

# The best technologies at work for the smallest farmers



24th Annual Report 2010-2011

# Founder's Conviction



The Founder inherited farming instincts. Moreover, as a first generation entrepreneur, he also had hands-on experience regarding all aspects of farming.

A strong desire and determination to establish cutting edge technology propelled him on growth path with these convictions:

- In India, 70% of over 1 billion people are associated with agriculture. Agriculture symbolizes their culture, not only their economy.
- Transformation of our agrarian society into an industrial society will take centuries.
- In the meantime, there is no escape from taking the help of Science & Technology for agriculture, agri-business and agri-industry.
- Such an approach alone can ensure long-term food security, sustainable & inclusive growth and self-reliance.
- No other sector's progress, howsoever phenomenal, can substitute the development of agriculture.
- There is no gainful agriculture without irrigation. Therefore, availability and management of water holds the key for future agricultural progress – its production and productivity. "More Crop Per Drop" should become a national priority.
- Availability of water by itself does not guarantee higher productivity or production. Irrigation water has to be pumped right up to the farm boundary and thereafter distributed up to the root zone of the crop.
- Growing population, urbanization, industrialization and cropping intensity will reduce overall availability of water for agriculture and increase the need for energy. Hence, water without energy or shortage and poor quality of energy will continue to be a bottleneck for future agricultural growth.
- In keeping with our "conservation" theme, we shall promote use of green energy not only for homes or industries but also for agricultural applications.

# Corporate Philosophy



## **Mission**

Leave this world better than you found it.

## **Vision**

Establish leadership in whatever we do at home and abroad.

## **Credo**

Serve and strive through strain and stress;  
Do our noblest, that's success.

## **Goal**

Achieve continued growth through sustained innovation for total customer satisfaction and fair return to all other stakeholders. Meet this objective by producing quality products at optimum cost and marketing them at reasonable prices.

## **Guiding Principle**

Toil and sweat to manage our resources of men, material and money in an integrated, efficient and economic manner. Earn profit, keeping in view commitment to social responsibility and environmental concerns.

## **Quality Perspective**

Make quality a way of life.

## **Work Culture**

Experience : 'Work is life, life is work.'



# Technology and Development

## Agriculture

### Ultra High Density Mango Plantation : Game changer in the way mango is produced

India is the largest producer of mango in the world. However, our productivity is the lowest—6.38 mt/ha (2.56 mt/acre). Traditionally about 40 mango trees are planted per acre and the tree starts to bear fruit only from year 5 but commercial bearing starts after year 8-10. The Company has been working on improving the yields of the mango farmers and towards this end, started to experiment with changing agronomical practices.

The Company started working on UHDP of mango in 2006 and brought this technique for commercial utilization. Performance of UHDP under field R & D has been very promising besides several other advantages

Year	Orchard Age	Yield (Mt/acre)	
		Ratna	Alphonso
2009	3 Year	4.0	1.4
2010	4 Year	6.4	1.5
2011	5 Year	8.99	3

#### Benefits of UHDP and associated technologies :

- Increases productivity by 2-3 times the normal yield.
- Reduces orchard gestation period to three years as compared to conventional (8-10 years) management.
- Renders orchard crops as profitable as other cash crops.
- Reduces water used for irrigation by 50%.
- Increased fertilizer use efficiency due to fertigation.
- Consequent saving up to 30% of applied fertilizer from the recommended dose is possible.
- Reduces NO<sub>3</sub>-nitrogen leaching (thereby preventing nitrate pollution) by 50% when fertigation is practised.
- Controls weed growth as water is applied only to the root zone.
- The Company has now perfected the practice of Ultra High Density Plantation in Mango on a commercial scale resulting in doubling of yields and start of commercial production from the third year itself. The Company has now undertaken an extensive program to propagate this technique.



### Cashew Cultivation - A New Approach

Cashew is one of the rain fed crops cultivated with marginal inputs resulting in very poor yield of 700kg nuts per acre. We are trying to reverse this situation by bringing this crop under high tech management practices. Primary experiments have revealed very encouraging results with fruiting from second year itself. We are expecting to touch 2 tonnes yield per acre in the fifth year. Cashew plantation is established at 3m x 2m spacing as against the conventional planting methods.

### Drip Irrigated Rice to Improve Water Productivity

We have been carrying out experiments on drip irrigated rice for over four years. During the last year ten rice varieties were tested for suitability under drip irrigation. All of them performed well under drip and out yielded flood irrigated plots by 15 to 35 percent with increase in water productivity.

Variety	Type	Yield Kg/acre		% Yield Increase	Water Productivity (Kg/M <sup>3</sup> )	
		Flood	Drip		Flood	Drip
Variety A	Basmati Type	2435	3276	34.53	0.130	0.688
Variety B		2314	3056	32.06	0.123	0.642
Variety C	Medium	2811	3691	31.30	0.136	0.702
Variety D	Fine	2535	2967	17.04	0.135	0.573





# Technology and Development

## Wheat Cultivation with Drip Irrigation

Efforts to increase productivity of wheat revealed that drip irrigation can increase yield by 15-30% in Central India besides saving water use by 20-28%. Trials with drip irrigation yielded 2200 kg per acre in comparison to 1877 kg per acre under flood irrigation at Nasik. Experiment at Jalgaon revealed similar trend with 1620 kg per acre under drip as against 1190 kg per acre under flood irrigation.

This technology can revolutionise wheat cultivation if adopted in the major wheat growing areas of the country besides saving water applied for irrigation.



## Mechanization of Onion Cultivation

Day to day reduction in availability of farm labour and increase in wages are threatening the production of onion for processing. Mechanization is comparatively easy for large farm operations. But it has limitations in small land holdings. Efforts were made to mechanize onion seed sowing and harvesting operations for small farmers which saves 75 to 100 man days per acre. This will help us in expanding onion contract farming and will also help the onion farmers in general.



### Aonla

A collection of germ plasm from various sources is maintained. It is used for chemical and molecular analyses for authentication of varieties and other useful traits.

Biochemical studies on the development of fruits of different varieties have been carried out. These studies provide information on the pattern of accumulation of medicinally important components (poly phenols, tannins, vitamin C) of the fruit.

### Cotton

In Central India most of the farms have very little irrigation water during summer, as wells and ponds dry up or have very limited water. To mitigate this situation, the Company standardized a new agro-technical approach for cotton cultivation. Hybrid cotton varieties with Bt gene sown in the second fortnight of May with drip irrigation support from the limited water resource and scientific crop management have been very efficient in increasing productivity. It is worth mentioning here that availability of 5000-10000 litres of water per day per acre is enough to raise the crop till the monsoon arrives. After the monsoon, water availability in wells improves significantly to irrigate the grown up crop. Using this technology, farmers are able to get yields of 15 to 32 quintals per acre. In addition to yield increase, early sowing helps in raising the crop with lesser infestation of sucking pests.





# Technology and Development

## Bio-Technology

**Banana :** Jain Tissue Culture technology has created a revolution among banana growers through out the country because of its unique product quality which has been achieved by continual improvement during the last 17 years. With this technology, banana growers are able to harvest 270-300 MT/Hectare yield from three crops including two ratoon crops and one main crop within 30 months as against 50-60 MT/Hectare from one crop in 18 months with the conventional method of cultivation. The vertical growth of the activity is remarkable. On the one hand it is the highest number of saplings sold by a single company in the world and on the other, the product is gaining popularity among the farming community because of its advantages as reflected in the demand of the product. The activity which was initiated by selling 50000 saplings in the year 1994-95 is poised to touch to 30 million saplings by 2011-12.

The technology helps increase the benefit to cost ratio of the crop so that agriculture becomes a sustainable business. The technology also helps save natural resources like water, energy, fertilizers etc. to a great extent. Most importantly, the quality of the fruit using Jain Tissue Culture saplings is internationally comparable. This gives the farmer an additional and assured market for his produce.

**Pomegranate :** 2006 was a critical year. India was poised to surpass Iran in pomegranate production to achieve the No. 1 status. However, misfortune struck and the pomegranate plantations were affected by a deadly disease called Bacterial Blight and farmers had no option but to simply uproot the plants and destroy them. Suddenly, there was scarcity of planting material and no solution to the deadly disease.

The Company stepped in to fill this void. On the one hand the Company collected authentic germ plasm of different varieties from all over the world and set up a trial to study disease resistant varieties; on the other, it started to work on developing a protocol of propagation of the planting material using the tissue culture technique.

Pomegranate is considered to be the most difficult crop for propagation through tissue culture. However, through our unstinted efforts, the group has now been able to commercialize high quality tissue culture planting material of pomegranate.

Many crucial stages involved in the tissue culture of pomegranate were successfully overcome; that has made our laboratory a resounding success.

(i) Establishment of initial tissues is the most crucial stage observed in pomegranate where we spent more than one-half year of the total research time for standardization.

(ii) This is in contrast to other institutions that started this activity a couple of years back and are still struggling to be successful.

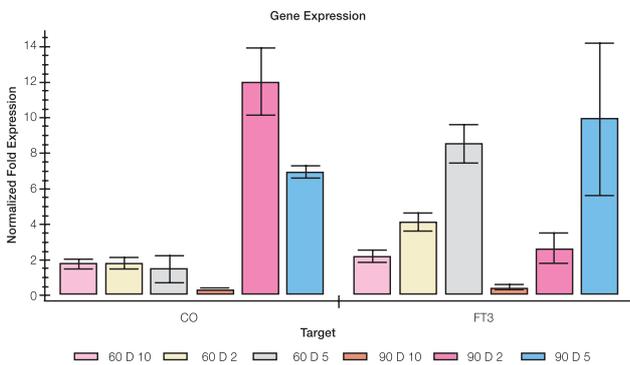


(iii) The Company overcame various obstacles in micro-propagation and has today achieved this landmark. 300,000 TC plants were distributed free to the farmers in the year 2007-08 the clock back. The TC pomegranate plants are disease free; they also yield almost double the quantity, vis a vis conventional planting material, with early fruiting. The Company plans to produce 2 million TC pomegranate plants this year.

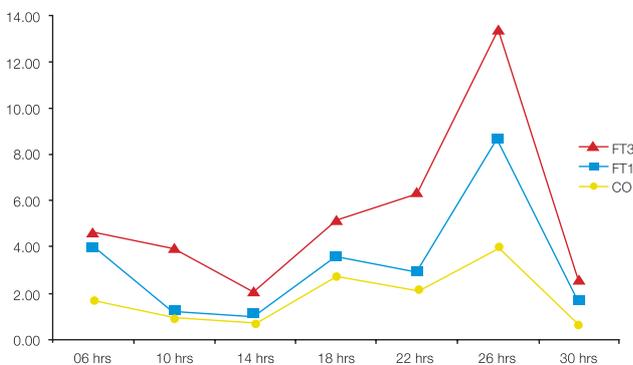
**Study of flowering genes of Banana and Onion :**

Flowering and fruiting are the most important events in crops where seed or fruit is used as commercial harvest. Time/season of flowering plays an important role in deciding cropping period, planning planting and harvesting time and other cultivation practices like application of water and fertilizers. Flowering is governed by several environmental factors like photoperiod, temperature and internal plant factors like plant hormones, flowering, nutrition etc. We are trying to elucidate the molecular pathway of flowering in banana and onion which will help us improve these crops in the required manner. Till date we have identified seven genes in banana and five genes in onion related to flowering.

**Expression of Constans (Co) Flowering Locus T (FT3) in banana at different crop age**



**Diurnal Expression of Flowering Locus T (FT1 & FT3) and Constans (Co) genes of banana**





# Technology and Development

## Food Processing

### Fruit Processing

The fruit processing plant of the Company has many innovations to its credit which have resulted in higher productivity, better quality and lower costs to the Company. Some of the innovations have now been adopted industry wide, changing the face of the entire industry.

### Fruit Ripening

One such path breaking innovation has been ripening of fruits. Traditionally mangoes were ripened by using dried paddy straw, which resulted in inconsistent ripening and loss of precious fruits. The process also required huge amount of labour. Further, the industry used banned chemicals which were harmful to health. The Company adopted the concept of Green House to design an Evaporative Cooling and Ripening Chamber and standardised the process of ripening resulting in uniform ripening, reduction in ripening losses and doing away with banned chemicals. The innovative technique has now been adopted industry wide resulting in productivity gains and better quality.

### Refining of Mango Pulp

In India, the largest variety which is processed is Totapuri Mango. This variety suffers from a quality issue on account of seed damage. The fragments of damaged seed in the form of small specks come in the pulp giving it an unpleasant appearance. The entire industry used to struggle to control these specks by resorting to the manual process requiring large number of skilled labour apart from limitations in terms of quantity of fruits processed and other quality issues. The Company worked with equipment vendors to modify and adopt existing decanters (horizontal centrifuges) to accomplish the task of mechanical removal of these specks. This adaptation has now been accepted industry wide resulting in huge savings in costs, better productivity and quality.



## Onion & Vegetable Dehydration

This division is also driven by innovations, which has enabled it to become the third largest onion dehydrator in the world and put India on the global map. Amongst the many innovations and novel ideas put into practice by the division are the following.

### Development of high TSS white onion hybrid for short day conditions

The group commissioned its onion and vegetable dehydration plant with the objective of producing dehydrated products of superior quality meeting international standards. The onion available in the country possesses only 10-13 % of total soluble solids (TSS) yielding low recoveries during dehydration. Besides, they are prone to premature bolting, splits or doubles. Varietal improvement program resulted in JV12, an open pollinated variety with 17-18% TSS, commercialized during 2001-02. This variety is suitable for local conditions which means that we are able to produce high TSS and yield under short day conditions as compared to most of the high TSS onions which are grown under long day conditions.

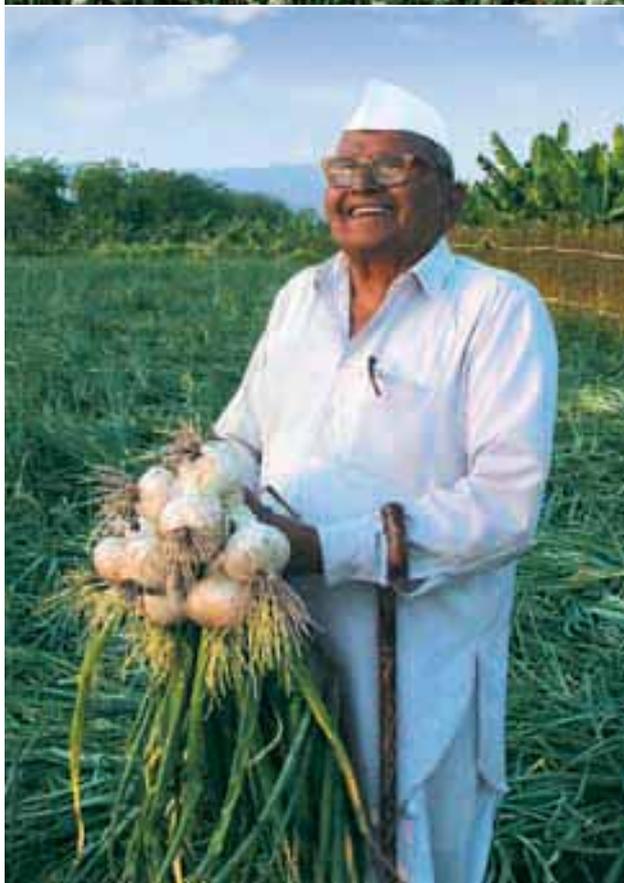
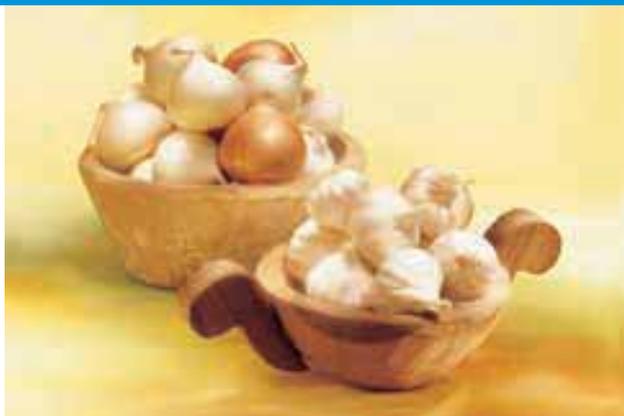
Systematic breeding program for development of F1 Hybrid of desired quality is continuing. Our sustained efforts resulted in the release of a CMS based hybrid 71212 during 2009-10. This variety possesses the following characteristics with high yield:

Yield Potential	: 20 t/acre
TSS	: 17.9
Pungency	: 2024±50ppm
Reducing Sugars	: 1.25±0.5%
Total Sugars	: 15.4±1%
Neck Thickness	: Thin
Suitable for	: Rabi Season

### Contract Farming of High Solid Onions

India grows sweet onions, which are suited for fresh consumption. Onion is the largest spice and although India is the second largest producer of onions in the world, we were virtually nonexistent in the processed onion market. The Company developed, acclimatized and propagated High Solid Onion varieties in India. We also introduced the concept of contract farming, almost a decade back. The varietal development, agronomy support and the contract farming model benefit more than 3000 farmers every year, who have seen their yields double. They have also been insulated from the vagaries of the market.

