

# **Jaybharat**

**TEXTILES AND REAL ESTATE LTD.**  
(Formerly Known as : **JAYBHARAT SAREES LTD.**)

**23rd ANNUAL REPORT**  
**2007-2008**

# JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

## BOARD OF DIRECTORS

Shri Saurabh Kumar Tayal – *Chairman*  
Shri Mahendra Kumar Agarwal- *Managing Director*  
Shri Rajshekhar S. Ganiger  
Shri Farinda Bihari Rai  
Shri Harinder Kumar  
Shri Surendra Ambalal Dave

## BANKERS

IOB, Allahabad Bank, UCO Bank  
OBC, Bank of Maharashtra

## AUDITORS

M/s Sanjay & Vijay Associates  
Chartered Accountants

## REGISTERED OFFICE

Village Salvav , Taluka Pardi  
Near Vapi , Valsad Gujarat 396 191

## CORPORATE OFFICE

Raghuvanshi Mills Compound  
11/12 Senapati Bapat Marg  
Lower Parel (W)  
Mumbai 400013.

## PLANTS

Bhilad, Gujarat  
Pulgaon, Maharashtra.

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**ANNUAL GENERAL MEETING** : on 9<sup>th</sup> August at 12.00 A.M  
at Village Salvav , Taluka Pardi, Vapi , Dist Valsad, Gujarat 396 191.

# JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

## NOTICE

NOTICE IS HEREBY GIVEN that the 23<sup>rd</sup> Annual General Meeting of the Members of JAYBHARAT TEXTILES AND REAL ESTATE LIMITED will be held at the Registered Office of the Company i.e. Village Salvav, Taluka Pardi, Near Vapi, Dist Valsad – 396191 at 12.00 A.M on Saturday the 9<sup>th</sup> August, 2008 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Company's Balance Sheet as at 31<sup>st</sup> March 2008 and Profit and Loss Account for the year ended on that date and Reports of Directors and Auditors thereon.
2. To declare dividend for the year 2007-08.
3. To appoint a Director in place of Shri Harinder Kumar, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To re-appoint M/s. Sanjay & Vijay Associates, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix the Auditors' remuneration.

### SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Resolutions as Ordinary Resolution:

#### Item No. 5

**"RESOLVED THAT** in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any Statutory modification(s) or re-enactment thereof, Shri Surendra Ambalal Dave, who was appointed as an Additional Director pursuant to provisions of Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

#### Item No. 6

**"RESOLVED THAT** pursuant to the provisions of Section 269, 309, 310 and Schedule XIII and other applicable provisions of the Companies Act, 1956 and other Statutes the decision of Board of Directors of the Company appointing Shri Mahendra Kumar Agarwal as Managing Director of the Company w.e.f. 17<sup>th</sup> January, 2008 on terms and conditions and at remuneration as set out hereunder for a period of 5 years be and is hereby ratified.

<i>Particulars</i>	<b>From 17<sup>th</sup> January 2008</b>
Salary	Rs. 50,000/- per month or Rs. 6,00,000/- per annum
Commission on Net Profit	Upto 1% of the Net Profits as Calculated u/s 349/350 of the Companies Act 1956
Maximum	Rs 12,00,000 per annum

**RESOLVED FURTHER THAT** for the purpose of the giving effect to the above Resolution the Board of the Directors of the Company be and is hereby authorized to take the such steps and to do all such acts, deeds, matters and things as are required under the Law."

#### NOTES :

1. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Special Business under item no. 5 & 6 is annexed hereto and forms an integral part of this notice.
2. A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON (WHETHER A SHAREHOLDER OR NOT) AS HIS/HER PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING AND SHALL BE ENTITLED TO VOTE ONLY UPON A POLL.

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3. The instrument(s) appointing the Proxy, if any, shall be delivered at the Registered Office of the Company not less than forty eight (48) hours before the commencement of the Meeting and the instrument of proxy shall be treated as invalid in case of default.
4. The Register of Members and Share Transfer Register of the Company will remain closed from 6<sup>th</sup> August to 9<sup>th</sup> August (both days inclusive) to comply with Annual Book Closure requirements.
5. The Dividend after declaration, will be paid to those Share holders whose names stand on Register of Members on 9<sup>th</sup> August, 2008. The Dividend in respect of shares held in the Electronic form will be paid to the beneficial owners of Shares whose names appear in the list furnished by the Depositories for this purpose as on 5<sup>th</sup> August 2008.
6. Members desiring any information with regard to accounts or operations are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
7. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio. Members are requested to immediately notify any change in their registered address specifying full address with Pin Code Number and quoting their registered Folio No. to the Company.
8. All documents and agreements referred to in the Notice and Explanatory statement are open for inspection at the Registered Office of the Company on all working days, except holidays, between 10.00 A.M and 1.00 P.M. up to the date of Annual General Meeting

For and on Behalf of the Board of Directors

Place : Mumbai  
Date : 12<sup>th</sup> June 2008

**Saurabh Kumar Tayal**  
Chairman

## JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

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

#### ITEM NO. 5 :

Shri Surendra Ambalal Dave was appointed as an Additional Director by the Board on 12th June, 2008 under Section 260 of the Companies Act, 1956. He holds office till the conclusion of this Annual General Meeting. The Company has received a Notice along with the requisite deposit amount from a member, under Section 257 of the Act, signifying his intention to propose the candidature of Shri Surendra Ambalal Dave for the office of the Director of the Company.

Shri Surendra Ambalal Dave is Ph. D. in Economics and Ex-Chairman SEBI & UTI.

#### ITEM NO. 6 :

The Board of Directors appointed Shri Mahendra Kumar Agarwal as Managing Director of the Company in the Board Meeting held on 17th January, 2008 for a period of five years. On the following terms:

Salary	Rs. 50,000/- per month or Rs. 6,00,000/- per annum
Commission on Net Profit	Not exceeding 1% of the Net Profits as Calculated u/s 349/350 of the Companies Act 1956
Maximum	Rs 12,00,000 per annum

The Board recommends for passing of the proposed resolution by the members of the Company

*None of the Directors except Shri Mahendra Kumar Agarwal is interested and are concerned in the proposed resolutions.*

The Board recommends the passing of this resolution. None of the Directors is interested in the resolution.

For and on Behalf of the Board of Directors

Place : Mumbai  
Date : 12th June, 2008

**SAURABH TAYAL**  
Chairman

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the 23rd Annual Report and the Audited Statements of Accounts of your Company for the financial year ended 31st March 2008.

**FINANCIAL RESULTS**

	<b>2007-2008</b>	<b>(Rs. in Lacs)</b> 2006-2007
Sales	42439.66	24985.12
Profit before Depreciation, Interest and Tax	6520.89	5119.03
Interest & Finance Charges	871.50	4.28
Depreciation	1480.32	965.12
Provision for Tax & Deferred Tax	906.30	974.50
Net Profit (Loss)	3262.77	3175.53
Profit / (Loss) brought forward from Previous Year	3950.00	2447.75
Profit / (Loss) carried to Balance Sheet	6615.57	5226.12

Note : Previous year figures have been regrouped / rearranged wherever necessary

**DIVIDEND**

The Directors are pleased to recommend a dividend of 10% on the Paid up Equity Share Capital of the Company.

**OPERATIONS**

The Company has achieved a Sales Turnover of Rs.42439.66 Lacs in Financial Year 2007- 08 as against Rs. 24985.12 Lacs in Financial Year 2006-07, registering an increase by 69.86% over the last year. Cash accruals have increased to Rs. 5167.03 Lacs in Financial Year 2007- 08 as against Rs. 4641.16. in Financial Year 2006-07. The Net Profits have gone up to Rs.3262.77 Lacs in Financial Year 2007- 08 from Rs. 3175.53 Lacs in Financial Year 2006-07.

The Company's green filed project of spinning and processing set up at Pulgaon, Wardha Dist. Maharashtra at a capital cost of Rs290 Crores has already commenced commercial production. The full impact of this project would be reflected in the current year operation. Further Company through it's 100% subsidiary Real Time Properties Limited has entered into real estate business. The project at Vapi comprising of Shopping Mall, Office Complex, Multiplex, Food Courts and Luxury Hotel.

**DIRECTORS**

Shri Anil Kumar Dubey and Shri Chandrashekhar R. Pandey resigned from the Directorship of the Company on 30th April, 2007. Shri Gaurav Agarwal resigned as Director as well as Managing Director of the Company on 17th January, 2008. Shri Subhash Chandra Nigam and Shri Romil Agarwal resigned as Directors on 15th May, 2008. Shri Praveen Sharma resigned as Director on 12th June 2008. Your Directors place on record their appreciation of the services rendered by the Directors concerned during their tenure as Directors of the Company.

Shri Harinder Kumar, Director, retire by rotation and, being eligible, offer himself for re-appointment.

Shri Surendra Ambalal Dave was appointed as an Additional Director of the Company on 12th June, 2008.

Shri Mahendra Kumar Agarwal, Director of the Company was appointed as managing Director of the Company w.e.f. 17th January, 2008.

**PARTICULARS OF EMPLOYEES**

There were no employees drawing remuneration of Rs.24,00,000/- or more per annum employed throughout the year or Rs.2,00,000/- or more, per month employed for a part of the year.

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

## JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

- (i) that in the preparation of the annual accounts for the financial year ended 31st March 2007, the applicable Accounting Standards had been followed along with proper explanation relating to material departures except AS-15 applicable to accounting treatment for gratuity and leave encashment which are accounted on cash basis;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit or Loss of the Company for the year under review;
- (iii) that the Directors had taken proper and sufficient care 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 frauds and other irregularities;
- (iv) that the Directors had prepared the accounts for the financial year ended 31st March 2007 on a going concern basis.

### **FIXED DEPOSITS:**

The Company has not invited/received any fixed deposits from the public during the year under Report.

### **INSURANCE:**

The properties, stock, assets of your Company are adequately insured.

### **ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the Annexure forming part of this Report.

### **LISTING AGREEMENT**

Your Company is committed to the adoption of good Corporate Governance practices in letter and spirit. Under the revised Clause 49 of the Listing Agreement, your Directors are pleased to inform that Company has implemented all the mandatory stipulations prescribed under Clause 49. A Certificate from a Practicing Company Secretary in line with Clause 49 is annexed to and forms part of the Director's Report.

### **AUDITOR'S REPORT**

The remarks made by the Auditors in their Report have been suitably dealt within the schedules and notes and therefore, do not call for any further clarification.

### **AUDITORS**

M/s. Sanjay & Vijay Associates, Chartered Accountants, the Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

### **EMPLOYEE RELATIONS**

The management employee relations continue to be cordial the Board is committed to strengthen the same and to work towards ensuring health, safety, welfare and a healthy working environment for its employees.

### **ACKNOWLEDGEMENT**

Your Directors place on record their appreciation of the assistance and support extended by Banks, Consultants, Solicitors, Shareholders and Employees of the Company.

