTICULARS OF EMPLOYEES:

There is no employee within the purview of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended. Hence, no information is required to be appended to this Report in this regard.

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 124(5) of the Companies Act, 2013, the declared dividends which remain 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 125(1) of the Companies Act, 2013.

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. A separate section on Corporate Governance forms part of the Annual Report. 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 is attached to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report 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 in the Annual Report and forms a part of this Report.

OUTLOOK:

The Company has invested in the businesses pertaining to essential integrated urban infrastructure. These businesses relate to special economic zones, port, real estate etc. The Company also intends to focus on its asset management business. 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 are confident that the Company will continue its endeavor for creation of long-term responsible and sustainable growth for all stakeholders.

ACKNOWLEDGEMENT:

Your Directors express their grateful appreciation for the assistance and co-operation received from 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
12th August, 2014

Anand Jain
Chairman
DIN: 00003514

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) **Energy conservation measures taken:** The Company has taken various steps for minimization of energy consumption by putting continuous efforts towards optimization of operating and processing activities, up-gradation of plant equipment etc.
- b) **Additional investments and proposals, if any, being implemented for reduction of consumption of energy:** Nil
- 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 more effectively.
- d) **Total energy consumption and energy consumption per unit of production as per Form ‘A’ is given below:**

FORM-A

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

	Current Year Ended 31.03.2014	Previous Year Ended 31.03.2013
A. Power and Fuel Consumption:		
1. Electricity:		
(a) Purchased		
Units	6,45,48,181	7,37,81,866
Total Amount (₹)	33,19,75,722	34,79,58,148
Average Rate/Unit (₹)	5.14	4.72
Own generation		
(i) Through Diesel Generator		
Units	4,699	8,405
Units/litre of diesel oil	2.05	2.01
Average Rate /Unit (₹)	20.19	16.35
(ii) Through steam turbine/generator:		
Units	Nil	Nil
Units/litre of diesel oil	-	-
Average Rate /Unit (₹)	-	-
2. Coal:		
Quantity (tonnes)	Nil	Nil
Total Cost	-	-
Average rate	-	-
3. Furnace Oil:		
Quantity (Kilo Litres)	Nil	Nil
Total Amount (₹)		
Average rate/Unit (₹/KL)		
(a) HSD/LDO/FO		
Quantity (Kilo Litres)	448.42	489.37
Total Amount (₹)	2,31,58,198	2,66,89,075
Average rate/Unit (₹/KL)	51,644.22	54,538.18

	Current Year Ended 31.03.2014	Previous Year Ended 31.03.2013
(b) LPG		
Quantity(Metric Tonnes)	1,093.30	1,225.40
Total Amount (₹)	6,81,62,303	8,02,51,081
Average Rate (₹/MT)	62,347.18	65,490.77

B. Consumption per unit of Production:

Product	Current Year Ended 31.03.2014				Previous Year Ended 31.03.2013			
	GP/GC/ Coils/ Sheet	CR/ Coil/ Sheet	Woven Sacks/ Fabrics/ Bags/ MB & Oths.	Spun Yarn	GP/GC/ Coils/ Sheet	CR/Coil/ Sheet	Woven Sacks/ Fabrics/ Bags/ MB & Oths.	Spun Yarn
Actual Production (MT)	56,955	57,450	53,928	4,390	61,107	59,483	53,395	5,675
Electricity (Units)	68.29	139.05	926.15	3,617.23	77.33	145.11	990.76	3,703.78
Others								
a) HSD (KL)	-	0.01	2.65	-	-	0.01	2.53	-
b) LPG (MT)	0.02	-	-	-	0.02	-	-	-

B) TECHNOLOGY ABSORPTION:

a) Efforts made in technology absorption – as per Form ‘B’ is given below:

FORM-B:

Form for disclosure of particulars with respect to absorption

RESEARCH & DEVELOPMENT (R&D):

- Specific areas in which the research and development (R&D) is being carried out by the Company:**
In-house Research & Development work is carried out to develop new products and to improve existing products.
- Benefits derived as a result of the above R&D:**
Improvement in products.
- Future plan of action:**
The Company will carry on R&D activities to improve existing products and develop new products.
- Expenditure on R&D:**

Capital	Recurring	Total	Total R&D expenditure as a percentage of total turnover
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No significant expenditure is incurred.

TECHNOLOGY, ABSORPTION, ADAPTATION AND INNOVATION:

- Efforts in brief, made towards technology absorption, adaptation and innovation:**
At the plants, technology has been fully absorbed and the plants are being operated efficiently.
- 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.
- In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year):

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			

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to export; initiatives to increase exports; development of new export markets for products and services; and Export Plan:

Activities relating to export/ import:

The Company has exported its products during the year under review amounting to ₹ 10,676.60 lakh.

It has imported raw materials, stores, capital and trading goods the details of which are follows:

- 1) Raw Material - ₹ 1,376.75 lakh
- 2) Components & Spare Parts - ₹ 290.41 lakh
- 3) Capital Goods - ₹ 368.85 lakh

Initiatives taken to increase exports:

The Company's exports were 7,719 MT during 2013-14 as compared to export of 5,558 MT during 2012-13, an increase of about 39% mainly due to increase in demand for the Company's products in Europe and in the United States of America. The FOB value of the exports increased by about 49% from ₹ 71.47 crore during 2012-13 to ₹ 106.77 crore during 2013-14.

Development of new markets for the products and services:

The Company added some of the countries from Africa and Asia as new destinations for export. The Company has formed a wholly-owned subsidiary in the United States of America to help increase its exports in that region.

Export plans:

The Company expects the demand for its products particularly masterbatch and tape woven products will increase during 2014-15.

Total foreign exchange used and earned:

(₹ in Lakh)

Particulars	31-03-2014	31-03-2013
1) FOB Value of Exports	10,676.60	7,146.74
2) CIF Value of Imports	2,036.01	1,821.84
3) Expenditure in Foreign Currency	723.19	213.91

Details are furnished in the notes to the financial statements in this Annual Report.

For and on behalf of the Board of Directors

Mumbai,
12th August, 2014

Anand Jain
Chairman
DIN: 00003514

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges pertaining to Corporate Governance, the Company submits hereunder a report on the matters mentioned in the said Clause *vis-a-vis* the practices 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 eight directors, of which two directors i.e. Managing Director and Director-Works are executive directors and six directors are non-executive directors of which four are independent directors.

Four Board Meetings were held during the financial year ended 31.03.2014, with a time gap of not more than four months between two consecutive meetings. The dates of the Board Meetings were: 08.05.2013, 08.08.2013, 29.10.2013 and 12.02.2014.

The Composition of the Board, category of directorship, attendance of Directors in Board Meetings, last Annual General Meeting (AGM), number of other directorships and chairmanships/ memberships of committees of the board of other Indian public limited companies are as follows:

Name of the Director	Category of directorship & designation	Attendance of meetings during 2013-14		#No. of other directorships held in other Indian public limited companies	*No. of board committee positions held in other Indian public limited companies
		Board Meetings	Last AGM		
Shri Jai Kumar Jain [upto 08.05.2013]	Promoter, Non-Executive Director & Chairman-Emeritus	1	No	N.A.	N.A.
Shri Anand Jain	Promoter, Non-Executive Director & Chairman	4	No	3	Nil
Shri Virendra Jain	Promoter, Non-Executive Director & Vice Chairman	4	No	5	Nil
Shri Gaurav Jain	Promoter, Executive Director & Managing Director/ CEO	4	No	7	Nil
Shri Khurshed M. Doongaji	Independent, Non- Executive Director	4	Yes	1	1 -Member
Shri Sandeep H. Junnarkar	Independent, Non- Executive Director	4	No	8	3 -Member
Shri Sachin N. Chaturvedi	Independent, Non- Executive Director	4	No	4	2-Member

Name of the Director	Category of directorship & designation	Attendance of meetings during 2013-14		#No. of other directorships held in other Indian public limited companies	*No. of board committee positions held in other Indian public limited companies
		Board Meetings	Last AGM		
Shri Anup P. Shah[from 08.05.2013]	Independent, Non- Executive Director	3	No	2	4-Member of which 3 as chairman
Shri Vasudeo S. Pandit	Non-Promoter, Non-Independent, Executive Director & Director- Works	4	Yes	Nil	Nil

#In accordance with Explanation 1 to Clause 49(I)(C) of the Listing Agreement, excludes directorships of all other companies including private limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956.

*In accordance with Explanation 2 to Clause 49(I)(C) of the Listing Agreement, chairmanship/ membership of the Audit Committee and the Shareholders' Grievance Committee of all Indian public limited companies whether listed or not have been considered.

No director is a member of more than ten Audit Committees and Shareholders' Grievance Committees and as chairman of more than five Audit Committees and Shareholders' Grievance Committees across all Indian public limited companies, whether listed or not, in which he is a director.

3. Equity shares of the Company held by non-executive directors as on 31.03.2014:

Sr. No.	Name of the Non-Executive Director	No. of Shares
1.	Shri Anand Jain	36,10,240
2.	Shri Virendra Jain	58,71,620
3.	Shri Khurshed M. Doongaji	400
4.	Shri Sandeep H. Junnarkar	Nil
5.	Shri Sachin N. Chaturvedi	Nil
6.	Shri Anup P. Shah	Nil

4. Directors' Profile:

Brief resume of all directors, including those who are proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas and names of all Indian public limited companies, whether listed or not, in which they hold directorships and names of all Indian public/ private limited companies in which they hold memberships/ chairmanships of Board Committees, their shareholdings in the Company and relationship between them *inter-se* are furnished below:

Shri Anand Jain (DIN: 00003514)

Shri Anand Jain (57 years) is the Chairman and a promoter director of the Company. He has been associated with the Company since its inception. He graduated from the University of Mumbai and has done a course in Risk Management from the London Business School. He has over 25 years' experience in various business. He is also a director of Mumbai SEZ Limited, Rewas Ports Limited, Urban Infrastructure Venture Capital Limited and several private limited companies. As on 31.03.2014, he held 36,10,240 equity shares of the Company. He is related to the following directors of the Company: Shri Virendra Jain and Shri Gaurav Jain.

Shri Virendra Jain (DIN: 00077662)

Shri Virendra Jain (55 years) is the Vice Chairman and a promoter director of the Company. He has been associated with the Company since its inception. He graduated from the University of Mumbai. He has over 25 years of experience in the business of plastic processing. He is also a director of Jai Realty Ventures Limited, Pet Fibres Limited, Prime Wovens Limited, Suniti Commercials Limited, Techfab (India) Industrial Limited and several private limited companies. As on 31.03.2014, he held 58,71,620 equity shares of the Company. He is related to the following directors of the Company: Shri Anand Jain and Shri Gaurav Jain.

Shri Gaurav Jain (DIN: 00077770)

Shri Gaurav Jain (34 years) is the Managing Director/ Chief Executive Officer of the Company since 04.06.2008. 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 the University of Pennsylvania, United States of America. He was instrumental in setting up Adventity Global Services Private Limited, a business process outsourcing company. He is also a director of Jailaxmi Realty and Developers Limited, Jai Realty Ventures Limited, Novelty Realty & Developers Limited, Pet Fibres Limited, Poly-resin Agencies (India) Limited, Srinivas Electro Steel Limited, Welldone Real Estate Limited and several private limited companies. As on 31.03.2014, he held 1,05,27,200 equity shares and 2,75,000 preference shares of the Company. He is a promoter director related to the following directors of the Company: Shri Anand Jain and Shri Virendra Jain.

Shri Khurshed Minocher Doongaji (DIN: 00090939)

Shri Khurshed Minocher Doongaji (74 years) holds bachelors' degrees in economics and law from the University of Mumbai. He holds a diploma in Business Management and has varied experience of over 40 years in project and corporate finance, legal, operations and corporate laws with the erstwhile ICICI Limited. He has been associated with the Company since 1999 and is the Chairman of the Audit Committee and Shareholders/ Investors Grievance Committee. He is also a director of Balakrishna Industries Limited and a member of the Audit Committee. As on 31.03.2014, he held 400 equity shares of the Company. He is an independent director and is not related to any other director of the Company.

Shri Sandeep Hemendra Junnarkar (DIN: 00003534)

Shri Sandeep Hemendra Junnarkar (62 years) holds bachelors' degrees in science and law from the University of Mumbai. He is a solicitor by profession and a partner of Junnarkar and Associates, Advocates, Solicitors and Notary. His area of specialisation include banking laws, corporate laws including competition laws, foreign exchange laws, securities laws and regulations etc. He has been associated with the Company since 1994. He is also a director of Everest Industries Limited, Excel Crop Care Limited, IIDC Limited (formerly IL&FS Infrastructure Development Corporation Limited), IL&FS Tamil Nadu Power Company Limited, Jai Realty Ventures Limited, Reliance Industrial Infrastructure Limited, Reliance Industrial Investments & Holdings Limited, Reliance Ports and Terminals Limited. He is a member of the Audit Committee of Everest Industries Limited, Reliance Industrial Infrastructure Limited and a member of the Shareholders'/ Investors' Grievance Committee of Reliance Industrial Infrastructure Limited. He does not hold any share in the Company. He is an independent director and is not related to any other director of the Company.

Shri Sachin Nath Chaturvedi (DIN: 00553459)

Shri Sachin Nath Chaturvedi (63 years) holds a bachelors' degree with honours in technology. He is a Fellow Member of the Institute of Chartered Accountants of India and also holds a master's in business administration. He has over 20 years of experience as a practicing Chartered Accountant. He is a partner of Messrs Chaturvedi & Co., 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/ inspecting/ investigating of units/ companies at the behest of banks/ financial institutions/ income-tax authorities/ High Courts/Company Law authorities as well as inspection of books of mutual funds/ stock exchange brokers/ plantation companies on behalf of SEBI. He has been associated with the Company since 2004 and is a member of the Audit Committee and Shareholders/ Investors Grievance Committee. He is also a director of Balkrishna Industries Limited, Balkrishna Paper Mills Limited, Jai Realty Ventures Limited, N.R. Agarwal Industries Limited and two private limited companies. He is a member of the Audit Committees of Balkrishna Industries Limited and N.R. Agarwal Industries Limited. He does not hold any share in the Company. He is an independent director and is not related to any other director of the Company.

Shri Anup Pravin Shah (DIN: 00293207)

Shri Anup Pravin Shah (37 years) holds bachelor's degrees in law and commerce. He is a Fellow Member of the Institute of Chartered Accountants of India. He has hands-on experience in legal, financial, and tax consultancy, including business restructuring, transaction structuring, capital markets regulations, foreign investments, private equity investments, business valuations, real estate structuring, corporate governance issues, accounting advisory, etc. He has authored / co-authored several books and regularly gives lectures in at seminars and workshops across India. He is also director of Claris Lifesciences Ltd. , The Ruby Mills Ltd. and several private limited companies. He is the Chairman of the Audit Committees of Claris Lifesciences Ltd. and The Ruby Mills Ltd., Chairman and Member of the Shareholders'/ Investors' Grievance Committee of The Ruby Mills Ltd. and Claris Lifesciences Ltd. respectively. He does not hold any share in the Company. He is an independent director and is not related to any other director of the Company.

Shri Vasudeo Srinivas Pandit (DIN: 00460320)

Shri Vasudeo Srinivas Pandit (63 years) is an Executive Director (Director-Works) of the Company. He holds bachelors' degree in science and has nearly 40 years of experience in the plastic industries with more than

38 years in woven sacks/bags industry, in setting up and operating woven sacks manufacturing units. He has been associated with the Company since 1988 and has been the Executive Director since 1997 with the overall responsibility of the manufacturing and export activities of the packaging division. He is also a director of Sarbags Pty Limited. He is not a director in any other Indian company and does not hold any share of the Company. He is a non-promoter executive director and is not related to any other director of the Company.

5. CEO/CFO:

Shri Gaurav Jain, Managing Director is designated as Chief Executive Officer (CEO) and Shri Pramod Kumar Jaiswal is designated as Chief Financial Officer (CFO).

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(V) of the Listing Agreement with the Stock Exchanges. The Managing Director-cum-Chief Executive Officer and the Chief Financial Officer also give quarterly certifications in financial results while placing the financial results before the Board in terms of Clause 41(II)(a) and Clause 49(V) of the Listing Agreement with the Stock Exchanges.

6. Board Meetings:

The Board of Directors meets at least once in every quarter to review the performance of the Company along with the financial results. The functions of the Board are effectively and efficiently discharged by briefing each Board Members of the development that have taken place. The agenda and notes to the agenda are circulated to the directors in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meetings. In situations where it is not practicable to attach any document to the agenda, the same is tabled at the meeting; specific reference to this effect is made in the agenda. In special and exceptional circumstances, additional or supplementary items are permitted to be included in the agenda. The Board is given presentation covering finance, investments, sales, marketing and operations of the Company, before taking on record the quarterly results of the Company. The Board periodically reviews compliance reports of laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliance.

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

The minutes of Board Meetings of subsidiaries and step down subsidiaries were place before the Board.

7. Board Committees:

Procedure at the Committee Meetings-

The procedure of the Board Meetings is applicable to the meetings of the Committees of the Board as far as practicable. The Minutes of the meetings of the Committees are placed before the Board for perusal and noting.

7.1 Audit Committee:

The Audit Committee has four members out of which three are independent directors. Pursuant to the provisions of Clause 49(II)(A)(iii) of the Listing Agreement with the Stock Exchanges, Shri Khurshed Minocher Doongaji, independent director, has been appointed the Chairman of the Committee. Shri Sachin Nath Chaturvedi, Shri Anup P. Shah independent directors and Shri Virendra Jain are the other members. The Managing Director-cum-Chief Executive Officer, Shri Gaurav Jain attended all the meetings of the Audit Committee. The constitution of the Audit Committee meets with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 (II) of the Listing Agreement with the Stock Exchanges. All members of the Audit Committee are financially literate and possess accounting and financial management expertise.

(a) 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.

(b) Role of the Audit Committee :

The terms of reference stipulated by the Board to the Audit Committee are, contained in Clause 49(II)(D) of the Listing Agreement with the Stock Exchanges, as follows :

1. 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.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the 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 purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, 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.
9. Discussion with internal auditors any significant findings and follow up there on.
10. Reviewing the findings of any internal investigations 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.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non -payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism.
14. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(c) 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 letters / letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the Chief internal auditor.

(d) Meeting of the Audit Committee:

As against the minimum requirement of four meetings during a financial year, four Audit Committee Meetings were held during the financial year ended 31.03.2014, with a time gap of not more than four months between two consecutive meetings. The dates of the Audit Committee meetings were 08.05.2013, 08.08.2013, 29.10.2013 and 12.02.2014.

Representatives of the statutory auditors, internal auditor, cost auditors were invited and were either present at the Audit Committee Meeting or sought specific leave of absence.

(e) Attendance of each member at the Audit Committee meetings held during 2013-14:

Name of Director	Designation	No. of Meetings held	No. of Meetings attended
Shri K.M. Doongaji	Chairman	4	4
Shri S.N. Chaturvedi	Member	4	4
Shri Anup P. Shah *	Member	2	2
Shri Virendra Jain	Member	4	4

*Shri Anup P. Shah was appointed a member of the Audit Committee on 08.08.2013 and attended meetings subsequent to that date.

Shri Ananjan Datta, the Company Secretary acts as the Secretary to the Committee.

The Chairman of the Audit Committee attended the last Annual General Meeting of the Company.

7.2 Remuneration Committee and 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, contribution to provident fund, gratuity, perquisites and allowances in accordance with 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 @ ₹ 5,000/- per Board Meeting, Audit Committee and Shareholders/ Investors Grievance Committee meetings and out-of-pocket expenses to attend these meetings.

(a) 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	₹ 2,00,000/- per month	Not exceeding the limits laid down in Section 309(3) of the Companies Act, 1956.	Upto ₹ 2,00,000/- per month, subject to overall ceiling of remuneration as stipulated under the Companies Act, 1956.	04.06.2013 to 03.06.2018	3 months
Shri Vasudeo Pandit/ Director-Works	Not exceeding ₹ 3,00,000/- per month	Not exceeding the limits laid down in Section 309(3) of the Companies Act, 1956.	Upto ₹ 2,00,000/- per month, subject to overall ceiling of remuneration as stipulated under the Companies Act, 1956.	01.04.2012 to 31.03.2015	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 the utilisation 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.

- (b) The details of remuneration paid to the Directors (including perquisites and allowances) for the year ended 31.03.2014 are a under:

Name of Director	Sitting Fees* (₹)	Salary (₹)	Perquisites (₹)	Total (₹)
Shri Jai Kumar Jain	5,000	Nil	Nil	5,000
Shri Anand Jain	20,000	Nil	Nil	20,000
Shri Virendra Jain	60,000	Nil	Nil	60,000
Shri Khurshed M. Doongaji	60,000	Nil	Nil	60,000
Shri Sandeep H. Junnarkar	20,000	Nil	Nil	20,000
Shri Sachin N. Chaturvedi	60,000	Nil	Nil	60,000
Shri Anup P. Shah	25,000	Nil	Nil	25,000
Shri Gaurav Jain	Nil	24,00,000	2,22,400	26,22,400
Shri Vasudeo S. Pandit	Nil	31,20,000	Nil	31,20,000

*excluding service tax

The Company has paid ₹ 11,71,915/- as professional charges during the year to Pravin P. Shah & Company where Shri Anup P. Shah director of the Company (from 08.05.2013), is a partner and ₹ 56,180/- to Junnarkar & Associates, Advocates where Shri Sandeep H. Junnarkar, director of the Company is a partner.

7.3 Shareholders/Investors Grievance Committee:

The Board has delegated *inter alia* the powers to deal with shareholders'/investors' grievance to the Shareholders/Investors Grievance Committee. Pursuant to the provisions of Clause 49(IV)(G)(iii) of the Listing Agreement with the Stock Exchanges, a non-executive director, Shri Khurshed Minocher Doongaji has been appointed the Chairman of the Committee. Shri Sachin Nath Chaturvedi, Shri Virendra Jain and Shri Gaurav Jain are the other members.

The Shareholders/Investors Grievance Committee meet at least once in every quarter to specifically look into redressing of shareholders' and investors' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.

(a) Meeting of the Shareholders/Investors Grievance Committee:

The Shareholders/Investors Grievance Committee met four times during the financial year ended 31.03.2014. The dates of the meeting were 08.05.2013, 08.08.2013, 29.10.2013 and 12.02.2014.

(b) Attendance of each member at the Shareholders/Investors Grievance Committee meetings held during 2013-14:

Name of Director	Designation	No. of Meetings held	No. of Meetings attended
Shri K.M. Doongaji	Chairman	4	4
Shri S.N. Chaturvedi	Member	4	4
Shri Virendra Jain	Member	4	4
Shri Gaurav Jain	Member	4	4

Shri Ananjan Datta, the Company Secretary acts as the Secretary to the Committee.

(d) Investor Complaints Redressal:

1 investor complaint was unresolved at the beginning of the year, 147 investor complaints were received during the financial year ended 31.03.2014 out of which 148 complaints were resolved. As on 31.03.2014, 0 complaint was unresolved.

7.4 Share Transfer Committee:

The Board has delegated *inter alia* the powers to deal with transfer, transmission of shares held in physical form to the Share Transfer Committee. Shri Virendra Jain, is the Chairman, Shri Gaurav Jain and Shri V.S. Pandit are the other members of the Committee. Shri Jai Kumar Jain was the Chairman up to 08.05.2013.

(a) Meeting of the Share Transfer Committee:

The Share Transfer Committee met 17 times during the financial year ended 31.03.2014

(b) Attendance of each member at the Share Transfer Committee meetings held during 2013-14:

Name of Director	Designation	No. of Meetings held	No. of Meetings attended
Shri Jai Kumar Jain (up to 08.05.2013)	N.A.	3	3
Shri Virendra Jain	Chairman (w.e.f. 08.05.2013)	17	17
Shri Gaurav Jain	Member	17	14
Shri V.S.Pandit (w.e.f. 08.05.2013)	Member	14	14

Shri Ananjan Datta, the Company Secretary acts as the Secretary to the Committee.

8. Prevention of Insider Trading:

The Code of Conduct for Prevention of Insider Trading was approved by the Board at its meeting held on 29.05.2009. Pursuant to this Code, all directors, officers and designated employees have furnished quarterly/ annual statements of their shareholdings in the Company.

9. Code of Business Conduct and Ethics for Directors, Senior Management and Employees:

The revised Code of Business Conduct and Ethics for Directors, Senior Management and Employees was approved by the Board at its meeting held on 29.05.2009. The Code lays down the standards of business conduct, ethics and governance. The Code was circulated and is posted in the website of the Company. All directors, senior management and designated employees have affirmed their compliance to the Code annually.

10. Compliance officer:

Shri Ananjan Datta, the Company Secretary, is the Compliance Officer for complying with SEBI Regulations and requirements under the Listing Agreement with the Stock Exchanges.

11. Subsidiary monitoring framework:

All subsidiaries of the Company are Board managed with their respective Boards having rights and obligations to manage such companies in the best interest of their respective 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 investments. 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 company is placed before the Board.

12. General body meetings:

- (i) (a) Location and time of **last three Annual General Meetings** of the Company and the special resolutions passed in these meetings-

Year	Date	Day	Time	Location	Special Resolution Passed
2011	23.09.2011	Friday	10:00 a.m.	Registered Office, A-3, M.I.D.C. Industrial Area, Nanded - 431 603, Maharashtra.	Approval for roll over of preference shares.
2012	26.09.2012	Wednesday	10:00 a.m.	-do-	None.
2013*	28.09.2013	Saturday	12:00 noon	-do-	Approval for roll over of preference shares.

* Meeting originally scheduled for 21.09.2013 was adjourned pursuant to the provisions of Section 103(3) of the Companies Act, 2013 to 28.09.2013 due to lack of quorum.

(b) Location and time of **Extra-ordinary General Meetings** of the Company held during the last three financial years and the special resolutions passed in these meetings-

No Extra-ordinary General Meeting was held in the last three financial years.

(d) Details of **postal ballots** held during the last three financial years and the special resolutions passed in these meetings-

No postal ballot was held in the last three financial years.

(ii) Details of special resolutions passed last year through postal ballot-

No resolution was passed through postal ballot last year.

(iii) Persons who conducted the postal ballot exercise-

Not Applicable.

(iv) Special resolution proposed to be passed through postal ballot-

None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing of special resolution by postal ballot.

(v) Procedure of postal ballot-

Not Applicable.

13. Disclosures:

(i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of 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 (AS-18), a detailed disclosure of transactions with related parties has been made in Note 37 of the financial statements.

(ii) Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years-

There was no non-compliance on any matter related to capital markets during the last three years.

(iii) Whistle Blower policy and affirmation that no personnel has been denied access to the audit committee-

The Whistle Blower Policy is posted in the website of the Company. No personnel were denied access to the Audit Committee.

(iv) 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 adopted the whistle blower policy which is a non-mandatory requirement.

(v) Management Discussion & Analysis Report , 2014 -

The Management Discussion & Analysis Report is a part of the Directors' Report for the year ended 31.03.2014.

