Jai Corp LIMITED

CHALLENGES AND BEYOND

Annual Report 2009-10

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Challenges and Beyond

The past fiscal year was a period of contrasts.

The world went through unprecedented levels of economic turmoil.

The global liquidity crisis saw many companies going under.

The latter part of the year offered glimmer of hope following fiscal stimulus offered by governments from leading economies around the world.

Yet again, emerging economies are being reckoned as the new growth engines of the world, offering a ray of hope that the tide will finally change.

Hope is important because it can make the present moment less difficult to bear.

What seems to us as bitter trials are often blessings in disguise.

If we believe that tomorrow will be better, we can bear a hardship today.

After all, when the going gets tough, the tough get going.

To accomplish great things, we must not only act but also dream, not only plan, but also believe.

We believe and we also know that those who keep their eyes fixed on the far horizon will find the right road ahead.

The greater the obstacle, the more glory in overcoming it.

Perseverance remains the mantra to success.

Further, perseverance is not a long race; it is many short races one after another.

We have responded swiftly to the downturn.

We have reorganized our business strategies by making them more competitive.

And we did so without diluting the talents that make our company strong.

At the same time, we have retained our long-term view.

Success means having the courage, the determination, and the will to do what we believe we were meant to be.

We stuck to our business plans throughout fiscal 2010 and continued working on our numerous new business initiatives that form the foundations of our future.

Looking beyond the current economic situation, we expect global demand across the spectrum of our products and services to increase, driven by population growth and rising prosperity in developing nations.

Most of our products are fundamental to human progress and quality of life.

For these reasons, we believe that the long-term outlook remains favorable for our industry.

However, fiscal 2011 will be a transitional year.

Economic recovery in most parts of the world will be slow and uneven.

In all probabilities it will take at least another couple of years before we reach the level that was seen before the crisis.

We will continue to follow our successful strategy and actively shape our future.

Integrated urban infrastructure and SEZs have proved to be engines of future growth across economies.

And, Jai Corp through stakes in Navi Mumbai SEZ, Mumbai SEZ and Rewas Port SEZ is well positioned to ride this growth opportunity.

Jai Corp’s core strengths, starting with the talent, dedication and values of our employees, position us to achieve growth while helping meet long-term demand.

After all, not dithering, staying on course and working for long haul will distinguish the men from the boys.

Jai Corp’s future holds great promise.

"Jai Corp's future holds great promise. We have strong assets and strong market positions across an array of projects and opportunities."

Dear Shareowners,

In 2009 the world felt the acute effects of the global recession. By the end of 2009, unprecedented economic-stimulus packages and the irrepressible growth of key Asian nations appeared to turn around the global economy. Indian economy and Indian Inc too aided by the timely Union Government's stimulus dosage performed rather well. Jai Corp tided over one of the worst years in the global economy and arrived at the end of the recession with its reputation for growth intact.

Weak consumer demand and lingering unemployment in the USA and Europe are likely to weigh down the recovery for some time. Those who want to be successful have to act today. This applies especially to market opportunities that emerge from global changes, such as population growth, urbanization and the resulting rising demand curve. I consider the development of solutions for these challenges to be the crucial foundation for a successful future.

We responded swiftly to the downturn. We reorganized our business strategies by making them more competitive. And we did so without diluting the talents that make our company strong. At the same time, we retained our long-term view. We stuck to our business plans throughout FY 2009-10 and continued working on our numerous new business initiatives that form the foundations of our future.

MESSAGE FROM THE CHAIRMAN EMERITUS

Looking beyond the current economic situation, we expect global demand across spectrum of our products and services to increase, driven by population growth and rising prosperity in developing nations. Most of our products are fundamental to human progress and quality of life. For these reasons, we believe that the long-term outlook remains favorable for all our business industry.

FY 2010-11, will be a transitional year. Economic recovery in most parts of the world will be slow and uneven. In all probabilities it will take at least another couple of years before we reach the level that was seen before the crisis.

We will continue to follow our successful strategy and actively shape our future.

Integrated urban infrastructure and SEZs have proved to be engines of future growth across economies. The world is becoming increasingly urbanized and by 2050 it is expected that 70% of the global population will live in cities. 16 of the 20 mega cities will be in the developing countries.

Jai Corp's performance and growth are intrinsically linked with the communities where we operate. Our community engagement programmes are strategic investments in the future of our communities, focusing on health, education and sustainable socioeconomic development.

Jai Corp's core strengths, starting with the talent, dedication and values of our employees, position us to achieve growth while helping meet long-term demand. We operate with the highest standards of integrity and respect for human rights. We are deeply committed to safe and efficient operations and to conducting our business in an environmentally sound manner. We build strong partnerships to produce energy and support communities.

Jai Corp's future holds great promise. We have strong assets and strong market positions across an array of projects and opportunities. We have robust long-term strategies and a proven ability to deliver results. We have unassailable ethics and a culture that attracts and develops the best talent.

Our world grows more complex every day and we encounter increased challenges. The Jai Corp management and its employees have risen to challenges for more than 25 years, with dedication, commitment and hard work. And, I'm confident we will continue to do so in the years' ahead.

I thank all our stakeholders who have consistently reinforced their faith and trust in Jai Corp. I am confident that they will continue to stand by the management team that is leading your Company into the future.

I thank our Board of Directors for their invaluable insights, constant support and guidance at every stage as we strive to give shape to their vision. I would also like to thank all our shareholders for their unstinted support. This Company is committed to realizing your dreams for it and I am confident that together we shall grow and prosper.

With best wishes,

Sincerely,

J. K. Jain
Chairman Emeritus
25th May, 2010

"Our focus will be to deliver superior and sustainable returns to all our stakeholders in the years ahead."

Dear Fellow Shareowners,

The year 2009-10 has been a remarkable year for the world economy. The developed economies of the world are undergoing a structural decline while economies like India and China are emerging even stronger from the cyclical downturn that they experienced in 2008-09. For the first time governments of all major economies are collaborating to fight the worst ever financial crisis. Last year, several governments across the world announced fiscal stimulus packages that were aimed at arresting the downturn in their economies. Thanks to this measure, several major economies came out of a recession. Despite this chaos in the global financial system, the Indian economy once again demonstrated great resilience to external shocks and recorded a healthy growth of over 6% last year.

Several interesting trends have emerged from the last financial crisis. Let me share with you some major trends that we consider crucial.

Firstly, it is now evident that the developed economies are not going to experience the growth of the past decade. These economies will continue to witness an extended period of slow growth coupled with high fiscal deficits. Consumption in these economies was primarily driven by credit expansion which is not easily available to the already overleveraged corporations and consumers. While the developed world continues to experience a slow growth environment, certain developing economies continue to grow at very high rates. Countries like China, Brazil and India have, now, become the epicenters of economic growth.

Secondly, governments across the world are co-operating with each other to avoid another black swan event like the financial crisis experienced in 2008. There is awareness amongst the governments of developed nations that failure of any large financial institution can cause far-reaching damages to the entire financial system across the globe. Realising the gravity of the situation, these governments are ready to extend complete support to these large financial institutions as evidenced by the US government's bailing out of certain troubled financial institutions in the recent past.

MESSAGE FROM THE CHAIRMAN

Finally, due to the slow growth environment in most developing countries, the consumer sentiment is at a low as there is no rush to consume in a hurry. Demand for goods and services continue to be nowhere near its peak. There is an excess capacity across industries especially commodities, prices of which are much below their peaks recorded in 2007-08. There is clear indication that commodity prices shall continue to remain soft due to lack of incremental demand and enough overcapacity across several industries. Similarly, interest rates continue to be low as demand for credit is nowhere near its peak cycle in 2007.

All the above trends such as huge liquidity, a benign interest rate environment and softer commodity prices augur very well for several of the developing economies. These developing economies shall also be beneficiaries of capital flows from the developed world. India with its favorable demographic profile is the best placed amongst the major developing economies. Sectors such as power, roads, ports, and construction are at an early stage of a huge capex cycle that should last for this entire decade. Similarly, increasing proportion of India's young population is entering the work force – consistently raising its consumer class. Many studies show that 2012-2015 will be one of the best periods of growth for India's consuming class, a phase that is now described as that of "India's Demographic Dividend".

Jai Corp is well placed to benefit from the above trends. We will be developing Urban Integrated Infrastructure (SEZ's) that shall help propel India into the league of developed nations. These projects were conceived in a booming world with very high commodity prices but shall now be built when commodity prices are much softer compared to their peaks. This shall provide us with a superior start up advantage with lower costs than envisaged 3 years ago. A benign interest rate environment globally would further help us to build at a more competitive cost for the longer term. Our core infrastructure projects would enjoy the benefit of being executed in a period when it is most advantageous for new projects to be executed and its completion would hopefully coincide with a recovery in the world economy.

In our venture capital business, we manage and advise a collective corpus of over Rs 3,900 crore (US$ 820 million). Our outlook for the future of the sector continues to be promising. There is a huge unmet demand which shall ensure continuous growth in the years ahead.

Last year, our traditional businesses of spinning, plastic processing and steel have delivered a good performance. The Company was able to substantially improve the profitability of these businesses. We are now in the process of consolidating our land holdings in the real estate sector. With supply levels having adjusted, once again there is a renewed interest in the sector with an unmet demand in several pockets ensuring higher growth visibility. These investments are long-term in nature and shall help unlock potential value in the years ahead.

Last year, Jai Corp steered through a very challenging environment and delivered a strong financial performance. While revenues increased by 7%, to Rs 479.81 crore, EBIDTA increased by 59% to Rs 97.98 crore and profit after tax increased by 116 % to Rs 61.07 crore. I firmly believe that Jai Corp's business strategies, operational excellence, cost control measures together with the hard work of our entire team helped your company deliver this improved financial performance.

India is now at an inflection point where it can demonstrate an extended period of high growth rates. Jai Corp is well positioned to capitalise on these emergent opportunities. Our traditional businesses will continue to grow in line with the economy while our asset management business is expected to create value for all its investors. It is my belief that Jai Corp will be able to capitalise on the emerging opportunities in the infrastructure sector. Our focus will be to deliver superior and sustainable returns to all our stakeholders in the years ahead.

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 trust in us and extended their constant support.

With best wishes,

Sincerely,

Anand Jain
Chairman
25th May, 2010

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 fibre yarns, and steel coils and sheets. In FY 2008-09, the Company commenced manufacturing “Master Batch”.

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

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

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

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

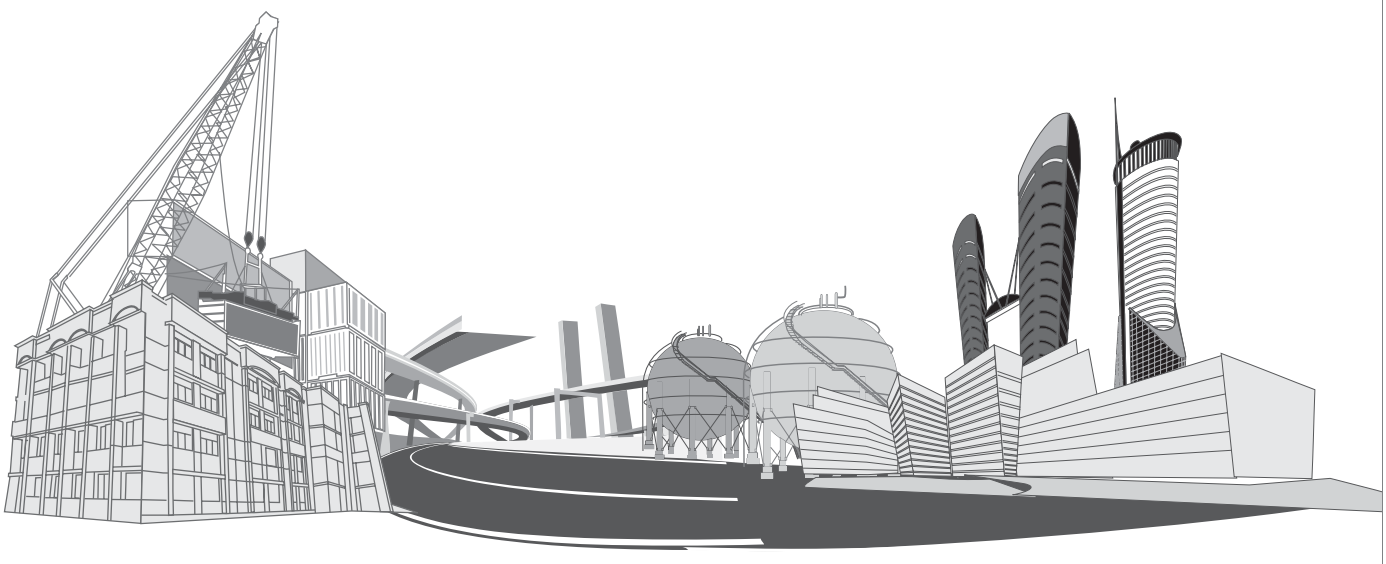
The Company is also advisor and manager to some of India's largest real estate funds.

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

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

LOCATIONS:

- Woven sacks manufacturing division: Khadoli, Athal (Silvassa) and Daman
- Spinning division: Vasona, Masat (Silvassa) and Sarigam (Gujarat)
- Steel Division: Nanded (Maharashtra)
- SEZs: Mumbai and Navi Mumbai
- Port SEZ: Rewas (Maharashtra)
- Asset management Business and Venture Capital Fund offices: Mumbai



BOARD OF DIRECTORS

Jai Kumar Jain
Chairman Emeritus

Anand Jain
Chairman

Virendra Jain
Vice Chairman

Gaurav Jain
Managing Director

V. S Pandit
Director – Works

S. N. Chaturvedi

D. K. Contractor

K. M. Doongaji

S. H. Junnarkar

P. P. Shah

Vice President-Commercial
Chief Financial Officer
Ashok Tak

Company Secretary &
Compliance Officer
Ananjan Datta

Board Committees
Audit Committee
K. M Doongaji (Chairman)
Virendra Jain
S. N. Chaturvedi
D. K Contractor

Shareholders/Investors
Grievance Commitee
K. M Doongaji (Chairman)
Virendra Jain
S. N. Chaturvedi
Gaurav Jain

Share Transfer Committee

Jai Kumar Jain (Chairman)
Virendra Jain
Gaurav Jain

Bankers

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

Registered Office

A-3, M.I.D.C. Indl. Area,
Nanded 431 603, Maharashtra
Website: www.jaicorpindia.com
Tel :+91-22-61155300 / 22817051
Fax : +91-22-22875197

Corporate Office:

12-B, Mittal Towers,
Nariman Point, Mumbai-400021
Maharashtra, India.

Registrars & Transfer Agents

Karvy Computershare Private Limited,
Plot No. 17-24, Vittal Rao Nagar,
Madhapur, Hyderabad 500 081, India.
Tel No.: +91-40-23420815-28
Fax No.: +91-40-23420814
Email: einward.ris@karvy.com

Auditors

Chaturvedi & Shah
Chartered Accountants

S.R. Batliboi & Co
Chartered Accountants

Manufacturing Facilities at

1. Plastic processing Division
   140/1/1/1 to 140/1/1/9,
   Village Khadoli, Silvassa (D & N.H)
   (100% EOU unit)

   168/182-191, Dabhel Ind. Co-op. Soc. Ltd.,
   Dabhel, Daman (Daman & Diu)

   Survey No. 148, 149/1 &2, 180/2 &3,
   Dabhel Ind. Co-op. Soc. Ltd.,
   Dabhel, Daman (Daman & Diu)

   Plot No. F-1 & F-2,
   Indore SEZ Phase-1, Sector-III,
   Pithampur (MP) (SEZ Unit)

2. Plastic Processing & Master Batch
   Survey No.141,
   Dabhel Ind.Co-op.Soc.Ltd.,
   Dabhel, Daman (Daman & Diu)

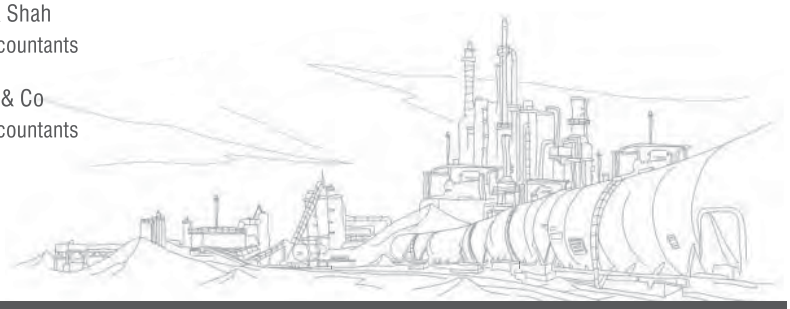
3. Plastic Processing & PSF
   Survey No.326/1,326/2/1
   Village Athal, Silvassa, (D&NH)

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

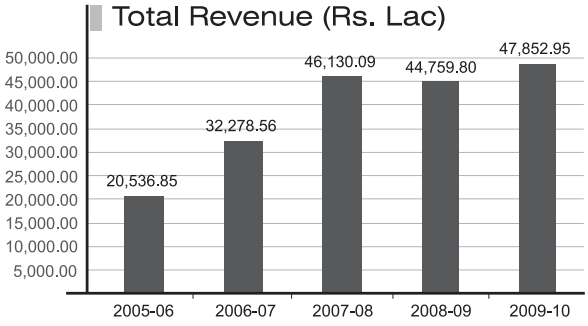
5. Textile Division- Twisting
   Survey No.45-B, Govt. Ind. Estate,
   Masat, Silvassa (D & NH)

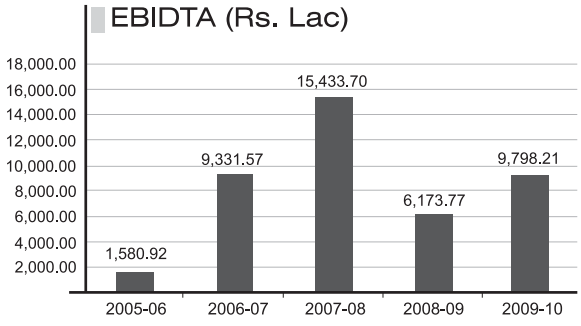
6. Textile Division- Dyeing
   Plot No.1620, GIDC Sarigam,
   Dist. Valsad, Gujarat

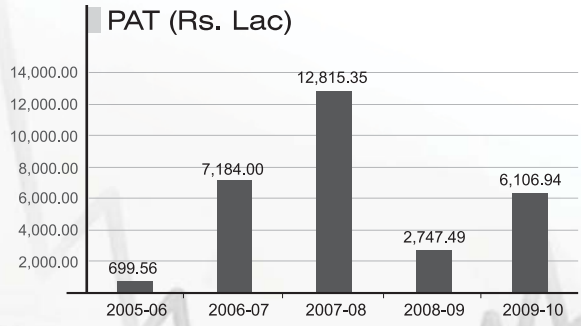
7. Textile Division- Spinning
   Survey No.246, Khanvel Road,
   Vasona, Silvassa (D &NH)

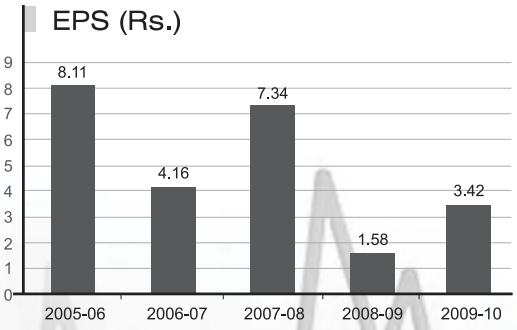


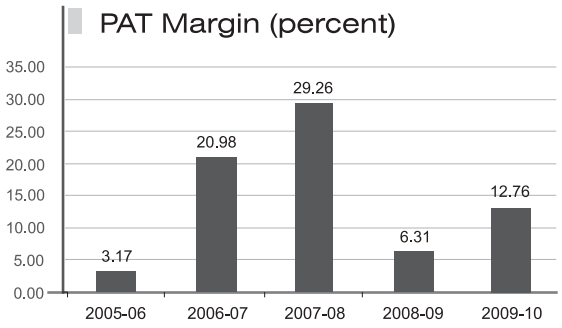
OUR PERFORMANCE THROUGH NUMBERS

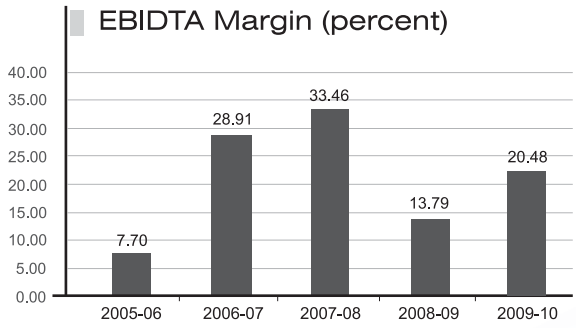


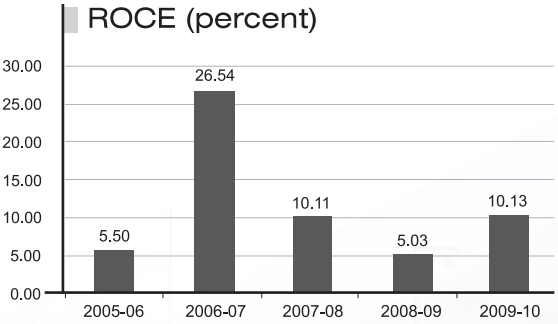


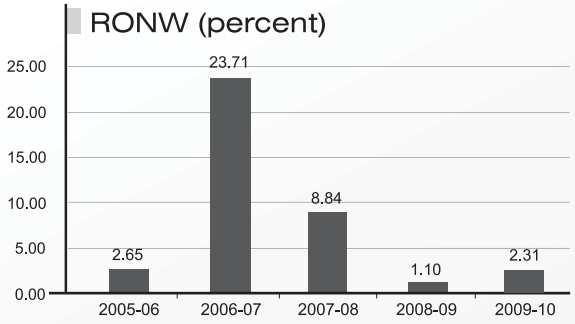





PAT Margin (percent)
35.00
30.00
25.00
20.00
15.00
10.00
5.00
0.00
3.17
20.98
29.26
6.31
12.76
2005-06
2006-07
2007-08
2008-09
2009-10


EBIDTA Margin (percent)
40.00
35.00
30.00
25.00
20.00
15.00
10.00
5.00
0.00
7.70
28.91
33.46
13.79
20.48
2005-06
2006-07
2007-08
2008-09
2009-10


ROCE (percent)
30.00
25.00
20.00
15.00
10.00
5.00
0.00
5.50
26.54
10.11
5.03
10.13
2005-06
2006-07
2007-08
2008-09
2009-10


RONW (percent)
25.00
20.00
15.00
10.00
5.00
0.00
2.65
23.71
8.84
1.10
2.31
2005-06
2006-07
2007-08
2008-09
2009-10

MANAGEMENT'S DISCUSSION AND ANALYSIS

Forward-looking Statements

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

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

Overview of FY 2009-10

The Financial Year (FY) 2009-10 was clearly one of the toughest and challenging years for businesses globally. This was a year of contrasts. The first half of the year saw firm prices and demand. However, following the credit crisis and the slowdown in global economies, demand was seen dropping sharply and margins coming under severe pressure during the second half. The tone of the economy reflected on the bourses as well. Stock markets are considered barometers of the activity and health of the economy. The first quarter of FY 2009-10, saw buoyancy in the stock markets, however, the remainder of the fiscal year was by and large tepid. The growth rate of the Gross Domestic Product (GDP) in FY 2008-09 was 6.7%, with growth in the last two quarters hovering around 6%. The Indian economy besides weathering the global crisis had to face a weak monsoon also in 2009. Some amount of turnaround was seen in the second quarter of FY 2009-10 when the economy registered a growth of 7.9% As per the advance estimates of GDP for FY 2009-10, released by the Central Statistical Organisation (CSO), the economy is expected to grow at 7.2% in FY 2009-10, with the industrial and the service sectors growing at 8.2% and 8.7% respectively. Jai Corp saw through this challenging period and has reported robust financial performance. Key financial performance indicators FY 2009-10 are as follows:

- The gross turnover increased by 9% to Rs. 430.99 crore in FY 2009-10 from Rs. 395.06 crore in FY 2008-09.
- The total EBIDTA, increased by 59% to Rs. 97.98 crore in FY 2009-10 from Rs. 61.73 crore in FY 2008-09.
- The total PAT increased by 116 % to Rs. 61.07 crore in FY 2009-10 from Rs. 28.25 crore in FY 2008-09.

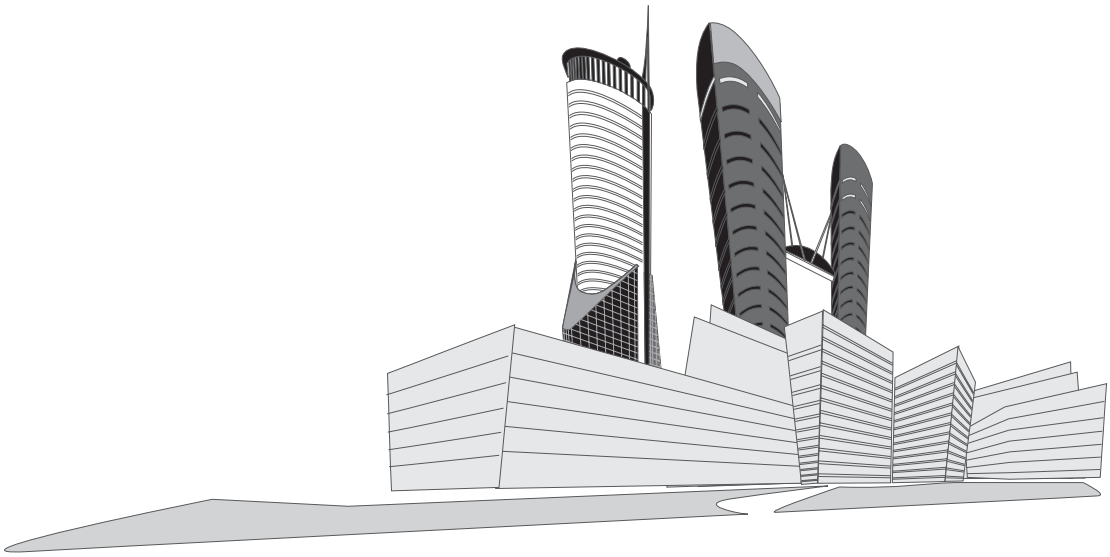
BUSINESS REVIEW

Urban Integrated Infrastructure

Sector overview:

According to United Nations (UN) projections, half of the world's population now live in urban areas and about 70% will be city dwellers by the year 2050. With cities and towns in Asia and Africa registering the biggest growth, this hyper-urbanisation trend and the concentration of urban population in the big cities in developing countries bring not only the problem of resource limitations to the fore, but also adds new problems as well. In order to cope with massive problems that have emerged as a result of rapid urban growth the Jawaharlal Nehru National Urban Renewal Mission

(JNNURM) was launched by the government on December 3, 2005 for a seven-year period beginning 2005-06. The selected cities are one million plus cities, state capitals and places of historical, religious, or tourist importance. The private sector, including farming, micro, small and medium enterprises (MSMEs), and the corporate sector, has a critical role to play in achieving the objective of faster and more inclusive growth. This sector accounts for 76% of the total investment in the economy and an even larger share in employment and output.



Special Economic Zones – Urban Infrastructure

The contribution of urban sector to India's GDP has increased from 29% in FY 1950–51 to 47% in FY 1980–81. The urban sector presently contributes about 62%–63% of the GDP and this is expected to increase to 75% by the year 2021. The Government of India, in the year 2000, announced a pragmatic Special Economic Zone "SEZ" policy, which offers several innovative fiscal and regulatory incentives to developers of the SEZs, as well as the units within these zones. Each SEZ is treated as a foreign territory and units located in it are not subject to either customs tariffs or domestic duties. Sales to Domestic Tariff Areas are permitted, subject to payment of applicable customs duties and import policies in force. Inputs, whether imported or sourced domestically, are free of any taxes.

Outlook for SEZs in India

The Honourable Union Finance Minister of India, in his speech while presenting the Union Budget on February 26, 2010 stated that the SEZs have attracted significant flows of domestic and foreign investments. In financial year 2009-10, exports from SEZs recorded a growth of 121% over the corresponding period last year. Government is committed to ensuring continued growth of SEZs to draw investments and boost exports and employment. As on May 25, 2010, the Board of Approval had given 578 formal approvals to set up SEZs. As on March 31, 2010, 111 SEZs were operational providing employment to over 5.04 lakh people with a total export of over Rs. 2,20,711 crore.

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

(I) Navi Mumbai SEZ (NMSEZ).

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

NMSEZ has 3 nodes: Dronagiri, Kalamboli and Ulwe.

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

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

The Ulwe (W) node is situated along the south-western waterfront of the Central Business District of Navi Mumbai and extends towards the new Nhava Sheva Docks (JNPT) to south. Three IT/ITES SEZs have been notified in this node having area of 21.12 Ha, 38.28 ha and 10.77 Ha.

The Ulwe (E) node that skirts the southern edge of the proposed Navi Mumbai International Airport has two notified SEZ's. These are the Multi Service SEZ (128.43 Ha) and Gem & Jewellery SEZ (33.54 Ha).

Performance Overview:

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

(II) Mumbai SEZ (MSEZ)

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

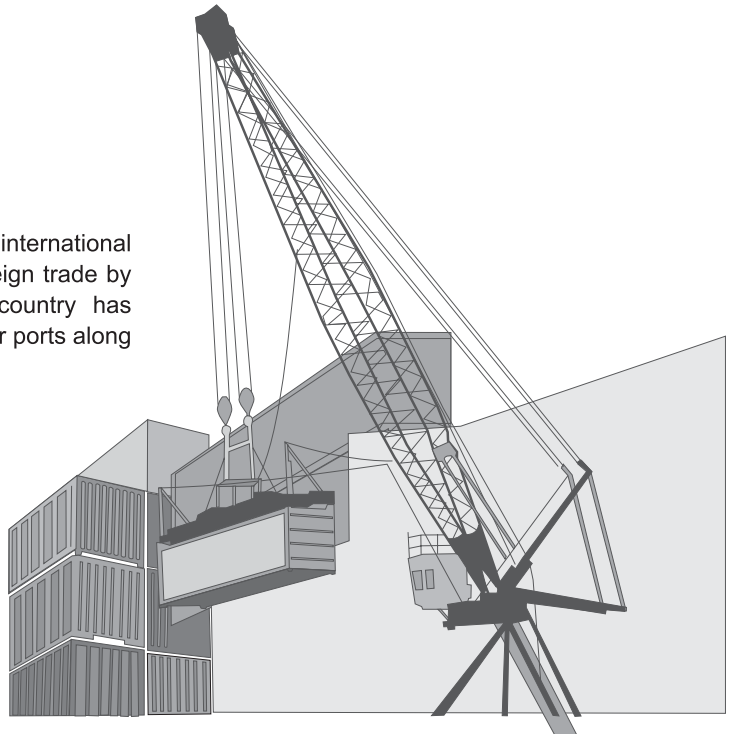
Performance Overview:

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

PORTS

Sector overview:

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



Rewas Port

India's emerging shipping hub

Jai Corp is a stakeholder in the entity developing Rewas Port project in Maharashtra. Rewas Port has been conceived as a multi-cargo, all weather, deep-water port based SEZ. The port is being developed by Rewas Ports Limited under a 'Concession Agreement' executed with the Maharashtra Maritime Board (MMB), a nodal agency of the State Government of Maharashtra. The Rewas port is located south of Karanja Fishing Harbour in Dharamtar Creek, on the intertidal land of Rewas Headland, District Raigad, on the West Coast of Maharashtra. Rewas is located close to two major ports of India namely Mumbai Port (MbP) and Jawaharlal Nehru Port (JNP).

Performance Overview:

All statutory approvals required prior to commencement of work have been obtained. The phase I development is planned on the inter-tidal land and Government land and excluding the hamlets in the area. The transfer process of these lands are at an advanced stage. The work will commence after these lands are transferred to the project by the State Government of Maharashtra .

POWER

Sector overview:

India has the fifth largest generation capacity in the world with an installed capacity of 152 Giga Watt (GW) as on September 30, 2009. The average per capita consumption of electricity in India, FY 2008-09, was estimated at 704 Kilo Watt Hours(kWh). This is fairly low when compared with the world average that stands at 2,300 kWh. India's installed power generation capacity is currently around 1,57,229 Mega Watt (MW). In FY 2009-10, total capacity addition was 9,585 MW. Generation capacity steadily increased, however, the demand-supply gap has also increased over the years because of various problems faced by the sector. The energy shortage and peak power shortage during FY 2009-10 was about 10.1 % and 13.3 % respectively.

Performance Overview:

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

Power Generation: UEGPL - a special purpose vehicle (SPV), has been formed for establishing, commissioning, setting-up, operating & maintaining electric power generating stations based on conventional / non-conventional sources. Presently, UEGP has planned for implementing 3 natural gas based combined cycle power projects to be located in Raigad District of Maharashtra:

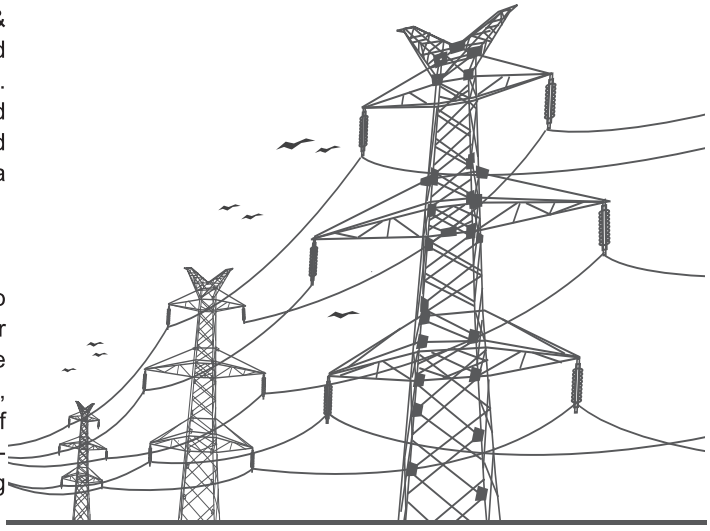
1. 2,000 MW power plant at Dronagiri node of Navi Mumbai Special Economic Zone (NMSEZ) in Uran Taluka will be implemented in 3 phases, for which Board of Approval, Ministry of Commerce & Industries, Government of India has granted the status of "Co-Developer". All Central Government statutory clearances including Environmental and coastal regulation zone have already been obtained.
2. The State Government of Maharashtra has issued support letter for 2,100 MW power plant at Vangni Tarfe Taloja in Panvel Taluka. Environmental and other statutory clearances are also at advance stage of approval.
3. The State Government of Maharashtra has issued support letter for 2,100 MW power plant at Kondgaon, Nagothane in Roha Taluka. Environmental and other statutory clearances are also at advance stage of approval.

Power Distribution:

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

Power Transmission:

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



WATER SUPPLY & SEWERAGE DISPOSAL

Sector overview:

National Water Policy (2002) envisages that the water resources of the country should be developed and managed in an integrated manner and *inter alia* states that adequate safe drinking water facilities should be provided to the entire population both in urban and in rural areas. Irrigation and multipurpose projects should invariably include a drinking water component, wherever there is no alternative source of drinking water. Drinking water needs of human beings and animals should be the first charge on any available water.

With a view to provide 100% water supply accessibility to the entire urban population by end of XI plan in 2012, it has been estimated that Rs. 53,666 crore would be required. Thus Public Private Partnership (PPP) is important to leverage government investments and to access private sector management efficiencies.

Solid Waste Management

As per National Urban Sanitation Policy impacts of poor sanitation are especially significant for the urban poor (approximately 22% of total urban population), women, children and the elderly. The loss due to diseases caused by poor sanitation for children under 14 years alone in urban areas amounts to Rs. 500 crore at 2001 prices.

The Government of India, Ministry of Environment and Forests has framed Municipal Solid Waste (Management and Handling) Rules 2000 and notified the same in September, 2000 making it mandatory for all the municipal authorities in the country and those responsible for managing the municipal solid waste in the country to implement the Rules.