The contract farming unit of the Company employs a unique set of associates called 'Gram Sevaks'. These are educated extra farm-hands, who are trained in good agricultural practices and sent back to villages to help the farmers. These 'Gram Sevaks' are now acting as 'Change Agents' in almost 425 villages in Maharashtra.





# Technology and Development

## Micro Irrigation

### Quick Connect Plus Joint - All new way to define the PE pipe joint

Quick connect plus is a novel PE pipe joint used in shiftable sprinkler system. It eliminates the conventional welding process of male/female coupler with the pipe. Male/female couplers are integrally formed as part of the pipe with a unique production process. With the elimination of the welding process, changes of welding breakage/ damage due to mishandling are eliminated. Quick Connect Plus is available with easy to connect plastic latches. A single person can easily connect and disconnect the pipe without much effort.

### Improves Rate of Production

Integral male/female coupler saves moulding, welding and post operation processes, thereby saving time and improving production rate.

### Durable, No Maintenance Joint

As there is no risk of welding failure, farmer will get rid of frequent breakages at welding point during handling of the pipe. Saves on maintenance time and cost.

### Easy to Connect Plastic Latches

Innovative, easy to connect corrosion free plastic latches make the systems installation easy and less labour intensive. One can connect / disconnect the pipes single-handed.

### Reduction in Pressure Loss

Smooth inner surface of integral joint saves pressure loss and helps improve sprinkler performance and overall efficiency of the system.

### Jain Turbo Excel - Excellence in quality, excellence in performance

Jain Turbo Excel is an innovative dripper developed for use with flat integral drip lines. Its compact light weight design helps achieve high production rate to match the growing market demands. Its unique process provides high production efficiency at low energy requirements. It is a perfect combination for Thick/Thin walled drip lines, available in discharge range of 0.6 to 3.8 lph at nominal pressure of 1 kg/cm<sup>2</sup>. (0.16 to 1.03 at nominal pressure of 15 psi).

### Innovative Cascade Labyrinth with large cross sections

Hydrodynamically designed tooth structure helps create double flow regime. This helps in continuous flushing of particles.

### Three Dimensional Inlet Filter

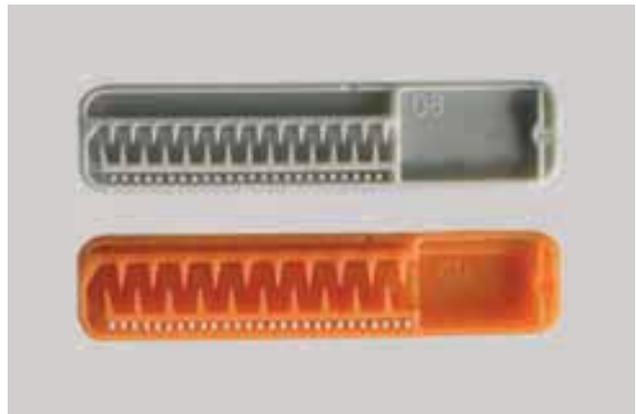
Unique filtration surface enables clog free operation even under high clog risk conditions.

### Fine inlet filters

Industry best high precision inlet filters much smaller than the cross sectional area of the emitter, preventing entrance of fine particles.

### Excellent CV<sub>m</sub>, manufacturer's coefficient of variation

Maintains close dimensional tolerances to ensure low Cv and best field emission uniformity.



## J-Turbo Line Super - Superior by all Means

J-Turbo Line Super is a revolutionary cylindrical dripper which overcomes all the limitations of conventional cylindrical drippers. Its straight labyrinth without many torturous turns in the flow path eliminates the possibility of sedimentation at the turnings. Its unique manufacturing process leads to a very low cycle time with low energy consumption. It is available in 12, 16 and 20mm diameter with flow ranging from 1 lph to 8 lph.

### Innovative Cascade Labyrinth

Hydrodynamically designed tooth structure helps create double flow regime viz. central curving flow and turbulent cyclone in the dripper. This helps in continuous flushing of particles.

### Maximum Filtration Area with Fine Inlet Filters

High precision inlet filters, much smaller than the cross sectional area of the emitter, prevent entrance of fine particles and ensure continuous water flow even in problematic water conditions and in mining applications.

### Excellent CV<sub>m</sub>, manufacturer's coefficient of variation

Maintains close dimensional tolerances, gives low Cv and ensures best field emission uniformity.

### Multiple Outlet Holes

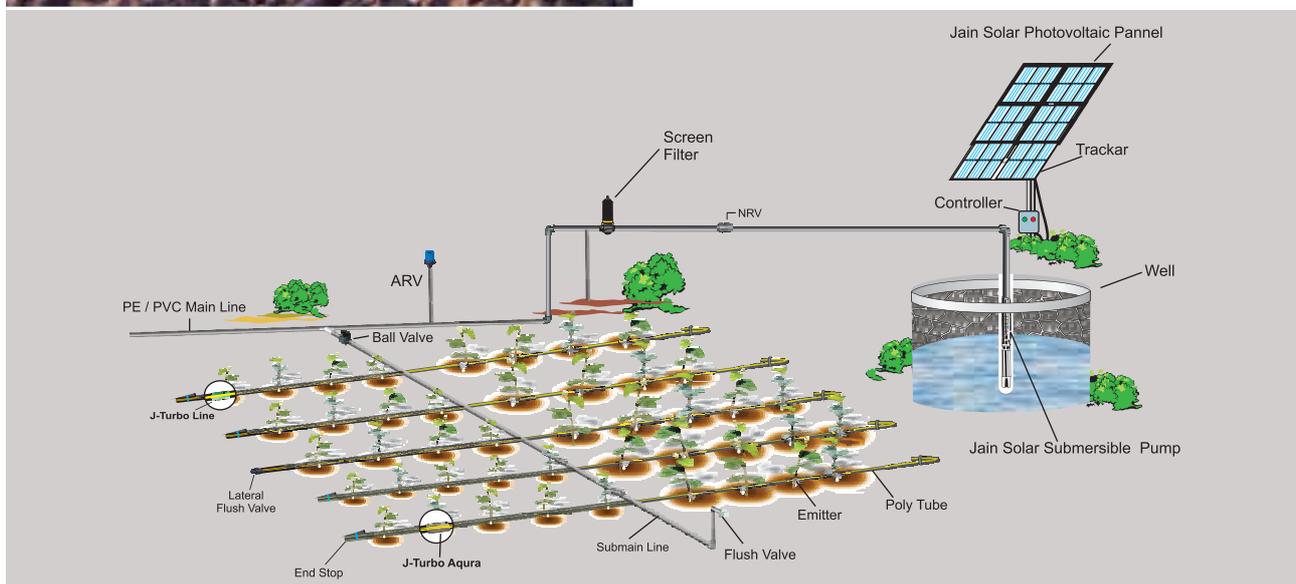
Multiple outlets break vacuum and prevent sand suction.



## Jain Solar Powered Drip Irrigation - Future is Here

Crop needs water. Pumping of water needs energy. Water and energy are becoming scarce resources day by day. To come out of this nexus, the Company has introduced an energy efficient drip irrigation system which operates on solar energy, a system perfectly matching the varying crop water requirements. In the morning when water requirement is low, the system delivers low discharge. As the sun climbs up, water requirement increases and the system delivers higher discharges. In rains and winter, solar radiation is low; so is the crop's water requirement. This is the perfect combination, which saves water and energy and increases crop yield, thus ensuring water security, energy security and food security for the nation.

- Slow application of water and fertilizer over a longer period of time gives better root zone environment and results in higher growth rate and yield.
- No manpower required to operate the systems.
- Suitable for survival irrigation during drought period or even in case of rain failure.
- System is designed to save water and provide better application efficiency.
- No dependence on conventional energy sources.
- No power and/ or fuel cost to operate pump/ drip system.
- Long life. Minimum life for solar panels is 20 years.
- Highly suitable to those parts of the world where electricity is still a distant dream.





# Technology and Development

## Plastic Piping

**Multi Micro Duct :** Always thinking of futuristic innovative products consisting of many Micro Ducts in a sheath produced a unique extrusion process. This product allows blowing of multiple optic fibers for various applications at any desired time. The inner surface of the duct is provided with ribs to reduce the available contact area for the micro cables when they are blown into them. Inner surface is specially formulated with recipe in order to have very low friction coefficient value. The combination of ribs as well as the special recipe allows very easy installation of the cable with less energy without damaging the cable during installation.

Advantage with the product is low installation cost with option for up gradation retaining the cabling. At any point of time micro cables can be blown into or removed from the micro ducts without any additional cost. Multi Micro Ducts are available with 2 to 8 micro ducts in sizes 5x3.5, 7x5.5, 10x8, 12x10 and 14 x 10.

## **Spirozoom HDPE PLB DUCT – for Stress free and safe handling of OFC**

Spirozoom HDPE PLB duct is an innovative product designed for rapid and safe blowing of optical fibre cables for long distances at single stretch. Presence of ribs on inner surface of the duct reduces the contact area between the OFC and HDPE duct and the constant change of direction of ribs eliminates the tendency to accumulate spiral induced torque in the cable. The forward vertex flow of air created by spiral ribs enables the movement of fibre cable away from the duct walls. The inner surface is made up of a special recipe which reduces the frictional coefficient. The combination of spiral ribs which reduces the contact area and the recipe for less frictional coefficient make the cable blowing easier and faster. Blowing of cable for lengths more than 2 KM can be done quickly without damaging the cables which is essential for the fibre optic cable networks. Ultimate advantage is fast, rapid, stress free handling of OFC during blowing which makes the Spirozoom HDPE PLB duct preferable for inter city long distance connectivity.



## Green Energy

**Universal Tracker Controller :** An innovative universal solar tracker controller, designed for single axis tracking of various capacity solar modules, is developed for increasing the output from the solar array. This uses time based tracking and can be used for all models of single axis trackers.

**Glass to Glass Modules :** Glass to glass solar modules useful for building integrated photovoltaic systems (BIPV) are developed. These are useful for allowing controlled light inside the room and also producing electricity. Different sizes and designs are available depending on specific customer requirements.

**Solar + Hand Pump :** Retrofitting of solar pump with existing hand pump is meant to help rural hand pump users. This concept uses the same delivery pipeline of the hand pump for solar pumping. It is useful for villages where manual effort is avoided for pumping water during day time.

**Mobile Pump Demo :** A mobile solar pump vehicle uses 1800 Watts (2 HP) of solar modules mounted on a single axis tracker to operate a surface/submersible solar pump. One can take this mobile truck right up to the well/tube well in the field to pump water. It has a provision to charge mobile/laptop and also an LCD TV for advertisement purpose. One can easily fix the structure with solar panels on a tractor trolley and use it daily for pumping water, especially in remote locations.

**Bio-Gas :** The bio-gas project completes the virtual cycle of the Agri-Food Division. It utilises all the waste generated by the Fruit and Onion Plants to convert it into useful energy and organic fertiliser. The bio-gas plant is unique in that it utilises all the waste generated by the two processing plants right from onion to bananas to provide 30% of the power required by the Food Division, about 15% of Refrigeration and about 10 MT of Bio-fertiliser per day. The Company is now offering this technology to other agri-food processors in India.



# Awards & Recognitions



Bhavarlal H. Jain, Founder Chairman, receiving from Dr. Narendra Jadhav, Member, Planning Commission, the Jalgaon Ratna Award for overall contribution to the uplift of the society in general and the farming community in particular



Bhavarlal Jain, Founder Chairman, receiving from Salman Khurshid, Minister for Water Resources & Minority Affairs, GoI, the Lifetime Achievement Award for development of Indian agriculture



Bhavarlal H. Jain, Founder Chairman, receiving from Vipul Shah, CEO, Dow Chemical International Pvt. Ltd. the award in appreciation of partnership in innovations for a sustainable world



Barak Obama, President of the United States of America, conversing with Anil Jain, CEO & MD, at our Kissan Mela stall: St. Xavier's College, Mumbai (7th November 2010)

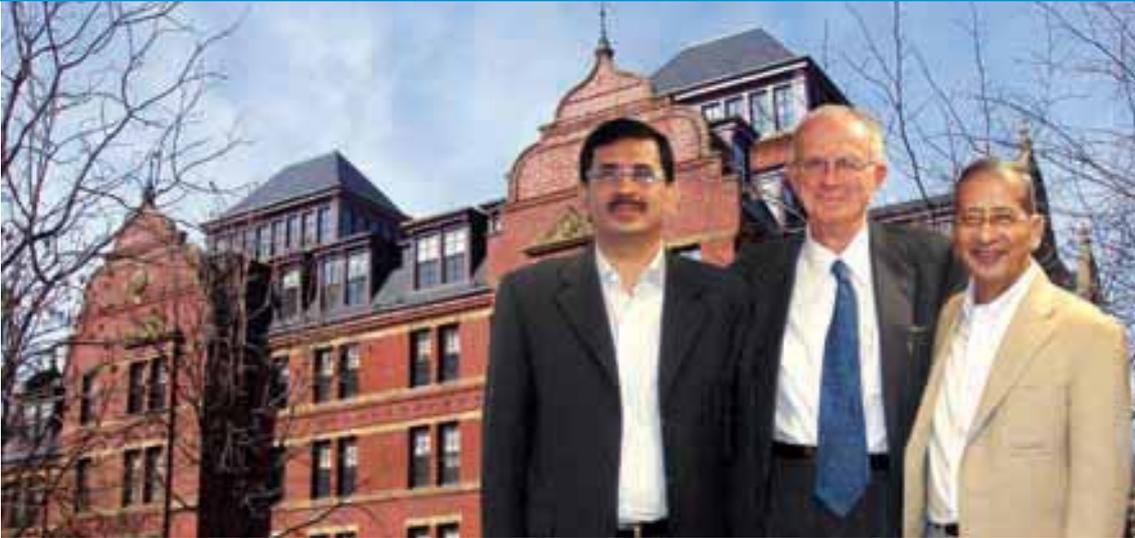


Anil Jain, CEO & MD, receiving from Lars Thunell, Executive Vice President and CEO, IFC the Client Leadership Award for pioneering work in promoting sustainable agriculture



Anil Jain, CEO & MD, receiving from Laxmi Mittal, Chairman, Arcelor Mittal and Lionel Barber, Editor, Financial Times, London, The Financial Times - Arcelor Mittal Boldness in Business Award for pioneering drip irrigation

# Awards & Recognitions



Dr. Ray A. Goldberg, Professor Emeritus, (Agri Business), Harvard Business School, after recording an interview for case study with Bhavarlal Jain, Founder Chairman, along with Anil Jain, CEO & MD (24th September 2010)



S. P. Jadhav, senior associate, receiving the Best Water Company Award for outstanding contribution in the field of water in India from Vincent H. Pala, Minister of State for Water Resources, Gol



M. S. Sudhakar and Amnon Ofen, senior associates, receiving from Faud Ben-Eliezer, Minister for Industry, Trade and Labour, Israel the Israel-Asia Chamber of Commerce Award for outstanding activities and largest investment by an Asian company in Israel