14. Secretarial Audit:

In compliance to SEBI Regulations and Listing Agreement with the Stock Exchanges, the Company subjects itself to secretarial audits as per the frequencies mandated. The Company confirms that there exists no discrepancy with regard to its issued equity share capital, listed equity share capital, equity share capital held in de-materialised form and equity share capital held in physical form. Practicing Company Secretary, Messrs Savita Jyoti Associates conduct the secretarial audits.

15. Means of Communication:

Quarterly Results- The quarterly and annual financial results are published in newspapers, displayed in the Company's website www.jaicorpindia.com and are available on the portals of BSE and NSE.

(i) Newspapers wherein results normally published – The financial results are normally published in 'The Free Press Journal' and 'Navshakti'.

Website where displayed - The financial results, quarterly corporate governance reports, quarterly shareholding pattern, announcements to shareholders, loss of share certificates etc. are displayed in the Company's website www.jaicorpindia.com.

Display official news releases, presentation etc.- All news release such as notice of meetings, outcome of board/ general meetings, clarifications issued to the Stock Exchanges etc. are displayed in the website of the Company, www.jaicorpindia.com. The website contains a separate dedicated section 'Investors Relations' where information of interest to the investors is available.

(ii) Other means of communication:

(a) Annual Report-

Annual Report containing, *inter alia*, audited accounts, consolidated financial statements, Directors' Report, Auditors' Report, Corporate Governance Report, notice of Annual General Meeting, and other important and relevant information are circulated to the members and others entitled to receive it. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report. Annual Reports are available in the website of the Company.

(b) Reminder to investors –

Reminder to the investors to cash unclaimed dividend, to make nomination etc. are included in the notice to the Annual General Meeting.

(c) Designated exclusive e-mail address-

The Company has designated the following e-mail address exclusively for investor servicing: cs2@jaicorpindia.com.

16. General Shareholder Information:

(i) 29th Annual General Meeting: Date, Time and Venue –

Friday , the 19th day of September, 2014 at 11:00 a.m. at the Registered Office of the Company at A-3, M.I.D.C. Industrial Area, Nanded – 431 603, Maharashtra.

(ii) Financial Year : 01-04-2014 to 31-03-2015.

(iii) Financial Calendar (Tentative)

- Results for the quarter ended June, 2014 : 2nd week of August, 2014
- Results for the quarter ended September, 2014 : 2nd week of November, 2014
- Results for the quarter ended December, 2014 : 2nd week of February, 2015
- Results for the quarter ended March, 2015 : 3rd week of May, 2015
- 30th Annual General Meeting : 2th week of September, 2015

(iv) Dates of Book Closure : 10-09-2014 to 19-09-2014

(both days inclusive)

(v) Dividend Payment Date : on or after 22-09-2014

(vi) Listing on Stock Exchanges :

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

- a) **BSE Limited (BSE)** at 'Phiroze Jeejeebhoy Towers', Dalal Street, Mumbai – 400 001.
- b) **National Stock Exchange of India Limited (NSE)** at 'Exchange Plaza', Plot No. C/1, 'G' Block, Bandra- Kurla Complex, Bandra (East), Mumbai – 400 051.

Annual Listing fee have been paid to both these Stock Exchanges for the financial years 2013-14 and 2014-15.

(vii) De-materialisation of shares:

The equity shares of the Company are traded in compulsory de-materialisation list with effect from 09.03.2001. The Company has entered into agreements with both the depositories enabling the investors to hold shares of the Company in electronic form through the depository of their choice -

- a) **National Securities Depository Limited (NSDL)** at 'Trade World', A Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel (West), Mumbai – 400013.
- b) **Central Depository Services (India) Limited (CDSL)** at 17th Floor, 'Phiroze Jeejeebhoy Towers', Dalal Street, Mumbai – 400 001.

(viii) Stock Codes :

- a) **BSE : 512237**
- b) **NSE : JAICORPLTD**
- c) **Demat ISIN for NSDL and CDSL : INE070D01027**

(ix) Registration Details with the 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 at 'Everest Building', #100, Marine Drive, Mumbai – 400 002.

The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) – L17120MH1985PLC036500.

(x) Registrar & Share Transfer Agents:

Karvy Computershare Private Limited is the Registrar & Share Transfer Agent of the Company. Contact details of Karvy Computershare Private Limited:

- a) Postal : Unit - Jai Corp Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081.
- b) Telephone : (91-40) 4465 5000.
- c) Fax : (91-40) 2342 0814.
- d) E-mail : einward.ris@karvy.com

(xi) Address for correspondence:

Investors' correspondence should be addressed to the Registrar & Share Transfer Agent of the Company as per details furnished at 'x' above.

The investors can also contact the Company through the designated e-mail address – cs2@jaicorpindia.com.

(xii) Website of the Company:

Investors can visit the website of the Company at www.jaicorpindia.com for information.

(xiii) Share Transfer System:

a) **Shares held in physical form-**

Transfers of shares held in physical form are processed and share certificates returned within a period of 10-15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission etc. of the Company's shares to Share Transfer Committee. A summary of transfer, transmission etc. of shares of the Company so approved by the Committee is placed at every Board meeting. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47 (c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

b) **Shares held in de-materialised form-**

For transfer/ transmission of shares held in de-materialised form a shareholder has to approach his/ her Depository Participant and lodge/follow the prescribed instruction slip/ the process required by the Depository Participant.

(xiv) Dematerialization of shares and liquidity :

- a) As at 31.03.2014, 17,72,81,999 equity shares were de-materialised representing 99.32% of the total paid up equity share capital.

b) **Details of de-materialised and physical equity shares as on 31.03.2014-**

Sr. No.	Particulars	No. of Equity shareholders	No. of Equity Shares	Percentage of Equity Shares
1	CDSL	31,541	1,09,72,476	6.15
2	NSDL	49,188	16,63,09,523	93.17
	Total Dematerialised Holding	80,729	17,72,81,999	99.32
3	Physical	1,008	12,12,011	0.68
	Total	81,737	17,84,94,010	100.00

c) **Liquidity of equity shares –**

The number of equity shares of the Company that were traded in BSE and NSE during 01.04.2013 to 31.03.2014 and the value thereof are given below:

Particulars	BSE	NSE	Total
Shares (nos.)	13,38,18,181	30,29,71,576	43,67,89,757
Value (in ₹ Lakh)	81,926.06	1,85,931.12	2,67,857.18

(xv) Distribution of shareholding:

a) The equity shareholding pattern as at 31.03.2014 is as follows-

Sr. No.	Particulars	No. of Equity shareholders	No. of Equity Shares	Percentage of Equity Shares
1	Promoters, Non-promoter Directors and their relatives	18	13,02,82,800	72.99
2	Mutual Funds	13	2,84,918	0.16
3	Domestic Financial Institutions & Banks	10	32,76,186	1.84
4	Domestic Bodies Corporate	1,284	83,72,658	4.69
5	NRIs/ Foreign Nationals/ FIIs/ Foreign Bodies Corporate	554	1,14,19,507	6.40
6	Resident Individuals/ HUF	79,550	2,38,77,254	13.38
7	Trusts	3	62,800	0.03
8	Clearing Members	304	8,73,287	0.49
9	Forfeited Shares	1	44,600	0.02
	Total	81,737	17,84,94,010	100.00

b) Distribution of equity shareholding as at 31.03.2014 is as follows-

Sr. No.	Particulars	No. of Equity shareholders	No. of Equity Shares	Percentage of Equity Shareholders
1	1-5,000	80,913	1,76,05,044	98.99
2	5,001-10,000	430	31,32,399	0.53
3	10,001-20,000	206	30,05,182	0.25
4	20,001-30,000	63	15,40,667	0.08
5	30,001-40,000	30	10,42,315	0.04
6	40,001-50,000	26	11,79,271	0.03
7	50,001-1,00,000	26	19,33,185	0.03
8	1,00,001 and above	43	14,90,55,947	0.05
	Total	81,737	17,84,94,010	100.00

(xvi) Performance in comparison of broad based indices of BSE and NSE:

a) Market price data (high and low) during each month of the last financial year on BSE and NSE is given below-

Month	BSE		NSE	
	High (in ₹)	Low (in ₹)	High (in ₹)	Low (in ₹)
April, 2013	69.15	50.60	69.10	50.05
May, 2013	69.30	55.00	69.35	55.00
June, 2013	59.00	42.55	59.40	42.30
July, 2013	49.95	39.50	49.90	39.40
August, 2013	45.55	35.55	45.40	35.25
September, 2013	46.10	39.05	46.00	39.05
October, 2013	53.20	40.00	53.20	40.00
November, 2013	67.10	48.90	67.20	48.80
December, 2013	77.75	54.60	77.85	54.65
January, 2014	79.70	61.00	79.60	61.10
February, 2014	66.70	58.30	66.70	58.10
March, 2014	72.4	61.5	72.4	61.8

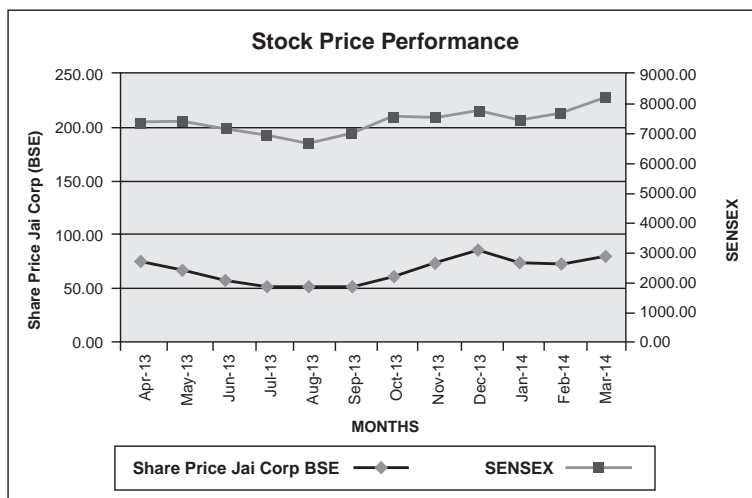
(xvii) Performance in comparison to BSE and NSE indices:

The Company's shares form a part of the BSE 500 index of BSE and S & P CNX 500 index of NSE. The

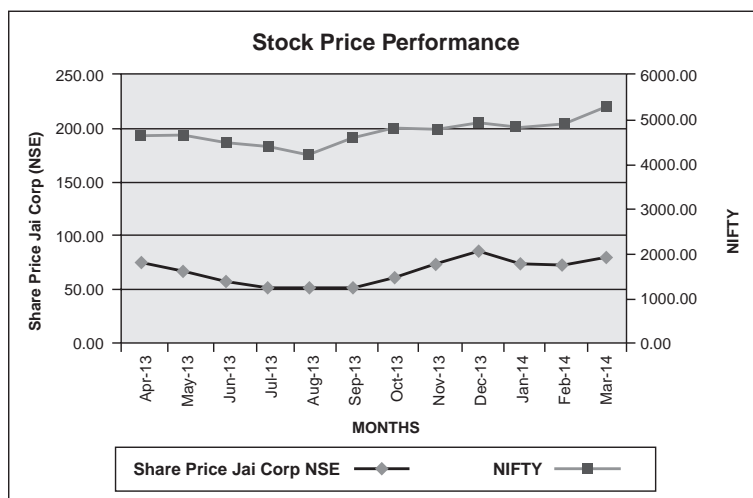
2013-14 *Heralding New Growth Era*

performance of the shares of the Company vis-à-vis these two indices are given below:

a) Company's shares vis-à-vis BSE 500



b) Company's shares vis-à-vis S & P CNX 500



(xviii) Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity share capital:

Not applicable as the Company has not issued any such instrument.

(xix) Plant Locations:

The Company's plants vis-à-vis their locations are given division-wise below-

Sr. No.	Division	Location
1	Steel	Nanded, Maharashtra
2	Plastic Processing	Kahdoli, Silvassa (Dadra & Nagar Haveli- UT), Dabhel, Daman (Daman & Diu-UT) – 2 units, Pithampur, Indore (Madhya Pradesh)
3	Plastic Processing and Master Batch	Dabhel, Daman (Daman & Diu-UT)
4	Plastic Processing and PSF	Athal, Silvassa, (Dadra & Nagar Haveli- UT)
5	Textile-Twisting	Masat, Silvassa, (Dadra & Nagar Haveli- UT)
6	Textile-Dyeing	Sarigam, Valsad, Gujarat
7	Textile-Spinning	Vasona, Silvassa, (Dadra & Nagar Haveli- UT)

(xx) Build-up of equity share capital:

Sr. No.	Particulars	Year of Event	No. of Equity 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 the 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

(xxi) Transfer of Unclaimed and Unpaid Dividend Amount to Investor Education & Protection Fund:

During the year under review, no amount was required to be credited 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 OF CODE OF CONDUCT

Pursuant to the provisions of Clause 49(I)(D)(ii) of the Listing Agreement with the Stock Exchanges, it is hereby declared that all Board Members and senior management personnel have affirmed compliance with the Code of Conduct of the Company on an annual basis.

Place: Mumbai,
Date: 8th May, 2014

Gaurav Jain
Managing Director and Chief Executive Officer
DIN: 00077770

CERTIFICATE OF CORPORATE GOVERNANCE

To,
The Members,
Jai Corp Limited

We have examined the compliance of conditions of Corporate Governance by JAI CORP LIMITED ("the Company") for the year ended on 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to 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 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 Listing Agreement.

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

For **CHATURVEDI & SHAH**
Chartered Accountants
Firm Registration No. 101720W

R. Koria
Partner
Membership No. 35629

Place : Mumbai
Date: 8th May, 2014

INDEPENDENT AUDITORS' REPORT

To

The Members of **JAI CORP LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of '**JAI CORP LIMITED**' ("**the Company**") which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards notified under the Companies Act, 1956 ("**the Act**") read with General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial

statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("**the Order**") issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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, Statement of Profit and Loss and Cash Flow Statement dealt with, by this report are in agreement with the books of account;
 - d) In our opinion the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - e) On the basis of written representations received from the directors as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act 1956.

For CHATURVEDI & SHAH

Chartered Accountants
Firm Reg. No. – 101720W

R. Koria

Partner
Membership No. – 35629

Place : **Mumbai**
Date : 8th May 2014

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of Jai Corp Limited on the accounts for the year ended March 31, 2014)

- 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 fixed assets have been physically verified during the year by management in accordance with a phased program 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 its fixed assets during the year and the going concern status of the Company is not affected.
- ii) In respect of its inventories:
 - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
 - (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 Act:
 - (a) The Company has granted unsecured loans to two of its wholly-owned subsidiary companies. The maximum amount outstanding at any time during the year was ₹ 40,425.85 lacs and the year-end balance is ₹ 40,423.67 lacs.
 - (b) In our opinion and according to the information and explanations given to us, the aforesaid loans are interest-free and other terms and conditions of such loans, are prima facie, not prejudicial to the interest of the Company.
 - (c) The loans given were not due for repayment at the year end.
 - (d) The loans given were not due for repayment, therefore 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 Act. Accordingly, the provisions of sub-clauses (e), (f) and (g) of clause (iii) 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 the transactions made in pursuance of contracts / arrangements that need to be entered in the register maintained under section 301 of the Act, 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 the 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, other than for certain transactions for sale and purchase of fixed assets 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) In our opinion, the Company has an internal audit system 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 (as amended) of the Act. 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 as applicable with the appropriate authorities.

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, 2014 for a period of more than six months from the date they became payable.

- (b) The disputed statutory dues aggregating ₹ 2,496.39 lacs as at the balance sheet date, 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 (₹ in Lacs)*	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income Tax	165.14	2003-04 to 2004-05	Assessing officer
		2,149.98	2007-08 to 2011-12	Commissioner of Income Tax (Appeal)
Bombay Sales Tax Act	Sales Tax	0.07	2001-02	High Court
Bombay Sales Tax Act	Sales Tax	26.28	2000-01 & 2002-03	Maharashtra Sales Tax Tribunal
Central Excise Act, 1944	Excise duty	76.09	2004-05 to 2006-07 & 2009-10	Central Excise and Service Tax Appellate Tribunal
		78.83	2005-06 & 2009-10	Commissioner (Appeals)
Total		2,496.39		

(*) Net of amount ₹ 239.74 Lacs deposited under protest.

- x) The Company does not have accumulated losses at the end of the financial year. It has not incurred cash losses in the current and immediately preceding financial year.
- xi) Based on our audit procedures and according to the information and explanations given by management, 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 loan from financial institutions or by way of debentures.
- xii) In our opinion and according to the information and explanations given to us and based on the information available, the Company has maintained adequate documents and records in respect of loans and advances granted by it on the basis of pledge shares.
- xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund /society, and accordingly 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, securities, debentures and other investments and timely entries have been made therein. The shares, securities, debentures and other 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) To the best of our knowledge and belief and accordingly to the information and explanations given to us, no term loan has been raised during the year and accordingly the provisions of clause (xvi) of paragraph 4 of the said Order are not applicable to the Company.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at March 31, 2014, 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 Act.
- xix) The Company has not issued any debentures and accordingly the 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
Firm Reg. No. – 101720W

R. Koria

Partner
Membership No. – 35629

Place : **Mumbai**
Date : 8th May 2014

BALANCE SHEET AS AT 31st MARCH, 2014

(₹ In Lacs)

Particulars	Note	As At 31 st March, 2014	As At 31 st March, 2013
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
Share Capital	2	1,864.46	1,868.21
Reserves and Surplus	3	<u>207,620.10</u>	<u>205,157.76</u>
		209,484.56	207,025.97
2 Non-Current Liabilities			
Long-Term Borrowings	4	778.75	890.47
Deferred Tax Liabilities (Net)	5	<u>2,269.42</u>	<u>2,246.96</u>
		3,048.17	3,137.43
3 Current Liabilities			
Short-Term Borrowings	6	14.25	183.25
Trade Payables	7	964.68	974.37
Other Current Liabilities	8	1,448.24	2,256.33
Short-Term Provisions	9	<u>485.54</u>	<u>449.56</u>
		2,912.71	3,863.51
TOTAL		<u>215,445.44</u>	<u>214,026.91</u>
II. ASSETS			
1 Non-Current Assets			
Fixed Assets	10		
(i) Tangible Assets		20,929.67	21,218.84
(ii) Intangible Assets		13.41	23.05
(iii) Capital Work-in-progress		<u>717.10</u>	<u>724.06</u>
		21,660.18	21,965.95
Non-Current Investments	11	100,937.87	101,124.24
Long-Term Loans and Advances	12	42,017.55	40,329.83
Other Non-Current Assets	13	<u>975.66</u>	<u>1,126.46</u>
		165,591.26	164,546.48
2 Current Assets			
Current Investments	14	3,738.41	6,414.89
Inventories	15	6,896.38	7,154.32
Trade Receivables	16	10,782.41	10,583.93
Cash and Bank Balances	17	2,459.90	425.32
Short-Term Loans and Advances	18	24,945.49	24,395.50
Other Current Assets	19	<u>1,031.59</u>	<u>506.47</u>
		49,854.18	49,480.43
TOTAL		<u>215,445.44</u>	<u>214,026.91</u>
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 39		

As per our report of even date

For Chaturvedi & Shah

Chartered Accountants

For and on behalf of the Board of Directors

Gaurav Jain

Managing Director
(DIN 00077770)

V. S. Pandit

Director (Works)
(DIN 00460320)

R.Koria

Partner

Place : Mumbai

Date : 8th May 2014

Pramod Jaiswal

Chief Financial Officer

A. Datta

Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2014
(₹ In Lacs)

Particulars	Note	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
I. Gross Revenue From Operations	20	75,062.17	67,757.36
Less : Excise Duty Recovered (Refer Note 32)		<u>4,744.23</u>	4,323.45
Net Revenue From Operations		70,317.94	63,433.91
II. Other Income	21	4,284.21	5,546.14
III. Total Revenue (I + II)		<u>74,602.15</u>	<u>68,980.05</u>
IV. Expenses:			
Cost of Materials Consumed	22	46,056.22	41,831.35
Purchase of Stock-in-Trade	23	1,500.04	21.02
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	24	(209.92)	(310.96)
Employee Benefits Expense	25	4,956.48	4,973.76
Finance Costs	26	8.54	52.71
Depreciation and Amortization Expense	10	1,823.07	1,802.41
Other Expenses	27	8,799.77	9,740.85
Total Expenses		<u>62,934.20</u>	<u>58,111.14</u>
V. Profit Before Tax (III-IV)		11,667.95	10,868.91
VI. Tax Expense:			
(i) Current Tax		3,827.12	3,174.60
(ii) Deferred Tax Expenses		22.46	205.51
VII. Net Profit (V-VI)		<u>7,818.37</u>	<u>7,488.80</u>
VIII. Earnings per Equity Share:			
Basic & Diluted (in ₹)	28	4.38	4.20
Face Value per Share (in Re.)		1.00	1.00
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 39		

As per our report of even date

For Chaturvedi & Shah

Chartered Accountants

For and on behalf of the Board of Directors

Gaurav Jain

Managing Director
(DIN 00077770)

V. S. Pandit

Director (Works)
(DIN 00460320)

R.Koria

Partner

Pramod Jaiswal

Chief Financial Officer

A. Datta

Company Secretary

Place : Mumbai

Date : 8th May 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in Lacs)

Particulars	FOR THE YEAR ENDED 31 ST MARCH, 2014	FOR THE YEAR ENDED 31 ST MARCH, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per Statement of Profit and Loss	11,667.95	10,868.91
Adjusted for :		
Depreciation and Amortization Expense	1,823.07	1,802.41
Wealth Tax	1.92	4.50
Net Loss on foreign currency transaction and translation	87.95	(10.25)
Sundry Balances Written Off (Net)	138.03	87.58
Profit on sale of Investments (Net)	(548.58)	(941.57)
Income from Long-Term Investments	(152.58)	(528.00)
Loss/ (Profit) on sale/discarding of fixed assets (Net)	(62.96)	64.94
Finance Costs	8.54	52.71
Interest Income	(2,780.40)	(3,347.97)
Dividend Income	(366.98)	(339.37)
	<u>(1,851.99)</u>	<u>(3,155.02)</u>
Operating Profit before Working Capital Changes	9,815.96	7,713.89
Adjusted for :		
Trade & Other Receivables	354.39	(2,758.15)
Inventories	257.94	(132.18)
Trade and Other Payables	(876.21)	(2,569.60)
Cash generated from operations	9,552.08	2,253.96
Direct taxes paid	(4,154.18)	(3,227.39)
Net Prior period adjustment	-	-
Net Cash From/(Used in) Operating Activities	<u>5,397.90</u>	<u>(973.43)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,815.77)	(1,826.55)
Sale of Fixed Assets	307.73	767.54
Fixed Deposits with banks having maturity of more than three months (Matured)	-	-
Purchase of Investments including Share Application Money	(28,466.10)	(68,040.61)
Reduction / Sale of Investments	31,877.54	90,649.43
Movement in Loans	(933.30)	(2,793.94)
Income from Long-Term Investments	95.24	304.76
Interest Income	649.07	3,081.71
Dividend Income	366.98	339.37
Net Cash From Investing Activities	<u>2,081.39</u>	<u>22,481.71</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (CONTD...)
(₹ in Lacs)

Particulars	FOR THE YEAR ENDED 31 ST MARCH, 2014	FOR THE YEAR ENDED 31 ST MARCH, 2013
C. CASH FLOW FROM FINANCING ACTIVITIES		
Redemption of Preference Share Capital including Securities Premium	(5,100.00)	(21,197.75)
Proceeds from Long-Term Loans	-	384.00
Repayment of Long-Term Loans	(13.80)	(923.80)
Short-Term Loans (Net)	(169.00)	131.18
Fixed Deposits/Margin Money with Banks and Government Authorities (Net)	105.47	12.75
Unclaimed for Scheme of Arrangement	(0.03)	(0.01)
Finance Costs Paid	(8.54)	(43.42)
Dividend Paid	(274.24)	(274.39)
Net Cash (used in) Financing Activities	(5,460.14)	(21,911.44)
Net (Decrease) in Cash and Cash Equivalents (A+B+C)	2,019.15	(403.16)
Opening Balance of Cash and Cash Equivalents	81.37	484.53
Effect of exchange rate on Cash and Cash Equivalents	14.33	-
Balance of Cash and Cash Equivalents	<u>2,086.19</u>	<u>81.37</u>
Closing balance of Cash and Cash Equivalents	2,100.52	81.37
Components of Cash and Cash Equivalents:		
Balances with Banks in Current Accounts	2,098.67	80.32
Cheques, Drafts in Hand	0.20	-
Cash on Hand	<u>1.65</u>	<u>1.05</u>

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 The Previous year's figures have been regrouped, rearranged and reclassified wherever necessary to confirm the current year presentation.
- 3 Bracket indicates cash outflow.

As per our report of even date

For Chaturvedi & Shah

Chartered Accountants

For and on behalf of the Board of Directors

Gaurav Jain

Managing Director
(DIN 00077770)

V. S. Pandit

Director (Works)
(DIN 00460320)

R.Koria

Partner

Pramod Jaiswal

Chief Financial Officer

A. Datta

Company Secretary

Place : Mumbai

Date : 8th May 2014

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 1

SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1.1 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 relevant provisions of the Companies Act, 1956 ("The Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of general circular 15/2013, dated 13th September 2013 of the Ministry of Corporate Affairs) as adopted consistently by the Company.

1.2 USE OF ESTIMATES

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known/materialised.

1.3 TANGIBLE 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. Cost comprises of purchase price, borrowing cost if capitalisation criteria are met, and directly attributable cost of bringing the asset to its working conditions for the intended use, including trial production costs, if any till commencement of commercial production.

1.4 DEPRECIATION

- i) Depreciation is 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) Cost of lease-hold land is amortised on straight line method over the lease period.
- iii) Fixed assets where ownership vests with the Government/local authorities are amortised at the rates of depreciation specified in Schedule XIV to the Companies Act, 1956.

1.5 INTANGIBLE ASSETS

Intangible assets are stated at cost of acquisition less accumulated amortisation. Computer software is amortised over the useful life or period of five years, whichever is less.

1.6 INVESTMENTS

Current investments are carried at lower of cost and fair value, ascertained 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. Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investment. All other investments are classified as long-term investments.

1.7 VALUATION OF INVENTORIES

In general, all inventories of finished goods, work-in-progress etc., are stated at lower of cost and 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 and spares are stated at lower of cost and 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 on average basis in respect of Steel Division. Scrap and trial run products are valued at estimated net realisable value. Inventories of finished goods and scrap includes excise duty wherever applicable.

1.8 CUSTOMS DUTY

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

1.9 EXPORT INCENTIVES

Export incentives other than advance license are recognised at the time of exports and the benefit in respect of advance license received by the Company against exports made by it are recognised as and when goods are imported against them.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

1.10 FOREIGN CURRENCY TRANSACTIONS

- i) Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the date of transaction.
- ii) Monetary items denominated in foreign currencies at the year-end are restated at the closing rates. In case of any items, covered by forward exchange contracts, the difference between the closing rate and rate on the date of the contract is recognized as exchange rate difference and the premium paid on forward contracts not intended for trading or speculation purpose is amortised as expense over the life of the contract.
- iii) Non-monetary items which are carried in term of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.
- iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

1.11 REVENUE RECOGNITION

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations include sales of goods, services, scrap, commission, export incentives, excise duty and service-tax but excludes sales tax/ Value Added Tax and 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 and job-work income are recognised on an accrual basis in accordance with the terms of relevant agreement.