Eleventh Five Year Plan targets for urban sanitation is 100% population coverage with 70% by sewerage facility and 30% by low cost sanitation. In solid waste management, 100% population is proposed to be covered with appropriate solid waste management. It has been estimated that the fund requirement for these programmes is Rs. 53,168 crore for sanitation and Rs. 2,212 crore for solid waste management. The Planning Commission has noted that though privatization of water supply and sanitation sector could not make significant progress as of now, there is substantial potential and urgent need for the same in near future.

Performance Overview:

Jai Corp has plans to enter the water supply, wastewater and solid waste management sector, through one of its associate companies viz. Urban Water Supply Private Limited (UWSPL) and is currently at an exploratory and viability assessment stage, to be undertaken at NMSEZ.

The objectives of UWSPL are as follows:

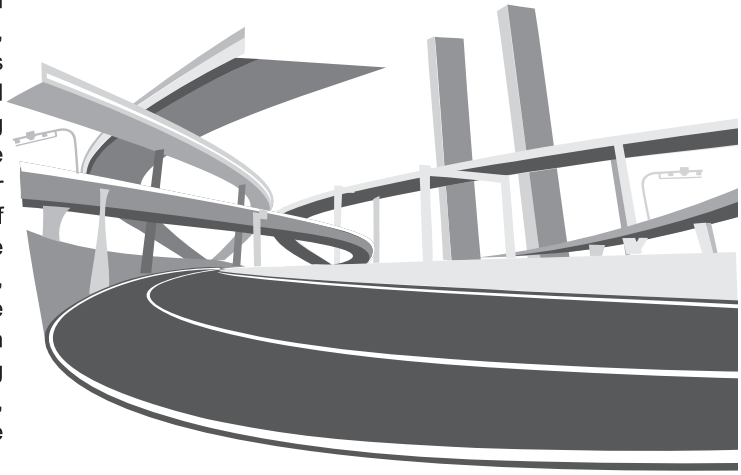
- Supply water on 24X7 basis as per international standards.
- Develop infrastructure for water treatment, storage and distribution, wastewater collection, treatment and recycling.
- Make arrangements for sourcing sufficient quantity of water as per demand
- Provide water, waste water and recycled water management system
- Develop infrastructure for solid waste management system including waste collection, waste segregation, recycling, transportation, treatment and disposal.

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

ENGINEERING, PROCUREMENT & COMMISSIONING

Sector Overview:

The Finance Minister in his budget speech of February 26, 2010 has stated that accelerated development of high quality physical infrastructure, such as roads, ports, airports and railways is essential to sustain economic growth and proposed to maintain the thrust for upgrading infrastructure in both rural and urban areas. In the budget for FY 2010-11, a provision was made for Rs.1,73,552 crore, which accounts for over 46% of the total plan allocations, for infrastructure development in the country. Therefore, infrastructure sector is expected to show huge potential in the coming years. The Indian Engineering, Procurement and Commissioning sector is slowly and surely evolving into a strong, mature and industry-driven engine to achieve sustained economic growth.



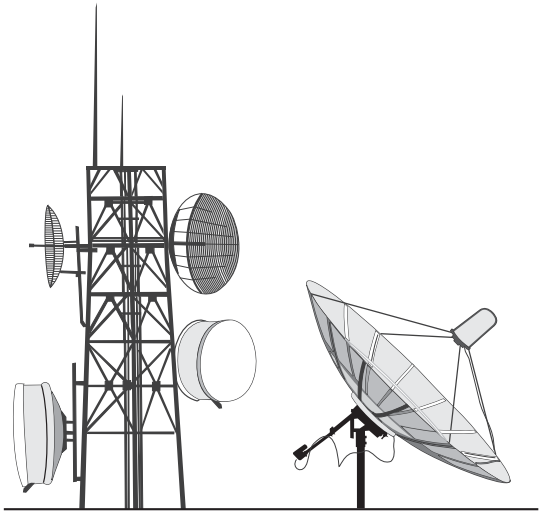
Performance Overview:

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

IT & TELECOM

Sector Overview:

The Indian Information Technology-Information Technology - Enabled Services (IT / ITES) industry has continued to perform its role as the most consistent growth driver for the economy. Service, software exports and BPO remain the mainstay of the sector. Over the last five years, the IT / ITES industry has grown at a remarkable pace. Consider some of the significant indicators for these remarkable achievements. The IT / ITES exports have grown to a staggering US$ 46.3 billion in 2008-09, the IT sector currently employing 2.2 million professionals directly and another 8 million people indirectly accounts for over 5% of GDP, a majority of the Fortune 500 and Global 2000 corporations are sourcing IT / ITES from India and it is the premier destination for the global sourcing of IT / ITES accounting for 55% of the global market in offshore IT services and garnering 35% of the ITES / BPO market. The Indian telecommunications industry is one of the fastest growing in the world. According to the Telecom Regulatory Authority of India (TRAI), the number of telephone subscribers in India increased to 638.05 Million at the end of April 2010 from 621.28 Million in March 2010, thereby registering a growth rate of 2.70%. With this, the overall Tele-density in India reaches 54.10. Wireless subscriber base increased from 584.32 Million in March 2010 to 601.22 Million at the end of April 2010 registering a growth of 2.89%. Wireless tele-density stands at 50.98.



Performance Overview:

Jai Corp has plans to facilitate the IT and telecom business requirements within the SEZ's through its associate companies viz. Urban Infotech Solutions Private Limited (UISPL) and Urban Communications Infrastructure Private Limited (UCIPL). These are currently at an exploratory and viability stage. UISPL and UCIPL have been granted the status of 'co-developer' by the Board of Approval, Ministry of Commerce & Industries, Government of India for NMSEZ. In the process UCIPL has acquired Internet Service Provide (ISP) License, Category-B for Mumbai Service Area and is also registered for Infrastructure Provider Category-I (IP-I), from Department of Telecommunications.

REAL ESTATE

Sector overview:

The Indian real estate sector plays a significant role in the country's economy. The real estate sector is second only to agriculture in terms of employment generation and contributes heavily towards the gross domestic product (GDP). Almost 5% of the country's GDP is contributed to by the housing sector. In the next five years, this contribution to the GDP is expected to rise to 6%. India's property market was in a severe downturn for much of 2009. The realty sector witnessed a decline after nearly four years of boom and high demand. While there have been some signs of the situation stabilizing, the recession has led to some significant ongoing problems. The year 2010 is likely to be characterized as a year of selective stability. While average vacancies are expected to increase and average prices to fall, this may not be experienced uniformly across all projects or locations. A flight to quality resulting in an increasingly two tier market may emerge during 2010 in which best quality projects and locations will benefit from selective stability. With supply levels having adjusted, the major driver of performance in the real estate market in 2010 is likely to be the strength of ongoing demand.

Performance Overview:

Some of the subsidiary companies of Jai Corp have acquired land. The same may be consolidated for the purpose of development. The Company is of the view that any presumed fall in the current value of land held by some of its subsidiary companies is only temporary in nature. These investments are long term and in course of time the fair value of the investments are expected to be realised.

ASSET MANAGEMENT

The Indian asset management has witnessed unprecedented growth in recent years. The industry witnessed a compounded annual growth reat (CAGR) of around 47 % over a period of 2003 – 2009. During first nine months of FY 2009-10, assets under management (AUM) of venture capital fund (VCF) & foreign venture capital investors (FVCI) has increased by approximately Rs. 3,000 crore. During the same period, Mutual Fund's AUM increased by Rs. 2.48 lakh crore reaching Rs. 6.65 lakh crore.

With penetrations of Mutual Fund, Insurance and Pension Funds still far below global averages, we see tremendous growth opportunity in this sector.

Performance Overview:

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

UIVCL currently manages Urban Infrastructure Opportunities Fund (UIOF), a scheme of Urban India Venture Capital Fund (UIVCF), a SEBI registered fund. UIOF is a close ended India domiciled venture capital fund with total corpus of approximately Rs. 2,434 crores.

UIVCL, is also advisor to Urban Infrastructure Capital Advisors (UICA), investment manager to India focussed Mauritius domiciled Urban Infrastructure Real Estate Fund (UIREF), with a total fund corpus of about USD 300 million.

The Funds' investments are focussed on large townships and mixed-use development projects in Tier-I and Tier-II cities of western and southern India. Together, the funds have invested in 32 SPVs spread across 15 cities of India.

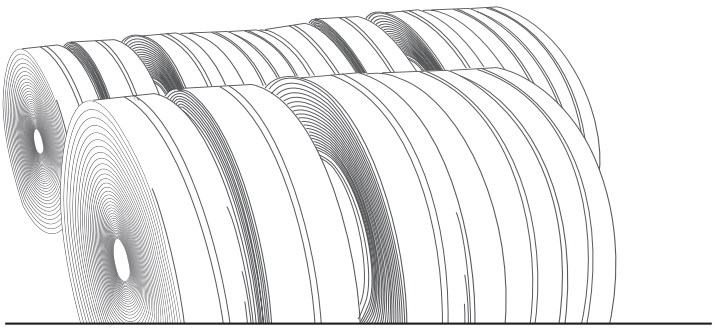
Investment avenues

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

STEEL DIVISION

Sector overview:

As per Ministry of Steel's annual report for FY 2009-10, India has emerged as the fifth largest producer of steel in the world and is likely to become the second largest producer of crude steel by 2015-16. Steel exports decreased by 36% as it reached an estimated 2.099 million tonne while steel imports were at an estimated 5.21 million tonne, a growth of 16.6%. Domestic steel consumption was at 40.997 million tonne and increased by 7.8%, indicating further strengthening of demand.



Performance Overview:

Jai Corp manufactures cold rolled coils, galvanised coils and galvanised corrugated sheets at its Nanded unit in Maharashtra. The Company's current capacity of manufacturing cold rolled coils and galvanised coils is 62,500 Metric Tonnes Per Annum (MTPA) and 55,000 MTPA, respectively. In FY 2009-10, the Company achieved production (including Job Work) of 35,438 MT of CR coils and 36,733 MT of GP/GC as compared to 2,414 MT and 3,255 MT respectively in FY 2008-09 due to an improvement in the demand for the Company's products. The Company was able to undertake higher job works also.

Cold rolled coils are sold directly to end users, such as auto component manufacturers. Galvanised sheets are sold through distributors in the domestic market under the brand name of 'SIPTA'. Presently, the dynamics of this industry have changed in favour of the integrated steel manufacturer with capabilities of manufacturing hot rolled, cold rolled and also galvanising of steel. This factor has put the Steel Division's operating margins under pressure.

PLASTIC PROCESSING DIVISION

Flexible Packaging

Sector overview:

Flexible Intermediate Bulk Containers (FIBC) industry in India is very capable and highly developed. The country is a large player in the international FIBC business and ranks behind only China in the global supply scenario. The domestic demand for FIBC's is still very low; the Indian FIBC industry exports over 95% of its output. The Indian woven sack industry has also been one of the fastest growing segments of the bulk packaging industry and has registered a CAGR of 15% or more over the last decade. India produces the equivalent of almost 1 million MT of polypropylene (PP) and high density polyethylene (HDPE) per annum valued at around Rs. 10,000-12,000 crore.

Performance Overview:

The Company's installed capacity for manufacturing of woven sacks, fabrics and staple fibres is 59,478 MTPA. In FY 2009-10, the Company produced 32,496 MT of woven sacks, fabrics and staple fibres as compared to 25,535 MT in FY 2008-09.

MASTERBATCHES

Sector overview:

Masterbatches are used to impart colour and various special properties to the products manufactured from plastics. Though the cost of Masterbatches in the final plastic product is very low, its quality is very important for attaining the desired properties of the end product. In general, Masterbatch industry can be broadly classified into Organised Sector and Small Scale Sector with more than 250 players. Key operators in the organized segment hold about 50% of the market.

Performance Overview:

Jai Corp's products have been well received in the Masterbatch and Antifibrillation Masterbatch segments. The Company's installed capacity for manufacturing of Masterbatches is currently 12,000 MTPA an increase of 79% as compared to capacity of FY 2008-09. In FY 2009-10, the Company produced 5,125 MT of Masterbatches an increase of 89% over production in FY 2008-09.

SPINNING

Sector overview:

The Indian Textile sector grew by more than 8% in the last two fiscal years and is projected to grow at 16% by 2012. Being the second largest employer of Indians after agriculture, it currently employs 88 Million people and is expected to generate another 17 million jobs by 2012. The gross value is expected to rise from its present $9309.8 millions to a whopping $105 billion Industry.

Performance Overview:

The Company's installed capacity for manufacturing of Spinning Yarn is 16,010 MTPA - an increase of 44% as compared to capacity of FY 2008-09. In FY 2009-10, the Company produced 8,600 MT- an increase of 29% over the previous FY. This year, the Company was able to substantially improve upon its profitability in this segment. This division has turned the corner with a robust performance.

HUMAN RESOURCES DEVELOPMENT

Jai Corp's most valuable assets are its human resource. With the support of its dedicated human resource the Company confronted the economic shocks and rapid changes in the business environment last year with resolve and determination to ensure that the business of the Company continue to enhance value creation.

The Company's talent as on March 31, 2010 is 3,661, which includes highly qualified professionals across its businesses. The growth and sustained leadership of the Company is largely a function of the competence and quality of its human resource. The Company has always aimed to create a workplace where every person can achieve his / her optimum potential. The Company has a performance rewarding culture throughout, enabling it to create leaders out of its own employees. The Company has also undertaken various training and development initiatives to hone the skills and expertise of its people.

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 newer avenues to its employees.

INTERNAL CONTROL SYSTEMS

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

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

RISK CONCERNS & RISK MANAGEMENT

Jai Corp is exposed to the normal industry risk factors of competition, economic cycle, raw material availability and uncertainties in the international and domestic markets and credit risk. The Company has a system-based approach to business risk management. It has a proper and adequate system of controls that are designed 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 practices:

1) 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 and independent monitoring and reporting by Internal Audit.

2) A combination of centrally issued policies and divisionally-evolved procedures to bring strength to the process of ensuring that business risks are effectively addressed.

3) Appropriate structures are in place to proactively monitor and manage the inherent risks in businesses with proper risk profiling.

4) A professional and independent firm, Messrs Mahajan & Aibara has been appointed as internal auditors 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.

5) 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 top risks and set out a mitigation plan with agreed timelines and accountability.

HEALTH, SAFETY & ENVIRONMENT

Jai Corp is committed to ensuring the health and safety of its employees, its plants and its surrounding communities at all its operation sites. It's the constant endeavour 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:

1) Well defined work practices ensure work in a manner that promotes safety and health of its employee as well as that of the environment they operate in.

2) Provide training to all concern personnel to maintain health, safety and environment.

3) Creating awareness on Health, Safety and Environment and developing the required skill, knowledge and confidence of the personnel so as to enable them to understand their responsibility and accountability.

4) Provide all required safety posters, safety equipments, first-aid boxes and facilities, purified drinking water and adequate medical facilities under the aegis of a full time qualified medical practitioner.

5) Maintaining excellent housekeeping practices across all locations and premises of the Company.

6) Maintaining safe, healthy and pollution-free environment work places with suitable safe work systems and methods of work like protective fencing of machinery, periodical testing of hoist and lifts, ropes and chain pulley blocks, testing of pressure vessels. Periodical and preventive maintenance of compressors and proper arrangement of fire extinguishers at designated places.

7) Obtaining a stability certificate of all the factory buildings as per the requirement of the Factories Act, 1948.

8) Developing safety awareness among the staff and other concerned workforce.

9) Maintaining environmental norms prescribed by State/Central Governments in the matter of air, water quality, noise, environment etc.

10) Cleaning and disposal of waste and effluents, proper ventilation and sustaining pollution-free atmosphere.

11) Taking suitable insurance policies such as fire safety, group and personal accident etc.

SOCIAL RESPONSIBILITY & COMMUNITY DEVELOPMENT

Talking in the context of Corporate Social Responsibility (CSR) it is said that "There is no one definition of what it takes to be a responsible corporate. The key is to have a rigorous process for identifying those responsibilities and fulfilling them." The European Commission has tried to define CSR as "A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis." In India, companies have a strong desire to work for a social cause and also have sufficient resources at their command, but considering the demography and diverse social problems in the country, it sometimes become difficult for them to reach the right people. India being the second most populous country in the world, and home to the largest number of people in need of basic amenities, calls for more intensive efforts as part of such initiatives. The concept of CSR was always intended to be much more about how businesses conduct themselves in relation to stakeholders. Stake-holders include employees, customers and the broader society in which the businesses operate. CSR in the strictest sense is not giving money to the charities. Reaching the apex of corporate governance is basic foundation of being a socially responsible organisation.

An essential component of Jai Corp's corporate social responsibility is to care for the community. We endeavour to make a positive contribution to the underprivileged communities by supporting a wide range of socio-economic, educational and health initiatives. Many of the community projects and programs 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 participation to make the village Sindoni in the Mandoni Patelad of D&NH a "model village". The Company is making its resources and volunteering available to the notified schemes. The objectives of these schemes are to:

i) bring about an improvement in the general quality of life in the rural areas;

ii) accelerate sanitation coverage in rural areas to access to toilets to all;

iii) motivate the communities and the panchayati raj institutions promoting sustainable sanitation facilities through awareness creation and health education;

iv) cover schools and anganwadis in rural areas with sanitation facilites and promote hygiene education and sanitary habits among students.

So far work is completed on a 3600 sq.mtr. pond at Patelpada of Sindoni. Of 6.5 kilometres (kms.) of road chosen for upgrading and/or tarring work is completed for nearly 2.8kms. The remaining is in varying stages of completion. Civil work is completed in a project to supply safe drinking water to the Tornachimal village. Drinking water supply delivery points have been augmented in Tadpada, Fatherpada and Masiyapada. Renovation of classrooms of the primary schools have been carried out at Masiyapada and Toranpada while in Toranpada construction of toilet block is also completed. Renovations for Tornachimal & Tetmal schools are completed too. In a project concerning building of individual latrines, around 475 toilets are completed covering Masiyapada, Patelpada, Tadpada, Fatherpada, Sindnipada, Luharmal, Tetmal and Tornachimal.

DIRECTORS' REPORT

Your Directors are pleased to present the Twenty-fifth Annual Report and the Audited Accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS:

(Rs. in Lac)

	Year Ended 31-03-2010	Year Ended 31-03-2009
Profit before Depreciation, Interest, Income-tax and adjustments for Prior Period Items	**9,798.21**	6,173.33
Less : Interest & Finance Charges	**253.87**	464.41
Depreciation	**1,627.95**	1,532.51
Profit before Income-tax and adjustments for Prior Period Items	**7,916.39**	4,176.41
Less : Provision for Taxation:		
Current Tax	**1,563.34**	1,146.60
Fringe Benefit Tax	-	15.81
Deferred Tax	**235.11**	266.51
Income-tax of earlier years	**11.00**	(77.49)
Profit after Tax but before adjustments for Prior Period Items	**6,106.94**	2,824.98
Balance brought forward from last year	**26,054.71**	23,797.21
Prior Period Adjustments (Net)	**(3.84)**	(1.46)
Amount available for Appropriation	**32,157.81**	26,620.73
Appropriations:		
General Reserve	**610.32**	282.50
Proposed Dividend on Preference Shares	**1.50**	1.50
Proposed Dividend on Equity Shares	**240.84**	240.84
Tax on Proposed Dividend	**40.25**	41.18
Excess provision of Dividend of earlier year	**(0.45)**	-
Surplus carried to Balance Sheet	**31,265.35**	26,054.71
Total	**32,157.81**	26,620.73

RESULTS OF OPERATIONS:

During the year under review, the turnover of the Company's Steel Division decreased to Rs. 57.22 crore as compared to last year's turnover of Rs. 76.65 crore. The decrease is due to decrease in trade sale, however, your Company's income from manufactured products and job works have gone up.

The Plastic Processing Division of the Company achieved a turnover of Rs. 307.08 crore as compared to last year's turnover of Rs. 263.28 crore.

The Spinning Division of the Company achieved a turnover of Rs. 67.10 crore as compared to last year's turnover of Rs. 55.13 crore.

During the year under review, the Company increased its capacities for Spinning Yarn, Masterbatch and Synthetic Fibres Twin from 11,100 MT to 16,010 MT, from 6,720 MT to 12,000 MT and from nil to 1,460 MT respectively. The Company's production of CR coils and sheets and GP/GC coils and sheets increased from 2,414 MT to 35,438 MT and from 3,255 MT to 36,733 MT respectively.

DIVIDEND:

Your Directors have recommended a dividend at the rate of Re. 0.01 (1 percent) per annum on 1,50,00,000 Non-cumulative Non-Participating Redeemable Preference Shares of Re 1/- each for the financial year ended 31st March, 2010. If approved, at the ensuing Annual General Meeting, Rs. 1,50,000/- will be payable to those preference shareholders whose names appear on the Register of Members of the Company at close of business on 16th August, 2010.

Your Directors have also recommended a dividend of Re. 0.50 (50 per cent) per Equity Share on 4,81,67,010 Equity Shares of Re. 1/- each for the financial year ended 31st March, 2010. This will amount to Rs. 2,40,83,505/- and, if approved at the ensuing Annual General Meeting, this dividend will be paid to equity shareholders whose names appear on the Register of Members of the Company at close of business on 16th August, 2010. In respect of shares held in dematerialized form, dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date. The 'promoters' of your Company had voluntarily and irrevocably waived their entitlement to receive dividend on the Equity Shares held by them for the financial year 2009-10 if recommended by your Directors. Hence, your Directors have not recommended any dividend on 13,02,82,400 Equity Shares held by the 'promoter group'.

DIRECTORS:

Shri S. H. Junnarkar, Dr. P. P. Shah and Shri Virendra Jain retire by rotation and, being eligible, have offered themselves for re-appointment at the ensuing Annual General Meeting.

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

DIRECTORS' RESPONSIBILITY STATEMENT:

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

(i) That in the preparation of the accounts for the financial year ended 31st March, 2010, applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956 have been followed along with proper explanation(s) relating to material departure(s).

(ii) That appropriate accounting policies have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and of the profit of the Company for the financial year ended on that date.

(iii) That proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(iv) That accounts for the financial year ended 31st March, 2010 have been prepared on a 'going concern' basis.

CONSOLIDATED FINANCIAL STATEMENTS:

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

AUDITORS AND AUDITORS' REPORT:

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

The Notes to the Accounts referred to in the Auditors' Report on Consolidated Financial Statements are self-explanatory. In respect of observations made in paragraphs 7 and 8 of the Auditors' Report on Consolidated Financial Statements, your Directors are of the opinion that these are investments in long-term projects and the diminution in the value, if any, is temporary, hence, no provision is required.

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

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

SUBSIDIARY COMPANIES:

Government of India, Ministry of Corporate Affairs, vide Orders no. 47/414/2010-CL-III dated 17th May, 2010 has granted approval that the requirements to attach various documents in respect of 34 subsidiary companies, as contained in sub-section(1) of Section 212 of the Companies Act, 1956 shall not apply to the Company for the financial year ended on 31st March, 2010, viz. the Balance Sheet, Profit and Loss Account, Reports of the Board of Directors and Auditors of the subsidiaries whose accounts have been consolidated for the year ended 31st March, 2010 need not be attached with the Balance Sheet of the Company. The annual accounts of the subsidiary companies and the related detailed information will be made available, upon request by any member of the Company and/or any of its subsidiaries, seeking such information at any point of time. The annual accounts of the subsidiary companies will also be available for inspection by any investor in the Registered/ Head 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 The financial data of the subsidiaries have been furnished under 'Financial information of Subsidiary Companies' forming part of the Annual Report. Further, pursuant to Accounting Standards AS-21, and AS-23, Consolidated Financial Statements presented by the Company *inter alia* include financial results of its subsidiaries.

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

FIXED DEPOSIT:

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

PARTICULARS OF EMPLOYEES:

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

INDUSTRIAL RELATIONS:

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

TRANSFER OF UNPAID/UNCLAIMED AMOUNTS TO IEPF:

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

CORPORATE GOVERNANCE:

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

GROUP FOR *INTER SE* TRANSFER OF SHARES:

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

OUTLOOK:

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

ACKNOWLEDGMENT:

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

For and on behalf of the Board of Directors

Mumbai,
25th May, 2010

Anand Jain
Chairman

ANNEXURE "A" TO DIRECTORS' REPORT

Particulars required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

A) Conservation of Energy :

(a) **Energy conservation measures taken:** The Company has taken various steps for minimization of energy consumption by putting continuous efforts towards optimisation of operating and processing activities, up-gradation of plant equipments etc.

(b) **Additional investments and proposals, if any, being implemented for reduction of consumption of energy:** 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 energy 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 31.03.2010	Previous Year Ended 31.03.2009
A. Power and Fuel Consumption:		
1. Electricity:		
(a) Purchased		
Units	**5,59,46,940**	4,61,34,167
Total Amount (Rs.)	**22,44,02,173**	17,07,36,561
Average Rate/Unit (Rs.)	**4.01**	3.70
(b) Own generation:		
(i) through diesel generator		
Units	**1,21,367**	35,433
Units/litre of diesel oil	**2.39**	2.31
Average Rate/Unit (Rs.)	**12.16**	11.59
(ii) Through steam turbine/generator:		
Units	**Nil**	Nil
Units/litre of diesel oil	-	-
Average Rate/Unit (Rs.)	-	-
2. Coal (specify quality and where used):		
Quantity (tonnes)	**Nil**	Nil
Total Cost	-	-
Average rate	-	-
3. Furnace oil:		
Quantity (K. litres)	**Nil**	Nil
Total Amount (Rs.)	-	-
Average rate/Unit (Rs.)	-	-
4. Others/ internal generation:		
(a) HSD/LDO/FO		
Quantity (KL)	**339.39**	20.40
Total Amount (Rs.)	**95,92,829**	5,46,422
Average Rate/Unit (Rs/KL)	**28,264.91**	26,788.04
(b) LPG		
Qty (MT)	**693.30**	14.24
Total Amount (Rs.)	**2,43,39,880**	5,01,780
Average Rate (Rs./MT)	**35,105.51**	35,249.70

B. Consumption per unit of Production:

	Year Ended 31-03-2009				Year Ended 31-03-2010			
Product	**GP/GC Coils/ Sheet**	**CR Coil/ Sheet**	**Woven Sacks/ Fabrics/ Bags/MB & oths.**	**Spun Yarn**	**GP/GC Coils/ Sheet**	**CR Coil/ Sheet Fabrics/ Bags/MB & oths.**	**Woven Sacks/ Fabrics/ Bags/ME & oths.**	**Spun Yarn**
Actual Production (MT)	**36,733**	**35,438**	**38,105**	**8,600**	3,255	2,414	28,405	6,692
Electricity (Units)	**90.09**	**179.03**	**727.28**	**2,160.83**	428.01	513.65	939.06	4,238.52
Others								
a) HSD (KL)	-	**0.01**	**2.94**	**2.57**	-	0.02	2.48	3.35
b) LPG (MT)	**0.02**	-	-	-	0.04	-	-	-

B) TECHNOLOGY ABSORPTION:

(e) 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):

1. **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.
2. **BENEFITS DERIVED AS A RESULT OF THE ABOVE R & D:**
   Improvement in products.
3. **FUTURE PLAN OF ACTION:**
   The Company will carry on R&D activities to improve existing products and develop new products.
4. **EXPENDITURE ON R& D:**

Capital	Recurring	Total	Total R&D expenditure as a percentage of total turnover

No significant expenditure is incurred.

TECHNOLOGY, ABSORPTION, ADAPTATION AND INNOVATION:

1. **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.
2. **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.

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

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

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

The Company has exported its products during the year under review and has imported raw materials, stores and capital items, the details of which are given below.

(g) Total Foreign exchange earned and used:

	(Rs. in Lac)
1) FOB Value of Exports	3,231.84
2) CIF Value of Imports	696.93
3) Expenditure in Foreign Currency	6.75

ANNEXURE "B" TO DIRECTORS' REPORT

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

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

Name	Age (Years)	Designation/ Nature of Duties	Remuneration per Annum (Rs.)	Qualification	Total Experience (Years)	Date of Employment	Last employment held Designation-period for which post held
Gaurav Jain	30	Managing Director	26,35,333	B.Sc.(Econ) B.Sc.(Comp.Sc.)	9	01.10.2006*	Not Applicable

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

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

Name	Age (Years)	Designation/ Nature of Duties	Remuneration per Annum Rs.	Qualification	Total Experience (Years)	Date of Employment	Last employment held Designation-period for which post held
NIL							

Notes:

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

For and on behalf of the Board of Directors

Mumbai,
25th May, 2010

Anand Jain
Chairman

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

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

REPORT ON CORPORATE GOVERNANCE

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

1. Company's philosophy on code of governance:

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

2. Board of Directors:

The Board of Directors of the Company has an optimum combination of executive and non-executive Directors. The present strength of the Board is ten Directors, of which two Directors i.e. Managing Director, and Director - Works are Executive Directors and eight Directors are Non-Executive Directors of which five are independent Directors. As on 31.03.2010, the number of independent directors on the Board is in conformity with the requirements of the Listing Agreement.

As against the minimum requirement of four meetings during a financial year, five Board Meetings were held during the year ended 31.03. 2010, with a time gap of not more than four months between two Meetings. The dates of the Board Meetings are 29.05.2009, 26.06.2009, 30.07.2009, 27.10.2009 and 28.01.2010.

Name of the Director	Category of Directorship & Designation	Attendance of meetings During 2009-10		#No. of Other Directorships held in other Indian Public Companies	*No. of Board Committee positions held in other Indian Public Companies
		Board Meetings	Last AGM		
Shri J.K.Jain	Promoter - Chairman Emeritus Non-Executive Director	5	No	1	NIL
Shri Anand Jain	Promoter - Chairman Non-Executive Director	5	No	4	NIL
Shri Virendra Jain	Promoter - Vice Chairman Non-Executive Director	5	No	8	NIL
Shri Gaurav Jain	Promoter - Managing Director/ CEO	5	Yes	14	NIL
Shri K. M. Doongaji	Independent, Non-Executive Director	5	Yes	1	NIL
Shri S.H. Junnarkar	Independent, Non-Executive Director	5	Yes	10	7-Members of which 1-as Chairman
Shri D.K. Contractor	Independent, Non-Executive Director	5	No	5	3-Members of which 1-as Chairman
Dr. P. P. Shah	Independent, Non-Executive Director	3	No	5	6-Members of which 4-as Chairman
Shri S. N. Chaturvedi	Independent, Non-Executive Director	5	Yes	4	2- Members
Shri V. S. Pandit	Non- Promoter, Non-Independent Executive Director	2	Yes	NIL	NIL

*In accordance with Explanation to Clause 49(I)(C) of the Listing Agreement, Membership / Chairmanship of the Audit Committee and Shareholders' Grievance Committee of all Indian public limited companies whether

listed or not in which he is director has been considered.

Excludes Directorship in foreign companies, private limited companies and companies incorporated under Section 25 of the Companies Act, 1956.

No Director is a member in more than ten Audit Committees and Shareholders' Grievance Committees and acts 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.

Equity shares of the Company held by Non- Executive Directors as on 31.03.2010:

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

3. Directors' Profile:

Brief resume of all Directors, including Shri S.H. Junnarkar, Dr. P.P. Shah and Shri Virendra Jain who retire by rotation and being eligible are proposed to be re-appointed, nature of their expertise in specific functional areas and names of all Indian public limited companies in which they hold directorships, and names of all Indian public/ private limited companies in which they hold memberships/ chairmanships of Board Committees and their shareholding in the Company are provided herein:

Shri Jai Kumar Jain:

Shri Jai Kumar Jain (79 years) is the Chairman-Emeritus and a promoter Director of the Company. He has been associated with the Company since its inception. He started his career with transport business and was one of the founder members of Indian Roadways Corporation. He has over 50 years of varied experience and was instrumental in setting up manufacturing units catering to the demands of packaging materials like FIBC, HDPE / PP woven sacks / Fabrics for various user industries like petrochemicals, cement etc. He is also a Director in Ridhi Synthetics Limited and several private limited companies . As on 31.03.2010, he held 4,780 equity shares of the Company. He is a promoter Director and is related to the following Directors of the Company: Shri Anand Jain, Shri Virendra Jain and Shri Gaurav Jain.

Shri Anand Jain:

Shri Anand Jain (53 years) is the Chairman and a promoter Director of the Company. He has been associated with the Company since its inception. He holds a degree in Risk Management from London Business School. He has over 25 years experience in various businesses. He is a Director of Mumbai SEZ Limited, Reliance Haryana SEZ Limited, Rewas Ports Limited, Urban Infrastructure Venture Capital Limited and several private limited companies. As on 31.03.2010, he held 35,11,840 equity shares of the Company. He is a promoter Director and is related to the following Directors of the Company: Shri Jai Kumar Jain, Shri Virendra Jain and Shri Gaurav Jain.

Shri Virendra Jain:

Shri Virendra Jain (51 years) is the Vice Chairman and a promoter Director of the Company. He has been associated with the Company since its inception. He is a graduate from the University of Mumbai. He has over 25 years experience in the business of plastic processing. He is also a Director in Free Press House Limited, Jai Infraprojects Limited, Jai Realty Ventures Limited, Pet Fibres Limited, Prime Wovens Limited, Suniti Commercials Limited, Techfab (India) Industrial Limited, Urban Infrastructure Trustee Limited and several private limited companies. As on 31.03.2010, he held 98,71,620 equity shares of the Company. He is a promoter Director and is related to the following Directors of the Company: Shri Jai Kumar Jain, Shri Anand Jain and Shri Gaurav Jain.

Shri Gaurav Jain:

Shri Gaurav Jain (30 years) is the Managing Director 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 University of Pennsylvania, U.S.A.. He was instrumental in setting up Adventity Global Services Private Limited which is a business process outsourcing (BPO) Company. He has been associated with the Company since 2004. He is also a Director of Awas Realtors Limited, Dev Realty and Developers Limited, Jailaxmi Realty and Developers Limited, Jai Infraprojects Limited, Jai Realty Ventures Limited, Novelty Realty & Developers Limited, Pet Fibres Limited, Poly-resin Agencies (India) Limited, Srinivas Electro Steel Limited, Samrat Realty and Developers Limited, Urban Gas Limited, Urban Gas Distributors Limited, Urban Gas Suppliers Limited, Welldone Real Estate Limited and several private limited companies. As on 31.03.2010, he held 1,04,27,200 equity shares of the Company. He is a promoter Director and is related to the following Directors of the Company: Shri Jai Kumar Jain, Shri Anand Jain and Shri Virendra Jain.

Shri Khurshed Minocher Doongaji:

Shri Khurshed Minocher Doongaji (70 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 erstwhile ICICI Limited. He has been associated with the Company since 1999 and is the Chairman of the Audit Committee. He is also a Director in Balakrishna Industries Limited. As on 31.03.2010, 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:

Shri Sandeep Hemendra Junnarkar (58 years) holds Bachelors' degrees in Science and Law from the University of Mumbai and is a solicitor by profession. He is a partner of Junnarkar and Associates, Advocates, Solicitors and Notaries, Mumbai. His areas of specialization include banking laws, corporate laws including competition laws, exchange control laws, securities laws and regulations etc. He has been associated with the Company since 1994. He is a Member of the Managing Committee of the Bombay Incorporated Law Society. He is also a Director of Everest Industries Limited, Excel Crop Care Limited, IL&FS Infrastructure Development Corporation Limited, Jai Realty Ventures Limited, Reliance Industrial Infrastructure Limited, Reliance Industrial Investments & Holdings Limited, Reliance Ports and Terminals Limited, Sterlite Energy Limited, Sterlite Industries (India) Limited, and Sunshield Chemicals Limited. He is a member of the Audit Committees of Everest Industries Limited, Reliance Industrial Infrastructure Limited, Sterlite Energy Limited and Sterlite Industries (India) Limited. He is also a member of Shareholders' / Investors' Grievance Committees of Reliance Industrial Infrastructure Limited, Sterlite Energy Limited and Chairman of the Committee of Sterlite Industries (India) Limited. He does not hold any share in the Company. He is an independent Director and is not related to any Director of the Company.