Manoj Lodha, President (Finance) receiving from Rajesh Mirchandani, industrialist, the Dun & Bradstreet - Rolta Corporate Award for undisputed leadership in plastic processing industry



A. V. Ghodgaonkar and Anilkumar Kataria, senior associates, receiving the 6th BSE Social and Corporate Governance Award for the Best Return to Investors and Consumers from Bhaskar Chatterjee, Secretary, Ministry of Heavy Industries & Public Enterprises



Suvan Sharma, senior associate, receiving the APEDA Export Award for Significant Contributions in Exports of Agricultural and Processed Food Products from Jyotiraditya M Scindia, Minister of State for Commerce & Industry, Govt of India

# Awards & Recognitions



Anilkumar Kataria, senior associate, on behalf of Bhavarlal H. Jain, Founder Chairman, receiving from Dr. Hansraj Bharadwaj, Governor, Karnataka, the Padma Jagriti Award for significant contribution in Agriculture Sector



V.B. Patil, senior associate, receiving the Vanashree Puraskar for Outstanding Work in Forestry, Wasteland Development and Public Awareness from Prithviraj Chavan, Chief Minister, Maharashtra



Dr. Santosh Deshmukh receiving from Jagannath Pahadiya, Governor of Haryana, the ICC Sustainability Vision Award for outstanding contribution in sustainable business models and innovations



Narendra Gupta, COO, Jain International Inc., receiving from Tony Radoszewski, Executive Director, The Plastic Pipe Institute, the "PPI Municipal and Industrial Division Project of the Year" award



At the mecca of Management. Hemchandra Patil and Rajendra Patil, two Jains farmers narrating the success story of drip irrigation. Dr. D. N. Kulkarni, President, acting as the interpreter



Students of Anubhuti English Medium School, a totally aided school for bright children from Below Poverty Line families, with Bhavarlal Jain, Founder Chairman, on the Pola Day

# Awards & Recognitions

## India's Top 100 R&D Spenders – 2010

Rank	Company	R&D Spend	Sales	R&D to Sales (%)
65	Jain Irrigation Systems	24.3	3,490.7	0.7 *

“Selected from companies all over India for highest spending on R&D”

*Instituted by The Economic Times, Mumbai*

## 100 Fastest Wealth Creators – 2010

Rank	Company	Wealth Created		CAGR (%)			ROE (%)		P/E (X)	
		₹ in bn	% Share	Price	PAT	Sales	FY10	FY05	FY10	FY05
13	Jain Irrigation	60	0.2	50	53	34	20	14	27	23 *

“Selected from companies all over India for Fastest Wealth Creation – 2005-2010”

*Instituted by Motilal Oswal Financial Services Ltd, Mumbai*

## 100 Biggest Wealth Creators – 2010

Rank	Company	Wealth Created		CAGR (%)			ROE (%)		P/E (X)	
		₹ in bn	% Share	Price	PAT	Sales	FY10	FY05	FY10	FY05
82	Jain Irrigation	60	0.2	50	53	34	20	14	27	23 *

“Selected from companies all over India for Biggest Wealth Creation – 2005-2010”

*Instituted by Motilal Oswal Financial Services Ltd, Mumbai*

# Acquisitions & New Plants



**Food Processing and Distribution** : Sleaford Quality Foods Ltd., Sleaford (UK)



**Micro Irrigation Systems and Plastic Piping** : Jain Plastic Park, Bhavnagar, Gujarat (India)



**Solar PV Plant** : Jain Energy Park, Jalgaon, Maharashtra (India)

# Involvement with Community



Protection of cows : a cause dear to Mahatma Gandhi. Justice C. S. Dharmadhikari, Chairman, Gandhi Research Foundation bestowing the Jannaben Lok Sevak Puraskar instituted by Jains on Sarla Behn from Bihar



Bringing Gandhi to people; Narayan Desai, veteran Gandhian and son of Mahadev Desai, Personal Secretary to Mahatma Gandhi, rendering 'Gandhi Katha' before a packed audience at Jalgaon



Going to the villages. Commencing the 315 km Padayatra from Faizpur, Jalgaon District, the site of the first rural All India Congress Committee session (1927), covering 37 villages, retracing the Gandhi trail ending at Shahad-Prakasha, District Nandurbar, the holy meeting place of three rivers where Mahatma Gandhi's ashes were immersed. Ashok Jain, Trustee, Gandhi Research Foundation flagging off the Padyatra along with veteran Gandhians



Keeping the Gandhian legacy alive: Dalchand Jain, Trustee, BKJMF giving away prizes to winners in the Gandhi Vichar Sanskar Pariksha



Picturing the Father of the Nation. Drawing competition held by Gandhi Research Foundation on the Gandhi Jayanti Day at the Gandhi Udyaan where 1100 children participated



Wakod village, the birth place of Bhavarlal Jain, Chairman gets a new Krishi Tantra Vidyalay named after his mother Gaurabai. Women members of the Wakod Gram Panchayat with dignitaries at the inauguration



Abhang Jain, grandson of Bhavarlal Jain, Founder Chairman, distributing clothes to orphan children



Feeding the decorated bulls on the Pola day; Bhavarlal Jain, Founder Chariman, with his family members, associates and farmers



Lending a helping hand; the renovated building of the Zilla Parishad Urdu School, Shirsoi



Conveying water; laying a pipeline in the Shirsoi Panchayat for drinking water

# Involvement with Community



Table Tennis and Badminton Academy under the Jain Sports Academy at Anubhuti School inaugurated by Bhavarlal Jain, Founder Chairman playing against his grandson Aatman



Winners of the 6th Jain Inter School Under-14 Limited Over Cricket Junior Challenge Trophy with Ashok Jain, Vice Chairman



The first FIDE Rating Chess tournament at Jalgaon organized by Jain Sports Academy in which Grand Masters, International Masters, veterans and young champions participated



Promoting the national game; promoting girl participation. Ashok Jain, Vice Chairman, at a state level Girls' Hockey Tournament held under the auspices of Jain Sports Academy



Jain Sports Academy player Kanchan Chaudhary, champion swimmer who participated in the Para Olympics held in China along with Ashok Jain, Vice Chairman



Players of Jain Sports Academy with the gold medals and certificates earned at the International Table Soccer competition held at Biratnagar, Nepal; with Ashok Jain, Vice Chairman



National level cricket competition for the blind organised by Jain Sports Academy in collaboration with the Blind Welfare Organisation being inaugurated by Ramanath Sonawane, Municipal Commissioner, Jalgaon



JISL sponsored Singhgarh Supremos, winners of the Maharashtra Premier League T-20 cricket tournament along with Anil Jain, CEO and MD; the cheque and the trophy in the foreground



Celebrating the Environment Day. Tree plantation campaign and distribution of saplings to public



Helping the awareness campaign against excessive use of TV led by Mahesh Gorde. Ashok Jain, Vice Chairman, felicitating Mr. & Mrs. Patil, a teacher couple working towards limited use of TV

# Involvement with Community



Every year blood donation camps are organised collecting over 500 bottles of blood. Senior most associates set the example prompting others to follow suit. In the picture are Dalichand Jain, Trustee, BKJMF and Ashok Jain, Vice Chairman



Distribution of tricycles to physically challenged people by Dalichand Jain, Trustee, BKJMF and Ashok Jain, Vice Chairman



Author Chairman : release at Mumbai of "Ti ani Mi", a work extolling the virtues of the joint family system and the institution of marriage, authored by Bhavarlal Jain. Justic C.S. Dharmadhikari, N.D. Mahanor, Bhalachandra Nemade, Vijaya Rajyadyaksha, Bharatkumar Raut and Ashok Kothavale look on



Remembering the illiterate poet of Khandesh. A glimpse of the meeting held by Bahinabai Memorial Trust and BKJMF at Nagpur commemorating Bahinabai



Inauguration of 'Maharashtra Darshan', a pilgrimage programme for the Jains associates and their families by Padma Shri N. D. Mahanor and Dr. Subhash Chaudhari, Trustees, BKJMF

# A Relationship to Remember



**Aniruddha R. Barwe**  
1938-2010

## **A true friend who will be missed forever!**

The first time I met Barwesaheb was when Shirish, his nephew took me to his house in Mumbai. Then he was the MD of the State Bank of India's Merchant Banking Division. I recall that our discussions mostly centered around Yoga, meditation and the Art of Living. He told me about how he had been able to overcome his cardiac problems with these techniques. So much so that at a later stage he actually stopped all medication. This he did on the advice of a doctor who was an MD in allopathy who had stopped practising allopathy after 20 years. He also told me that this doctor now practises only Yoga and Meditation therapy and recommends it to all his patients.

Having heard Barwesaheb patiently, I strongly recommended to him that he should not stop medication. I, however, added that he was welcome to continue alternative therapies, including Yoga and Meditation. A few months after this conversation, he had discomfort in the chest and I again insisted on a through check up including angiography or angioplasty as may be required. He heeded this advice, coming as it did from an old friend who had a long complex history of cardiac problems and episodes.

Barwesaheb joined the JISL Board at a time when many persons of his eminence and stature would not have done so. The company was deeply in debt. If JISL work to default, he would have been required to resign not only from the JISL Board, but also the Boards of other highly acclaimed companies. However, when I asked for his guidance and help during those difficult times, he happily joined the JISL Board, bringing to mind the adage - "A friend in need is a friend indeed".

He was one who never missed a Board meeting or an AGM. From the year 2003 when he attended the first AGM, till all subsequent annual general meetings, he lent weight and grace to every occasion. He was soon chosen to be the Audit Committee Chairman of the JISL Board. A position he held till the last with great distinction, combining competence with understanding.

Barwesaheb was a person who was full of sincerity of purpose and intensity of involvement. Be it a visit to the Gandhi Research Foundation site in the scorching sun, an arduous visit to various far flung departments at JISL, the launching of an innovative product or deliberations at the Board.

He evinced great interest in the company's Green Energy Division; for that matter, he evinced interest in everything that was new, including the opening of our new office in Mumbai. He inspired confidence and instantly established a bond with all those whom he came in contact with.

Leaving business aside, Barwesaheb made an excellent friend whose relationship is worthy of long remembrance. There was but one promise he could not keep. He was to come to Jalgaon in December 2010 for a leisurely stay. That was not to be.

Here was a man, who made an admirable colleague on the Board, a distinguished Chairman of the Audit Committee, a friend who loved you and one whom you could love. In short, a good human being.



**Bhavarlal H. Jain**  
Founder Chairman

The future of the world lies in the hands  
that work with Nature.



### **As on today in the world**

- Number one in Drip Irrigation with Pipe Production
  - Number one in Mango Processing.
- Number one in Tissue Culture Banana Plants Production
  - Number three in Onion & Vegetable Dehydration.

### **The way the world sees us**

- “Crawford Reid Memorial Award” (Irrigation Association, USA)
  - “Water Conserver of India” (UNESCO & West-Net)
- “Challengers to the World’s Leading Companies” (Standard & Poor’s)
  - “Asia’s 200 Best Under a Billion Companies” (Forbes Asia)
- “100 Most Promising Clean Technology Companies on the Planet” (Global Cleantech & The Guardian)
  - “Client Leadership Award” (International Finance Corporation, World Bank Group)
  - “Best Water Company Award” (UNESCO, Ministry of Water Resources & Water Digest)
  - “Boldness in Business Award” — Environment (Financial Times & Arcelor Mittal, London)



# CONTENTS

<b>Particulars</b>	<b>Page No.</b>
Corporate Directory .....	02
Historical Financials .....	03
Graphical Financial Presentation .....	04
Consolidated Revenue Segmentation .....	06
<b>Board's Report</b> .....	07
<b>Management Discussion and Analysis</b> .....	18
<b>Standalone Annual Accounts</b>	
Auditors' Report .....	30
CEO / CFO Certification .....	33
Balance Sheet .....	34
Profit & Loss Account .....	35
Cash Flow Statement.....	36
Schedules 1 to 21.....	37
Schedule 22 - Notes to Accounts .....	49
Balance Sheet Abstract & Company's General Business Profile .....	66
<b>Consolidated Annual Accounts</b>	
Auditors' Report on consolidated accounts .....	67
Balance Sheet .....	68
Profit & Loss Account .....	69
Cash Flow Statement.....	70
Schedules 1 to 21.....	71
Schedule 22 - Notes to Accounts .....	79
<b>Subsidiary Company</b>	
Statement related to Subsidiary Company .....	90
JISL Overseas Ltd., Mauritius- Balance Sheet & Income Statement .....	91
Jain International Trading B.V.- Balance Sheet & Profit and Loss Account .....	92
<b>Corporate Governance</b>	
Report on Corporate Governance.....	93
Declaration from the Managing Director .....	110
Compliance Certificate.....	110
Communication Channel .....	111



# CORPORATE DIRECTORY

## Board of Directors

### Non Executive Directors

Bhavarlal H. Jain	–	<b>Chairman</b>
Anirudha R. Barwe	–	<b>Director</b> (Expired on 5 <sup>th</sup> October 2010)
Devendra Raj Mehta	–	<b>Director</b>
Ghanshyam Dass	–	<b>Director</b>
Ramesh C. A. Jain	–	<b>Director</b>
Radhika Pereira	–	<b>Director</b>
Vasant V. Warty	–	<b>Director</b> (Nominee SBI)
Arunkumar Jain	–	<b>Additional Director</b> (w.e.f. 4 <sup>th</sup> April 2011)

### Executive Directors

Ashok B. Jain	–	<b>Vice Chairman</b>
Anil B. Jain	–	<b>Managing Director</b>
Ajit B. Jain	–	<b>Joint Managing Director</b>
Atul B. Jain	–	<b>Director - Marketing</b>
R. Swaminathan	–	<b>Director - Technical</b> (Plastic Park)

## Company Secretary

A.V. Ghodgaonkar

## Audit Committee

Ghanshyam Dass	–	<b>Chairman</b>
Ramesh C. A. Jain	–	<b>Member</b>
Vasant V. Warty	–	<b>Member</b>

## Compensation Committee

Ramesh C. A. Jain	–	<b>Chairman</b>
Ashok B. Jain	–	<b>Member</b>
Ajit B. Jain	–	<b>Member</b>
Vasant V. Warty	–	<b>Member</b>
Radhika Pereira	–	<b>Member</b>

## Shareholders Grievances Committee

Vasant V. Warty	–	<b>Chairman</b>
Ajit B. Jain	–	<b>Member</b>
Ramesh C. A. Jain	–	<b>Member</b>

## Operations Review Committee

Ashok B. Jain	–	<b>Chairman</b>
Anil B. Jain	–	<b>Member</b>
Ajit B. Jain	–	<b>Member</b>
Atul B. Jain	–	<b>Member</b>
R. Swaminathan	–	<b>Member</b>

## Bankers

Axis Bank Ltd., Mumbai  
Bank of Baroda, Mumbai  
Canara Bank, Jalgaon  
DBS Bank Ltd., Mumbai  
Export Import Bank of India, Mumbai  
HDFC Bank Ltd., Mumbai  
ICICI Bank Ltd., Mumbai  
IDBI Bank Ltd., Mumbai  
Indian Bank, Mumbai  
Standard Chartered Bank, Mumbai  
State Bank of India, Mumbai  
Union Bank of India, Mumbai  
Yes Bank Ltd., Mumbai

## Auditors

Haribhakti & Co., Chartered Accountants  
Mumbai- 42, Free Press House, 4th Floor, 215,  
Nariman Point, Mumbai 400 021.

## Solicitors

Mulla & Mulla & Craigie & Blunt & Caroe, Mulla  
House, 51, M.G. Road, Fort, Mumbai - 400 001.

Solomon & Company, Calcot House, 3<sup>rd</sup> Floor,  
8/10, M.P.Shetty Marg, (Tamarind Street), Fort,  
Mumbai – 400023.

## Registered Office

Jain Plastic Park, N.H. No.6, P.O.Box 72,  
Jalgaon. 425001. (Maharashtra) India.  
Tel +91-257-2258011, Fax +91-257-2258111,  
E-mail: jisl@jains.com,  
Visit us at: www.jains.com.