1.12 EMPLOYEE BENEFITS

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.
- ii) Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.
- iii) Compensated absences are accounted similar to the short term employee benefits.
- iv) Retirement benefits in the form of Provident Fund and other Funds are defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

1.13 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.

1.14 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. A deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that it will be realized in future. In the case of unabsorbed depreciation and carry forward tax losses, deferred tax asset is recognised only if there is virtual/reasonable certainty supported by convincing evidence that it can be realised against future taxable profits. The carrying amount of deferred tax assets is reviewed at each balance sheet date for their appropriateness.

Deferred tax assets and deferred tax liabilities are offset 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 asset 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 asset 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 Statement

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

of Profit and Loss 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 the Company will pay normal income-tax during the specified period.

1.15 IMPAIRMENT OF ASSETS

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset 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.

1.16 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

1.17 DERIVATIVE TRANSACTIONS

In respect of derivative contracts, premium paid, gain/losses on settlement and losses on restatement are recognised in the Statement of Profit and Loss except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

1.18 SUBSIDY

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

1.19 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity share holders (after deducting preference dividend and attributable tax) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 2 - SHARE CAPITAL

Particulars	(₹ in Lacs)	
	As at 31 st March, 2014	As at 31 st March, 2013
Authorised:		
45,00,00,000 Equity Shares of Re. 1 each (45,00,00,000)	4,500.00	4,500.00
1,50,00,000 1% Non-Cumulative, Non-Participating Redeemable (1,50,00,000) Preference Shares of Re. 1 each	150.00	150.00
3,50,00,000 Unclassified Shares of Re. 1 each (3,50,00,000)	350.00	350.00
TOTAL	5,000.00	5,000.00
Issued and Subscribed Shares		
17,84,94,010 Equity Shares of Re. 1 each (17,84,94,010)	1,784.94	1,784.94
79,74,900 1% Non-Cumulative, Non-Participating Redeemable (83,49,900) Preference Shares of Re. 1 each	79.75	83.50
TOTAL	1,864.69	1,868.44
Paid-Up Shares		
17,84,49,410 Equity Shares of Re. 1 each fully paid up (17,84,49,410)	1,784.49	1,784.49
79,74,900 1% Non-Cumulative, Non-Participating Redeemable (83,49,900) Preference Shares of Re. 1 each fully paid up	79.75	83.50
Add: Forfeited Shares (Amount originally paid on 4,460 (4,460) shares of ₹ 10 each)	0.22	0.22
TOTAL	1,864.46	1,868.21

2.1 (i) Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year:

Particulars	2013-14		2012-13	
	(In Nos.)	(₹ In Lacs)	(In Nos.)	(₹. In Lacs)
Shares outstanding at the beginning of the year	17,84,49,410	1,784.49	17,84,49,410	1,784.49
Shares outstanding at the end of the year	17,84,49,410	1,784.49	17,84,49,410	1,784.49

(ii) Reconciliation of number of Preference Shares outstanding at the beginning and at the end of the year:

Particulars	2013-14		2012-13	
	(In Nos.)	(₹ In Lacs)	(In Nos.)	(₹ In Lacs)
Shares outstanding at the beginning of the year	83,49,900	83.50	99,99,900	100.00
Less : Shares redeemed during the year	3,75,000	3.75	16,50,000	16.50
Shares outstanding at the end of the year	79,74,900	79.75	83,49,900	83.50

2.2 (i) The terms / rights attached to the Equity Shares:

The holder of equity shares of Re. 1 each is entitled to one vote per share. The equity shareholders are entitled to dividend only if dividend in a particular financial year is recommended by the Board of Directors and approved by the members at the annual general meeting of that year. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by share holders.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014**(ii) The terms / rights attached to the Preference Shares:**

On 27th November, 2007 1,50,00,000 1% Non - cumulative, Non - Participating Redeemable Preference Shares of Re.1 each fully paid-up were allotted. On 26th November, 2011, 50,00,100 preference shares were redeemed at a premium of 6% p.a. from the date of allotment on issue price of ₹ 1,000/- per share and the balance 99,99,900 preference shares were rolled over for a further period of two years with effect from 26th November 2011 with an option to the Company/the Preference Shareholder(s) to redeem the same earlier. On 23rd August, 2012 a further 16,50,000 preference shares were redeemed and the balance 83,49,900 preference shares were rolled over for a further period of two years with effect from 26th November 2013 as approved by the share holders at its meeting held on 28th September 2013. On 26th November, 2013 a further 3,75,000 preference shares were redeemed and the balance 79,74,900 are redeemable at a premium of 6 % p.a. from the date of allotment on issue price of ₹ 1,000/- per share. The Preference Shareholders have a preferential right to dividend of 1% per annum, carry a preferential right for repayment of capital in priority to the equity shares, on liquidation of the Company or repayment of capital. However, the preference shares carry no further or other right to participate either in the profits or assets of the Company.

2.3 Redemption premium on Preference Shares as mentioned above will be paid out of the Securities Premium Account hence no provision has been considered necessary.

2.4 Details of shares in the Company held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31 st March, 2014		As at 31 st March, 2013	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
(a) Equity Shares:				
(i) Harsh Jain	2,32,51,560	13.03	2,31,51,560	12.97
(ii) Rina Jain	2,17,19,220	12.17	1,77,19,220	9.93
(iii) Satyapal Jaikumar Jain	1,82,11,800	10.21	2,44,61,800	13.71
(iv) Sushma Jain	1,61,30,740	9.04	1,61,30,740	9.04
(v) Ankit Jain	1,54,01,700	8.63	1,53,01,700	8.57
(vi) Laxmi Jain	1,42,53,540	7.99	N.A.*	N.A.*
(vii) Gaurav Jain	1,05,27,200	5.90	1,04,27,200	5.84
(viii) Virendra Jain	N.A.*	N.A.*	98,71,620	5.53
(b) Preference Shares:				
(i) Rina Jain	23,83,300	29.89	27,83,300	33.33
(ii) Laxmi Jain	23,83,300	29.89	27,83,300	33.34
(iii) Sushma Jain	22,58,300	28.32	27,83,300	33.33
(iv) Neha Bagrodia	4,00,000	5.02	N.A.*	N.A.*

* Reduced below 5%, hence not disclosed

2.5 Forfeited shares (Amount originally paid up):

Particulars	(₹ in Lacs)	
	2013-14	2012-13
44,600 (Previous Year 44,600) Equity Shares of Re.1 each (Originally 4,460 Equity Shares of ₹10/- each)	0.22	0.22

2.6 Figures in bracket represents previous year figures.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 3 - Reserves and Surplus

(₹ in Lacs)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Capital Reserve		
Balance at the beginning and at the end of the year	92.17	92.17
Capital Redemption Reserve		
Balance at the beginning of the year	66.50	50.00
Add : Transferred from General Reserve on account of redemption of Preference Shares	<u>3.75</u>	<u>16.50</u>
Balance at the end of the year	70.25	66.50
Securities Premium Account		
Balance at the beginning of the year	131,806.67	152,987.93
Less: Premium on Redemption of Preference Shares	<u>5,096.25</u>	<u>21,181.26</u>
Balance at the end of the year	126,710.42	131,806.67
General Reserve		
Balance at the beginning of the year	18,790.33	18,057.95
Add : Transferred from Surplus	781.84	748.88
Less: Transferred to Capital Redemption Reserve	<u>3.75</u>	<u>16.50</u>
Balance at the end of the year	19,568.42	18,790.33
Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	54,402.09	47,934.59
Add : Net Profit for the year	<u>7,818.37</u>	<u>7,488.80</u>
Amount available for Appropriations	62,220.46	55,423.39
Appropriations		
Transferred to General Reserve	781.84	748.88
Proposed Dividend on Preference Shares	0.77	0.83
Dividend per Share Re. 0.01 (Previous Year Re. 0.01)		
Proposed Dividend on Equity Shares	240.84	240.84
Dividend per Share Re. 0.50 (Previous Year Re. 0.50)		
Tax on Proposed Dividends	18.17	32.57
Reversal of Proposed Dividend on Preference Shares redeemed	-	(0.17)
Reversal of Tax on Proposed Dividends	<u>-</u>	<u>(1.65)</u>
Balance at the end of the year	61,178.84	54,402.09
TOTAL	<u>207,620.10</u>	<u>205,157.76</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 4 - Long-term Borrowings

Particulars	(₹ in Lacs)	
	As at 31 st March, 2014	As at 31 st March, 2013
Unsecured		
Interest-free Sales-tax loan	778.75	890.47
TOTAL	<u>778.75</u>	<u>890.47</u>

- 4.1 An interest-free sales tax loan of ₹ **890.47 Lacs** (Previous Year ₹ 904.27 Lacs) (including current maturities of long-term borrowings in Note 8) is outstanding as at 31st March, 2014. Out of the above, ₹ 111.72 Lacs is repayable in December, 2014, ₹ 446.88 Lacs is repayable in equal yearly installment of ₹ 111.72 Lacs starting from December, 2015 and ending on December, 2018 and ₹ 331.87 Lacs is repayable in equal yearly installment of ₹ 66.37 Lacs starting from March, 2020 and ending on March, 2024.

Note 5 - Deferred Tax Liabilities (Net)

Particulars	(₹ in Lacs)	
	As at 31 st March, 2014	As at 31 st March, 2013
Deferred Tax Liabilities		
Related to Fixed Assets	2,317.13	2,287.07
Deferred Tax Assets		
Disallowance Under the Income-tax Act, 1961	47.71	40.11
TOTAL	<u>2,269.42</u>	<u>2,246.96</u>

Note 6 - Short - Term Borrowings

Particulars	(₹ in Lacs)	
	As at 31 st March, 2014	As at 31 st March, 2013
Secured Loans		
Working Capital Loans from Banks repayable on Demand	14.25	183.25
TOTAL	<u>14.25</u>	<u>183.25</u>

- 6.1 The Working Capital Loans to the extent of ₹ **10.07 Lacs** (Previous year ₹ 82.74 Lacs) is secured by hypothecation on whole of current assets including stock and book debts and as collateral security, second charge and negative lien on certain fixed assets of the Company and ₹ **4.18 Lacs** (Previous year ₹ 100.51 Lacs) is secured against pledge of fixed deposits with banks.

Note 7 - Trade Payables

Particulars	(₹ in Lacs)	
	As at 31 st March, 2014	As at 31 st March, 2013
Micro, Small and Medium Enterprises	24.03	35.16
Others	940.65	939.21
TOTAL	<u>964.68</u>	<u>974.37</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

7.1 Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information available with the Company and the details of amount outstanding due to them are as given below:

(₹ in Lacs)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
a) Principal amount remaining unpaid	24.03	35.16
b) Interest due thereon	-	-
c) Interest paid by the Company in terms of Section 16 of MSMED 2006, alongwith amount of the payment made to the suppliers beyond the appointed day during the year .	-	-
d) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED 2006.	-	-
e) Interest accrued and remaining unpaid	-	-
f) Further interest remaining due and payable in the succeeding years.	-	-

Note 8 - Other Current Liabilities

(₹ in Lacs)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Current Maturities of Long-term Borrowings	111.72	13.80
Advances from Customers	30.12	815.42
Advance against Sale of Fixed Assets	54.00	50.00
Unpaid Dividends	29.38	23.70
Unclaimed for Scheme of Arrangement	38.96	38.99
Creditors for Capital Expenditure	55.03	27.25
Other Payables		
Salary, Wages and Allowances	598.22	599.11
Power & Fuel	238.41	296.09
Statutory Dues	73.38	98.21
Others	219.02	293.76
	1,129.03	1,287.17
TOTAL	1,448.24	2,256.33

8.1 Unclaimed Dividends does not include amount, due & outstanding, to be credited to Investor Education & Protection Fund.

8.2 Others Includes Security Deposits from Customers and Liability for expenses etc.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 9 - Short - Term Provisions

(₹ in Lacs)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Provisions for Employee Benefits		
Gratuity (Funded) (Refer Note 31)	30.74	13.50
Leave Encashment	<u>109.62</u>	<u>104.50</u>
	140.36	118.00
Others		
Provisions for Wealth Tax	1.92	2.25
Proposed Dividend on Preference Shares	0.77	0.83
Proposed Dividend on Equity Shares	240.84	240.84
Tax on Proposed Dividend	18.17	32.57
Provision for Excise Duty	<u>83.48</u>	<u>55.07</u>
	345.18	331.56
TOTAL	<u><u>485.54</u></u>	<u><u>449.56</u></u>

- 9.1** The Company had recognised liability based on substantial degree of estimation for excise duty payable on the clearance of goods lying in stock as on 31st March, 2013 of ₹ 55.07 Lacs as per the estimated pattern of dispatches. During the year, ₹ 55.07 Lacs was utilised for clearance of goods. Liability recognised under this class for the year is ₹ 83.48 Lacs, which is outstanding as on 31st March, 2014. Actual outflow is expected in the next financial year.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
Note 10 - FIXED ASSETS

Description	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK			
	As at 1st April, 2013	Additions	Deductions	As at 31st March, 2014	Upto 31st March, 2013	For the Year	Deductions/ Adjustments	Upto 31st March, 2014	As at 31st March, 2014	As at 31st March, 2013
TANGIBLE ASSETS										
Leasehold										
Land	516.86	-	-	516.86	70.08	13.45	-	83.53	433.33	446.78
Owned										
Land	2,004.63	41.47	-	2,046.10	-	-	-	-	2,046.10	2,004.63
Buildings	8,720.90	142.43	-	8,863.33	2,292.35	270.23	-	2,562.58	6,300.75	6,428.55
Plant and Equipments	29,959.19	1,528.38	510.38	30,977.19	17,896.00	1,481.20	293.15	19,084.05	11,893.14	12,063.19
Furniture and Fixtures	195.93	0.42	-	196.35	139.71	6.06	-	145.77	50.58	56.22
Vehicles	281.14	30.65	23.00	288.79	173.80	22.15	8.65	187.30	101.49	107.34
Office Equipments	394.50	13.52	2.28	405.74	282.37	20.34	1.25	301.46	104.28	112.13
TOTAL (A)	42,073.15	1,756.87	535.66	43,294.36	20,854.31	1,813.43	303.05	22,364.69	20,929.67	21,218.84
INTANGIBLE ASSETS *										
Owned										
Computer Software	46.93	-	-	46.93	23.88	9.64	-	33.52	13.41	23.05
TOTAL (B)	46.93	-	-	46.93	23.88	9.64	-	33.52	13.41	23.05
TOTAL (A)+(B)	42,120.08	1,756.87	535.66	43,341.29	20,878.19	1,823.07	303.05	22,398.21	20,943.08	21,241.89
Previous Year	40,803.44	2,710.02	1,393.38	42,120.08	19,675.28	1,802.41	599.50	20,878.19	21,241.89	-
Capital Work in Progress									717.10	724.06

* Other than internally generated.

- 10.1** Building includes ₹ 0.01 Lacs (Previous Year ₹ 0.01 Lacs) being the cost of shares in Co-operative Housing Society towards ownership of residential flats.
- 10.2** Capital Work-in-Progress includes ₹ 1.34 Lacs (Previous Year ₹ 5.65 Lacs) on account of cost of construction material at site.
- 10.3** Gross Block of Plant and Equipments includes ₹ 64.68 Lacs (Previous Year ₹ 64.68 Lacs) and ₹ 33.56 Lacs (Previous Year ₹ 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.
- 10.4** In accordance with the Accounting Standard (AS) 28 on "Impairment of Assets" as notified by Companies (Accounting Standards) Rules, 2006 the management during the year carried out an exercise of identifying the assets that may have been impaired in respect of each cash generating unit in accordance with the said Accounting Standard. On the basis of this review carried by the management there was no impairment loss on fixed assets during the year ended 31st March, 2014.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 11 - Non - Current Investments (Refer Note 1.6)

Particulars	As at 31 st March, 2014 Quantity (Nos.)	As at 31 st March, 2013 Quantity (Nos.)	Face Value (₹ Unless otherwise stated)	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Long-Term Investments					
Trade Investments					
In Equity Instruments					
Unquoted Fully Paid-up					
Subsidiary Companies					
Jai Corp Finance & Holding Ltd. (including 60 Shares of ₹ 10 each fully paid-up held jointly with nominees) (Refer Note 11.2)	1,500,000	1,500,000	10	215.00	215.00
Jai Realty Ventures Ltd. (including 6 Shares of ₹ 10 each fully paid-up held jointly with nominees)	50,000	50,000	10	5.00	5.00
Sarbags Pty Ltd. (Refer Note 11.3)	50,000	50,000	AS\$ 1	12.34	12.34
Urban Infrastructure Venture Capital Ltd. (including 60 Shares of ₹ 5 each fully paid-up held jointly with nominees)	10,000,000	10,000,000	5	100.28	100.28
Urban Infrastructure Trustees Ltd. (including 6 Shares of ₹ 10 each fully paid-up held jointly with nominees)	50,000	50,000	10	5.01	5.01
Associate Companies					
Urban Infrastructure Holdings Pvt. Ltd.	113,517,714	113,517,714	10	11,351.77	11,351.77
Others					
Mumbai SEZ Ltd.	229,377,346	229,377,346	10	23,522.68	23,522.68
Rewas Ports Ltd.	50,000,000	50,000,000	10	5,000.00	5,000.00
Total Equity Investments (a)				<u>40,212.08</u>	<u>40,212.08</u>
In Preference Shares					
Unquoted Fully Paid-up					
Subsidiary Company					
1% Optionally Convertible Preference Shares of Jai Realty Ventures Ltd.	5,000	5,000	10	50.00	50.00
Total Preference Shares (b)				<u>50.00</u>	<u>50.00</u>
In Debentures					
Unquoted Fully Paid-up					
Associate Company					
Zero Percent Optionally Fully Convertible Debentures of Urban Infrastructure Holdings Pvt. Ltd.	727,540	727,540	100	727.54	727.54
Total Debentures (c)				<u>727.54</u>	<u>727.54</u>
In Units					
Unquoted Fully Paid-up					
Others					
Urban Infrastructure Opportunities Fund	7,619	7,619	86,750 (Previous Year ₹ 87500)	7,533.22	7,590.36
Total Units (d)				<u>7,533.22</u>	<u>7,590.36</u>
Total Trade Investments (i=a+b+c+d)				<u>48,522.84</u>	<u>48,579.98</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 11 - Non - Current Investments (Refer Note 1.6) (Contd...)

Particulars	As at 31 st March, 2014 Quantity (Nos.)	As at 31 st March, 2013 Quantity (Nos.)	Face Value (₹ Unless otherwise stated)	As at 31 st March, 2014 (₹ In Lacs)	As at 31 st March, 2013 (₹ In Lacs)
Other than Trade Investments					
In Equity Instruments					
Quoted Fully Paid-up					
Others					
Reliance Industries Ltd.	3,522,000	3,522,000	10	47,747.75	47,747.75
Unquoted Fully Paid-up					
Others					
Earnest Towers Pvt. Ltd.	1,812,794	1,812,794	10	913.73	913.73
Gold Bricks Infrastructure Pvt. Ltd.	806,700	887,700	10	238.72	262.69
Neelkanth Realty Pvt. Ltd. (Refer Note 11.4)	213,333	213,333	10	77.33	77.33
Neelkanth Rice Lands Pvt. Ltd.	80,000	80,000	10	8.00	8.00
Nirmal Infrastructure Pvt. Ltd.	109,000	100,000	10	100.00	10.00
Ozone Projects Pvt. Ltd.	957,133	957,133	10	463.92	463.92
Ozone Urbana Infra Developers Pvt. Ltd.	11	11	10	0.06	0.06
Sterling Urban Infraprojects Pvt. Ltd.	4,400,000	4,400,000	10	440.00	440.00
Supernal Realtors Pvt. Ltd.	26,667	26,667	10	2.67	2.67
Vengas Realtors Pvt. Ltd.	26,667	26,667	10	2.67	2.67
Unquoted Partly Paid-up					
Others					
Nilayami Realtors Pvt. Ltd. (₹ 5/- paid up each)	106,000	106,000	10	5.30	5.30
				50,000.15	49,934.12
Less: Provision for Diminution in the value of Investments (Refer Note 11.5)				(5.34)	(5.34)
Total Equity Instruments (a)				49,994.81	49,928.78
In Debentures					
Unquoted Fully Paid-up					
Others					
Zero Percent Fully Compulsorily Convertible Debentures of:					
Neelkanth Realty Pvt. Ltd. (Refer Note 11.4)	33,600	33,600	100	33.60	33.60
Neelkanth Rice Lands Pvt. Ltd.	11,200	11,200	1,000	112.00	112.00
Nirmal Infrastructure Pvt. Ltd.	-	9,000	1,000	-	90.00
Supernal Realtors Pvt. Ltd.	18,721	18,721	1,000	187.21	187.21
Vengas Realtors Pvt. Ltd.	26,733	26,733	1,000	267.33	267.33
14.75% Fully Compulsorily Convertible Debentures of Ozone Urbana Infra Developers Pvt. Ltd.	386,101	386,101	518	2,000.00	2,000.00

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 11 - Non - Current Investments (Refer Note 1.6) (Contd...)

Particulars	As at	As at	Face	As at	As at
	31 st March, 2014	31 st March, 2013	Value	31 st March, 2014	31 st March, 2013
	Quantity (Nos.)	Quantity (Nos.)	(₹ Unless otherwise stated)	(₹ In Lacs)	(₹ In Lacs)
Unquoted Partly Paid-up					
Others					
Zero Percent Fully Compulsorily Convertible Debentures of Nilayami Realtors Pvt. Ltd. (₹ 10/- paid up each)	8,480	8,480	1,000	0.85	0.85
				2,600.99	2,690.99
Less: Provision for Diminution in the value of Investments (Refer Note 11.5)				(454.54)	(454.54)
Total Debentures (c)				2,146.45	2,236.45
In Units					
Unquoted Fully Paid-up					
Others					
HDFC India Real Estate Fund	27,375	37,901	1,000	273.77	379.03
Total Others (d)				273.77	379.03
Total Other than Trade Investments (ii=a+b+c+d)				52,415.03	52,544.26
Total Non - Current Investments [iii =i+ii]				100,937.87	101,124.24

11.1 Aggregate Value of Non-current Investments

Particulars	(₹ In Lacs)			
	As at 31 st March, 2014		As at 31 st March, 2013	
	Book Value	Market value	Book Value	Market value
Quoted Investments	47,747.75	32,736.99	47,747.75	27,249.71
Unquoted Investments	53,190.12	-	53,376.49	-
	100,937.87		101,124.24	

11.2 Jai Corp Finance Holdings Ltd liquidated on 15th April, 2014.

11.3 Represents face value in Australian Dollar.

11.4 Original Share / Debenture Certificates have been misplaced and steps are being taken to obtain duplicate certificates.