For and on Behalf of the Board of Directors

Place : Mumbai  
Date : 12th June, 2008

**SAURABH KUMAR TAYAL**  
Chairman

**ANNEXURE TO THE DIRECTORS' REPORT:**

Information as per Section 217(1)(e), of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year 2007 - 2008

**I. CONSERVATION OF ENERGY**

**a) Energy conservation measures taken :**

The Company has been making concerted efforts for enhancement in capacity utilisation, cost competitiveness and quality through systematic process monitoring and adherence to technological norms. Sophisticated instruments are used for regulation and adjustment as per parameters. Efforts are also made for upgradation of the quality of the Plant Operation. Utilities are being combined for effective energy conservation.

**b) Additional Investments and Proposals being implemented for reduction of consumption of energy :**

The Company, as a matter of policy, has a regular and ongoing programme for investments in energy saving devices. Studies are being made to reduce energy consumption and make suitable investments in this area, if necessary.

**c) Impact of the measures (a) & (b) above for reduction of energy consumption and consequential impact on the cost of production of goods:**

The Company has economized considerably the cost of power despite steep hike in the tariffs and is constantly exploring avenues for cost saving as an on-going process.

**d) TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION AS PER FORM A OF THE RULES IN RESPECT OF INDUSTRIES SPECIFIED IN THE SCHEDULE THEREOF**

	Year ended 31.03.2008	Year ended 31.03.2007
<b>A. Power and Fuel Consumption in respect of :</b>		
<b>1. Electricity</b>		
(a) Purchased		
1. Units (KWH in Lacs)	66.99	50.01
2. Total amount (Rs. in lacs)	405.23	310.55
3. Rate per unit (Rs./unit)	6.05	6.21
(b) Own Generation (Through Diesel Generator/Furnace Oil)		
1. Units (KWH in Lacs)	303.26	245.06
2. Units per litre of fuel	3.12	3.90
3. Cost per unit (Rs/unit)	6.19	6.03
2. Coal	—	—
3. Furnace Oil	—	—
Others/Internal Generation	—	—
<b>B. Consumption per unit of production</b> (Product : Yarn & Fabric)		
1. Electricity (KWH/Tonne)	1100.68	1359.90
2. Coal (Kgs.)		
3. Furnace Oil (Ltrs.)		
4. Steam (Tonnes)		

Note : Since the Company manufactures different qualities of fabrics/yarns with product-mix changing significantly, there are no specific norms for per unit of production.

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## II. TECHNOLOGY ABSORPTION

EFFORTS MADE IN TECHNOLOGY ABSORPTION AS PER FORM B OF THE ANNEXURE TO THE RULES.

### 1. Research and Development: (R & D)

- |   |   |
|---|---|
| a) Specified areas in which R & D Activities are carried out by the Company | R & D activities are being carried out continuously to produce better quality of yarn and fabrics.  |
| b) Benefits derived as a result of the above                                | With the help of R & D activities, the Company has been able to produce quality yarn and fabrics of international standards.                                      |
| c) Future Plan of Action  | Efforts aimed at cost reduction, improvement in quality of existing products and development of new process will continue.  |
| d) Expenditure on R & D   | Expenditure on R & D is being booked under the respective heads of expenditure in the Profit & Loss Account as no separate account is maintained for the purpose. |
| e) Technology Absorption, Adaption And Innovation                           | The Company has not utilised any imported technology.   |

## III. FOREIGN EXCHANGE EARNINGS AND OUTGO :

- |  |   |                         |
|--|---|-------------------------|
| a) Activities relating to export Markets for products and services and export plan | The Company has set up an Export Division for export of premium quality yarns and garments. |                         |
|  | Year ended<br>31.03.2007  | Year ended<br>31.3.2006 |
| b) Foreign Exchange Outgo (Rs. in Lacs)  | Nil   | Nil                     |
| c) Foreign Exchange earned (Rs. in Lacs)   | Nil   | Nil                     |

For and on Behalf of the Board of Directors

Place : Mumbai  
Date : 12th June, 2008

**SAURABH KUMAR TAYAL**  
Chairman

## CORPORATE GOVERNANCE REPORT

The Company's Shares are listed on the Bombay Stock Exchange Limited in India. As required by clause 49 of the Listing Agreement with the Stock Exchanges, a Report on Corporate Governance in accordance with the SEBI prescribed format is given below:

### 1. Company's Philosophy on Code of Governance

The main goal of Corporate Governance is maximization of shareholder's value and protection of the interests of all the stakeholders. It includes the policies and procedures adopted by the Company in achieving its objectives in relation to its shareholders, employees, customers, suppliers, regulatory authorities and society at large.

The Company has ensured that the Directors of the Company are subject to their duties, obligations and responsibilities in the best interests of the Company, to give direction and remain accountable to their shareholders and other beneficiaries for their actions. The responsibilities of the Board includes setting out the company's strategic aims, providing the leadership to put them into effect, supervision of the management of the business and reporting to the shareholders on their stewardship.

It is a recognized philosophy of the Company that effective and good Corporate Governance is a must, not only in order to gain credibility and trust, but also as a part of strategic management for the survival, consolidation and growth. The Company remains committed to imbibe the principles of Corporate Governance in its functioning in true letter and spirit.

### 2. Board of Directors

2.1 The Board of director consists of professional drawn from diverse the majorities of directors Board including the Chairman are non executive directors

During the year 2007-2008, the Board met 5 times on the following dates namely 30th April 2007, 12th July 2007, 23rd July 2007, 24th October 2007 and 17th January 2008.

The maximum time-gap between any two meetings was not more than Four calendar months.

The following table gives details of Directors, attendance of Directors at the Board Meetings and at the last Annual General Meeting, number of membership held by Directors in the Board / Committees of various companies :-

Name	Category	Attendance Particulars		Number of other directorships and Total Committee member/Chairmanships		
		Board Meetings	Last AGM	Other Directorship Indian Public Limited Companies	Committee Membership	Committee Chairmanships
Shri Saurabh Kumar Tayal	NEC	5	Yes	7	2	1
Shri Mahendra Kumar Aggarwal (Appointed as Managing Director w.e.f. 17/01/2008)	MD	5	Yes	2	Nil	Nil
Shri Guarav Aggarwal (Resigned from the post of Director and Managing Director w.e.f. 17/01/2008)	MD	4	Yes	Nil	Nil	Nil
Shri Rajshekhar S. Ganiger	ID	5	Yes	1	3	1
Shri Subhash C. Nigam*	ID	4	Yes	1	1	Nil
Shri Farindra Bihari Rai	ID	5	Yes	4	3	Nil
Shri Pravin Sharma**	ID	5	Yes	1	3	Nil
Shri Romil Agarwal *	ID	5	Yes	5	2	1
Shri Harinder Kumar	ID	5	Yes	9	2	1
Shri Anil Kumar Dubey*** (Resigned as Director w.e.f. 30/04/2007)	ID	0	No	Nil	Nil	Nil

## JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

Shri Chandrashekhhar Pandey*** (Resigned as Director w.e.f. 30/04/2007)	ID	0	No	1	Nil	Nil
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\* Resigned as on 15th May 2008.

\*\* Resigned as on 12th June, 2008.

\*\*\* Committee position as Member is as on the date of Resignation

NEC = Non-Executive Chairman, MD = Managing Director, ID = Independent Director.

None of the Directors is a member in more than ten committees and acts as a Chairman in more than five committees across all companies in which he is a Director.

### 2.2 Appointment and Re-appointment of Directors

As required under Clause 49(VI) of the Listing Agreement the brief details of the directors seeking re- appointment at the ensuing Annual General Meeting are furnished hereunder :-

Sl No	Name of Director	Brief Resume	Area of Expertise	Other Directorships	Other Committee Memberships
1.	Shri Harinder Kumar	Chartered Accountant with more than 5 years experience in commercial, operations including Import and Export operations.	Finance & Accounts, Taxation	9	5
2.	Shri Surendra Ambalal Dave	Ph. D. (Economics) Chairman UTI (1990-1996) Chairman SEBI (1988-1990) Executive Director IDBI (1978-1988) Chairman Centre for Monitoring Indian Economy	Management, Security Laws, Administration, Finance & Planning etc.	12	10

### 2.3 Non-Executive Directors Compensation Disclosures

Details of Sitting Fees paid to Non-Executive Directors of the Company during the year is as follows:

Name of Director	Category	Attendance Particulars Board Meetings	Sitting Fees Paid
Shri Rajshekhar S. Ganiger	ID	5	10000/-
Shri Farindra Bihari Rai	ID	5	10000/-
Shri Pravin Sharma	ID	5	10000/-
Shri Subhash C. Nigam	ID	4	8000/-
Shri Romil Agarwal	ID	5	10000/-
Shri Harinder Kumar	ID	5	10000/-
Shri Mahendra Kumar Agarwal	ID	4	8000/-
	Total Rs.		66000/-

### 3. Audit Committee

#### 3.1. Brief description and terms of reference

The Terms of reference of the Audit Committee are as follows:

1. Oversight of the Company's financial reporting process and disclosure of financial information.
2. Reviewing with the management Annual and Quarterly Financial Statements before submission to the board for approval.
3. Reviewing the adequacy of Internal Control Systems and reporting by Internal Auditors.

4. Discussion with the Statutory Auditors before the Audit Commences as well as post Audit discussion to ascertain any area of concern.
5. Management Discussion and Analysis of financial Conditions and Results of Operations.
6. Any other function as may be assigned by the Board.

The Audit Committee also has authority to investigate into any matter in relation to the items specified in Section 292A of the Companies Act, 1956 or referred to it by the Board and for this purpose has full access to information contained in the records of the company and external professional advice, if necessary. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board.

**3.2 Composition, name of members and Chairman**

The Audit Committee comprised of Mr. Rajshekhar S Ganiger, as Chairman of the Committee, with Mr. Anil Kumar Dubey, Mr. Subhash C Nigam and Mr. Romil Aggarwal as members of the Committee. Shri Anil Kumar Dubey resigned as Director on the Board of the Company w.e.f 30/04/2007 and hence ceases to be member of the Audit Committee w.e.f 30/04/2007. The Audit Committee re-constituted as on 17/01/2008 and Shri Harinder Kumar, Shri Rajshekhar Ganiger and Shri Farindra Bihari Rai were appointed as member of the Committee.

**3.3 Attendance**

During the year 2007-2008, the Audit Committee met 4 times on the following dates namely 30th April 2007, 12th July 2007, 24th October 2007 and 17th January 2008.

Name of Member	Designation	Attendance
Shri Harinder Kumar	Chairman	1
Shri Fairindra Bihari Rai	Member	1
Shri Rajshekhar Ganiger	Member	4
Shri Subhash Chandra Nigam*	Member	3
Shri Romil Agarwal*	Member	3

\* Resigned w.e.f. 15th May, 2008

**4. Remuneration Committee**

The Remuneration Committee of the Board has been reconstituted as on 30/04/2007. The Remuneration Committee comprises of Shri Harinder Kumar as Chairman of the Committee with Shri Rajshekhar Ganiger as members and Shri Farindra Bihari Rai as members of the Committee.