Shri Dady Kaikhushru Contractor:

Shri D.K.Contractor (82 years) is a commerce graduate from the University of Mumbai and a Fellow of the Indian Institute of Bankers. He has over 55 years experience in banking and administrative matters. He retired as the Executive Director of Central Bank of India. He has been associated with the Company since 1996 and is a Member of the Audit Committee. He is also a Director of IL&FS Trust Company Limited, Lupin Limited, Mazda Limited, Victoria Mills Limited, Zoroastrian Co-operative Bank Limited and several private limited companies. He is member of the Audit Committees of IL&FS Trust Company Limited and Lupin Limited. He is the Chairman of the Shareholders'/ Investors' Grievance Committee of Lupin Limited. As on 31.03.2010, he held 3,000 equity shares of the Company. He is an independent Director and is not related to any other Director of the Company.

Dr. Pravin Pranlal Shah:

Dr. Pravin Pranlal Shah (65 years) is a Practicing Chartered Accountant having over 38 years of professional experience in the areas of financial consultancy, corporate structuring/ restructuring, foreign collaborations, business re-organizations, taxation, valuation, property matters, accounting, auditing, company law and FEMA. He is also a Member of the Taxation Committee of the Indian Merchants' Chamber. He is a partner of Pravin P. Shah & Co., Chartered Accountants and proprietor of Pravin P. Shah & Associates, Chartered

Accountants and PPS & Associates, Chartered Accountants . He has been associated with the Company since 2002. He is also a Director of Adani Enterprises Limited, Bombay Rayon Fashions Limited, Claris Lifesciences Limited, JM Financial Limited, Raheja Universal Limited and several private limited companies. He is a member of the Audit Committees of Adani Enterprises Limited, Benchmark Trustee Company Private Limited, JM Financial Limited, JM Financial & Investment Consultancy Services Private Limited and JM Financial Consultants Private Limited and is the Chairman of that committee in Bombay Rayon Fashions Limited, Claris Lifesciences Limited and Raheja Universal Limited. He is the Chairman of the Shareholders'/ Investors' Grievance Committee of Raheja Universal Limited. He does not hold any share in the Company. He is an independent Director and is not related to any Director of the Company.

Shri Sachin Nath Chaturvedi:

Shri Sachin Nath Chaturvedi (59 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 masters in business administration. He has over 20 years of experience as a Practicing Chartered Accountant- as a partner of Messrs Chaturvedi & Company, Chartered Accountants. He has varied experience of audit of banks, financial institutions, public sector units and many large companies. He also has valuable experience in monitoring / inspection / investigation of units / companies at the behest of banks / financial institutions/ income-tax authorities /High Courts / Company Law authorities as well as inspection of mutual funds / stock exchange brokers / plantation companies on behalf of SEBI. He has been associated with the Company since 2004 and is Member of the Audit Committee. He is also a Director of Balkrishna Industries Limited, Balkrishna Paper Mills Limited, Jai Realty Ventures Limited, N.R.Agarwal Industries Limited and several private limited companies. He is 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 Director of the Company.

Shri Vasudeo Srinivas Pandit:

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

4. CEO/CFO:

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

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 on 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.

5. Board Meetings:

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

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

The Company Secretary records / enters the minutes of the proceedings of each Board and Committee Meeting within 30 days from the conclusion of the meeting.

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

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

5.1 Audit Committee:

The Audit Committee has four members out of which three are independent directors. Shri K. M. Doongaji, Independent Director acts as Chairman of the Committee. Shri S. N. Chaturvedi, Shri D.K. Contractor and Shri Virendra Jain are other members. The Managing Director-cum-Chief Executive Officer, Shri Gaurav Jain attended all the meetings of the Audit Committee. The constitution of Audit Committee meets with the requirements under Section 292A of the Companies Act, 1956 and Clause 49 (II) of the Listing Agreement with the Stock Exchanges. All the 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 Audit Committee:

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

a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

b. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of statutory auditor, and the fixation of audit fee and approval of payment for any other service rendered by the statutory auditor.

c. Reviewing, with management, the annual financial statements before submission to the Board for approval, with particular reference to: (i) matters to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956, (ii) any change in accounting policies and practices and the reason for the same, (iii) major accounting entries based on exercise of judgement by management, (iv) significant adjustments made in financial statements arising out of audit findings, (v) compliance with listing and legal requirements relating to financial statements, (vi) disclosure of any related party transactions, (vii) qualifications in the draft audit report, (viii) the going concern assumption, (ix) Compliance with accounting standards.

d. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.

e. 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 the purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

f. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

g. Reviewing the adequacy of internal audit functions, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

h. Discussing with internal auditors any significant findings and follow up there on.

i. Reviewing the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

j. Discussing with statutory auditors before the audit commences, about nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.

k. Reviewing the Company's financial and risk management policies.

l. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors.

m. Reviewing the financial statements and in particular investments made by unlisted subsidiary Company.

n. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing.

o. 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.

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

(d) Meeting of the Audit Committee:

The Audit Committee has met five times during the year 2009-2010, on 29.05.2009, 26.06.2009, 30.07.2009, 27.10.2009 and 28.01.2010.

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

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

Name of Director	Designation	Meetings Held	Meetings Attended
Shri K.M. Doongaji	Chairman	5	5
Shri S.N. Chaturvedi	Member	5	5
Shri Virendra Jain	Member	5	5
Shri D.K. Contractor	Member	5	5

The Company Secretary acts as the Secretary to the Audit Committee.

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

5.2 Remuneration Committee & details of remuneration to Directors:

The Company has not constituted a remuneration committee. Presently, there is one Managing Director and one Whole-time Director. The remuneration paid to them is subject to the limits laid down under Sections 198, 309 and Schedule XIII to the Companies Act, 1956. The remuneration consists of salary, Company's

contribution to provident fund, gratuity, perquisites and allowances in accordance with the respective service contracts and Rules of the Company, applicable from time to time.

The Managing Director and the Whole-time Director are not paid any sitting fee for attending the Board/ Committee meetings. The non-executive directors are paid sitting fees @ Rs.5,000/- per Board 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	Rs. 2,00,000/- per month	not exceeding the limits laid down in Section 309(3) of the Act	up to Rs.2,00,000/- per month, subject to overall ceiling of remuneration as stipulated under the Companies Act, 1956.	04-06-2008 to 03-06-2013.	3 months
Shri Vasant S. Pandit/ Director-Works	Not exceeding Rs. 2,00,000/- per month	not exceeding the limits laid down in Section 309(3) of the Act	up to Rs.2,00,000/- per month, subject to overall ceiling of remuneration as stipulated under the Companies Act, 1956.	01-04-2007 to 31-03-2012.	3 months.

*Perquisites and Allowances include accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with re-imbursement of expenses or allowances for utilization of gas, electricity, water, furnishing and repairs ,medical expenses / re-imbursement 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 31.03.2010 are as under:

Name of Director	Sitting Fees (Rs.)	Salary (Rs.)	Perquisites (Rs.)	Total (Rs.)
Shri J. K. Jain	25,000	NIL	NIL	25,000
Shri Anand Jain	25,000	NIL	NIL	25,000
Shri Virendra Jain	70,000	NIL	NIL	70,000
Shri K. M. Doongaji	70,000	NIL	NIL	70,000
Shri S. H. Junnarkar	25,000	NIL	NIL	25,000
Shri D. K. Contractor	50,000	NIL	NIL	50,000
Dr. P. P. Shah	15,000	NIL	NIL	15,000
Shri S. N. Chaturvedi	70,000	NIL	NIL	70,000
Shri Gaurav Jain	NIL	24,00,000	2,35,333	26,35,333
Shri V. S. Pandit	NIL	21,00,000	NIL	21,00,000

The Company has paid Rs. 1,30,154/- as professional charges during the year to Pravin P. Shah & Associates, Chartered Accountants and Pravin P. Shah & Company where Dr. Pravin P. Shah, Director of the Company is the proprietor and a partner respectively and Rs. 38,605/- to Junnarkar & Associates, Advocates where Shri Sandeep H. Junnarkar, Director of the Company is a partner.

5.3 Shareholders' / Investors' Grievance Committee and Share Transfer Committee:

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

The Investors' Grievance and Share Transfer Committee, met at least once in every quarter approve transfer/ transmission of shares held in physical form, to review and to take note of the Compliance Reports submitted to the Stock Exchanges, grievances of the shareholders and other issues connected with shareholders.

(a) Meeting of the Shareholders' / Investors' Grievance Committee and Share Transfer Committee:

During the financial year 2009-10, the Shareholders' / Investors' Grievance Committee and Share Transfer Committee met 4 times.

(b) Attendance of each Member at the Shareholders' / Investors' Grievance Committee Share Transfer Committee meetings held during the year:

Name of Director	Designation	Meetings Held (up to 01.06.2009)	Meetings Attended
Shri Jai Kumar Jain	Chairman	4	4
Shri Virendra Jain	Member	4	3
Shri Gaurav Jain	Member	4	4

Shri Ananjan Datta, the Company Secretary acted as the secretary to the Committee.

The Board of Directors dissolved this Committee with effect from 01.06.2009 and two committees were constituted in lieu thereof:

1. Shareholders/ Investors Grievance Committee, and
2. Share Transfer Committee;

5.4 Shareholders / Investors Grievance Committee:

The Board has delegated *inter alia* the powers to deal with shareholders'/ investors' grievances 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 K.M. Doongaji has been appointed the chairman of the Shareholders / Investors Grievance Committee. Shri S.N. Chaturvedi and Shri Virendra Jain are the other members.

The Shareholders/Investors Grievance Committee met at least once in every quarter to specifically look into the 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:

During the financial year 2009-10, the Shareholders / Investors Grievance Committee met 4 times.

(b) Attendance of each Member at the Shareholders / Investors Grievance Committee meetings held during the year:

Name of Director	Designation	Meetings Held (since 01.06.2009)	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.

(c) Investor Complaints Redressal:

12 investor complaints were pending at the beginning of the year, 347 investor complaints were received during the year ended 31.03.2010 out of which 359 complaints were resolved. As on 31.03.2010, nil investor complaints were pending.

5.5 Share Transfer Committee:

The Board has delegated *inter alia* the powers to, deal with transfer, transmission of shares in physical form to the Share Transfer Committee. Shri Jai Kumar Jain, is the chairman. Shri Virendra Jain, and Shri Gaurav Jain are the members of this Committee.

(a) Meeting of the Share Transfer Committee:

During the financial year 2009-10, the Share Transfer Committee met 11 times.

(b) Attendance of each Member at the Share Transfer Committee meetings held during the year:

Name of Director	Designation	Meetings Held (since 01.06.2009)	Meetings Attended
Shri Jai Kumar Jain	Chairman	11	11
Shri Virendra Jain	Member	11	11
Shri Gaurav Jain	Member	11	10

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

5.6 Procedure at the Committee Meetings:

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

6. Prevention of Insider Trading:

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.

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

Code of Conduct and Ethics for Directors, Officers and Employees was approved by the Board in its meeting held on 29.05.2009. At the meeting held on 29.05.2009, the Board replaced the existing Code with a new Code of Conduct & Ethics for Directors and Senior Management, which lays down the standards of business conduct, ethics and governance. The same is posted on the website of the Company. All Directors, senior management and employees have affirmed their compliance with the Code. The Code has been circulated to all the members of the Board and management personnel and compliance of the same is affirmed by them annually.

8. Compliance Officer:

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

9. Subsidiary monitoring framework:

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

a) Financial statements, in particular the investments made by the unlisted subsidiary companies, are reviewed and noted by the Audit Committee of the Company.

b) All minutes of the meetings of the unlisted subsidiary companies are placed before the Company's Board.

c) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary Companies are placed before the Board.

10. General body meetings:

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

Year	Date	Day	Time	Location	Special Resolutions Passed
2007	14.09.2007	Saturday	2.00 p.m.	Registered Office: A-3, MIDC Industrial Area, Nanded- 431 603 Maharashtra.	1. Subdivision of each equity shares of face value Rs.10/-- to 10 equity shares of Re.1/- each and increase of authorized share capital from Rs.25,00,00,000/- to Rs.50,00,00,000/-. 2. Increase in limit of investments allowable under Section 372A of the Companies Act, 1956 to Rs.10,00,00,00,000/-. 3. Approval for placement of shares by way of qualified institutional placement. 4. Approval for follow-on public offer. 5. Approval for offering securities in international market. 6. Approval for raising the total foreign institutional investors holdings in the Company up to 49% of the equity share capital. 7. Approval for issuing shares under employee stock option scheme. 8. Approval for extending the employee stock option scheme to the permanent employees and directors of subsidiary companies.
2008	30.08.2008	Saturday	12:00 noon	-do-	1. Adoption of new Articles of Association. 2. Approval for placement of securities by way of qualified institutional placement.
2009	23.09.2009	Wednesday	2:00 p.m.	-do-	1. Approval for placement of securities by way of qualified institutional placement. 2. Approval for follow-on public offer. 3. Approval for offering securities in international market. 4. Approval for roll over of Preference Shares.

(b) Details of Extra-ordinary General Meetings of the Company during 2007, 2008 and 2009 and the special resolutions passed therein:

Year	Date	Day	Time	Location	Special Resolutions Passed
2007	17.11.2007	Saturday	12:00 noon	Registered Office: A-3, MIDC Industrial Area, Nanded- 431 603 Maharashtra.	1. Re-classification of authorized share capital to make it 45,00,00,000 equity shares of Re.1/- each, 1,50,00,000 redeemable preference shares of Re.1/- each and 3,50,00,000 un-classified shares of Re.1/- each. 2. Approval for issue of 59,10,610 equity shares of Re.1/- each for Rs.1,035/- by way of preferential allotment. 3. Approval for issue of 1,50,00,000 redeemable preference shares of Re.1/- each for Rs.1,000/- per share to promoters/ promoter group.
2008	18.03.2008	Saturday	12:00 noon	-do-	1. Amendment to the Articles of Association to state that the numbers of directors shall not be less than 3 and more than 12. 2. Increase in limit of investments allowable under Section 372A of the Companies Act, 1956 to Rs.7,500,00,00,000/-.
2009	-	-	-	-	No Extra-ordinary General Meeting was held

(c) Details of postal ballots held during 2007, 2008 and 2009 and the special resolutions passed therein:

Year & Name of person who conducted postal ballot exercise	Declaration of Results of Postal Ballot			Location	Special Resolutions Passed	
	Date	Day	Time			
2007 Ms. Savita Jyoti, Practising Company Secretary	2.11.2007	Friday	18.30 hours	807, Embassy Centre, Nariman Point, Mumbai- 400 021.	1.	Alteration to the Object of Clause of the Memorandum of Association of the Company.
					2.	Approval for commencement of new business by the Company.
2008	—	—	—	—		No resolution was passed by postal ballot.
2009	—	—	—	—		No resolution was passed by postal ballot

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

No resolution was passed through postal ballot in the last year.

iii) Person 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 ensuring Annual General Meeting require passing of special resolution through postal ballot.

v) Procedure for postal ballot:

Not Applicable.

11. Disclosures:

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

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

Further in compliance to the Accounting Standard (AS-18), a detailed disclosure of transactions with related parties has been made in Notes on Accounts – "Schedule O" forming part of the Annual Report.

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

On a matter concerning allotment *inter alia* to, and sale by, the Company of equity shares of RAP Media Limited, a listed company, where certain provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and SEBI (Prohibition of Insider Trading) Regulations, 1992 were allegedly not adhered to, the Company with two other companies acting-in- concert (collectively called "Noticees") had made a joint application for consent order to SEBI on 18.09.2008. SEBI accepted the consent application and passed in principle approval for settlement of the issue on a payment of Rs.15,00,000/- collectively by the Noticees. The said amount was paid and SEBI has passed consent order dated 20.01.2010. The matter was settled without any admission or denial of guilt on the part of the Noticees to the findings of fact or conclusion of law.

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

(c) Management Discussion & Analysis Report is a part of the Directors' Report for the year ended 31.03.2010.

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

The Board at its meeting held on 29.05.2009, formulated a Whistle Blower Policy.

The Policy is posted on the website of the Company.

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

All mandatory provisions have been complied with. The Company has adopted the whistle blower policy which is a non-mandatory requirement.

12. Secretarial Audit:

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

13. Means of Communication:

(a) Quarterly Results: Quarterly results are published in 'The Free Press Journal' and 'Navshakti' and are displayed in the Company's website.

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

(c) Website: The Company's website: www.jaicorpindia.com contains a separate dedicated section 'Investor Relations' where shareholders information is available. The Annual Report, quarterly results and shareholding pattern of the Company are also available on the website in a user-friendly and downloadable form.

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

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

(f) SEBI Electronic Data Information Filing and Retrieval System (EDIFAR): Annual Report, Quarterly Results, Shareholding Pattern, Quarterly Corporate Governance Report etc. of the Company are posted on the SEBI EDIFAR website: www.sebiedifar.nic.in . However, filing with EDIFAR has been discontinued by SEBI with effect from 01.04.2010.

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

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

14. General Shareholder Information:

(i) 25th Annual General Meeting: Date, Time and Venue:

Wednesday, the 1st day of September, 2010 , 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**	: 01-04-2010 to 31-03-2011
(iii)	**Financial Calendar (Tentative)**	
	- Results for the quarter ended June, 2010	: 1st week of August, 2010
	- Results for the quarter ended September, 2010	: 1st week of November, 2010
	- Results for the quarter ended December, 2010	: 1st week of February, 2011
	- Results for the quarter ended March, 2011	: Last week of May, 2011
	- Annual General Meeting	: Last week of August, 2011
(iv)	**Dates of Book Closure**	: 17-08-2010 to 01-09-2010 (both days inclusive)
(v)	**Dividend Payment Date**	: On or after 01-09-2010

(vi) Listing on Stock Exchanges :

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

Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	National Stock Exchange of India Limited. Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai – 400 051.

Annual Listing Fees have been paid to the above Stock Exchanges for the financial year 2009-10.

(vii) Stock Code:

Bombay Stock Exchange (BSE): 512237

National Stock Exchange (NSE): JAICORPLTD

Demat ISIN for NSDL and CDSL : INE070D01027

(viii) Registration details with Registrar of Companies:

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

L17120MH1985PLC036500

(ix) Registrars and Share Transfer Agents:

KARVY COMPUTERSHARE PRIVATE LIMITED
Unit: Jai Corp Limited
Plot No. 17-24, Vittal Rao Nagar, Madhapur Hyderabad- 500 081
Tel. Nos.: (91-40) 2342 0815-28; Fax: (91-40) 2342 0814
E-mail: einward.ris@karvy.com

(x) Address for correspondence:

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

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

(xi) Website : www.jaicorpindia.com

(xii) Share transfer system:

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

(xiii) Dematerialization of shares:

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

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

As on 31.03.2010, the number of dematerialized equity shares was 17,71,06,950 which represents 99.22% of the total paid up equity capital.

(a) Details of dematerialized and physical shares as on 31.03. 2010:

Sr. No.	Particulars	No. of Shareholders	No. of Equity Shares	% Equity Shares
1.	CDSL	28,754	45,71,065	2.56
2.	NSDL	51,446	17,25,35,885	96.66
	Total Demat Holding	80,200	17,71,06,950	99.22
3.	Physical	1,116	1,38,70,60	0.78
	Total	**81,316**	**17,84,94,010**	**100.00**

(b) Liquidity:

The number of the Company's Equity Shares that were traded in the BSE and NSE during 01.04.2009 and 31.03.2010 and the value thereof are given below:

Particulars	BSE	NSE	Total
Shares (nos.)	11,69,81,408	18,18,78,068	29,88,59,476
Value (in Rs. lakh)	2,98,245.69	4,69,152	7,67,397.69

(xiv) Outstanding GDRs /ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity –

Not Applicable as the Company has not issued such instrument.

(xv) Plant Locations :

Division	Location
Steel	Nanded, Maharashtra.
Plastic Processing	Khadoli, Silvassa (Dadra & Nagar Haveli - U.T.), Dabhel, Daman (Daman & Diu - U.T.)- 2 Units and Pithampur, Indore (M.P.)
Plastic Processing and Master Batch	Dabhel, Daman (Daman & Diu-U.T.)
Plastic Processing and PSF	Athal, Silvassa (Dadra & Nagar Haveli - U.T.)
Textile- Twisting	Masat, Silvassa (Dadra & Nagar Haveli - U.T.)
Textile- Dyeing	Sarigam, Valsad, Gujarat
Textile- Spinning	Vasona, Silvassa (Dadra & Nagar Haveli - U.T.)

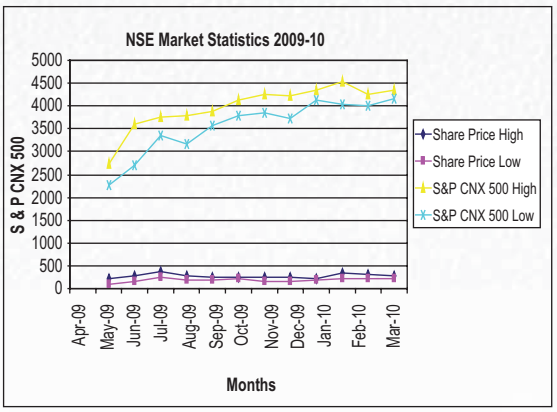
(xvi) Market price data during each month in last financial year on the

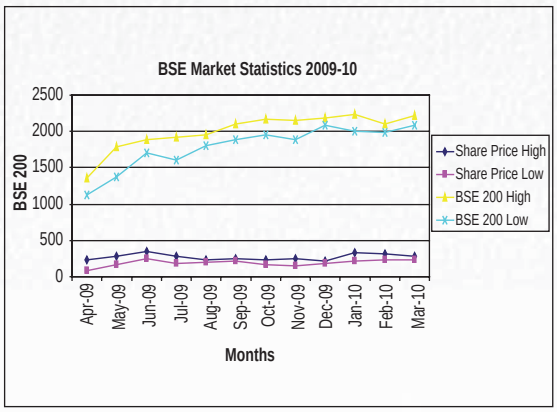
National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange Limited (BSE) :

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2009	225.80	79.25	223.80	79.00
May, 2009	274.55	157.85	274.15	159.00
June, 2009	362.70	252.65	349.80	251.85
July, 2009	278.60	187.35	286.50	187.00
August, 2009	239.20	193.10	236.85	192.00
September, 2009	245.80	216.6	244.00	217.00
October, 2009	235.00	160.55	234.45	160.30
November, 2009	254.40	150.00	253.70	150.20
December, 2009	223.50	194.50	223.00	184.60
January, 2010	329.60	210.05	329.90	210.50
February, 2010	317.50	226.35	317.50	226.25
March, 2010	282.00	230.15	281.40	230.50

(xvii) Performance in comparison to broad based indices:

The Company's shares form part of the S&P CNNX500 index of the NSE and BSE 200 index of the BSE.





(xviii) Distribution of equity shareholding as on 31.03.2010 is as follows:

Sr. No.	Category from - to	No. of share holders	No. of Shares	% of Holders
1	1- 5,000	80,905	1,06,89,308	99.50
2	5,001-10,000	220	15,49,426	0.27
3	10,001-20,000	89	13,22,984	0.11
4	20,001-30,000	24	5,86,377	0.03
5	30,001-40,000	12	4,11,793	0.01
6	40,001-50,000	11	5,17,188	0.01
7	50,001-1,00,000	14	10,59,114	0.02
8	1,00,001 and above	41	16,23,57,820	0.05
	TOTAL	**81,316**	**17,84,94,010**	**100.00**

(xix) The equity shareholding pattern as on 31.03. 2010 is as follows:

Sr. No.	Description	No. of share holders	No. of Shares	% of share capital
1	Promoters, non- promoter Directors and their relatives	20	13,02,85,800	72.99
2	Mutual Funds	12	2,85,080	0.16
3	Financial Institutions and Banks	13	35,79,696	2.01
4	Bodies Corporate	1,492	50,03,087	2.80
5	NRI / Foreign Nationals / FII / Foreign Bodies Corporate	640	2,70,12,736	15.13
6	Resident Individuals/ HUF	78,923	1,19,55,378	6.71
7	Trusts	2	71,100	0.04
8	Clearing Members	213	2,56,533	0.14
9	Forfeited Shares	1	44,600	0.02
	TOTAL	**81,316**	**17,84,94,010**	**100.00**

(xx) Build up of equity share capital:

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

xxi) Transfer of Unclaimed & 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 ON CODE OF CONDUCT

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

Mumbai,
25th May, 2010

Gaurav Jain
Managing Director & Chief Executive Officer

CERTIFICATE OF CORPORATE GOVERNANCE

To,
The Members,
JAI CORP LIMITED,

We have examined the compliance of conditions of Corporate Governance by JAI CORP LIMITED, for the year ended on 31st March, 2010, 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 a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion of the financial statements of the Company.

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

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

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

R. Koria
Partner
Membership No.: 35629

Place: Mumbai
Date: 25th May 2010

For S.R. BATLIBOI & Co.
Firm Registration No.301003E
Chartered Accountants

per Vijay Maniar
Partner
Membership No.: 36738

Place: Mumbai
Date: 25th May 2010

AUDITORS' REPORT

To the Members of

JAI CORP LIMITED

We have audited the attached Balance Sheet of **'JAI CORP LIMITED'** ('the Company') as at 31st March, 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended)issued by Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure hereto, a Statement on the matters specified in the paragraphs 4 and 5 of the said Order.

2. Further to our comments in the Annexure referred to above, we report that: -

   a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account;

   d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;

   e) On the basis of the written representations received from the Directors, as on 31st March 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

   f) In our opinion, and to the best of our information and according to explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

      I) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;

      II) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and

      III) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

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

R. Koria
Partner
Membership No.: 35629

Place: Mumbai
Date: 25th May 2010

For S.R. BATLIBOI & Co.
Firm Registration No.301003E
Chartered Accountants

per Vijay Maniar
Partner
Membership No.: 36738

Place: Mumbai
Date: 25th May 2010

ANNEXURE TO AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date to the members of Jai Corp Limited on the accounts for the year ended 31st March, 2010)

(i) In respect of its fixed assets:

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

(b) As explained to us, all the fixed assets have been physically verified by the management in accordance with the programme of verification, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification as compared to the book records.

(c) In our opinion and according to the information and explanations given to us, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.

(ii) In respect of its inventories:

(a) Inventories have been physically verified during the year by the management. In our opinion the programme of verification is reasonable.

(b) In our opinion, and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) On the basis of our examination of inventory records, we are of the opinion that the Company is maintaining proper records of inventory. As explained to us, no material discrepancies were noticed on physical verification of the inventories, as compared to book records maintained.

(iii) In respect of loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956: -

(a) The Company has granted unsecured loans to two wholly-owned subsidiary companies of it. The maximum amount outstanding at any time during the year was Rs. 405,10.44 lacs and the year-end balance was Rs. 359,89.45 lacs.

(b) In our opinion and according to the information and explanations given to us, the aforesaid loan is interest free and others terms and conditions of such loans are, prima facie not prejudicial to the interest of the Company.

(c) The loans given were not due for repayment at 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 Companies Act, 1956. Consequently, the provisions of sub clauses (e), (f) and (g) of paragraph 4 of the said Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventories and fixed assets and also for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the aforesaid internal control system.

(v) (a) According to the information and explanations given to us, we are of the opinion that transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956, have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made during the year in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs for each party, have been made at prices which are prima facie reasonable having regard to the prevailing market price at the relevant time, except for certain transactions for purchase and sale of goods and materials of specific nature for which alternative quotations are not available and hence upon which, we are unable to comment.

(vi) The Company has not accepted any deposits from the public and accordingly, the provisions of clause (vi) of paragraph 4 of the said Order are not applicable to the Company.

(vii) 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 of the Companies Act, 1956, in respect of one of the products of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.

(ix) (a) According to records of the Company examined by us, the Company has generally

been regular during the year in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Investor Education and Protection Fund, Income-tax, Sales-tax, Wealth tax, Service tax, Custom Duty, Excise Duty, Cess and other material statutory dues as applicable with the appropriate authorities .

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.

Name of the Statute	Nature of the Dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Bombay Sales Tax Act	Sales Tax	0.06	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	75.00 0.42	2005-06 2008-09	Commissioner (Appeals)
		8.08*	2003-04 to 2005-06	Central Excise and Service Tax Appellate Tribunal
		4.40	2009-10	Assistant Commissioner
Total		**114.24**		

(*) Net of amount Rs. 5.50 Lacs deposited under protest.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31,2010 for a period of more than six months from the date they became payable;

(c) The disputed statutory dues aggregating Rs. 114.24 lacs as at 31.03.10, that have not been deposited on account of matters pending before appropriate authorities, are as under:

(x) The Company does not have accumulated losses at the end of the financial year. It has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

(xi) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks. During the year, the Company did not have any loans from financial institutions or by way of debentures.

(xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund /society, and hence the provisions of clause (xiii) of paragraph 4 of the said Order are not applicable to the Company.

(xiv) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of transactions and contracts in respect of dealing in shares and other investments and timely entries have been made therein. The investments are held by the Company in its own name.

(xv) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.

(xvi) According to the information and explanations given to us, term loans were prima facie applied for the purposes for which the loans were obtained.

(xvii) On a review of utilization of funds based on an overall examination of the Balance Sheet of the Company as at 31st March, 2010, we report that prima facie, funds raised on short-term basis have not been utilized for long-term investment.

(xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

(xix) The Company has not issued any debentures and hence provisions of clause (xix) of paragraph 4 of the said Order are not applicable to the Company.

(xx) During the year the Company has not raised any monies by way of public issue.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

R. Koria
Partner
Membership No.: 35629

Place: Mumbai
Date: 25th May 2010

For S.R. BATLIBOI & Co.
Firm Registration No.301003E
Chartered Accountants

per Vijay Maniar
Partner
Membership No.: 36738

Place: Mumbai
Date: 25th May 2010

BALANCE SHEET as at 31st March, 2010

(Rs.in Lacs)

	SCHEDULE		AS AT 31.03.2010	AS AT 31.03.2009
SOURCES OF FUNDS				
Shareholders' Funds				
Share Capital	A	**1,934.71**		1,934.71
Reserves and Surplus	B	**262,482.28**		256,661.32
			264,416.99	258,596.03
Loan Funds				
Secured Loans	C	**2,310.79**		3,539.35
Unsecured Loans	D	**992.48**		721.10
			3,303.27	4,260.45
Deferred Tax Liability (Net) (Refer Note No. 8 of Schedule "O")			**1,867.74**	1,632.63
Total			**269,588.00**	264,489.11
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	E	**38,858.95**		35,528.92
Less: Depreciation		**16,894.59**		15,501.54
Net Block		**21,964.36**		20,027.38
Capital Work-in-Progress		**824.90**		3,230.77
			22,789.26	23,258.15
Investments	F		**188,959.59**	172,263.48
Current Assets, Loans and Advances	G			
Inventories		**4,780.07**		4,134.56
Sundry Debtors		**6,328.99**		9,037.21
Cash and Bank Balances		**536.72**		6,173.90
Other Current Assets		**471.02**		70.97
Loans and Advances		**49,552.55**		52,076.65
		61,669.35		71,493.29
Less:Current Liabilities and Provisions	H			
Current Liabilities		**2,118.95**		1,761.16
Provisions		**1,711.25**		764.65
		3,830.20		2,525.81
Net Current Assets			**57,839.15**	68,967.48
Total			**269,588.00**	264,489.11
Significant Accounting Policies	N			
Notes on Accounts	O			

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

As per our report of even date

For **Chaturvedi & Shah**
Firm Reg. No. 101720W
Chartered Accountants

R. Koria
Partner

For S.R. Batliboi & Co.
Firm Reg. No. 301003E
Chartered Accountants

per Vijay Maniar
Partner

Place: Mumbai

Date : 25th May, 2010

For and on behalf of the Board of Directors

Gaurav Jain Managing Director

V.S. Pandit Director (Works)

A. Datta
Company Secretary

Ashok Tak
Vice President-Commercial &
Chief Financial Officer

PROFIT AND LOSS ACCOUNT for the Year Ended 31st March, 2010

(Rs. in Lacs)

	SCHEDULE	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
INCOME			
Turnover (Gross)	I	**43,098.51**	39,506.21
(Refer Note No. 16 of Schedule "O")			
Less: Excise duty/ Service Tax recovered		**2,137.03**	1,964.67
Net Turnover		**40,961.48**	37,541.54
Other Income	J	**4,882.63**	5,371.46
Variation In Stocks	K	**(128.19)**	(117.87)
		45,715.92	42,795.13
EXPENDITURE			
Trade Purchases		**19.48**	6,569.91
Manufacturing and Other Expenses	L	**35,898.23**	30,051.89
Interest & Finance Charges	M	**253.87**	464.41
Depreciation		**1,627.95**	1,532.51
		37,799.53	**38,618.72**
Profit for the year before tax		**7,916.39**	**4,176.41**
Less : Provision for Taxation :			
Current Tax		**1,563.34**	1,146.60
Deferred Tax		**235.11**	266.51
Fringe Benefit Tax		**-**	15.81
Less : Provision/(Written back) of Income Tax of earlier years		**11.00**	(77.49)
Profit after tax		**6,106.94**	**2,824.98**
Balance brought forward from previous year		**26,054.71**	23,797.21
Prior Period Adjustments (Net)		**(3.84)**	(1.46)
PROFIT AVAILABLE FOR APPROPRIATION		**32,157.81**	26,620.73
APPROPRIATIONS			
General Reserve		**610.32**	282.50
Proposed Dividend on Preference Shares		**1.50**	1.50
Proposed Dividend on Equity Shares		**240.84**	240.84
Tax on Proposed Dividend		**40.25**	41.18
Excess Provision of Dividend of earlier year		**(0.45)**	-
SURPLUS CARRIED TO BALANCE SHEET		**31,265.35**	26,054.71
Basic & Diluted Earning Per Share (Rs.)		**3.42**	1.58
Face Value per Share (Re.)		**1.00**	1.00
(Refer Note No. 10 of Schedule "O")			
Significant Accounting Policies	N		
Notes on Accounts	O		

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

As per our report of even date

For **Chaturvedi & Shah**
Firm Reg. No. 101720W
Chartered Accountants

R. Koria
Partner

For S.R. Batliboi & Co.
Firm Reg. No. 301003E
Chartered Accountants

per Vijay Maniar
Partner

Place: Mumbai

Date : 25th May, 2010

For and on behalf of the Board of Directors

Gaurav Jain
Managing Director

V.S. Pandit
Director (Works)

A. Datta
Company Secretary

Ashok Tak
Vice President-Commercial &
Chief Financial Officer

CASH FLOW STATEMENT for the Year Ended 31st March, 2010

(Rs.in Lacs)

		2009-2010		2008-2009
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net Profit before tax as per Profit and Loss Account	**7,916.39**		4,176.41
	Adjusted for :			
	Depreciation	**1,627.95**	1,532.51	
	Wealth Tax	**4.25**	5.15	
	Effects of foreign exchange rate change	**28.02**	(19.76)	
	Sundry Balance written off/ (written back)	**20.74**	(20.52)	
	Loss / (Profit) on sale of Investments (Net)	**(1,007.19)**	2,950.49	
	Loss/ (Profit) on sale/discarding of Fixed Assets (Net)	**(92.94)**	(134.07)	
	Interest and Finance Charges	**228.79**	378.79	
	Interest Income	**(1,894.85)**	(1,230.91)	
	Dividend Income	**(855.23)**	**(1,940.45)**	(1,693.74)	1767.94
	Operating Profit before Working Capital Changes	**5,975.94**		5,944.35
	Adjusted for :			
	Trade & Other Receivables	**2,638.94**		(1,992.67)
	Inventories	**(645.51)**		288.79
	Trade Payables	**536.23**		(771.57)
	Cash Generated from Operations	**8,505.59**		3,468.90
	Direct Taxes paid	**(1,400.98)**		(630.85)
	Net Prior Period Adjustments	**(3.84)**		(1.46)
	Net Cash Flow from Operating Activities	**7,100.77**		2,836.59
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of Fixed Assets	**(1,603.69)**		(2,496.51)
	Sale of Fixed Assets	**368.82**		1,383.80
	Fixed Deposit with bank having maturity of more-than three months (Placed)	**-**		(5,000.00)
	Fixed Deposit with bank having maturity of more -than three months (Matured)	**5,000.00**		**-**
	Purchase of Investments	**(133,417.58)**		(162,089.77)
	Sale of Investments	**117,737.17**		185,438.70
	Movement in Loans	**4,001.55**		(16,903.21)
	Interest Income	**787.52**		636.97
	Dividend Income	**855.23**		1,693.74
	Net Cash Flow (used in) / from Investing Activities	**(6,270.98)**		2,663.72

CASH FLOW STATEMENT (Contd.)