# HISTORICAL FINANCIALS (5 YEARS)

[₹ in Million]

	2007	2008	2009	2010	2011	2007	2008	2009	2010	2011
	Standalone					Consolidated				
<b>Financial Performance (April-March)</b>										
Total Income ( Including Operating Income)	12,291	16,928	21,789	27,229	33,309	14,152	22,483	28,584	34,200	41,528
Operating Profit	2,162	3,519	3,972	6,647	7,594	2,104	3,767	4,577	7,002	8,211
Interest (net)	656	1,134	1,563	1,891	2,284	769	1,327	1,809	2,155	2,678
Depreciation & Amortisation	314	398	473	686	834	420	558	684	1,020	1,216
Non-Operating Expenses/(Income)	(102)	(7)	(37)	(56)	(3)	(103)	(76)	(597)	868	279
Extra Ordinary Expenses/(Income)	-	21	46	96	121	13	51	53	107	184
Profit Before Tax	1,294	2,042	1,838	3,932	4,263	1,005	1,907	1,954	3,679	4,008
Taxation (including Deferred Tax adjustments)	303	587	636	1,219	1,310	201	540	659	1,203	1,201
Profit After Tax	991	1,455	1,202	2,713	2,953	804	1,367	1,294	2,476	2,807
Prior Period Items	-	-	(4)	9	(12)	-	23	(4)	9	(12)
Pre acquisition profit/ (loss) & Minority interest	-	-	-	-	-	-	(66)	(37)	(12)	(74)
Net Profit for the year	991	1,455	1,202	2,712	2,953	833	1,324	1,294	2,476	2,807
Preference Dividend (including Dividend Tax)	42	41	36	16	0	42	41	36	16	-
Equity Dividend (including Dividend Tax)	155	186	220	402	450	155	186	220	402	450
<b>Financial Position As At March 31,</b>										
Shareholders Equity (excl. Deferred Tax Assets/ Liabilities)	3,527	8,875	10,094	14,431	18,067	2,722	7,794	8,861	12,754	16,220
Redeemable Preference Share Capital	885	885	449	23	-	885	885	449	23	-
Minority Interest	-	-	-	-	-	104	649	705	571	524
Total Debt (Long Term & Short Term)	7,397	9,071	13,555	17,836	22,125	8,590	12,756	18,170	24,448	29,888
<b>Total Liabilities</b>	<b>11,809</b>	<b>18,831</b>	<b>24,098</b>	<b>32,290</b>	<b>40,192</b>	<b>12,301</b>	<b>22,084</b>	<b>28,185</b>	<b>37,796</b>	<b>46,632</b>
Net Fixed Assets (including CWIP)	5,934	7,480	10,510	13,242	16,352	7,257	10,164	14,573	17,923	21,782
Investment (excl. Liquid Investments)	1,774	2,758	3,906	3,955	4,033	200	237	201	211	211
Net Current Assets (excl. Cash & Cash Equivalent)	3,745	7,460	8,803	10,705	15,967	4,400	10,247	12,237	14,609	20,495
Cash & Cash Equivalent (incl. Liquid Investments)	356	1,133	879	4,388	3,840	444	1,436	1,174	5,053	4,144
<b>Total Assets</b>	<b>11,809</b>	<b>18,831</b>	<b>24,098</b>	<b>32,290</b>	<b>40,192</b>	<b>12,301</b>	<b>22,084</b>	<b>28,185</b>	<b>37,796</b>	<b>46,632</b>
<b>Ratio Analysis</b>										
Current Ratio (Times)	1.12	1.45	1.26	1.37	1.26	1.17	1.41	1.27	1.36	1.24
Total Debt <sup>[1]</sup> / Equity (Times)	2.35	1.12	1.39	1.24	1.22	3.48	1.75	2.10	1.92	1.84
Net Total Debt <sup>[3]</sup> / PBIDT	3.67	2.51	3.30	2.03	2.41	4.29	3.24	3.81	2.77	3.14
Return on Average Net Worth	34.99%	23.14%	20.97%	16.97%	21.10%	37.76%	25.37%	22.93%	15.72%	18.72%
Return on Average Capital Employed <sup>[2]</sup>	23.07%	24.14%	19.42%	26.01%	25.50%	22.19%	23.17%	19.21%	23.44%	21.83%
<b>Per Share Data (₹) [Face value ₹2 each]</b>										
Basic EPS	3.24	4.30	3.22	7.17	7.75	2.70	3.90	3.48	6.54	7.37
Diluted EPS	3.24	4.28	3.21	7.15	7.74	2.70	3.88	3.46	6.53	7.36
Basic Cash EPS	4.31	5.50	4.53	8.99	9.94	4.13	5.59	5.37	9.25	10.56
Equity Dividend	0.40	0.44	0.50	0.90	1.00	0.40	0.44	0.50	0.90	1.00
Book Value	11.42	24.63	27.89	37.96	46.84	8.81	21.63	24.49	33.55	42.05
<b>Shareholding Related As At March 31,</b>										
Number of Shareholder	26784	36335	37513	38968	63594	26784	36335	37513	38968	63594
Market Capitalization <sup>[4]</sup> (₹ in Million)	25,784	42,657	24,760	72,864	69,006	25,785	42,657	24,760	72,864	69,006
Outstanding Equity Shares	308.76	360.27	361.88	380.15	385.72	308.76	360.27	361.88	380.15	385.72
Market Price as on 31 <sup>st</sup> March (NSE)	83.51	118.40	68.42	191.67	178.90	83.51	118.40	68.42	191.67	178.90
Non-Promoter Shareholding	67.72%	67.46%	67.53%	69.16%	69.60%	67.72%	67.46%	67.53%	69.16%	69.60%

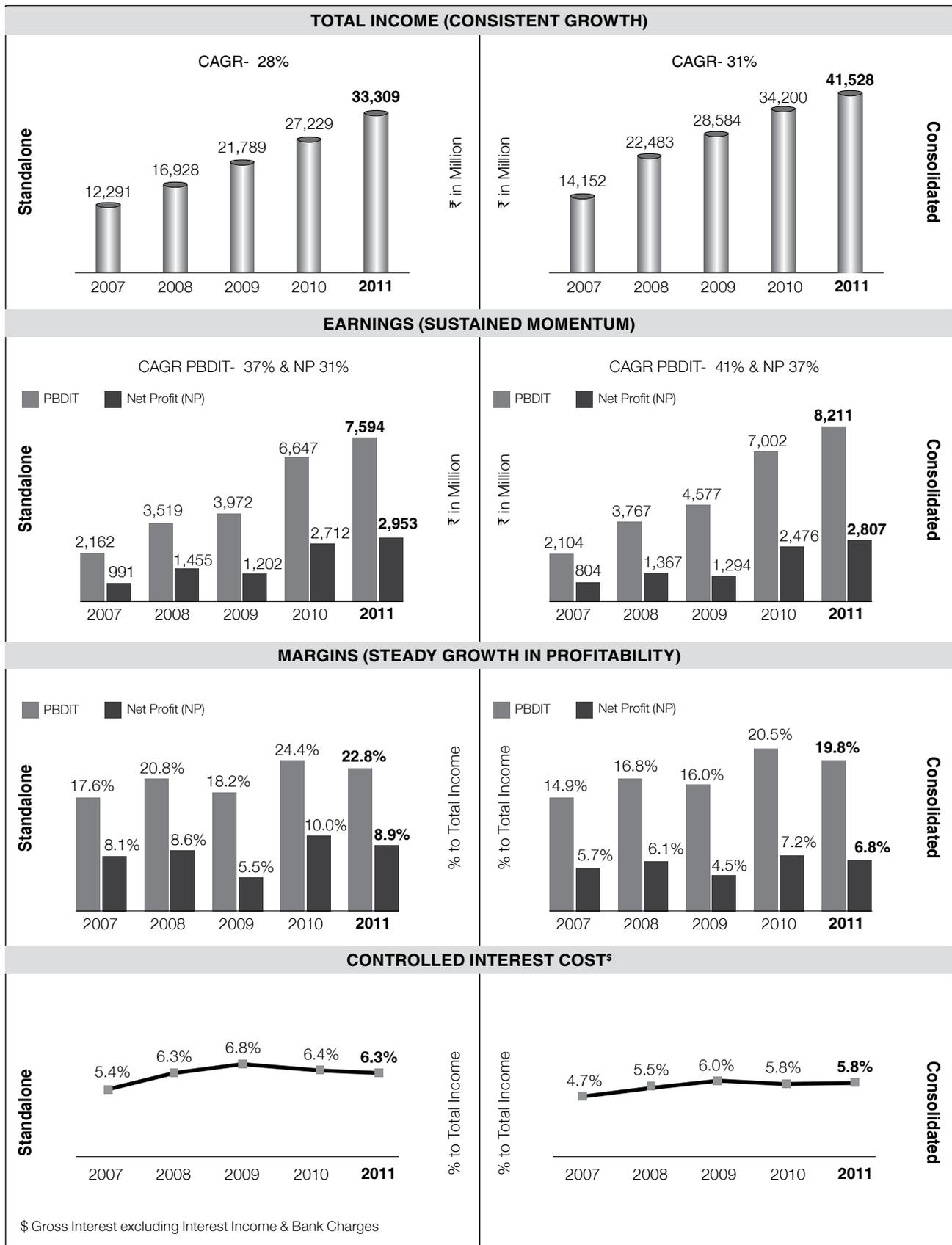
[1] Including Redeemable Preference Shares Capital

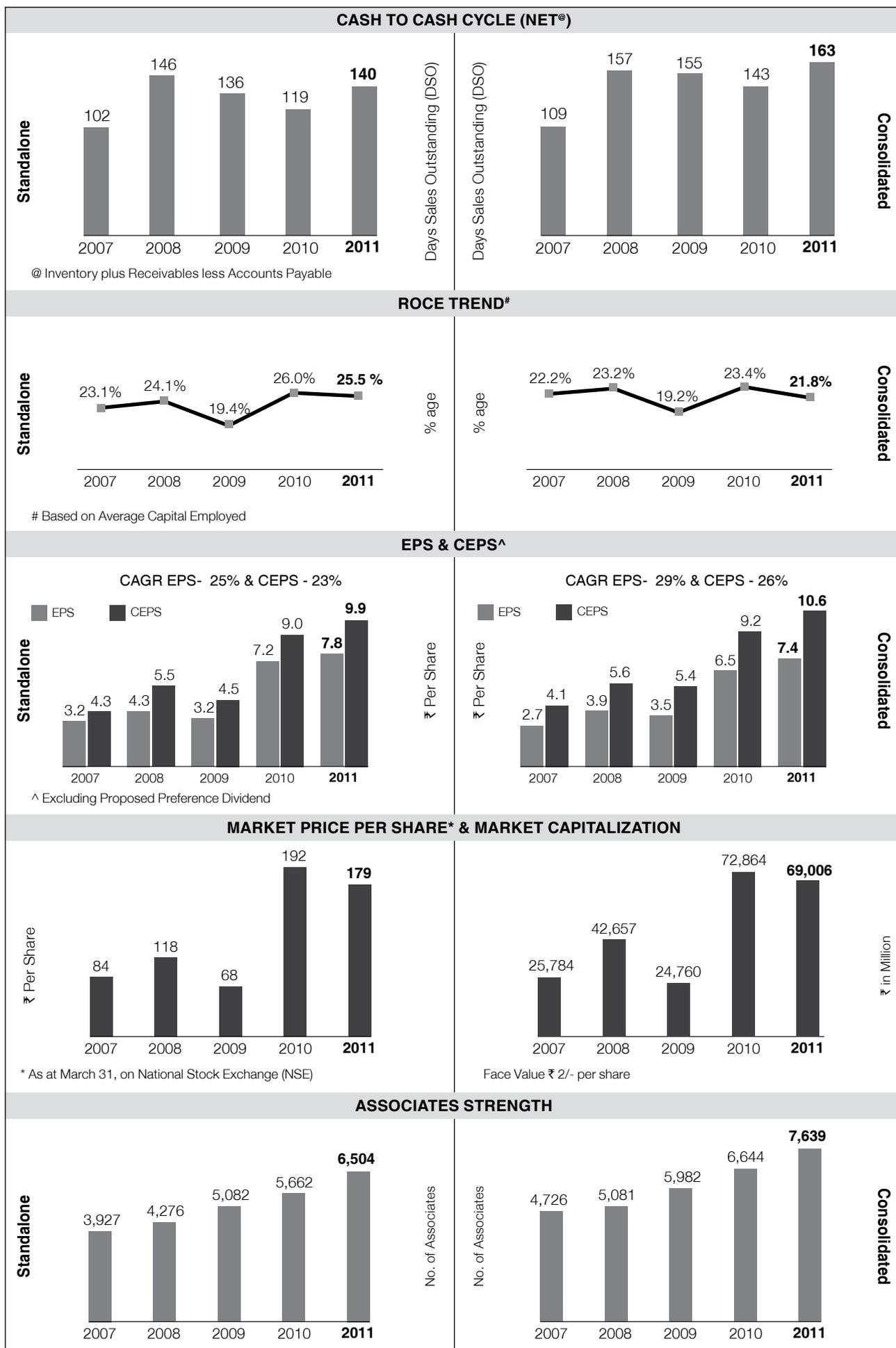
[2] Average Capital Employed (Total Assets less Deferred Tax Assets/Liabilities less Cash & Cash Equivalent)

[3] Total Debt less Cash & Cash Equivalent

[4] Based on Market Price on National Stock Exchange (NSE) ON 31<sup>st</sup> March of the year

# GRAPHICAL FINANCIAL PRESENTATION (5 YEARS)





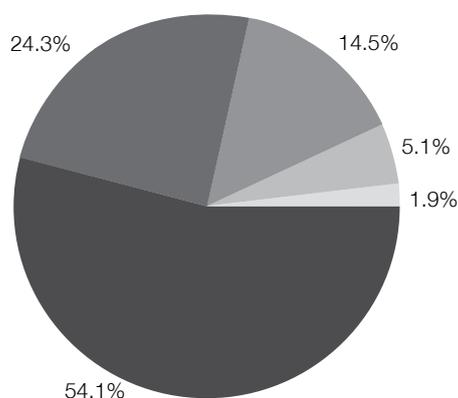
# CONSOLIDATED REVENUE SEGMENTATION

## INDUSTRY

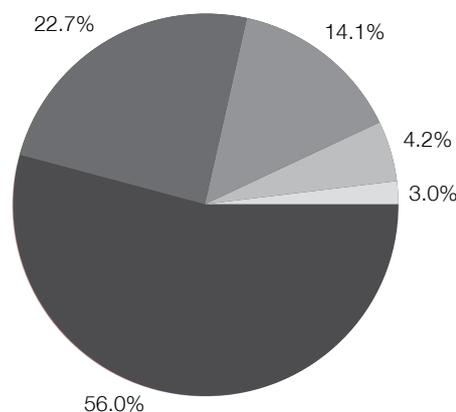
[ ₹ in Million ]

Period = April - March	2007	2008	2009	2010	2011	Mix(FY11)	CAGR
Micro Irrigation	5,499	11,276	15,084	18,722	23,311	56.0%	43%
Piping Products	4,250	6,599	7,425	8,418	9,464	22.7%	22%
Agro Processed Products	2,257	3,037	3,701	5,015	5,875	14.1%	27%
Plastic Sheets	2,205	1,627	2,030	1,768	1,736	4.2%	-6%
Other Products	299	369	927	656	1,248	3.0%	43%
<b>Total</b>	<b>14,510</b>	<b>22,908</b>	<b>29,167</b>	<b>34,579</b>	<b>41,634</b>	<b>100.0%</b>	<b>30%</b>

REVENUE MIX (2010)



REVENUE MIX (2011)



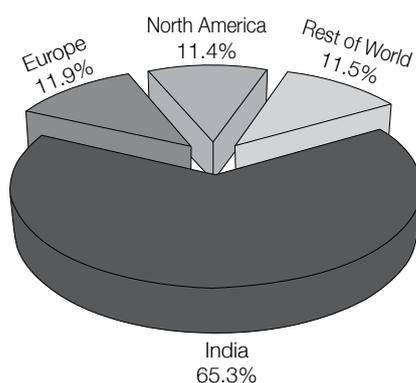
Micro Irrigation
  Piping Products
  Agro Processed Products
  Plastic Sheets
  Other Products

## GEOGRAPHY

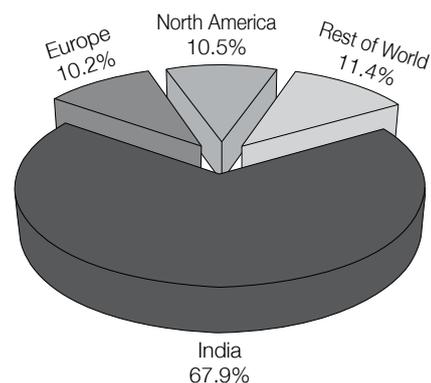
[ ₹ in Million ]

Period = April - March	2007	2008	2009	2010	2011	Mix(FY11)	CAGR
India	8,613	12,907	17,484	22,567	28,263	67.9%	35%
Europe	1,631	3,843	3,258	4,110	4,243	10.2%	27%
North America	2,117	2,039	2,715	3,934	4,389	10.5%	20%
Rest of World	2,149	4,119	5,710	3,968	4,739	11.4%	22%
<b>Total</b>	<b>14,510</b>	<b>22,908</b>	<b>29,167</b>	<b>34,579</b>	<b>41,634</b>	<b>100.0%</b>	<b>30%</b>

REVENUE MIX (2010)



REVENUE MIX (2011)



# BOARD'S REPORT

To the members,

The Directors present their report on the financial performance, business and operations of the Company for the year ended 31<sup>st</sup> March 2011.