**4.1 Terms of Reference**

The terms of reference of the Audit Committee Inter alia consist of reviewing the overall compensation policy, service agreements and other employment conditions of Executive Directors. The remuneration of the Executive Directors is decided by Board of Directors on the recommendation of the Remuneration Committee as per the remuneration policy of the Company and within the overall ceiling approved by the shareholders.

**4.2 Meetings of the Committee:**

During the year the Remuneration Committee met once which was for the limited purpose of deciding the Remuneration of Shri Mehendra Kumar Agarwal, Managing Director.

Name of Member	Designation	Attendance
Shri Harinder Kumar	Chairman	1
Shri Rajshekhar Ganiger	Member	1
Shri Farindra Bihari Rai	Member	1

**5. Shareholders' / Investors' Grievance Committee**

The Committee comprises of Shri Rajshekhar S Ganiger, Chairman, Shri Saurabh Kumar Tayal, Shri Farindra Bihari Rai and Shri Romil Aggarwal, as members of the Committee. The Committee, inter alia, looks into redressing of shareholders'/investors' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividends etc. The Committee oversees the performance of the Share Department of the Company and recommends measures for overall improvement of the quality of investor services. The Board of Directors has delegated the power for approving transfer of securities to the managing director and Chairman of the Company.

# JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

## 5.1 Meetings of the Committee:

During the year 2007-2008, the Investor Grievance Committee met 4 times on the following dates namely 30th April 2007, 12th July 2007, 24th October 2007 and 17th January 2008. The Committee reconstituted on 30/04/2008.

Name of Member	Designation	Attendance
Shri Rajshekhar Ganiger	Chairman	4
Shri Saurabh Kumar Tayal	Member	4
Shri Farindra Bihari Rai	Member	4
Shri Romil Agarwal*	Member	4

\* Resigned on 15th May 2008

No of Shareholder's Complaint received so far- Nil  
Number not solved to the satisfaction of shareholders- Nil  
Number of pending complaints- Nil

## 6. General Body Meetings

The last three Annual General Meetings of the Company were held as under :-

Year	Location	Date	Time
2006 - 2007	Village Savlav, Taluka Pardi, Near Vapi, Dist Valsad - Gujarat 396191	09 <sup>th</sup> June 2007	11.30 A.M
2005 - 2006	Village Savlav, Taluka Pardi, Near Vapi, Dist Valsad - Gujarat 396191	6 <sup>th</sup> June 2006	12.00 A.M.
2004 - 2005	Village Savlav, Taluka Pardi, Near Vapi, Dist Valsad - Gujarat 396191	14 <sup>th</sup> June 2005	12.30 P.M.

During the year the Company was not required to pass any resolution through Postal Ballot.

## 7. Disclosures

- (a) Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors of the management, their 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.

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

There were no instances of non-compliance of any matter related to the capital markets during the last three years.

## 8. Means of Communication

- (a) The Company has published its quarterly results in The Economic Times the English Daily National Newspaper Loksatta-Jansatta the Hindi Daily National Newspaper.
- (b) The Quarterly Results are also displayed on the website of the Company.
- (c) The Company sends regular intimation of any official news releases to the Bombay Stock exchange Limited where the shares of the Company are Listed
- (d) Management Discussion and Analysis forms integral part of this annual report.

## 9. General Shareholder Information

### 9.1 Annual General Meeting

- Date and time : 9th August 2008 at 12.00 a.m
- Venue : Village Salvav , Taluka Pardi , N.H. 8  
Near Vapi Dist Valsad Gujarat

- 9.2 Financial Year : 1<sup>st</sup> April to 31<sup>st</sup> March

**Financial Calendar 2007-2008**

(tentative) : Annual General Meeting – (Next year) July 2008

**Board Meetings**

Results for the quarter ending June 30, 2008 : Last week of July 2008

Results for the quarter ending September 30, 2008 : Last week of October 2008

Results for the quarter ending December 31, 2008 : Last week of January 2009

Results for the year ending March 31, 2009 : Last week of May 2009

**9.3 Book Closure date** : 6th August 2008 to 9th August 2008  
(Both Days Inclusive)

**9.4 Dividend Payment Date** : To be declared in AGM

**9.5 (a) Listing of Equity shares** : The Bombay Stock Exchange , Limited

**(b) ISIN allotted to Equity Shares** : INE091E01039

(Note : Annual listing fees for the year 2007-2008 has been duly paid to the Stock Exchange, Mumbai)

**9.6 Stock Code** 512233

**9.7 Stock Market Data (As on 31st March, 2008)**

**Jaybharat Sarees Limited**

Month	High (Rs.)	Low (Rs.)	Close (Rs.)	No. of Shares
April 2007	174.60	136.50	174.00	162408
May 2007	192.50	173.40	191.20	255624
June 2007	195.45	187.00	191.30	665133
July 2007	365.00	190.05	365.00	1367575
August 2007	416.00	351.10	414.10	1231604
September 2007	225.00	190.00	191.05	1008568
October 2007	200.00	175.60	196.05	1084304
November 2007	209.00	170.00	186.90	657019
December 2007	241.00	182.00	236.25	1043315
January 2008	250.00	165.00	178.95	793323
February 2008	226.75	165.25	223.80	937137
March 2008	228.00	206.00	225.05	918529

Source : [www.bseindia.com](http://www.bseindia.com)

" At the Annual General Meeting of the Company held in 6th June 2006 Members approved a bonus issue of 3 Equity Shares on existing 2 Equity Shares.

" At the EGM of the Company dated 26th December 2006 Equity shares of the face value of Rs. 5/- each have been sub-divided into two equity shares of Rs. 2/- each.

**9.8 Performance in comparison to broad -based indices such as BSE sensx, CRISIL index etc.**

The shares of the Company are listed at Mumbai Stock Exchange, the Stock Market Details of which has been given as above.

# JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

9.9 Registrar & Share Transfer Agent : Mondkar Computers Pvt. Ltd.  
21, Shakil Niwas, Mahakali Caves Road,  
Opp. Satya Sai Baba Temple, Andheri (E) Mumbai 400093

9.10 Share Transfer System : The Shares of the company, being in the compulsory demat list are transferable through the Depository system. All the transfers received are processed and approved by Share Transfer Committee which normally meets twice a month. Shares under objection are returned within two weeks.

## 9.11 Shareholding Pattern as on 31st March, 2008

	Category	No. of shares held	Percentage of shareholding
1.	Promoter's Holding	174957438	68.55
2.	Mutual Funds, Banks, Financial Institutions, FIs, NRIs & OCBs	1562854	0.61
3.	Domestic Companies	486561	0.19
4.	Resident Individuals	78218147	30.65
	<b>Total</b>	<b>255225000</b>	<b>100.00</b>

## 9.12 Distribution of Shareholding as on 31st March, 2008

Category	Number of Shareholders	Number of Shares held
Upto - 500	391	36160
501 - 1000	25	18541
1001 - 2000	15	21754
2001 - 3000	2409	6022700
3001 - 4000	1	3500
4001 - 5000	3	14533
5001 - 10000	5	30697
10001 - Above	33	249077115
<b>TOTAL</b>	<b>2882</b>	<b>255225000</b>

9.13 Dematerialisation of Shares : Shares of the Company can be held and traded in Electronic Form.

9.14 Outstanding GDR/ADR / Warrants or : N.A.  
any convertible instruments, conversion date and likely impact on equity

9.15 Plant Location : Bhilad, Gujarat  
Pulgaon, Maharashtra

### 9.16 (i) Address for Investor Correspondence

For transfer / dematerialization of shares, payment of dividend on shares, interest and redemption of debentures, and any other query relating to the shares and debentures of the Company

### Corporate Office,

Mondkar Computers Pvt. Ltd.  
21, Shakil Niwas, Mahakali Caves Road,  
Opp. Satya Sai Baba Temple, Andheri (E) Mumbai- 400093

### (ii) Any query on Annual Report

Village Salvav, Taluka Pardi, Near Vapi  
Gujarat - 396 195

**DECLARATION**

I hereby declare and confirm that requirement of Clause 49 of Listing Agreement has been dully complied with save and except compliance of AS-15 applicable to accounting treatment of gratuity and leave encashment which has been accounted on cash basis.

**JAYBHARAT TEXTILES AND REAL ESTATE LIMITED**

Place : Mumbai  
Dated : 12th June, 2008

**Mahendra Kumar Agarwal**  
Managing Director

**CEO CERTIFICATION**

I Mahendra Kumar Agarwal, Managing Director of **JAYBHARAT TEXTILES AND REAL ESTATE LIMITED** do certify to the Board that:

- (a) I have reviewed financial statement and the cash flow statement for the year and the best of my knowledge and belief:
- (i) these statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (e) I accept responsibility for the establishing and maintaining internal control and that I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps they have taken or propose to take to rectify these deficiencies.
- (f) I have indicated change in internal control during the year;
- (i) significant changes in internal control during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial segments and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any of the management or an employee having a significant role in the company's internal control system.

**JAYBHARAT TEXTILES AND REAL ESTATE LIMITED**

Place : Mumbai  
Dated : 12th June, 2008

**Mahendra Kumar Agarwal**  
Managing Director

**CERTIFICATE ON CORPORATE GOVERNANCE**

To the members of **JAYBHARAT TEXTILES AND REAL ESTATE LIMITED**

We have examined the compliance of the conditions of Corporate Governance by **JAYBHARAT TEXTILES AND REAL ESTATE LIMITED** for the year ended 31st March 2008 as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statement of the Company. In our opinions and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in the above listing agreement save and except compliance of AS-15 applicable to accounting treatment of gratuity and leave encashment which has been accounted on cash basis.

We state that in respect of investor grievances received during the year ended 31st March 2008 no investor grievances are pending against the Company as on 12th June, 2008 as per the records maintained by the Company and presented to the Investors/Shareholders Grievance Committee.

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

For **S.K.JAIN & Co.**  
PRACTICING COMPANY SECRETARIES

Place : Mumbai  
Dated : 12th June, 2008

**S.K.JAIN**  
Proprietor

# JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

## REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

The Management of JAYBHARAT TEXTILES AND REAL ESTATE LIMITED presents its analysis report covering performance and outlook of the Company. The report has been prepared in compliance with the requirement of Corporate Governance as laid down in the Listing Agreement. The Management accepts responsibility for the integrity and objectivity of the Financial Statements. However, investors and readers are cautioned that this discussion contains certain forward looking statements that involve risk and uncertainties.

### a) Industry structure and Developments

#### i) Textile Industry:

The Textile Industry occupies a unique place in our country. The Textile Industry accounts for 14% of the country's industrial production and contributes nearly 30% of its exports. India is the second largest player in the world cotton trade as it possesses the largest cotton acreage of about nine million hectares. India is the 3rd Largest Producer of cotton fibers. After phasing out of the quota regime under the multi-fiber pact, India expects its textiles sector to grow to \$ 100 billions by 2010.

The restriction of exports by China across select product categories until 2008 has contributed to the growth of textile industry. The availability of concessional loans under the Technology Upgradation Fund Scheme (TUFs) and growing demand for Value Added lifestyle-driven retail products are other contributing factors which encourage new investment in up gradation of machineries.