11.5 The details of the provision for diminution in the value of non-current investments is as under

Name of the Company	As At	As At
	31 st March, 2014	31 st March, 2013
In Equity Shares		
Supernal Realtors Pvt. Ltd.	2.67	2.67
Vengas Realtors Pvt. Ltd.	2.67	2.67
In Debentures		
Supernal Realtors Pvt. Ltd.	187.21	187.21
Vengas Realtors Pvt. Ltd.	267.33	267.33
	459.88	459.88

11.6 In opinion of the management, diminution in the value of long term investment, except as provided, is temporary in nature, hence no provision has been considered necessary.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 12 - Long - Term Loans and Advances

Particulars	(₹ in Lacs)	
	As at 31 st March, 2014	As at 31 st March, 2013
Unsecured, Considered Good :		
Capital Advances	252.42	158.79
Security Deposits	412.01	142.74
Advance Income-tax (net)	1,353.12	1,028.30
Loans and Advances to Related Parties (Refer Note 37)		
Inter-Corporate Deposits	40,000.00	39,000.00
TOTAL	42,017.55	40,329.83

Note 13 - Other Non - Current Assets

Particulars	(₹ in Lacs)	
	As at 31 st March, 2014	As at 31 st March, 2013
Unsecured, Considered Good :		
Interest Accrued on Investments	525.69	618.61
Income Receivable from Venture Capital Fund (Refer Note 21.2)	280.58	223.24
Fixed Deposits with Banks	169.39	284.61
TOTAL	975.66	1,126.46
13.1 Fixed Deposits with Banks having maturity more than 12 Months are held as Deposit with Electricity Department, Sales-tax Department and Customs Authorities	169.39	284.61

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 14 - Current Investments (Refer Note No. 1.6)

Particulars	As at	As at	Face Value (₹)	As at	As at
	31 st March, 2014	31 st March, 2013		31 st March, 2014	31 st March, 2013
	Quantity (Nos.)	Quantity (Nos.)		(₹ In Lacs)	(₹ In Lacs)
In Corporate Bonds					
Quoted Fully Paid-up					
8.65% Rural Electrification Corporation Ltd.	50	50	1,000,000	473.47	473.47
8.8 % Power Grid Corporation Ltd.	-	40	1,250,000	-	503.46
11.25% Power Finance Corporation Ltd.	150	150	1,000,000	1,602.01	1,623.87
11.50% Shriram Transport Finance Ltd.	-	1,000	100,000	-	1,011.89
Total Corporate Bonds (a)				2,075.48	3,612.69
In Mutual Funds					
Unquoted Fully Paid-up					
Birla Sun Life Floating Rate Fund Short Term Plan	-	1,828,660	100	-	2,802.20
Birla Sunlife Floating Rate Fund Short Term Plan Growth Direct Plan	386,877	-	100	659.05	-
Birla Sunlife Savings Fund -Growth Direct Plan	413,781	-	100	1,003.88	-
Total Mutual Fund (b)				1,662.93	2,802.20
Total Current Investments (a+b)				3,738.41	6,414.89
14.1 Aggregate Amount of Current Investments					
					(₹ In Lacs)
Particulars	As at 31 st March, 2014		As at 31 st March, 2013		
	Book Value	Market value	Book Value	Market value	
Quoted Investments	2,075.48	2,074.25	3,612.69	3,668.46	
Unquoted Investments	1,662.93	-	2,802.20	-	
	3,738.41		6,414.89		

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 15 - Inventories

(₹ in Lacs)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Raw Materials		
Goods-in-Transit	309.70	-
Others	2,497.77	3,352.57
	2,807.47	3,352.57
Work-in-Progress	683.89	552.07
Finished Goods		
Goods-in-Transit	253.67	26.57
Others	2,180.10	2,296.29
	2,433.77	2,322.86
Stores and Spares		
Goods-in-Transit	-	11.72
Others	955.40	866.44
	955.40	878.16
Scrap	15.85	48.66
TOTAL	6,896.38	7,154.32

15.1 Refer Note 1.7 for mode of valuation of Inventories.

15.2 Inventories under Broad Head

As at
31st March, 2014

As at
31st March, 2013

(a) Work-in-Progress under Broad Head

Woven Sacks / Fabrics	506.35	374.86
Synthetics Fiber Twin	1.23	2.64
Spinning Yarn	176.31	174.57
TOTAL	683.89	552.07

(b) Finished Goods under Broad Head

Master Batch	294.61	368.22
Woven Sacks / Fabrics	1,526.32	771.64
Synthetics Fiber Twin	-	15.37
Spinning Yarn	572.37	1,128.60
Staple Fibers	18.90	22.21
Liner	21.57	14.21
Others	-	2.61
TOTAL	2,433.77	2,322.86

Note 16 - Trade Receivables

(₹ in Lacs)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Unsecured, Considered Good :		
Debts due for a period exceeding six months	121.19	197.36
Other Debts	10,661.22	10,386.57
TOTAL	10,782.41	10,583.93

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 17 - Cash and Bank Balances

(₹ in Lacs)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Cash and Cash Equivalents		
Balances with Banks in Current Accounts	2,098.67	80.32
Cheques, Drafts in Hand	0.20	-
Cash on Hand	1.65	1.05
	2,100.52	81.37
Other Bank Balances		
Unpaid Dividend Accounts	29.38	23.70
Fixed Deposits with banks more than 3 months maturity	300.00	320.25
Fixed Deposits with banks more than 12 months maturity	30.00	-
	359.38	343.95
TOTAL	2,459.90	425.32
17.1 Fixed Deposits with Bank more than 3 months maturity include pledged against Bank Overdraft Facility.	300.00	320.25
17.2 Fixed Deposits with Banks having maturity more than 12 Months are held as Deposit with Electricity Department and Sales-tax Department	30.00	-

Note 18 - Short - Term Loans and Advances

(₹ in Lacs)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Unsecured, Considered Good unless otherwise stated:		
Loans and Advances to Related Parties (Refer Note 37)		
Inter-Corporate Deposits	423.67	394.37
Share Application Money	8,522.71	8,522.71
Other Receivables	-	378.32
	8,946.38	9,295.40
Others		
Secured Inter-Corporate Deposits	10,349.44	8,921.00
Interest Receivable	1,802.49	1,567.23
Balance with Customs & Excise Authorities	611.33	662.12
Other Advances	3,235.85	3,949.75
	15,999.11	15,100.10
(Unsecured and Considered Doubtful)		
Advance to Suppliers	3.91	3.91
Less: Provision for Doubtful Advances	(3.91)	(3.91)
	24,945.49	24,395.50

18.1 Other Advances mainly includes Insurance Claim Receivables, Advance to Suppliers, Security Deposits, VAT Receivables etc.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 19 - Other Current Assets

Particulars	(₹ in Lacs)	
	As at 31 st March, 2014	As at 31 st March, 2013
Unbilled Revenue	138.63	329.18
Interest Accrued on Investments	568.22	110.11
Fixed Assets Held for Disposal	13.68	21.84
Scrap Material Held for Sale	169.34	-
Export Incentive Receivable	141.72	45.34
TOTAL	1,031.59	506.47

Note 20 - Revenues from Operations

Particulars	(₹ in Lacs)	
	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Sale of Products	70,124.63	64,503.76
Traded Goods	1,504.83	21.26
Sale of Services	3,007.91	3,063.98
Other Operating Revenue	424.80	168.36
Gross Revenue from Operations	75,062.17	67,757.36
20.1 Sale of Products under Broad Head		
Master Batch	5,727.73	4,878.22
Woven Sacks / Fabrics	49,217.53	45,318.45
Synthetics Fiber Twin	-	171.50
Spinning Yarn	10,417.07	11,369.04
Staple Fibers	2,074.28	2,485.76
Tape & Liner	201.44	85.28
Tubes	2,372.11	-
GP / GC Coils / Sheets	-	16.98
Others	114.47	178.53
TOTAL	70,124.63	64,503.76
Traded Goods		
HR Coils	477.14	-
Colour Coated Coils	193.19	-
Polyvinly Chloride	80.57	-
PVC Resin	642.87	-
Others	111.06	21.26
TOTAL	1,504.83	21.26
20.2 Sale of Services under Broad Head		
Job Work	3,007.91	3,063.98
TOTAL	3,007.91	3,063.98

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014**Note 21 - Other Income**

Particulars	(₹ in Lacs)	
	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Interest Income		
From Long-term Investments (Refer Note 21.1)	489.70	328.00
From Current Investments	277.71	1,286.04
From Inter-Corporate Deposits	1,984.96	1,704.79
From Fixed Deposits	47.27	57.83
From Customers	76.44	104.51
From Others	20.32	5.37
Dividend Income		
From Long-term Investments - Subsidiary	50.00	40.00
From Long-term Investments - Others	316.98	299.37
Profit on Sale of Investments (Net)		
From Long-term Investments	229.80	122.66
From Current Investments	318.78	818.91
Income from Long-term Investments (Refer Note 21.2)	152.58	528.00
Rent Income	0.12	0.12
Profit on Sale of Fixed Assets (Net)	62.96	-
Net Gain on Foreign Currency Transactions and Translation	185.93	144.10
Miscellaneous Income	70.66	106.44
TOTAL	4,284.21	5,546.14

21.1 Interest income from Long Term Investments includes ₹ 69.48 Lacs (Previous year ₹ Nil) related to Prior period item)

21.2 Income from Long-term Investments includes Company's share in the accrued income of Venture Capital Fund from Venture Capital Undertakings (VCUs) amounting to ₹ 152.58 Lacs (Previous Year ₹ 223.24 Lacs) for the year ended 31st March, 2014 which is taxable in the hand of the Company under section 115 E of the Income-tax Act, 1961 and the aggregate amount of ₹ 280.58 Lacs (Previous year ₹ 223.24 Lacs) is outstanding as on 31st March, 2014. The income is recognised based on the certificate received from such Venture Capital Fund.

Note 22 - Cost of Materials Consumed

Particulars	(₹ in Lacs)	
	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Consumption of Materials under Broad Heads		
PSF/VSF/COTTON	4,918.08	6,880.01
HDPE / PP / LDPE / LLDPE	36,818.02	32,573.12
G P Coils	1,922.25	-
Others	2,397.87	2,378.22
TOTAL	46,056.22	41,831.35

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

22.1 Value of Raw Materials Consumed

Particulars	2013-14		2012-13	
	(₹ In Lacs)	% of Total	(₹ In Lacs)	% of Total
Raw Materials Consumed				
Imported	1,435.81	3.12	762.60	1.82
Indigenous	44,620.41	96.88	41,068.75	98.18
TOTAL	46,056.22	100.00	41,831.35	100.00

Note 23 - Purchase of Stock - in - Trade

Particulars	(₹ in Lacs)	
	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Purchase of Stock - in - Trade under Broad Heads		
HR Coils	476.19	-
Colour Coated Coils	190.39	-
Polyvinly Chloride	79.41	-
PVC Resin	642.12	-
PP Granuales	4.88	12.53
Others	107.05	8.49
TOTAL	1,500.04	21.02

Note 24 - Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

Particulars	(₹ in Lacs)	
	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
At the end of the Year		
Finished Goods	2,433.77	2,322.86
Work-in-Progress	683.89	552.07
Scrap	15.85	48.66
	3,133.51	2,923.59
Loss Due to Fire		
Finished Goods	-	279.54
Work-in-Progress	-	561.14
Scrap	-	6.41
	-	847.09
At the beginning of the Year		
Finished Goods	2,322.86	2,773.57
Work-in-Progress	552.07	596.22
Scrap	48.66	89.93
	2,923.59	3,459.72
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(209.92)	(310.96)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014**Note 25 - Employee Benefits Expense**

(₹ in Lacs)

Particulars	For the Year	For the Year
	Ended 31 st March, 2014	Ended 31 st March, 2013
Salaries, Wages and Perquisites	4,730.50	4,769.64
Contribution to Provident, Gratuity and Other Funds	122.90	122.24
Staff Welfare Expenses	103.08	81.88
TOTAL	4,956.48	4,973.76

Note 26 - Finance Costs

(₹ in Lacs)

Particulars	For the Year	For the Year
	Ended 31 st March, 2014	Ended 31 st March, 2013
Interest Expenses	6.60	50.11
Other Borrowing Cost	1.94	2.60
TOTAL	8.54	52.71

Note 27 - Other Expenses

(₹ in Lacs)

Particulars	For the Year	For the Year
	Ended 31 st March, 2014	Ended 31 st March, 2013
Manufacturing Expenses		
Stores, Spare parts and Packing Materials Consumed (Refer Note 27.1)	2,039.85	2,614.06
Power and Fuel	4,341.02	4,691.48
Job Work Charges	165.24	101.08
Excise Duty (Refer Note 32)	28.41	(55.59)
Repairs to Machinery	81.61	143.09
Repairs to Buildings	87.30	80.15
Selling and Distribution Expenses		
Advertisement, Publicity and Sales Promotion Expenses	39.48	32.81
Brokerage, Discount and Commission	254.19	222.24
Freight Outward, Handling charges and Octroi (Net)	568.87	586.36
Payment to Auditors (Refer Note 27.2)	75.03	136.46
Administrative and General Expenses		
Rent	19.47	19.17
Rates and Taxes	58.52	49.67
Repairs & Maintenance - Others	41.86	38.55
Insurance	110.59	72.16
Legal, Professional and Consultancy Charges	236.22	241.20
Investment Management Fees	24.28	99.51
Travelling and Conveyance	134.55	150.31
Directors' Sitting Fees	2.50	3.01
Donations	52.66	51.12
Bank Charges	8.84	19.93
Loss on Sale of Fixed assets (Net)	-	64.94
Sundry Balances Written Off (Net)	138.03	87.58
Wealth Tax	1.92	4.50
Miscellaneous Expenses	289.33	287.06
TOTAL	8,799.77	9,740.85

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

27.1 Stores, Spare parts and Packing Materials Consumed

Particulars	2013-14		2012-13	
	(₹ In Lacs)	% of Total	(₹ In Lacs)	% of Total
Imported	126.01	6.18	365.16	13.97
Indigenous	1,913.84	93.82	2,248.90	86.03
TOTAL	2,039.85	100.00	2,614.06	100.00

27.2 Payment to Auditors

Particulars	(₹ in Lacs)	
	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Audit Fees	36.00	36.00
Tax Audit Fees	10.00	10.00
Certification Charges	25.02	27.02
Cost Audit Fees	3.00	-
Tax Matters	-	60.00
Reimbursement of Expenses	1.01	3.44
TOTAL	75.03	136.46

Note 28 - Earnings Per Equity Share

Particulars	(₹ in Lacs)	
	2013-14	2012-13
Net Profit for the year (₹ in Lacs)	7,818.37	7,488.80
Dividend on Preference Shares and tax thereon (₹ in Lacs)	(0.90)	(0.98)
Profit attributable to equity share holders (₹ in Lacs)	7,817.47	7,487.82
Weighted Average Number of equity shares outstanding during the year	178,449,410	178,449,410
Basic and Diluted Earnings Per Share (₹)	4.38	4.20
Face Value per Share (Re.)	1.00	1.00

Note 29

There was major fire on 11th October 2012, at one of the Company's HDPE/PP Woven Sacks Unit located at Daman which resulted in major loss of building, plant & machinery and other assets. The Company has replacement insurance policy and accordingly the cost incurred towards reconditioning of assets have been accounted as insurance claim receivables and disclosed under short-term loans and advances. The loss of profit of the Company is also adequately insured and the claim will be accounted for on receipt basis. The claims are under process. The Insurance Company has released an adhoc payment of ₹ 2,000 Lacs against the above claims.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 30 - Contingent Liabilities and Commitments (To the extent not provided for)

Particulars	2013-14	2012-13
(A) Contingent Liabilities		
(a) Claims against the Company not acknowledged as debts		
(i) Disputed Liability in Appeal (No cash outflow is expected in the near future)		
- Income-tax (₹ 215.20 Lacs paid under protest)	2,530.32	1,628.54
- Excise Duty / Service Tax (₹ 24.04 Lacs paid under protest)	178.96	221.02
- Railway Claims	95.83	95.83
- MIDC Service Charges	7.34	7.34
- Sales Tax (₹ 0.50 Lacs paid under protest)	26.85	26.85
	2,839.30	1,979.58
(b) Guarantees		
(i) Bank Guarantees	26.47	18.20
(Bank guarantees are provided under contractual/legal obligations. No cash outflow is probable.)		
(B) Commitments		
(a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for / Net of advance paid	540.32	699.81
(Cash outflow is expected on execution of such capital contracts)		
(b) Uncalled liability on partly paid-up Shares/Debentures	89.25	89.25
(c) The Company is committed to financially supporting its wholly-owned subsidiary companies till such time they attain their respective objectives.	-	-

Note 31 - Employee benefits

As per Accounting Standard-15 'Employee Benefits', the disclosure of Employee benefits as defined in the Accounting Standard are given below:

(a) Defined Benefit Plan :

The Employees' Gratuity Fund is managed by the Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(₹ In Lacs)

Particulars	Gratuity (Funded)	
	2013-14	2012-13
<u>Actuarial assumptions</u>		
Mortality Table	IALM (2006-08) (Ultimate)	LIC (1994-96) (Ultimate)
Salary growth	6.00%	6.00%
Discount rate	8.00%	8.00%

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

(₹ In Lacs)

Particulars	Gratuity (Funded)	
	2013-14	2012-13
<u>Expected returns on plan assets</u>		
<u>Movement in present value of defined benefit obligation</u>		
Obligation at the beginning of the year	176.21	162.10
Current service cost	54.27	55.24
Interest cost	13.57	12.31
Actuarial (gain) on obligation	(36.98)	(37.03)
Benefits paid	(13.17)	(16.41)
Obligation at the end of the year	193.90	176.21
<u>Amount recognised in the income statement</u>		
Current service cost	54.27	55.24
Interest cost	13.57	12.31
Expected Return on Plan Assets	(11.62)	(4.40)
Net actuarial (gains) recognized in the year	(37.81)	(85.31)
Total	18.41	(22.16)
<u>Movement in present value of plan assets</u>		
Fair value at the beginning of the year	162.71	-
Less Adjustment	(21.88)	-
Expected Return on Plan Assets	11.62	4.40
Contribution	21.88	126.44
Actuarial gains on Plan Assets	0.83	48.28
Benefits paid	(13.17)	(16.41)
Fair value at the end of the year	161.99	162.71
<u>Fair Value of assets</u>		
Class of assets	2013-14	2012-13
Life Insurance Corporation of India	161.99	162.71
Total	161.99	162.71
<u>Net Liability / (Asset) recognised in the balance sheet</u>		
Amount recognised in the balance sheet	2013-14	2012-13
Present value of obligations at the end of the year	193.90	176.21
Less: Fair value of plan assets at the end of the year	163.16	162.71
Net liability recognized in the balance sheet	30.74	13.50

Amounts for current and previous four years are as follows :

(₹ in Lacs)

Gratuity	2013-2014	2012-13	2011-12	2010-11	2009-10
Defined Benefit Obligation	193.90	176.21	162.10	112.18	76.66
Plan Assets	163.16	162.71	-	-	-
Surplus/(deficit)	(30.74)	(13.50)	-	-	-
Experience adjustment on plan Assets	(0.83)	(48.28)	-	-	-
Experience adjustment on plan Liabilities	(36.98)	(37.03)	(14.83)	(9.12)	(14.88)

The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other retirement factors including supply & demand in the employment market. The above information is certified by the actuary.

(b) Defined Contribution Plan:

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

Particulars	2013-14	2012-13
Employer's Contribution to Provident and other Funds	105.38	144.40

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 32 - Excise Duty

Particulars	(₹ In Lacs)	
	2013-14	2012-13
Excise duty shown as a reduction from Turnover	4,744.23	4,323.45
Excise duty charged to Statement of Profit and Loss:		
Difference between closing & opening stock	28.41	(55.59)

Note 33 - CIF Value of Imports

Particulars	(₹ In Lacs)	
	2013-14	2012-13
In Respect of :		
Raw Material	1,376.75	977.05
Components and Spare Parts	290.41	331.39
Capital Goods	368.85	513.40
TOTAL	2,036.01	1,821.84

Note 34 - Expenditure in Foreign Currency

Particulars	(₹ In Lacs)	
	2013-14	2012-13
Travelling	14.77	7.44
Bank Charges	5.56	2.31
Freight	665.37	200.88
Others	37.49	3.28
TOTAL	723.19	213.91

Note 35 - Earnings in Foreign Currency

Particulars	(₹ In Lacs)	
	2013-14	2012-13
FOB Value of exports	10,676.60	7,146.74
Freight Charges Recovered	691.52	-
Insurance Charges Recovered	1.30	-
TOTAL	11,369.42	7,146.74

Note 36 - Financial and Derivative Instruments:

a) The Company has not entered into any derivative contract during the year and hence outstanding derivative contract is Nil

b) **Unhedged Foreign Currency Exposure as on 31st March, 2014 are as under:**

Particulars	(₹ In Lacs)	
	2013-14	2012-13
Receivables	4,145.77	2,366.48
Payables	90.48	195.46
Investment in Foreign Subsidiary	12.34	12.34

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 37 Related Party Disclosure:

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: | <ul style="list-style-type: none"> Ashoka Realty and Developers Limited Belle Terre Realty 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 Jailaxmi Realty and Developers Limited Jai Realty Ventures Limited Krupa Land Limited Krupa Realtors Limited Multifaced Impex Limited Novelty Realty & Developers Limited Oasis Holding FZC Rainbow Infraprojects Limited Rudradev Developers Limited Sarbags Pty Limited Swar Land Developers Limited Swastik Land Developers Limited UI Wealth Advisors Limited Urban Infrastructure Trustees Limited Urban Infrastructure Venture Capital Limited Vasant Bahar Realty Limited Welldone Real Estate Limited Yug Developers Limited |
| (ii) Associates : | <ul style="list-style-type: none"> Searock Developers FZC Urban Infrastructure Holdings Private Limited |
| (iii) Key Managerial Personnel : | |
| (a) Shri J. K. Jain upto 08th May, 2013 | |
| (b) Shri Anand Jain | |
| (c) Shri Virendra Jain | |
| (d) Shri Gaurav Jain | |
| (e) Shri V. S. Pandit | |
| (iv) 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 |
| (d) Shri. Ankit Jain | Relative of Shri Anand Jain, Shri J.K.Jain and Shri Virendra Jain |
| (e) Smt. Neha Bagaria | Relative of Shri Anand Jain, Shri J.K.Jain and Shri Virendra Jain |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

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

- (a) Poly-Resin Agencies (India) Limited
- (b) Resin Distributors Limited
- (c) Techfab (India) Industries Limited

(II) Transactions during the year with related parties :

(₹ In Lacs)

Nature of Transaction	Subsidiary	Associates	Key Managerial Personnel	Relatives of Key managerial person	Other Related Parties	Total
	(i)	(ii)	(iii)	(iv)	(v)	
Preference Share Capital						
Balance as at 31 st March, 2014	-	-	-	79.75	-	79.75
	(-)	(-)	(-)	(83.50)	(-)	(83.50)
Redemption of Preference Shares (Including Securities Premium)						
	-	-	-	5,100.00	-	5,100.00
	(-)	(-)	(-)	(21,197.75)	(-)	(21,197.75)
Tangible Assets						
Purchased during the year	-	-	-	-	6.02	6.02
	(-)	(-)	(-)	(-)	(32.89)	(32.89)
Sold during the year	-	-	-	-	38.50	38.50
	(-)	(-)	(-)	(-)	(-)	(-)
Investments						
Balance as at 31 st March, 2014	387.63	12,079.31	-	-	-	12,466.94
	(387.63)	(12,079.31)	(-)	(-)	(-)	(12,466.94)
Trade Receivable as at 31st March, 2014						
	95.72	-	-	-	2.07	97.79
	(84.86)	(-)	(-)	(-)	(64.78)	(149.64)
Loans and Advances						
(a) Given/adjusted during the year	1,347.11	-	-	-	-	1,347.11
	(1,825.01)	(-)	(-)	(-)	(-)	(1,825.01)
(b) Returned/adjusted during the year	317.81	-	-	-	-	317.81
	(332.07)	(-)	(-)	(-)	(-)	(332.07)
(c) Balance as at 31 st March, 2014						
Current	423.67	8,522.71	-	-	-	8,946.38
	(394.37)	(8,522.71)	(-)	(-)	(378.32)	(9,295.40)
Non Current	40,000.00	-	-	-	-	40,000.00
	(39,000.00)	(-)	(-)	(-)	(-)	(39,000.00)
Trade Payable as at 31st March, 2014						
	21.85	-	-	-	-	21.85
	(114.09)	(-)	(-)	(-)	(-)	(114.09)
Revenue from Operation						
	279.70	-	-	-	154.83	434.53
	(371.55)	(-)	(-)	(-)	(1,654.45)	(2,026.00)
Dividend Income						
	50.00	-	-	-	-	50.00
	(40.00)	(-)	(-)	(-)	(-)	(40.00)
Purchase of Goods						
	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(9.11)	(9.11)
Discount on Raw Materials (Deducted from Purchases)						
	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(1,031.76)	(1,031.76)
Dividend paid on Preference shares						
	-	-	0.03	0.74	-	0.77

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

(II) Transactions during the year with related parties :

(₹ In Lacs)

Nature of Transaction	Subsidiary	Associates	Key Managerial Personnel	Relatives of Key managerial person	Other Related Parties	Total
	(i)	(ii)	(iii)	(iv)	(v)	
	(-)	(-)	(-)	(0.83)	(-)	(0.83)
Expenditure						
(a) Directors' Remuneration and Perquisite	-	-	57.42	-	-	57.42
(b) Directors' Sitting Fee	(-)	(-)	(56.17)	(-)	(-)	(56.17)
(c) Job work Charges	-	-	0.85	-	-	0.85
(d) Investment Management Fee	(-)	(-)	(1.10)	(-)	(-)	(1.10)
(e) Other Expenses	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.62)	(0.62)
	24.28	-	-	-	-	24.28
	(99.51)	(-)	(-)	(-)	(-)	(99.51)
	-	-	-	-	0.01	0.01
	(-)	(-)	(-)	(-)	(0.52)	(0.52)

Figures in bracket represent previous year's amounts.

Note 37.1

Significant transactions with related parties:-

- i) Preference Share Capital as at 31st March, 2014 includes ₹ **23.84 Lacs** (Previous Year ₹ 27.84 Lacs) of Smt. Laxmi Jain, ₹ **22.58 Lacs** (Previous Year ₹ 27.83 Lacs) of Smt.Sushma Jain, ₹ **23.83 Lacs** (Previous Year ₹ 27.83 Lacs) of Smt.Rina Jain., Shri Gaurav Jain ₹ **2.75 Lacs** (Previous year ₹ NIL)., Smt. Neha Bagaria ₹ **4.00 Lacs** (Previous year ₹ NIL)., Ankit Jain ₹ **2.75 Lacs** (Previous year ₹ Nil)
- ii) Redemption of Preference Share Capital (including Securities Premium) ₹ **1,700.00 Lacs** (Previous Year ₹ Nil) to Shri. Gaurav Jain, ₹ **1,700.00 Lacs** (Previous Year ₹ 7,065.92 Lacs) to Smt. Sushma Jain, ₹ **1,700.00 Lacs** (Previous Year ₹ Nil) to Shri. Ankit Jain, ₹ **Nil** (Previous Year ₹ 20,664.34 lacs) to Smt. Laxmi Jain, ₹ **Nil** (Previous Year ₹ 20,664.34) to Smt. Rina Jain.
- iii) Purchase of Tangible Assets includes ₹ **6.02 Lacs** (Previous Year ₹ 32.89 Lacs) from TechFab (India) Industries Ltd.
- iv) Sales of Tangible Assets includes ₹ **38.50 Lacs** (Previous Year ₹ Nil) to TechFab (India) Industries Ltd.
- v) Investments as at 31st March 2014, include ₹ **12,079.31 Lacs** (Previous Year ₹12,079.31 Lacs) in Urban Infrastructure Holdings Pvt.Ltd.
- vi) Trade Receivables as at 31st March, 2014 include ₹ **95.72 Lacs** (Previous Year ₹ 84.86 Lacs) due from Sarbag Pty Ltd., ₹ **2.07 Lacs** (Previous Year ₹ 64.78 Lacs) due from TechFab (India) Industries Ltd.
- vii) Loans and Advances given include ₹ **1,342.05 Lacs** (Previous Year ₹1,818.76 Lacs) to Jai Realty Ventures Ltd. and ₹ **5.06 Lacs** (Previous Year ₹ Nil) to Jai Corp Finance Holdings Ltd.
- viii) Loans and Advances returned/adjusted include ₹ **310.60 Lacs** (Previous Year ₹ 327.97 Lacs) from Jai Realty Ventures Ltd., ₹ **7.21 Lacs** (Previous Year ₹ Nil) from Jai Corp Finance Holdings Ltd.
- ix) Loans and Advances as at 31st March, 2014 include ₹ **40,423.67 Lacs** (Previous Year ₹ 39,392.22 Lacs) in Jai Realty Ventures Ltd, ₹ **Nil** (Previous Year ₹ 378.32 Lacs) in Resin Distributors Ltd., ₹ **8,522.71 Lacs** (Previous Year ₹ 8,522.71 Lacs) in Urban Infrastructure Holdings Pvt.Ltd.
- x) Trade Payables as at 31st March,2014 include ₹ **21.85 Lacs** (Previous Year ₹114.09 Lacs) due to Urban Infrastructure Venture Capital Ltd.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

- xi) Revenue from Operation includes ₹ **279.70 Lacs** (Previous Year ₹ 371.55 Lacs) sold to Sarbags Pty Ltd. and ₹ **154.83 Lacs** (Previous Year ₹ 1,654.45 Lacs) sold to TechFab (India) Industries Ltd.
- xii) Dividend Income include ₹ **50.00 Lacs** (Previous Year ₹ 40.00 Lacs) received from Urban Infrastructure Venture Capital Ltd.
- xiii) Purchase of Goods includes ₹ **Nil** (Previous Year ₹ 9.11 Lacs) from TechFab (India) Industries Ltd.
- xiv) Discount on Raw Material includes ₹ **Nil** (Previous Year ₹ 1,031.76 Lacs) received from Resin Distributors Ltd.
- xv) Dividend paid on 1% Non-Cumulative, Non-Participating, Redeemable Preference Shares includes ₹ **0.23 Lacs** (Previous Year ₹ 0.28 Lacs) to Smt. Laxmi Jain, ₹ **0.22 Lacs** (Previous Year ₹ 0.28 Lacs) to Smt. Sushma Jain and ₹ **0.23 Lacs** (Previous Year ₹ 0.27 Lacs) to Smt. Rina Jain, ₹ **0.03 Lacs** (Previous Year ₹ Nil) to Shri. Gaurav Jain, ₹ **0.03 Lacs** (Previous Year ₹ Nil) to Shri. Ankit Jain, ₹ **0.04 Lacs** (Previous Year ₹ Nil) to Smt. Neha Bagaria
- xvi) Directors' remuneration and perquisites include ₹ **26.22 Lacs** (Previous Year ₹ 28.57 Lacs) paid to Shri Gaurav Jain and ₹ **31.20 Lacs** (Previous Year ₹ 27.60 Lacs) paid to Shri V. S. Pandit.
- xvii) Directors' sitting fees include ₹ **0.60 Lacs** (Previous Year ₹ 0.70 Lacs) paid to Shri Virendra Jain , ₹ **0.05 Lacs** (Previous Year ₹ 0.20 Lacs) paid to Shri J.K. Jain and ₹ **0.20 Lacs** (Previous Year ₹ 0.20 Lacs) paid to Shri Anand Jain.
- xviii) Job Work Charges include ₹ **Nil** (Previous Year ₹ 0.62 Lacs) paid to TechFab (India) Industries Ltd.
- xix) Investment Management Fees include ₹ **24.28 Lacs** (Previous Year ₹ 99.51 Lacs) to Urban Infrastructure Venture Capital Ltd.
- xx) Other Expenses include ₹ **0.01 Lacs** (Previous Year ₹ 0.52 Lacs) paid to Resin Distributors Ltd.