## 1. Financial Highlights

₹ in Million (except EPS)

Particulars	2010-11	2009-10
Domestic Sales	27,349	21,735
Export Sales & Services	5,158	5,209
Other Operating Income	802	285
<b>Sales and Operating Income</b>	<b>33,309</b>	<b>27,229</b>
<b>Operating Profit</b>	<b>7,594</b>	<b>6,647</b>
Interest and Finance Charges	2,364	1,943
Depreciation and Amortisation	834	686
Amounts written off and provisions	121	96
Profit before taxation & exceptional items	4,275	3,922
Provision for Tax		
Deferred Tax (Asset)/Liability	200	317
Current Tax-Provision	909	670
MAT Credit	201	232
Profit for the year before Prior Period Expenses	2,965	2,703
Prior Period Items- Income/ (Expenses)	-12	9
<b>Profit for the year</b>	<b>2,953</b>	<b>2712</b>
Profit b/f from the previous year	4,449	2,851
Balance available for appropriation	7,402	5,563
Out of which the Directors have appropriated as under;		
Proposed Dividend	386	357
Dividend Tax	64	61
General Reserve	300	271
Transfer to CRR	23	425
Balance to be carried forward	6,629	4,449
<b>Earnings Per Share</b>		
Basic	7.75	7.17
Diluted	7.74	7.15

## 2. Operations

The net sales have increased by 22.3% on YoY basis, since exports remained flat at ₹ 5,158 Mn while the domestic sales improved by an impressive 25.6% at ₹27,349 Mn backed by growth in MIS/SIS (32%), Agro processing (10%) and Pipes(9%). The MIS/SIS growth was primarily due to increased retail sales in States like Maharashtra, Andhra Pradesh, Gujarat, and Punjab and project sales in Karnataka, & Rajasthan. The growth in Agro processing sales were mainly on account of higher demand for mango puree in our European & Middle East markets while growth in Domestic business was on account of continuing robust off-take from MNC beverage company. The pipe growth was due to increased retail business in Maharashtra, Madhya Pradesh, Karnataka, Gujarat and Rajasthan while the Duct distribution, Gas distribution & water distribution pipes, all three segments contributed to the increased domestic sales of the PE pipes.

The operating income includes ₹554.03 Mn (₹142.39 related to 2009-10) due from Government of Maharashtra under eligibility certificate issued under the Industrial Promotion Scheme from DIC, GoM. The EC is valid for a period of 7 years from 30th September 2009 or till the amount of benefit gets exhausted, whichever is earlier.

Due to changes in foreign currency rates, the notional gain was lower by over 85% YoY basis at ₹102.1 Mn. Even though the tighter monetary regime resulted in an increase of ₹420 Mn. in finance charges on absolute basis, the impact on cost of sales was flat at little over 7%. The profit for the year was at ₹2965 Mn. (as against ₹2703 Mn. last year), an increase of 10%.

## 3. Dividend

₹ in Million

Proposed Dividend on Preference Shares (4%)	0.23
Dividend Tax-Preference Shares	0.04
Proposed Dividend on Equity Shares (50%) ₹ 1/- per Share	385.89
Dividend Tax- Equity Shares	64.07

Besides small Preference Dividend payable for partial year (3 months) as above; the Directors propose to the Shareholders a Dividend of ₹1 per share, on Ordinary Equity Shares of ₹2 each involving an out go of ₹385.89 Mn. to all eligible Shareholders and ₹64.07 Mn. as Dividend Distribution Tax for the year ended 31<sup>st</sup> March 2011.

## 4. Sub Division of Equity Shares, Preferential Issue, ESOP related Shares allotment, DVR's

As the Members may be aware the Company had announced a sub division of Equity Shares of ₹10 each into Ordinary Equity Shares of ₹2 each on 9<sup>th</sup> August 2010. The sub division became effective on 1<sup>st</sup> November 2010 and the new ISIN number for Equity Shares is *INE 175A01038*.

In terms of the Shareholder's approval of 9<sup>th</sup> March 2011, the Board of Directors have allotted on a preferential basis as per applicable SEBI (ICDR) Guidelines 2009 6.1 Mn Equity Warrants of ₹228.15 each aggregating to ₹1,391.72 Mn against deposit of ₹ 347.93 Mn (being 25% of issue price) by the select Individuals and entities of the Promoter's Group. The Equity Warrants carry an option for request for allotment of Equity Shares of ₹2 each for cash at a premium of ₹226.15 each by paying the balance 75% money anytime within 24<sup>th</sup> September 2012.

During the year under review Associates holding ESOP's equivalent to 45,38,000 opted to exercise the option attached to the their options and applied for 4,538,000 Equity Shares of ₹2 each at an exercise price of ₹ 61.55 each (2,250 Equity Shares), ₹82.69 each (2,090,425 Equity Shares) and ₹113.60 each (2,445,325 Equity Shares). This resulted in an increase in paid up capital by ₹9.08 Mn and securities premium account by ₹441.71 Mn.

While after 31<sup>st</sup> March 2011 Associates holding ESOP's dividend equivalent to 161,625 opted to exercise the option attached to the their ESOP's and applied for 161,625 Equity Shares of ₹2 each at an exercise price of ₹61.55 each (1,500 Equity Shares), ₹82.69 each (134,200 Equity Shares) and ₹113.60 each (25,925 Equity Shares). This resulted in an increase in paid up capital by ₹0.32Mn and securities premium account by ₹13.81 Mn.

The proceeds of deposit amount of Equity Warrants and the Equity Shares allotted against ESOP options exercised have augmented the long term resource base of the Company and hence the Directors confirm having used the funds as per the objects of the said issues.

On the 27<sup>th</sup> January 2011, the Board Of Directors announced the decision to capitalize reserves and allot Equity Shares of ₹2 each with Differential Voting Rights (DVR's) and as per requirements of Companies (Passing of Resolutions by Postal ballot) Rules, 2001, the members have passed with requisite majority the resolutions to amend the Capital Clause in the Articles of Association to enable the Company to issue such DVR Equity Shares. Since then the Company has applied on 15<sup>th</sup> February 2011 through the designated Stock Exchange (i.e. The Bombay Stock Exchange,) the necessary exemption under the under sub-rule (7) of rule 19 of Securities Contracts (Regulation) Rules, 1957 for relaxing strict enforcement of clauses (b) to sub-rule(2) of Rule 19 thereof in respect of proposed Bonus Issue of DVR Equity Shares. The exemption applied for above is still awaited and Company shall fix a "Record Date" soon after the SEBI exemption is received and the SE's give "in Principle" permission for listing of the DVR bonus Shares. Thereafter the process of allotment and issue of DVR Equity Shares shall be completed expeditiously.

## 5. Resource mobilization and capacity expansion

During the year under review, the Company has raised from international financial markets / institutional lenders, further Buyers Credit/ Foreign Currency unsecured Loans based on LIBOR linked rate at competitive pricing. Total amount sanctioned and disbursed is CHF 17.75Mn (equivalent to ₹826.5 Mn). The loan amounts are being used by the Company for the expansion and modernization activities in MIS/SIS business. The Company has invested an amount of ₹3,594 Mn on capital expenditure to increase the capacity in various divisions. An amount of ₹1,962 Mn has been spent on capital expenditure for the MIS/SIS

division by increasing the capacity of 53,060 MTPA. ₹321 Mn has been spent on capital expenditure for the piping segment adding in excess of 33,645 MTPA in the segment. ₹647Mn has been spent on capital expenditure for the Agro processed division. An amount of ₹15 Mn has been spent on capital expenditure for Tissue Culture segment to increase the capacity by 5 Mn plantlets. The Company has spent an amount of ₹141 Mn in Green Energy/Solar business while it has started a Solar PV manufacturing facility at an initial cost of ₹122 Mn during the year under review. An amount of ₹385 Mn was spent towards strengthening the common corporate service infrastructure.

## 6. Significant Awards, Accolades & recognitions

The Company has received several awards on International and National, State level during the year under review, however significant amongst them are:

- IFC's (part of World Bank Group) Client Leadership Award for "pioneering work to promote sustainable agriculture and raise farmers' incomes through the efficient use of water, energy and fertilisers"
- The Financial Times London and Arcelor Mittal Boldness in Business Award in Environment category for 2010 for "For pioneering drip irrigation in India, it worked tirelessly and drove the growth of this simple yet highly effective technology. It multiplied yields at considerably lower water usage. Wastelands could now be cultivated and greened. More Crop Per Drop made real difference to environment. Jain Irrigation went beyond offsetting its carbon footprint and achieved sustainability on a more fundamental level".
- Recently, the Company was granted US Patent 7963569 titled 'locking pipe joint and method of making the same'.

## List of New Awards

Award / Recognition name	Instituted by	Given for
Best Water Company Certificate & Trophy	Water Digest, New Delhi	Outstanding contribution in the field of Water in India
ICC Sustainability Vision Award	Indian Chamber of Commerce, Calcutta	Outstanding contribution in Sustainable Business models and innovations
Israel-Asia Chamber of Commerce Award	Israel-Asia Chamber of Commerce, Israel	"Outstanding Activities in Israel & Largest Investment by an Asian Company in Israel
Best Corporate Award	Dun & Brad Street	Leadership in Plastic & Plastic Product Sector
Padma Jagruti Award	Lt. Amit Singh Memorial Foundation, New Delhi	"Significant contribution in Agriculture Sector"
6th Social & Corporate Governance Award-2010 Certificate & Trophy	Bombay Stock Exchange Limited, Mumbai	Organization that offers The Best Return to Consumers
6th Social & Corporate Governance Award-2010 Certificate & Trophy	Bombay Stock Exchange Limited, Mumbai	Organization that offers The Best Return to Investors
APEDA Export Award Certificate & Gold Trophy	APEDA	Significant Contributions in Quality & Exports of Agriculture & Processed Food Products
Podar Ratna Trophy	Shikshan Prasarak Mandal's R.A. Podar College of Commerce & Economics Alumni Association, Mumbai	"You have spread the light of knowledge far and wide — in the field of Industry"
Felicitation Trophy	DOW Chemicals International Pvt. Ltd.	"In appreciation of Partnership in Innovations for a Sustainable World"
India's Top 100 R&D Spenders-2010	The Economic Times, Mumbai	Selected from companies all over India for highest spending on R&D
100 Biggest Wealth Creators-2010	Motilal Oswal Financial Services Ltd., Mumbai	Selected from companies all over India for Biggest Wealth Creation — 2005-2010
100 Fastest Wealth Creators-2010	Motilal Oswal Financial Services Ltd., Mumbai	Selected from companies all over India for Fastest Wealth Creation — 2005-2010

## 7. Other developments during FY 2011

### Sleaford acquisition

In November 2010, the Company acquired 80% stake in holding Company SQF 2009 Limited, that owns its trading arm Sleaford Quality Foods Limited (SQFL).

SQFL is engaged in the business of food ingredients, trading, blending custom packaging and fruit & vegetable food ingredients, mainly in dry form. SQFL was started in 1968 by Arnold family and was the first ever customer of dehydrated

onion for Jain Irrigation Systems Limited in 1996. This acquisition gives JISL a possibility of addition of many more products in its Food Division product range. It brings JISL one step closer to the market. The Company received a prestigious Food Manufacturing Excellence Award after acquisition. SQFL has started Juice Trading Division for which Juices are procured from different parts of the world.

#### Harvard visit of farmers

Two small but successful farmers who started small time but are shining examples of how technology & innovative cultivation methods transformed lives of farmers in the country were part of an invited delegation at Harvard Business School. The farmers made a full scale presentation the delegates at Harvard School and also faced some questions-answers from those present. These farmers have used your Company's product & technology and are proud customers.

#### THE Machines acquires PRO-TOOL AG

Recently, THE Machines, a multi-generation subsidiary of the Company has acquired 75% stake in Pro-Tool Ag, Wynau, Switzerland, a Swiss Corporation active in Plastic Injection Mould manufacturing, engineering and tool manufacturing. The Company has ability to acquire balance 25% based on prefixed valuation of the Company in next 10 years. By this acquisition the engineering capabilities of the group get further enhanced specially in the field of plastic mould making.

### 8. Other strategic and major developments post March 2011

We have been engaged in solar business for more than 17 years and we believe solar energy systems and products are a large potential business. The Government of India, Ministry of Non Conventional Energy has also launched the Solar Mission under which it has targeted:

- to create an enabling policy framework for deployment of 20,000 MW of solar power by the year 2022;
- to achieve 15 million square meters of solar thermal collector area by 2017 and 20 million square meters by 2022;
- to deploy 20 million solar lighting systems for rural areas by 2022; and
- to achieve these objectives through the private sector making focused efforts in the solar thermal and energy areas.

Our solar division had income of ₹358.5 million for the year ended March 31, 2011. As a small division, we believe it could not get the desired attention of a business having huge potential. We aim to focus on this business as a separate and standalone entity and to exploit non-conventional sources of energy mainly through "solar systems applications". In FY 2012 we will transfer the assets of our solar business to a 100% owned Indian subsidiary. Our solar business comprises of manufacturing, installation, and operation of solar water heating systems, solar photovoltaic appliances and solar pumps. We believe that consolidating this business within a single subsidiary will help us focus on this business, which we believe will have strong growth in the future.

Company has not yet launched the proposed issue of 331 Mn Equity shares of ₹2 each under Qualified Institutional Placement / FCCB/ EDR/ GDR due to uncertain market conditions. The Board shall take decision at an appropriate time and keep the Shareholders informed

through websites of BSE/ NSE for any development on the subject.

In it's pursuit to become a global leader around its core domain of agri-business, your Company has acquired a rich pool of tacit and direct knowledge on the customer base (small farmers) through its strong dealer network. One of the key observations that Company has developed over its long establishment period is the inadequacy of and/or untimely credit that the small farmer segment is delivered for his agricultural needs. In this context, your Company has promoted a NBFC namely *Sustainable Agro Commercial Finance Limited* - with the overall objective of serving the small farmer and rural constituency in bridging the current gap. This will help the Company to reduce receivables in the balance sheet and significantly improve working capital cycle for the Micro Irrigation business. Company has made an application to Reserve Bank of India for license. IFC (World Bank Group) has agreed to become 10% share holder of proposed NBFC.