#### ii) Real Estate Industry:

The importance of real estate sector can be gauged from the fact that it is the 2nd largest employer next only to agriculture. Its size is around US\$ 12 billion and is growing at about 30% per annum, 5% of country's GDP is contributed by housing sector as in the next 5 years this is expected to rise to 6%. About 80% of the real estate developed in the country is residential in nature, the rest comprises of commercial, shopping, hotel and hospital space.

The development of real estate in India focuses on two primary areas: retail and residential.

- India has been ranked 5th in the list of 30 emerging retail markets and an impressive 20 per cent growth rate for the organized retail segment by 2010 has been predicted.
- The organized segment is also expected to grow from a mere 2 per cent to 20 per cent by the end of the decade.

The Company has ventured into the Real Estate Sector. The Company is constructing a Commercial Complex at Vapi (Gujarat) comprising of a shopping mall, a five screen multiplex, restaurants, food courts and Commercial Offices is under completion.

### b) Opportunity and Threats

#### Textile Industry

The textile industry is undergoing a major reorientation towards non-clothing applications of textiles, known as technical textiles, which are growing roughly at twice rate of textiles for clothing applications and now account for more than half of total textile production. There is ample scope in the market by promoting research and development in this sector. Disbandment of 84% of quota from January 2005 is expected to trigger a US\$ 500 billion (roughly three-fold) rise in global textile trade.

#### Strengths:

- Self reliant industry producing the entire supply chain fiber/cotton to garments/ home textiles.
- Large and growing domestic market.
- Second-largest textile producer in the world.
- Adequate raw material supplies.
- Low labour cost and availability of skilled and technical labour force.
- Excellence in fabric and garment designing.

#### Weaknesses:

- Small size and technologically outdated plants result in lack of economies scale, low productivity and weak quality control.

- Cotton availability is vulnerable to erratic monsoon and low per hectare yield.
- With the exception of spinning, other sectors are fragmented.
- Labour laws and policies lack reforms.
- Infrastructure bottlenecks for handling large volumes.

**Opportunities:**

- End of quota system and full integration of the textile industry.
- Shift in domestic market towards readymade garments, and domestic textile consumption increasing with growing disposable income.

**Threats:**

- Survival of the fittest-in term of quality, size delivery and cost.
- Pricing pressures.
- Stiff competition from other Asian countries.
- Increase in regional trade could reduce share of market opened for India, China and other countries.

**Real Estate Sector**

**Strength**

- Better product design and quality
- Technologically innovative products
- Greater professionalism in the industry

**Weakness**

- Inadequate backup by local authorities
- Difficulties in procuring local sanctions
- High pricing and limited demand
- Difficulties in the exit route

**Opportunities**

- Mass investments in the economy
- REITS / MFs
- Competitive market creation
- Improved business environment

**Threats**

- Financial risks
- Market risks
- Displacement of existing players
- High susceptibility to Litigation

**c) Segment-wise performance**

The Company's operations can be categorized into two segments namely Textile and Real Estate. However since the operations of the Company in the Real Estate Segment are in the implementation stage, the current financial years performance relates only to the Textile Segment. The same has been detailed in the Financial Results of the Company.

**d) Outlook**

As the industrial and economic growth of the country is showing steadily improvement The Company has drawn out and is implementing an extensive action plan which comprises thrust on high margin products, reduction in raw material costs, rationalization of operations and over-heads, optimizing inventory level, selective credit policy to customers and liquidation of slow-moving inventories and overdue receivables.

The Company with its superior product mix and higher value-addition, coupled with the change in industry scenario like more fiscal incentives as announced by Government of India for textile industry, change in consumer preferences from woven to knitted clothes etc , is expected to benefit significantly.

**e) Risk and Concern**

There risk and concerns faced by the Company are similar to those faced by any growing organization in today dynamic industrial and economic scenario. The impact of events and developments at the macroeconomic level is being seen in the day to day functioning of enterprises. Moreover the Fiscal policies of the Government at the Macroeconomic as well as at the industry level are fundamental concerns for any organization. The challenges of functioning in a technology driven industrial scenario coupled with the need to maintain competitive costs are concerns which need to be addressed on an ongoing basis.. At the micro level unethical competitions from sick units, free market policies and removal of quantitative restrictions and general human resource risk are a cause of concern for the Company.

**f) Internal Control system and their adequacy**

Your Company ensures adherence to all Internal Control policies and procedures as well as compliance with all regulatory guidelines. The adequacy of internal controls is reviewed by the Audit Committee of the Board of Directors.

The Company's internal control systems are adequate, considering size and nature of operation of the Company, to meet regulatory/statutory requirements assure recording of all transactions and report reliable and timely financial information. Additionally, it also provides protection against misuse or loss of any of the company assets..

**g) Financial Performance Vs. Operational Performance**

The Company has achieved a Sales Turnover of Rs.42439.66 Lacs in Financial Year 2007- 08 as against Rs. 24985.12 Lacs in Financial Year 2006-07, registering an increase by 69.86% over the last year. Cash accruals have increased to Rs. 5167.03 Lacs in Financial Year 2007- 08 as against Rs. 4641.16. in Financial Year 2006-07. The Net Profits have gone up to Rs.3262.77 Lacs in Financial Year 2007- 08 from Rs. 3175.53 Lacs in Financial Year 2006-07.

**h) Development in Human Resources/Industrial Relation front**

As part of HR-initiatives, thrust is given for Leadership Development to meet the aspirations and long-term goals of the Company. The Company has also laid qualitative objectives to maximize overall growth. Emphasis was placed on building a cohesive workforce to maximize returns to all stakeholders. Focused attention was given for knowledge updating and application of new technologies available to reduce costs and to meet the business challenges.

The focus of Human resource is on building and developing intellectual capital through innovative ideas. The industrial relation climate of the Company continues to remain harmonious with focus on quality and safety.

**i) Research and Development:**

Increased globalization has made the marketing of products and retention of customers highly competitive. The need of the hour is total customer satisfaction and value for money from the products marketed. Keeping this objective as paramount, the research and development activities were focused into prompt attention to major customer complaints/suggestions in order to retain/enhance customer satisfaction. The Company has started launching products of better quality and new look as per customer requirements.

**AUDITORS' REPORT**

To,  
The Members of  
**JAYBHARAT TEXTILES AND REAL ESTATE LIMITED**

We have audited the attached Consolidated Balance Sheet of JAYBHARAT TEXTILES AND REAL ESTATE LIMITED as at 31st March, 2008 and Consolidated Profit and Loss Account and Consolidated Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. 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.
2. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of subsection (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 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 the books.
  - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement have been prepared in compliance with the Accounting standards referred to in Section 211 (3C) of the Act, to the extent applicable.
  - e) On the basis of the written representations received from the directors as on 31st March, 2008 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2008 from being appointed as a director of the Company in terms of Section 274 (1) (g) of the Act.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts along with the notes to accounts give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India :
    - i) in the case of the Consolidated Balance Sheet, of the state of affairs of Jaybharat Textiles and Real Estate Ltd. and its subsidiaries as at 31st March, 2008,
    - ii) in the case of the Consolidated Profit and Loss Account, of the profit of the Company for the year ended on that date and ;
    - iii) in the case of the Consolidated Cash Flow Statement, of the Cash flow of the Company for the year ended on that date.

**For M/s SANJAY & VIJAY ASSOCIATES**  
Chartered Accountants

Place : Mumbai  
Date : 12th June, 2008

**VIJAY BHANDARI**  
Partner  
M.No. 103205

## JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

### ANNEXURE REFERRED TO IN PARAGRAPH 2 OF AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2008 OF JAYBHARAT TEXTILES & REAL ESTATE LIMITED.

On the basis of such checks/ audit procedures as we considered appropriate on the books of accounts produced before us and according to the information and explanation given to us during the course of audit, we state that:

1. In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the Fixed Assets.
  - (b) The management has at reasonable intervals carries out the physical verification of the fixed assets. No material discrepancies have been noticed on such verification.
  - (c) No assets have been disposed by the company during the year, therefore reporting under this clause does not arise.
2. In respect of its inventories:
  - (a) The inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of the stocks, the frequency of such verification is reasonable.
  - (b) In our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - (c) In our opinion, company is maintaining proper records of inventory. The discrepancies noticed on physical verification of the above referred inventories as compared to the book records were not material and have been properly dealt with in the books of account.
3. The company has not granted nor taken any loans, secured or unsecured to / from Companies, firm or other parties covered in the register maintained under section 301 of the Companies Act 1956. Accordingly Sub-clause (b), (c) & (d) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls and there is no counting failure for the same.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
  - (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, We are of the opinion that the transactions that need to be entered into the register under section 301 have been so entered.
  - (b) According to the information and explanations given to us, purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act and aggregating during the year to Rs.5,00,000/-(Rupees Five Lacs only) or more in respect of each party have been made at prices which are reasonable having regards to the prevailing market price for such goods, materials or services or the prices at which the transactions for similar goods are services have been made with other parties, where applicable.
6. The Company has not accepted any deposits from the public; hence question of complying with the provision of Section 58A and 58AA of the Companies Act, 1956 and Rules made there under does not arise.
7. In our opinion, the internal audit system of the Company is commensurate with the size of the company and nature of its business.
8. We are of the opinion that, prima facie, the cost records and accounts prescribed by the Central Government of India under Section 209 (1) (d) of the Act have been maintained. However we have not carried out any detailed examination of such accounts and records.

9. In respect of statutory dues:
- (a) According to the records of the company, the Provident Fund and Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Cess and other material statutory dues have been regularly depositing during the year with appropriate authorities
  - (b) There are no disputed statutory dues.
10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and immediately preceding year.
11. There is no overdue outstanding to any Institution or Banks.
12. Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations provided to us the nature of activities of the company does not attract special statute applicable to Chit fund & Nidhi /Mutual benefit / society.
14. During the year, the Company has not dealt in dealing and trading of shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from bank or financial institutions.
16. According to the information and explanation given to us and on the overall examination of the Balance Sheet of the Company, We report that no funds raised on short term basis have been used for long term investment by the company.
17. In our opinion the company has financed, the long term investment from internal sources and therefore reporting under this clause does not arise.
18. The Company has not made any preferential allotment of shares during the Year.
19. During the year covered by our audit report the Company has not issued any debentures.
20. The Company has not raised any money by public issues during the year
21. To the best of our knowledge & belief & according to the information & explanation given to us, no fraud on or by the company has been noticed or reported during the year.