(Rs.in Lacs)

		2009-2010	2008-2009
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds of Long Term Loans	**331.87**	675.00
	Repayment of Long Term Loans	**(996.49)**	(996.49)
	Short Term Loans	**(292.56)**	(3,562.70)
	Unclaimed for Scheme of Arrangement	**(0.12)**	0.38
	Interest Paid	**(229.29)**	(376.73)
	Dividends Paid	**(280.38)**	(570.02)
	Net Cash Flow used in Financing Activities	**(1,466.96)**	(4,830.56)
	Net Increase/(Decrease) in Cash and Cash-Equivalents (A+B+C)	**(637.18)**	669.75
	Opening Balance of Cash and Cash Equivalents	**1,173.90**	504.15
	Closing Balance of Cash and Cash Equivalents	**536.72**	1,173.90
	Fixed Deposit with bank whose maturity of more than three months	**-**	5,000.00
	Closing Balance of Cash and Bank #	**536.72**	6,173.90

For composition, refer Schedule "G"

Notes :

1 The above Cash Flow Statements has been prepared under the "Indirect Method" as set out in Accounting Standard-3 "Cash Flow Statement" as notified in the Companies (Accounting Standards) Rules, 2006.

2 Cash and Cash Equivalents includes Fixed Deposits pledge with the Govt. Deptt. amounting to **Rs. 208.97 Lacs** (Previous year Rs. 116.98 Lacs) and balance of **Rs. 9.73 Lacs** (Previous year Rs. 7.04 Lacs) with a Scheduled bank on Unclaimed Dividend Accounts.

3 The previous year's figures have been regrouped, rearranged, restated and reclassified wherever necessary.

4 Bracket indicates cash outflow.

As per our report of even date

For **Chaturvedi & Shah**
Firm Reg. No. 101720W
Chartered Accountants

R. Koria
Partner

For S.R. Batliboi & Co.
Firm Reg. No. 301003E
Chartered Accountants

per Vijay Maniar
Partner

For and on behalf of the Board of Directors

Gaurav Jain
Managing Director

V.S. Pandit
Director (Works)

A. Datta
Company Secretary

Ashok Tak
Vice President-Commercial &
Chief Financial Officer

Place: Mumbai

Date : 25th May, 2010

SCHEDULES Forming Part Of The Balance Sheet

(Rs. in Lacs)

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE "A"		
SHARE CAPITAL		
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
	5,000.00	5,000.00
ISSUED AND SUBSCRIBED		
17,84,94,010 Equity Shares of Re. 1 each (17,84,94,010)	**1,784.94**	1,784.94
1,50,00,000 1% Non-Cumulative, Non-Participating Redeemable	**150.00**	150.00
(1,50,00,000) Preference Shares of Re. 1 each	**1,934.94**	1,934.94
FULLY PAID UP		
17,84,49,410 Equity Shares of Re. 1 each (17,84,49,410)	**1,784.49**	1,784.49
1,50,00,000 1% Non-Cumulative, Non-Participating Redeemable (1,50,00,000) Preference Shares of Re. 1 each	**150.00**	150.00
Add: Forfeited Shares (Amount Originally Paid up on 4,460 Shares of Rs. 10 each)	**0.22**	0.22
	1,934.71	1,934.71

Notes:-

1. Of the above Equity Shares:
   (a) 49,63,522 Equity Shares of Rs.10 each were allotted, without payment being received in cash, pursuant to the Scheme of Amalgamation of Sipta Coated Steels Limited and Comet Steels Limited with the Company before subdivision and issue of bonus shares.
   (b) Bonus Shares:-
      i) 24,00,000 Equity Shares of Rs.10 each were allotted as fully paid-up bonus shares by capitalisation of free reserves before subdivision.
      ii) 8,62,69,400 Equity Shares of Re.1 each were allotted as fully paid-up bonus shares by way of capitalisation of Securities Premium Account.
2. Equity Shares having face value Rs.10 each (fully paid-up) were subdivided into Re.1 each (fully paid-up) in the financial year 2007-08.
3. (a) 1% Non-cumulative, Non-Participating Redeemable Preference Shares of Re.1 each fully paid-up were due for redemption on 25th November 2009. As consented by the Preference Shareholders and subsequently by the Members of the Company at their 24th Annual General Meeting held on 23rd September, 2009, the tenure of these Shares has been extended by a period not exceeding two years from the date of roll over (i.e. two years from 25th November, 2009), accordingly these Shares are redeemable at a premium of 6 % p.a. on issue price of Rs. 1,000 per share on the expiry of two years from the date of roll over with an option to the Company/ the Preference Shareholder(s) to redeem the same after one year from the said date of roll over.
   (b) Redemption premium on Preference Shares as mentioned above will be paid out of the Securities Premium Account, hence, no provision has been considered necessary.
4. Figures in bracket represent previous year figures.

SCHEDULES Forming Part Of The Balance Sheet

(Rs. in Lacs)

		AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE "B"			
RESERVES AND SURPLUS			
Capital Reserve			
As per last Balance Sheet		**92.17**	92.17
Securities Premium Account			
As per last Balance Sheet		**214,930.94**	214,930.94
General Reserve			
As per last Balance Sheet	**15,583.50**		15,301.00
Add : Transferred from Profit and Loss Account	**610.32**		282.50
		16,193.82	15,583.50
Profit and Loss Account		**31,265.35**	26,054.71
		262,482.28	256,661.32
SCHEDULE "C"			
SECURED LOANS			
Term Loans from a Bank		**2,293.00**	3,229.00
Working Capital Loan from a Bank		**17.79**	310.35
		2,310.79	3,539.35

Notes:

1. The Term Loans referred to above:-
   (a) loans aggregating to **Rs.1,618.00 Lacs** (Previous Year Rs. 2,554.00 Lacs) are secured by way of first charge on fixed assets of the Company.
   (b) loans aggregating to **Rs. 675.00 Lacs** (Previous Year Rs. 675.00 Lacs) are secured by way of first *parri passu* charge on the entire immovable and movable assets and second *parri passu* charge on all current assets of the Company.
   (c) the above are further secured by way of negative lien in quoted portfolio investments to the tune of **Rs. 5,000 Lacs** (Previous Year Rs. 5,000 Lacs) of the Company.
2. The Working Capital Loan referred to above:-
   (a) is secured by hypothecation on whole of current assets including a first charge on stock and book debts.
   (b) is further secured by personal guarantees of one present Director and one erstwhile Director of the Company.

SCHEDULE "D"			
UNSECURED LOANS			
Interest Free Sales-tax Loan		**992.48**	721.10
		992.48	721.10

Note: Amount repayable within one year **Rs. 37.20 Lacs** (Previous Year Rs.60.49 Lacs).

SCHEDULES forming part of the balance sheet

SCHEDULE - "E"

FIXED ASSETS

(Rs. in Lacs)

	GROSSBLOCK				DEPRECIATION				NETBLOCK	
PARTICULARS	AS AT 01.04.2009	Additions	Deductions/ Adjustments	**AS AT 31.03.2010**	AS AT 01.04.2009	For The Year	Deductions/ Adjustments	**UPTO 31.03.2010**	**AS AT 31.03.2010**	AS AT 31.03.2009
TANGIBLE ASSETS										
Freehold Land	2,100.11	11.84	-	**2,111.95**	-	-	-	**-**	**2,111.95**	2,100.11
Leasehold Land	524.70	**-**	4.25	**520.45**	18.67	11.45	0.17	**29.95**	**490.50**	506.03
Buildings	6,005.58	2,154.01	74.78	**8,084.81**	1,359.20	228.06	37.80	**1,549.46**	**6,535.35**	4,646.38
Plant & Machinery	25,666.62	1,698.14	358.85	**27,005.91**	13,409.55	1,311.84	99.25	**14,622.14**	**12,383.77**	12,257.07
Furniture & Fixtures	210.38	15.65	40.87	**185.16**	128.75	8.97	23.57	**114.15**	**71.01**	81.63
Office Equipments	355.50	30.33	40.38	**345.45**	250.76	19.50	25.29	**244.97**	**100.48**	104.74
Vehicles	600.65	0.03	60.84	**539.84**	269.23	48.13	48.82	**268.54**	**271.30**	331.42
INTANGIBLE ASSETS										
Drawings & Designes*	65.38	-	-	**65.38**	65.38	-	-	**65.38**	**-**	-
TOTAL	35,528.92	3,910.00	579.97	**38,858.95**	15,501.54	1,627.95	234.90	**16,894.59**	**21,964.36**	20,027.38
Previous Year	35,605.40	742.98	819.46	35,528.92	14,365.13	1,532.51	396.10	15,501.54	20,027.38	
Capital Work-in-Progress									**824.90**	3,230.77

* Other than internally generated.

Notes :-

1 Freehold land includes **Rs. 131.25 Lacs** (Previous Year Rs. 131.25 Lacs) in respect of which conveyance deed is yet to be registered in the name of the Company.

2 Buildings include **Rs.0.01 Lacs** (Prevous Year Rs. 0.01 Lacs) being the cost of shares in co-operative housing societies towards ownership of residential flats.

3 Capital Work-in-Progress includes :

i) **Rs. Nil** (Previous Year Rs. 37.89 Lacs) on account of Pre-Operative Expenditure.

ii) **Rs.11.10 Lacs** (Previous year Rs. 24.82 Lacs) on account of cost of construction Material at site.

iii) **Rs. 117.73 Lacs** (Previous year Rs. 396.09 Lacs) on account of advances made to the suppliers for capital expenditure.

4 Gross Block of Plant & Machinery includes **Rs. 64.68 Lacs** (Previous year Rs. 64.68 Lacs) and **Rs. 33.56 Lacs** (Previous Year Rs. 33.56 Lacs) being the amount spent for laying power line and water pipe line respectively, the ownership of which vests with the respective Government Authorities.

SCHEDULES forming part of the balance sheet

(Rs. in Lacs)

	QUANTITY (Nos.)		FACE VALUE (Rs. unless otherwise stated)		
	AS AT 31.03.2010	AS AT 31.03.2009		**AS AT 31.03.2010**	AS AT 31.03.2009
SCHEDULE "F"					
INVESTMENTS					
(Refer Note No. (e) of Schedule "N")					
(A) LONG TERM INVESTMENTS					
(I) TRADE INVESTMENTS (UNQUOTED)					
SUBSIDIARY COMPANIES					
IN EQUITY SHARES-FULLY PAID UP					
Jai Corp Finance & Holding Ltd. (Including 60 Shares of Rs. 10 each fully paid up held jointly with nominees)	**1,500,000**	1,500,000	10	**215.00**	215.00
Jai Infraprojects Ltd. (Including 6 Shares of Rs. 10 each fully paid up held jointly with nominees)	**50,000**	50,000	10	**5.00**	5.00
Jai Realty Ventures Ltd. (Including 6 Shares of Rs. 10 each fully paid up held jointly with nominees)	**50,000**	50,000	10	**5.00**	5.00
Sarbags Pty Ltd.	**50,000**	50,000	AUD 1	**12.34**	12.34
Urban Infrastructure Venture Capital Ltd. (Including 6 Shares of Rs. 10 each fully paid up held jointly with nominees)	**1,000,000**	1,000,000	10	**100.28**	100.28
Urban Infrastructure Trustees Ltd. (Including 6 Shares of Rs. 10 each fully paid up held jointly with nominees)	**50,000**	50,000	10	**5.01**	5.01
IN PREFERENCE SHARES-FULLY PAID UP					
1% Optionally Convertible Preference Shares of Jai Realty Ventures Ltd.	**5,000**	-	10	**50.00**	-
Total [i]				**392.63**	342.63
ASSOCIATE COMPANIES					
IN EQUITY SHARES-FULLY PAID UP					
Urban Communications Infrastructure Pvt. Ltd.	**4,000**	4,000	10	**0.40**	0.40
Urban Energy Distribution Pvt. Ltd.	**4,000**	4,000	10	**0.40**	0.40
Urban Energy Generation Pvt. Ltd.	**4,000**	4,000	10	**0.40**	0.40
Urban Energy Transmission Pvt. Ltd.	**4,000**	4,000	10	**0.40**	0.40
Urban Infotech Solutions Pvt. Ltd.	**4,000**	4,000	10	**0.40**	0.40
Urban Infrastructure Construction Pvt. Ltd.	**4,000**	4,000	10	**0.40**	0.40
Urban Infrastructure Holdings Pvt. Ltd.	**113,517,714**	113,517,714	10	**11,351.77**	11,351.77
Urban Water Supply Pvt. Ltd.	**4,000**	4,000	10	**0.40**	0.40
IN DEBENTURES-FULLY PAID UP					
Zero percent Optionally Fully Convertible Debentures of Urban Infrastructure Holdings Pvt. Ltd.	**727,540**	727,540	100	**727.54**	727.54
Total [ii]				**12,082.11**	12,082.11

SCHEDULES forming part of the balance sheet

(Rs. in Lacs)

	QUANTITY (Nos.)		FACE VALUE (Rs. unless otherwise stated)		
	AS AT 31.03.2010	AS AT 31.03.2009		**AS AT 31.03.2010**	AS AT 31.03.2009
SCHEDULE "F" (Contd.)					
OTHERS					
IN EQUITY SHARES-FULLY PAID UP					
Greenary Power Generation Pvt. Ltd.	**1,800**	1,800	10	**0.18**	0.18
Mumbai SEZ Ltd.	**126,341,463**	126,341,463	10	**13,219.09**	13,219.09
Rewas Ports Ltd.	**50,000,000**	50,000,000	10	**5,000.00**	5,000.00
Spectra Power Distribution Pvt. Ltd.	**1,800**	1,800	10	**0.18**	0.18
Urban Assets Reconstruction Pvt. Ltd.	**1,800**	1,800	10	**0.18**	0.18
Urban Telecom Pvt. Ltd.	**1,800**	1,800	10	**0.18**	0.18
IN UNITS- FULLY PAID UP					
HDFC India Real Estate Fund	**99,268**	99,318	1000	**992.68**	993.18
Urban infrastructure Opportunities Fund	**7,618.6**	3,000	100000	**8,557.27**	3,014.95
IN UNITS -PARTLY PAID UP					
Urban infrastructure Opportunities Fund (Rs. 20,000 paid up each)	**-**	23,093	100000	**-**	5,542.32
Total [iii]				**27,769.76**	27,770.26
Total Trade Investments [iv=i+ii+iii]				**40,244.50**	40,195.00
(II) OTHER THAN TRADE INVESTMENTS					
a) - UNQUOTED					
IN EQUITY SHARES-FULLY PAID UP					
Applewoods Estate Pvt. Ltd.	**6,700**	6,700	10	**0.67**	0.67
Earnest Tower Pvt. Ltd.	**420,513**	420,513	10	**210.26**	210.26
Goldbricks Infrastructure Pvt. Ltd.	**120,000**	120,000	10	**12.00**	12.00
Neelkanth Realty Pvt. Ltd.	**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.	**100,000**	100,000	10	**10.00**	10.00
Ozone Projects Pvt. Ltd.	**957,133**	957,133	10	**463.91**	463.91
Sterling Urban Infraprojects Pvt. Ltd.	**600,000**	600,000	10	**60.00**	60.00
Supernal Realtors Pvt. Ltd.	**26,667**	26,667	10	**2.67**	2.67
Vengas Realtors Pvt. Ltd.	**26,667**	26,667	10	**2.67**	2.67
IN EQUITY SHARES-PARTLY PAID UP					
Nilayami Realtors Pvt. Ltd. (Rs. 5 paid up each)	**106,000**	106,000	10	**5.30**	5.30
IN UNITS- FULLY PAID UP					
LICMF Index Fund Nifty Dividend Plan	**26,745,841**	36,288,358	10	**2,737.78**	3,714.58
IN DEBENTURES FULLY PAID UP					
Zero Percent Fully Compulsorily Convertible Debentures of:-					
Appelwood Estates Pvt. Ltd.	**501**	-	1000	**5.01**	-
Goldbricks Infrastructure Pvt. Ltd.	**128,000**	128,000	100	**128.00**	128.00
Goldbricks Infrastructure Pvt. Ltd. -'Series C'	**150,000**	150,000	100	**150.00**	150.00
Neelkanth Realty Pvt. Ltd.	**33,600**	33,600	100	**33.60**	33.60
Neelkanth Rice Lands Pvt. Ltd	**11,200**	11,200	1000	**112.00**	112.00

SCHEDULES forming part of the balance sheet

(Rs. in Lacs)

	QUANTITY (Nos.)		FACE VALUE (Rs. unless otherwise stated)		
	AS AT 31.03.2010	AS AT 31.03.2009		**AS AT 31.03.2010**	AS AT 31.03.2009
SCHEDULE "F" (Contd.)					
Nirmal Infrastucture Pvt. Ltd.	**9,000**	9,000	1000	**90.00**	90.00
Sterling Urban Infraprojects Pvt. Ltd.	**160,000**	160,000	100	**160.00**	160.00
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
15.5 % Fully Compulsorily Convertible Debentures of Applewoods Estate Pvt. Ltd.	**277,970**	267,840	100	**277.97**	267.84
Redeemable Non-Convertible Debentures of Citifinancial Consumer Finance India Ltd.	**5,000**	-	100000	**5,000.00**	-
IN DEBENTURES PARTLY PAID UP					
Zero Percent Fully Compulsorily Convertible Debentures of Nilayami Realtors Pvt. Ltd. (Rs. 10 paid up each)	**8,480**	8,480	1000	**0.85**	0.85
IN PREFERENCE SHARES -FULLY PAID UP					
0.01% Compulsorily Convertible Preference Shares of Earnest Tower Pvt. Ltd.	**1,742,504**	1,742,504	10	**871.25**	871.25
b) - QUOTED					
IN EQUITY SHARES - FULLY PAID UP					
Aditya Birla Nuvo Ltd.	**10,000**	10,000	10	**205.30**	205.30
Ambuja Cements Ltd.	**5,100,000**	5,100,000	2	**2,373.65**	2,373.65
Century Textiles & Industries Ltd.	**25,000**	25,000	10	**277.17**	277.17
Dalmiya Cement (Bharat) Ltd.	**286,000**	286,000	2	**1,438.97**	1,438.97
Grasim Industries Ltd.	**20,000**	20,000	10	**676.00**	676.00
ICICI Bank Ltd.	**75,000**	75,000	10	**977.91**	977.91
IDEA Cellular Ltd.	**480,600**	480,600	10	**442.37**	442.37
IDFC Ltd.	**200,000**	200,000	10	**401.52**	401.52
Indiabulls Financial Services Ltd.	**100,000**	100,000	2	**937.49**	937.49
Indiabulls Securities Ltd.	**100,000**	100,000	2	**27.37**	27.37
Mahanagar Telephone Nigam Ltd.	**1,014,800**	1,014,800	10	**816.95**	816.95
National Hydro Power Corporation Ltd.	**253,678**	-	10	**91.32**	-
National Termal Power Corp. Ltd.	**550,000**	550,000	10	**1,493.23**	1,493.23
Piramal Life Science Ltd.	**2,500**	2,500	10	**14.07**	14.07
Ranbaxy Laboratories Ltd.	**-**	107,780	5	**-**	585.69
Reliance Communication Ltd.	**533,100**	533,100	5	**1,909.87**	1,909.87
Reliance Industries Ltd.	**4,747,012**	2,373,506	10	**64,355.23**	64,355.23
State Bank of India	**908,723**	908,723	10	**19,200.35**	19,200.35
The Federal Bank Ltd.	**270,000**	270,000	10	**910.72**	910.72
Total Other Than Trade Investments [v]				**107,423.30**	103,879.33
Total Long Term Investments [vi=iv+v]				**147,667.80**	144,074.33

SCHEDULES forming part of the balance sheet

(Rs. in Lacs)

	QUANTITY (Nos.)		FACE VALUE (Rs. unless otherwise stated)		
	AS AT 31.03.2010	AS AT 31.03.2009		**AS AT 31.03.2010**	AS AT 31.03.2009
SCHEDULE "F" (Contd.)					
(B) CURRENT INVESTMENTS					
OTHER THAN TRADE INVESTMENTS					
a) - QUOTED					
IN CORPORATE BONDS/DEBENTURES					
0% HDFC 2011	**100**	-	1000000	**1,038.88**	-
11.75% Jai Prakash Associates Ltd.	**1,000**	-	1000000	**10,389.00**	-
0% Kesoram Industries Ltd.	**100**	-	1100000	**1,022.22**	-
0% LIC Housing Finance Ltd.	**250**	-	1000000	**2,391.05**	-
8.8 % Power Grid Corporation Ltd.	**40**	-	1250000	**510.37**	-
11.25% Power Finance Corporation Ltd.	**150**	150	1000000	**1,689.44**	1,689.44
8.65% Rural Electrification Corporation Ltd.	**50**	50	1000000	**473.47**	473.47
b) - UNQUOTED					
IN UNITS					
Birla Sun Life Floating Rate Fund-Long Term-Institutional Growth	**9,278,848**	-	10	**1,000.00**	-
Birla Sun Life Saving Fund Institutional-Growth	**11,474,452**	43,566,699	10	**1,931.40**	7,160.56
DSP BlackRock Cash Manager Fund-Institutional Plan-Growth	**-**	20,263	1000	**-**	219.79
DSP BlackRock Liquidity Fund-Institutional Plan-Growth	**-**	50,444	1000	**-**	636.50
DSP BlackRock Strategic Bond Fund-Institutional Plan-Growth	**-**	119,130	1000	**-**	1,223.55
Fidelity Ultra short Term Debt Fund Super Institutional-Growth	**-**	24,127,293	10	**-**	2,607.05
JM Floater Fund-Short Term Plan-Growth Option (74)	**-**	67,404,880	10	**-**	9,625.01
JM Money Manager Fund Super Plus Plan-Growth	**101,514,027**	-	10	**12,761.50**	-
ICICI Prudential Flexible Income Plan Premium-Growth	**650,903**	-	100	**1,096.83**	-
ICICI Prudential Institutional Liquid Plan-Super Institutional Growth	**-**	17,388,591	10	**-**	2,250.00
ICICI Prudential Liquid Super Institutional Plan-Growth	**815,565**	-	100	**1,108.02**	-
L & T Fixed Maturity Plan Series 12-Plan 91 D-Mar-10-I-Growth	**10,000,000**	-	10	**1,000.00**	-
Principal Money Manager fund-Institutional Plan Dividend Payout Monthly	**2,884,449**	-	10	**300.00**	-
IN OTHERS					
DLF Commercial Papers	**1,000**	-	500000	**4,579.61**	-
IL & FS Commercial Papers	**-**	500	500000	**-**	2,303.78
Total Current Investments [vii]				**41,291.79**	28,189.15
TOTAL INVESTMENTS [viii=vi+vii]				**188,959.59**	172,263.48

SCHEDULES forming part of the balance sheet

(Rs. in Lacs)

SCHEDULE "F" (Contd.)

NOTES:

1) Aggregate value of Investments :-

	AS AT 31.03.2010		AS AT 31.03.2009	
	Book Value	**Market Value**	Book Value	Market Value
Quoted Investments	**114,063.92**	**100,711.65**	99,206.77	75,869.00
Unquoted Investments	**74,895.67**	-	73,056.71	-

2) In the opinion of the Management,dimunition in the value of Long Term Investments is temporary in nature, hence no provision has been considered necessary.

3) Movements during the year

Purchased and Sold In Corporate Bond/Debenture	**Face Value (Rs.)**	**Nos.**	**Cost (Rs. In Lacs)**
Central Bank of India 2016	1,000,000	50	507.10
Indian Railway Finance Corporation 2018	1,000,000	50	498.00
Power Grid Corporation of India Ltd. 2021	1,250,000	40	520.30
Power Grid Corporation of India Ltd. 2022	1,250,000	40	521.30
Power Grid Corporation of India Ltd. 2023	1,250,000	40	522.20
Power Grid Corporation of India Ltd. 2024	1,250,000	40	523.00
Tamilnadu Electricity Board 2019	1,000,000	50	505.50
Tamilnadu Electricity Board 2019	1,000,000	50	505.50
Mutual Fund Units			
ICICI Prudential Institutional Liquid Plan-Super Institutional Growth	10	65,129,171	8,595.00
ICICI Prudential Flexible Income Plan Premium Growth (27)	10	52,625,064	8,720.89
ICICI Prudential Institutional Liquid Plan- Super Institutional Daily Dividend	10	5,300,195	530.01
ICICI Prudential Liquid Super Institutional Plan-Growth	100	4,514,528	6,087.82
ICICI Prudential Flexible Income Plan Premium-Growth	100	4,813,594	8,110.35
JM Money Manager Fund Super Plus Plan-Growth	10	111,889,703	14,034.62
JM High Liquidity Fund-Super Institutional Plan-Growth (94)	10	132,800,279	18,702.00
JM High Liquidity-Super Institutional Plan-Daily Dividend (92)	10	4,994,051	500.23
DSP BlackRock Cash Manager Fund-Institutional Plan-Growth	1,000	17,639	200.00
DSP BlackRock Money Manager Fund-Institutional Plan Growth	1,000	133,668	1,656.58
DSP BlackRock Liquidity Fund-Institutional Plan-Growth	1,000	28,243	363.50
Birla Sun Life Saving Fund Institutional-Growth	10	20,789,977	3,554.93
Birla Sun Life Cash Plus-Institutional Premium Growth	10	51,104,195	7,366.00

SCHEDULES forming part of the balance sheet

(Rs. in Lacs)

CURRENT ASSETS, LOANS AND ADVANCES		AS AT 31.03.2010		AS AT 31.03.2009
SCHEDULE "G"				
CURRENT ASSETS				
INVENTORIES				
(As taken, valued and certified by the Management)				
Stores, Spares, Packing Materials, Fuel, etc.		**735.24**		686.75
Raw Materials		**2,138.65**		1,413.44
Work-in-Progress		**584.99**		616.40
Finished Goods		**1,184.69**		1,325.97
Scrap		**136.50**		92.00
			4,780.07	4,134.56
SUNDRY DEBTORS				
(Unsecured and considered good)				
For a period of more than six months		**195.19**		128.79
Others *		**6,133.80**		8,908.42
			6,328.99	9,037.21
***** Includes **Rs.1.81 Lacs** (Previous Year Rs.2.50 lacs) due from Sarbags Pty Ltd., a subsidiary company.				
CASH AND BANK BALANCES				
Cash on hand		**1.39**		1.29
Balances with Banks				
In Current Accounts				
with Scheduled Banks		**182.08**		220.66
In Fixed Deposit Accounts				
with Scheduled Banks*		**353.25**		5,951.95
			536.72	6,173.90
*Includes **Rs.208.97 Lac**s (Previous Year Rs.116.98 Lacs) pledged with various Government Departments.				
OTHER CURRENT ASSETS				
Interest accrued on Investments		**468.08**		68.03
Realisable Value of discarded Fixed Assets		**2.94**		2.94
			471.02	70.97
LOANS AND ADVANCES				
(Unsecured and considered good)				
Loans to Subsidiary Companies		**35,989.45**		38,690.54
Advances recoverable in cash or in kind or for value to be received*		**10,847.78**		11,535.30
Deposits		**193.08**		196.62
Balance with Customs & Excise Authorities		**735.25**		645.97
Income Tax (Net)		**1,786.99**		705.37
MAT Credit	**302.85**			1,161.76
Less: MAT Credit Utilisation	**302.85**			858.91
		-		302.85
			49,552.55	52,076.65
			61,669.35	71,493.29

*Includes **Rs.2,600 .00 Lacs** (Previous Year Rs.2,608.51 Lacs) as share and debenture application money.

SCHEDULES forming part of the balance sheet

(Rs. in Lacs)

			AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE "H"				
CURRENT LIABILITIES AND PROVISIONS				
CURRENT LIABILITIES				
Sundry Creditors				
(i) Micro and Small Enterprises		**15.52**		10.30
(ii) Others *		**601.54**		866.69
(Refer Note No. 26 of Schedule "O")			**617.06**	876.99
Subsidiary Companies			**15.35**	15.30
Advanced received against sale of Fixed Assets			**100.81**	170.00
Advance received from customers			**572.25**	20.00
Other Liabilities			**743.13**	600.20
Interest accrued but not due on Loan			**21.55**	32.44
Unclaimed for Scheme of Arrangement			**39.07**	39.19
Investors Education & Protection Fund #				
Unclaimed Dividend			**9.73**	7.04
			2,118.95	1,761.16
PROVISIONS				
Income Tax and Fringe Benefit Tax	**1,563.34**			1,162.41
Less: MAT Credit Utilisation	**302.85**			858.91
		1,260.49		303.50
Wealth Tax (Net)		**9.17**		9.78
Proposed Dividend on Preference Shares		**1.50**		1.50
Proposed Dividend on Equity Shares		**240.84**		240.84
Tax on Proposed Dividend		**40.25**		41.18
Staff Benefits Schemes		**124.98**		95.70
Forward Contract (MTM)		**-**		29.40
Other Provisions**		**34.02**		42.75
			1,711.25	764.65
			3,830.20	2,525.81

*Includes Rs. **77.57** Lacs (previous year Rs. 176.97 Lacs) for capital expenditure.

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

**The Company has recognised liability based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on 31st March 2009 of Rs.42.75 Lacs as per the estimated pattern of dispatches. During the year Rs. 42.75 Lacs was utilized for clearance of goods. Liability recognized under this class for the year is Rs. 34.02 Lacs, which is outstanding as on 31st March 2010. Actual outflow is expected in the next financial year.

SCHEDULES forming part of the Profit & Loss Account

(Rs. in Lacs)

		YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
SCHEDULE "I"			
TURNOVER			
Sales		**41,599.97**	38,205.51
Job work Charges		**1,490.22**	602.84
Export Incentive		**8.32**	3.77
Commission		**-**	694.09
		43,098.51	39,506.21
SCHEDULE "J"			
OTHER INCOME			
Profit on sale of Fixed Assets (Net)		**92.94**	134.07
Dividend on (Other than Trade):			
Long Term Investments		**854.81**	546.61
Current Investments		**0.42**	1,147.13
Profit on sales of Current Investments		**1,262.63**	1,194.71
Interest on Long Term Investments (Trade)*		**0.06**	0.30
Interest on Investments (Other than Trade)			
Current Investments		**253.24**	63.19
Long Term Investments		**133.33**	4.64
Interest on Others*		**2,058.83**	1,849.86
*Tax Deducted at Source **Rs.154.12 Lacs** (Previous Year Rs. 250.92 Lacs)			
Rent		**130.32**	208.44
Sundry Balances Written Back (Net)		**-**	20.52
Miscellaneous Income		**96.05**	201.99
		4,882.63	**5,371.46**
SCHEDULE "K"			
VARIATION IN STOCKS			
Closing Stock			
Work-in-Progress	**584.99**		616.40
Finished Goods	**1,184.69**		1,325.97
Scrap	**136.50**		92.00
		1,906.18	2,034.37
Less :Opening Stock			
Work-in-Progress	**616.40**		459.57
Finished Goods	**1,325.97**		1,633.79
Scrap	**92.00**		58.88
		2,034.37	2,152.24
		(128.19)	(117.87)

SCHEDULES forming part of the Profit & Loss Account

(Rs. in Lacs)

		YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
SCHEDULE "L"			
MANUFACTURING AND OTHER EXPENSES			
RAW MATERIALS CONSUMED			
Opening Stock	**1,413.44**		1,631.25
Less: Cost of Raw Material sold	**29.01**		0.04
Add: Purchases	**28,175.79**		18,889.81
	29,560.22		20,521.02
Less: Closing Stock	**2,138.65**		1,413.44
		27,421.57	19,107.58
		27,421.57	19,107.58
MANUFACTURING EXPENSES			
Power, Fuel and Water		**2,684.21**	1,767.24
Stores, Spares and Packing Materials Consumed		**1,086.69**	849.41
Excise Duty		**(8.73)**	(27.14)
(Refer Note No.24 of schedule "O")			
Job Work Charges		**39.55**	44.15
Repairs and Maintenance			
Plant & Machinery		**52.63**	72.13
Buildings		**23.45**	21.63
		3,877.80	2,727.42
EMPLOYEES' REMUNERATION AND BENEFITS			
Salaries, Wages and Perquisites		**2,764.02**	2,169.65
Contribution to Provident and Other Funds		**126.66**	109.85
Staff Welfare & Amenities		**38.53**	25.80
Gratuity		**22.87**	17.60
		2,952.08	2,322.90
SELLING & DISTRIBUTION EXPENSES			
Advertisement, Publicity and Sales Promotion		**29.12**	3.92
Freight, Handling Charges and Octroi (Net)		**330.37**	235.14
Brokerage, Commission and Discount		**82.59**	80.33
		442.08	319.39
ADMINISTRATION & GENERAL EXPENSES			
Rent		**18.17**	24.40
Rates and Taxes		**36.26**	36.56
Repair & Maintenance - Others		**16.91**	14.97
Insurance		**53.08**	43.26
Legal, Professional and Consultancy Charges		**133.84**	106.62
Investment Management Fee		**69.18**	65.96
Traveling and Conveyance		**159.71**	133.70
Payment to Auditors		**79.83**	82.06
(Refer Note No. 3 of Schedule "O")			
Loss on Sale of Long Term Investments (Net)		**255.44**	4,145.20
Directors' Sitting Fees		**3.53**	2.45
Donations		**9.24**	2.91
Exchange difference (Net)		**121.67**	728.74
Sundry Balances Written Off (Net)		**20.74**	-
Wealth Tax		**4.25**	5.15
Other Expenses		**222.85**	182.62
		1,204.70	5,574.60
		35,898.23	30,051.89
SCHEDULE "M"			
INTEREST & FINANCE CHARGES			
Interest on Fixed Loans (Net)		**218.37**	299.43
Interest on Others		**10.42**	79.36
Bank Charges		**25.08**	85.62
		253.87	464.41

SCHEDULES forming part of the balance sheet and profit and loss account

SCHEDULE "N"

SIGNIFICANT ACCOUNTING POLICIES

a. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

b. USE OF ESTIMATES

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

c. FIXED ASSETS

Fixed assets are stated at cost of acquisition or construction, net of MODVAT/CENVAT, Value Added Tax (VAT), less accumulated depreciation and impairment loss, if any. All costs, including trial production and financing costs, if any till commencement of commercial production are capitalised.

d. 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) Drawings & Designs are written off on straight line method over a period of ten years.

iii) Cost of leasehold land is amortised over the lease period.

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

e. INVESTMENTS

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

f. VALUATION OF INVENTORIES

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

g. CUSTOMS

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

h. EXPORT INCENTIVES

i) The benefits in respect of Duty Draw Back, credit in Duty Entitlement Pass Book Scheme and any other export incentive except Advance Licence specified in Foreign Trade Policy, is recognised as and when right to receive are established as per the terms of the Scheme.

ii) The benefits in respect of Advance Licence received by the Company against the export made by it are recognised as and when goods are imported against them.