37.2 In accordance with the Clause 32 of Listing Agreement, advance in the nature of loans is/are as under :

(₹ In lacs)					
(a)	Name of the company	Relationship	Balance as at 31 st March, 2014	Balance as at 31 st March, 2013	Maximum amount outstanding during the year
	Jai Corp Finance & Holding Ltd.	Subsidiary	-	2.15	2.19
	Jai Realty Ventures Limited	Subsidiary	40,423.67	39,392.22	40,423.67

Notes :

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

- (i) The above loans and advances are free of interest and includes ₹ **423.67 Lacs** (Previous Year ₹ 394.37 Lacs), which is repayable on demand.
- (ii) As per the Company policy, loans 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: **Jai Realty Ventures Limited**

S.No.	Name of Company	As at 31 st March, 2014		As at 31 st March, 2013	
		No. of Shares		No. of Shares	
		Equity	Preference	Equity	Preference
1	Asoka Realty and Developers Limited.	50,000	950,000	50,000	950,000
2	Belle Terre Realty Limited.	9,933	22,574,300	9,933	22,574,300
3	Ekdant Realty & Developers Limited.	50,000	-	50,000	-
4	Hari Darshan Realty Limited.	50,000	10,200	50,000	10,200
5	Hill Rock Construction Limited.	50,000	9,550	50,000	9,550
6	Hind Agri Properties Limited.	50,000	-	50,000	-
7	Iconic Realtors Limited.	75,000	-	50,000	-
8	Jailaxmi Realty and Developers Limited.	50,000	-	50,000	-
9	Krupa Land Limited.	50,000	-	50,000	-
10	Krupa Realtors Limited.	50,000	-	50,000	-
11	Multifaced Impex Limited.	80,000	450	50,000	450
12	Novelty Realty & Developers Limited.	50,000	-	50,000	-
13	Rainbow Infraprojects Limited.	50,000	-	50,000	-
14	Rudradev Developers Limited.	50,000	-	50,000	-
15	Swar Land Developers Limited.	50,000	-	50,000	-
16	Swastik Land Developers Limited.	50,000	950,000	50,000	950,000
17	Vasant Bahar Realty Limited.	50,000	3,300	50,000	3,300
18	Welldone Real Estate Limited.	50,000	7,350	50,000	7,350
19	Yug Developers Limited.	50,000	5,000	50,000	5,000

Note 38

As per Accounting Standard (AS) 21 on "Consolidated Financial Statements" and Accounting Standard (AS) 23 on "Accounting for Investments in Associates in Consolidated Financial Statements", the Company has presented Consolidated Financial Statements, including Subsidiaries and Associates. Accordingly Segment Information as required under Accounting Standard - 17 on "Segment reporting" is included under the Notes on Consolidated Financial Statements.

Note 39

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date

For Chaturvedi & Shah

Chartered Accountants

For and on behalf of the Board of Directors

Gaurav Jain

Managing Director
(DIN 00077770)

V. S. Pandit

Director (Works)
(DIN 00460320)

R.Koria

Partner

Pramod Jaiswal

Chief Financial Officer

A. Datta

Company Secretary

Place : Mumbai

Date : 8th May 2014

FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

Particulars regarding subsidiary companies under Section 212 (8) of the Companies Act, 1956, information pursuant to General Circular No. 2/2011 dated 8th February, 2011 issued by the Government of India, Ministry of Corporate Affairs.

S. No.	Name of Subsidiary	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments			Revenue from Operation	Profit Before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend
							Total	Sub. Invest.	Invest. In Others					
1	Ashoka Realty and Developers Limited	INR	100.00	(91.11)	609.73	600.84	-	-	-	(0.30)	-	(0.30)	-	
2	Belle Terre Realty Limited	INR	13,495.89	(60.02)	13,438.32	2.45	30.53	18.32	12.21	(9.09)	-	(9.09)	-	
3	Ekdant Realty and Developers Limited	USD	225.84	(1.00)	224.88	0.04	0.51	0.31	0.20	(0.15)	-	(0.15)	-	
4	Hari Darshan Realty Limited	INR	6.02	121.90	672.56	544.63	-	-	-	35.50	31.48	9.90	21.58	
5	Hill Rock Construction Limited	INR	5.96	238.07	348.87	104.84	-	-	-	239.50	187.69	61.00	126.70	
6	Hind Agri Properties Limited	INR	5.00	(2.77)	944.67	942.44	0.31	-	0.31	(0.27)	-	(0.27)	-	
7	Iconic Realtors Limited	INR	7.50	(5.46)	11,852.73	11,850.68	-	-	-	(0.91)	-	(0.91)	-	
8	Jai Corp Finance and Holding Limited	INR	150.00	164.18	314.57	0.39	-	-	-	23.64	7.35	16.29	-	
9	Jailaxmi Realty and Developers Limited	INR	5.00	(1.69)	1,944.13	1,940.81	-	-	-	(0.26)	-	(0.26)	-	
10	Jai Realty Ventures Limited	INR	5.50	(201.76)	40,227.98	40,424.24	13,147.70	11,496.36	1,651.34	(1.06)	-	(1.06)	-	
11	Krupa Land Limited	INR	5.00	(2.93)	1,976.54	1,974.47	-	-	-	(0.30)	-	(0.30)	-	
12	Krupa Realtors Limited	INR	5.00	(1.69)	828.58	825.26	-	-	-	(0.27)	-	(0.27)	-	
13	Multifaced Impex Limited	INR	8.05	(4.57)	100.81	97.33	-	-	-	(0.14)	-	(0.14)	-	
14	Novelty Realty and Developers Limited	INR	5.00	(1.90)	980.34	977.24	-	-	-	(0.27)	-	(0.27)	-	
15	Oasis Holding FZC	INR	24.40	(39.47)	5,152.38	5,167.46	5,134.07	-	5,134.07	(6.95)	-	(6.95)	-	
16	Rainbow Infraprojects Limited	AED	1.50	(2.43)	316.78	317.70	315.65	-	315.65	(0.42)	-	(0.42)	-	
17	Rudradev Developers Limited	INR	5.00	(4.17)	1,230.71	1,229.88	-	-	-	(0.46)	(0.06)	(0.40)	-	
18	Sarbags Pty Limited	INR	5.00	(1.59)	1,176.71	1,173.29	-	-	-	(0.27)	-	(0.27)	-	
19	Swar Land Developers Limited	INR	12.34	811.31	971.72	148.06	-	-	-	417.40	21.69	15.09	6.60	
20	Swastik Land Developers Limited	AUD	0.50	14.41	17.59	2.88	-	-	-	7.45	0.39	0.27	0.12	
21	Urban Infrastructure Trustees Limited	INR	5.00	(8.45)	1,361.96	1,365.42	-	-	-	(4.35)	0.04	(4.39)	-	
22	Urban Infrastructure Venture Capital Limited	INR	100.00	(96.37)	880.50	876.87	-	-	-	(0.30)	-	(0.30)	-	
23	UI Wealth Advisors Limited	INR	5.00	48.22	53.72	0.50	52.39	-	52.39	8.13	8.88	1.78	7.10	
24	Vasant Bahar Realty Limited	INR	500.00	17,649.98	20,369.03	2,219.05	6,482.60	210.00	6,272.60	3,997.72	2,992.25	1,067.34	1,924.91	
25	Weidone Real Estate Limited	INR	210.00	34.99	245.13	0.14	234.46	-	234.46	4.49	3.61	0.86	2.75	
26	Yug Developers Limited	INR	5.33	66.18	80.69	9.18	-	-	-	64.45	49.27	15.28	33.99	
27		INR	5.74	53.72	70.31	10.85	-	-	-	(1.03)	(0.03)	(1.00)	-	
28		INR	5.50	65.89	317.05	245.66	-	-	-	(0.29)	-	(0.29)	-	

Note:

- 1 Exchange rate (as on 31st March, 2014) used in:
 - a) Sarbags Pty Ltd. AUD 1 = 55.2664
 - b) Oasis Holding FZC AED 1 = 16.2651
 - c) Belle Terre Realty Limited USD 1 = 59.7580

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To
The Board of Directors
Jai Corp Limited
Report on the Financial Statements

We have audited the accompanying consolidated financial statements of 'Jai Corp Limited' ("the Company") and its subsidiaries and associates (collectively referred to as 'the Group') which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with Accounting Principles Generally Accepted in India including Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the

financial statements of the subsidiaries as noted below, 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 March 31, 2014;
- (ii) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention in respect of

- 1. Note No. 22.2 on the Consolidated Financial Statements regarding non-receipt of balance confirmations of Inter Corporate Deposits, Interest receivables and certain advances given for purchase of land and development rights including ₹ 42.50 lacs in respect of which legal action have been initiated by one of the subsidiaries for non-execution of sale deed.
- 2. Note No. 22.3 on the Consolidated Financial Statements regarding Inter-Corporate deposits and interest accrued & due there on aggregating to ₹ 8091.12 lacs due from three body-corporates in respect of which a subsidiary Company has filed winding-up petitions and has considered the same good for recovery and no provision for doubtful debts has been considered necessary, for the reason stated therein.

Our opinion is not qualified in respect of above matters.

Other Matter

- 1. We did not audit the financial statement of certain subsidiary companies, whose financial statements reflect total assets of ₹ 42968.01 lacs as at March 31, 2014, total revenue of ₹ 781.14 lacs and net cash inflows aggregating ₹ 6.19 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.
- 2. We have relied on the unaudited financial statements of one associate wherein the Group's share of loss for the year ended March 31, 2014 is ₹ 0.27 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.

Our opinion is not qualified in respect of above matters.

For CHATURVEDI & SHAH

Chartered Accountants
 Firm Reg. No. – 101720W

R. Koria
 Partner
 Membership No. – 35629

Place : **Mumbai**
 Date : 8th May 2014

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2014

(₹ In Lacs)

Particulars	Notes	AS AT 31 st MARCH 2014	AS AT 31 st MARCH 2013
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
Share Capital	3	1,864.46	1,868.21
Reserves and Surplus	4	<u>229,541.69</u>	<u>223,711.75</u>
		231,406.15	225,579.96
2 Non-current Liabilities			
Long-Term Borrowings	5	2,064.82	2,060.26
Deferred Tax Liabilities (Net)	6	2,270.00	2,247.67
Other Long Term Liabilities	7	0.20	0.20
Long-Term Provisions	8	<u>64.03</u>	<u>64.55</u>
		4,399.05	4,372.68
3 Current Liabilities			
Short-Term Borrowings	9	1,948.22	2,406.74
Trade Payables	10	1,023.66	979.17
Other Current Liabilities	11	1,525.23	2,354.86
Short-Term Provisions	12	<u>645.82</u>	<u>592.94</u>
		5,142.93	6,333.71
TOTAL		<u>240,948.13</u>	<u>236,286.35</u>
II. ASSETS			
1 Non-Current Assets			
Fixed Assets	13		
Tangible Assets		21,038.12	21,337.55
Intangible Assets		51.63	67.67
Capital Work-in-progress		<u>717.10</u>	<u>724.14</u>
		21,806.85	22,129.36
Goodwill on Consolidation		855.88	855.88
Non-Current Investments	14		
In Associates		11,669.28	11,669.55
In Others		99,164.77	98,854.29
Deferred Tax Assets (Net)	15	53.53	47.93
Long-Term Loans and Advances	16	14,625.32	13,075.19
Other Non-Current Assets	17	<u>979.72</u>	<u>1,129.68</u>
		149,155.35	147,761.88
2 Current Assets			
Current Investments	18	6,155.22	8,888.13
Inventories	19	17,612.98	16,979.38
Trade Receivables	20	11,094.54	10,860.80
Cash and Bank Balances	21	3,814.80	1,673.79
Short-Term Loans and Advances	22	50,595.15	48,451.84
Other Current Assets	23	<u>2,520.09</u>	<u>1,670.53</u>
		91,792.78	88,524.47
TOTAL		<u>240,948.13</u>	<u>236,286.35</u>
Significant Accounting Policies	1		
Notes on Consolidated Financial Statements	2 to 38		

As per our report of even date

For Chaturvedi & Shah

Chartered Accountants

R.Koria

Partner

Place : Mumbai

Date : 8th May 2014

For and on behalf of the Board of Directors

Gaurav Jain

Managing Director

(DIN 00077770)

Pramod Jaiswal

Chief Financial Officer

V. S. Pandit

Director (Works)

(DIN 00460320)

A. Datta

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ In Lacs)

Particulars	Note	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
I. Income			
Gross Revenue From Operations	24	79,886.89	74,446.66
Less : Excise Duty/Service Tax Recovered (Refer Note 35)		5,086.67	4,903.56
Net Revenue From Operations		74,800.22	69,543.10
II. Other Income	25	5,147.04	6,568.43
III. Total Revenue (I + II)		79,947.26	76,111.53
IV. Expenses:			
Cost of Materials Consumed		46,105.87	41,877.98
Purchase of Stock-in-Trade		1,500.04	21.03
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	26	(1,074.63)	(111.92)
Employee Benefits Expense	27	6,087.45	6,170.01
Finance Costs	28	273.26	290.80
Depreciation and Amortisation Expenses	13	1,842.98	1,824.56
Other Expenses	29	10,296.97	10,385.65
Total Expenses		65,031.94	60,458.11
V. Profit Before Tax (III-IV)		14,915.32	15,653.42
VI. Tax Expense:			
(i) Current Tax		4,966.05	4,795.52
(ii) Deferred Tax		16.98	192.99
(iii) Income Tax for earlier year		(33.46)	(0.04)
VII. Profit After Tax (V-VI)		9,965.75	10,664.95
VIII. Share in Loss of Associates		(0.27)	(0.40)
IX. Net Profit (VII+VIII)		9,965.48	10,664.55
X. Earnings per Equity Share:			
Basic & Diluted (in ₹)	30	5.58	5.98
Face Value per Share (in Re.)		1.00	1.00
Significant Accounting Policies	1		
Notes on Consolidated Financial Statements	2 to 38		

As per our report of even date

For Chaturvedi & Shah

Chartered Accountants

For and on behalf of the Board of Directors

Gaurav Jain

 Managing Director
(DIN 00077770)

V. S. Pandit

 Director (Works)
(DIN 00460320)

R.Koria

Partner

Pramod Jaiswal

Chief Financial Officer

A. Datta

Company Secretary

Place : Mumbai

 Date : 8th May 2014

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in Lacs)

Particulars	FOR THE YEAR ENDED 31 ST MARCH, 2014	FOR THE YEAR ENDED 31 ST MARCH, 2013
A. Cash Flow from Operating Activities		
Net Profit before tax as per Statement of Profit and Loss	14,915.32	15,653.42
Adjusted for :		
Depreciation and Amotisation Expense	1,842.98	1,824.56
Wealth Tax	1.92	4.50
Net Loss on foreign currency transaction and translation*	129.51	17.92
Profit on sale of Investments (Net)	(554.11)	(950.18)
Income from Long-Term Investments	(154.79)	(535.62)
Provision for diminution in value of Long-Term Investments	5.50	157.62
Loss/ (Profit) on sale of Fixed Assets (Net)	(61.50)	67.12
Finance Costs	273.26	290.80
Sundry Balances Written Off (Net)	138.78	92.44
Share Issue Expenses	-	2.00
Interest Income	(3,663.04)	(4,355.87)
Dividend Income	(328.87)	(317.45)
	<u>(2,370.36)</u>	<u>(3,702.16)</u>
Operating Profit before Working Capital Changes	12,544.96	11,951.26
Adjusted for :		
Trade and Other Receivables	(6.14)	(2,882.22)
Inventories	(633.59)	66.85
Trade and Other Payables	(820.98)	(2,640.93)
Cash generated from operations	11,084.25	6,494.96
Direct taxes paid	(5,423.57)	(6,643.40)
Cash Flow before prior period adjustments	5,660.68	(148.44)
Net Prior period adjustment	-	-
Net Cash from/(Used in) Operating Activities	<u>5,660.68</u>	<u>(148.44)</u>
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(1,821.90)	(1,831.88)
Sale of Fixed Assets	308.30	768.35
Fixed Deposits with banks having maturity of more than three months (Placed)	(978.88)	(840.32)
Fixed Deposit with bank having maturity of more than three months (Matured)	1,175.17	613.46
Purchase of Investments including Share Application Money	(28,704.39)	(68,079.92)
Sale of Investments	32,139.62	90,796.38
Movement in Loans (Net)	(644.06)	(2,042.78)
Income from Long-Term Investments	96.61	309.16
Interest Income	789.85	1,996.96
Dividend Income	328.87	317.45
Net Cash from Investing Activities	<u>2,689.19</u>	<u>22,006.86</u>

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014 (Contd.)
(₹ in Lacs)

Particulars	FOR THE YEAR ENDED 31 st MARCH, 2014	FOR THE YEAR ENDED 31 st MARCH, 2013
C. Cash Flow from Financing Activities		
Redemption of Preference Share Capital including Securities Premium	(5,100.00)	(21,197.75)
Proceeds of Long-Term Loans	-	385.04
Repayment of Long-Term Loans	(13.80)	(923.80)
Unclaimed for Scheme of Arrangement	(0.03)	(0.01)
Short-Term Loans (Net)	(458.51)	27.10
Fixed Deposits/Margin Money with Banks and Government Authorities (Net)	105.47	12.75
Finance costs paid	(278.16)	(278.56)
Share Issue Expenses	-	(2.00)
Dividend Paid	(282.74)	(280.87)
Net Cash (Used in) Financing Activities	<u>(6,027.77)</u>	<u>(22,258.10)</u>
Net (Decrease) in Cash and Cash Equivalents (A+B+C)	2,322.10	(399.68)
Opening Balance of Cash and Cash Equivalents	457.69	857.37
Closing Balance of Cash and Cash Equivalents	2,779.79	457.69
Components of Cash and Cash Equivalents		
Effect of exchange rate on Cash and Cash Equivalents	14.33	456.14
Balance of cash and cash equivalents	<u>2,765.46</u>	<u>1.55</u>

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

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 The Previous year's figures have been regrouped, rearranged and reclassified wherever necessary to confirm to the current year's presentation.
- 3 Bracket indicates cash outflow.

As per our report of even date

For Chaturvedi & Shah

Chartered Accountants

R.Koria

Partner

Place : Mumbai

Date : 8th May 2014

For and on behalf of the Board of Directors

Gaurav Jain

Managing Director

(DIN 00077770)

Pramod Jaiswal

Chief Financial Officer

V. S. Pandit

Director (Works)

(DIN 00460320)

A. Datta

Company Secretary

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014**Note 1****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:

- 1.1 In respect of following item Accounting Policy followed by Subsidiary Company is different than that of the Company:

Item	Particulars	Amount Cost (₹ In Lacs)	Proportion to the Cost of Fixed Assets
Depreciation	Sarbags Pty.Ltd. has charged depreciation on Office Equipment @ 7.5% and 33.30% as against Schedule XIV rates followed by the Company.	7.30	0.017%

- 1.2 The Audited Financial Statements of foreign subsidiaries, Belle Terre Realty Limited and Oasis Holding (FZC), as at 31st March, 2014 have been prepared in accordance with International Financial Reporting Standards and Sarbags Pty Limited as at 31st March, 2014 has been prepared in accordance with Australian Accounting Standards.
- 1.3 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 (AS) 21 on "Consolidated Financial Statements" as notified.
- 1.4 In case of foreign subsidiaries, 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.
- 1.5 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 preceding 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 as the profit or loss on disposal of investment in subsidiary.
- 1.6 Minority Interest's in 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.
- 1.7 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.
- 1.8 In case of Associates, 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 Accounting Standard (AS) 23 on "Accounting for Investments in Associates in Consolidated Financial Statements" as notified
- 1.9 The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealised profits and losses resulting from transaction between the Company and its associates to the extent of its share, through its Statement of Profit and Loss to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance, based on available information.
- 1.10 The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified and separately disclosed in the Financial Statements as Goodwill or Capital Reserve as the case may be.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

1.11 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.1.1 & 1.2 of Notes on Consolidated Financial Statements and are presented to the extent possible, in the same manner as the Company's separate financial statements.

1.12 Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting For Investments" as notified.

1.13 SIGNIFICANT ACCOUNTING POLICIES

1.13.1 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 relevant provisions of the Companies Act, 1956 ("The Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of general circular 15/2013, dated 13th September 2013 of the Ministry of Corporate Affairs) as adopted consistently by the Company.

1.13.2 USE OF ESTIMATES

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known/materialised.

1.13.3 TANGIBLE 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. The cost comprises of purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working conditions for the intended use, including trial production costs, if any till commencement of commercial production.

1.13.4 DEPRECIATION

i) Depreciation is 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 and on the fixed assets owned by the foreign subsidiary, on which depreciation is provided as per their respective useful life.

ii) Cost of lease-hold land is amortised on straight line method over the lease period.

iii) Fixed assets where ownership vests with the Government/local authorities are amortised at the rates of depreciation specified in Schedule XIV to the Companies Act, 1956.

1.13.5 INTANGIBLE ASSETS

Intangible assets are stated at cost of acquisition less accumulated amortisation. Computer software is amortised over the useful life or period of five years, whichever is less.

1.13.6 INVESTMENTS

Current investments are carried at lower of cost and fair value, ascertained 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. Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investment. All other investments are classified as long-term investment.

1.13.7 VALUATION OF INVENTORIES

In general, all inventories of finished goods, work-in-progress etc., are stated at lower of cost and 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. Finance cost generally are not part of the cost of inventories except Real Estate Division. Raw material and stores and spares are stated at lower of cost and 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 on average basis in respect of Steel Division. Scrap and trial run products are valued at estimated net realisable value. Inventories of finished goods and scrap includes excise duty wherever applicable.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

1.13.8 CUSTOMS DUTY

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

1.13.9 EXPORT INCENTIVES

Export incentives other than advance license are recognised at the time of exports and the benefit in respect of advance license received by the company against exports made by it are recognised as and when goods are imported against them.

1.13.10 FOREIGN CURRENCY TRANSACTIONS

- i) Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the date of transaction.
- ii) Monetary items denominated in foreign currencies at the year-end are restated at the closing rates. In case of any items, covered by forward exchange contracts, the difference between the closing rate and rate on the date of the contract is recognized as exchange rate difference and the premium paid on forward contracts not intended for trading or speculation purpose is amortised as expense over the life of the contract.
- iii) Non-monetary items which are carried in term of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction.
- iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

1.13.11 REVENUE RECOGNITION

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations include sales of goods, land, services, scrap, commission, export incentive, excise duty and service tax but excludes sales tax/ Value Added Tax and 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, job-work and investment management fees income are recognised on an accrual basis in accordance with the terms of relevant agreement.

1.13.12 EMPLOYEE BENEFITS

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.
- ii) Post employment and other long-term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the Statement of Profit and Loss.
- iii) Compensated absences are accounted similar to the short-term employee benefits.
- iv) Retirement benefits in the form of Provident Fund and other Funds are defined contribution schemes and the contributions are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds are due. There are no obligations other than the contribution payable to the fund.

1.13.13 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.

1.13.14 PROVISION FOR CURRENT AND DEFERRED TAX

Provision for current tax is made after taking into consideration benefits admissible in each of the entity in the group, in accordance with the provision of applicable tax laws of the respective jurisdiction where the entity is located. 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. A deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that it will be realized in future. In the case of unabsorbed depreciation and carry forward tax losses, deferred tax asset is recognised only if there is virtual certainty supported by convincing evidence that it can be realised against future taxable profits. The carrying amount of deferred tax assets is reviewed at each balance sheet date for their appropriateness.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Deferred tax assets and deferred tax liabilities are offset 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 asset 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 asset 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 Statement of Profit and Loss 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 the Company will pay normal income-tax during the specified period.

1.13.15 IMPAIRMENT OF ASSETS

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal /external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset 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.

1.13.16 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

1.13.17 DERIVATIVE TRANSACTIONS

In respect of derivative contracts, premium paid, gain/losses on settlement and losses on restatement are recognised in the Statement of Profit and Loss except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

1.13.18 SUBSIDY

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

1.13.19 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity share holders (after deducting preference dividend and attributable tax) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 2

The audited financial results of the following Subsidiary Companies and Associate Companies as on 31st March, 2014 have been considered in the preparation of Consolidated Financial Statements except in case of Urban Infrastructure Holdings Private Limited, which is approved by the management :

Name of the Company	Nature of Interest	Country of Incorporation	Proportion of ownership Interest
Ashoka Realty and Developers Limited	Subsidiary	India	100%
Belle Terre Realty Limited	Subsidiary	Mauritius	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%
Jailaxmi Realty and Developers Limited	Subsidiary	India	100%
Jai Realty Ventures Limited	Subsidiary	India	100%
Krupa Land Limited	Subsidiary	India	100%
Krupa Realtors Limited	Subsidiary	India	100%
Multifaced Impex Limited	Subsidiary	India	100%
Novelty Realty & Developers Limited	Subsidiary	India	100%
Oasis Holding FZC	Subsidiary	Sharjah, UAE	75%
Rainbow Infraprojects Limited	Subsidiary	India	100%
Rudradev Developers Limited	Subsidiary	India	100%
Sarbags Pty Limited	Subsidiary	Australia	100%
Swar Land Developers Limited	Subsidiary	India	100%
Swastik Land Developers Limited	Subsidiary	India	100%
UI Wealth Advisors 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 Developers FZC	Associate	Sharjah, UAE	50%
Urban Infrastructure Holdings Private Limited	Associate	India	32%

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 3 - Share Capital

Particulars	(₹ In Lacs)	
	AS AT 31 ST MARCH 2014	AS AT 31 ST MARCH 2013
Authorised		
45,00,00,000 Equity Shares of Re. 1 each (45,00,00,000)	4,500.00	4,500.00
1,50,00,000 1% Non-Cumulative, Non-Participating Redeemable (1,50,00,000) Preference Shares of Re. 1 each	150.00	150.00
3,50,00,000 Unclassified Shares of Re. 1 each (3,50,00,000)	350.00	350.00
TOTAL	5,000.00	5,000.00
Issued and Subscribed Shares		
17,84,94,010 Equity Shares of Re. 1 each (17,84,94,010)	1,784.94	1,784.94
79,74,900 1% Non-Cumulative, Non-Participating Redeemable (83,49,900) Preference Shares of Re. 1 each	79.75	83.50
TOTAL	1,864.69	1,868.44
Paid-Up Shares		
17,84,49,010 Equity Shares of Re. 1 each fully paid up (17,84,49,010)	1,784.49	1,784.49
79,74,900 1% Non-Cumulative, Non-Participating Redeemable (83,49,900) Preference Shares of Re. 1 each fully paid up	79.75	83.50
Add: Forfeited Shares (Amount originally paid on 4,460 (4460) shares of ₹ 10 each)	0.22	0.22
TOTAL	1,864.46	1,868.21

3.1 (i) Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year:

Particulars	2013-14		2012-13	
	(In Nos.)	(₹ In Lacs)	(In Nos.)	(₹ In Lacs)
Shares outstanding at the beginning of the year	17,84,49,410	1,784.49	17,84,49,410	1,784.49
Shares outstanding at the end of the year	17,84,49,410	1,784.49	17,84,49,410	1,784.49

(ii) Reconciliation of number of Preference Shares outstanding at the beginning and at the end of the year:

Particulars	2013-14		2012-13	
	(In Nos.)	(₹ In Lacs)	(In Nos.)	(₹ In Lacs)
Number of Shares outstanding at the beginning of the year	83,49,900	83.50	99,99,900	100.00
Less : Shares redeemed during the year	3,75,000	3.75	16,50,000	16.50
Number of Shares outstanding at the end of the year	79,74,900	79.75	83,49,900	83.50

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

3.2 (i) The terms / rights attached to the Equity Shares:

The holder of equity shares of Re. 1 each is entitled to one vote per share. The equity shareholders are entitled to dividend only if dividend in a particular financial year is recommended by the Board of Directors and approved by the members at the annual general meeting of that year. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by share holders.