**For M/s SANJAY & VIJAY ASSOCIATES**  
Chartered Accountants

**VIJAY BHANDARI**  
Partner

Place : Mumbai

Date : 12th June, 2008

M.No. 103205

# JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2008

	Schedules	As on 31.03.2008 (Rs. in Lacs)	As on 31.03.2007 (Rs. in Lacs)
<b>A. SOURCES OF FUNDS :-</b>			
<b>1 Share Holders Fund :</b>			
a) Share Capital	"A"	5104.50	2552.25
b) Reserves & Surplus	"B"	4063.32	3950.00
		<u>9167.82</u>	<u>6502.25</u>
<b>2 Deferred Tax Liability</b>		1085.59	661.64
		<u>1085.59</u>	<u>661.64</u>
<b>3 Loan Fund</b>	"C"	21605.03	15347.37
<b>TOTAL :</b>		<u>31858.44</u>	<u>22511.27</u>
<b>B. APPLICATION OF FUNDS</b>			
<b>1 Fixed Assets</b>	"D"		
Gross Block		29948.75	12777.45
Less: Depreciation		2642.35	1162.03
		<u>27306.40</u>	<u>11615.42</u>
Add:- Capital Work in Progress		0.00	7522.67
Net Block		<u>27306.40</u>	<u>19138.09</u>
<b>2 Investment</b>	"E"	840.53	840.53
<b>3 Current Assets Loans &amp; Advances :</b>	"F"		
a) Sundry Debtors		3115.26	2759.24
b) Inventories		2940.00	2599.49
c) Cash & Bank Balances		135.86	204.97
d) Loans & Advances		1925.36	935.11
		<u>8116.48</u>	<u>6498.81</u>
<b>Less : Current Liabilities &amp; Provisions</b>	"G"	4404.97	3966.16
<b>Net Current Assets</b>		<u>3711.51</u>	<u>2532.65</u>
<b>TOTAL :</b>		<u>31858.44</u>	<u>22511.27</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS	"M"	0.00	0.00

As per our report of even date attached

For **M/s. Sanjay & Vijay Associates**  
Chartered Accountants

**(Vijay Bhandari)**  
Partner  
Membership. No. 103205  
Place : Mumbai  
Date : 12th June, 2008

For and on behalf of the Board of Directors

**Saurabh Kumar Tayal**      **Mahendra Kumar Agarwal**  
Chairman      Managing Director

Company Secretary

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008**

PARTICULARS	Schedules	As on 31.03.2008 (Rs. in Lacs)	As on 31.03.2007 (Rs. in Lacs)
<b>A. INCOME</b>			
a) Income from Operation	"H"	42439.66	24985.12
b) Increase in stock		198.77	315.27
<b>TOTAL :</b>		<u>42638.43</u>	<u>25300.39</u>
<b>B. EXPENSES</b>			
a) Material & Goods Consumed	"I"	29868.20	15639.35
b) Manufacturing Expenses	"J"	5419.33	3796.56
c) Selling & Administrative Expenses	"K"	830.01	745.45
d) Interest & Financial Charges	"L"	871.50	4.28
e) Depreciation		1480.32	965.12
<b>TOTAL :</b>		<u>38469.36</u>	<u>21150.76</u>
<b>Profit/(Loss) before Taxation</b>		<b>4169.07</b>	<b>4149.63</b>
Less : Provision For Taxation		482.36	473.59
Deferred Tax Liabilities		423.94	500.51
<b>Profit after Tax</b>		<b>3262.77</b>	<b>3175.53</b>
Profit B/F From Previous Year	"B"	3950.00	2447.75
<b>AMOUNT AVAILABLE FOR APPROPRIATION</b>		<u>7212.77</u>	<u>5623.28</u>
<b>APPROPRIATIONS</b>			
Transfer to General Reserve		0.00	255.23
Proposed Dividend		510.45	127.61
Tax on Dividend		86.75	14.32
Profit/(Loss) Carried to Balance Sheet		6615.57	5226.12
		<u>7212.77</u>	<u>5623.28</u>
Basic/ Diluted Earning Per Share: (Note 'M') (Face value of Rs. 2/- each) (Rupees)			
Basic and Diluted		1.65	2.49
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS AS PER OUR REPORT OF EVEN DATE ATTACHED</b>			

As per our report of even date attached

For M/s. Sanjay & Vijay Associates  
Chartered Accountants(Vijay Bhandari)  
Partner

Membership. No. 103205

Place : Mumbai

Date : 12th June, 2008

For and on behalf of the Board of Directors

Saurabh Kumar Tayal  
ChairmanMahendra Kumar Agarwal  
Managing Director

Company Secretary

**JAYBHARAT TEXTILES AND REAL ESTATE LIMITED**

**SCHEDULE A TO M ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENT AS AT 31ST MARCH 2008 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

	As on 31.03.2008 (Rs. in Lacs)	As on 31.03.2007 (Rs. in Lacs)
<b>SCHEDULE "A" :</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
35,00,00,000 Equity Shares of Rs. 2/- each	7000.00	4000.00
(Previous year 6,00,00,000 Equity Shares of Rs.5/- Each)		
Previous Year 3,00,00,000 Preference shares of Rs.10/- each	0.00	3000.00
	<u>7000.00</u>	<u>7000.00</u>
<b>Issued Subscribed, &amp; Paid Up</b>		
25,52,25,000 Equity Shares of Rs.2/-each	5104.50	2552.25
(Previous year 12,76,12,500 Equity Shares of Rs.2/- Each)		
(Of the above Equity Shares, 168199500 Shares were allotted as bonus shares by capitalisation of reserves)		
<b>TOTAL :</b>	<u>5104.50</u>	<u>2552.25</u>
<b>SCHEDULE "B" :</b>		
<b>RESERVE &amp; SERPLUS</b>		
<b>General Reserve</b>	0	0
Add: Transferred from Profit & Loss A/c	0.00	255.23
Net Profit during the year	6615.57	5226.12
	<u>6615.57</u>	<u>5481.35</u>
Less: Amount transferred to share Capital account for issue of Bonus Shares	2552.25	1531.35
	<u>4063.32</u>	<u>3950.00</u>
<b>SCHEDULE "C" :</b>		
<b>LOANS FUNDS SECURED LOANS</b>		
<b>Term Loan (see note no.09 for security)</b>	17605.03	11347.37
(Term Loan secured by 1st charge over the Fixed Assets both Movable & immovable and 2nd Charge over the entire Current Assets of the company and personal gurantee of Sri Saurabh K.Tayal Chairman of the Company)		
<b>TOTAL : A</b>	<u>17605.03</u>	<u>11347.37</u>
<b>UNSECURED LOANS</b>	4000.00	4000.00
<b>TOTAL : B</b>	<u>4000.00</u>	<u>4000.00</u>
<b>TOTAL : A+B</b>	<u>21605.03</u>	<u>15347.37</u>

## SCHEDULE "D" : FIXED ASSETS AS AT 31st MARCH , 2008

(Rs. In Lacs)

SR. NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
		AT COST ON	ADDITION	DEDUCTION	AS ON	AS ON	DURING	UPTO	AS ON	AS ON
		01-04-2007			31.03.2008	01.04.2007	THE YEAR	31.03.2008	31.03.2008	31.03.2007
1	LAND	23.00	0.00	0.00	23.00	0.00	0.00	0.00	23.00	23.00
2	LAND AND SITE DEVELOPMENT	838.00	0.00	0.00	838.00	0.00	0.00	0.00	838.00	838.00
3	PLANT & MACHINERIES	9554.86	10305.02	0.00	19859.88	1051.42	1361.48	2412.90	17446.98	8503.44
4	BUILDING	2269.23	6851.03	0.00	9120.26	103.32	113.37	216.69	8903.56	2165.91
5	FURNITURE & FIXTURE	71.60	15.25	0.00	86.85	2.99	3.50	6.49	80.35	68.61
6	MOTOR VEHICLE	20.76	0.00	0.00	20.76	4.30	1.97	6.27	14.49	16.46
	TOTAL	12777.45	17171.30	0.00	29948.75	1162.03	1480.32	2642.35	27306.40	11615.42
7	Capital Work In Progress	7522.67	9648.63	17171.30	0.00	0.00	0.00	0.00	0.00	7522.67
	TOTAL	20300.12	26819.93	17171.30	29948.75	1162.03	1480.32	2642.35	27306.41	19138.09
	PREVIOUS YEAR	3975.97	16324.15	0.00	20300.12	196.91	965.12	1162.03	19138.09	3779.06

As on  
**31.03.2008**  
(Rs. in Lacs)

As on  
31.03.2007  
(Rs. in Lacs)

## SCHEDULE "E" :

## INVESTMENT

## Unquoted Shares

Pulgoan Cotton Mills (22749993(22750000)

Eq.Sh. of Rs.10 each

523.53

523.53

Realtme Properties Limited (49994(50000)

Eq.Sh.of Rs.10 each

5.00

5.00

Asahi Fibres Ltd. (32225870 (2025870)

Eq.Sh.of Rs.1/- each )

312.00

312.00

**TOTAL :****840.53****840.53**

## SCHEDULE "F" :

## CURRENT ASSETS, LOAN AND ADVANCES

## A. CURRENT ASSET

1 Sundry Debtors

(Unsecured considered good)

a) Debtors more than 6 Months

102.65

107.31

b) Others

3012.61

2651.93

**TOTAL :****3115.26****2759.24**

**JAYBHARAT TEXTILES AND REAL ESTATE LIMITED**

	As on 31.03.2008 (Rs. in Lacs)	As on 31.03.2007 (Rs. in Lacs)
<b>SCHEDULE "F" :</b>		
<b>CURRENT ASSETS, LOAN AND ADVANCES (Contd.)</b>		
2 Inventories		
Raw Material	1366.27	1253.98
Finished Goods	1015.12	816.35
Stock in Process	558.61	529.16
<b>TOTAL :</b>	<u>2940.00</u>	<u>2599.49</u>
3 Cash & Bank Balance		
Balance with Banks	128.84	198.74
Cash in hand	7.02	6.23
<b>TOTAL :</b>	<u>135.86</u>	<u>204.97</u>
<b>B LOANS &amp; ADVANCES</b>		
(Recoverable in cash or kind or for value to be received)	1925.36	935.11
<b>TOTAL :</b>	<u>1925.36</u>	<u>935.11</u>
<b>GRAND TOTAL :</b>	<u>8116.48</u>	<u>6498.81</u>
<b>SCHEDULE "G" :</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>A. CURRENT LIABILITIES</b>		
SUNDRY CREDITORS		
For Goods	1575.25	1785.07
For Project Creditors	512.69	808.27
For Expenses & Other Liabilities	516.23	509.64
	<u>2604.17</u>	<u>3102.98</u>
<b>B PROVISIONS</b>		
Provision For Taxation	1203.60	721.25
Proposed Dividend	510.45	127.61
Tax on Dividend	86.75	14.32
	<u>1800.80</u>	<u>863.18</u>
<b>TOTAL:</b>	<u>4404.97</u>	<u>3966.16</u>