In Karnataka new Micro Irrigation Corporation namely *Anthara Gange Sukshama Niravari Nigam* has been launched by State Government to promote the spread of MIS/SIS in the state. After Andhra Pradesh, Gujarat and Tamil Nadu this is the fourth state to have started a special corporation for spread of MIS/SIS in state with central assistance. This will help to channelize the funds systematically into the development of MIS/SIS in the Karnataka State and the potential to cover larger areas under the MIS/SIS is enhanced with this recent development.

At the new proposed location in Alwar, Rajasthan the Company has commenced activities to install following capacities for products as under:

Product	Capacity per annum
MIS	17,200 MT
Pipes	42,200 MT
Fittings (GH/PH/Nur./Shade H.)	16 lac sq. mtr.
Tissue Culture	50 lac plants
Dehydrated Vegetable	3,000 MT
Solar	10 lac nos.

and hope to commence commercial operations for plastics business at above location from October 2011 onwards. The plant will generally serve the Northern Indian market which has exhibited a large growth potential.

### 9. The operations of subsidiaries

The Mauritius based direct subsidiary of the Company has earned an income of \$ 116,066 and made a net loss of \$ 810,872. Summarised Balance Sheet and the Income statement of the said subsidiary is available elsewhere in the Annual Report. The resources of the subsidiary have been further strengthened by infusion of \$8.5 Mn. as loan during the year under review. The Netherlands based direct subsidiary of the Company has earned an income of \$939,000 and made a net loss of \$388,047. Summarised Balance Sheet and the Income statement of the said subsidiary is available elsewhere in the Annual Report. The resources of the subsidiary have been further strengthened by infusion of \$1.5Mn as Equity Capital/Share premium and loan of \$2 Mn during the year under review.

#### Other Subsidiaries

Information on operations of other subsidiaries including new acquisitions has been covered in Management Discussion and Analysis in this report.

## 10. Employee Stock Option Plan (ESOP)

The implementation of Employees Stock Options and Shares Plan, 2005 (ESOP-2005) has continued during the year under review. Thus four lots are now issued to eligible employees including whole time directors, and key management personnel. No employee has been issued options entitling such person to subscribe to more than 1% of Equity Share capital of the Company.

Details and disclosures in compliance with the clause 12 of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are set out in the table below:

Particulars		Lot No.1	Lot No.2	Lot No.3	Lot No.4
A]	Options Granted (on sub divided shares)	25,00,000	25,00,000	25,00,000	25,00,000
B]	Date of Grant	27-Jan-07	04-Jun-07	14-Feb-08	27-Jun-08
C]	Pricing Formula	25% discount on market price on the date preceding the date of grant	10% discount on market price on the date preceding the date the date of grant	10% discount on market price on the date preceding the date the date of grant	10% discount on market price on the date preceding the date the date of grant
D]	Options vested(on sub divided shares)	25,00,000	25,00,000	25,00,000	25,00,000
E]	Options exercised(on sub divided shares)	23,58,050	22,24,625	24,71,250	Nil
F]	The total number of shares arising as a result of exercise of option(on sub divided shares)	23,58,050	22,24,625	24,71,250	Nil
G]	Options lapsed(on sub divided shares)	Nil	Nil	Nil	Nil
H]	Variations in terms of options	None	None	None	None
I]	Money realised by exercise of options (₹ in Mn)	145.14	183.96	280.73	Nil
J]	Total Number of options in force (on sub divided shares)	1,41,950	2,75,375	28,750	25,00,000
K]	Employee-wise details of options granted to:				
	i) Senior managerial personnel	3,77,500	2,03,750	4,56,250	4,56,250
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	0	0	0	0
	iii) Identified employees who were granted option, during any year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	0	0	0	0
L]	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings per Share'	NA	NA	NA	NA
M]	*Where the Company has calculated the employee Compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed (in lakhs)	NA	NA	NA	NA
N]	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock on the grant date.				
	(a) weighted average exercise price	61.552	82.692	113.6	85.8
	(b) weighted average fair value	35.022	34.954	55.40	42.22
O]	A description of the method and significant assumptions used during the year to estimate the fair values Black Scholes Method Black Scholes Method of options, including the following weighted-average information:				
	(1) risk-free interest rate,	7.5%	8%	9%	9%
	(2) expected life, (in years, average)	4	4.5	5	5
	(3) expected volatility, (in months)	6	6	6	6
	(4) expected dividends, and	25% in 2009 and 45% in 2010		25% in 2009 and 45% in 2010	
	(5) the price of the underlying share in market at the time of option grant. ₹ per share (on non sub divided shares)	410.35	459.4	630.15	476.2

## 11. Directors retiring and their background

### Retiring Directors

Shri. D.R. Mehta and Shri. Ghanshyam Dass are retiring by rotation and being eligible offer themselves for reappointment at the ensuing AGM. Dr. Arun Kumar Jain, Additional Director retires at the ensuing AGM. The Company has received a proposal to appoint him as Director liable to retire by rotation and it shall be placed before the meeting for Members decision on appointment.

On 5<sup>th</sup> October 2010 of Shri. A.R. Barwe the then Chairman of Audit Committee and an Independent Director on Board of the Company died. He had been with the Company as a Director since August 2002 and had played important part as Audit Committee Chairman in difficult times in the early part of decade. The Board of Directors wish to place on record their deep appreciation of the invaluable services rendered by him as an Independent Director and Chairman of the Audit Committee of the Company for a period of above 8 years.

In terms of the Corporate governance requirements, given below are the brief resume of each of the retiring directors:

**Shri D.R. Mehta** was appointed on 26<sup>th</sup> December 2007. He joined Indian Administrative Service in 1961 and held important positions in the Govt. of Rajasthan and later in Govt. of India. He was the Chairman of Securities and Exchange Board of India (SEBI), an apex regulatory body that deals with the regulation and development of the capital market in India. He has been credited with transforming the Capital Market in India into a modern, efficient, safe, vibrant and a very investor friendly one. His prior prestigious postings include the Deputy Governor of Reserve Bank of India, Director General of Foreign Trade, Ministry of Commerce, and Additional Secretary, Banking, Ministry of Finance. Born in 1937, he is a graduate of Arts and Law from Rajasthan University. He also studied at Royal Institute of Public Administration, London and Alfred Sloan School of Management, MIT, Boston. There is another side to this sterling personality-human side. A man of compassion, he set up the Bhagwan Mahavir Viklang Sahayata Samiti in 1975. He was conferred the Padma Bhushan civilian award on 5<sup>th</sup> May 2008 for Social sector Work.

**Shri. Ghanshyam Dass** was appointed on 25<sup>th</sup> August 2009. He has had an outstanding career in domestic, international banking and Capital Markets for over 32 years, during which he developed a firm understanding of the complexities of international markets. He is thoroughly familiar with the regulatory and business environment in USA, European Union, South East Asia, The Middle East, India and other major money-center locations. Mr. Dass is an Advisor to Intel Capital, Task Force, Founder Member Association of Outsourcing Professionals (AOP), Member Academic Council – Union Bank School of Management, Member of the CII National Council on Corporate Governance and Regulatory Framework and CII National Committee on Capital Markets and Government Nominee on the Governing Council of The Institute of Company Secretaries of India (ICSI). Mr. Dass is a member of Brickwork Ratings Committee (A Credit Rating Agency) and Vice President Karnataka Athletics Association.

**Dr. Arun Kumar Jain** was appointed as an Additional Director on 4<sup>th</sup> April 2011 He is one of India's best known strategy scholars and author. Widely traveled, he has

taught at leading Universities in USA, UK, Greece, France, Germany, and Singapore. He holds honorary chairs as Distinguished Professor of Corporate Governance and Strategy at SP Jain Center for Management, Singapore & Dubai, and Affiliated Professor of Strategy, International Business and Corporate Governance at EM Strasbourg School of Business, Strasbourg (France's largest University) and previously Research Chair Professor at German Graduate School of Business and Law (Germany) and Chairman & President of Center for Accelerated Learning, Innovation, and Competitiveness (Germany). His research has been published in international journals including Harvard Business Review. All his books on general management, viz. Competitive Excellence; Corporate Excellence; and Managing Global Competition have received India's Best Book Awards. His two textbooks, Crafting and Executing Strategy (running in 16<sup>th</sup> edition) and International Business (in 6<sup>th</sup> edition) are standard MBA texts in India and abroad.

Dr. Jain is a gold-medalist mechanical engineer (having received the 'All-Round Best Student' award), Ph.D. from Indian Institute of Management-Ahmedabad (having received IFCI Outstanding Doctoral Research Award), and an alumnus of IFC-World Bank. Before joining full-time Indian Institute of Management–Lucknow (India), he was a faculty at IIM-Bangalore. Professor Jain has presented delivered keynotes at Council of Europe (Strasbourg), Global Corporate Governance Forum at Washington, World Bank/IFC, Bundesbank (Germany), Global Forum for International Investment (Paris), OECD at Paris and Copenhagen, UNCTAD, MITI (Japan), European Union (Brussels), Commonwealth Secretariat (UK), India-Germany Business Forum (Germany), etc.

## 12. Director's Responsibility Statement

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed except, to the extent indicated in notes;
- ii) the accounting policies are selected and applied consistently and are reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2011, and, of the profit of the Company for the year ended 31<sup>st</sup> March, 2011;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors have prepared the annual accounts for the financial year ending 31<sup>st</sup> March, 2011 on a 'going concern basis'.

## 13. Material Developments in Human Resource

### i] Associate Engagement

Apart from the overall development of our associates, the Company is adopting various HR initiatives for bringing in the feel of "organization as a large family" amongst not only the associates but also the families of the associates in a systematic manner.

Pilgrim tours were undertaken for the associates above the age of 45 and their parents and grandparents. Total 7 pilgrim tours of 10 days each involved 137 associates and 189 parents and grandparents.

People in general find it awkward to discuss about the issue of infertility and it leads them to not taking proper guidance / treatment for the same. 29 Associates having infertility issues were identified and counseling and proper medical treatment, all expenses paid, was initiated for them.

Our efforts which started with conducting Intelligence Quotient and Aptitude Test and the special coaching to the children of our associates yielded good results and first batch taking up SSC examinations produced 100% result.

Apart from the academic coaching, a 15 day residential "Personality Development" camp was organized for the children of our associates. 113 children of the associates benefited from the program.

The practice of providing educational scholarships to the children of associates on need and merit basis continued. 261 children of our associates benefited with the scholarship amounting to ₹3.86 Mn.

Initiative for the visits of family members of the associates to all the Jalgaon plant locations of the Company, giving them information about work culture and importance of the job their family member is being continued. Total 115 visits involving 4,537 family members of 984 associates were conducted.

As a recognition of the performance and the long service, 47 more Tata Nano cars were presented to the deserving associates on the occasion of "Bhaubeej" (Diwali) in 2010.

Apart from the then limited coverage, the Company has decided to cover all the associates who have completed more than two years of service under the umbrella of "Superannuation". Total 3,523 associates were benefited.

a) Social Involvement :

Once again on demand of the blood banks, a Blood donation camp was organised wherein 588 units of blood was collected.

b) Training :

The Training and Development details are as under,

Location	In House Facilities			External Facilities			Total Man Hrs.
	No. of Programs	No. of Associates	Duration (Hrs)	No. of Programs	No. of Associates	Duration (Hrs)	
Agri Park	44	509	1352	7	11	154	1506
Plastic Park	395	5178	16627	12	36	742	17369
Food Park	97	3732	8529	22	45	1064	9593
Orientation	9	327	13080	-	-	-	13080
Engineer Training	8	418	86944	-	-	-	86944
Overseas Training	6	53	3844	-	-	-	3844
<b>Total</b>	<b>559</b>	<b>10217</b>	<b>130376</b>	<b>41</b>	<b>92</b>	<b>1960</b>	<b>132336</b>

ii] Recruitment

The recruitment drive continued throughout the year looking for the right people which also included the on Campus selection for Engineering Graduates from agriculture field all over the country. The recruitment was done on the basis of demonstrated and potential ability, compatibility with the organizational culture, merit, openness and fitness with son of the soil empathy. The tally reached to 1,504 gross additions during the year under review.

The permanent employee strength of the Company as on 31<sup>st</sup> March 2011 was 6,504.

#### 14. Corporate Social Responsibility & Sustainability Report

The rural development work is carried out through the group entities Gandhi Research Foundation [GRF]

(a S. 25 Company under the Companies Act 1956) and Bhavarlal and Kantabai Jain Multipurpose Foundation [BKJMF] (A registered public charitable trust) both recognized for benefit of S. 80G of the Income Tax Act 1961 and rules made thereunder. During the year under review the above institutions have been given donations of ₹41 Mn and ₹ 21 Mn respectively to meet their objectives. A brief of their significant contribution is given below :

##### Activities of GRF

GRF has adopted following objects :

- Dissemination of Gandhiji's teachings for welfare of humanity.
- Establishment of international research and study center for the dissemination of Gandhiji's teachings.
- Collecting and preserving all Gandhiji resource material under one roof.
- Carry out Rural Development Programmes.

A 60,000 sq. feet building is planned to house a Museum, Library, Class Rooms. While lots of books, periodicals, photographs, films, voice recordings, stamps, artifacts, memorabilia etc have been collected for the above museum. To disseminate thoughts of Gandhiji a scheme of approaching young minds in schools an examination is run under the name Gandhi Vichar Sanskar Pariksha in 22 districts and 31,480 students participated. An exhibition 'Mohan to Mahatma' and 'Satyagraha' is taken regularly to schools, colleges and other educational places to educate children on Gandhiji's thoughts.

6 villages – Wakod, Shirkoli PB, Shirkoli PN, Takarkheda, Mohadi and Kadauli- in the Jalgaon district have been adopted for educational, health and sanitation work.

##### Activities of Anubhuti

Run by BKJMF, the Anubhuti school has been recognized and has won Green School of the Year in change makers category for the year 2010. The annual awards are held under the aegis of Centre for Science and Environment (CSE). Over 5,000 schools from all over the country participated and 600 were shortlisted and the award winners were then selected for 1,2,3 positions. The first batch of Standard X students did the school proud by producing spectacular results at the 2011 Board Examinations.

A new School, Anubhuti-2 has been established for below poverty line (BPL) students. Standard 1 and 2 (3 sections each) have started functioning since July 11, 2011. The necessary infrastructure is in place. Standard 3 and 4 are planned for academic year 2012-13 and 2013-14 respectively.

##### Sustainability Efforts

Sustainability is ingrained in the philosophy of Jain Irrigation. We create value not only to the stakeholder in the terms of prosperity, but, we care for nature and environment. Our each and every step is to strike the balance between the developmental needs and caring for the nature and our human resources. We are proud to enter into first 100 of the global

Cleantech companies. The Global awards “Boldness in Business” in Environment Category by Arcelor Mittal Group. The ‘best water company award by UNESCO, Ministry of Water Resources and WATER magazine are the epitome of the “sustainable” success of the organization. The Indian Chambers of Commerce, Kolkata bestowed upon us the “Sustainability Vision Award 2010” for sustainable business model. In 2009 we came up with first sustainability report as per GRI and also worked on the concept of Water Foot Printing on onion supply chain. This was unique as it had included the sustainable strategy part for the first time devised by water foot printing network of which we are member. Both of these reports are available online. Jain Irrigation’s sustainability team is working to get its four CDM projects through the validation process. The work of biodiversity indexing of the Jain Hills watershed has been completed and will be published soon. The new concept of “sustainability accounting and reporting” is on anvil, which is hardwiring the sustainability in the economic and financial aspects of the Company. To streamline our effort towards corporate sustainability we are now members of the TERI-BCSD (Business Council for Sustainable Development). We are working speedily and expanding our horizon on the concept of JAINGAP. We are presently under implementation stage for the EN 16000 for Energy Management Systems, ISO 14064 for Green House Gas Management Systems and SA 8000 for Social Accountability. This is beyond the present ISO systems standards of 9000, 14000 and 2200 family, and OSHAS 18000. Now, we are under the process of preparation of our second Sustainability report which will cover all the information, process and materiality related to Economic, Environment and Social aspects of the organization in the year 2009-10 and 2010-11. The report will be published in mid of Dec-2011. This will cover all the plants and operations in India and USA. Our first report was published for the year 2008-09. This report will also cover the stakeholder engagement process and policy for sustainable future is under process and will be reflected in the report of 2011. The organizational support for the CSR activities for Rural Village Development, Gandhi Research Foundation, support for development of sports and sportsmen are also reflected in the upcoming sustainability report.