(ii) The terms / rights attached to the Preference Shares:

On 27th November, 2007 1,50,00,000 1% Non - cumulative, Non - Participating Redeemable Preference Shares of Re.1 each fully paid-up were allotted. On 26th November, 2011, 50,00,100 preference shares were redeemed at a premium of 6% p.a. from the date of allotment on issue price of ₹ 1,000/- per share and the balance 99,99,900 preference shares were rolled over for a further period of two years with effect from 26th November 2011 with an option to the Company/the Preference Shareholder(s) to redeem the same earlier. On 23rd August, 2012 a further 16,50,000 preference shares were redeemed and the balance 83,49,900 preference shares were rolled over for a further period of two years with effect from 26th November 2013 as approved by the share holders at its meeting held on 28th September 2013. On 26th November, 2013 a further 3,75,000 preference shares were redeemed and the balance 79,74,900 are redeemable at a premium of 6 % p.a. from the date of allotment on issue price of ₹ 1,000/- per share. The Preference Shareholders have a preferential right to dividend of 1% per annum, carry a preferential right for repayment of capital in priority to the equity shares, on liquidation of the Company or repayment of capital. However, the preference shares carry no further or other right to participate either in the profits or assets of the Company.

3.3 Redemption premium on Preference Shares as mentioned above will be paid out of the Securities Premium Account hence no provision has been considered necessary.

3.4 Details of shares in the Company held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31 st March, 2014		As at 31 st March, 2013	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
(a) Equity Shares:				
(i) Harsh Jain	2,32,51,560	13.03	2,31,51,560	12.97
(ii) Rina Jain	2,17,19,220	12.17	1,77,19,220	9.93
(iii) Satyapal Jaikumar Jain	1,82,11,800	10.21	2,44,61,800	13.71
(iv) Sushma Jain	1,61,30,740	9.04	1,61,30,740	9.04
(v) Ankit Jain	1,54,01,700	8.63	1,53,01,700	8.57
(vi) Laxmi Jain	1,42,53,540	7.99	N.A.*	N.A.*
(vii) Gaurav Jain	1,05,27,200	5.90	1,04,27,200	5.84
(viii) Virendra Jain	N.A.*	N.A.*	98,71,620	5.53
(b) Preference Shares:				
(i) Rina Jain	23,83,300	29.89	27,83,300	33.33
(ii) Laxmi Jain	23,83,300	29.89	27,83,300	33.34
(iii) Sushma Jain	22,58,300	28.32	27,83,300	33.33
(iv) Neha Bagrodia	4,00,000	5.02	N.A.*	N.A.*

* Reduced below 5%, hence not disclosed

3.5 Forfeited shares (Amount originally paid up):

Particulars	₹ In Lacs)	
	2013-2014	2012-2013
44,600 (Previous Year 44,600) Equity Shares of Re.1 each (Originally 4,460 Equity Shares of ₹10/- each)	0.22	0.22

3.6 Figures in bracket represents previous year figures

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014
Note 4 - Reserves and Surplus

(₹ In Lacs)

Particulars	AS AT	
	31 ST MARCH, 2014	31 ST MARCH, 2013
Capital Reserve		
Balance as at the beginning and at the end of the year	92.17	92.17
Capital Reserve on Consolidation	349.95	349.95
Capital Redemption Reserve		
Balance as at the beginning of the year	66.50	50.00
Add: Transfer from General Reserve on account of redemption of Preference Shares	3.75	16.50
Balance as at the end of the year	70.25	66.50
Securities Premium Account		
Balance as at the beginning of the year	131,806.67	152,987.92
Less: Premium on Redemption of Preference Shares	5,096.25	21,181.25
Balance as at the end of the year	126,710.42	131,806.67
Statutory Reserve Fund (Created pursuant to Section 45 IC of RBI Act, 1934)		
Balance as at the beginning and at the end of the year	10.41	10.41
General Reserve		
Balance as at the beginning of the year	26,290.33	25,557.95
Add : Transferred from Surplus	781.84	748.88
Less: Transferred to Capital Redemption Reserve	3.75	16.50
Balance as at the end of the year	27,068.42	26,290.33
Foreign Currency Translation Reserve		
Balance as at the beginning of the year	2,472.97	1,761.58
Add: Effect of foreign exchange rate variation during the year	1,228.99	711.39
Balance as at the end of the year	3,701.96	2,472.97
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	62,622.75	52,988.00
Add : Net Profit for the year	9,965.48	10,664.55
Amount available for Appropriations	72,588.23	63,652.55
Appropriation		
Transferred to General Reserve	781.84	748.88
Proposed Dividend on Preference Shares	0.77	0.83
Dividend per Share Re. 0.01 (Previous Year Re. 0.01)		
Proposed Dividend on Equity Shares	240.84	240.84
Dividend per Share Re. 0.50 (Previous Year Re. 0.50)		
Tax on Proposed Dividend	26.67	41.07
Reversal of Proposed Dividend on Preference Shares Redeemed	-	(0.17)
Reversal of Tax on Proposed Dividends	-	(1.65)
Balance as at the end of the year	71,538.11	62,622.75
TOTAL	229,541.69	223,711.75

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 5 - Long-term Borrowings

Particulars	(₹ In Lacs)	
	AS AT 31 st MARCH, 2014	AS AT 31 st MARCH, 2013
Unsecured		
Interest free Sales-tax Loan	778.75	890.47
Loan from Other	1,286.07	1,169.79
Total	2,064.82	2,060.26

5.1 An interest-free sales tax loan of ₹ 890.47 Lacs (Previous Year ₹ 904.27 Lacs) (including current maturities of long-term borrowings in Note 11) is outstanding as at 31st March, 2014. Out of the above, ₹ 111.72 Lacs is repayable in December, 2014, ₹ 446.88 Lacs is repayable in equal yearly installment of ₹ 111.72 Lacs starting from December, 2015 and ending on December, 2018 and ₹ 331.87 Lacs is repayable in equal yearly installment of ₹ 66.37 Lacs starting from March, 2020 and ending on March, 2024.

5.2 The loan from other taken by the Oasis Holding FZC, a subsidiary company, for projects is unsecured, interest-free and is expected to be settled in cash.

Note 6 - Deferred Tax Liabilities (Net)

Particulars	(₹ In Lacs)	
	AS AT 31 st MARCH, 2014	AS AT 31 st MARCH, 2013
Deferred Tax Liabilities		
Related to Fixed Assets	2,317.71	2,287.78
Deferred Tax Assets		
Disallowance Under the Income-tax Act, 1961	47.71	40.11
TOTAL	2,270.00	2,247.67

Note 7 - Other Long - Term Liabilities

Particulars	(₹ In Lacs)	
	AS AT 31 st MARCH, 2014	AS AT 31 st MARCH, 2013
Payable to:-	0.20	0.20
Urban Infrastructure Venture Capital Fund-II		
TOTAL	0.20	0.20

Note 8 - Long - Term Provisions

Particulars	(₹ In Lacs)	
	AS AT 31 st MARCH, 2014	AS AT 31 st MARCH, 2013
Provisions for Employee Benefits		
Gratuity (Refer Note 32)	64.03	64.55
TOTAL	64.03	64.55

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 9 - Short - Term Borrowings

Particulars	(₹ In Lacs)	
	AS AT 31 ST MARCH, 2014	AS AT 31 ST MARCH, 2013
Secured Loans		
Working Capital Loans from Banks	14.25	183.25
Revolving Term Loan From a Bank	1,933.97	2,223.49
TOTAL	<u>1,948.22</u>	<u>2,406.74</u>

9.1 The Working Capital Loans to the extent of ₹ 10.07 Lacs (Previous year ₹ 82.74 Lacs) is secured by hypothecation on whole of current assets including stock and book debts and as collateral security, second charge and negative lien on certain fixed assets of the Company and ₹ 4.18 Lacs (Previous year ₹ 100.51 Lacs) is secured against pledge of fixed deposits with banks.

9.2 Revolving Term loan from a Bank, taken by one of the subsidiary, is secured by hypothecation of first and exclusive charge on receivable (management fees and advisory fees) from Urban Infrastructure Opportunity Fund and Urban Infrastructure Capital Advisors - Mauritius.

Note 10 - Trade Payables

Particulars	(₹ In Lacs)	
	AS AT 31 ST MARCH, 2014	AS AT 31 ST MARCH, 2013
Micro, Small and Medium Enterprises	24.03	35.16
Others	999.63	944.01
TOTAL	<u>1,023.66</u>	<u>979.17</u>

10.1 Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information available with the Company and the details of amount outstanding due to them are as given below:

Particulars	(₹ In Lacs)	
	AS AT 31 ST MARCH, 2014	AS AT 31 ST MARCH, 2013
a) Principal amount remaining unpaid	24.03	35.16
b) Interest due thereon	-	-
c) Interest paid by the Company in terms of Section 16 of MSMED 2006, alongwith amount of the payment made to the suppliers beyond the appointed day during the year.	-	-
d) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED 2006.	-	-
e) Interest accrued and remaining unpaid	-	-
f) Further interest remaining due and payable in the succeeding years	-	-

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 11 - Other Current Liabilities

(₹ In Lacs)

Particulars	AS AT	AS AT
	31 st MARCH, 2014	31 st MARCH, 2013
Current Maturities of Long-term Borrowings	111.72	13.80
Interest Accrued and Due on Borrowings	20.61	25.51
Advances from Customers	30.12	815.42
Advance against Sale of Fixed Assets	54.00	50.00
Unpaid Dividends	29.38	23.70
Unclaimed for Scheme of Arrangement	38.96	38.99
Creditors for Capital Expenditure	55.03	27.25
Other Payables		
Salary, Wages and Allowances	598.82	599.11
Power & Fuel	238.41	296.09
Statutory Dues	77.03	105.61
Others	271.15	359.38
	<u>1,185.41</u>	<u>1,360.19</u>
TOTAL	<u>1,525.23</u>	<u>2,354.86</u>

11.1 Unpaid Dividends does not include amount, due & Outstanding, to be credited to Investor Education & Protection Fund.

11.2 Others Includes Security Deposits from Customers and Liability for expenses etc.

Note 12 - Short - Term Provisions

(₹ In Lacs)

Particulars	AS AT	AS AT
	31 st MARCH, 2014	31 st MARCH, 2013
Provisions for Employee Benefits		
Gratuity (Refer Note 32)	47.05	29.34
Leave Encashment	242.86	220.32
	<u>289.91</u>	<u>249.66</u>
Others		
Provision for Income Tax	2.23	3.22
Provisions for Wealth Tax	1.92	2.25
Provisions for Proposed Dividend on Preference Shares	0.77	0.83
Provisions for Proposed Dividend on Equity Shares	240.84	240.84
Tax on Proposed Dividend	26.67	41.07
Provision for Excise Duty	83.48	55.07
	<u>355.91</u>	<u>343.28</u>
TOTAL	<u>645.82</u>	<u>592.94</u>

12.1 The Company had recognised liability based on substantial degree of estimation for excise duty payable on the clearance of goods lying in stock as on 31st March, 2013 of ₹ 55.07 Lacs as per the estimated pattern of dispatches. During the year, ₹ 55.07 Lacs was utilised for clearance of goods. Liability recognised under this class for the year is ₹ 83.48 Lacs, which is outstanding as on 31st March, 2014. Actual outflow is expected in the next financial year.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 13 - Fixed Assets

Description	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 1 st April, 2013	Additions/ Adjustments	Deductions	As at 31 st March, 2014	Upto 31 st March, 2013	For the Year	Deductions/ Adjustments	Upto 31 st March, 2014	As at 31 st March, 2014	As at 31 st March, 2013
TANGIBLE ASSETS										
Leasehold										
Land	516.86	-	-	516.86	70.08	13.45	-	83.53	433.33	446.78
Owned										
Land	2,004.63	41.47	-	2,046.10	-	-	-	-	2,046.10	2,004.63
Buildings	8,720.90	142.43	-	8,863.33	2,292.35	270.23	-	2,562.58	6,300.75	6,428.55
Plant and Equipments	29,959.19	1,528.38	510.38	30,977.19	17,896.00	1,481.20	293.15	19,084.05	11,893.14	12,063.19
Furniture and Fixtures	274.42	0.60	-	275.02	168.55	10.69	-	179.24	95.78	105.87
Vehicles	311.78	30.65	23.00	319.43	182.61	25.06	8.65	199.02	120.41	129.17
Office Equipments	494.86	19.39	5.41	508.84	335.50	27.08	2.35	360.23	148.61	159.36
TOTAL (A)	42,282.64	1,762.92	538.79	43,506.77	20,945.09	1,827.71	304.15	22,468.65	21,038.12	21,337.55
INTANGIBLE ASSETS										
Goodwill	110.24	(2.50)	-	107.74	65.62	3.90	-	69.52	38.22	44.62
Software *	46.93	-	-	46.93	23.88	9.64	-	33.52	13.41	23.05
TOTAL (B)	157.17	(2.50)	-	154.67	89.50	13.54	-	103.04	51.63	67.67
TOTAL (A)+(B)	42,439.81	1,760.42	538.79	43,661.44	21,034.59	1,841.25	304.15	22,571.69	21,089.75	21,405.22
Previous Year	41,117.60	2,722.29	1,400.08	42,439.81	19,809.21	1,828.59	603.21	21,034.59	21,405.22	21,405.22
CAPITAL WORK IN PROGRESS									717.10	724.14

* Other than internally generated

- 13.1** Building includes ₹ 0.01 Lacs (Previous Year ₹ 0.01 Lacs) being the cost of shares in Co operative Housing Societies towards ownership of residential flats.
- 13.2** Capital Work-in-Progress includes ₹ 1.34 Lacs (Previous year ₹ 5.65 Lacs) on account of cost of construction Material at site.
- 13.3** Gross Block of Plant and Equipments includes ₹ 64.68 Lacs (Previous year ₹ 64.68 Lacs) and ₹ 33.56 Lacs (Previous Year ₹ 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.
- 13.4** Addition to Gross block are inclusive of gain/(loss) ₹ (2.66) Lacs (Previous year ₹ 6.91 Lacs) and depreciation are inclusive of gain / (loss) of ₹ 1.73 Lacs (Previous Year ₹ (4.03) Lacs) on account of translation of fixed assets and depreciation to date respectively of foreign subsidiary. The effect of which is considered in foreign currency translation reserve.
- 13.5** In accordance with the Accounting Standard (AS) 28 on "Impairment of Assets" as notified by Companies (Accounting Standards) Rules, 2006 the management during the year carried out an exercise of identifying the assets that may have been impaired in respect of each cash generating unit in accordance with the said Accounting Standard. On the basis of this review carried by the management there was no impairment loss on Fixed Assets during the year ended 31st March, 2014.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 14 Non Current Investments (Refer Note 1.13.6)

Particulars	AS AT	AS AT	Face Value (₹ unless otherwise stated)	AS AT	AS AT
	31 ST MARCH, 2014	31 ST MARCH, 2013		31 ST MARCH, 2014	31 ST MARCH, 2013
	Quantity (Nos)	Quantity (Nos)		(₹ In Lacs)	(₹ In Lacs)
Long-Term Investments					
Trade Investments					
Associate Companies					
Unquoted Fully Paid-up					
In Equity Instruments					
Searock Developers FZC	50	50	AED 1	-	-
Urban Infrastructure Holdings Pvt. Ltd.	113,517,714	113,517,714	10	10,941.74	10,942.01
In Debentures					
Zero percent Optionally Fully Convertible Debentures of Urban Infrastructure Holdings Pvt. Ltd.	727,540	727,540	100	727.54	727.54
Total (i)				<u>11,669.28</u>	<u>11,669.55</u>
Others					
Unquoted Fully Paid-up					
In Equity Instruments					
Mumbai SEZ Ltd.	229,377,346	229,377,346	10	23,522.68	23,522.68
Rewas Ports Ltd.	50,000,000	50,000,000	10	5,000.00	5,000.00
Total (ii)				<u>28,522.68</u>	<u>28,522.68</u>
In Units					
Urban Infrastructure Opportunities Fund	7,619.0	7,619.0	86,750 (Previous Year ₹ 87,500)	7,533.22	7,590.36
Urban Infrastructure Venture Capital Fund - Class B	20,000	20,000	100	20.00	20.00
Total (iii)				<u>7,553.22</u>	<u>7,610.36</u>
Total Trade Investments (a = i+ii+iii)				<u>47,745.18</u>	<u>47,802.59</u>
Other than Trade Investments					
Others					
Quoted Fully Paid-up					
In Equity Instruments					
Ajmera Realty & Infra India Ltd. (Current Year ₹ 135/- and Previous Year ₹ 135/-)	1	1	10	0.00	0.00
Alpine Industries Ltd. (Current Year ₹ 26/- and Previous Year ₹ 26/-)	1	1	10	0.00	0.00
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.	300	100	10	0.35	0.35
Ansal Properties & Infrastructure Ltd. (Current Year ₹ 278/- and Previous Year ₹ 278/-)	1	1	5	0.00	0.00
Arihant Foundation & Housing Ltd. (Current Year ₹ 308/- and Previous Year ₹ 308/-)	1	1	10	0.00	0.00
Asahi Infrastructure & Projects Ltd. (Current Year ₹ Nil and Previous Year ₹ 2/-)	1	1	1	0.00	0.00

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 14 Non Current Investments (Refer Note 1.13.6) (Contd...)

Particulars	AS AT	AS AT	Face Value (₹ unless otherwise stated)	AS AT	AS AT
	31 ST MARCH, 2014	31 ST MARCH, 2013		31 ST MARCH, 2014	31 ST MARCH, 2013
	Quantity (Nos)	Quantity (Nos)		(₹ In Lacs)	(₹ In Lacs)
Ashiana Housing Ltd. (Current Year ₹ 190/- and Previous Year ₹ 190/-)	15	3	2	0.00	0.00
Asian Hotels Ltd. (Current Year ₹ Nil and Previous Year ₹ 313/-)	1	1	10	0.00	0.00
Bajaj Finserve Ltd	4,500	-	5	33.53	-
BL Kashyap & Sons Ltd. (Current Year ₹ 352/- and Previous Year ₹ 352/-)	10	10	1	0.00	0.00
Brigade Enterprises Ltd. (Current Year ₹ 117/- and Previous Year ₹ 117/-)	1	1	10	0.00	0.00
BSEL Infrastructure Realty Ltd.	10	10	10	0.01	0.01
DB Realty Ltd. (Current Year ₹ 419/- and Previous Year ₹ 419/-)	1	1	10	0.00	0.00
D.S.Kulkarni Developers Ltd.	10	10	10	0.02	0.02
Diwan Housing and Finance Ltd. (Current Year ₹ 70/- and Previous Year ₹ 70/-)	1	1	10	0.00	0.00
DLF Ltd	1	1	2	0.01	0.01
DMC Education Ltd. (Current Year ₹ 8/- and Previous Year ₹ 8/-)	1	1	5	0.00	0.00
EIH Associated Hotels Ltd. (Current Year ₹ 498/- and Previous Year ₹ 498/-)	5	5	10	0.00	0.00
EIH Ltd. (Current Year ₹ 134/- and Previous Year ₹ 134/-)	1	1	2	0.00	0.00
Eldeco Housing & Industries Ltd. (Current Year ₹ 113/- and Previous Year ₹ 113/-)	1	1	10	0.00	0.00
ERA Infra Engineering Ltd. (Current Year ₹ 362/- and Previous Year ₹ 362/-)	5	5	2	0.00	0.00
Ganesh Housing Corporation Ltd. (Current Year ₹ 420/- and Previous Year ₹ 420/-)	1	1	10	0.00	0.00
GIC Housing Finance Ltd. (Current Year ₹ 54/- and Previous Year ₹ 54/-)	1	1	10	0.00	0.00
Godrej Properties Ltd.	2	1	5	0.01	0.01
Gravis Hospitality Ltd. (Current Year ₹ 25/- Previous Year ₹ 25/-)	1	1	2	0.00	0.00
Gruh Finance Ltd . (Current Year ₹ 180/- and Previous Year ₹ 180/-)	5	5	10	0.00	0.00
HB Estate Developers Ltd. (Current Year ₹ 32/- and Previous Year ₹ 32/-)	1	1	10	0.00	0.00
Hindusthan Construction Company Ltd.	10	10	1	0.01	0.01
Hotel Leela Venture Ltd. (Current Year ₹ 32/- and Previous Year ₹ 32/-)	1	1	2	0.00	0.00
Housing Development & Infrastructure Ltd.	1	1	5	0.01	0.01
Housing Development Finance Corporation Ltd.	5	5	2	0.03	0.03
Hubtown Ltd.	10	10	10	0.04	0.04
Indiabulls Real Estate Ltd. (Current Year ₹ 216/-)	2	2	2	0.00	0.00
Indiabulls Infrastructure & Power Ltd. (Current Year ₹ 432/- and Previous Year ₹ Nil)	2	2	10	0.00	0.00

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 14 Non Current Investments (Refer Note 1.13.6) (Contd...)

Particulars	AS AT	AS AT	Face Value (₹ unless otherwise stated)	AS AT	AS AT
	31 ST MARCH, 2014	31 ST MARCH, 2013		31 ST MARCH, 2014	31 ST MARCH, 2013
	Quantity (Nos)	Quantity (Nos)		(₹ In Lacs)	(₹ In Lacs)
Indo-Asian Projects Ltd. (Current Year ₹ 39/- and Previous Year ₹ 39/-)	1	1	10	0.00	0.00
IVRCL Assets & Holdings Ltd. (Current Year ₹ Nil and Previous Year ₹ 380/-)	-	1	10	-	0.00
IVRCL Infrastructure & Project Ltd. (Current Year ₹ 362/- and Previous Year ₹ 362/-)	2	2	2	0.00	0.00
Jaypee Infratech Ltd. (Current Year ₹ 84/- and Previous Year ₹ 84/-)	1	1	10	0.00	0.00
Kadamb Constructions Ltd. (Current Year ₹ 38/- and Previous Year ₹ 38/-)	5	5	2	0.00	0.00
Kamawala Housing Constructions Ltd. (Current Year ₹ 29/- and Previous Year ₹ 29/-)	1	1	10	0.00	0.00
Kolte Patil Developers Ltd. (Current Year ₹ 45/- and Previous Year ₹ 45/-)	1	1	10	0.00	0.00
KSL & Industries Ltd.	11	11	4	0.01	0.01
Lanco Infratech Ltd. (Current Year ₹ 294/- and Previous Year ₹ 294/-)	10	10	1	0.00	0.00
Lancor Holdings Ltd. (Current Year ₹ 42/- and Previous Year ₹ 42/-)	1	1	2	0.00	0.00
LIC Housing Finance Ltd. (Current Year ₹ 235/- and Previous Year ₹ 235/-)	5	5	2	0.00	0.00
Lok Housing & Construction Ltd.	5	5	10	0.01	0.01
Mahendra Lifespace Developers Ltd.	100	100	10	0.89	0.89
Marg Ltd. (Current Year ₹ 102/- and Previous Year ₹ 102/-)	1	1	10	0.00	0.00
Blue Cost Hotel Ltd. (Current Year ₹ 205/- Previous Year ₹ 205/-)	1	1	10	0.00	0.00
Narendra Properties Ltd. (Current Year ₹ 23/- and Previous Year ₹ 23/-)	1	1	10	0.00	0.00
Nila Infrastructure Ltd. (Current Year ₹ 2/- and Previous Year ₹ 2/-)	1	1	1	0.00	0.00
Nitesh Estates Ltd. (Current Year ₹ 39/- and Previous Year ₹ 39/-)	1	1	10	0.00	0.00
Oberoi Realty Ltd. (Current Year ₹ 238/- Previous Year ₹ 238/-)	1	1	10	0.00	0.00
Omaxe Ltd.	565	450	10	1.40	1.40
Orbit Corporation Ltd.	10	10	10	0.01	0.01
Future Retail Ltd. (Current Year ₹ 452/- and Previous Year ₹ 452/-)	1	1	2	0.00	0.00
Parsvnath Developers Ltd.	200	200	5	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
Prestige Ltd. (Current Year ₹ 130/- Previous Year ₹ 130/-)	1	1	10	0.00	0.00
Prime Property Development Corp. Ltd. (Current Year ₹ 113/- and Previous Year ₹ 113/-)	1	1	5	0.00	0.00

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014
Note 14 Non Current Investments (Refer Note 1.13.6) (Contd...)