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	As on 31.03.2008 (Rs. in Lacs)	As on 31.03.2007 (Rs. in Lacs)
<b>SCHEDULE "H" :</b>		
<b>INCOME FROM OPERATIONS</b>		
Domestic Sales	42439.66	24887.07
Export	0.00	98.05
	<b>42439.66</b>	<b>24985.12</b>
<b>SCHEDULE "I" :</b>		
<b>MATERIALS AND GOODS CONSUMED</b>		
Op. Stock Raw Material	1253.98	813.12
Stock In Process	529.16	845.53
	1783.14	1658.65
Add:- Purchases	30009.94	15763.84
	31793.08	17422.49
Less:- Cl Stock    Raw Material	1366.27	1253.98
Stock In Process	558.61	529.16
Material & Goods Consumed	29868.20	15639.35
Increase in stock of finished Goods		
Closing Stock	1015.12	816.35
Opening Stock	816.35	501.08
	198.77	315.27
<b>SCHEDULE "J" :</b>		
<b>MANUFACTURING EXPENSES</b>		
Labour Charges	2155.35	1394.12
Power & Fuel Exp.	2282.40	1788.26
Repair & Maintainace	62.91	49.62
Spares, consumable & Packing Material	918.67	564.56
	5419.33	3796.56
<b>SCHEDULE "K" :</b>		
<b>SELLING &amp; ADMINISTRATIVE EXPENSES</b>		
Salaries & Bonus	134.56	87.23
Staff Welfare Expenses	10.46	9.21
Electricity Charges	20.50	11.54
General Expenses	36.37	33.60
Insurance	14.96	9.25
Repairs & Maintenance	18.79	14.23

# JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

	As on 31.03.2008 (Rs. in Lacs)	As on 31.03.2007 (Rs. in Lacs)
<b>SCHEDULE "K" :</b>		
<b>SELLING &amp; ADMINISTRATIVE EXPENSES (Contd.)</b>		
Postage & Telegram	33.57	20.45
Registration & Filing Fees	10.52	11.23
Auditors Remuneration	1.12	1.12
Rent, Rates & Taxes	12.20	6.52
Listing Fees	0.35	0.00
Consultancy Charges	8.55	12.26
Legal & Professional Charges	19.30	26.45
Conveyance/Travelling Expenses	50.77	49.52
Advertisement Expenses	15.78	23.52
Printing & Stationary	54.84	33.28
Carriage Outward	87.52	82.26
Discount and Commission	236.22	241.26
Sale and Business Promotion	15.20	29.51
Directors Remuneration	6.00	6.00
Director Sitting Fees	0.66	1.36
Telephone Charges	32.80	30.24
Motor Car Expenses	8.97	5.41
<b>TOTAL :</b>	<b>830.01</b>	<b>745.45</b>
<b>SCHEDULE "L" :</b>		
<b>INTEREST &amp; FINANCIAL CHARGES</b>		
Interest & Bank charges	871.50	4.28
<b>TOTAL :</b>	<b>871.50</b>	<b>4.28</b>

**SCHEDULE "M":**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS as on 31<sup>st</sup> March,2008**

**I SIGNIFICANT ACCOUNTING POLICIES**

**1. GENERAL**

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ("GAAP"), and in compliance with the Accounting Standards referred to in section 211(3C) and other requirements of the Companies Act, 1956.

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets, provision for doubtful debts/advances etc. Actual results could differ from these estimates.

**2. REVENUE RECONGNITION:**

Sales are recognised on dispatch of goods to customers.

**3. VALUATION OF INVENTORIES:**

Inventory consists of Raw material, finished goods, which are valued, at cost or net realizable value, whichever is lower and Stock in progress (WIP) valued at cost.

**4. FIXED ASSETS :**

Fixed assets are stated at cost less accumulated depreciation. Cost includes all identifiable expenditure to bring the assets to its present location and condition.

**5. DEPRECIATION :**

Depreciation on fixed assets is provided on straight line method on a pro rata basis at the rates specified in the schedule XIV to the companies Act 1956.

**6. FOREIGN CURRENCY TRANSACTION:**

Foreign currency transactions are converted at the rates prevailing on the dates of the transactions. Foreign currency assets and liabilities are converted at contracted/ year-end rates as applicable. Gain / (Loss) on closing rates of reporting date of revenue transaction in the same year are charged to 'Exchange Gain/ (Loss) Account' in the Profit & Loss Account.

**7. RETIREMENT BENEFITS:**

Gratuity and Leave encashment is accounted for on cash basis as and when paid.

**8. TAXES ON INCOME:**

TAX ON INCOME FOR THE CURRENT PERIOD IS DETERMINED ON THE BASIS OF TAXABLE INCOME AND TAX CREDITS COMPUTED IN ACCORDANCE WITH THE PROVISION OF THE INCOME TAX ACT, 1961, AND BASED ON EXPECTED OUTCOME OF ASSESSMENT / APPEALS.

## JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

Deferred tax has been provided in accordance with the Accounting Standard-22 – Accounting for taxes on income issued by the ICAI applicable with effect from 1<sup>st</sup> April 2001.

- The Deferred tax liability as on 31<sup>st</sup> March, 2008 amounting to Rs.423.94 Lacs is the between depreciation as per income tax act and companies act.

### 9. NOTE ON SECURITY FOR TERM LOAN :

Term Loan : Indian Overseas Bank, Allahabad Bank, Uco Bank, Oriental Bank of Commerce & Bank of Maharashtra:

Term Loan is Secured by 1<sup>st</sup> Charge over the Fixed Assets both Movable and Immovable and 2<sup>nd</sup> Charge over the entire current Assets of the company and Personal guarantee of Mr. Saurabh K. Tayal, Chairman of the company.

## II NOTES OF ACCOUNTS

- There are no contracts remaining to be executed on Capital account therefore no advance is to be paid against such contracts.
- Contingent liabilities provided for during the year are Rs.220.65/- lacs
- AS-18 Related Party Disclosure: Related party disclosures as required by AS-18 “Related Party Disclosures” are given below. [Related parties are as identified by the Company and relied upon by the Auditors]:

A. List of Related Parties.

- Parties where control exists:

Name of the Party	Relationship
PULGAON COTTON MILLS LTD.	100% Subsidiary company
REAL TIME PROPERTIES LTD	100% Subsidiary company
ASAHI FIBRES LIMITED	Associate Company

- Other parties with whom the company has entered into transaction during the year.
  - Associates where key management personnel and their relatives have significant influence; - Nil
  - Key Management Personnel:-
    - Gourav Agarwal – Managing Director (Resigned on 17th Jan 2008)
    - Shri. Mahendra K. Agarwal – Managing Director (Appointed on 17th Jan 2008)
  - Relative of Key Management Personnel: - Nil

### 5. Additional information pursuant to the provision of paragraph 4a,4b and 4c of part II of schedule VI to the Companies Act 1956

- Auditor's remuneration is including Service Tax and Other expenses. The break up is as follows.

	Current Year	Previous Year
(a) As Auditors	1.12 Lacs	1.12 Lacs
(b) In other Capacity		156018

- The company has paid 6.00 Lacs remuneration to Managing directors.



# JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2008

	2007-08 (Rs. in Lacs)	2006-07 (Rs. in Lacs)
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ACTIVITIES	4169.07	4149.63
Adjustment for Non Cash Charges		
Depreciation & Amortisation	1480.32	965.12
Dividend	0.00	0.00
Interest (net)	871.50	0.00
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>6520.89</b>	<b>5114.75</b>
Adjustment for		
Trade and Other Receivables	(1346.27)	(923.59)
Inventories	(340.51)	(439.76)
Trade Payable	(498.81)	1785.06
<b>CASH GENERATED FROM OPERATION</b>	<b>4335.30</b>	<b>5536.46</b>
Interest paid	871.50	
Direct taxes paid	0.00	0.00
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>3463.80</b>	<b>5536.46</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(9648.63)	(16324.15)
Sale of Fixed Assets	0.00	0.00
Purchase of investments	0.00	(307.00)
Dividend and Other Income received	0.00	0.00
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(9648.63)</b>	<b>(16631.15)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceed from issue of shares capital	0.00	0.00
Total proceeds from borrowing	6257.66	11347.37
share application money	0.00	0.00
Dividend paid	(141.93)	(56.77)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>6115.73</b>	<b>11290.60</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(69.10)</b>	<b>195.91</b>
CASH AND CASH EQUIVALENTS(Opening Balance)	204.97	9.06
CASH AND CASH EQUIVALENTS(Closing Balance)	135.86	204.97
	<b>(69.11)</b>	<b>195.91</b>

As per our report of even date attached  
For **M/s. Sanjay & Vijay Associates**  
Chartered Accountants.

**(Vijay Bhandari)**  
Partner  
Membership. No. 103205  
Place : Mumbai  
Date : 12th June, 2008

For and on behalf of the Board of Directors

**Saurabh Kumar Tayal**  
Chairman

**Mahendra Kumar Agarwal**  
Managing Director

Company Secretary

**Auditors Certificate**

We have examined the attached cash flow statement of **Jaybharat Textiles and Real Estate Ltd.** For the year ended 31st March 2008. The Statement has been prepared by the company in accordance with the requirements of Listing Agreement Clause 32 with various Stock Exchanges and is based on and is in Agreement with the corresponding Profit and Loss account and Balance Sheet of the company by our report to the members of the company

**For SANJAY & VIJAY ASSOCIATES**  
Chartered Accountants

Place : Mumbai  
Date : 12th June, 2008

**Vijay Bhandari**  
Partner  
M.No. 103205

# JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

## ANNEXURE - A

### BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE AS PER PART IV OF THE SCHEDULE VI TO THE COMPANIES ACT, 1956

(Rs. In Lacs)

#### I. REGISTRATION DETAILS

Registration No. : 11553 of 84-85 State Code : 04  
Balance sheet Date : 31.03.2008

#### II. CAPITAL RAISED DURING THE YEAR (In lacs)

Public Issue : Nil Right Issue : Nil  
Bonus Issue : 2552.25 Private Placement : Nil

#### III. POSITION TO THE MOBILISATION AND DEPLOYMENT OF FUNDS

Total Liabilities : 31858.44 Total Assets : 31858.44

#### SOURCE OF FUNDS

Paid-up Capital : 5104.50 Secured Loans : 17605.03  
Reserves & Surplus : 4063.32 Unsecured Loans : 4000.00  
Deferred Tax liability : 1085.59

#### APPLICATION OF FUNDS

Net Fixed Assets : 27306.40 Investments : 840.53  
Net Current Assets : 3711.51 Misc.Expenditure : 0.00  
Accumulated Losses : Nil

#### IV PERFORMANCE OF COMPANY

Turnover : 42638.43 Other Income : NIL  
Total Expenses : 38469.36 Profit/(Loss) before Tax : 4169.07  
Profit/(Loss) after Tax : 3262.77 Earning Per Share (In Rs.) : 1.65  
Dividend Rate % : 10%