SCHEDULES forming part of the balance sheet and profit and loss account

SCHEDULE "N" (Contd.)

i. FOREIGN CURRENCY TRANSACTIONS

i) Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the date of transactions.

ii) Monetary items denominated in foreign currencies at the year end are restated at the year end rates. In case of monetary items, which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange rate difference and the premium paid on forward contracts not intended for trading or speculation purpose is amortised as expense over the life of the contract.

iii) Non monetary foreign currency items are carried at cost.

iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Account.

j. REVENUE RECOGNITION

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

k. EMPLOYEES' BENEFITS

i) Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

ii) Post employment benefits in the form of gratuity, which is defined benefit obligation, is recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The liability is recognized at the present value of the amounts payable determined using actuarial valuation techniques based on Projected unit credit method. Actuarial gains and losses in respect of post employment benefits are charged to the profit and loss account.

iii) Compensated absences are accounted similar to the short term employee benefits.

iv) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligation other than the contributions payable to the respective funds.

l. BORROWING COST

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

m. PROVISION FOR CURRENT AND DEFERRED TAX

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

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

Minimum Alternative Tax (MAT) is recognised as an assets only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an assets in accordance with the recommendations contained in guidance Note issued by the ICAI, the said asset is created by way of a credit to the Profit & Loss Account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes

SCHEDULES forming part of the balance sheet and profit and loss account

SCHEDULE "N" (Contd.)

down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal income tax during the specified period.

n. IMPAIRMENT OF ASSETS

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

o. PROVISION ,CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognised when an enterprises has a present obligation as a result of past event; 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 its present value and are determined based on 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

p. DERIVATIVE TRANSACTIONS

Inrespect of derivative contracts, Premium Paid, gain/losses on settlement and Provision for losses for cashflow hedges are recognised in the profit and loss accounts except incase were they relate to the acqusition or construction of fixed assets, in which case, they are adjusted to the carrying out of such assets

q. SUBSIDY

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

SCHEDULE "O"

NOTES ON ACCOUNTS

1 In opinion of the Management, the Current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business.

2 **Employee benefits :-** As per Accounting Standard the disclosure of employees' benefits are given below:

(i) Gratuity - Defined Benefit Plan (Unfunded) :-

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

I Actuarial assumptions

Particulars	**2009-2010**	2008-2009
Mortality Table (LIC)	**1994-96 (Ultimate)**	1994-96 (Ultimate)
Salary growth	**6%**	6%
Discount rate	**8%**	8%

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

(Rs. In Lacs)

II Expense recognised in the income statement	**2009-2010**	2008-2009
Current service cost	**33.35**	21.90
Interest cost	**4.40**	3.49
Net actuarial (gains)/losses recognised in the period	**(14.88)**	(7.79)
Total	**22.87**	17.60

SCHEDULES forming part of the balance sheet and profit and loss account

SCHEDULE "O" (Contd.)

(Rs. In Lacs)

		2009-2010	2008-2009
III	**Movement in present value of defined benefit obligation**		
	Obligation at the beginning of the year	**56.22**	48.52
	Current service cost	**33.35**	21.90
	Interest cost	**4.40**	3.49
	Actuarial (gains)/losses on obligation	**(14.88)**	(7.79)
	Benefits paid	**(2.43)**	(9.90)
	Obligation at the end of the year	**76.66**	56.22
IV	**Liabilities recognised in the balance sheet**		
	Present value of obligations at the end of the year	**76.66**	56.22
	Less: Fair value of plan assets at the end of the year	**-**	-
	Net liability recognised in the balance sheet	**76.66**	56.22

Amounts for the current and previous period are as follows:

	2009-2010	2008-2009	2007-08
Defined benefit obligation	**76.66**	56.22	48.52
Experience adjustments on plan liabilities	**(14.88)**	(7.79)	(14.68)

(ii) Defined Contribution Plan :-

Amount recognised as expense for the year, are as under:

Employer's Contribution to Provident & other Fund	**105.42**	78.11

3 Auditor's Remuneration

(excluding Service Tax) (Rs. In lacs)

	2009-2010	2008-2009
Audit Fees	**30.00**	30.00
Tax Audit Fees	**8.00**	8.00
Certification Fees	**22.75**	22.75
Fees for Other Services	**18.43**	16.87
Out of Pocket Expense	**0.65**	4.44
	79.83	82.06

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

b) **Directors' Remuneration**

Salary	**45.00**	39.86
Perquisites	**2.35**	2.29
	47.35	42.15

Note: As the liability for gratuity, based on acturial valuation, and insurance are provided as a whole, the amount pertaining to the directors are not included above.

SCHEDULES forming part of the balance sheet and profit and loss account

SCHEDULE "O" (Contd.)

5 Disclosure of Financial and Derivative Instruments

a) Derivative contracts entered into by the company and outstanding as on 31st March, 2010 for Hedging Foreign Currency fluctuation :-

		(Rs. In lacs)
	2009-2010	2008-2009
Forward Contracts (Forecast transaction)	**-**	480.10
	-	[US $ 10,00,000]

b) Unhedged foreign currency exposure is as under :-

Receivable	**1,329.59**	898.85
Investment in Foreign Subsidiary	**12.34**	12.34

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

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

6 The details of Pre-operative expenditure :

		(Rs. In lacs)
Particulars	**2009-2010**	2008-2009
Employee's Remuneration & Benefits	**6.99**	0.02
Rent	**7.14**	-
Power, Fuel & Water	**3.11**	5.09
Rates & Taxes	**0.14**	2.62
Legal, Professional & Consultancy	**-**	18.24
Insurance	**0.29**	-
Travelling & Conveyance	**0.12**	0.24
Other Expenses	**1.76**	1.58
Bank Charges	**-**	0.18
Consumable & Stores	**3.01**	9.95
Repair & Maintenance	**0.01**	0.01
Total Expenses	**22.57**	37.93
Less :- Misc. Income	**0.03**	0.04
Total	**22.54**	37.89
Add Pre-operative expenses of previous year (net)	**37.89**	-
Less :- Allocated during the year	**60.43**	**-**
	-	37.89

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

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

Name of the Party		
Polyplast Agencies (I) Pvt.Ltd.	**-**	0.66
Sarbags Pty Ltd.	**1.81**	2.50
Total	**1.81**	3.16

SCHEDULES forming part of the balance sheet and profit and loss account

SCHEDULE "O" (Contd.)

8 The deferred tax liability comprises of the following:

(Rs. In lacs)

		As on 31.03.2010	As on 31.03.2009
(i)	**Deferred Tax Liability**		
	Related to fixed assets	**1,910.22**	1,665.16
		1,910.22	1,665.16
(ii)	**Deferred Tax Assets**		
	Disallowances under the Income Tax Act, 1961	**42.48**	32.53
	Deferred Tax Liability (net)	**1,867.74**	1,632.63

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

10 Basic and Diluted Earnings per Share

(Rs. In lacs except per share data)

	2009-2010	2008-2009
Net Profit after tax	6,106.94	2,824.98
Less: Adjustment of Prior period items	3.84	1.46
Less :- Dividend on Preference Shares and tax thereon	1.75	1.75
Profit attributable to equity share holders	**6,101.35**	2,821.77
Weighted Average No of equity shares outstanding during the year	**178,449,410**	178,449,410
Basic & Diluted Earning per Share (Rs.)	**3.42**	1.58
Nominal Value per share (Re.)	**1.00**	1.00

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

(I) List of related parties and relationship.

(i) Subsidiary :

Ashoka Realty and Developers Limited
Awas Realtors Limited
Belle Terre Realty Limited
Dev Realty and Developers Limited
Ekdant Realty and Developers Limited
Hari Darshan Realty Limited
Hill Rock Construction Limited
Hind Agri Properties Limited
Iconic Realtors Limited
Jai Corp Finance and Holding Limited
Jai Infraprojects Limited
Jai Laxmi 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
Rejoice Land Developers Limited

SCHEDULES forming part of the balance sheet and profit and loss account

SCHEDULE "O" (Contd.)

Rudradev Developers Limited
Sarbags Pty Limited
Samart Realty and Developers Limited
Swar Land Developers Limited
Swastik Land Developers Limited
UI Wealth Advisors Limited
Urban Gas Distribution Limited
Urban Gas Limited
Urban Gas Suppliers Limited
Urban Infrastructure Trustees Limited
Urban Infrastructure Venture Capital Limited
Vasant Bahar Realty Limited
Welldone Real Estate Limited
Yug Developers Limited

(ii) Associates :-
Searock Developers FZC
Urban Communication Infrastructure Private Limited
Urban Energy Distribution Private Limited
Urban Energy Generation Private Limited
Urban Energy Transmission Private Limited
Urban Infotech Solution Private Limited
Urban Infrastructure Construction Private Limited
Urban Infrastructure Holdings Private Limited
Urban Water Supply Private Limited

(iii) Key Managerial Personnel :-
- (a) Shri J. K. Jain
- (b) Shri Anand Jain
- (c) Shri Virendra Jain
- (d) Shri V. S. Pandit
- (e) Shri Gaurav Jain
- (f) Shri S.P. Jain (upto 04.06.2008)

(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.KJain and Shri Anand Jain
- (c) Smt. Sushma Jain — Relative of Shri Anand Jain, Shri J.K.Jain and Shri Virendra Jain

(v) Enterprises over which Key Managerial Personnel and their relatives are able to exercise significant influence:-
- (a) Clean Pet
- (b) Daman Plastic
- (c) Polyfibre Industries Pvt. Limited
- (d) Polyplast Agencies (I) Pvt Limited
- (e) Poly-Resin Agencies (I) Limited
- (f) Polysil Pipes
- (g) Puriya Industrial Packaging Limited
- (h) Resin Distributors Limited
- (i) Silvassa Plastics
- (j) Suniti Commercials Limited
- (k) Sunshine Fibre Pvt. Limited
- (l) Techfab (I) Industries Limited
- (m) Tufropes Pvt. Limited

SCHEDULES forming part of the balance sheet and profit and loss account

SCHEDULE "O" (Contd.)

(II) Transactions during the year with related parties :

(Rs. In lacs)

Nature of Transaction	Subsidiary	Associates	Key Managerial Personnel	Other Related Parties	Relatives of Key mana - gerial person	Total
Preference Share						
(a) Balance as at 31st March,2010	**-**	**-**	**-**	**-**	**150,000.00**	**150,000.00**
	(-)	(-)	(-)	(-)	(150,000.00)	(150,000.00)
Fixed Assets						
(a) Sold during the year	**45.00**	**-**	**-**	**-**	**-**	**45.00**
	(-)	(-)	(-)	(684.20)	(-)	(684.20)
(b) Purchased during the year	**-**	**-**	**-**	**-**	**-**	**-**
	(-)	(-)	(-)	(88.38)	(-)	(88.38)
Investments						
(a) Purchased/adjusted during the year	**50.00**	**-**	**-**	**-**	**-**	**50.00**
	(-)	(8,151.45)	(-)	(-)	(-)	(8,151.45)
(b) Balance as at 31st March, 2010	**392.63**	**12,082.11**	**-**	**-**	**-**	**12,474.74**
	(342.63)	(12,082.11)	(-)	(-)	(-)	(12,424.74)
Sundry Debtors as at 31st March, 2010	**1.81**	**-**	**-**	**26.20**	**-**	**28.01**
	(2.50)	(-)	(-)	(-)	(-)	(2.50)
Lons & advaces						
(a) Given/adjusted during the year	**2,053.12**	**-**	**-**	**-**	**-**	**2,053.12**
	(20,127.33)	(-)	(-)	(50.00)	(-)	(20,177.33)
(b) Returned/adjusted during the year	**4,754.21**	-	-	-	-	**4,754.21**
	(5,024.58)	(8,151.45)	(-)	(50.00)	(-)	(13,226.03)
(c) Balance as at 31st March, 2010	**35,989.45**	**2,600.00**	**-**	**222.95**	**-**	**38,812.40**
	(38,690.54)	(2,600.00)	(-)	(224.17)	(-)	(41,514.71)
Sundry Creditors as at 31st March, 2010	**15.35**	**-**	**-**	**0.06**	**-**	**15.41**
	(15.30)	(-)	(-)	(-)	(-)	(15.30)
Current Liability as on 31st March 2010	**-**	**-**	**-**	**-**	**-**	**-**
	(-)	(-)	(-)	(0.14)	(-)	(0.14)
Unsecured Loans						
(a) Received during the year	**-**	**-**	**-**	**-**	**-**	**-**
	(12.16)	(-)	(-)	(-)	(-)	(12.16)
(b) Returned during the year	**-**	**-**	**-**	**-**	**-**	**-**
	(12.16)	(-)	(-)	(-)	(-)	(12.16)
Sale and Services						
(a) Sales	**197.20**	**-**	**-**	**253.11**	**-**	**450.31**
	(178.16)	(-)	(-)	(557.00)	(-)	(735.16)
(b) Services	**-**	**-**	**-**	**-**	**-**	**-**
	(-)	(-)	(-)	(552.74)	(-)	(552.74)
Other Income						
(a) Interest received	**-**	**-**	**-**	**-**	**-**	**-**
	(-)	(-)	(-)	(99.38)	(-)	(99.38)
(b) Miscellaneous Income	**-**	**-**	**-**	**0.11**	**-**	**0.11**
	(-)	(-)	(-)	(0.44)	(-)	(0.44)
Purchase of Goods	**-**	**-**	**-**	**0.39**	**-**	**0.39**
	(-)	(-)	(-)	(106.22)	(-)	(106.22)

SCHEDULES forming part of the balance sheet and profit and loss account

SCHEDULE "O" (Contd.)

Nature of Transaction	Subsidiary	Associates	Key Managerial Personnel	Other Related Parties	Relatives of Key mana - gerial person	Total
Discount on Raw Materials	**-**	**-**	**-**	**1,153.22**	**-**	**1,153.22**
(Deducted from Purchases)	(-)	(-)	(-)	(1,000.93)	(-)	(1,000.93)
Recovery of Expenses	**-**	**-**	**-**	**-**	**-**	**-**
	(1.46)	(-)	(-)	(-)	(-)	(1.46)
Dividend on Preference shares	**-**	**-**	**-**	**-**	**1.50**	**1.50**
	(-)	(-)	(-)	(-)	(1.50)	(1.50)
Expenditure						
(a) Directors' Remuneration & Perquisite	**-**	**-**	**47.35**	**-**	**-**	**47.35**
	(-)	(-)	(42.16)	(-)	(-)	(42.16)
(b) Directors' Sitting Fee	**-**	**-**	**1.20**	**-**	**-**	**1.20**
	(-)	(-)	(0.85)	(-)	(-)	(0.85)
(c) Job work Charges	**-**	**-**	**-**	**-**	**-**	**-**
	(-)	(-)	(-)	(9.89)	(-)	(9.89)
(d) Reimbursment of Expenses	**-**	**-**	**-**	**0.04**	**-**	**0.04**
	(-)	(-)	(-)	(-)	(-)	(-)
(e) Investment Management Fee	**69.18**	**-**	**-**	**-**	**-**	**69.18**
	(65.96)	(-)	(-)	(-)	(-)	(65.96)
(f) Other Expenses	**-**	**-**	**-**	**2.85**	**-**	**2.85**
	(0.54)	(-)	(-)	(2.17)	(-)	(2.71)

Note : Figures in bracket represent previous year's amounts

Significant transactions with related parties:-

i) Fixed Assets sold includes **Rs**. **Nil** (Previous Year Rs. 684.19 Lacs) to Techfab (I) Industries Limited and Rs, **45.00** Lacs (Previous Year Rs. Nil) to Swastik Land Developers Limited.

ii) Fixed Assets purchased includes **Rs. Nil** (Previous Year Rs. 58.74 Lacs) from Techfab (I) Industries Limited and Rs. **Nil** (Previous Year Rs. 29.64 Lacs) purchased from Puriya Industrial Packaging Limited.

iii) Investments made during the year **Rs**.**50.00 Lacs** (Previous Year Rs. Nil.) in Jai Realty Ventures Limited.

iv) Investments include shares alloted out of Share Application Money of **Rs. Nil** (Previous Year Rs. 8,151.45 Lacs) in Urban Infrastructure Holdings Pvt. Limited.

v) Investments as at 31st March 2010, include **Rs. 12,079.31 Lacs** (Previous Year Rs. 12,079.31 Lacs) in Urban Infrastructure Holdings Pvt. Limited

vi) Sundry Debtors as at 31st March, 2010 includes **Rs. 1.81 Lacs** (Previous Year Rs. 2.50 Lacs) due from Sarbag Pty Limited and Rs. **26.20** Lacs (Previous Year Rs. Nil) due from Tech Fab (I) Industries Limited.

vii) Loans & Advances given includes **Rs. 2,048.91 Lacs** (Previous Year Rs. 20,127.33 Lacs) to Jai Realty Ventures Limited.

viii) Loans and Advances returned includes **Rs. 4,750.30 Lacs** (Previous Year Rs.5,016.58 Lacs) from Jai Realty Ventures Limited.

ix) Loans and Advances as at 31st March 2010, includes **Rs. 35,977.15 Lacs** (Previous Year Rs. 38,678.54 Lacs) in Jai Realty Ventures Limited.

x) Unsecured Loans received include **Rs. Nil** (Previous Year Rs. 12.16 Lacs) from Jai Corp Finance & Holding Limited.

xi) Unsecured Loans returned include **Rs. Nil** (Previous Year Rs. 12.16 Lacs) to Jai Corp Finance & Holding Limited .

xii) Sundry Creditors as at 31st March,2010 includes **Rs. 15.35 Lacs** (Previous Year Rs. 15.30 Lacs) due to Urban Infrastructure Venture Capital Limited.

xiii) Current Liabilities includes **Rs. Nil** (Previous Year Rs. 0.14 Lacs) due to Poly Resin Agencies (I) Limited.

xiv) Sales includes **Rs. Nil** (Previous Year Rs. 458.61 Lacs) sold to Puriya Industrial Packaging Limited, **Rs. 197.20** Lacs (Previous Year Rs.178.16 Lacs) sold to Sarbags Pty Limited and **Rs. 245.35** Lacs (Previous Year Rs. Nil) sold to Techfab (I) Industies Limited.

SCHEDULES forming part of the balance sheet and profit and loss account

SCHEDULE "O" (Contd.)

xv) Services includes **Rs. Nil** (Previous Year Rs. 552.74 Lacs) provided to Puriya Industrial Packaging Limited.

xvi) Interest received includes **Rs. Nil** (Previous Year Rs. 99.27 Lacs) from Techfab (I) Industries Limited.

xvii) Miscellaneous Income includes **Rs. Nil** (Previous Year Rs.0.29 Lacs) from Silvassa Plastics, **Rs. 0.11 Lacs** (Previous Year Rs. Nil) from Techfab (I) Industries Ltd. and **Rs. Nil** (Previous Year Rs. 0.12 Lacs) from Polyfibre Industries Pvt. Ltd.

xviii) Purchased includes **Rs. Nil** (Previous Year Rs. 4.88 Lacs) from Puriya Industrial Packaging Limited, **Rs. Nil** (Previous Year Rs. 95.36 Lacs) from Sunshine Fibres Pvt. Limited. and **Rs. 0.39 Lacs** (Previous Year Nil) from Polysil Pipes.

xix) Discount on Raw Material includes **Rs. 1,153.22 Lacs** (Previous Year Rs. 1,000.93 Lacs) received from Resin Distributors Limited.

xx) Recovery of Expenses represents **Rs. Nil** (Previous Year Rs. 1.46 Lacs) from Jai Corp Finance and Holding Limited.

xxi) Dividend on Preference Shares paid includes **Rs. 0.50 Lacs** (Previous Year Rs. 0.50 Lacs) to Smt. Sushma Jain, **Rs. 0.55 Lacs** (Previous Year Rs. 0.55 Lacs) to Smt. Rina Jain and **Rs. 0.45 Lacs** (Previous Year Rs. 0.45 Lacs) to Smt. Laxmi Jain.

xxii) Directors' Remuneration and Perquisits includes **Rs. 26.35 Lacs** (Previous Year Rs.26.16 Lacs) paid to Shri Gaurav Jain , **Rs. 21.00 Lacs** (Previous Year Rs. 12.00 Lacs) paid to Shri V. S. Pandit and **Rs. Nil** (Previous Year Rs. 4.00 Lacs) paid to Shri Virendra Jain.

xxiii) Directors' Sitting Fee includes **Rs. 0.70 Lacs** (Previous Year Rs.0.30 Lacs) paid to Shri Virendra Jain , **Rs. Nil** (Previous Year Rs.0.05 Lacs) paid to Shri S.P. Jain., **Rs. 0.25 Lacs** (Previous Year Rs. 0.25 Lacs) paid to Shri J.K. Jain and **Rs. 0.25 Lacs** (Previous Year Rs. 0.25 Lacs) paid to Shri Anand Jain.

xxiv) Job work charges includes **Rs. Nil** (Previous Year Rs. 9.89 Lacs) paid to Puriya Industrial Packaging Limited.

xxv) Reimbursment of expenses includes **Rs. 0.04 Lacs** (Previous Year Rs. Nil) Paid to Techfab (I) Industries Limited.

xxvi) Investment Management Fee includes **Rs. 69.18 Lacs** (Previous Year Rs. 65.95 Lacs) paid to Urban Infrastructure Venture Capital Limited.

xxvii) Other Expenses include **Rs. 2.77 Lacs** (Previous Year Rs. 1.44 Lacs) paid to Poly Resin Agencies (I) Limited, **Rs. 0.08 Lacs** (Previous Year Rs. 0.73 Lacs) paid to Resin Distributor Limited,and **Rs. Nil** (Previous Year Rs. 0.54 Lacs) paid to Jai Corp Finance & Holding Limited.

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

(a) (Rs. In lacs)

Name of the company	Relationship	**Balance as at 31.03.2010**	Balance as at 31.03.2009	**Maximum amount outstanding during the year**
Jai Corp Finance & Holding Ltd.	Subsidiary	**-**	-	1.85
Jai Infraprojects Ltd.	Subsidiary	**12.30**	12.00	12.30
Jai Realty Ventures Ltd	Subsidiary	**35,977.15**	38,678.54	40,498.14

Note:-

(i) The above loans and advances are free of interest.

(ii) As per the Company policy loan to employee are not considered in (a) above.

(b) None of the loanees have made, *per se*, investment in the shares of the Company.

(c) Investment in subsidiaries by:

	As at 31.03.2010	As at 31.03.2009

(i) Jai Infraprojects Limited

Sr. No.	**Name of Company**	**No. of Shares**	No. of Shares
1	Urban Gas Distribution Limited.	**50,000**	50,000
2	Urban Gas Limited.	**50,000**	50,000
3	Urban Gas Suppliers Limited.	**50,000**	50,000

SCHEDULES forming part of the balance sheet and profit and loss account

SCHEDULE "O" (Contd.)

(ii) Jai Realty Ventures Limited

Sr. No.	Name of Company	As at 31.03.2010 No. of Shares		As at 31.03.2009 No. of Shares	
		Equity	**Preference**	Equity	Preference
1	Asoka Realty and Developers Limited.	**50,000**	**-**	50,000	-
2	Awas Realtors Limited.	**50,000**	**-**	50,000	-
3	Belle Terre Realty Limited.	**9,933**	**22,459,275**	9,933	-
4	Dev Realty and Developers Limited.	**50,000**	**-**	50,000	-
5	Ekdant Realty and Developers Limited.	**50,000**	**-**	50,000	-
6	Hari Darshan Realty Limited.	**50,000**	**10,200**	50,000	10,200
7	Hill Rock Construction Limited.	**50,000**	**9,550**	50,000	9,550
8	Hind Agri Properties Limited.	**50,000**	**-**	50,000	-
9	Iconic Realtors Limited.	**50,000**	**-**	50,000	-
10	Jai Laxmi Realty and Developers Limited.	**50,000**	**-**	50,000	-
11	Krupa Land Limited.	**50,000**	**-**	50,000	-
12	Krupa Realtors Limited.	**50,000**	**-**	50,000	-
13	Multifaced Impex Limited.	**50,000**	**450**	50,000	-
14	Novelty Realty & Developers Limited.	**50,000**	**-**	50,000	-
15	Rainbow Infraprojects Limited.	**50,000**	**-**	50,000	-
16	Rejoice Land Developers Limited.	**50,000**	**-**	50,000	-
17	Rudradev Developers Limited.	**50,000**	**-**	50,000	-
18	Samart Realty and Developers Limited.	**50,000**	**-**	50,000	-
19	Swar Land Developers Limited.	**50,000**	**-**	50,000	-
20	Swastik Land Developers Limited.	**50,000**	**-**	50,000	-
21	Vasant Bahar Realty Limited.	**50,000**	**3,300**	50,000	3,300
22	Welldone Real Estate Limited.	**50,000**	**7,350**	50,000	-
23	Yug Developers Limited.	**50,000**	**5,000**	50,000	5,000

13 LICENSED AND INSTALLED CAPACITY

(as certified by the Management)

		Unit	Licensed Capacity		Installed Capacity	
			2009-2010	2008-2009	**2009-2010**	2008-2009
(a)	CR Coils	**MT**	**N.A.**	N.A.	**62,500**	62,500
(b)	GP/GC Coils/Sheets	**MT**	**N.A.**	N.A.	**55,000**	55,000
(c)	Woven Sacks/Fabrics	**MT**	**N.A.**	N.A.	**56,278**	57,380
(d)	Spinning Yarn	**MT**	**N.A.**	N.A.	**16,010**	11,100
(e)	Master Batch	**MT**	**N.A.**	N.A.	**12,000**	6,720
(f)	Staple Fibers	**MT**	**N.A.**	N.A.	**3,200**	3,200
(g)	Synthetic Fibres Twin	**MT**	**N.A.**	N.A.	**1,460**	-

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

14 ACTUAL PRODUCTION

		Unit	2009-2010	2008-2009
(a)	CR Coils/Sheets * #	**MT**	**35,438**	2,414
(b)	GP/GC Coils/Sheets #	**MT**	**36,733**	3,255
(c)	Woven Sacks/Fabrics * #	**MT**	**31,394**	24,870
(d)	Tape & Liner *	**MT**	**169**	160
(e)	Spinning Yarn*	**MT**	**8,600**	6,692
(f)	Master Batch *#	**MT**	**5,125**	2,710
(g)	Staple Fibers *	**MT**	**1,102**	665
(h)	Ink & Reducer *	**MT**	**26**	-
(i)	Synthetic Fibres Twin	**MT**	**289**	-

SCHEDULES forming part of the balance sheet and profit and loss account

SCHEDULE "O" (Contd.)

* Including **8,770 MT** in CR Coils (Previous year 977 MT) captive consumption, includes **1,329 MT** in Master Batch (Previous 818 MT), includes **52 MT** in Tape & Liner (Previous year 66 MT), includes **1,400 MT** in Woven Sacks/Fabrics (Previous year 6 MT), includes **1 MT** in Staple Fibres (Previous year Nil) , includes **22 MT** in Ink & Reducer (Previous Year Nil) and includes **3,943 MT** in spinning yarn (Previous year 2,600 MT) as captive consumption.

\# Including the goods manufactured as job processor CR Coils **26,642 MT** (Previous year CR Coils 1,437 MT) GP/GC Coils **27,059 MT** (Previous year GP/CG Coils 2,250 MT), Woven Sacks/Fabric **Nil** (Previous Year 3,079 MT), Master Batch **Nil** (Previous year 5 MT).

15 STOCKS (Rs. In lacs)

	2009-2010		2008-2009	
	Qty. (MT)	**Value**	Qty. (MT)	Value
OPENING STOCK				
GP/GC Coils/Sheets	**1,005**	**376.87**	-	-
Staple Fibers	**21**	**18.43**	31	28.98
Master Batch	**136**	**65.32**	65	29.31
Woven Sacks/Fabrics	**667**	**530.78**	1,270	1,048.80
Spinning Yarn	**269**	**334.57**	423	526.70
		1,325.97		1,633.79
CLOSING STOCK				
GP/GC Coils/Sheets	**5**	**1.60**	1,005	376.87
Woven Sacks/Fabrics	**806**	**629.85**	667	530.78
Synthetics Fibres Twin	**35**	**35.35**	-	-
Spinning Yarn	**246**	**331.04**	269	334.57
Master Batch	**361**	**172.57**	136	65.32
Staple Fibers	**7**	**6.48**	21	18.43
Liner	**5**	**4.07**	-	-
Ink & Reducer	**4**	**3.73**	-	-
		1,184.69		1,325.97

16 TURNOVER

CR Coils/Sheets	**26**	**7.17**	-	-
GP/GC Coils/Sheets	**10,674**	**4,003.78**	-	-
H.R. Coils/Plate	**-**	**-**	3,314	1,519.20
Melting Scrap	**-**	**-**	15,242	3,881.09
Iron Spong	**-**	**-**	4,520	1,477.09
Synthetics Fibres Twin	**254**	**255.03**	-	-
Woven Sacks/Fabrics	**29,855**	**27,511.66**	22,388	23,777.91
Master batch	**3,571**	**1,619.57**	1,816	821.14
Tape & Liner	**112**	**83.02**	94	83.87
Staple Fibers	**1,115**	**1,056.65**	675	642.56
Spinning Yarn	**4,680**	**6,671.09**	4,246	5,502.09
Reprocess granules	**203**	**76.22**	559	317.58
PSF/VSF	**1**	**0.65**	-	-
PP /LDPE/HDPE Granuals	**29**	**13.78**	-	-
Scrap	**949**	**299.15**	69	133.40
Others	**2**	**5.05**	-	49.58
Export Incentive	**-**	**5.47**	-	3.77
Jobwork and Commission	**-**	**1,490.22**	-	1,296.93
		43,098.51		39,506.21

SCHEDULES forming part of the balance sheet and profit and loss account

SCHEDULE "O" (Contd.)

(Rs. In lacs)

		2009-2010		2008-2009	
		Qty. (MT)	Value	Qty. (MT)	Value
17	**RAW MATERIALS CONSUMED**				
	HR Steel Coils	**9,417**	**2,495.47**	1,687	438.03
	CR Coil	**103**	**37.53**	-	-
	Zinc & other Alloys	**429**	**375.94**	47	42.37
	PSF/VSF	**2,213**	**1,804.05**	4,265	3,425.38
	HDPE/PP/LDPE/LLDPE	**33,223**	**20,992.82**	24,524	15,152.02
	Master Batch	**5,471**	**1,691.82**	95	49.78
	Others	**22**	**23.94**	-	-
			27,421.57		19,107.58
18	**PURCHASES (TRADE)**				
	H.R. Coils	**-**	**-**	3,314	1,480.70
	Melting Scrap	**-**	**-**	15,242	3,373.69
	Iron Spong	**-**	**-**	4,520	1,441.07
	Cotton /PSF/VSF	**1**	**0.65**	-	-
	PP Granules	**29**	**13.78**	441	271.78
	Others	**2**	**5.05**	-	2.68
			19.48		6,569.91

19 VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS AND SPARE PARTS AND COMPONENTS CONSUMED

(Rs. In lacs)

		2009-2010		2008-2009	
		Value	% of Total	Value	% of Total
(i)	**Raw Materials**				
	Indigenous	**27,185.30**	**99.14**	19,094.56	99.93
	Imported	**236.27**	**0.86**	13.02	0.07
		27,421.57	**100.00**	19,107.58	100.00
(ii)	**Spare Parts & Components**				
	Indigenous	**1,065.14**	**98.02**	828.36	97.50
	Imported	**21.55**	**1.98**	21.05	2.50
		1,086.69	**100.00**	849.41	100.00

20 VALUE OF IMPORTS ON CIF BASIS

(Rs. In lacs)

	2009-2010	2008-2009
Raw Materials	**236.90**	-
Stores & Spares	**23.09**	29.63
Capital Goods	**436.94**	656.43
Trading Goods	**-**	3,373.69
	696.93	4,059.75

21 EXPENDITURE IN FOREIGN CURRENCY

Travelling	**3.90**	11.89
Interest and Bank Charges	**0.68**	0.86
Others	**2.17**	0.36

SCHEDULES forming part of the balance sheet and profit and loss account

SCHEDULE "O" (Contd.)

		6.75	13.11

22 EARNINGS IN FOREIGN CURRENCY

	(Rs. In lacs)
2009-2010	2008-2009
FOB value of Exports **3,231.84**	4,687.64

23 ADDITIONAL INFORMATION

		As at 31.03.2010	As at 31.03.2009
(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)	**78.34**	599.01
(b)	Uncalled Liability on partly paid up Share/ Debenture (net of advance paid towards unpaid calls)	**89.25**	22,258.53
(c)	Contingent Liabilities		
	(i) Claims against the Company not acknowledged as debts (Disputed liability in appeal)		
	Sales Tax	**-**	10.45
	Excise Duty	**110.03**	92.34
	Railway Claims	**95.83**	80.66
		205.86	183.45
	(ii) Bank Guarantees (Bank Guarantees are provided under contractual/legal obligation. No Cash outlow is probable)	**962.37**	144.80

24 EXCISE DUTY

		2009-2010	2008-2009
a)	Excise duty shown as a reduction from Turnover	**2,137.03**	1,891.73
b)	Excise duty charged to Profit & Loss Account being difference between closing & opening stock	**(8.73)**	(27.14)

25 The Leasehold Land, Building and Electric Installation having net block amounting to **Rs. 4.17 Lacs**, **Rs. 15.71 Lacs** and **Rs. Nil** (Previous Year Rs. 4.09 Lacs, Rs. 20.86 Lacs and Rs. 2.18 Lacs) respectively as at 31st March, 2010, are held for sale in respect of Murbad Unit. Pending sale/disposal of such assets, the profit/loss if any on this account will be accounted for, as and when the same are sold.

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

		2009-2010	2008-2009
a	Principal amount remaining unpaid as on 31st March.	**15.52**	10.30
b	Interest due thereon as on 31st March.	-	-
c	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond he appointed day during the year.	-	-
d	Interest due and payable for the period of delay in making payment (which have been paid but beyond he appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
e	Interest accrued and remaining unpaid as at 31st March,	-	-
f	Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

SCHEDULES forming part of the balance sheet and profit and loss account

SCHEDULE "O" (Contd.)