Particulars	AS AT	AS AT	Face Value (₹ unless otherwise stated)	AS AT	AS AT
	31 ST MARCH, 2014	31 ST MARCH, 2013		31 ST MARCH, 2014	31 ST MARCH, 2013
	Quantity (Nos)	Quantity (Nos)		(₹ In Lacs)	(₹ In Lacs)
Provogue (India) Ltd. (Current Year ₹ 244/- and Previous Year ₹ 244/-)	5	5	1	0.00	0.00
Purvankara Projects Ltd. (Current Year ₹ 375/- and Previous Year ₹ 375/-)	1	1	5	0.00	0.00
Radhe Developers (India) Ltd. (Current Year ₹ 157/- and Previous Year ₹ 157/-)	10	10	10	0.00	0.00
Prozone Capital Shopping Centres Ltd (Current Year ₹ 244/- Previous year ₹ 244/-)	5	5	2	0.00	0.00
Rainbow Foundations Ltd. (Current Year ₹ 10/- and Previous Year ₹ 10/-)	1	1	10	0.00	0.00
Rajeswari Foundations Ltd. (Current Year ₹ 16/- and Previous Year ₹ 16/-)	1	1	10	0.00	0.00
Regaliaa Realty Ltd. (Current Year ₹ 8/- and Previous Year ₹ 8/-)	1	1	10	0.00	0.00
Reliance Industries Ltd.	3,522,000	3,522,000	10	47,747.75	47,747.75
SAAG RR Infra Ltd. (Current Year ₹ 22/- and Previous Year ₹ 22/-)	1	1	10	0.00	0.00
Shopper's Stop Ltd.	2	2	5	0.01	0.01
Simplex Realty Ltd. (Current Year ₹ 164/- and Previous Year ₹ 164/-)	1	1	10	0.00	0.00
Sobha Developers Ltd.	10	10	10	0.08	0.08
Sunteck Realty Ltd.	5	5	2	0.02	0.02
Taj GVK Hotels & Resorts Ltd. (Current Year ₹ 80/- and Previous Year ₹ 80/-)	1	1	2	0.00	0.00
The Phoenix Mills Ltd.	5	5	2	0.02	0.02
The Ruby Mills Ltd.	2	2	5	0.01	0.01
Trent Ltd.	1	1	10	0.01	0.01
Tribhuvan Housing Ltd. (Current Year ₹ 14/- and Previous Year ₹ 14/-)	5	5	1	0.00	0.00
Unitech Ltd.	200	200	2	0.49	0.49
Vijay Shanti Builders Ltd. (Current Year ₹ 27/- and Previous Year ₹ 27/-)	1	1	10	0.00	0.00
Vipul Ltd.	10	10	1	0.01	0.01
Unquoted Fully Paid-up					
Earnest Towers Pvt. Ltd.	1,812,794	1,812,794	10	913.73	913.73
Goldbricks Infrastructure Pvt. Ltd.	806,700	887,700	10	238.72	262.69
Neelkanth Realty Pvt. Ltd. (Refer Note 14.1)	213,333	213,333	10	77.33	77.33
Neelkanth Rice Lands Pvt. Ltd.	80,000	80,000	10	8.00	8.00
Nirmal Infrastructure Pvt. Ltd.	109,000	100,000	10	100.00	10.00
Ozone Projects Pvt. Ltd.	957,133	957,133	10	463.92	463.92
Ozone Urbana Infra Developers Pvt. Ltd.	11	11	10	0.06	0.06
Sterling Urban Infraprojects Pvt. Ltd.	4,400,000	4,400,000	10	440.00	440.00
Sun Infrastructures Pvt. Ltd.	28,298	28,298	10	2.83	2.83
Supernal Realtors Pvt. Ltd.	26,667	26,667	10	2.67	2.67
Vengas Realtors Pvt. Ltd.	26,667	26,667	10	2.67	2.67
Prestige Estates Projects Ltd.	8,007	8,007	10	0.80	0.80

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 14 Non Current Investments (Refer Note 1.13.6) (Contd...)

Particulars	AS AT	AS AT	Face Value (₹ unless otherwise stated)	AS AT	AS AT
	31 ST MARCH, 2014	31 ST MARCH, 2013		31 ST MARCH, 2014	31 ST MARCH, 2013
	Quantity (Nos)	Quantity (Nos)		(₹ In Lacs)	(₹ In Lacs)
Unquoted Partly Paid-up					
Nilayami Realtors Pvt. Ltd. (Partly Paid ₹ 5/- each)	106,000	106,000	10	5.30	5.30
				50,041.44	49,941.89
Less: Provision for Diminution in the value of Investments (Refer Note 14.3)				(8.10)	(8.06)
Total (i)				50,033.34	49,933.83
Unquoted Fully Paid-up					
In Debentures					
Zero Percent Fully Compulsorily Convertible Debentures of:					
Neelkanth Realty Pvt. Ltd. (Refer Note 14.1)	33,600	33,600	100	33.60	33.60
Neelkanth Rice Lands Pvt. Ltd.	11,200	11,200	1000	112.00	112.00
Nirmal Infrastructure Pvt. Ltd.	-	9,000	1000	-	90.00
Supernal Realtors Pvt. Ltd.	18,721	18,721	1000	187.21	187.21
Vengal Realtors Pvt. Ltd.	26,733	26,733	1000	267.33	267.33
14% Non- Convertible Debentures of:					
Ozone Propex Pvt. Ltd.	5,400,000	5,400,000	100	5,400.00	5,400.00
14.75% Fully Compulsorily Convertible Debentures of:					
Ozone Urbana Infra Developers Pvt. Ltd.	386,101	386,101	518	2,000.00	2,000.00
Unquoted Partly Paid-up					
Zero Percent Fully Compulsorily Convertible Debentures:					
Nilayami Realtors Pvt. Ltd. (Partly Paid ₹ 10/- each)	8,480	8,480	1000	0.85	0.85
				8,000.99	8,090.99
Less: Provision for Diminution in the value of Investments (Refer Note 14.3)				(454.54)	(454.54)
Total (iii)				7,546.45	7,636.45
Unquoted Fully Paid-up					
In Units					
HDFC India Real Estate Fund	27,375	37,901	1000	273.77	379.03
Urban Infrastructure Opportunities Fund	110	110	86,750	100.93	101.75
			(Previous Year ₹ 87,500)		
INVESTMENTS IN PROPERTY					
Investment in Agriculture Land				0.31	0.31
Investment in Real Estate (Refer Note 14.4)				5,134.07	4,669.88
Total Other than Trade Investments (b=i+ii+iii)				63,088.87	62,721.25
Total Non - Current Investments [c= a+b]				110,834.05	110,523.84

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

14.1 Original Share/Debenture Certificates have been misplaced and steps are being taken to obtain Duplicate Certificates.

14.2 In opinion of the management, diminution in the value of long term investment, except as provided, is temporary in nature, hence no provision has been considered necessary.

14.3 The details of the provision for diminution in the value of non-current investments is as under

Name of the Company	(₹ In Lacs)	
	As At 31st March, 2014	As At 31st March, 2013
In Equity Shares		
Supernal Realtors Pvt. Ltd.	2.67	2.67
Vengas Realtors Pvt. Ltd.	2.67	2.67
Others in Quoted Equity Shares	2.76	2.72
In Debentures		
Supernal Realtors Pvt. Ltd.	187.21	187.21
Vengas Realtors Pvt. Ltd.	267.33	267.33
	462.64	462.60

14.4 Oasis Holding (FZC) a subsidiary of the Company has made payment upto 31st March 2014 of ₹ 5,134.07 Lacs (Previous year ₹ 4,669.88 Lacs) (AED 31,564,950) (Previous Year AED 31,564,950) for plot of leasehold land to be utilised for construction of labour camp. The leasehold land is situated in Dubai, UAE. The lease is for a period of 50 years and valid upto 18th June 2008. The market value of the land based on the information available approximates to AED 33,000,000.

14.5 Aggregate Value of Non-current Investments

	(₹ In Lacs)			
	As at 31 st March, 2014		As at 31 st March, 2013	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	47,782.70	32,773.93	47,749.22	27,251.22
Unquoted Investments	63,051.35	-	62,774.62	-
	110,834.05	32,773.93	110,523.84	27,251.22

Note 15 - Deferred Tax Assets

Particulars	(₹ In Lacs)	
	AS AT 31 st MARCH, 2014	AS AT 31 st MARCH, 2013
Deferred Tax Liabilities		
Related to Fixed Assets	7.66	8.04
Deferred Tax Assets		
Disallowance Under the Income-tax Act, 1961	55.50	50.15
Others	5.69	5.82
TOTAL	53.53	47.93

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 16 - Long - Term Loans and Advances

Particulars	(₹ In Lacs)	
	AS AT 31 st MARCH, 2014	AS AT 31 st MARCH, 2013
Unsecured, Considered Good :		
Capital Advances	252.42	158.79
Security Deposits	413.37	142.80
Advance Income-tax (net)	4,559.90	4,202.81
Loans and Advances to Related Parties (Refer Note 34)		
Inter-corporate Deposits	9,354.81	8,514.37
Other Receivables	- 9,354.81	1.00 8,515.37
Staff Advances	44.82	55.42
TOTAL	14,625.32	13,075.19

Note 17 - Other Non - Current Assets

Particulars	(₹ In Lacs)	
	AS AT 31 st MARCH, 2014	AS AT 31 st MARCH, 2013
Unsecured, Considered Good :		
Interest Accrued on Investments	525.69	618.61
Income Receivable from Venture Capital Fund (Refer Note No. 25.3)	284.64	226.46
Fixed Deposits with Banks	169.39	284.61
TOTAL	979.72	1,129.68
17.1 Fixed Deposits with Banks having maturity more than 12 Months are held as Deposit with Electricity Department, Sales-tax Department and Customs Authorities	169.39	284.61

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014
Note 18 Current Investments (Refer Note 1.13.6)

Particulars	AS AT 31 ST MARCH, 2014 Quantity (Nos)	AS AT 31 ST MARCH, 2013 Quantity (Nos)	Face Value (₹ unless otherwise stated)	AS AT 31 ST MARCH, 2014 (₹ In Lacs)	AS AT 31 ST MARCH, 2013 (₹ In Lacs)
In Equity Instruments					
Quoted Fully Paid-up					
Others					
Ansal Properties & Infrastructure Ltd.	762,608	762,608	5	137.65	168.92
Bajaj Finserve Ltd.	1,000	4,500	5	6.12	27.53
Bajaj Holdings & Investment Ltd.	4,500	4,500	10	45.67	41.05
Bombay Dyeing & Mfg.Co. Ltd.	176,000	176,000	2	97.33	154.79
Cinemax Exhibition India Ltd.	15	15	10	0.01	0.01
Cineline Industries Ltd.	7,815	7,815	5	1.05	0.80
Electrotherm (India) Ltd.	2,500	2,500	10	0.44	0.51
Essar Shipping Ltd.	14,498	14,498	10	2.22	2.49
Essar Ports Ltd.	28,996	28,996	10	5.98	5.98
The Indian Hotels Company Ltd.	194,532	194,532	1	140.65	104.17
Tata Communication Ltd.	58,700	58,700	10	179.59	137.33
Total (i)				616.71	643.58
In Corporate Bonds					
Quoted Fully Paid-up					
Others					
8.8 % Power Grid Corporation Ltd.	-	40	1250000	-	503.46
8.65% Rural Electrification Corporation Ltd.	50	50	1000000	473.47	473.47
11.25% Power Finance Corporation Ltd.	150	150	1000000	1,602.01	1,623.87
11.50% Shriram Transport Finance Ltd.	-	1,000	100000	-	1,011.89
In Debentures					
Unquoted Fully Paid-up					
Others					
Series (A) - 0% Redeemable optionally fully convertible - Debentures of Sun Infrastructures Pvt. Ltd.	151,000	151,000	1000	1,510.00	1,510.00
In Debentures					
Unquoted Partly Paid-up					
Others					
Series (B) - 0% Redeemable optionally fully convertible - Debentures of Sun Infrastructures Pvt. Ltd. (Partly paid up ₹586/-each)	23,500	23,500	1000	137.71	137.71
Total (ii)				3,723.19	5,260.40

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 18 Current Investments (Refer Note 1.13.6) (Contd...)

Particulars	AS AT	AS AT	Face Value (₹ unless otherwise stated)	AS AT	AS AT
	31 st MARCH, 2014 Quantity (Nos)	31 st MARCH, 2013 Quantity (Nos)		31 st MARCH, 2014 (₹ In Lacs)	31 st MARCH, 2013 (₹ In Lacs)
In Mutual Funds					
Unquoted Fully Paid-up					
Others					
Birla Sunlife Cash Plus - Regular - Daily Dividend	-	45,439	100	-	45.53
Birla Sunlife Cash Plus - Direct - Daily Dividend	52,285	-	100	52.39	
Birla Sun Life Floating Rate Fund Short Term Plan	-	1,828,660	100	-	2,802.20
Birla Sunlife Floating Rate Fund Short Term Plan Growth Direct Plan	386,877	-	100	659.05	-
Birla Sunlife Savings Fund -Growth Direct Plan	413,781	-	100	1,003.88	-
Birla Sun Life Cash plus - Direct Plan -Growth	51,880	-	100	100.00	
Daiwa Liquid Fund - Regular Plan - Daily Dividend Option	-	13,634	1000	-	136.42
Total (iii)				1,815.32	2,984.15
Total Current Investments (i+ii+iii)				6,155.22	8,888.13

18.1 The aggregate amount of provision for diminution in value of current investment is ₹ 883.44 Lacs (Previous Year ₹ 877.98 Lacs).

18.2 Aggregate Value of Non-current Investments

	(₹ In Lacs)			
	As at 31 st March, 2014		As at 31 st March, 2013	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	2,692.19	2,701.69	4,256.27	4,338.71
Unquoted Investments	3,463.03	-	4,631.86	-
	6,155.22	2,701.69	8,888.13	4,338.71

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 19 - Inventories

(₹ In Lacs)

Particulars	AS AT 31 ST MARCH, 2014	AS AT 31 ST MARCH, 2013
Raw Materials		
Goods-in-Transit	309.70	-
Others	<u>2,497.77</u>	<u>3,352.57</u>
	2,807.47	3,352.57
Work-in-Progress	11,365.08	10,362.55
Finished Goods		
Goods-in-Transit	262.25	41.15
Others	<u>2,180.10</u>	<u>2,296.29</u>
	2,442.35	2,337.44
Stores and Spares		
Goods-in-Transit	-	11.72
Others	<u>955.40</u>	<u>866.44</u>
	955.40	878.16
Construction Materials	26.83	-
Scrap	15.85	48.66
TOTAL	<u>17,612.98</u>	<u>16,979.38</u>

19.1 Work in Progress includes Land of ₹ **2,220.59 Lacs** (Previous Year ₹ 2,277.21 Lacs) pending execution conveyance/sale deed and possession of the land of ₹**297.45 Lacs** (Previous Year ₹ 297.45 Lacs) is in dispute

19.2 Refer Note 1.13.7 for mode of valuation of Inventories.

Note 20 - Trade Receivables

(₹ In Lacs)

Particulars	AS AT 31 ST MARCH, 2014	AS AT 31 ST MARCH, 2013
Unsecured, Considered Good :		
Debts due for a period exceeding six months	121.19	197.36
Other Debts	<u>10,973.35</u>	<u>10,663.44</u>
TOTAL	<u>11,094.54</u>	<u>10,860.80</u>

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 21 - Cash and Bank Balances

(₹ In Lacs)

Particulars	AS AT		AS AT	
	31 st MARCH, 2014		31 st MARCH, 2013	
Cash and Cash Equivalents				
Balance with Banks in Current Accounts	2,775.77		456.14	
Cheques, Drafts in Hand	0.20		-	
Cash on Hand	2.04		1.55	
Fixed Deposits with Banks having Maturity with in 3 Months	1.78	2,779.79	-	457.69
Other Bank Balances				
Unpaid Dividend Accounts	29.38		23.70	
Fixed Deposits with Banks having more than 3 Months Maturity	975.63		1,192.40	
Fixed Deposits with Banks having more than 12 Months Maturity	30.00	1,035.01	-	1,216.10
TOTAL		3,814.80		1,673.79
21.1 Fixed Deposits with Bank more than 3 months maturity include pledged against Bank Overdraft Facility		300.00		300.00
21.2 Fixed Deposits with Banks having maturity more than 12 Months are held as Deposit with Electricity Department and Sales-tax Department		30.00		20.25

Note 22 - Short - Term Loans and Advances

(₹ In Lacs)

Particulars	AS AT		AS AT	
	31 st MARCH, 2014		31 st MARCH, 2013	
Unsecured, Considered Good unless otherwise stated:				
Loans and Advances to Related Parties (Refer Note 34)				
Share Application Money	8,522.71		8,522.71	
Advance Towards Purchase of Land / Development Rights	724.53		950.95	
Other Receivables	-	9,247.24	394.14	9,867.80
Other				
Secured Inter-Corporate Deposits	10,349.44		-	
Inter-Corporate Deposits	8,779.56		16,960.50	
Share Application Money	885.65		885.65	
Interest Receivable	4,447.34		3,664.01	
Balance with Customs & Excise Authorities	616.38		662.98	
Advance Towards Purchase of Land / Development Rights	12,949.05		12,365.70	
Other Advances	3,320.49	41,347.91	4,045.20	38,584.04
Unsecured and Considered Doubtful				
Advance to Sundry Creditors	3.91		3.91	
Less: Provision for Doubtful Advances	(3.91)	-	(3.91)	-
TOTAL		50,595.15		48,451.84

22.1 Other Advances includes Insurance Claim Receivables, Advance to Suppliers, Security Deposits, VAT Receivables etc.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

22.2 Inter-Corporate Deposit, interest receivables and advances towards Purchase of Land / Development Rights aggregating to ₹ **16,881.45 Lacs** (Previous Year ₹ 16,828.06 Lacs) which are subject to confirmation. Further ₹ 42.50 Lacs in respect of which one of the subsidiary has initiated legal action for non execution of sales deed / conveyance. The management is of the view that the above full amount is recoverable and hence no provisions for doubtful advances is necessary.

22.3 Inter-Corporate Deposit of ₹ **5,944.00 Lacs**, as given by a subsidiary company, alongwith interest receivable on the same amounting to ₹ **2,147.12 Lacs** recoverable from Neelkant Devansh Developers Private Limited, Neelkant Kalindi Relators Private Limited, Neelkant Soham Developers Private Limited are overdue. These ICDs were given during the financial year 2009-10 and since then the subsidiary company has neither received the interest nor the repayment of the principal. In order to recover the said dues the subsidiary company has filed winding up petitions Under Sections 433, 434 and 435 of the Companies Act, 1956 against each of the defaulting companies. In view of the pending petitions and following the principle of prudence, the subsidiary company has decided not to recognize the interest on the overdue same from the financial year ended 2012-2013 onwards and to account the same as and when realised or the matter is settled. However, in view of the value of the assets and commitment from the promoters of those defaulting companies, the subsidiary company is of the view that the entire outstanding amount is recoverable and no provision for doubtful advance is necessary.

Note 23 - Other Current Assets

Particulars	(₹ In Lacs)	
	AS AT 31 st MARCH, 2014	AS AT 31 st MARCH, 2013
Unbilled Revenue	138.63	329.18
Interest Accrued on Investments	2,056.72	1,274.17
Fixed Assets Held for Disposal	13.68	21.84
Scrap Material Held for Sale	169.34	-
Export Incentive Receivable	141.72	45.34
TOTAL	2,520.09	1,670.53

Note 24 - Gross Revenues from Operations

Particulars	(₹ In Lacs)	
	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Sale of Products	70,625.34	64,891.26
Traded Goods	1,504.83	21.26
Sale of Services	7,331.92	9,352.62
Other Operating Revenue	424.80	181.52
Gross Revenue from Operations	79,886.89	74,446.66

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 25 - Other Income

Particulars	(₹ In Lacs)	
	For the Year Ended 31 ST March, 2014	For the Year Ended 31 ST March, 2013
Interest Income		
From Long-term Investments (Refer Note 25.1 and 25.2)	814.14	1,144.14
From Current Investments	277.71	1,286.04
From Inter-corporate Deposits	2,499.41	1,842.08
From Fixed Deposits	90.95	112.31
From Customers	76.44	104.51
From Others	20.38	8.63
Dividend Income		
From Long-term Investments	317.01	299.38
From Current Investments	11.86	18.07
Profit on Sale of Investments (Net)		
From Long-term Investments	229.80	127.90
From Current Investments	324.30	822.28
Income from Long-term Investments (Refer Note 25.3)	154.79	535.62
Rent Income	0.12	0.12
Profit on sale of Fixed Assets (Net)	61.50	-
Net Gain on Foreign Currency Transaction and Translation	197.59	160.91
Miscellaneous Income	71.04	106.44
TOTAL	5,147.04	6,568.43

25.1 Interest income from Long Term Investments includes ₹ **69.48 Lacs** (Previous year ₹ Nil) related to Prior period item)

25.2 In the absence of reasonable certainty in respect of ultimate collection of overdue interest on Matured Non-Convertible Debenture as held by one of the subsidiary, interest for the period from the date of maturity till 31st March 2014, has not been recognised based on principal of prudence and same will be recognised as and when realized

25.3 Income from Long-term Investments includes Company's share in the accrued income of Venture Capital Fund from Venture Capital Undertakings (VCUs) amounting to ₹ **154.79 Lacs** (Previous Year ₹ 226.46 Lacs) for the year ended 31st March, 2014 which is taxable in the hand of the Company under section 115 E of the Income-tax Act, 1961 and the amount of ₹ **284.64 Lacs** (Previous year ₹ 226.46 Lacs) is outstanding as on 31st March 2014. The income is recognised based on the certificate received from such Venture Capital Fund.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 26 - Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

(₹ In Lacs)

Particulars	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
At the end of the Year		
Finished Goods	2,442.35	2,337.44
Work-in-Progress	11,365.08	10,362.55
Scrap	15.85	48.66
	13,823.28	12,748.65
Loss Due to Fire		
Finished Goods	-	279.54
Work-in-Progress	-	561.14
Scrap	-	6.41
	-	847.09
At the beginning of the Year		
Finished Goods	2,337.44	2,773.57
Work-in-Progress	10,362.55	10,620.32
Scrap	48.66	89.93
	12,748.65	13,483.82
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(1,074.63)	(111.92)

Note 27 - Employee Benefits Expense

(₹ In Lacs)

Particulars	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Salaries, Wages and Perquisites	5,761.53	5,850.20
Contribution to Provident, Gratuity and other Funds	197.12	204.54
Staff Welfare Expenses	128.80	115.27
TOTAL	6,087.45	6,170.01

Note 28 - Finance Costs

(₹ In Lacs)

Particulars	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Interest Expenses	271.32	287.20
Other Borrowing Cost	1.94	3.60
TOTAL	273.26	290.80

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 29 - Other Expenses

(₹ In Lacs)

Particulars	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Construction and Development Cost		
Cost of Material Consumed	528.36	-
Labour Charges	231.17	-
Project Approval Cost	138.56	-
Architectrural Fees	11.24	-
Legal & Professional Expenses	9.61	8.28
Condonation and Other Charges	0.62	0.35
Power and Fuel	6.89	-
Survey and Other Charges	2.12	2.58
Security Charges	2.08	1.21
Land Assessment Tax	1.32	1.53
Other Expenses	0.93	0.24
Manufacturing Expenses		
Stores, Spare parts and Packing Materials Consumed	2,039.85	2,614.06
Power and Fuel	4,343.66	4,692.04
Job Work Charges	165.24	101.08
Excise Duty (Refer Note 35)	28.41	(55.59)
Repairs to Machinery	81.61	143.75
Repairs to Buildings	87.30	92.48
Selling and Distribution Expenses		
Advertisement, Publicity and Sales Promotion Expenses	42.23	42.28
Brokerage, Discount and Commission	254.19	222.24
Freight Outward, Handling charges and Octroi (Net)	569.54	586.36
Payment to Auditors (Refer Note 29.1)	99.31	156.20
Administrative and General Expenses		
Rent	216.50	216.08
Rates and Taxes	61.70	61.23
Repairs & Maintenance - Others	52.43	42.35
Insurance	112.45	74.71
Legal, Professional and Consultancy Charges	483.18	458.63
Travelling and Conveyance	148.42	153.61
Provision for Diminution in Value of Investments	5.50	157.62
Directors' Sitting Fees	7.50	7.20
Donations	55.16	51.12
Bank Charges	9.72	21.02
Loss on sale of Fixed assets (Net)	-	67.12
Sundry Balances Written Off (Net)	138.78	92.44
Wealth Tax	1.92	4.50
Miscellaneous Expenses	359.48	368.94
TOTAL	10,296.97	10,385.65

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014
29.1 Payment to Auditors
(₹ In Lacs)

Particulars	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Audit Fees	58.89	53.54
Tax Audit Fees	11.22	11.00
Certification Charges	25.19	28.22
Cost Audit Fees	3.00	-
Tax Matters	-	60.00
Reimbursement of Expenses	1.01	3.44
	99.31	156.20

Note 30 - Earnings Per Equity share
(₹ In Lacs)

Particulars	For the Year Ended 31 st March, 2014	For the Year Ended 31 st March, 2013
Net Profit for the year (₹ in Lacs)	9,965.48	10,664.55
Dividend on Preference Shares and tax thereon (₹ in Lacs)	(0.90)	(0.98)
Profit attributable to equity share holders (₹ in Lacs)	9,964.58	10,663.57
Weighted Average Number of equity shares outstanding during the year	178,449,410.00	178,449,410.00
Basic and Diluted Earnings Per Share (in ₹)	5.58	5.98
Nominal Value per Share (in ₹)	1.00	1.00

Note 31 - Contingent Liabilities and Commitments (To the extent not provided for)
(₹ In Lacs)

Particulars	AS AT 31 st MARCH, 2014	AS AT 31 st MARCH, 2013
(A) Contingent Liabilities		
(a) Claims against the Company not acknowledged as debts		
Disputed Liability in Appeal (No cash outflow is expected in the near future)		
- Income-tax (₹ 2,863.80 Lacs paid under protest)	6,897.77	5,765.87
- Excise Duty / Service Tax (₹ 24.04 Lacs paid under protest)	178.96	221.02
- Railway Claims	95.83	95.83
- MIDC Service Charges	7.34	7.34
- Sales Tax (₹ 0.50 Lacs paid under protest)	26.85	26.85
	7,206.75	6,116.91
(b) Guarantees		
Bank Guarantees	26.47	18.20
(Bank guarantees are provided under contractual/legal obligations. No cash outflow is probable.)		
(B) Commitments		
(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)	540.32	699.81
(b) Uncalled liability on partly paid-up Shares/ Debentures	186.54	186.54

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

31.1 The Income - Tax assessments of one of the subsidiary company have been completed up to Assessment Year 2010-11. The disputed demand outstanding up to the said Assessment Year is ₹132.06 lacs (Previous year ₹132.06 lacs). Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the subsidiary company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made. The above does not includes demand of ₹ 69.28 lacs for the Assessment Year 2011-12 under section 143(1) in respect of which, the subsidiary company has filed a rectification under section 154 for not giving credit of tax deducted at source.