#### V GENERAL NAMES OF PRINCIPAL PRODUCT/TRADING

Item Code No.(ITC Code) :  
Product description : Cotton yarn

As per our report of even date attached

For **M/s. Sanjay & Vijay Associates**  
Chartered Accountants

For and on behalf of the Board of Directors

**(Vijay Bhandari)**  
Partner  
Membership. No. 103205  
Place : Mumbai  
Date : 12th June, 2008

**Saurabh Kumar Tayal** Chairman  
**Mahendra Kumar Agarwal** Managing Director

Company Secretary

**AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

To,  
The Members of  
**JAYBHARAT TEXTILES AND REAL ESTATE LIMITED**

We have examined the attached consolidated balance sheet of JAYBHARAT TEXTILES AND REAL ESTATE LIMITED and its subsidiaries which together constitute "the group" as at 31st March 2008, the consolidated Profit & Loss a/c and the consolidated Cash Flow Statement of the group for the year ended on that date both annexed thereto. These financial statements are the responsibility of company management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. 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 misstatements. 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.
2. As required by the Companies (Auditor's Report) Order, 2003(CARO) issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. We did not audit the financial statements of the subsidiaries namely Pulgaon Cotton Mills Ltd, & Realtime Properties Ltd.. These financial statements and other financial information have been audited by other auditors whose report have been furnished to us, and our opinion, in so far as it relates to the amount included in respect of these subsidiaries, is based solely on the report of other auditors.
4. We report that the consolidated financial statements have been prepared by the company, in accordance with the requirements of Accounting Standard 21, "Consolidated Financial Statements", issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Jaybharat Textiles and Real Estate Limited and the separate audited accounts of subsidiaries which have been included in the consolidated financial statements
5. On the basis of the information and explanation given to us and on the consideration of the separate audit reports on the individual audited financial statements of the Jaybharat Textiles and Real Estate Limited and its subsidiaries, In our opinion the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.
  - a) In the case of the consolidated balance sheet, of the state of affairs of Jaybharat Textiles and Real Estate Limited and its subsidiaries as at 31<sup>st</sup> March, 2008;
  - b) In the case of the consolidated profit and loss account, of the consolidated Profit & Loss a/c for the year ended on that date.
  - c) In the case of the consolidated cash flow statement of the cash flow for the year ended on that date

**For M/s SANJAY & VIJAY ASSOCIATES**  
Chartered Accountants

Place : Mumbai  
Date : 12th June, 2008

**VIJAY BHANDARI**  
Partner  
M.No. 103205



**CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008**

	Schedules	AS AT 31.03.2008 (Rs. lacs)	AS AT 31.03.2007 (Rs. lacs)
<b>A. INCOME</b>			
a) Income from Operation	"H"	42904.11	24985.12
b) Other Income	"I"	6.00	5.58
c) Increase/(Decrease) in stock		198.77	315.27
<b>TOTAL :</b>		<b>43108.88</b>	<b>25305.97</b>
<b>B. EXPENSES</b>			
a) Material & Goods Consumed	"J"	30302.56	15639.35
b) Manufacturing Expenses	"K"	5434.42	3796.56
c) Selling & Administrative Expenses	"L"	844.81	747.97
d) Interest & Financial Charges	"M"	871.53	4.28
e) Depreciation		1482.93	966.59
f) Miscellaneous Exp. Written off		0.02	0.00
<b>TOTAL :</b>		<b>38936.27</b>	<b>21154.75</b>
<b>Profit/(Loss) before Taxation</b>		<b>4172.61</b>	<b>4151.22</b>
Less: Provision For Taxation		483.34	473.90
Deferred Tax Liabilities		423.94	500.51
Profit after Tax		3265.33	3176.81
Profit/(Loss) B/F From Previous Year		3929.99	2426.46
Add: Depreciation written back on Change of depreciation Policy		0.00	0.00
<b>AMOUNT AVAILABLE FOR APPROPRIATION</b>		<b>7195.32</b>	<b>5603.27</b>
<b>APPROPRIATIONS</b>			
Transfer to General Reserve		0.00	255.23
Proposed Dividend		510.45	127.61
Tax on Dividend		86.75	14.32
<b>Profit/(Loss) Carried to Balance Sheet</b>		<b>6598.12</b>	<b>5206.12</b>
		<b>7195.32</b>	<b>5603.27</b>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS	"N"		

As per our report of even date attached  
For **M/s. Sanjay & Vijay Associates**  
Chartered Accountants

**(Vijay Bhandari)**  
Partner  
Membership. No. 103205  
Place : Mumbai  
Date : 12th June, 2008

For and on behalf of the Board of Directors

**Saurabh Kumar Tayal**      **Mahendra Kumar Agarwal**  
Chairman                              Managing Director

Company Secretary

**JAYBHARAT TEXTILES AND REAL ESTATE LTD. - CONSOLIDATED FINANCIAL STATEMENT**

**SCHEDULE A TO N ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2008 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

	AS AT 31.03.2008 (Rs. lacs)	AS AT 31.03.2007 (Rs. lacs)
<b>SCHEDULE 'A' : SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
35,00,00,000 Equity Shares of Rs. 2/- each (Previous year 6,00,00,000 Equity Shares of Rs.5/- Each)	7000.00	4000.00
Previous Year 3,00,00,000 Preference shares of Rs.10/- each		3000.00
	<u>7000.00</u>	<u>7000.00</u>
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
25,52,25,000 Equity Shares of Rs.2/-each (Previous year 12,76,12,500 Equity Shares of Rs.2/- Each) (Of the above Equity Shares, 168199500 Shares were allotted as bonus shares by capitalisation of reserves)	5104.50	2552.25
	<u>5104.50</u>	<u>2552.25</u>
<b>SCHEDULE 'B' : RESERVES &amp; SURPLUS</b>		
<b>GENERAL RESERVE</b>		
NET PROFIT AS PER PROFIT AND LOSS ACCOUNT	6598.12	5206.12
Less: amount transferred to Capital account for issuos of Bonus Shares	2552.25	1531.35
	<u>4045.87</u>	<u>3930.00</u>
<b>SCHEDULE 'C' : LOAN FUNDS</b>		
<b>SECURED LOANS</b>		
Term Loan (see note no.09 for security) (Term Loan secured by 1st charge over the Fixed Assets both Movable & immovable and 2nd Charge over the entire Current Assets of the company and personal gurantee of sri Saurabh K.Tayal Chairman of the Company)	17605.03	11347.37
	<u>17605.03</u>	<u>11347.37</u>
<b>UNSECURED LOANS</b>		
From others - Vinar & Co.	0.80	0.80
90, 7.75% Debentures of 10000/- each.	9.00	9.00
Others Loans	13200.00	8200.00
	<u>13209.80</u>	<u>8209.80</u>
<b>TOTAL (A)</b>	<u>17605.03</u>	<u>11347.37</u>
<b>TOTAL (B)</b>	<u>13209.80</u>	<u>8209.80</u>
<b>GRAND TOTAL</b>	<u>30814.83</u>	<u>19557.17</u>

**SCHEDULE A TO N ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31 ST MARCH' 2008. AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

**SCHEDULE : D : CONSOLIDATED FIXED ASSETS AS AT 31ST MARCH, 2008**

(Rs. in lacs)

NO	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As On 01-04-2007	ADDI TION	DEDU CTION	AS ON 31.3.2008	AS ON 01-04-2007	DURING THE YEAR	WRITTEN BACK	UPTO 31.03.08	AS ON 31.03.08	AS ON 31-03-2007
1	LAND	23.10	0.00	0.00	23.10	0.00	0.00	0.00	0.00	23.10	23.10
2	LAND AND SITE DEVELOPMENT	838.00	0.00	0.00	838.00	0.00	0.00	0.00	0.00	838.00	838.00
3	PLANT & MACHINERY	9554.86	10305.02	0.00	19859.88	1051.42	1361.48	0.00	2412.90	17446.98	8503.44
4	BUILDING	2429.24	6851.03	0.00	9280.27	104.79	115.98	0.00	220.77	9059.50	2324.44
5	FURNITURE & FIXTURES	71.60	15.25	0.00	86.85	2.99	3.50	0.00	6.49	80.35	68.61
6	MOTOR VEHICLE	20.76	0.00	0.00	20.76	4.30	1.97	0.00	6.27	14.49	16.46
		<b>12937.56</b>	<b>17171.30</b>	<b>0.00</b>	<b>30108.86</b>	<b>1163.50</b>	<b>1482.93</b>	<b>0.00</b>	<b>2646.43</b>	<b>27462.43</b>	<b>11774.06</b>
9	CAPITAL WORK IN PROGRESS	11577.66	14696.76	17171.30	9103.12	0.00	0.00	0.00	0.00	9103.12	11577.66
	<b>TOTAL</b>	<b>24515.22</b>	<b>31868.06</b>	<b>17171.30</b>	<b>39211.98</b>	<b>1163.50</b>	<b>1482.93</b>	<b>0.00</b>	<b>2646.43</b>	<b>36565.55</b>	<b>23351.72</b>

**AS AT  
31.03.2008  
(Rs. lacs)**

**AS AT  
31.03.2007  
(Rs. lacs)**

**SCHEDULE 'E' : INVESTMENTS**

ASAHI FIBRES LTD. ( 32225870 SHARES OF Rs.1/- EACH)

**312.00**

**312.00**

PULGOAN COTTON MILLS ( 100% SHARE HOLDING)

**0.00**

**0.00**

REALTIME PROPERTIES LIMITED (100% SHARE HOLDING)

**0.00**

**0.00**

**Total**

**312.00**

**312.00**

**SCHEDULE 'F' : CURRENT ASSETS, LOAN AND ADVANCES**

**A. CURRENT ASSET**

1 Sundry Debtors (Unsecured considered good)

a) Debtors exceeding 6 Months

**102.65**

**107.31**

b) Others

**3017.17**

**2651.93**

**TOTAL :**

**3119.82**

**2759.24**

2 Inventories

Raw material

**1366.27**

**1253.98**

Finished Goods

**1015.12**

**816.35**

Stock In Process

**558.61**

**529.16**

Stores, Spares, Packing materials, fuel etc and non moving items

**0.00**

**0.00**

**TOTAL :**

**2940.00**

**2599.49**

3 Cash & Bank Balance

Balance with Banks

**242.86**

**203.00**

Cash in hand

**16.48**

**7.33**

**TOTAL :**

**259.34**

**210.33**

**B. LOANS & ADVANCES**

(Recoverable in cash or kind or for value to be received)

**2180.98**

**1178.73**

Sundry Deposits

**17.58**

**17.58**

Tax deducted at Source

**0.21**

**0.21**

**TOTAL :**

**2198.76**

**1196.51**

**GRAND TOTAL :**

**8517.92**

**6765.57**



**SCHEDULE A TO N ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31 ST MARCH' 2008. AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE**

	AS AT 31.03.2008 (Rs. lacs)	AS AT 31.03.2007 (Rs. lacs)
<b>SCHEDULE "K" : MANUFACTURING EXPENSES</b>		
Labour Charges	2167.78	1394.12
Power & Fuel Exp.	2283.64	1788.26
Repair & Maintainace	64.33	49.62
Spares, consumable & Packing Material	918.67	564.56
<b>TOTAL :</b>	<b>5434.42</b>	<b>3796.56</b>
<b>SCHEDULE "L" : SELLING &amp; ADMINISTRATIVE EXPENSES</b>		
Salaries & Bonus	135.40	88.60
Staff Welfare Expenses	10.58	9.37
Electricity Charges	20.50	11.54
General Expenses	37.16	30.36
Insurance	16.00	9.25
Repairs & Maintenance	18.94	17.84
Postage & Telegram	33.78	20.45
Regestration & Filing Fees	10.59	11.23
Auditors Remuneration	1.33	1.32
Rent, Rates & Taxes	14.40	6.52
Listing Fees	0.35	0.00
Consultancy Charges	8.55	12.26
Legal & Professional Charges	20.73	26.45
Conveyance/Travelling Expenses	51.34	49.73
Advertisement Expenses	15.78	23.52
Printing & Staitonary	54.98	33.35
Carriage Outword	94.55	82.26
Discount and Commission	236.22	241.26
Sales and Business Promotion Expenses	15.20	29.51
Director Sitting Fees	6.00	1.36
Director Remuneration	0.66	6.00
Telephone Charges	32.80	30.38
Motor Car Expenses	8.97	5.41
<b>TOTAL :</b>	<b>844.81</b>	<b>747.97</b>
<b>SCHEDULE "M" : INTEREST &amp; FINANCIAL CHARGES</b>		
Intersest and Bank charges	871.53	4.28
<b>TOTAL :</b>	<b>871.53</b>	<b>4.28</b>

# JAYBHARAT TEXTILES AND REAL ESTATE LTD. - CONSOLIDATED FINANCIAL STATEMENT

## SCHEDULE 'N'

### SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT AS ON 31<sup>st</sup> March, 2008

#### 1. a. ACCOUNTING CONCEPTS

The financial statements have been prepared under the historical cost convention and the accrual basis of accounting. The accounts of parent company and the subsidiary have been prepared in accordance with the accounting Company follows the mercantile system of Accounting and recognizes Income and Expenditure on accrual basis. The accounts are prepared on historical cost basis, as a going concern, and are consistent with generally accepted accounting principles.