27 Remittance in Foreign Currency on account of Dividend to Non Residents:-

		2009-2010	2008-2009
a)	Number of Non Resident Shareholders	**3**	-
b)	Number of Equity Shares held by them	**9,66,180**	-
c)	(i) Amount of Dividend paid (Gross) (Rs. In Lacs)	**9.66**	-
	(ii) Tax Deducted at Source	**Nil**	-
	(iii) Year to which dividend relates	**2007-08**	-

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

As per our report of even date

For **Chaturvedi & Shah**
Firm Reg. No. 101720W
Chartered Accountants

R. Koria
Partner

Place: Mumbai

Date : 25th May, 2010

For S.R. Batliboi & Co.
Firm Reg. No. 301003E
Chartered Accountants

per Vijay Maniar
Partner

For and on behalf of the Board of Directors

Gaurav Jain
Managing Director

V.S. Pandit
Director (Works)

A. Datta
Company Secretary

Ashok Tak
Vice President-Commercial &
Chief Financial Officer

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details :

Registration No.	L17120MH1985PLC036500		
Balance Sheet Date	31 03 2010	State Code	11

II Capital Raised during the year (Amount in Rs. Thousands)

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

III Position of Mobilisation and Deployment of Funds(Amount in Rs. Thousands)

Total Liabilities Source of Funds	27341820	Total Assets	27341820
Paid up Capital	193471	Reserves & Surplus	26248228
Secured Loans	231079	Unsecured Loans	99248
Deferred Tax Liability (net)	186774		
Application of Funds			
Net Fixed Assets	2278926	Investments	188959599
Net Current Assets	5783915	Misc. Expenditure	NIL

IV Performance of Company (Amount in Rs. Thousands)

Turnover (Net) & Other Incomed	45844111	Total Expenditure	37927722
Profit/Loss(-) Before Tax	791639	Profit/Loss(-) After Tax	610310
Earning Per Share in Rs. (Basic & Diluted)	3.42	Dividend Rate % (Equity) (On Equity Shares - held other than by promoters)	50

V Genereric Names of Three principal Products/Services of Company (As per monetary terms)

Product Description	ITCCODE
Cold Rolled Steel Coil/Sheet	7209
Galvanished Plain/Corrugated Coil/Sheet	7210
Woven Sacks & Bags	3923
Synthetic Yam	5509

FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

(Particulars regarding subsidiary companies under Section 212(8) of the Companies Act, 1956 pursuant to letter no.47/414/2010-CL-III dated 17.05.2010 of the Government of India, Ministry of Corporate Affairs)

(Rs. In Lacs)

S.No.	Capital	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments			Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend
							Total	Sub. Invt	Invt. In Others					
1	Asoka Realty and Developers Limited.	INR	5.00	(87.81)	0.14	82.95	-	-	-	-	(87.24)	-	(87.24)	-
2	Awas Realtors Limited.	INR	5.00	(0.49)	4.74	0.23	-	-	-	-	0.08	0.02	0.06	-
3	Belle Terre Realty Limited.	INR	9,972.40	132.50	10,108.10	3.20	24.15	13.74	10.41	-	(11.42)	-	(11.42)	-
		USD (MN)	22.47	(0.04)	22.43	0.01	0.05	0.03	0.02	-	(0.02)	-	(0.02)	-
4	Dev Realty and Developers Limited.	INR	5.00	(5.16)	0.05	0.21	-	-	-	-	(4.68)	-	(4.68)	-
5	Ekdant Realty and Developers Limited.	INR	5.00	(0.67)	1,629.09	1,624.76	-	-	-	-	(0.19)	-	(0.19)	-
6	Hari Darshan Realty Limited.	INR	6.02	99.89	860.15	754.24	-	-	-	-	(0.28)	-	(0.28)	-
7	Hill Rock Construction Limited.	INR	5.96	88.77	425.28	330.55	-	-	-	-	(1.19)	0.12	(1.31)	-
8	Hind Agri Properties Limited.	INR	5.00	(1.77)	919.19	915.96	0.31	-	0.31	-	(0.25)	-	(0.25)	-
9	Iconic Realtors Limited.	INR	5.00	(2.30)	10,058.34	10,055.64	-	-	-	-	(0.56)	-	(0.56)	-
10	Jai Corp Finance & Holding Limited	INR	150.00	101.09	256.41	5.32	99.12	-	99.12	-	16.92	5.19	11.73	-
11	Jai Infraprojects Limited	INR	5.00	(2.33)	15.18	12.51	15.00	15.00	-	-	(0.35)	-	(0.35)	-
12	Jai Laxmi Realty and Developers Limited	INR	5.00	(0.69)	1,732.21	1,727.90	-	-	-	-	(0.23)	-	(0.23)	-
13	Jai Realty Ventures Limited	INR	5.50	11.84	35,995.66	35,978.32	12,928.75	11,277.41	1,651.34	-	(7.28)	0.02	(7.30)	-
14	Krupa Land Limited	INR	5.00	(1.42)	1,369.12	1,365.54	-	-	-	-	(0.66)	-	(0.66)	-
15	Krupa Realtors Limited	INR	5.00	(0.68)	723.57	719.25	-	-	-	-	(0.19)	-	(0.19)	-
16	Multifaced Impex Limited	INR	5.05	(3.73)	95.67	94.35	-	-	-	-	(0.20)	-	(0.20)	-
17	Novelty Realty & Developers Limited	INR	5.00	(0.79)	965.38	961.17	-	-	-	-	(0.30)	-	(0.30)	-
18	Oasis Holding FZC	INR	18.32	(7.10)	3,823.95	3,812.73	-	-	-	-	(6.98)	-	(6.98)	-
		AED (MN)	0.15	(0.07)	31.29	31.21	-	-	-	-	(0.05)	-	(0.05)	-
19	Rainbow Infraprojects Limited.	INR	5.00	(2.39)	1,232.01	1,229.40	-	-	-	-	(0.46)	0.04	(0.50)	-
20	Rejoice Land Developers Limited.	INR	5.00	(0.45)	4.78	0.23	-	-	-	-	0.06	0.02	0.04	-
21	Rudradev Developers Limited.	INR	5.00	(0.59)	1,000.11	995.70	-	-	-	-	(0.22)	-	(0.22)	-
22	Sarbags Pty Ltd.	INR	12.34	470.93	524.00	40.73	-	-	-	349.77	58.51	12.34	46.17	-
		AUD (MN)	0.05	1.13	1.28	0.10	-	-	-	0.87	0.12	0.03	0.09	-
23	Samart Realty and Developers Limited.	INR	5.00	(0.22)	5.02	0.24	-	-	-	-	0.09	0.02	0.07	-
24	Swar Land Developers Limited.	INR	5.00	(3.02)	417.25	415.27	-	-	-	-	(35.87)	-	(35.87)	-
25	Swastik Land Developers Limited.	INR	5.00	(38.88)	54.43	88.31	-	-	-	-	(35.87)	-	(35.87)	-
26	UI Wealth Advisors Limited	INR	210.00	4.93	215.07	0.14	205.08	-	205.08	-	4.12	-	4.12	-
27	Urban Gas Distribution Limited	INR	5.00	(0.53)	4.68	0.21	4.35	-	4.35	-	(0.10)	-	(0.10)	-
28	Urban Gas Limited	INR	5.00	(0.52)	4.69	0.21	4.35	-	4.35	-	(0.10)	-	(0.10)	-
29	Urban Gas Suppliers Limited	INR	5.00	(0.52)	4.69	0.21	4.35	-	4.35	-	(0.10)	-	(0.10)	-
30	Urban Infrastructure Trustees Limited	INR	5.00	20.11	28.56	3.45	-	-	-	9.73	9.99	2.94	7.05	-
31	Urban Infrastructure Venture Capital Limited	INR	100.00	5,666.21	8,437.86	2,671.65	1,607.26	210.00	1,397.26	-	4,371.24	1,258.51	3,112.73	-
32	Vasant Bahar Realty Limited.	INR	5.33	31.25	99.16	62.58	-	-	-	-	(0.39)	-	(0.39)	-
33	Welldone Real Estate Limited.	INR	5.74	60.58	282.70	216.38	8.43	-	8.43	-	(3.49)	0.15	(3.64)	-
34	Yug Developers Limited.	INR	5.50	47.70	637.48	584.28	-	-	-	-	(0.29)	-	(0.29)	-

Note:

1 Exchange rate (as on 31st March, 2010) used in :

a) Sarbags Pty Limited AUD1 = Rs.41.05

b) Oasis Holding FZC AED 1= Rs.12.22

c) Belle Terre Realty Limited. USD 1= Rs. 45.14

2 Exchange rate used in Share Capital & Loans: Rate applicable as on date of remittance.

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To,

The Board of Directors

Jai Corp Limited

1) We have audited the attached Consolidated Balance Sheet of Jai Corp imited (the Company) and its su sidiaries and associates (collectively referred to as 'the Group'), as at 31st March, 2010, and also the Consolidated Profit and Loss account and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto. These consolidated financial statements are the responsi ility of the Company's management and have een prepared y the management on the basis of separate financial statements and other financial information regarding compo-nents. Our responsi ility is to express an opinion on these financial statements based on our audit.

2) We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to o tain reasona le assurance a out whether the financial statements are free of material misstatement. n audit includes examining, on a test asis, evidence supporting the amounts and dis-closures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made y management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasona le asis for our opinion.

3) Financial statements of nine su sidiaries, which reflect total assets of Rs. 44,943.25 lacs as at 31st March, 2010, total revenue of Rs. 6.723.17 lacs and net cash outflows aggregating Rs. 130.59 lacs for the year then ended and financial statements of seven associates in which the share of profit of the Group is Rs. 1.32 lacs have been audited by one of us.

4) We did not audit the financial statements of twenty five su sidiaries, whose financial statements reflect total assets of Rs. 36967.70 lacs as at 31st March, 2010, total revenue of Rs. 537.45 lacs and net cash inflows aggregating Rs. 103.07 lacs for the year then ended and also the financial statements of associate in which the share of loss of the Group is Rs 3.32 lacs. These financial statements and other financial information have een audited y other auditors whose reports have een furnished to us, and our opinion is ased solely on the report of other auditors.

) We have relied on the unaudited financial statements of one associate wherein the Group's share of loss for the year ended March 31, 2010 is Rs. 57.73 lacs. These unaudited financial statements as approved y the Board of Directors of the associate have een furnished to us y the Management and our report, in so far as it relates to the amounts included in respect of the associate is ased solely on such approved financial statements.

6) We report that the Consolidated Financial Statements have een prepared y the Company's management in accordance with the requirements of ccounting Standard 21, 'Consolidated Financial Statements' and ccounting Standard 23, ' ccounting for Investments in ssociates in Consolidated Financial Statements' notified pursuant to the Companies (ccounting Standards) Rules, 2006 (as amended).

a e au i rs a su si iar pa have qualified their opinion on the financial s a e e s a su si iar s a i a a us e s a e re uire se financial statements in respect of the matters e p ai e i e i e ue e s i a e i a ia a e e s e i pa ese a ers as ee quantified by the auditors in their report on those financial statements.

e au i rs a ass ia e pa have qualified their opinion on the financial s a e e s a ass ia e s a i a a us e s a e re uire se financial statements in respect of the matter e p ai e i e ii e ue e s i a e i a ia a e e s e i pa is a er as ee quantified by the auditors in their report on those financial statements.

) Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the est of our information and according to the explanations given to us, *e ep r e a ers s a e i para rap a e e e s i are urre as er ai a e* we are of the opinion that the attached consolidated financial statements give a true and fair view in con-formity with the accounting principles generally accepted in India

i. in the case of the consolidated alance sheet, of the state of affairs of the Group as at 31st March, 2010

ii. in the case of the consolidated profit and loss account, of the profit of the Group for the year ended on that date; and

iii. in the case of the consolidated cash flow statement, of the cash flows of the Group for the year ended on that date.

For CHATURVEDI & SHAH
Firm Registration no.: 101720W
Chartered ccountants

R. Koria
Partner
Membership No.: 35629

Place Mum ai
Date 2 th May 2010

For S. R. BATLIBOI & Co.
Firm Registration no.: 301003E
Chartered ccountants

per Vijay Maniar
Partner
Membership No.: 36738

Place Mum ai
Date 2 th May 2010

CONSOLIDATED BALANCE SHEET as at 31st March, 2010

(Rs.in Lacs)

	SCHEDULE		AS AT 31.03.2010	S T 31.03.2009
SOURCES OF FUNDS				
Shareholders' Funds				
Share Capital		**1,934.71**		1,934.71
Reserves & Surplus	B	**267,906.90**		260,364.48
			269,841.61	262,299.19
Minority Interest			**2.81**	121.24
Loan Funds				
Secured oans	C	**4,812.94**		3,539.35
Unsecured Loans	D	**1,945.86**		1,816.65
			6,758.80	5,356.00
Deferred Tax Liability (Net)			**1,844.80**	1,612.99
(Refer Note No. 3 of Schedule "N")				
Total			**278,448.02**	269,389.42
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	E	**39,608.09**		36,275.44
ess Depreciation		**16,955.97**		15,551.89
et Block		**22,652.12**		20,723.55
Capital Work-in-Progress		**825.35**		3,231.1
			23,477.47	23,954.73
Investments				
In ssociates		**11,726.41**		11,786.13
In Others		**179,884.58**		162,017.32
			191,610.99	173,803.45
Current Assets, Loans and Advances	F			
Inventories		**14,928.14**		14,077.23
Sundry De tors		**6,567.49**		9,312.10
Cash and Bank Balances		**1,156.21**		6,808.14
Other Current Assets		**471.02**		70.97
oans and dvances		**44,293.51**		45,264.37
		67,416.37		75,532.81
Less:Current Liabilities and Provisions	G			
Current ia ilites		**2,261.74**		1,978.93
Provisions		**1,795.07**		1,922.64
		4,056.81		3,901.57
Net Current Assets			**63,359.56**	71,631.24
Total				
			278,448.02	269,389.42
Significant Accounting Policies	M			
Notes on Accounts				

The Schedules referred to a ove form an integral part of the Consolidated Balance Sheet.

s per our report of even date

For **Chaturvedi & Shah**
Firm Reg. No. 101720W
Chartered ccountants

R. Koria
Partner

Place: Mum ai
Date : 2 th May, 2010

For S.R. Batliboi & Co.
Firm Reg. No. 301003E
Chartered ccountants

per Vijay Maniar
Partner

For and on ehalf of the Board of Directors

Gaurav Jain — Managing Director
V.S. Pandit — Director (Works)

A. Datta
Company Secretary

Ashok Tak
Vice President-Commercial &
Chief Financial Officer

CONSOLIDATED PROFIT AND LOSS ACCOUNT for the Year Ended 31st March, 2010

(Rs. in Lacs)

	SCHEDULE	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
INCOME			
Turnover (Gross)	H	**49,625.01**	46,040.01
Less: Excise duty/ Service Tax recovered		**2,656.67**	2,576.74
et Turnover		**46,968.34**	43,463.27
Other Income	I	**5,853.62**	5,484.79
Variation In Stock	J	**77.22**	5,424.82
		52,899.18	54,372.88
EXPENDITURES			
Trade Purchases		**47.80**	6,621.43
Manufacturing and Other Expenses	K	**38,724.66**	39,427.01
Interest & Finance Charges		**267.50**	465.84
Depreciation		**1,646.25**	1, 1. 3
		40,686.21	48,066.11
Profit for the year before tax		**12,212.97**	6,306.77
ess Provision for Taxation			
Current Tax		**2,843.85**	2,237.21
Deferred Tax		**232.44**	265.57
Fringe Benefit Tax		**-**	37.10
Less : Provision/(Written back) of Income Tax of earlier years		**12.54**	(77.49)
Profit for the year after tax		**9,124.14**	3,844.38
Less: Share of Profit/(Loss) transferred to Minority		**(1.74)**	(0.59)
Add: Share in Profit/(Loss) of Associates		(59.74)	(487.60)
Profit for the year		**9,066.14**	3,357.37
(after adjustment for Minority Interest and including ssociates)			
Balance rought forward from last year		**28,316.16**	25,527.05
Prior Period djustments (et)		**(3.84)**	(2.24)
PROFIT AVAILABLE FOR APPROPRIATION		**37,378.46**	2 , 2.1
APPROPRIATIONS			
General Reserve		**3,110.32**	2 2. 0
Statutory Reserve Fund		**5.29**	-
Proposed Dividend on Preference Shares		**1.50**	1. 0
Proposed Dividend on Equity Shares		**240.84**	240.84
Tax on Proposed Dividend		**44.40**	41.18
Excess Provision of Dividend of earlier year		**(0.45)**	-
SURPLUS CARRIED TO BALANCE SHEET		**33,976.56**	28,316.16
Basic & Diluted Earning Per Share (Rs.)		**5.08**	1.
Face value per share (Re.)		**1.00**	1.00
(Refer Note No. 5 of Schedule "N")			
Significant Accounting Policies	M		
Notes on Accounts			

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

s per our report of even date

For **Chaturvedi & Shah**
Firm Reg. No. 101720W
Chartered ccountants

R. Koria
Partner

For S.R. Batliboi & Co.
Firm Reg. No. 301003E
Chartered ccountants

per Vijay Maniar
Partner

Place: Mum ai
Date : 2 th May, 2010

For and on ehalf of the Board of Directors

Gaurav Jain — Managing Director
V.S. Pandit — Director (Works)

A. Datta
Company Secretary

Ashok Tak
Vice President-Commercial &
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT for the Year Ended 31st March, 2010

(Rs.in Lacs)

		2009-2010		2008-2009
A.	**Cash Flow from Operating Activities**			
	Net Profit before tax as per P & L Account	**12,212.97**		6,306.77
	djusted for			
	Depreciation	**1,646.25**	1, 1. 3	
	Wealth Tax	**4.25**	.1	
	Effects of foreign exchange rate change *	**(1,330.02)**	1,509.62	
	Preliminary and Issue expenses written off	**-**	.33	
	Loss / (Profit) on sale of investments (Net)	**(1,231.33)**	3,200.32	
	Provision for Dou tful de ts	**-**	18.14	
	Loss on Equity Derivatives (Net)	**6.62**	186.09	
	Provision/(Reversal) for Diminution in Value of Investments	**(449.93)**	759.88	
	Loss/ (Profit) on sale of Fixed Assets	**(228.51)**	(133.70)	
	Service Charges on surrender of and	**258.70**	-	
	Interest & Finance Charges	**231.07**	378.58	
	Sundry Balances written off/(written back)	**11.33**	(20. 2)	
	Interest Income	**(1,972.40)**	(1,967.32)	
	Dividend Income	**(883.01)**	**(3,936.98)**	(1,755.67)	3,737.73
	Operating Profit before Working Capital Changes		**8,275.99**		10044.50
	djusted for				
	Trade & Other Receivables		**8,775.44**		(12,842.07)
	Inventories		**(850.91)**		(5,399.64)
	Trade Paya les		**484.10**		(1,292.41)
	Cash Generated from Operations		**16,684.62**		(9,489.62)
	Direct Taxes paid		**(2,766.22)**		(1,791.57)
	Cash Flow efore prior period adjustments		**13,918.40**		(11,281.19)
	et Prior Period djustments		**(3.84)**		(2.24)
	Net Cash from / (used in) Operating Activities		**13,914.56**		(11,283.43)
B.	**Cash Flow from Investing Activities**				
	Purchase of Fixed ssets		**(1,652.57)**		(1,913.54)
	Sale of Fixed ssets		**550.46**		557.20
	Fixed Deposit with ank having maturity of more than three months (Placed)		**(12.75)**		(,000.00)
	Fixed Deposit with ank having maturity of more than three months (Matured)		**5,000.00**		-
	Purchase of Investments		**(161,235.97)**		(170,388.33)
	Sale of Investments		**145,058.45**		191,052.14
	Movement in oans		**(4,907.00)**		(1, 00.00)
	Loss on Equity Derivatives (Net)		**(6.62)**		(186.09)
	Interest Received		**853.02**		1,373.39
	Dividend Received		**883.01**		1,755.67
	Net Cash (used in) / from Investing Activities		**(15,469.97)**		15,450.44

CONSOLIDATED CASH FLOW STATEMENT (Contd.)

(Rs.in Lacs)

		2009-2010	2008-2009
C.	**Cash Flow from Financing Activities**		
	Proceeds from Issue of Share Capital including Securities Premium	**-**	4.58
	Preliminary and Issue expenses	**-**	(0.07)
	Proceeds of ong Term oans	**331.87**	1,770.55
	Repayment of Long Term Loans	**(1138.66)**	(996.49)
	Unclaimed for Scheme of Arrangement	**(0.12)**	0.3
	Short Term oans (net)	**2,207.44**	(3,562.70)
	Interest paid	**(229.42)**	(376.52)
	Dividends Paid	**(280.38)**	(570.02)
	Net Cash from / (used in) Financing Activities	**890.73**	(3,730.29)
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	**(664.68)**	436.72
	Opening Balance of Cash and Cash Equivalents	**1,808.14**	1,371.42
	Closing Balance of Cash and Cash Equivalents	**1,143.46**	1,808.14
	Fixed Deposit with ank having maturity of more than three months	**12.75**	,000.00
	Closing Balance of Cash and Bank #	**1,156.21**	6,808.14
	# For composition, refer Schedule “F”		

* includes exchange difference on account of translation of foreign subsidiary Companies’ financial statements.

otes

1 The above Cash Flow Statements has been prepared under the “Indirect Method” as set out in Accounting Standard-3 “Cash Flow Statement” as notified in the Companies (Accounting Standards) Rules, 2006.

2 Cash and Cash Equivalent includes Fixed Deposits pledge with the Govt. Deptt. amounting to **Rs. 208.97 Lacs** (Previous year Rs. 116.98 Lacs) and balance of **Rs. 9.73 Lacs** (Previous year Rs. 7.04 Lacs) with a Scheduled Bank on Unclaimed Dividend Accounts.

3 The previous year’s figures have been regrouped, rearranged, restated and reclassified wherever necessary.

4 Bracket indicates cash outflow.

s per our report of even date

For **Chaturvedi & Shah**
Firm Reg. No. 101720W
Chartered ccountants

R. Koria
Partner

For S.R. Batliboi & Co.
Firm Reg. No. 301003E
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per Vijay Maniar
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For and on ehalf of the Board of Directors

Gaurav Jain — Managing Director
V.S. Pandit — Director (Works)

A. Datta
Company Secretary

Ashok Tak
Vice President-Commercial &
Chief Financial Officer

Place: Mum ai
Date : 2 th May, 2010

SCHEDULES Forming Part of The Consolidated Balance Sheet

(Rs. in Lacs)

	AS AT 31.03.2010	S T 31.03.2009
SCHEDULE "A"		
SHARE CAPITAL		
AUTHORISED		
45,00,00,000 Equity Shares of Re. 1 each	**4,500.00**	4,500.00
(45,00,00,000)		
1,50,00,000 1% Non-Cumulative, Non-Participating Redeemable	**150.00**	1 0.00
(1,50,00,000) Preference Shares of Re. 1 each		
3,50,00,000 Unclassified Shares of Re. 1 each	**350.00**	3 0.00
(3, 0,00,000)		
	5,000.00	,000.00
ISSUED AND SUBSCRIBED		
17,84,94,010 Equity Shares of Re. 1 each	**1,784.94**	1,784.94
(17,84,94,010)		
1,50,00,000 1% Non-Cumulative, Non-Participating Redeemable	**150.00**	1 0.00
(1,50,00,000) Preference Shares of Re. 1 each	**1,934.94**	1,934.94
FULLY PAID UP		
17,84,49,410 Equity Shares of Re. 1 each	**1,784.49**	1,784.49
(17,84,49,410)		
1,50,00,000 1% Non-Cumulative, Non-Participating Redeemable	**150.00**	1 0.00
(1,50,00,000) Preference Shares of Re. 1 each		
Add: Forfeited Shares (Amount Originally Paid up on 4,460 Shares of Rs. 10/- each)	**0.22**	0.22
	1,934.71	1,934.71

1. Of the above Equity Shares:
   (a) 49,63,522 Equity Shares of Rs.10 each were allotted, without payment being received in cash, pursuant to the Scheme of malgamation of Sipta Coated Steels imited and Comet Steels imited with the Company efore su division and issue of onus shares.
   (b) Bonus Shares :-
      (i) 24,00,000 Equity Shares of Rs.10 each were allotted as fully paid-up bonus shares by way of capitalisation of free reserve efore su division.
      (ii) 8,62,69,400 Equity Shares of Re.1 each were allotted as fully paid-up bonus shares by way of capitalisation of Securities Premium ccount.
2. Equity Shares having face value Rs.10 each (fully paid-up) were subdivided into Re.1 each (fully paid-up) in the financial year 2007-08.
3. (a) 1% Non-cumulative, Non-Participating Redeemable Preference Shares of Re.1 each fully paid-up were due for redemption on 2 th November 2009. As consented by the Preference Shareholders and subsequently by the Members of the Company at their 24th nnual General Meeting held on 23rd September, 2009, the tenure of these Shares has been extended by a period not exceeding two years from the date of roll over (i.e. two years from 2 th November, 2009), accordingly these Shares are redeemable at a premium of 6 % p.a. on issue price of Rs. 1,000 per share on the expiry of two years from the date of roll over with an option to the Company/ the Preference Shareholder(s) to redeem the same after one year from the said date of roll over.
   (b) Redemption premium on Preference Shares as mentioned above will be paid out of the Securities Premium ccount, hence, no provision has een considered necessary.
4. Figures in bracket represent previous year figures.

SCHEDULES Forming Part Of The Consolidated Balance Sheet

(Rs. in Lacs)

		AS AT 31.03.2010	S T 31.03.2009
SCHEDULE "B"			
RESERVES & SURPLUS			
Capital Reserve			
s per last Balance Sheet		**92.17**	92.17
Statutory Reserve Fund			
(Created pursuant to secion 45 IC of RBI Act, 1934)			
s per last Balance Sheet	**-**		-
Add: Transferred from Profit & Loss Account	**5.29**		-
		5.29	-
Securities Premium Account			
s per last Balance Sheet		**214,930.94**	214,930.94
Foreign Currency Translation Reserve*		**208.12**	1,441.71
General Reserve			
s per last Balance Sheet	**15,583.50**		1 ,301.00
Add : Transferred from Profit and Loss Account	**3,110.32**		2 2. 0
		18,693.82	1 , 3. 0
Profit and Loss Account		**33,976.56**	28,316.16
		267,906.90	260,364.48

*During the year, **Rs. 1233.59 Lacs** (net) has been deducted [2008-09 Rs. 1418.58 Lacs (net) has been added] on translation of foreign su sidiaries and minorities share thereof and foreign associate.

SCHEDULE "C"		
SECURED LOANS		
Term oans from a Bank	**2,293.00**	3,229.00
Short Term oan from a Bank	**2,500.00**	-
Working Capital oan from a Bank	**17.79**	310.3
Interest Accrued & due on above	**2.15**	-
	4,812.94	3,539.35

otes

1. The Term Loans referred to above:-
   (a) loans aggregating to **Rs.1,618.00 Lacs** (Previous Year Rs. 2,554.00 Lacs) are secured by way of First Charge on fixed assets of the Company.
   ( ) loans aggregating to **Rs. 675.00 Lacs** (Previous Year Rs. 675.00 Lacs) are secured by way of first *parri passu* charge on the entire immova le and mova le assets and second *parri passu* charge on all current assets of the Company.
   (c) the a ove are further secured y way of negative lien in quoted portfolio investments to the tune of **Rs. 5,000 Lacs** (Previous Year Rs. 5,000 Lacs) of the Company.
2. The Working Capital Loan referred to above:-
   (a) is secured by hypothecation on whole of current assets including a first charge on stock and book debts.
   ( ) is further secured y personal guarantees of one present Director and one erstwhile Director of the Company.
   (c) Short term loan from a Bank is secured by hypothecation of present and future receivable of Urban Infrastrucutre Venture Capital imited, a wholly owned su sidary of the Company

SCHEDULE "D"		
UNSECURED LOANS		
Interest Free Sales-tax Loan	**992.48**	721.10
Long Term Loan from Others	**953.38**	**1,095.55**
	1,945.86	1,816.65

ote mount repaya le within one year **Rs. 37.20 Lacs** (Previous Year Rs.60.49 Lacs).

SCHEDULES Forming Part of The Consolidated Balance Sheet

SCHEDULE - "E"

FIXED ASSETS

(Rs. in Lacs)

	GROSSBLOCK					DEPRECIATION					NETBLOCK	
PARTICULARS	AS AT 01.04.2009	Addition on account of Acquisition of Subsidiary	Additions	Deductions/ Adjustments	AS AT 31.03.2010	UPTO 01.04.2009	Depreciation on account Acquisition of Subsidiary	For The Year	Deductions/ Adjustments	UPTO 31.03.2010	AS AT 31.03.2010	AS AT 01.04.2009
TANGIBLE ASSETS												
Freehold Land	2,100.11	-	11.84	-	2,111.95	-	-	-	-	-	2,111.95	2,100.11
Leasehold Land	524.70	-	-	4.25	520.45	18.66	-	11.45	0.17	29.94	490.51	506.04
Buildings	6,005.57	-	2,154.00	74.78	8,084.79	1,359.18	-	228.06	37.80	1,549.44	6,535.35	4,646.39
Plant & Machinery	25,666.63	-	1,698.14	358.85	27,005.92	13,409.55	-	1,311.84	99.25	14,622.14	12,383.78	12,257.08
Furniture & Fixtures	283.51	-	15.83	40.87	258.47	139.97	-	13.27	23.57	129.67	128.80	143.54
Office Equipments	451.73	-	33.99	41.59	444.13	268.10	-	28.66	25.43	271.33	172.80	183.63
Vehicles	609.32	-	0.03	60.84	548.51	270.04	-	48.95	48.82	270.17	278.34	339.28
INTANGIBLE ASSETS												
Goodwill	62.30	-	-	-	62.30	21.01	-	(3.11)	-	17.90	44.40	41.29
Goodwill on Consolidation	506.19				506.19						506.19	506.19
(Refer Note No. 17 of Schedule "N")												
Drawings & Designes*	65.38	-	-	-	65.38	65.38	-	-	-	65.38	-	-
TOTAL	36,275.44	-	3,913.83	581.18	39,608.09	15,551.89	-	1,639.12	235.04	16,955.97	22,652.12	20,723.55
Previous Year	35,773.86	10.17	1,311.98	820.56	36,275.44	14,393.64	0.63	1,553.87	396.25	15,551.89	20,723.55	
Capital Work-in- Progress											825.35	3,231.18

* Other than internally generated.

Notes :-

1. Freehold land includes **Rs. 131.25 Lacs** (Previous Year Rs. 131.25 Lacs) in respect of which conveyance deed is yet to be registered in the name of the Company.
2. Buildings include **Rs.0.01 Lacs** (Prevous Year Rs. 0.01 Lacs) being the cost of shares in Co-operative Housing Societies towards ownership of residential flats.
3. Capital Work-in-Progress includes :
   i) **Rs. Nil** (Previous Year Rs. 37.89 Lacs) on account of Pre-Operative Expenditure.
   ii) **Rs.11.10 Lacs** (Previous year Rs. 24.82 Lacs) on account of cost of construction material at site.
   iii) **Rs. 117.73 Lacs** (Previous year Rs. 396.09 Lacs) on account of advances made to the suppliers for capital expenditure.
4. Gross Block of Plant & Machinery includes **Rs. 64.68 Lacs** (Previous year Rs. 64.68 Lacs) and **Rs. 33.56 Lacs** (Previous Year Rs. 33.56 Lacs) being the amount spent for laying power line and water pipe line respectively, the ownership of which vests with the respective Government uthorities.

. Depreciation excludes **Rs. 7.13 Lacs** (Previous Year includes Rs. 2.04 Lacs) on account of translation of depreciation to date respectively of foreign subsidiary. The effect of which is considered in Foreign Currency Translation Reserve.

SCHEDULES Forming Part Of The Consolidated Balance Sheet

(Rs. in Lacs)

			AS AT 31.03.2010	S T 31.03.2009
SCHEDULE "F"				
CURRENT ASSETS, LOANS AND ADVANCES				
CURRENT ASSETS				
INVENTORIES				
(As taken, valued and certified by the Management)				
Stores, Spares, Packing Materials, Fuel, etc.		**735.24**		686.75
Raw Materials		**2,138.65**		1,413.44
Work-in-Progress *		**10,706.73**		10,497.15
Finished Goods		**1,211.02**		1,367.90
Scrap		**136.50**		111.99
			14,928.14	14,077.23
* Includes and of **Rs. 2952.95 Lacs** (Previous Year 2923.78 Lacs) pending execution of conveyance/sale deed.				
SUNDRY DEBTORS				
(Unsecured, considered good and subject to confirmation)				
For a period of more than six months				
Consider Good		**195.19**		80.91
Consider Dou tful		**-**		18.14
		195.19		99.05
ess Provision for Dou tful de ts		**-**		18.14
		195.19		80.91
Others, Consider Good		**6,372.30**		9,231.19
			6,567.49	9,312.10
CASH AND BANK BALANCES				
Cash on hand		**2.32**		2.3
Balances with Banks				
In Current ccounts				
with Scheduled Banks		**230.80**		320.23
with others		**144.32**		77.47
In Fixed Deposit ccounts				
with Scheduled Banks*		**516.74**		6,190.92
with others		**262.03**		217.17
			1,156.21	6,808.14
* Includes **Rs. 208.97 Lac**s (Previous year Rs 116.98 Lacs.) pledged with various Government Departments.				
OTHER CURRENT ASSETS				
Interest accrued on Investments		**468.08**		68.03
Realisable Value of discarded Fixed Assets		**2.94**		2.94
			471.02	70.97
LOANS AND ADVANCES				
(Unsecured and considered good)				
dvances recovera le in cash or in kind or for value to be received * #		**41,402.07**		42,196.33
Deposits		**244.30**		298.63
Balance with Customs & Excise Authorities		**754.27**		651.18
Income Tax (et)		**1,892.87**		1, 1 .3
M T Credit	**302.85**			1,161.76
Less: MAT Credit Utilisation	**302.85**			858.91
		-		302.
			44,293.51	45,264.37
			67,416.37	75,532.81

* Includes **Rs. 2600.00 Lacs** (Previous Year Rs. 2608.51 Lacs) as share and debenture application money.

\# Advance Recoverable in cash or kind includes **Rs.4.50 Lacs** (Previous year Rs. 3.00 Lacs) due from Manager/Officer and maximum alance outstanding at any time during the year **Rs. 7.50** Lacs (Previous year Rs. 5.75 Lacs)

SCHEDULES Forming Part of The Consolidated Balance Sheet

(Rs. in Lacs)

			AS AT 31.03.2010	S T 31.03.2009
SCHEDULE "G"				
CURRENT LIABILITIES AND PROVISIONS				
CURRENT LIABILITIES				
Sundry Creditors				
(i) Micro and Small Enterprises @		**15.52**		10.30
(ii) Others *		**655.45**		979.64
Advanced Received against Sale of Fixed Assets		**100.81**		170.00
dvance received from Customers		**572.24**		20.00
Other Liabilities		**847.37**		720.32
Interest accrued ut not due on oan		**21.55**		32.44
Unclaimed for Scheme of Arrangement		**39.07**		39.19
Investors Education & Protection Fund # :				
Unclaimed Dividend		**9.73**		7.04
			2,261.74	1,978.93
PROVISIONS				
Income Tax and Fringe Benefit Tax	**1,571.51**			2,257.90
Less: MAT Credit Utilisation	**302.85**			858.91
		1,268.66		1,398.99
Wealth Tax (et)		**9.17**		9.78
Proposed Dividend on Preference Shares		**1.50**		1. 0
Proposed Dividend on Equity Shares		**240.84**		240.84
Tax on Proposed Dividend		**44.40**		41.18
Staff Benefits Schemes		**196.48**		1 .20
Forward Contract (MTM)		**-**		29.40
Other Provisions**		**34.02**		42.75
			1,795.07	1,922.64
			4,056.81	3,901.57

@ To the extent information available with company.

* Includes **Rs. 77.57 Lacs** (Previous Year Rs. 176.97 Lacs) for capital expenditure.

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

** The Company has recognised liability based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on 31st March 2009 of Rs.42.75 Lacs as per the estimated pattern of dispatches. During the year Rs. 42.75 Lacs was utilized for clearance of goods. Liability recognized under this class for the year is Rs. 34.02 Lacs, which is outstanding as on 31st March 2010. Actual outflow is expected in the next financial year.