Note 32 - Employee benefits

As per Accounting Standard-15 'Employee Benefits', the disclosure of Employee benefits as defined in the Accounting Standard are given below:

(a) Defined Benefit Plan :

The Employees' Gratuity Fund is managed by the Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

	(₹ In Lacs)			
	Gratuity (Funded)		Gratuity (Unfunded)	
	2013-14	2012-13	2013-14	2012-13
Actuarial assumptions				
Mortality Table	IALM (2006-08) (Ultimate)	LIC (1994-96) (Ultimate)	IALM (2006-08) (Ultimate)	LIC (1994-96) (Ultimate)
Salary growth	6%	6%	10% for the first 2 years & 6% thereafter	10% for the first 3 year & 6% thereafter
Discount rate	8%	8%	8.95%	8.50%
Movement in present value of defined benefit obligation				
Obligation at the beginning of the year	176.21	162.10	80.40	76.96
Current service cost	54.27	55.24	7.49	7.69
Interest cost	13.57	12.31	6.36	6.54
Actuarial (gain) / loss on obligation	(36.98)	(37.03)	(5.51)	(4.39)
Benefits paid	(13.17)	(16.41)	(8.40)	(6.40)
Obligation at the end of the year	193.90	176.21	80.34	80.40
Amount recognised in the income statement				
Current service cost	54.27	55.24	7.49	7.69
Interest cost	13.57	12.31	6.36	6.54
Expected Return on Plan Assets	(11.62)	(4.40)	-	-
Net actuarial (gains)/losses recognized in the year	(37.81)	(85.31)	(5.51)	(4.39)
TOTAL	18.41	(22.16)	8.34	9.84
Movement in present value of plan assets				
Fair value at the beginning of the year	162.71	-	-	-
Less : Adjustments	(21.88)	-	-	-
Expected Return on Plan Assets	11.62	4.40	-	-
Contribution	21.88	126.44	-	-
Actuarial gains/(losses) on plan assets	0.83	48.28	-	-
Benefits paid	(13.17)	(16.41)	-	-
Fair value at the end of the year	161.99	162.71	-	-

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

	(₹ In Lacs)			
	Gratuity (Funded)		Gratuity (Unfunded)	
	2013-14	2012-13	2013-14	2012-13
Fair Value of assets				
Class of assets	2013-14	2012-13	2013-14	2012-13
Life Insurance Corporation of India	161.99	162.71	-	-
TOTAL	161.99	162.71	-	-

Net Liability / (Asset) recognised in the balance sheet

	(₹ In Lacs)			
	2013-14	2012-13	2013-14	2012-13
Amount recognised in the balance sheet				
Present value of obligations at the end of the year	193.90	176.21	80.34	80.40
Less: Fair value of plan assets at the end of the year	163.16	162.71	-	-
Net liability/(Assets) recognized in the balance sheet	30.74	13.50	80.34	80.40
- Current	30.74	13.50	16.31	15.85
- Non Current	-	-	64.03	64.55
	30.74	13.50	80.34	80.40

Amounts for current and previous four years are as follows : (Funded)

Particulars	(₹ In Lacs)				
	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010
Defined Benefit Obligation	193.91	176.21	162.10	112.18	76.66
Plan Assets	163.17	162.71	-	-	-
Surplus/(deficit)	(30.74)	(13.50)	-	-	-
Experience adjustment on plan Assets	(0.83)	(48.28)	-	-	-
Experience adjustment on plan Liabilities	(36.97)	(37.03)	(14.83)	(9.12)	(15.92)

Amounts for current and previous four years are as follows :(Unfunded)

Particulars	(₹ In Lacs)				
	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010
Defined Benefit Obligation	80.34	80.40	76.96	61.39	29.43
Plan Assets	-	-	-	-	-
Surplus/(deficit)	(80.34)	(80.40)	(76.96)	(61.39)	(29.43)
Experience adjustment on plan Assets	-	-	-	-	-
Experience adjustment on plan Liabilities	(8.40)	(6.40)	8.60	2.76	(9.40)

The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other retirement factors including supply & demand in the employment market. The above information is certified by the actuary.

(b) Defined Contribution Plan:

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

Particulars	(₹ In Lacs)	
	2013-2014	2012-2013
Employer's Contribution to Provident and other Funds	153.02	216.86

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 33

Segment information as per Accounting Standard – 17 on Segment Reporting for the year ended 31st March 2014

Information about Primary (Product wise) Segments.

Particulars	Steel		Plastic Processing		Spinning		Real Estate		Assets Management		Other		Unallocated		Total		
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2014-2013	
	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)
Segment Revenue																	
External Turnover	6,061.47	3,098.07	58,702.67	53,415.61	10,512.54	11,440.23	339.45	271.91	4,315.88	6,280.10	8.13	8.54	-	-	79,940.14	74,514.46	67.80
Inter Segment Turnover			53.25	67.80											53.25		
Gross Turnover	6,061.47	3,098.07	58,649.42	53,347.81	10,512.54	11,440.23	339.45	271.91	4,315.88	6,280.10	8.13	8.54	-	-	79,886.89	74,446.66	
Less : Excise duty recovered	262.16	3.82	4,482.06	4,318.69	0.94	0.94	-	-	342.44	580.11					5,086.67	4,903.56	
Net Turnover	5,799.31	3,094.25	54,167.35	49,029.12	10,512.54	11,439.29	339.45	271.91	3,973.44	5,699.99	8.13	8.54	-	-	74,800.22	69,543.10	
Results																	
Segment Results	148.02	(92.06)	6,752.30	5,603.75	1,571.10	908.59	242.54	10.30	2,400.89	3,900.08	4.93	8.59	-	-	11,119.59	10,339.25	
Unallocated Corporate Income (Net)													(728.65)	789.29	(728.65)	789.29	
Operating Profit/ (Loss)	148.02	(92.06)	6,752.30	5,603.75	1,571.10	908.59	242.54	10.30	2,400.89	3,900.08	4.93	8.59	(728.65)	789.29	10,390.94	11,128.54	
Finance Cost	0.95	0.31	2.81	28.83	-	17.51	0.98	-	263.75	238.09			4.78	6.06	273.26	290.80	
Interest/Dividend/Rent Income	9.05	4.53	27.89	49.40	79.17	113.76	0.09	-	855.31	971.06	27.60	29.18	3,798.54	3,647.34	4,797.64	4,815.27	
Provision for Income Tax																	
Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	4,949.57	4,988.46	4,949.57	4,988.46	
Net Profit/(Loss) before adjustments for Minority interest and Associates	156.12	(87.84)	6,777.40	5,624.32	1,650.27	1,004.84	241.65	10.30	2,992.25	4,633.04	32.53	37.77	(1,884.46)	(557.87)	9,965.75	10,664.55	
Other Information																	
Segment Assets	3,609.70	3,784.33	35,160.14	35,013.00	5,750.73	6,757.18	45,121.23	42,564.00	20,347.18	18,688.70	366.29	346.91	-	-	110,357.27	107,154.12	
Unallocated Corporate Assets													130,590.86	129,132.23	130,590.86	129,132.23	
Total Assets	3,609.70	3,784.33	35,160.14	35,013.00	5,750.73	6,757.18	45,121.23	42,564.00	20,347.18	18,688.70	366.29	346.91	130,590.86	129,132.23	240,948.13	236,286.35	
Segment Liabilities	1,094.00	1,957.46	1,725.28	1,689.82	467.75	484.55	1,369.36	1,201.63	2,169.05	2,546.91	0.89	5.06	-	-	6,826.33	7,885.43	
Unallocated Corporate Liabilities													2,715.65	2,820.96	2,715.65	2,820.96	
Total Liabilities	1,094.00	1,957.46	1,725.28	1,689.82	467.75	484.55	1,369.36	1,201.63	2,169.05	2,546.91	0.89	5.06	2,715.65	2,820.96	9,541.98	10,706.39	
Capital Expenditure	3.45	14.43	1,598.05	1,246.23	197.17	551.05	0.05	-	5.70	5.36	-	-	42.22	0.96	1,846.64	1,820.03	
Depreciation	117.58	124.59	1,164.32	1,163.32	499.70	471.18	1.70	1.68	12.70	14.89	-	-	46.97	48.90	1,842.98	1,824.56	
Non - Cash Expenditure													144.28	250.06	144.28	250.06	

* Total Gross Turnover is after elimination of inter segment turnover of ₹ 53.25 Lacs (Previous Year ₹ 67.80 Lacs)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

33.1 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 processing and trading of CR/GP/GC Coils/ Sheets at Steel unit located at Nanded (Maharashtra)

Plastic Processing The Company is manufacturing Woven sacks/ Fabrics Jumbo Bags, HDPE Twine, Master Batch, Staple Fibres and Geotextiles at packaging units which are mainly located at Murbad (Maharashtra) , Khadoli, Athal (Silvassa), Daman and Pritampura (Indore).

Spinning The Company is manufacturing Spun Yarn at its units located at Vasona, Masat (Silvassa) and Sarigam (Gujarat).

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

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

Others Others include Trusteeship and Infrastructure Activities, Non Banking Finance Activities of Jai Corp Finance & Holdings Ltd. whose NBFC licence was cancelled by the RBI on 4th January, 2013.

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 investments & ICDs.

33.2 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.

33.3 Secondary Segment Information (Geographical Segments)

	(₹ In Lacs)	
	2013-2014	2012-2013
1. Segment Revenue - External Turnover		
- Within India	79,469.49	73,934.98
- Outside India	417.40	511.68
Total Revenue	<u>79,886.89</u>	<u>74,446.66</u>
2. Segment Assets		
- Within India	226,608.07	221,999.30
- Outside India	14,340.06	14,287.05
Total Assets	<u>240,948.13</u>	<u>236,286.35</u>
3. Segment Liability		
- Within India	8,305.53	9,467.73
- Outside India	1,236.45	1,238.66
Total Liability	<u>9,541.98</u>	<u>10,706.39</u>
4. Capital Expenditure		
- Within India	1,846.64	1,820.03
- Outside India	-	-
Total Capital Expenditure	<u>1,846.64</u>	<u>1,820.03</u>

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 34 - Related Party Disclosures :

As per the Accounting Standard (AS) 18 on "Related Party Disclosures", disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

List of related parties and relationship

(i) Associates :-

- (a) Searock Developers FZC.
- (b) Urban Infrastructure Holdings Private Limited
- (c) Urban Infrastructure Venture Capital Fund
- (d) Urban Infrastructure Venture Capital Fund II
- (e) Urban Infrastructure Venture Capital Fund III

(ii) Key Managerial Personnel :-

- (a) Shri J. K. Jain upto 08th May, 2013
- (b) Shri Anand Jain
- (c) Shri Virendra Jain
- (d) Shri V. S. Pandit
- (e) Shri Gaurav Jain
- (f) Shri Parag Parekh
- (g) Shri Dilip Shukla
- (h) Shri Bijay Kumar Saraf Upto 21st November, 2013

(iii) Relatives of Key Managerial Personnel :-

- (a) Smt. Laxmi Jain Relative of Shri Gaurav Jain, Shri Anand Jain and Shri Virendra Jain.
- (b) Smt. Rina Jain Relative of Shri Virendra Jain and Shri Anand Jain
- (c) Smt. Sushma Jain Relative of Shri Anand Jain and Shri Virendra Jain
- (d) Shri Satyapal Jain Relative of Shri Gaurav Jain, Shri Anand Jain and Shri Virendra Jain.
- (e) Shri. Ankit Jain Relative of Shri Anand Jain, Shri J.K.Jain and Shri Virendra Jain
- (f) Smt. Neha Bagaria 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) Resin Distributors Limited
- (b) TechFab (India) Industries Limited

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

34.1 Transactions during the year with related parties :

(₹ In Lacs)

Nature of Transaction	Associates	Key Managerial Personnel	Relatives of Key managerial person	Other Related Parties	Total
	(i)	(ii)	(iii)	(iv)	
Preference Share					
Balance as at 31 st March, 2014	-	-	79.75	-	79.75
	(-)	(-)	(83.50)	(-)	(83.50)
Redemption of Preference Shares (Including Securities Premium)	-	-	5100.00	-	5100.00
	(-)	(-)	(21,197.75)	(-)	(21,197.75)
Other Long-Term Liabilities					
Balance as at 31 st March, 2014	0.20	-	-	-	0.20
	(0.20)	(-)	(-)	(-)	(0.20)
Tangible Assets					
Purchased during the year	-	-	-	6.02	6.02
	(-)	(-)	(-)	(32.89)	(32.89)
Sold during the year	-	-	-	38.50	38.50
	(-)	(-)	(-)	(-)	(-)
Investments					
Balance as at 31 st March, 2014	11,669.28	-	-	-	11,669.28
	(11,669.55)	(-)	(-)	(-)	(11,669.55)
Trade Receivable as at 31st March, 2014	-	-	-	2.07	2.07
	(-)	(-)	(-)	(64.78)	(64.78)
Loans and Advances					
Given/adjusted during the year	840.44	-	-	-	840.44
	(506.07)	(-)	(-)	(-)	(506.07)
Balance as at 31 st March, 2014					
Current	8,522.71	724.53	-	-	9,247.24
	(8,538.53)	(950.95)	(-)	(378.32)	(9,867.80)
Non Current	9,354.81	-	-	-	9,354.81
	(8,515.37)	(-)	(-)	(-)	(8,515.37)
Revenue from Operation	2,987.54	-	-	154.83	3,142.37
	(5,144.34)	(-)	(-)	(1654.45)	(6,798.79)
Purchase of Goods	-	-	-	-	-
	(-)	(-)	(-)	(9.11)	(9.11)
Discount on Raw Materials (Deducted from Purchases)	-	-	-	-	-
	(-)	(-)	(-)	(1031.76)	(1031.76)
Dividend on Preference shares	-	0.03	0.74	-	0.77
	(-)	(-)	(0.83)	(-)	(0.83)
Expenditure					
Directors' Remuneration and Perks	-	270.83	-	-	270.83
	(-)	(285.58)	(-)	(-)	(285.58)
Directors' Sitting Fee	-	0.85	-	-	0.85
	(-)	(1.45)	(-)	(-)	(1.45)
Job work Charges	-	-	-	-	-
	(-)	(-)	(-)	(0.62)	(0.62)
Rent	-	70.35	120.15	-	190.50
	(-)	(70.35)	(120.15)	(-)	(190.50)
Reimbursement of the Expenditure	55.44	-	-	-	55.44
	(49.04)	(-)	(-)	(-)	(49.04)
Other Expenses	-	-	-	0.01	0.01
	(-)	(-)	(-)	(0.52)	(0.52)

Figures in bracket represent Previous Year's amounts

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 34.2 SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

- i) Preference Share Capital as at 31st March, 2014 includes ₹ **23.84 Lacs** (Previous Year ₹ 27.84 Lacs) of Smt. Laxmi Jain, ₹ **22.58 Lacs** (Previous Year ₹ 27.83 Lacs) of Smt. Sushma Jain, ₹ **23.83 Lacs** (Previous Year ₹ 27.83 Lacs) of Smt. Rina Jain., Shri Gaurav Jain ₹ **2.75 Lacs** (Previous year ₹ NIL), Smt. Neha Bagaria ₹ **4.00 Lacs** (Previous year ₹ NIL), Ankit Jain ₹ **2.75 Lacs** (Previous year ₹ Nil)
- ii) Redemption of Preference Share Capital (including Securities Premium) ₹ **1,700.00 Lacs** (Previous Year ₹ Nil) to Shri. Gaurav Jain, ₹ **1,700.00 Lacs** (Previous Year ₹ 7,065.92 Lacs) to Smt. Sushma Jain, ₹ **1,700.00 Lacs** (Previous Year ₹ Nil) to Shri. Ankit Jain, ₹ **Nil** (Previous Year ₹ 20,664.34 lacs) to Smt. Laxmi Jain, ₹ **Nil** (Previous Year ₹ 20,664.34) to Smt. Rina Jain.
- iii) Other Long-term Liabilities include ₹ **0.20 Lacs** (Previous Year ₹ 0.20 Lacs) to Urban Infrastructure Venture Capital Fund
- iv) Purchase of Tangible Assets include ₹ **6.02 Lacs** (Previous Year ₹ 32.89 Lacs) to TechFab (India) Industries Ltd.
- v) Sales of Tangible Assets include ₹ **38.50 Lacs** (Previous Year ₹ Nil) to TechFab (India) Industries Ltd.
- vi) Investments as at 31st March 2014, include ₹ **11,669.28 Lacs** (Previous Year ₹ 11,669.55 Lacs) in Urban Infrastructure Holdings Pvt. Ltd.
- vii) Trade Receivables as at 31st March, 2014 include ₹ **2.07 Lacs** (Previous Year ₹ 64.78 Lacs) due from TechFab (India) Industries Ltd.
- viii) Loans and Advances given/adjusted include ₹ **840.44 Lacs** (Previous Year ₹ 506.07 Lacs) to Searock Developers FZC.
- ix) Loans and Advances as at 31st March, 2014 include ₹ **Nil** (Previous Year ₹ 378.32 Lacs) in Resin Distributors Ltd., ₹ **8,522.71 Lacs** (Previous Year ₹ 8,522.71 Lacs) in Urban Infrastructure Holdings Pvt Ltd. ₹ **Nil** (Previous Year ₹ 15.82 Lacs) of Urban Infrastructure Venture Capital Fund, ₹ **724.53 Lacs** (Previous Year ₹ 724.53 Lacs) of Shri V. S. Pandit. ₹ **9,354.81** (Previous Year ₹ 8,514.37 Lacs) in Searock Developers FZC, ₹ **Nil** (Previous Year ₹ 1.00 Lacs) in Urban Infrastructure Venture Capital Fund - II
- x) Revenue from Operation include ₹ **154.83 Lacs** (Previous Year ₹ 1,654.45 Lacs) sold to TechFab (India) Industries Ltd., and ₹ **2,979.41 Lacs** (Previous Year ₹ 5,135.80 Lacs) Investment management Fees received from Urban Infrastructure Venture Capital Fund ₹ **8.13 Lacs** (Previous Year ₹ 8.54 Lacs) Trusteeship fees received from Urban Infrastructure Venture Capital Fund.
- xi) Purchase of Goods include ₹ **Nil** (Previous Year ₹ 9.11 Lacs) from TechFab (India) Industries Ltd.
- xii) Discount on Raw material include ₹ **Nil** (Previous Year ₹ 1,031.76 Lacs) received from Resin Distributors Ltd..
- xiii) Dividend paid on 1% Non-Cumulative, Non-Participating, Redeemable Preference Shares includes ₹ **0.23 Lacs** (Previous Year ₹ 0.28 Lacs) to Smt. Laxmi Jain, ₹ **0.22 Lacs** (Previous Year ₹ 0.28 Lacs) to Smt. Sushma Jain and ₹ **0.23 Lacs** (Previous Year ₹ 0.27 Lacs) to Smt. Rina Jain, ₹ **0.03 Lacs** (Previous Year ₹ Nil) to Shri Gaurav Jain, ₹ **0.03 Lacs** (Previous Year ₹ Nil) to Shri Ankit Jain, ₹ **0.04 Lacs** (Previous Year ₹ Nil) to Smt. Neha Bagaria
- xiv) Directors' remuneration and perquisites include ₹ **26.22 Lacs** (Previous Year ₹ 28.57 Lacs) paid to Shri Gaurav Jain, ₹ **31.20 Lacs** (Previous Year ₹ 27.60 Lacs) paid to Shri V. S. Pandit, ₹ **66.26 Lacs** (Previous Year ₹ 65.37 Lacs) paid to Shri Dilip Shukla, ₹ **147.15 Lacs** (Previous Year ₹ 164.04 Lacs) paid to Shri Parag Parikh.
- xv) Directors' sitting fees Include ₹ **0.60 Lacs** (Previous Year ₹ 0.90 Lacs) paid to Shri Virendra Jain, ₹ **0.05 Lacs** (Previous Year ₹ 0.20 Lacs) paid to Shri J.K. Jain, ₹ **Nil** (Previous Year ₹ 0.15 Lacs) to Shri Gaurav Jain and ₹ **0.20 Lacs** (Previous Year ₹ 0.20 Lacs) paid to Shri Anand Jain.
- xvi) Job Work Charges include ₹ **Nil** (Previous Year ₹ 0.62 Lacs) paid to TechFab (India) Industries Ltd.
- xvii) Rent Expenditure include ₹ **66.75 Lacs** (Previous Year ₹ 66.75 Lacs) paid to Shri S.P Jain, ₹ **70.35 Lacs** (Previous Year ₹ 70.35 Lacs) paid to Shri Anand Jain and ₹ **53.40 Lacs** (Previous Year ₹ 53.40 Lacs) paid to Smt. Rina Jain.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

xviii) Reimbursement of Expenses include ₹ **55.44 Lacs** (Previous Year ₹ 49.04 Lacs) Paid to Urban Infrastructure Venture Capital Fund.

xix) Other Expenses include ₹ **0.01 Lacs** (Previous Year ₹ 0.52 Lacs) paid to Resin Distributors Ltd. and ₹ **0.01 Lacs** (Previous Year ₹ Nil) written off the balance of UIOF II

Particulars	(₹ In Lacs)	
	AS AT 31 ST MARCH, 2014	AS AT 31 ST MARCH, 2013
Excise duty shown as a reduction from Turnover	4,744.23	4,323.45
Difference between closing & opening stock	28.41	(55.59)

Note 36

Disclosure of Financial and Derivative instruments

The Company has not entered into any derivative contract during the year and hence outstanding derivative contract is Nil

Particulars	(₹ In Lacs)	
	AS AT 31 ST MARCH, 2014 Foreign Exchange	AS AT 31 ST MARCH, 2013 Foreign Exchange
Unhedged foreign currency exposure is as under :		
Receivables	18,931.65	11,066.72
Payables	90.48	195.46

Note 37

There was major fire on 11th October 2012, at one of the Company's HDPE/PP Woven Sacks Unit located at Daman which resulted in major loss of building, plant & machinery and other assets. The Company has replacement insurance policy and accordingly the cost incurred towards reconditioning of assets have been accounted as insurance claim receivables and disclosed under short-term loans and advances. The loss of profit of the Company is also adequately insured and the claim will be accounted for on receipt basis. The claims are under process. The Insurance Company has released an adhoc payment of ₹ 2,000 Lacs against the above claims.

Note 38

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date

For Chaturvedi & Shah

Chartered Accountants

R.Koria

Partner

Place : Mumbai

Date : 8th May 2014

For and on behalf of the Board of Directors

Gaurav Jain

Managing Director
(DIN 00077770)

Pramod Jaiswal

Chief Financial Officer

V. S. Pandit

Director (Works)
(DIN 00460320)

A. Datta

Company Secretary



Corporate Office:

12B, Mittal Tower, Nariman Point, Mumbai - 400 021, India.
Tel : +91-22-6115 5300; Fax : +91-22-2287 5197

Registered Office

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

www.jaicorpindia.com



Jai Corp Limited

CIN: L17120MH1985PLC036500

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

ATTENDANCE SLIP 29TH ANNUAL GENERAL MEETING, SEPTEMBER 19, 2014

Sr.No. :

I, hereby, record my presence at the **TWENTY- NINTH ANNUAL GENERAL MEETING** of the Company held on Friday, the 19th day of September , 2014 at 11:00 a.m. at A-3, M.I.D.C. Industrial Area, Nanded- 431 603, Maharashtra.

Members Folio/DP ID-Client ID No.

Member's/Proxy's name in Block Letters

Signature of Member / Proxy

Regd. folio/*Client ID :

No of Shares held :

*Applicable for members holding shares in electronic form.

Note: Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the hall.



Jai Corp Limited

CIN: L17120MH1985PLC036500

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

FORM No. MGT-11 PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Company	: Jai Corp Limited
Registered Office	: A-3, M.I.D.C. Indl. Area, Nanded- 431 603, Maharashtra

Name of the Members(s)	:
Registered Address	:
E-mail Id	:
Folio No/Client ID	:
DP ID	:

I/We, being the member(s) of shares of the above named Company, hereby appoint

1. _____ of _____ having e-mail id _____ Signature _____ or failing him

2. _____ of _____ having e-mail id _____ Signature _____ or failing him

3. _____ of _____ having e-mail id _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual general meeting of the Company, to be held on the 19th day of September 2014 at 11.00 a.m. at A-3, M.I.D.C. Industrial Area, Nanded- 431 603, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Subject matter of the Resolution	Vote*	
		For	Against
1.	Consider and adopt: a) Audited standalone financial statements, Reports of the Board of Directors and the Auditor b) Audited consolidated financial statements, Report of the Auditor		
2.	Declaration of dividend on preference shares		
3.	Declaration of dividend on equity shares		
4.	Re-appointment of Shri V.S. Pandit who retires by rotation		
5.	Appointment of auditor and to fix their remuneration		
6.	Appointment of Shri K.M. Doongaji as an independent director		
7.	Appointment of Shri S.N. Chaturvedi as an independent director		
8.	Appointment of Shri S.H. Junnarkar as an independent director		
9.	Appointment of Shri A.P. Shah as an independent director		
10.	Approval of remuneration payable to the cost auditor.		

* It is optional to put a 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in any manner the proxy deems appropriate.

Signed this day of 2014

Signature of Member _____ Signature of Proxy holder(s) _____

AFFIX
REVENUE
STAMP

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- The proxy needs not be a member of the Company.
- A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

The instructions for e-voting are as under:

- A. In case a Member receiving an email from Karvy [for Members whose email addresses are registered with the Company/Depository Participant(s)]:
- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>
 - ii. Enter the login credentials (i.e., **User ID and password** mentioned below). Your Folio No./ DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - iii. After entering these details appropriately, Click on “LOGIN”.
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the “EVENT” i.e., Jai Corp Limited.
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off Date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially in “AGAINST” but the total number in “FOR/AGAINST” taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option ABSTAIN. If the shareholder does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
 - viii. Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folios/demat accounts.
 - ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
 - x. You may then cast your vote by selecting an appropriate option and click on “Submit”.
 - xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any numbers of times till they have voted on the Resolution(s).
 - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e mail address savitajyotiassociates05@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format “Corporate Name_ EVENT NO.”
- B. In case of Members receiving physical copy of the AGM Notice by Post [for Members whose email IDs are not registered with the Company/Depository Participant(s)]:
- (i) User ID and initial password as provided below.**
- (ii) Please follow all steps from Sr.No. (i) to (xii) as mentioned in (A) above, to cast your vote.
- C. The e-voting period commences on the **September 13, 2014 at 10:00 A.M. and ends on September 15, 2014 at 11:00 A.M.** During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date, being Friday, August 8, 2014, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have casted their vote electronically shall not vote by way of poll, if held at the Annual General Meeting ('AGM').
- D. In case of any query pertaining to e-voting, please visit Help & FAQ's section of <https://evoting.karvy.com> (Karvy's website).
- E. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company, as on the cut-off date, being August 8, 2014.
- F. The Board of Directors has appointed **Ms. Savita Jyoti, Practicing Company Secretary as the Scrutinizer** to scrutinize the e-voting process in a fair and transparent manner.
- G. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman.
- H. The Results on resolutions shall be declared on or after the AGM of the Company and the resolution will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
- I. The Results declared along with the Scrutinizer's Report(s) will be placed on the website of the Company (www.jaicorplndia.com) and the Service Provider's website (<https://evoting.karvy.com>) within two (2) days of passing of the resolutions at the relevant general meeting of members. The Results will be communicated to the BSE Limited and the National Stock Exchange of India Limited.

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	User ID	Password / PIN