#### b. PRINCIPLE OF CONSOLIDATION

The consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS-21) issued by the Institute of Chartered Accountants of India. The consolidated financial statements have been prepared on the following basis:

- The financial statement of Jaybharat Textiles & Real Estate Ltd. And its subsidiary companies have been combined on a line-by line basis by adding together the book values of like items of assets, liabilities, Income and expenses, after fully eliminating intra-group balances and intra-group transaction.
- The difference between the costs of investment in subsidiary, over the net assets at the time of acquisition of shares in subsidiary is recognized in the financial statements as Goodwill.
- Company has acquired 100% equity of subsidiary.
- Investment other than in subsidiary have been accounted as per Accounting standard (AS) 13 "Accounting for Investment".
- As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's separate financial statements.

#### c. FIXED ASSETS

Fixed Assets are stated at cost of acquisition less depreciation. Cost includes all identifiable expenditure to bring the assets to its present location and condition

#### d. DEPRECIATION

Depreciation on fixed assets is provided on straight line method on a pro rata basis at the rates specified in the schedule XIV to the companies Act 1956.

#### e. INVENTORIES

Inventories are valued at cost or net realisable value, whichever is lower and Stock in progress (WIP) valued at cost.

### NOTES ON ACCOUNTS TO THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

1. The subsidiary companies considered in the consolidated financial statements is:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest
Pulgaon Cotton Mills Ltd.	India	100%
Real Time Properties Limited	India	100%

The company has invested Rs.523.53 crores to acquire 100% equity of Pulgaon Cotton Mills Limited located at Pulgaon. On the date of such investment the company has Total Reserve of Rs. NIL and total accumulated Losses were 2236.14 Lacs.



# JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2008

	2007-08 (Rs. lacs)	2006-07 (Rs. lacs)
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ACTIVITIES	4172.61	4151.22
Adjustment for Non Cash Charges		
Depreciation & Amortisation	1482.95	966.59
Dividend/ Profit on sale of Fixed Assets	0.00	-5.58
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>5655.56</b>	<b>5112.23</b>
Adjustment for .		
Trade and Other Receivables	-1362.84	-932.25
Inventories	-340.51	-436.31
Trade Payable	-322.16	1346.30
<b>CASH GENERATED FROM OPERATION</b>	<b>3630.04</b>	<b>5089.97</b>
Direct taxes paid	0.00	0.00
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>3630.04</b>	<b>5089.97</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed assets	-14696.75	-22099.15
Sale of Fixed Assets	0.00	20.00
Purchase of Investments / Goodwill	0.00	-302.00
Dividend and Other Income received	0.00	2.10
Increase/Decrease in Miscellaneous Expenditure	0.00	-0.24
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>-14696.75</b>	<b>-22379.30</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceed from Issue of Share Capital	0.00	0.00
Total Proceeds from borrowing	11257.66	17547.37
Share Application Money	0.00	0.00
Dividend paid	-141.93	-56.78
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>11115.73</b>	<b>17490.59</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>49.01</b>	<b>201.27</b>
CASH AND CASH EQUIVALENTS(Opening Balance)	210.33	9.06
CASH AND CASH EQUIVALENTS(Closing Balance)	259.34	210.33
	<b>49.02</b>	<b>201.27</b>

As per our report of even date attached

For **M/s. Sanjay & Vijay Associates**  
Chartered Accountants

**(Vijay Bhandari)**  
Partner  
Membership. No. 103205  
Place : Mumbai  
Date : 12th June, 2008

For and on behalf of the Board of Directors

**Saurabh Kumar Tayal**      **Mahendra Kumar Agarwal**  
Chairman                              Managing Director

Company Secretary

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT.1956  
RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANIES FOR FINANCIAL YEAR 2007-08.

Name of the Subsidiary Company	Pulgaon Cotton Mills Ltd.	Realtim Properties Ltd.
Financial Year of the Subsidiary Company	31st March,2008	31st March,2008
Date from which they became Subsidiary Company the subsidiary company:	14th March, 2005	6th March, 2007
(a) Number of shares held by "Jaybharat Textile and Real Estate Ltd." with its nominees in the subsidiary at the end of the financial year of the Company	22750000 Eq. sh. of Rs.10/-each.	50000 Eq.sh. of Rs.10/-each.
(b) Extent of Interest of holding company at the end of the financial year of subsidiary Company	100%	100%
<b>DETAILS OF SUBSIDIARY COMPANY</b>	<b>(Rs. In Lacs )</b>	<b>(Rs. In Lacs )</b>
Capital	2275.00	5.00
Reserve	0.00	1.02
Total Assets	2284.80	9206.02
Total Liabilities	2284.80	9206.02
Details of Investment	0.00	0.00
Total Income	465.45	5.00
Profit (Loss) Before Taxation	2.81	0.73
Provision for taxation	0.90	0.09
Profit (Loss) after Taxation	1.91	0.64

**AUDITORS CERTIFICATE**

We have examined the attached consolidated cash flow statement of Jaybharat Textiles and Real Estate Ltd. For the year ended 31st March 2008. The Statement has been prepared by the company in accordance with the requirements of Listing Agreement Clause 32 with various Stock Exchanges and is based on and is in Agreement with the corresponding Profit and Loss account and Balance Sheet of the company by our report to the members of the company.

For **SANJAY & VIJAY ASSOCIATES**  
Chartered Accountants

**VIJAY BHANDARI**

Partner  
M.No. 103205

Place: Mumbai  
Date: 12th June, 2008

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER PART IV OF THE SCHEDULE VI TO THE COMPANIES ACT, 1956****I. Registration Details**

Registration No.	: 11553 OF 84-85	State Code	:	54
Balance Sheet Date	: 31.03.2008			

**II. Capital Raised during the year (in Lacs)**

Public Issue	:	Nil	Right Issue	:	Nil
Bonus Issue	:	2552.25	Private Placement:	:	Nil

**III. Position of Mobilisation and Development of Funds**

Total Liabilities	:	41050.79	Total Assets	:	41050.79
<b>SOURCE OF FUNDS</b>					
Paid-up Capital	:	5104.50	Secured Loans	:	26814.89
Reserves and Surplus	:	4045.67	Unsecured Loans	:	4000.00
			Deffered Tax Liab	:	1085.59

**APPLICATION OF FUNDS**

Net Fixed Assets	:	36565.55	Investments	:	312.00
Net Current Assets	:	3688.35	Miscellaneous Expenditure	:	0.22
Goodwill	:	484.67			

**IV. Performance of Company**

Turnover	:	43108.88	Other Income	:	6
Total Expenses	:	38936.27	Profit/(Loss) before Tax	:	4172.61
Profit/(Loss) After Tax	:	3265.33	Earning Per Share (in Rs)	:	1.65
Dividend Rate %	:	10%			

**V. Generic Names of Principal Products / Trading**

Item Code No. (ITC Code)	:	
Product Description	:	Cotton Yarn

As per our report of even date attached

For **M/s. Sanjay & Vijay Associates**  
Chartered Accountants

For and on behalf of the Board of Directors

**(Vijay Bhandari)**  
Partner  
Membership. No. 103205  
Place : Mumbai  
Date : 12th June, 2008

**Saurabh Kumar Tayal**      **Mahendra Kumar Agarwal**  
Chairman                              Managing Director

Company Secretary

**ATTENDANCE SLIP**

**JAYBHARAT TEXTILES AND REAL ESTATE LIMITED**

Registered Office: Village Savlav, Taluka Pardi, Near Vapi, Dist Valsad, Gujarat- 396191  
(PLEASE COMPLETE THIS SLIP AND HAND IT OVER AT THE ENTRANCE OF MEETING HALL)

**TWENTY SECOND ANNUAL GENERAL MEETING**

Member's Name (in capital letters) .....

Folio No. .... No. of Shares held .....

DP. ID*	
---------	--

Client ID*	
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I hereby record my presence at the Twenty third Annual General Meeting of the company being held on Saturday, 9th August 2008, at 12.00 a.m. at Village Savlav, Taluka Pardi, Near Vapi, Dist Valsad, Gujarat-396191.

.....  
Signature of the Shareholder or Proxy

\* Applicable for investors holding shares in electronic form

..... CUT HERE .....

**PROXY FORM**

**JAYBHARAT TEXTILES AND REAL ESTATE LIMITED**

Registered Office: Village Savlav, Taluka Pardi, Near Vapi, Dist Valsad, Gujarat- 396191

DP. ID*	
---------	--

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

Client ID*	
------------	--

I/We .....

of .....

being a member/members of the Company, hereby appoint .....

of ..... in the District of .....

or failing him ..... of ..... in the District of .....

or failing him ..... of ..... in the District of .....

as my/our Proxy to vote for me/us on my/our behalf at the Twenty third Annual General Meeting of the Company to be held on Saturday, 9th August 2008, at 12.00 a.m. at any adjournment thereof.

Signed this ..... Day of ..... 2008

Affix Re. 1/- Revenue Stamp
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\* Applicable for investors holding shares in electronic form.

**Note:** The Proxy form duly completed and signed must deposited at the Registered Office of the Company, not less the 48 hours before the meeting.

AS PER SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) MANDATE, THE SECURITIES OF YOUR COMPANY ARE TO BE TRADED ONLY IN DEMAT FORM W.E.F 8TH MAY 2000 FOR ALL THE INVESTORS. MEMBERS ARE, THEREOF, REQUESTED TO COMPLETE ALL FOMALITIES FOR CONVERSION OF THEIR SHARES FROM PHYSICAL TO ELECTRONIC FORM.
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