SCHEDULES Forming Part Of The Consolidated Profit and Loss Account

(Rs. in Lacs)

		YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
SCHEDULE "H"			
TURNOVER			
Sales		**41,752.53**	38,387.97
Jo work Charges		**1,490.22**	602.84
Services		**6,373.94**	6,351.34
Export Incentive		**8.32**	3.77
Commission		**-**	694.09
		49,625.01	46,040.01
SCHEDULE "I"			
OTHER INCOME			
Profit on Sale / Discarding of Fixed Assets (Net)		**228.51**	133.70
Dividend on (Other than Trade)			
ong Term Investments		**855.19**	547.29
Current Investments		**27.82**	1,20 .3
Profit on Sales of Current Investments		**1,486.77**	1,194.75
Interest on Long Term Investments (Trade)*		**0.06**	0.30
Interest on Investments (Other than Trade)			
Current Investments		**253.24**	63.19
ong Term Investments		**133.33**	4.64
Interest on Others*		**2,171.87**	1,899.19
* Tax Deducted at Source **Rs.163.79 Lacs** (Previous Year Rs.255.06 Lacs)			
Reversal of Provision for Diminution in the-value of Current Investments (et)		**449.93**	-
Rent		**130.32**	208.44
Sundry Balances Written Back (et)		**-**	20. 2
Miscellaneous Income		**116.58**	204.39
		5,853.62	5,484.79
SCHEDULE "J"			
VARIATION IN STOCKS			
Closing Stock			
Work-in-Process	**10,706.73**		10,497.15
Finished Goods	**1,211.02**		1,367.89
Scrap	**136.50**		111.99
		12,054.25	11,977.03
Less: Business Purchase/on acquisition of Su sidiary Company			
Work-in-Progress		**-**	145.72
Less :Opening Stock			
Work-in-Process	**10,497.15**		4,654.97
Finished Goods	**1,367.89**		1,692.64
Scrap	**111.99**		.
		11,977.03	6,406.49
Variation In Stock		**77.22**	5,424.82

SCHEDULES Forming Part Of The Consolidated Profit and Loss Account

(Rs. in Lacs)

		YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
SCHEDULE "K"			
MANUFACTURING AND OTHER EXPENSES			
RAW MATERIALS CONSUMED			
Opening Stock	**1,413.44**		1,631.25
Less: Cost of Raw Material sold	**29.01**		0.04
dd Purchases	**28,175.79**		18,889.81
	29,560.22		20, 21.02
ess Closing Stock	**2,138.65**		1,413.44
		27,421.57	19,107.58
		27,421.57	19,107.58
LAND & DEVELOPMENT EXPENSES		**242.71**	5,341.40
MANUFACTURING EXPENSES			
Power, Fuel and Water		**2,684.21**	1,767.24
Stores, Spares and Packing Materials		**1,086.69**	849.41
Excise Duty		**(8.73)**	(27.14)
(Refer Note No.14 of schedule "N")			
Jo Work Charges		**39.55**	44.15
Repairs and Maintenance :			
Plant & Machinery		**52.63**	72.13
Buildings		**23.45**	103.27
		3,877.80	2,809.06
EMPLOYEES' REMUNERATION AND BENEFITS			
Salaries, Wages and Perquisites		**4,017.98**	3,770.13
Contribution to Provident and Other Funds		**209.44**	178.41
Staff Welfare & Amenities		**57.43**	51.59
Gratuity		**24.40**	45.98
		4,309.25	4,046.11
SELLING & DISTRIBUTION EXPENSES			
dvertisement, Pu licity and Sales Promotion		**48.87**	31.3
Freight, Handling Charges and Octroi (Net)		**330.37**	237.61
Brokerage, Commission and Discount		**82.59**	80.47
		461.83	349.46
ADMINISTRATION & GENERAL EXPENSES			
Rent		**306.18**	422.38
Rates and Taxes		**44.07**	3 .21
Repair & Maintanance Others		**24.58**	24.38
Insurance		**54.95**	44.78
egal, Professional and Consultancy Charges		**627.48**	431.99
Traveling and Conveyance		**182.49**	198.81
Payment to uditors		**96.30**	97.12
(Refer Note No. 8 of Schedule "N")			
Preliminary and Issue expenses written off		**-**	.33
Provision for Diminution in value of Current Investments		**-**	759.88
Provision for Dou tful de ts		**-**	18.14
oss on Sale of Current Investment(et)		**255.44**	4,395.07
Loss on Equity Derivatives (Net)		**6.62**	186.09
Service Charges on surrender of and		**258.70**	-
Directors' Sitting Fees		**4.87**	4.13
Charity and Donation		**9.24**	13.91
Exchange difference (Net)		**143.59**	722.91
Sundry Balances Written Off (Net)		**11.33**	-
Wealth Tax		**4.25**	.1
Other Expenses		**381.41**	405.12
		2,411.50	7,773.40
		38,724.66	39,427.01

SCHEDULES Forming Part Of The Consolidated Profit and Loss Account

(Rs. in Lacs)

	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
SCHEDULE "L"		
INTEREST & FINANCE CHARGES		
Interest on Fixed oans (et)	**220.52**	299.43
Interest on Others	**10.55**	79.15
Bank Charges	**36.43**	87.26
	267.50	465.84

SCHEDULES forming part of the consolidated accounts

SCHEDULE "M"

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1 **Principles of Consolidation**

The Consolidated Financial Statements relate to Jai Corp td.(the Company), its su sidiary companies and associate companies. The Consolidated Financial Statements have een prepared on the following asis

(i) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard-21(AS-21) "Consolidated Financial Statements".

(ii) In case of foreign subsidiary, being non-integral operations, revenue items are consolidated at the average rate prevailing during the year. ll assets and lia ilities are converted at rates prevailing at the end of the year. ny exchange difference arising on consolidation is recognised in the foreign exchange translation reserve.

(iii) The difference etween the cost of investments in the su sidiaries, over the net assets at the time of acquisition of shares in subsidiaries, or on the date of the financial statement immediately preceeding the date of acquisition in subsidiaries, is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.

The difference etween the proceeds from disposal of investment in a su sidiary and the carrying amount of its assets less lia ilities as of the date of disposal is recognised in the consolidated statement of Profit and Loss Account as the profit or loss on disposal of investment in subsidiary.

(iv) Minority Interest's 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 attri uta le to shareholders of the Company.

(v) Minority Interest in share of net assets of Consolidated Subsidiaries is identified and presented in the consolidated alance sheet separate from lia ilities and the equity of the Company's shareholders.

(vi) In case of associate, where the Company directly or indirectly through su sidiaries holds more than 20% of equity Investments, accounting is done based on equity method in accordance with AS-23 - "Accounting for Investments in Associates in Consolidated Financial Statements".

(vii) The Company accounts for its share in the change in the net assets of the ssociate, post acquisition, after eliminating unrealised profits and losses resulting from transaction between the Company and its Associate to the extent of its share, through its profit and loss account to the extent such change is attributable to the associates' Profit and Loss Account and through its reserves for the balance, based on availa le information.

(viii) The difference etween the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified and separately disclosed in the Financial Statements as Goodwill or Capital Reserve as the case may be.

(ix) The Consolidated Financial Statements have een prepared using uniform accounting policies for like transactions and other events in similar circumstances except mentioned in the ote o.2 of otes on ccounts and are presented to the extent possi le, in the same manner as the company's separate financial statements.

2 Investment other than in subsidiaries and associates have been accounted as per AS-13 on "Accounting For Investments".

3 **Other Significant Accounting Policies**

These are set out under "Significant Accounting Policies" as given in the Standalone Financial Statements of Jai Corp imited and its su sidiaries.

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

NOTES ON ACCOUNTS

1 The audited financial statements of the following subsidiary companies and associate companies as on 31st March, 2010 have een considered in the preparation of Consolidated Financial Statements except in case of Urban Infrastructure Holding Private Limited, which is approved by the management :-

ame of the Company	ature of Interest	Country of Incorporation	Proportion of ownership Interest
Ashoka Realty and Developers Limited	Su sidiary	India	100
Awas Realtors Limited	Su sidiary	India	100
Belle Terre Realty Limited	Su sidiary	Mauritius	100
Dev Realty and Developers Limited	Su sidiary	India	100
Ekdant Realty & Developers Limited	Su sidiary	India	100
Hari Darshan Realty Limited	Su sidiary	India	100
Hill Rock Construction Limited	Su sidiary	India	100
Hind gri Properties imited	Su sidiary	India	100
Iconic Realtors Limited	Su sidiary	India	100
Jai Corp Finance & Holding Limited	Su sidiary	India	100
Jai Infraprojects imited	Su sidiary	India	100
Jai Laxmi Realty and Developers Limited	Su sidiary	India	100
Jai Realty Ventures Limited	Su sidiary	India	100
Krupa and imited	Su sidiary	India	100
Krupa Realtors Limited	Su sidiary	India	100
Multifaced Impex imited	Su sidiary	India	100
Novelty Realty & Developers Limited	Su sidiary	India	100
Oasis Holding FZC	Su sidiary	Sharjah, UAE	75%
Rainbow Infraprojects Limited	Su sidiary	India	100
Rejoice Land Developers Limited	Su sidiary	India	100
Rudradev Developers Limited	Su sidiary	India	100
Sar ags Pty imited	Su sidiary	ustralia	100
Samart Realty and Developers Limited	Su sidiary	India	100
Swar and Developers imited	Su sidiary	India	100
Swastik and Developers imited	Su sidiary	India	100
UI Wealth Advisors Limited	Su sidiary	India	100
Urban Gas Distribution Limited	Su sidiary	India	100
Urban Gas Limited	Su sidiary	India	100
Urban Gas Suppliers Limited	Su sidiary	India	100
Urban Infrastructure Trustees Limited	Su sidiary	India	100
Urban Infrastructure Venture Capital Limited	Su sidiary	India	100
Vasant Bahar Realty Limited	Su sidiary	India	100
Welldone Real Estate Limited	Su sidiary	India	100
Yug Developers imited	Su sidiary	India	100
Searock Developers FZC	ssociate	Sharjah, UAE	0
Urban Communication Infrastructure Private Limited	ssociate	India	26%
Urban Energy Distribution Private Limited	ssociate	India	26%
Urban Energy Generation Private Limited	ssociate	India	26%
Urban Energy Transmission Private Limited	ssociate	India	26%
Urban Infotech Solution Private Limited	ssociate	India	26%
Urban Infrastructure Construction Private Limited	ssociate	India	26%
Urban Infrastructure Holdings Private Limited	ssociate	India	32
Urban Water Supply Private Limited	ssociate	India	26%

SCHEDULES forming part of the consolidated profit and loss account

SCHEDULE "N" (Contd.)

2 In respect of following item ccounting Policy followed y su sidiary company is different than that of the company**:**

Item	Particulars	Amount Cost (Rs. In Lacs)	Proportion to the Cost of Fixed Assets
Depreciation	Sarbags Pty.Ltd. has charged depreciation on Office Equipment @ 7.5% & 33.30% as against Schedule XIV rates followed y the company.	4.38	0.011

3 The deferred tax liability as at 31st March 2010 comprises of the following:

(Rs. In lacs)

		As on 31.03.2010	s on 31.03.2009
(i)	**Deferred Tax Liability**		
	Related to fixed assets	**1,920.67**	1,673.92
(ii)	**Deferred Tax Assets**		
	Disallowance under the Income Tax Act, 1961	**75.87**	60.93
	Deferred Tax Liability (net)	**1,844.80**	1,612.99

4 Employee benefits :- As per Accounting Standard the disclosure of employees' benefits are given below:

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

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

I	**Actuarial assumptions**	**Gratuity (Rs. In Lacs)**	Gratuity (Rs. In Lacs)
	Particulars	**2009-2010**	2008-2009
	Mortality Ta le (IC)	**1994-96 (Ultimate)**	1994-96 (Ultimate)
	Salary growth	**5% to 10%**	to 10
	Discount rate	**7.45% to 8%**	6.9% to 8%

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

II	**Expense recognised in the income statement**		
	Current service cost	**42.76**	29.50
	Interest cost	**6.96**	4.77
	Net actuarial (gains)/losses recognised in the period	**(25.32)**	11.71
	Total	**24.40**	45.98
III	**Movement in present value of defined benefit obligation**		
	Obligation at the beginning of the year	**95.67**	59.94
	Current service cost	**42.76**	29.50
	Interest cost	**6.96**	4.77
	Actuarial (gains)/losses on obligation	**(25.32)**	11.71
	Benefits paid/ provision write back	**(13.99)**	(10.2)
	Obligation at the end of the year	**106.08**	95.67
IV	**Liabilities recognised in the balance sheet**		
	Present value of o ligations at the end of the year	**106.08**	95.67
	ess Fair value of plan assets at the end of the year	**-**	-
	Net liability recognised in the balance sheet	**106.08**	95.67

Amounts for the current and previous period are as follows:

	2009-2010	2008-2009	2007-2008
Defined benefit obligation	**106.08**	95.67	59.94
Experience adjustments on plan liabilities	**(25.32)**	11.71	(7.67)

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

(ii) Defined Contribution Plan :-

		(Rs. In lacs)
	2009-2010	2008-2009
Contribution to Defined Contribution Plan, recognised as expense for the year, are as under		
Employer's Contribution to Provident Fund	**153.28**	123.32
Employer's Contribution to Superannuation Fund	**7.51**	. 0
Employer's Contribution to Pension Scheme	**3.55**	3.91

5 Basic and Diluted Earnings per Share

Net Profit after tax	**9,066.13**	3,357.37
ess djustment of Prior period items	**3.84**	2.24
Less :- Dividend on Preference Shares and tax thereon	**1.75**	1.75
Profit attributable to equity share holders	**9,060.54**	3,3 3.3
Weighted verage o. of equity shares outstanding during the year	**178,449,410**	178,449,410
Basic & Diluted Earning Per Share (Rs.)	**5.08**	1.
Nominal Value per share (Re.)	**1.00**	1.00

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

(A) (I) ist of related parties and relationship

(i) Associates :-
Searock Developers FZC.
Urban Communication Infrastructure Private Limited
Urban Energy Distribution Private Limited
Urban Energy Generation Private Limited
Urban Energy Transmission Private Limited
Urban Infotech Solution Private Limited
Urban Infrastructure Construction Private Limited
Urban Infrastructure Holdings Private Limited
Urban Water Supply Private Limited

(ii) Key Managerial Personnel :-
(a) Shri J. K. Jain
( ) Shri nand Jain
(c) Shri Virendra Jain
(d) Shri S.P. Jain (upto 04.06.2008)
(e) Shri Gaurav Jain
(f) Shri V. S. Pandit
(g) Shri Parag Parekh
(h) Shri Dilip Shukla
(i) Shri Bijay Kumar Saraf
(j) Shri Rajesh Kumar Mundra (upto 20.20.2010)
(k) Shri K.B. Kagzi

(iii) Relatives of Key Managerial Personnel :-
(a) Smt. axmi 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.KJain and Shri Anand Jain
(c) Smt. Sushma Jain Relative of Shri Anand Jain, Shri J.K.Jain and Shri Virendra Jain

(iv) Enterprises over which Key Managerial Personnel and their relatives are able to exercise significant influence:-
(a) Clean Pet
( ) Daman Plastic
(c) Polyfibre Industries Pvt. Ltd.
(d) Polyplast gencies (I) Pvt imited
(e) Poly-Resin Agencies (I) Limited
(f) Polysil Pipes
(g) Puriya Industrial Packaging imited
(h) Resin Distributors Limited
(i) Silvassa Plastics
(j) Suniti Commercials imited
(k) Sunshine Fi re Pvt. imited
(l) Techfa (I) Industries imited
(m) Tufropes Pvt. imited

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

(II) Transactions during the year with related parties

(Rs. In lacs)

Nature of Transaction	Associates	Key Managerial Personnel	Other Related Parties	Relatives of Key managerial person	Total
Preference Share					
(a) Balance as at 31st March, 2010	**-**	**-**	**-**	**150,000.00**	**150,000.00**
	(-)	**(-)**	**(-)**	(1 0,000.00)	(1 0,000.00)
Fixed Assets					
(a) Sold during the year	**-**	**-**	**-**	**-**	**-**
	(-)	**(-)**	(684.20)	**(-)**	(684.20)
( ) Purchased during the year	**-**	**-**	**-**	**-**	**-**
	(-)	**(-)**	(.3)	**(-)**	(.3)
Investments					
(a) Purchased/adjusted during the year	**-**	**-**	**-**	**-**	**-**
	(8,151.45)	**(-)**	**(-)**	**(-)**	(8,151.45)
( ) Balance as at 31st March, 2010	**11,726.41**	**-**	**-**	**-**	**11,726.41**
	(11,786.13)	**(-)**	**(-)**	**(-)**	(11,786.13)
Sundry Debtors as at 31st March, 2010	**-**	**-**	**26.20**	**-**	**26.20**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Loans & Advances	**-**	**-**	**-**	**-**	**-**
(a) Given/adjusted during the year	**-**	**193.39**	**-**	**-**	**193.39**
	(8154.29)	(990.25)	(114.17)	(36.02)	(9294.73)
( ) Returned/adjusted during the year	**929.16**	**0.06**	**-**	**-**	**929.22**
	(8,151.45)	(268.37)	(0.00)	(177.07)	(8,646.89)
(c) Balances as at 31st March, 2010	**9824.43.00**	**950.95**	**222.95**	**-**	**10998.33**
	(10754.29)	(757.62)	(224.17)	**(-)**	(11736.06)
Sundry Creditors as at 31st March, 2010	**-**	**-**	**0.06**	**-**	**0.06**
	(-)	**(-)**	**(-)**	**(-)**	**(-)**
Other Liability as at 31st March, 2010	**-**	**-**	**-**	**-**	**-**
	(-)	**(-)**	(0.14)	**(-)**	(0.14)
Sale & Services					
(a) Sales	**-**	**-**	**253.11**	**-**	**253.11**
	(-)	**(-)**	(557.00)	**(-)**	(557.00)
( ) Services	**-**	**-**	**-**	**-**	**-**
	(-)	**(-)**	(552.74)	**(-)**	(552.74)
Other Income					
(a) Interest received	**-**	**-**	**-**	**-**	**-**
	(-)	**(-)**	(99.38)	**(-)**	(99.38)
( ) Miscellaneous Income	**-**	**-**	**0.11**	**-**	**0.11**
	(-)	**(-)**	(0.44)	**(-)**	(0.44)
Purchase of Goods	**-**	**-**	**0.39**	**-**	**0.39**
	(-)	**(-)**	(106.22)	**(-)**	(106.22)
Discount on Raw Materials	**-**	**-**	**1,153.22**	**-**	**1,153.22**
(Deducted from Purchases)	**(-)**	**(-)**	(1,000.93)	**(-)**	(1,000.93)
Dividend on Preference shares	**-**	**-**	**-**	**1.50**	**1.50**
	(-)	**(-)**	**(-)**	(1. 0)	(1. 0)

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

(Rs. In lacs)

Nature of Transaction	Associates	Key Managerial Personnel	Other Related Parties	Relatives of Key managerial person	Total
Expenditure					
(a) Directors' Remuneration & Perks	**-**	**248.08**	**-**	**-**	**248.08**
	(-)	(244.03)	(-)	(-)	(244.03)
( ) Directors' Sitting Fee	**-**	**1.55**	**-**	**-**	**1.55**
	(-)	(1.00)	(-)	(-)	(1.00)
(c) Jo work Charges	**-**	**-**	**-**	**-**	**-**
	(-)	(-)	(9.89)	(-)	(9.89)
(d) Rent	**-**	**137.10**	**-**	**53.40**	**190.50**
	(-)	(137.10)	(-)	(53.40)	(190.50)
(e) Reimbursement of Expenses	**-**	**-**	**0.04**	**-**	**0.04**
	(-)	(-)	(-)	(-)	(-)
(f) Other Expenses	**-**	**-**	**2.85**	**-**	**2.85**
	(-)	(-)	(2.17)	(-)	(2.17)

ote

Figures in racket represent previous year's amounts.

Significant transactions with related parties:-

i) Fixed ssets sold includes **Rs. Nil** (Previous Year Rs. 684.19 Lacs) to Techfab (I) Industries Limited.

ii) Fixed ssets purchased includes **Rs. Nil** (Previous Year Rs. 58.74 Lacs) from Techfab (I) Industries Limited and **Rs. Nil** (Previous Year Rs. 29.64 Lacs) from Puriya Industrial Packaging Limited.

iii) oans and advances includes shares alloted out of Share pplication Money of **Rs. Nil** (Previous Year Rs. 8,151.45 Lacs) in Urban Infrastructure Holdings Pvt. Limited.

iv) Investments as at 31st March 2010, includes **Rs. 11,674.57 Lacs** (Previous Year Rs. 11,732.28 Lacs) in Urban Infrastructure Holdings Pvt. imited

v) Sundry De tors as at 31st March, 2010 includes **Rs. 26.20 Lacs** (Previous Year Rs. Nil) to Tech Fab (I) Industries imited.

vi) oans and dvances was given **Rs. Nil** (Previous Year Rs. 136.00 Lacs) to Shri Gaurav Jain, **Rs. 190.68 Lacs** (Previous Year Rs. 35.74 Lacs) given to Shri Bijay Kumar Saraf and **Rs. 2.65 Lacs** (Previous Year Rs. 990.25 Lacs) to Shri V. S. Pandit. and **Rs. Nil** (Previous Year Rs. 8154.29 Lacs) to Searock Developers FZC.

vii) oans and dvances return **Rs. Nil** (Previous Year Rs. 136.00 Lacs) by Shri Gaurav Jain and **Rs. Nil Lacs** (Previous Year Rs. 268.37 Lacs) by Shri V. S. Pandit and adjusted Rs. 929.16 lacs (Previous Year Rs. Nil) by Searock Developers FZC.

viii) oans and advances as at 31st March 2010, includes **Rs. 724.53 Lacs** (Previous Year Rs. 721.88 Lacs) from Shri V. S. Pandit, and **Rs. 226.42 Lacs** (Previous Year Rs. 35.74 Lacs) from Shri Bijay Kumar Saraf and Rs.7224.43 Lacs (Previous Year Rs. 8154.29 Lacs) from Searock Developers FZC.

ix) Current ia ilities include **Rs. Nil** (Previous Year Rs. 0.14 Lacs) due to Poly Resin Agencies (I) Limited.

x) Sales includes **Rs. Nil** (Previous Year Rs. 458.61 Lacs) sold to Puriya Industrial Packaging Limited, and **Rs. 245.35 Lacs** (Previous Year Rs. Nil) sold to Techfab (I) Industies Limited.

xi) Services include **Rs. Nil** (Previous Year Rs. 552.74 Lacs) provided to Puriya Industrial Packaging Limited.

xii) Interest received includes **Rs. Nil** (Previous Year Rs. 99.27 Lacs) from Techfab (I) Industries Limited and Rs. **Nil** (Previous Year Rs. 0.11 Lacs) from Puriya Industrial Packaging Limited.

xiii) Miscellaneous Income includes **Rs. Nil** (Previous Year Rs.0.29 Lacs) from Silvassa Plastics, **Rs. 0.11 Lacs** (Previous Year Rs. Nil) from Techfab (I) Industries Ltd. and **Rs. Nil** (Previous Year Rs. 0.12 Lacs) from

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

Polyfibre Industries Pvt. Limited.

xiv) Purchase include **Rs Nil** (Previous Year Rs. 4.88 Lacs) from Puriya Industrial Packaging Limited, **Rs Nil** (Previous Year Rs. 95.36 Lacs) from Sunshine Fibres Pvt. Limited and **Rs. 0.39 Lacs** (Previous Year il) from Polysil Pipes.

xv) Discount on Raw Material includes **Rs. 1,153.22 Lacs** (Previous Year Rs. 1,000.93 Lacs) received from Resin Distributors Limited.

xvi) Dividend on Preference Shares paid includes **Rs. 0.50 Lacs** (Previous Year Rs. 0.50 Lacs) to Smt. Sushma Jain, **Rs. 0.55 Lacs** (Previous Year Rs. 0.55 Lacs) to Smt. Rina Jain and **Rs. 0.45 Lacs** (Previous Year Rs. 0.45 Lacs) to Smt. Laxmi Jain.

xvii) Directors' Remuneration & Perquisites include **Rs. 26.35 Lacs** (Previous Year Rs.26.16 Lacs) paid to Shri Gaurav Jain , **Rs. 21.00 Lacs** (Previous Year Rs. 12.00 Lacs) paid to **Shri** V. S. Pandit, **Rs. Nil** (Previous Year Rs. 4.00 Lacs) paid to Shri Virendra Jain, **Rs. 52.05 Lacs** (Previous Year Rs.46.96 Lacs) paid to Shri Dilip Shukla, **Rs. 148.68 Lacs** (Previous Year Rs. 122.37 Lacs) paid to **Shri** Parag Parekh, **Rs. Nil** (Previous Year Rs. 17.54 Lacs) paid to Shri Atul Pawar and **Rs. Nil** (Previous Year Rs. 15.00 Lacs) paid to Shri L.M.Dhanda.

xviii) Directors' Sitting Fees include **Rs. 0.85 Lacs** (Previous Year Rs.0.30 Lacs) paid to Shri Virendra Jain, **Rs. Nil** (Previous Year Rs.0.05 Lacs) paid to Shri S.P. Jain., **Rs. 0.25 Lacs** (Previous Year Rs. 0.25 Lacs) paid to Shri J.K. Jain, **Rs. 0.20 Lacs** (Previous Year Rs. Nil) to Shri Gaurav Jain and **Rs. 0.25 Lacs** (Previous Year Rs. 0.25 Lacs) paid to Shri Anand Jain.

xix) Jo Work Charges include **Rs. Nil** (Previous Year Rs. 9.89 Lacs) paid to Puriya Industrial Packaging Limited.

xx) Rent Expenditure include **Rs. 66.75 Lacs** (Previous Year Rs. 66.75 Lacs) paid to Shri S.P Jain, **Rs. 70.35 Lacs** (Previous Year Rs. 70.35 Lacs) paid to Shri Anand Jain and **Rs. 53.40 Lacs** (Previous Year Rs. 53.40 Lacs) paid to Smt. Rina Jain.

xxi) Reimbursment of expenses includes **Rs. 0.04 Lacs** (Previous Year Rs. Nil) Paid to Techfab (I) Industries imited.

xxii) Other Expenses includes **Rs. 2.77 Lacs** (Previous Year Rs. 1.44 Lacs) paid to Poly Resin Agencies (I) Limited and **Rs. 0.08 Lacs** (Previous Year Rs. 0.73 Lacs) paid to Resin Distributor Limited.

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

7 Segment information as per Accounting Standard 17 on Segment Reporting for the year ended 31st March 2010.

i) Information a out Primary (Product wise) Segments.

(Rs. in lacs)

Particulars	Steel		Plastic Processing		Spinning		Real Estate		Asset Management		Others		Unallocated		Total	
	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009
Segment Revenue																
External Turnover	**5722.07**	7665.16	**30819.30**	26511.46	**6709.91**	, 13.0	**-**	-	**6,364.00**	6,341.81	**9.73**	. 3	**-**	-	**49625.01**	46040.01
Inter Segment Turnover	**-**	-	**41.98**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Gross Turnover	**5722.07**	7665.16	**30861.28**	26511.46	**6709.91**	13.0	**-**	-	**6364.00**	6341.81	**9.73**	. 3	**-**	-	**49625.01 ***	**46040.01***
Less : Excise duty recovered	**319.16**	76.74	**1786.59**	1855.26	**31.28**	32.67	**-**	-	**519.64**	612.07	**-**	-	**-**	-	**2656.67**	2576.74
et Turnover	**5402.91**	7588.42	**29074.69**	24656.20	**6678.63**	5,480.38	**-**	-	**5844.36**	5729.74	**9.73**	. 3	**-**	-	**46968.34**	43463.27
Results																
Segment Results	**182.38**	112.66	**4144.18**	4661.54	**39.41**	(396.07)	**(163.09)**	(52.37)	**3,457.02**	1,959.01	**765.78**	5.46	**-**	-	**8425.68**	6290.23
Unallocated Corporate Income (et)	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**482.96**	(3422.48)	**482.96**	(3422.48)
Operating Profit/ (Loss)	**182.38**	112.66	**4144.18**	4661.54	**39.41**	(396.07)	**(163.09)**	(52.37)	**3457.02**	1959.01	**765.78**	5.46	**482.96**	(3422.48)	**8908.64**	2867.75
Interest Expenses	**51.43**	201. 3	**14.75**	6.89	**188.12**	255.49	**0.84**	0.86	**12.30**	0.31	**-**	0.01	**0.06**	0.75	**267.50**	465.84
Interest/ Dividend/Rent Income	**395.96**	535.87	**45.29**	22.77	**127.50**	128.56	**0.87**	0.17	**103.83**	60.39	**18.10**	24.14	**2880.28**	3132.96	**3571.83**	3904.86
Provision for Income Tax	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**3088.83**	2462.39	**3088.83**	2462.39
Net Profit/(Loss) after Tax (Before adjustment of Minority Interest & Profit/(Loss) of ssociates)	**526.91**	447.00	**4174.72**	4677.42	**(21.21)**	(23.00)	**(163.06)**	(53.06)	**3548.55**	2019.09	**783.88**	29.59	**274.35**	(2752.66)	**9124.14**	3844.38
Less: Share of Profit/(Loss) transferred to Minority	**-**	-	**-**	-	**-**	-	**(1.74)**	(0.59)	**-**	-	**-**	-	**-**	-	**(1.74)**	(0.59)
Add: Share of Profit/(Loss) in ssociates	**-**	-	**-**	-	**-**	-	**(3.32)**	(3.39)	**-**	-	**-**	-	**(56.42)**	(484.21)	**(59.74)**	(487.60)
Net Profit/(Loss) after Tax (After adjustment of Minority Interest & Profit/(Loss) of Associates)	**526.91**	**447.00**	**4174.72**	**4677.42**	**(21.21)**	**(523.00)**	**(164.64)**	**(55.86)**	**3548.55**	**2019.09**	**783.88**	**29.59**	**217.93**	**(3236.87)**	**9066.14**	**3357.37**
Other Information																
Segment ssets	**3984.92**	9248.61	**25957.92**	22 .01	**5804.30**	5,853.99	**36,612.65**	41,421.24	**2,983.02**	3,849.38	**5,724.23**	268.12	**-**	-	**81067.04**	83529.35
Unallocated Corporate Assets	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**201437.79**	189761.64	**201437.79**	189761.64
Total ssets	**3984.92**	9248.61	**25957.92**	22 .01	**5804.30**	5853.99	**36612.65**	41421.24	**2983.02**	3849.38	**5724.23**	268.12	**201437.79**	189761.64	**282504.83**	273290.99
Segment ia ilities	**1980.69**	2223.30	**970.29**	779.08	**2474.56**	3,048.20	**1,005.81**	1,371.31	**2,627.22**	1,165.91	**9.63**	11.21	**-**	-	**9068.20**	8599.01
Unallocated Corporate Liabilities	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**3595.02**	2392.79	**3595.02**	2392.79
Total ia ilities	**1980.69**	2223.30	**970.29**	779.08	**2474.56**	3048.20	**1005.81**	1371.31	**2627.22**	1165.91	**9.63**	11.21	**3595.02**	2392.79	**12663.22**	10991.80
Capital Expenditure	**18.64**	.00	**1436.08**	1795.08	**22.71**	147.00	**0.03**	20. 1	**3.24**	51.78	**-**	-	**27.30**	(0.68)	**1508.00**	2021.99
Depreciation	**260.40**	273.00	**913.72**	811.40	**393.37**	386.00	**1.73**	1.23	**12.25**	14.19	**-**	-	**64.77**	66.01	**1646.25**	1 1. 3
Non - Cash Expenditure	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	789.00	**-**	789.00

* Gross Turnover is after elimination of inter segment turnover of **Rs. 41.98 Lacs** (Previous Year Rs. Nil Lacs)

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

ii) otes

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

Steel	The Company is manufacturing CR/GP/GC Coils/ Sheets at Steel unit located at anded (Maharashtra)
Plastic Processing	The Company is manufacturing Woven sacks/ Fabrics at packaging units which are mainly located at Mur ad (Maharashtra) , Khadoli, thal (Silvassa) and Daman, Pritampura (Indore)
Spinning	The Company is manufacturing spinning yarn at its units located at Vasona Masat (Silvassa) and Sarigam (Gujarat)
Real Estate	The Real Estate Segment includes development of Land and Buildings.
Asset Management	The sset Management activity Segment includes Investment dvisory Services.
Others	Others include Non Banking Finance Activities, Trusteeship and Infrastructure ctivities
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

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

iii) Secondary Segment Information (Geographical Segments)

(Rs. In Lacs)

	2009-2010	2008-2009
1. Segment Revenue - External Turnover		
- Within India	**49472.44**	45856.56
- Outside India	**152.57**	183.45
Total Revenue	**49625.01**	46040.01
2. Segment ssets		
- Within India	**270943.37**	260271.78
- Outside India	**11561.46**	13019.20
Total ssets	**282504.83**	273290.98
3. Segment ia ility		
- Within India	**11668.16**	10951.04
- Outside India	**995.06**	40.76
Total ia ility	**12663.22**	10991.80
4. Capital Expenditure		
- Within India	**1507.40**	2021.99
- Outside India	**0.60**	-
Total Capital Expenditure	**1508.00**	2021.99

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

8 Auditor's Remuneration

(Rs. In lacs)

	2009-2010	2008-2009
udit Fees	**44.73**	40.69
Tax udit Fees	**9.00**	9.00
Certification Fees	**23.43**	22.75
Fee for Other Services	**18.43**	20.24
Out of Pocket Expenses	**0.71**	4.44
	96.30	97.12

9 Directors' Remuneration

Salary	**245.73**	227.88
Perquisites	**2.35**	16.15
	248.08	244.03

ote s the lia ility for gratuity, ased on acturial valuation, and insurance are previded for Company as a whole, the amount pertaining to the directions are not included a ove.

10 Disclosure of Financial and Derivative instruments

(i) Derivative contracts entered into y the Company and outstanding as on 31st March 2010 for Hedging Foreign Currency :-

Forward Contracts (Forecast transaction)	**-**	480.10
	-	[US $ 10,00,000]

(ii) Unhedged Foreign Currency exposure is as under :-

Paya le	**-**	1.27
Receivable	**8,763.30**	12,537.92
Investment in Foreign ssociates	**10.41**	10.41

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

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

11 Details of Open Interest in Stock Futures -29/04/10 series contract

Name of Stock Future	No. of contracts	Units
State Bank of India 29/04/10 series	6	792

12 The details of Pre-operative expenditure :-

(Rs. In lacs)

Particulars	2009-2010	2008-2009
Employees' Remuneration & Benefits	**6.99**	0.02
Electrical & Others	**7.14**	-
Power, Fuel & Water	**3.11**	5.09
Rates & Taxes	**0.14**	2.62
Legal, Professional & Consultancy	**-**	18.24
Insurance	**0.29**	-

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

(Rs. In lacs)

Particulars	2009-2010	2008-2009
Travelling & Conveyance	**0.12**	0.24
Other Expenses	**1.76**	1.
Bank Charges	**-**	0.1
Consumable & Stores	**3.01**	9.95
Repair & Maintenance	**0.01**	0.01
Total Expenses	**22.57**	37.93
Less :- Misc. Income	**0.03**	0.04
Total	**22.54**	37.89
Add Pre-operative expenses of previous year (net)	**37.89**	-
Less :- Allocated during the year	**60.43**	-
	-	37.89

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

13 Additional Information

		As at 31.03.2010	s at 31.03.2009
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance paid)	**78.34**	599.01
	(Cash outflow is expected on execution of such capital contracts)		
( )	Uncalled Liability on partly paid up share/ debenture (net of advance paid towards unpaid calls)	**186.54**	22,2 . 3
(c)	Contingent ia ilities		
	(i) Claims against the Company not acknowledged as de ts		
	(Disputed lia ility in appeal)		
	Sales Tax	**-**	10.45
	Excise Duty	**110.03**	92.34
	Railway Claims	**95.83**	80.66
		205.86	183.45
	(ii) Bank Guarantees	**962.37**	144.88
	(Bank Guarantees are provided under contractual/legal o ligation. o Cash outlow is pro a le)		

14 Excise duty

		2009-2010	2008-2009
a)	Excise duty shown as a reduction from Turnover	**2,137.03**	1,891.73
)	Excise duty charged to Profit & Loss Account being difference etween closing and opening stock	**(8.73)**	(27.14)

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

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

16 Goodwill on consolidation (net) consist of:-

(Rs. In lacs)

	As at 31.03.2010	s at 31.03.2009
Goodwill on consolidation	**856.14**	856.14
Capital Reserve on consolidation	**349.95**	349.95
Net Goodwill/(Capital Reserve) on consolidation	**506.19**	506.19

17

(i) Oasis Holding FZC, a subsidiary of the Company has made an adavance of Rs. 3,813.51 Lacs (AED 312,00,000) for plot of leasehold land for construction of la our camp. The leasehold land is situated in Dubai, UAE. Management is of the opinion that in the present market condition, the fair value of the plot of land cannot e reasona ly determined and therefore, the impairment amount, if any cannot e reasona ly assessed. The purchase of one of the plots was terminated and the resulting charges of Rs. Rs. 879.84 Lacs (AED 72,00,000) were included in the of remaining plot of land. The consideration is fully paid and the possession of land is expected in due course from the seller.

(ii) Searock Developers FZC, an associate company of the Company, has made payment of Rs. 14,409.75 Lacs (AED117,892,343) for acquiring four islands in 'The World" project in the United Arab Emirates and the project related charges. Consequent to the prevailing economic conditions, the company had opted for cancellation of the project su sequent to the payment of the a ove advances and is negotiating with the seller for the recovery of the advances or alternate investment opportunities. s the seller has not agreed for the cancellation, the company is currently reconsidering its plans on the project. ccordingly management has classified the balances as capital work in progress. The Company's share in above advance is Rs.7,204.87 Lacs .