## 15. Environment Health and Safety performance

The following steps have been initiated during the year 2010-11 :

- Jain Irrigation Systems Ltd. is certified for OHSAS 18001, an Occupational Health and Safety Management System now for its Jalgaon, Hyderabad and Udumalpet Plants.
- The Company has integrated the Quality Management Systems (9001), Environmental Management System (14001) and Occupational Health and Safety Management System in all its certified plants.
- Plastic Park Bambhori has installed Fire Hydrant system for its manufacturing units with 6,00,000 liters of water storage, nearly 9,000 meters of pipeline, and 179 hydrant points covering 128 acres of manufacturing facility.
- Substantial reduction in noise levels (90 to 79 dB) in casing pipe production is achieved by incorporating noise absorbers in blower system.
- Auto feeding system of material established in various machines has avoided manual loading operation, enhancing safety of operation.

- Air Compressor with AC drives has increased life of oil that made them more environment friendly with less waste generation.
- Introduction of runnerless Moulds for inline emitters has totally eliminated wastage generation.
- Plastic park uses solar pumps for its entire demo operations and development works, promotion renewable energy uses.
- Manufacturing plants in new buildings capture the rainwater and use it for processing.
- Introduction of new Take Up mechanism in dripline has eliminated human interaction and eliminated the risk.
- New Generation chilling plants in dripline manufacturing unit are more environmental friendly eliminating usage of F22, an Ozone Depleting Gas.

## 16. Internal Controls and Management Information Systems

### Background

The Company has been actively working on the transition to a single software platform. The Company studied the various SAP implementation strategies used by Micro Irrigation / Pipe / Food and Energy businesses and began communicating with several Implementation Partners of SAP. After developing a thorough understanding of best practices, the Company decided to leverage its operating structure through a SAP implementation.

By consolidating IT systems, SAP will enable simplified and standardized work processes across all facets of Company’s’ complex and diversified businesses, while enhancing the Company’s customer service culture and driving operating efficiencies.

### Implementation

The Company engaged 60 associates to identify the functionality required in the Company processes. This group of associates has complemented an experienced full-time project with the team of more than 40 SAP consultants from our implementation partner, Wipro India Ltd and 10 SAP consultants from our SAP advisory partner - KPMG advisory Services and a cross-functional group of Jain Irrigation Systems Limited’s business leaders.

The Company continued with the standard design, configuration and implementation of its SAP system, however based on the business requirement certain processes were customised.

The Company has Implemented SAP (Leading ERP business solution software) to support its strategy of unifying business processes, information, and IT systems across its manufacturing operations and depots in India.

We are glad to share that we successfully went live on Finance and Controlling, Sales and Distributions, Material Management, Production Planning and Quality Management and Plant Maintenance Module on August 15, 2010. SAP has now replaced legacy systems at all manufacturing units, depots and offices across India. As is expected Company did face some issues in initial period most of which have been resolved.

### Economic Benefits

The Company has identified the areas having substantial potential economic benefits – Inventory Management, price management and administrative and operating efficiencies. The Company is highly confident that these benefits can be realized.

## Internal Controls

SAP implementation allows a number of strategies to implement internal control in the business application through process mapping, segregation of duties, authorisations. Your company has done the review of SAP functionality and controls check from Ernst and Young Pvt Ltd. Their suggestions are being implemented. Independent of a SAP functionality and control check, your Company is proactively identifying the areas for further improvement which shall remain an ongoing process.

## Future Plan

The Company has plan to integrate its IT infrastructure by rolling out SAP at foreign subsidiaries to further streamline Manufacturing, Supply Chain, local and global reporting, analysis in a common enterprise wide format. It will provide better collaboration with our worldwide units, transparency and efficiency for global operations.

## 17.Fixed Deposits

The Company, during the year under review, has not accepted nor renewed any deposits from public, under the Companies (Acceptance of Deposits) Rules, 1975. The Company had no unclaimed / overdue deposits as on 31<sup>st</sup> March, 2011.

## 18. Auditors

The Auditors, M/s.Haribhakti and Company, Chartered Accountants, Mumbai have furnished a Certificate under Section 224(1B) of the Companies Act, 1956 that their proposed re appointment, if made, will be in accordance with the said provision of the Companies Act, 1956. The Audit Committee has recommended that m/s Haribhakti and Company, a firm of Chartered Accountants, Mumbai to be reappointed as Statutory Auditors. The Shareholders may reappoint the Statutory Auditors as per AGM Notice attached separately.

## 19.Promoters Group for the purposes of SEBI(Substantial Acquisition of Shares and Takeover)Regulations, 1997

In pursuance to clause 3 (1) (e) (i) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and definition of group as defined in the Monopolies and Restrictive Trade Practices Act, 1969 the representative of Promoters' Group of the Company has filed the following list of the individual Promoters and Corporate entities of Promoters Group as under:

### A. Individuals

Sr. No.	Name of Promoter
1	Shri Bhavarlal H. Jain
2	Shri Ashok B. Jain
3	Smt. Jyoti Ashok Jain
4	Arohi Ashok Jain (N/G Ashok B Jain)
5	Aatman Ashok Jain (N/G Ashok B Jain)
6	Shri Anil B. Jain
7	Smt. Nisha A. Jain
8	Athang Anil Jain
9	Amoli Anil Jain (N/G Anil B. Jain)
10	Ashuli Anil Jain (N/G Anil B. Jain)
11	Shri Ajit B. Jain
12	Smt. Shobhana Ajit Jain

Sr. No.	Name of Promoter
13	Abhedya Ajit Jain (N/G Ajit B. Jain)
14	Abhang Ajit Jain (N/G Ajit B. Jain)
15	Shri Atul B. Jain
16	Dr. Bhavana Atul Jain
17	Anmay Atul Jain (N/G Atul B. Jain)

## B. Corporate Entities

Sr. No.	Name of Corporate Entity
1	Atlaz Technology Pvt. Ltd
2	Cosmos Investment & Trading Pvt. Ltd.
3	Jalgaon Investments Pvt. Ltd.
4	Jain Brothers Industries Pvt. Ltd.
5	JAF Products Private Ltd.
6	Jain Extrusion &Moulding Pvt. Ltd.
7	Jain Green Energy Ltd. (Formerly Jain Solar Systems Limited)
8	Labh Subh Securities International Ltd.
9	Pixel Point Pvt. Ltd.
10	Stock & Securities India Pvt. Ltd.
11	Adhunik Hi Tech Agriculture Pvt. Ltd. (Formerly Gauri Hi Tech Agriculture Pvt. Ltd.)
12	Jain Investments & Finance BV, Netherlands
13	Jain Overseas Investment Ltd., Mauritius
14	Jain investments A.G., Switzerland

## C. Trust Entities

Sr.No.	Name of Trust Entity
1	Jain Family Holding Trust
2	Jain Family Investment Trust
3	Jain Family Entrepriase Trust
4	Jain Family Investment Management Trust
5	Jain Family Trust

## 20.Particulars of Employees

As per provisions of Section 217 (2A) of the Companies Act, 1956 only eight of the persons in employment of the Company have drawn remuneration in excess of ₹ 500,000/- per month, during the year under review or part thereof as per details in the Annexure to this report.

## 21.Particulars of energy conservation, technology absorption, research and development, foreign exchange earnings and outgo.

### A) Energy Conservation

#### Plastic Park

The following steps have been initiated during the year 2010-11:

- Introduction of all electric injection molding machines has given 40% of energy saving compared to conventional injection moulding machines.
- Continuing the productivity improvement JISL developed nearly 80 new moulds of multi cavity inhouse and 45 moulds from outsourcing, which has enhanced productivity and saved nearly 25% of energy compared to single cavity moulds.
- State of the art injection moulding machines with servo motor drives installed, consumes nearly 30% less energy compared to conventional Injection Moulding Machines.

- Introduction of variable frequency drives with pressure regulation in air compressor units in injection moulding and MIS pipe have resulted yield 30% reduction in energy consumption.
- For all PVC Pipe production all the socketing operations are made online. This has given 10% energy conservation.
- Energy monitoring is streamlined with incorporation of energy meters at all critical consumption points.
- New generation chilling plants introduced in dripline production are saving 10% energy compared to conventional cooling tower.
- Various efforts in all departments at plastic park have resulted in total saving of 26,77,193 kWh of electrical energy during 2010-11.

## B) Resource Conservation

### Plastic Park

The following steps have been initiated during the year 2010-11:

- In dripline manufacturing a state of the art recycling machines facilitate direct “Waste to Granules” at single station, thereby eliminating grinding operations as well as facilitates complete utilisation of rework material.
- Introduction of online socketing operations in pipe production eliminated 84,000 Kms of tractor movement saving 8,400 litres of diesel during 2010–11.
- All Electric injection moulding machines reduced 500 liters of hydraulic oil per machine reducing waste generation.

### Agri Park & Tissue Culture

During the year the measures taken for reduce energy consumption are as follows :

- Instrumentation : The lab has in place an instrumentation facility which includes general instrumentation and centralized instrumentation. By adopting the centralized instrumentation, we are able to reduce energy consumption by about 30%.
- The innovative process developed for micro-propagation of banana has enabled us to save 25% electrical energy.
- At banana hardening center nine solar power operated pumps totalling 75 HP has been installed to replace one 63 kva power generator and to fulfill increased power demand.
- 10 numbers of solar based water pump have been installed for irrigation to substitute electrical energy at our research farm.

### Food Park

30% of the energy requirement of the division is now met through the renewable resources, post commissioning of the Bio-gas plant last year. Apart from generating electricity, the project is now utilising the waste heat to run vapour absorption system thereby resulting in 15% reduction in refrigeration load.

The division is now in the process of installing a Bio-mass/Bio-gas boiler, which will result in 20% of the steam requirement being met by renewable resources.

### Solar/Green Energy

The 1.7mw Bio Gas Plant becoming fully operational has resulted in substantial energy conservation during the year.

## C) Technology Absorption

### Plastic Park

- Company has imported and established Rapid Prototyping technology. This has facilitated Company to develop the new products First Time Right and reduced the product development time giving full security to in-house design.
- Technology of high precision, high speed, low cycle time injection moulding is imported from Europe and established. This technology absorption with high cavitation moulds enhanced productivity by 1200%.
- First of its kind in the country, high capacity extrusion machines are established with 1500 kg/hr of through put.
- Company has established ERP (Enterprise Resource Planning) SAP system for its entire business operations, thereby integrating various island activities and obtained real time business project status.

### Agri Park & Tissue Culture

- At R&D laboratory center few new sophisticated instruments viz. Real-time Polymerase Chain Reaction (PCR), fluorescence spectroscopy, auto titrator and lyophilizer were added.
- The new process developed for micro propagation of banana has been taken up for production with better efficiency.
- A new approach has been developed for soil analysis and fertilizer recommendation for sustainable farming by introducing a Soil Health Card which addresses the soil nutrient status and provides scope for recommendation of nutrients for various crops in question.

### Food Park

The technology for unloading and pre-treatment of fruits developed in-house by the Company few years back has now been fully commercialised in all the plants.

### Energy Park

Solar application R&D equipped with advanced instruments required for electronics R&D has been fully absorbed/ developed.

## D) Research and Development

### Agri Park & Tissue Culture :

- In tissue Culture a new protocol has been developed for producing micro tubers of Potato. This work had been initiated after the enquiries received from few of our domestic and international customers associated with fruit & vegetable processing. The achievement will attract potato processor / farmers in propagating their valuable planting material through tissue culture while organization will get a benefit to increase the business.
- An innovative process has been developed for micropropagation of banana with reduced energy, increased work efficiency and less space requirement. This will help organization to increase the production capacity minimum by two fold.
- Onion : During the last year we could release a new hybrid of high solid onion variety for contract farming.
- Isolation of methane producing micro organisms (methanogens): The biotech lab has standardized and optimized protocol for isolation of Methanogens through its identification in in vivo / in vitro cultures.

- Study of Molecular mechanism of Flowering : Flowering is a very important biological phenomenon. Banana improvement through conventional means is very laborious and time consuming and with the intervention of modern bio-technological approaches, this task becomes relatively easier, as we know its crop biology. To understand how the flowering is regulated in Musa, at the molecular level, this research becomes pertinent. The full length FT3 gene has been cloned and the sequence has been submitted to National Centre for Biotechnology Information (NCBI) data base.
- Cloning & Sequencing of Jatropha Mosaic Virus (JMV) : Jatropha is infected by Mosaic Virus (Jatropha Mosaic Virus, JMV), resulting in to serious damage to crop. We tried to characterize the JMV. It has been found out that there are two components of DNA in JMV of approximately 2.7kb. Both the components were cloned and sequenced. Both these sequenced DNAs have been submitted to NCBI database.
- Rice Cultivation under Drip Irrigation : As reported earlier this project has entered into new phase of adoption and now the technology we are demonstrating it at farmers field.

#### Food Park

Following projects were initiated in the year and few of the projects have since been completed.

1. Conservation of Water and improving microbiology of Onions.
2. Improving quality of stored Onions to avoid wastage in storage and processing.
3. Improving quality of the Dehydrated Onions.
4. Modification in the pre-treatment process of Mangoes to improve quality.

#### Green Energy/Solar Park

Following projects were initiated in the year and few of the projects have since been completed

- LED & CFL street light, home light, lantern developed as per Ministry of Non Conventional and Renewable Energy (MNRE) Specification & approved from by the MNRE.
- Enclosure developed for Luminary products.
- Solar Pump controller development has started.
- SMS Data logger development has started.
- Technological study of grid tie and off grid Inverters .

#### New Products Developed (R&D)

##### Plastic Park

- In the area of MIS & SIS nearly 65 new elements are developed. This has extended the range of some of existing products and added new features to some products.
- Company has developed manufacturing process for production Total Lead and Tin Free casing pipes, column pipes & plumbing pipes, thereby making the product more environmental friendly.
- New pump connector developed in Sprinkler system has eliminated additional top pump connector, resulting in reduction of inventory.
- Development of Single Metal Clamp Plus has eliminated metallic ring in the assembly there by conserving natural resources and energy required for its production.

#### R & D Expenditure

(₹ in Million)

Sr. No.	Particulars	2010-11	2009-10
a.	Capital Expenditure	197.38	146.52
b.	Revenue Expenditure	102.88	48.48
c.	<b>Total</b>	<b>300.26</b>	<b>195.00</b>
d.	% of Revenue	0.90%	0.72%

#### Foreign Exchange Earning and Outgo

(₹ in Million)

Sr. No.	C.I.F. Value of Imports, Expenditure and Earnings of Foreign Currency	2010-11	2009-10
a.	C.I.F. Value of Imports		
	Raw Materials, Components and Stores and Spares and Capital Goods	7,781.15	6796.71
	<b>Total</b>	<b>7,781.15</b>	<b>6,796.71</b>
b.	Expenditure in Foreign Currency (on Cash basis)		
i)	Interest and Finance Charges	246.07	162.13
ii)	Discount/Commission on Export Sales	2.58	1.37
iii)	Export Selling / Market Development Expenses	8.08	26.54
iv)	Travelling Expenses		
v)	Law & Legal/ Professional Consultancy Expenses	16.36	8.86
vi)	Others	28.95	27.66
	<b>Total</b>	<b>310.66</b>	<b>239.48</b>
c.	Earnings in Foreign Currency		
	FOB Value of Exports (on the basis of bill of lading)	4,920.47	4,889.57
	Interest and Other Income	-	77.53
	<b>Total</b>	<b>4,920.47</b>	<b>4,967.10</b>

## 22. Acknowledgement

The Directors take this opportunity to place on record their appreciation of whole hearted support received from all stakeholders, customers and the various departments of Central and State Governments, Financial Institutions, Bankers, the Dealers and Suppliers of the Company. The Directors wish to place on record their sense of appreciation for the devoted services of all the associates of the Company.

by order of the Board

Sd/-

Anil B. Jain

Mumbai, 5<sup>th</sup> September 2011

**Managing Director**

# Annexure to Directors' Report - 2010-11

Statement of Particulars of employees pursuant to the provisions of Section 217(2A) of the Companies Act, read with Companies (Particulars of Employees) Rules, 1975, as amended up to date.