18 DETAILS OF INVESTMENTS

(Rs. in Lacs)

	QUANTITY (Nos.) AS AT 31.03.2010	S T 31.03.2009	FACE VALUE (Rs. unless otherwise stated)	AS AT 31.03.2010	S T 31.03.2009
(A) LONG TERM INVESTMENTS					
(I) TRADE INVESTMENTS (UNQUOTED)					
ASSOCIATE COMPANIES					
IN EQUITY SHARES-FULLY PAID UP					
Searock Developers FZC	**50**	0	AED 1	**3.70**	7.02
Urban Communications Infrastructure Pvt. Ltd	**4,000**	4,000	10	**1.25**	0. 3
Urban Energy Distribution Pvt. Ltd.	**4,000**	4,000	10	**4.64**	4.53
Urban Energy Generation Pvt. Ltd.	**4,000**	4,000	10	**-**	-
Urban Energy Transmission Pvt. Ltd.	**4,000**	4,000	10	**2.80**	2.86
Urban Infotech Solutions Pvt. Ltd.	**4,000**	4,000	10	**2.85**	2.86
Urban Infrastructure Construction Pvt. Ltd.	**4,000**	4,000	10	**36.60**	35.73
Urban Infrastructure Holdings Pvt. Ltd.	**113,517,714**	13,517,714	10	**10,947.03**	11,004.74
Urban Water Supply Pvt. Ltd.	**4,000**	4,000	10	**-**	0.02
IN DEBENTURES-FULLY PAID UP					
Zero percent Optionally Fully Convertible Debentures of Urban Infrastructure Holdings Pvt. Ltd.	**727,540**	727,540	100	**727.54**	727.54
Total [i]				**11,726.41**	**11,786.13**

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

	QUANTITY (Nos.) AS AT 31.03.2010	S T 31.03.2009	FACE VALUE (Rs. unless otherwise stated)	AS AT 31.03.2010	(Rs. in Lacs) S T 31.03.2009
OTHERS					
IN EQUITY SHARES-FULLY PAID UP					
Mumbai SEZ Ltd.	**126,341,463**	126,341,463	10	**13,219.09**	13,219.09
Rewas Ports Ltd.	**50,000,000**	0,000,000	10	**5,000.00**	,000.00
Spectra Power Distri ution Pvt. td.	**1,800**	1, 00	10	**0.18**	0.1
Urban Assets Reconstruction Pvt. Ltd.	**1,800**	1, 00	10	**0.18**	0.1
Urban Telecom Pvt. Ltd.	**1,800**	1, 00	10	**0.18**	0.1
Greenary Power Generation Pvt. td.	**1,800**	1, 00	10	**0.18**	0.1
IN UNITS- FULLY PAID UP					
HDFC India Real Estate Fund	**99,268**	99,318	1000	**992.68**	993.18
Urban infrastructure Opportunities Fund	**7,618.6**	3,000	100000	**8,557.27**	3,014.95
IN UNITS -PARTLY PAID UP					
Urban Infrastructure Opportunities Fund (Rs. 20,000 paid up each)	**-**	23,093	100000	**-**	5,542.32
Total [ii]				**27,769.76**	**27,770.26**
Total Trade Investments [iii=i+ii]				**39,496.17**	**39,556.39**
(II) OTHER THAN TRADE INVESTMENTS					
a) - UNQUOTED					
IN EQUITY SHARES-FULLY PAID UP					
Applewoods Estate Pvt. Ltd.	**6,700**	6,700	10	**0.67**	0.67
Earnest Tower Pvt. Ltd.	**420,513**	420,513	10	**210.26**	210.26
Gold ricks Infrastructure Pvt. td.	**120,000**	120,000	10	**12.00**	12.00
Miday Multimedia td.	**16,500**	16,500	10	**8.43**	8.43
Neelkanth Realty Pvt. Ltd.	**213,333**	213,333	10	**77.33**	77.33
Neelkanth Rice Lands Pvt. Ltd	**80,000**	0,000	10	**8.00**	.00
irmal Infrastructure Pvt. td.	**100,000**	100,000	10	**10.00**	10.00
Ozone Projects Pvt. Ltd.	**957,133**	957,133	10	**463.91**	463.91
Prestige Estate Projects Ltd.	**8,007**	8,007	10	**0.80**	0. 0
Sterling Urban Infraprojects Pvt. Ltd.	**600,000**	600,000	10	**60.00**	60.00
Sun Infrastructure Pvt. td.	**28,298**	-	10	**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
IN EQUITY SHARES-PARTLY PAID UP					
Nilayami Realtors Pvt. Ltd.	**106,000**	106,000	10	**5.30**	.30
(Rs. 5 paid up each)					
IN UNITS- FULLY PAID UP					
ICMF Index Fund ifty Dividend Plan	**26,745,841**	36,288,358	10	**2,737.78**	3,714.58

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

	QUANTITY (Nos.)		FACE VALUE (Rs. unless otherwise stated)	(Rs. in Lacs)	
	AS AT 31.03.2010	S T 31.03.2009		AS AT 31.03.2010	S T 31.03.2009
Urban Infrastructure Venture Capital Fund - Class B	**20,000**	20,000	100	**20.00**	20.00
IN DEBENTURES FULLY PAID UP					
Zero Percent Fully Compulsorily Convertible De entures of					
Appelwood Estates Pvt. Ltd.	**501**	-	1000	**5.01**	-
Gold ricks Infrastructure Pvt. td.	**128,000**	12 ,000	100	**128.00**	12 .00
Gold ricks Infrastructure Pvt. td. 'Series C'	**150,000**	1 0,000	100	**150.00**	1 0.00
Neelkanth Realty Pvt. Ltd.	**33,600**	33,600	100	**33.60**	33.60
Neelkanth Rice Lands Pvt. Ltd	**11,200**	11,200	1000	**112.00**	112.00
irmal Infrastucture Pvt. td.	**9,000**	9,000	1000	**90.00**	90.00
Sterling Urban Infraprojects Pvt. Ltd.	**160,000**	160,000	100	**160.00**	160.00
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
Redeemable Optionally Fully Convertible De entures of Sun Infrastructures Pvt. td. Series - A	**151,000**	-	1000	**1,510.00**	-
1 . Fully Compulsorily Converti le Debentures of Applewoods Estate Pvt. Ltd.	**277,970**	267,840	100	**277.97**	267.84
Redeemable Non-Convertible Debentures of Citifinancial Consumer Finance India Ltd.	**5,000**	-	100000	**5,000.00**	-
IN DEBENTURES PARTLY PAID UP					
Zero Percent Fully Compulsorily Convertible Debentures of Nilayami Realtors Pvt. Ltd. (Rs. 10 paid up each)	**8,480**	8,480	1000	**0.85**	0.
Redeemable Optionally Fully Convertible De entures of Sun Infrastructures Pvt. td. Series - B (Rs. 586 paid up each)	**23,500**	-	1000	**137.71**	-
IN PREFERENCE SHARES -FULLY PAID UP					
0.01 Compulsory Converti le Preference Shares of Earnest Tower Pvt. Ltd.	**1,742,504**	1,742,504	10	**871.25**	871.25
IN OTHERS					
Investment in griculture and				**0.31**	0.31
b) - QUOTED					
IN EQUITY SHARES - FULLY PAID UP					
ditya Birla uvo td.	**10,000**	10,000	10	**205.30**	20 .30
m uja Cements td.	**5,100,000**	,100,000	2	**2,373.65**	2,373.65
Century Textiles & Industries Ltd.	**25,000**	2 ,000	10	**277.17**	277.17
Dalmiya Cement (Bharat) td.	**286,000**	286,000	2	**1,438.97**	1,438.97
The Federal Bank td.	**270,000**	270,000	10	**910.72**	910.72
Grasim Industries td.	**20,000**	20,000	10	**676.00**	676.00

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

(Rs. in Lacs)

	QUANTITY (Nos.) AS AT 31.03.2010	S T 31.03.2009	FACE VALUE (Rs. unless otherwise stated)	AS AT 31.03.2010	S T 31.03.2009
ICICI Bank td.	**75,000**	75,000	10	**977.91**	977.91
IDEA Cellular Ltd.	**480,600**	480,600	10	**442.37**	442.37
IDFC td.	**200,000**	200,000	10	**401.52**	401.52
India ulls Financial Services td.	**100,000**	100,000	2	**937.49**	937.49
India ulls Securities td.	**100,000**	100,000	2	**27.37**	27.37
Mahanagar Telephone igam td.	**1,014,800**	1,014,800	10	**816.95**	816.95
ational Hydro Power Corporation td.	**253,678**	-	10	**91.32**	-
ational Termal Power Corp. td.	**550,000**	0,000	10	**1,493.23**	1,493.23
Piramal ife Science td.	**2,500**	2, 00	10	**14.07**	14.07
Ranbaxy Laboratories Ltd.	**-**	107,780		**-**	585.69
Reliance Communication Ltd.	**533,100**	33,100		**1,909.87**	1,909.87
Reliance Industries Ltd.	**4,747,012**	2,373,506	10	**64,355.23**	64,355.23
State Bank of India td.	**908,723**	908,723	10	**19,200.35**	19,200.35
kruti City td.	**10**	10	10	**0.04**	0.04
Ajmera Realty & Infra India Ltd.	**1**	-	10	**-**	-
lpine Industries td.	**1**	-	10	**-**	-
Anant Raj Industries Ltd.	**5**		2	**0.01**	0.01
nsal Buildwell td.	**100**	100	10	**0.17**	0.17
Ansal Housing & Construction Ltd.	**100**	100	10	**0.35**	0.3
Ansal Properties & Infrastructure Ltd.	**1**	1		**-**	-
Arihant Foundation & Housing Ltd.	**1**	1	10	**-**	-
shiana Housing td.	**3**	3	10	**-**	-
Asahi Infrastructure & Projects Ltd.	**1**	-	1	**-**	-
sian Hotels td.	**1**	-	10	**-**	-
BL Kashyap & Sons Ltd.	**1**	-		**-**	-
BSEL Infrastructure Reality Ltd.	**10**	10	10	**0.01**	0.01
D.S.Kulkarni Developers td.	**10**	10	10	**0.02**	0.02
D F td.	**1**	1	2	**0.01**	0.01
Diwan Housing and Finance td.	**1**	1	10	**-**	-
DMC International td.	**1**	-		**-**	-
EIH Ltd.	**1**	-	2	**-**	-
EIH Associated Hotels Ltd.	**1**	-	10	**-**	-
Eldeco Housing & Industries Ltd.	**1**	-	10	**-**	-
ERA Infra Engineering Ltd.	**5**		2	**-**	-
Ganesh Housing Corporation td.	**1**	1	10	**-**	-
GIC Housing Finance td.	**1**	1	10	**-**	-
Gruh Finance td .	**1**	1	10	**-**	-
HB Estate Developers Ltd.	**1**	-	10	**-**	-

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

	QUANTITY (Nos.)		FACE VALUE (Rs. unless otherwise stated)	(Rs. in Lacs)	
	AS AT 31.03.2010	S T 31.03.2009		AS AT 31.03.2010	S T 31.03.2009
Hotel eela Venture td.	1	-	2	-	-
Housing Development Finance Corporation td.	1	1	10	0.03	0.03
Hindusthan Construction Company td.	5		1	0.01	0.01
Housing Development & Infrastructure Ltd.	1	1	10	0.01	0.01
Indiabulls Real Estate Ltd.	1	1	2	0.01	0.01
Indo-Asian Projects Ltd.	1	-	10	-	-
IVR Prime Urban Developers Ltd.	1	1	10	-	-
IVRCL Infrastructure & Project Ltd.	1	1	2	-	-
Kadam Constructions td.	5	-	2	-	-
Kamnawala Housing Constructions td.	1	-	10	-	-
Kolte Patil Developers td.	1	-	10	-	-
KSL & Industries Ltd.	11	-	4	0.01	-
anco Infratech td.	10	10	10	-	-
ancor Holdings td.	1	-	2	-	-
IC Housing Finance td.	1	1	10	-	-
Lok Housing & Construction Ltd.	5		10	0.01	0.01
Mahendra ifespace Developers td.	100	100	10	0.89	0.89
Marg td.	1	-	10	-	-
arendra Properties td.	1	-	10	-	-
ila Infrastructure td.	1	-	1	-	-
Omaxe Ltd.	450	450	10	1.40	1.40
Orbit Corporation Ltd.	5		10	0.01	0.01
Brigade Enterprises Ltd.	1	1	10	-	-
The Ruby Mills Ltd.	1	1	10	0.01	0.01
Pantaloon Retail (India) Ltd.	1	1	2	-	-
Parsvnath Developers td.	100	100	10	0.47	0.47
Peninsula and td.	10	10	2	0.01	0.01
Prajay Engineers Syndicate Ltd.	5		10	0.01	0.01
Prime Property Development Corp. td.	1	-		-	-
Provogue (India) td.	5		2	-	-
Purvankara Projects td.	1	1		-	-
Radhe Developers (India) Ltd.	100	100	10	-	-
Regaliaa Realty Ltd.	1	-	10	-	-
Rainbow Foundations Ltd.	1	-	10	-	-
Rajeswari Foundations Ltd.	1	-	10	-	-
SAAG RR Infra Ltd.	1	-	10	-	-
Shopper's Stop td.	1	1	10	0.01	0.01

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

(Rs. in Lacs)

	QUANTITY (Nos.) AS AT 31.03.2010	QUANTITY (Nos.) AS AT 31.03.2009	FACE VALUE (Rs. unless otherwise stated)	AS AT 31.03.2010	AS AT 31.03.2009
Simplex Realty Ltd.	1	-	10	-	-
So ha Developers td.	10	10	10	0.08	0.0
Sunteck Realty Ltd.	5	-	2	0.02	-
Taj GVK Hotels & Resorts Ltd.	1	-	2	-	-
The Phoenix Mills td.	5		2	0.02	0.02
Trent td.	1	1	10	0.01	0.01
Tri huvan Housing td.	1	-		-	-
Unitech Ltd.	200	200	2	0.49	0.49
Vijay Shanti Builders td.	1	-	10	-	-
Vipul td.	5		2	0.01	0.01
Total Other Than Trade Investment [iv]				**109,107.51**	103,912.97
Total Long Term Investment [v=iv+iii]				**148,603.68**	143,469.36
(B) CURRENT INVESTMENTS					
OTHER THAN TRADE INVESTMENT					
a) - QUOTED					
IN CORPORATE BONDS/DEBENTURES					
. Power Grid Corporation td.	40	-	12 0000	510.37	-
8.65% Rural Electrification Corporation Ltd.	50	0	1000000	473.47	473.47
11.2 Power Finance Corporation td.	150	1 0	1000000	1,689.44	1,689.44
11.75% Jai Prakash Associates Ltd.	1,000	-	1000000	10,389.00	-
0 Kesoram Industries td.	100	-	1100000	1,022.22	-
0 HDFC 2011	100	-	1000000	1,038.88	-
0 IC Housing Finance td.	250	-	1000000	2,391.05	-
IN EQUITY SHARES - QUOTED FULLY PAID UP					
Ansal Properties & Infrastructure Ltd.	762,608	762,608		542.60	190.27
Bajaj Holdings & Investment Ltd.	4,500	4,500	10	27.34	13.41
Bombay Dyeing & Mfg.Co. Ltd.	35,200	3 ,200	10	193.85	59.14
Cinemax India td.	7,815	7,815	10	4.98	3.59
Electrotherm (India) Ltd.	2,500	2, 00	10	8.22	2.39
Essar Shipping Ltd.	44,494	44,494	10	17.84	13.10
Pipavav Shipyard td.	32,955	-	10	19.11	-
The Indian Hotels Company td.	194,532	194,532	1	140.85	76.74
State Bank of India Ltd. *	17,248	22,000	10	210.64	234.76
Tata Communication td.	58,700	58,700	10	164.59	304.27
Bajaj uto td.	4,500	4,500	10	28.04	27.83
Bajaj Finserve td.	4,500	4,500		15.05	7.61
b) - UNQUOTED					
IN UNITS					

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

(Rs. in Lacs)

	QUANTITY (Nos.) AS AT 31.03.2010	S T 31.03.2009	FACE VALUE (Rs. unless otherwise stated)	AS AT 31.03.2010	S T 31.03.2009
Birla Sun Life Saving Fund Institutional-Growth	**11,474,452**	43,566,699	10	**1,931.40**	7,160.56
Birla Sun Life Floating Rate Fund-Long Term-Institutional Growth	**9,278,848**	-	10	**1,000.00**	-
Birla Cash Plus Retail - Daily Dividend	**153,572**	97,062	10	**25.14**	15.90
DSP BlackRock Liquidity Fund-Institutional Plan-Growth -	**-**	50,444	1000	-	636.50
DSP BlackRock Cash Manager Fund-Institutional Plan-Growth	**-**	20,263	1000	**-**	219.79
DSP BlackRock Strategic Bond Fund-Institutional Plan-Growth	**-**	119,130	1000	**-**	1,223.
Fidelity Ultra short Term Debt Fund Super Institutional-Growth	**-**	24,127,293	10	**-**	2,607.05
JM Floater Fund-Short Term Plan- Growth Option (74)	**-**	67,404,880	10	**-**	9 ,625.01
JM Money Manager Fund Super Plus Plan-Growth	**101,514,027**	-	10	**12,761.50**	-
ICICI Prudential Institutional Liquid Plan-Super Institutional Growth	**-**	17,388,591	10	**-**	2,2 0.00
ICICI Prudential Flexi le Income Plan Premium-Growth	**650,903**	-	100	**1,096.83**	-
ICICI Prudential iquid Super Institutional Plan-Growth	**815,565**	-	100	**1,108.02**	-
ICICI Prudential iquid Plan	**3,670**	35,657	100	**4.35**	4.23
ICICI Prudential iquid Plan	**3,670**	35,657	100	**4.35**	4.23
ICICI Prudential iquid Plan	**3,670**	35,657	100	**4.35**	4.23
ICICI Prudential iquid Plan	**99,102**	-	100	**99.13**	
L & T Fixed Maturity Plan Series 12-Plan 91 D-Mar-10-I-Growth	**10,000,000**	-	10	**1,000.00**	-
Principal Money Manager fund-Institutional Plan Dividend Payout Monthly	**2,884,449**	-	10	**300.00**	-
Principal Floating Rate Fund - FMP Dividend Reinvestment - Daily	-	7,108,676	-	**-**	985.95
Principl Ultra Short Term Fund Daily Dividend	**2,046,678**	1,968,987	10	**205.09**	197.29
IN OTHERS					
D F Commercial Paper	**1,000**	-	00000	**4,579.61**	
IL & FS Commercial Papers	**-**	00	00000	-	2,303.78
Total Current Investment [vi]				**43,007.31**	30,334.09
TOTAL INVESTMENT [vii=v+vi]				**191,610.99**	173,803.45

SCHEDULES Forming Part Of The Consolidated Accounts

SCHEDULE "N" (Contd.)

1. The Current Investments are net of provision for diminution in value of **Rs. 494.51 Lacs** (Previous year Rs. 944.44 Lacs).
2. * 5,248 Equity Share of State Bank of India Ltd.are pledged as security with the broker.

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

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s per our report of even date

For **Chaturvedi & Shah**
Firm Reg. No. 101720W
Chartered ccountants

R. Koria
Partner

Place: Mum ai

Date : 2 th May, 2010

For S.R. Batliboi & Co.
Firm Reg. No. 301003E
Chartered ccountants

per Vijay Maniar
Partner

For and on ehalf of the Board of Directors

Gaurav Jain
Managing Director

V.S. Pandit
Director (Works)

A. Datta
Company Secretary

Ashok Tak
Vice President-Commercial &
Chief Financial Officer

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NOTICE

NOTICE is hereby given that the Twenty-fifth Annual General Meeting of the Members of Jai Corp Limited will be held on Wednesday the 1st day of September, 2010 at 11:00 am 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 the audited Balance Sheet as at March 31, 2010, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors 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 S.H. Junnarkar, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Dr. P.P. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Shri Virendra Jain, who retires by rotation and being eligible, offers himself for re-appointment.
7. To appoint Messrs Chaturvedi & Shah, Chartered Accountants, and Messrs S.R. Batliboi & Co. Chartered Accountants, the retiring auditors as the joint Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and fix their remuneration.

AS SPECIAL BUSINESS:

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

   RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 and any other laws, rules and regulations (including any amendments thereto or re-enactments thereof for the time being in force) as may be applicable and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions of such statutory and/ or regulatory authorities, including of the Stock Exchanges in terms of the Listing Agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed, as may be applicable, and subject to such conditions and modifications as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the "Board" which term shall include any Committee which the Board of Directors may have constituted or may hereafter constitute for the time being for exercising the powers conferred on the Board of Directors by this Resolution) and pursuant to the provisions for Qualified Institutions Placement ("**QIP**") framed by the Securities and Exchange Board of India ("**SEBI**") under Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any amendment/ modification thereof for the time being in force (the **Regulations**"), whether or not such Qualified Institutional Buyers ("**QIB**") are members of the Company, the consent of the members be and is hereby accorded to the Board to create, offer, issue and allot on private placement basis in one or more placements/ tranches to QIBs as defined in the Regulations equity shares and/ or non convertible debt instruments along with warrants, and/ or convertible securities other than warrants (the "**eligible securities**") at such time or times as the Board may hereafter decide and at a price to be determined by the Board in accordance with the Regulations, provided that the issue of eligible securities as aforesaid shall not result in increase of the issued, subscribed and paid-up capital of the Company by an aggregate amount which is more than 25% (twenty five per cent) of the then post-issue issued, subscribed and paid-up equity share capital of the Company;

   RESOLVED FURTHER THAT in accordance with the Regulations a minimum of 10% of the eligible securities issued pursuant to said regulations shall be allotted to mutual funds. Provided that if the mutual funds do not subscribe to said minimum percentage or any part thereof, such minimum portion or part thereof may be allotted to other QIBs;

   RESOLVED FURTHER THAT in accordance with the Regulations no allotment shall be made either directly or indirectly to any QIB who is a promoter or any person related to the promoters of the Company;

   RESOLVED FURTHER THAT the "relevant date" as per the Regulations for determination of minimum price for the issue of the eligible securities shall, in case of allotment of equity shares, be the date of the meeting in which the Board decides to open the proposed issue, and in case of allotment of eligible convertible securities, be either the

date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares, as may be decided by the Board. Provided that the tenure of the convertible or exchangeable eligible securities issued through the QIP shall not exceed sixty months from the date of allotment and that the eligible securities shall not be sold by the allottee for a period of one year from the date of allotment, except on a recognised stock exchange;

RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint and enter into and execute all such arrangements/ agreements, as the case may be, with any merchant bankers/ advisors/ registrars and all such agencies/ intermediaries as may be required including payment to such agencies/ intermediaries of commission, brokerage, fees, remuneration for their services and expenses incurred in relation to the issue of eligible securities and also to seek listing of such eligible securities on the Stock Exchanges where the Company's shares are listed;

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise the mode and the terms of issue of eligible securities under the QIP and all equity shares allotted under or arising from such QIP will rank pari passu in all respects with the then existing equity shares of the Company;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary or desirable for such purpose with power to the Board to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of eligible securities and utilization of proceeds including but without limitation to the creation, in such form and manner as may be required, of such mortgage/ charge under Section 293(1)(a) of the said Act in respect of the eligible securities either on pari passu basis or otherwise, as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any officers/ authorized representatives of the Company in such manner as it may deem fit to give effect to this resolution."

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

RESOLVED THAT pursuant to the provisions of Section 81 (1A) and all other applicable provisions, if any, of the Companies Act, 1956, and all other applicable laws, rules and regulations (including any amendments thereto or re-enactments thereof for the time being in force) as may be applicable and subject to the provisions in the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, and subject to such approvals, consents, permissions and sanctions of such statutory and/ or regulatory authorities as may be applicable and subject to such conditions and modifications, as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the '**Board**' which term shall include any Committee which the Board of Directors may have constituted or may hereafter constitute for the time being exercising the powers conferred on the Board of Directors by this Resolution), the consent of the members be and is hereby accorded to the Board to create, offer, issue and allot by way of public issue, with or without provision for reservation on firm and/ or competitive basis of such part of the issue and for such categories of persons as may be permitted, in the course of one or more public offerings in domestic market(s), equity shares to all eligible investors, including residents and/ or non-residents and/ or institutions/ banks and/ or incorporated bodies and/ or individuals and/ or trustees and/ or stabilizing agent or otherwise and whether or not such investors are members of the Company, through one or more prospectus and/ or offer document provided that the issue of shares as aforesaid shall not result in increase of the issued, subscribed and paid-up capital of the Company by an aggregate amount which is more than 25% of the then post-issue issued, subscribed and paid-up capital of the Company, such issue and allotment to be made at such time or times in one or more tranche or tranches, at such price or prices, at market price(s) or at a

discount or premium to market price(s), in such manner and where necessary in consultation with the Book Running Lead Managers and/ or Underwriters and/ or other Advisors or otherwise on such terms and conditions, including issue of shares as fully or partly paid, making of calls and manner of appropriation of application money or call money in respect of different class(es) of investor(s) and/ or in respect of different securities as the Board may in its absolute discretion decide at the time of issue of the securities;

RESOLVED FURTHER THAT the Board is also authorised to appoint, and enter into and execute all such arrangements/ agreements with any Merchant Bankers/ Advisors/ Registrars and all such agencies as may be involved including by way of payment of commission, brokerage, fees, expenses incurred in cash or otherwise in relation to the issue of securities and other expenses, if any, or the like;

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise the mode and the terms of issue and allot such number of equity shares as may be necessary in accordance with the terms of issue and all such shares will rank pari passu with the then existing equity shares of the Company in all respects;

RESOLVED FURTHER THAT for the purpose aforesaid, the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of shares and utilization of proceeds, as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any officers/ authorised representatives of the Company in such manner as it may deem fit to give effect to this Resolution."

10. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**

RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 and any other laws, rules and regulations (including any amendments thereto or re-enactments thereof for the time being in force) as may be applicable and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions of such statutory and/ or regulatory authorities, including of the Reserve Bank of India and/ or stock exchanges in terms of the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed, as may be applicable, and subject to such conditions and modifications, as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the 'Board' which term shall include any Committee which the Board of Directors may have constituted or may hereafter constitute for the time being for exercising the powers conferred on the Board of Directors by this Resolution) the consent of the members be and is hereby accorded to the Board to create, offer, issue and allot in international jurisdictions any securities denominated in any freely convertible foreign currency including Global Depositary Receipts (GDRs), American Depositary Receipts (ADRs) convertible into equity shares, preference shares whether cumulative / redeemable / convertible at the option of the Company and / or the option of the holders of the securities and / or securities linked to equity shares / preference shares and / or any other instrument or securities representing convertible securities such as Foreign Currency Convertible Bonds (FCCBs), debentures or warrants convertible or like instruments of a type issued in international jurisdictions in offerings of this nature, whether convertible into or exchangeable with depositary-receipts for underlying equity shares/ equity shares /preference shares, (the "Securities") to be subscribed by foreign/domestic investors/ institutions and/ or corporate bodies/entities including mutual funds, banks, insurance companies and / or individuals or otherwise, whether or not such persons/ entities/ investors are members of the Company, whether in one or more currencies, such issue and allotment to be made at such time or times in one or more tranche or tranches, at par or at such price or prices, and on such terms and conditions and in such manner as the Board may, in Its absolute discretion think fit, in consultation with the lead managers, underwriters, advisors or other intermediaries provided that the issue of Securities as aforesaid shall not result in increase of the issued, subscribed and paid-up capital of the Company by an aggregate amount which is

more than 25% (twenty five per cent) of the then post-issue issued, subscribed and paid-up equity share capital of the Company;

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Securities may have all or any terms or combination of terms including conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever, and all such other terms as are provided in securities offerings of this nature including terms for issue of the Securities or variation of the conversion price of the Securities during the duration of the Securities;

RESOLVED FURTHER THAT the "relevant date" for pricing of the Securities, under the GDR/ ADR/ FCCB or any other mode shall as per the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depositary Receipt Mechanism) Scheme, 1993 for the time being in force, be the date thirty days prior to the date of the holding of the general meeting at which this resolution is considered and approved;

RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint and enter into and execute all such arrangements/ agreements, as the case may be, with lead managers, managers, underwriters, bankers, financial institutions, solicitors, advisors, guarantors, depositories, custodians and other aforesaid intermediaries in such offerings of Securities and to remunerate all such agencies/ intermediaries as may be required including the payment to such agencies/ intermediaries of commission, brokerage, fees, remuneration for their services or the like and expenses incurred in relation to the issue of Securities and also to seek the listing of such Securities on one or more stock exchanges, including international stock exchanges, wherever permissible;

RESOLVED FURTHER THAT the Board be and is hereby authorized to enter into any arrangement with any agency or body for the issue of Securities in registered or bearer form with such features and attributes as are prevalent in capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the domestic and/ or international practice and regulations, and under the norms and practices prevalent in securities markets in overseas jurisdictions;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary or desirable for such purpose with power to the Board to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of proceeds including but without limitation to the creation of such mortgage/ charge under Section 293(1)(a) of the said Act in respect of the aforesaid Securities either on pari passu basis or otherwise, as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any officers/ authorized representatives of the Company in such manner as it may deem fit to give effect to this resolution."

By Order of the Board of Directors

Mumbai,
25th May, 2010.

A. Datta
Company Secretary

NOTES :

1. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.** 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 time of holding the aforesaid meeting. Corporate Members are requested to send a certified copy of Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
3. The Register of Members and Share Transfer Books will remain closed from Tuesday, the 17th day of August, 2010 to Wednesday, the 1st day of September , 2010 (both da ys 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 16th August , 2010.

5. Un-paid/ un-claimed dividend for the financial years 2007-08 and 2008-09 will be transferred to the Investor Education and Protection Fund on or after 01st October, 2015 and 29th October, 2016 respectively pursuant to the provisions of Section 205A of the Companies Act, 1956. The members who have not en-cashed their dividend warrant/s are requested to immediately make their claims to the Company's Registrar and Transfer Agent, Messrs Karvy Computershare Private Limited. It may be noted that once the un-paid dividend is transferred to the aforesaid Fund, no claim shall lie with the Company and/ or the Fund in respect of such amount.

6. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company's Registrar and 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 certificates will be returned to the Member/s after making requisite changes thereon.

7. 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 India 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.

8. Consequent upon the introduction of Section 109A of the Companies Act, 1956 shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations in respect of shares held by them in physical form are requested to send the necessary particulars in Form 2B (available on request) to the Company 's Registrar and Transfer Agent, Messrs Karvy Computershare Private Limited.

9. Re-appointment of Directors: At the ensuing Annual General Meeting, Shri S.H. Junnarkar, Dr. P.P. Shah and Shri Virendra Jain retire by rotation and being eligible offer themselves for re-appointment. The details pertaining to these Directors required to be provided pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges are furnished in the statement on Corporate Governance provided elsewhere in the Annual Report.

By Order of the Board of Directors

Mumbai, **A. Datta**
25th May, 2010. **Company Secretary**

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item Nos. 8, 9 and 10:

The Company, in order to enhance its global competitiveness and increase the ability to compete with peer groups in domestic and international markets, needs to strengthen its financial position by augmenting long-term resources. To achieve significant competitive advantages, through easy access to large amounts of domestic and international capital, with extended maturities at optimal costs, the Company may need to issue securities in domestic and/ or international markets as contemplated in the resolutions and as may be decided by the Board and found to be expedient and in the interest of the Company. The Company may raise funds by one or more sources, including, Qualified Institutional Placements, public issues and offering of securities in international markets.

(a) Qualified Institutional Placements:

The Company proposes to raise capital by way of issue of equity shares and/ or non convertible debt instruments along with warrants, and/ or convertible securities other than warrants as specified in the resolution to Qualified Institutional Buyers in accordance Chapter VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

Enabling approval of the shareholders was obtained at the 24th Annual General Meeting held on 23rd September, 2009. However, due to prevailing market sentiments it was not possible to make any such placement and the said approval would lapse shortly. Approval of the shareholders is again being sought for issuing securities as stated in the resolution at Item No. 8 which may result in issuance of further equity shares of the Company in accordance with the terms and nature of the securities. The Board, in consultation with its Merchant Bankers and other advisors, will decide on the timing of such issue and finalise the placement document which inter alia shall be placed on the website of Bombay

Stock Exchange Limited and/ or National Stock Exchange of India Limited. The pricing of the securities that may be offered to Qualified Institutional Buyers pursuant to SEBI Guidelines for Qualified Institutions Placement shall not be less than at a price to be determined in accordance with applicable provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

The final pricing of one or more such placements of securities to Qualified Institutional Buyers shall be determined by the Board in consultation with the Merchant Bankers. However, the aggregate size of the proposed issue of securities shall not exceed 25% of the post-issue paid-up capital of the Company.

(b) Public Issue

The Board may consider raising capital by way of a follow-on public issue of Equity Shares and/ or other securities convertible into Equity Shares as specified in the resolution. The aggregate size of the proposed follow-on public issue of securities shall not exceed 25% of the post issue issued, subscribed and paid-up capital of the Company. The approval of the shareholders for such issue had been obtained at the 24th Annual General Meeting held on 23rd September, 2009. Although such approval is presently subsisting, in view of passage of time, it is considered desirable to seek fresh enabling approval of the shareholders as a matter of good corporate governance.

(c) Issue of Securities in the International Markets

Further, the Board may also consider raising funds by way of ADR/ GDR/ FCCB and / or such other securities as may be permitted to be listed in international markets. The proposed issue of Securities may be made in one or more tranches, in the international market in one or more currency, such that the Securities to be issued shall not exceed 25% of the post issued paid-up capital of the Company. The approval of the shareholders for such issue had been obtained at the 24th Annual General Meeting held on 23rd September, 2009. Although such approval is presently subsisting, in view of passage of time, it is considered desirable to seek fresh enabling approval of the shareholders as a matter of good corporate governance.

For reasons aforesaid, in each of all the above three cases a separate enabling resolution is proposed to give adequate flexibility and discretion to the Board to finalise the timing, pricing and terms of the respective issues, if it decides to implement the same.

The Board of Directors accordingly recommend the Special Resolutions set out at Item Nos. 8, 9 and 10 of the accompanying Notice for approval of the Members.

None of the Directors is, in anyway, concerned or interested in this resolution except as a member of the Company.

By Order of the Board of Directors

Mumbai,
25th May, 2010.

A. Datta
Company Secretary

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Jai Corp Limited

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

ATTENDANCE SLIP

25TH ANNUAL GENERAL MEETING, SEPTEMBER 01, 2010

I hereby record my presence at the **TWENTY-FIFTH ANNUAL GENERAL MEETING** of the Company held at A-3, M.I.D.C. Industrial Area, Nanded - 431 603, Maharashtra on Wednesday, the 1st day of September, 2010 at 11.00 a.m.

D.P. ID No.		Folio No.	
Client ID No.		No. of Shares held	

Signature

Full name of the Shareholder/ Proxy (in block letters)

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

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

FORM OF PROXY

D.P. ID No.		Folio No.	
Client ID No.		No. of Shares held	

I/We..... of .....
.....
..... in the district of .....being a members of the above named Company, hereby appoint .....of .....in the district of .....or failing him.....of..... in the district of .....as my/our proxy to vote for me/us and on my/our behalf at the **TWENTY-FIFTH ANNUAL GENERAL MEETING** of the Company held at A-3, M.I.D.C. Industrial Area, Nanded - 431 603, Maharashtra on Wednesday, the 1st day of September, 2010 at 11.00 a.m. or at any adjournment(s) thereof.

Affix Revenue Stamp

Signed this _____ day of _____ 2010

Signature _____

Note: 1. A Proxy need not be a member.

2. The Proxy in order to be effective should be duly stamped, completed, signed and must be deposited at the Registered Office of the Company not later than 48 hours before the time of the meeting.

Jai Corp LIMITED

Corporate Office:
12 B, Mittal Tower, Nariman Point, Mumbai - 400021 India
Tel : +91-22-6115 5300 Fax : +91-22-22875197

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

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