Sr. No.	Name of Employee	Total Experience (Years)	Designation	Remuneration Gross (₹)	Qualification	Commencement of Employment with Company	Particular of last Employment	Last Post	Employer	No. of Yrs. (Previous Employment)	Covered Under 500000/ Category w.e.f.
1	Shri Ashok B Jain	28	Vice Chairman	59,117,868	B.Com	12.01.87	Own Business	Partner	Jain Brothers Industries	4	01.04.10
2	Shri Anil B Jain	26	Managing Director	65,042,732	B.Com., LLB	12.01.87	Own Business	Partner	Jain Brothers Industries	2	01.04.10
3	Shri Ajit B Jain	26	Jt. Managing Director	61,510,705	B.E.	11.01.85	-	-	-	-	01.04.10
4	Shri Atul B Jain	19	Director-Marketing	57,969,683	B.Com	01.01.91	-	-	-	-	01.04.10
5	Shri R Swaminathan*	38	Director - Technical	11,408,401	B Tech (Chem)	15.06.82	Service	Plant Manager	Flavours & Essence P.Ltd.	2.5	01.10.10
6	Shri Abhay K Jain*	20	President- Marketing	8,756,622	B Com	01.01.91	-	-	-	-	25.03.11
7	Shri Manoj L Lodha*	13	President -Banking & Finance	13,117,412	CA	05.11.98	-	-	-	-	01.06.10
8	Shri Anilkumar Kataria*	26	President	7,348,164	B.E.	09.09.89	Own Business	Partner	Family Business	4	25.03.11

1] Shri Ashok B. Jain, Shri Anil B. Jain, Shri Ajit B. Jain and Shri Atul B. Jain are related to each other as brothers and sons of Chairman Shri B H Jain.

2] Remuneration includes perquisites and commission

3] Remuneration includes perquisite value of ESOP



# MANAGEMENT DISCUSSION AND ANALYSIS

After growing at a scorching 9% plus rate in 2005-06 to 2007-08, Indian economy consolidated at 6.7% in economic downturn of 2008-09 and recovered moderately to 7.4% in 2009-10 as per RBI's quick estimates. The 2010-11 projections are closer to 8% but macro headwinds are indicating a consolidation at over 7% for the current year.

The progress of monsoon has been good while geographical distribution is expected to be even.

The low growth phenomenon has continued with developed economies of Western world. They are grappling with problems like high borrowings and likely sovereign default in EU countries and if these were to happen, it would be catastrophic as many international commercial banks have exposure to EU countries. Energy prices have remained high through the current year so far but developments in various parts of world have moderated the demand expectations and hence prices have stabilized now at lower than top price achieved. The lower commodity prices and hence lower inflation expectations as a corollary may force RBI to either pause the policy rate hikes. However RBI has continued with its hawkish stance – due to high food inflation. In fact, food inflation issue is more supply side issue and partly can be addressed by improving agricultural productivity by using micro irrigation and other technologies being propagated by your Company.

The quick estimate released by RBI indicates that the economy grew by 7.7% in Q1 FY 2011-12. The Manufacturing sector grew by 7.2 while Mining sector grew only by 1.8%. However, the Agricultural sector grew by heartening 3.9% which is an encouraging sign.

Today need for your Company's product is even more intensifying & continued deployment of these products will allow Company to full-fill its objective of meaningfully addressing issues, like water conservation and food security, being faced by the nation.

## 1. Overview of Business

Your Company (JISL) is leading agri-business Company, operating in diverse but integrated segments of the agri-business value chain. It is the second largest micro irrigation Company globally and is largest manufacturer of irrigation systems in India. It is also the largest manufacturer of Mango pulp, puree and concentrate in the world and also third largest manufacturer of dehydrated onions. JISL is also India's largest manufacturer of polyethylene pipes, leading PVC pipe manufacture and is furthermore the largest manufacturer of Tissue Culture Banana Plants in India. JISL is additionally into hybrid & grafted plants; greenhouses, poly and shade houses, bio-fertilizers, solar water heating systems, Solar panels, Solar water pumps and wood substitute plastic sheets. JISL renders consultancy for complete or partial project planning and implementation e.g. watershed or wasteland and / or crop selection and rotation..

## 2) The Strategy

Our goal is to leverage our strengths to continue to expand our capacities in each of our respective business lines and expand into complementary product lines to continue our growth in India and to compete in the global market. The principal elements of our strategy are:

### a) Continue expansion of our micro irrigation products in India.

We are currently one of the largest suppliers of micro irrigation systems in India. Our strong brand name, extensive agricultural expertise and broad network of dealers has contributed to our aggressive growth in India and we aim to continue this growth by focusing

on states such as Maharashtra, Karnataka, Gujarat, Rajasthan, Himachal Pradesh and Haryana – while continue working in other states such as Andhra Pradesh, Tamil Nadu, Madhya Pradesh etc.

We attained a compound annual growth rate of 42.9% from fiscal 2008 to fiscal 2010 for our micro irrigation sales in India. We hope to continue this growth by developing new products such as automated greenhouses, developing micro irrigation system education efforts for paddy and new crops such as pulses, oil seeds and cotton and high density plantations such as mango, guava. We are expanding to new states in our manufacturing and distribution networks.

We aim to provide farmers an end-to-end water solution by transporting water, creating new water reservoirs, creating irrigation systems and assisting with agronomy through our canal command area programs. We also believe that the Government allocated agriculture areas next to cities to control food inflation will provide us with new opportunities.

### b) Expanding into new growth products and markets and continue focus on agricultural value chain.

We will continue to expand our product range with continued emphasis on the agricultural value chain. We also plan to enhance our distribution reach by adding new dealers and distributors to penetrate Indian and international markets, particularly in Turkey, Mexico, Africa, the USA and Latin American countries. For example, we set up a greenfield plant in Turkey for growth of MIS sales in Turkey and regional MENA countries. We also plan to add new fruits and vegetables to our vegetable dehydration and fruit processing capabilities, adding to our capabilities in the agricultural value chain and meeting demands for new products and food ingredients for consumers. We believe this will further diversify our revenues to insulate our sales from adverse conditions. We are also adding new products in our renewable energy segment, including integrated photo voltaic modules, which can be used on roof tops and in building, full aperture collectors, hygienic hot air dryers and Solar Water Pumps.

### c) Focus on financial management and synergies of creating an affiliated financing entity.

Our fastest growing business is micro irrigation which has a relatively protracted cash collection cycle from the invoice date. It takes between 9 and 12 months after delivery of products to receive the government incentives portion, which makes up at least 65% of the purchase price. We are focused on having sufficient financing facilities in place to fund future growth. Additionally, we continuously monitor interest cost and optimise our borrowing mix in line with changes in market dynamics. We hope the creation of a finance entity (NBFC) in which we will have a minority stake will significantly shorten the cash flow cycle by disbursing funds to us at the time of delivery of our products.

### d) Maintaining our cost competitiveness through technology.

We seek to be a cost-competitive high-quality producer and are focused on maintaining our cost competitiveness in our domestic and international markets. We have invested and we continue to invest in advanced equipments which provide us with consistent and cost effective production rapidly while maintaining quality. Due to our backward and forward integration, we have optimised capital investment on a per ton basis

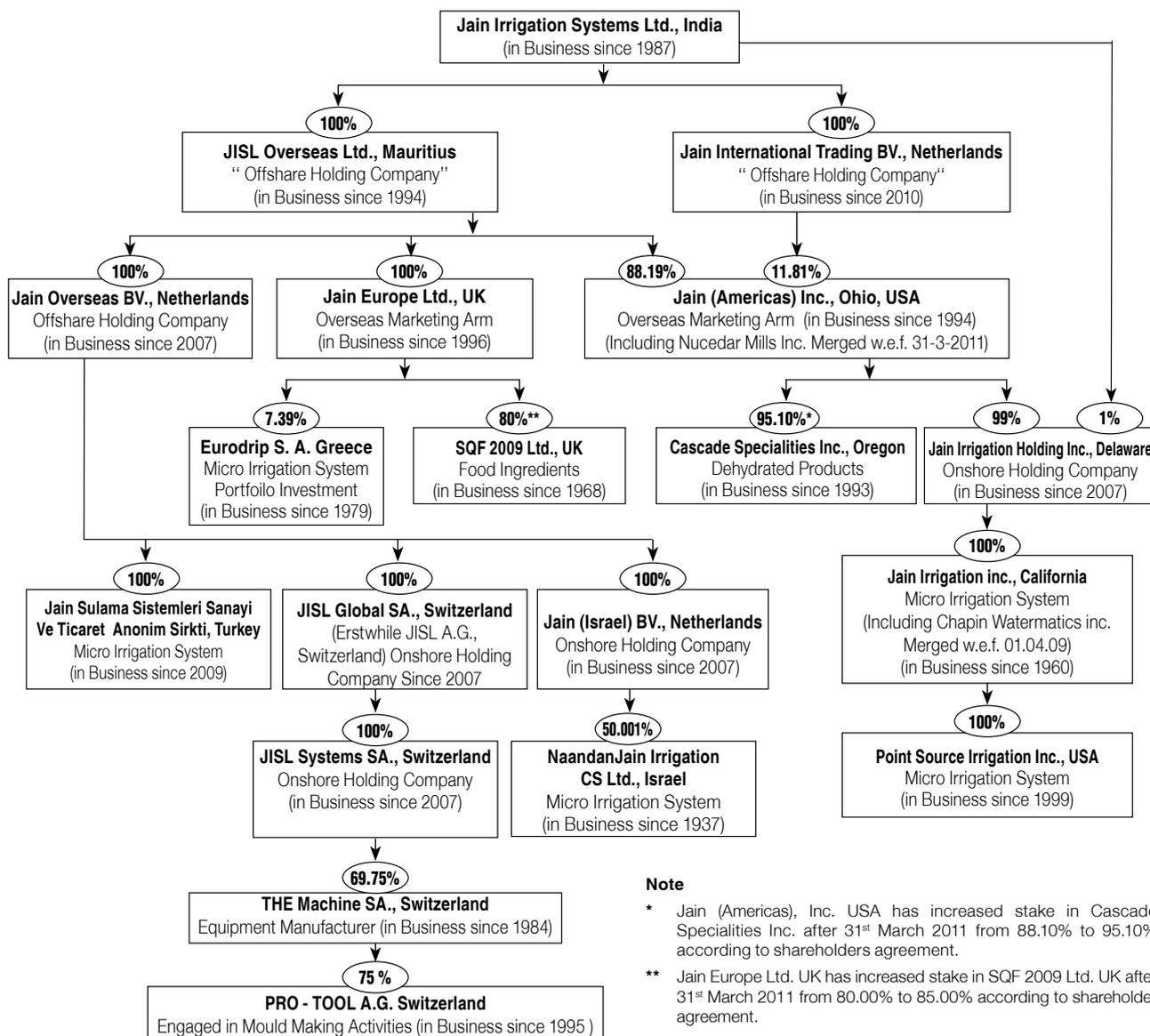
for our production facilities. We continue to pursue the one-stop-shop and integrated system approach which allows us to maintain lower sales and distribution costs resulting in cost competitiveness. We have invested in and have evolved our own unique processing technology and special seeds which allows us to improve yields in our food processing division, thereby increasing competitiveness. We buy major polymers which are our raw materials at reduced prices due to our scale. We have automated various processes in our plants so as to reduce manpower costs. We have started new plants in different states in the last two to three years and we plan to build more such plants across India, thereby reducing logistic and other costs. Our continuous research and development in-house and on-field has allowed to optimise our product and system design, thus rendering our end offering to be more cost competitive. In our micro irrigation business, we have focused on helping our customers to improve their production and productivity thus increasing value proposition of our product. We have also invested in green technology for the generation of energy which is expected to generate carbon credits. We plan to further increase productivity and production while reducing our costs by continuing to invest in new equipment, improving our material management systems to minimize wastage and production losses, improving our working capital cycle

to reduce our interest costs and refinancing our higher cost debt with lower interest.

**e) Growth through select strategic partnerships and investments in other ventures and mergers and acquisitions.**

We aim to be among the top global players in each of our major business segments and become an international brand in the agricultural business. In addition to organic growth, we will evaluate on a case-by-case basis potential acquisition targets that can grow our business, provide new technology, increase production capacity and/or expand our capabilities or geographic reach. For example we purchased Chapin Watermatics Inc., a USA Company, to incorporate their subsoil irrigation technology. We invested in NaanDanJain an Israeli irrigation Company, to incorporate their controlled irrigation technology and micro sprinkler products; THE Machines, a Swiss Company, to adopt their equipment and machine manufacturing expertise, and more recently Sleaford (UK), a UK food distribution Company, to have direct access to a large market with value-added new food products. We plan to acquire the minority stakes from past acquisitions to further integrate these businesses into our operations. We intend to pursue those acquisitions that are related to our key strengths, are synergistic and in our assessment, have manageable integration risks.

**3) Corporate Structure :** The below table sets for the current corporate structure of the Company



#### 4] A) Overseas Holding Companies

- a) JISL Overseas Ltd., Mauritius** is a wholly owned subsidiary of the Company and was incorporated in 1994 under the laws of Mauritius. JISL Overseas Ltd. acts as a holding Company for the overseas subsidiaries and all of the overseas subsidiaries are directly held by JISL Overseas Ltd. For the year ended 31<sup>st</sup> March, 2011, JISL Overseas had share capital of approximately US\$ 86.06 million. The said Company had a loss of US\$ 810,782 for the year ended 31<sup>st</sup> March, 2011.
- b) Jain International Trading B.V., Netherland** is a wholly owned subsidiary of the Company and is incorporated in 2010 under the laws of Netherland. The said Company had a loss of US\$ 388,047 for the year ended 31<sup>st</sup> March, 2011.
- c) Jain Overseas B.V., Netherland** is a wholly owned subsidiary of the JISL Overseas Ltd., Mauritius and was incorporated in 2007 under the laws of Netherland. The said Company had a profit of US\$ 152,227 for the year ended 31<sup>st</sup> March, 2011.
- d) Jain (Israel) B.V. Netherland** is a wholly owned subsidiary of the Jain Overseas BV., Netherlands and was incorporated in 2007 under the laws of Netherland. The said Company had a Loss of US\$ 345,157 for the year ended 31<sup>st</sup> March, 2011.
- e) JISL Global SA, Switzerland** is a wholly owned subsidiary of the Jain Overseas BV., Netherlands and was incorporated in 2007 under the laws of Switzerland. The said Company had a profit of CHF 3,317 (approx. US\$ 3,308) for the year ended 31<sup>st</sup> March, 2011.
- f) JISL Systems SA, Switzerland** is a wholly owned subsidiary of the JISL Global SA., Switzerland and was incorporated in 2007 under the laws of Switzerland. The said Company had a loss of CHF 13,580 (approx. US\$ 13,543) for the year ended 31<sup>st</sup> March, 2011.
- g) Jain Irrigation Holdings Inc. Delaware, USA** is a subsidiary of the Jain Americas Inc., USA and was incorporated in 2007 under the laws of USA.

#### B] Overseas Marketing Companies

- a) Jain (Americas) Inc., USA** (Including NuCedar Mills Inc., USA merged w.e.f. 31<sup>st</sup> Mar 2011) is a wholly owned subsidiary of the Company and was incorporated in 1994, under the laws of Ohio, USA. It is our key marketing, distribution investment arm in the United States. For the year ended 31<sup>st</sup> March, 2011, Jain (Americas) Inc. had sales of US\$ 22.06 million.
- b) Jain (Europe) Ltd., UK** is a wholly owned subsidiary of the Company and was incorporated in 1996, under English laws. Jain (Europe) Ltd. is our key marketing and distribution arm in the UK and other European countries. For the year ended 31<sup>st</sup> March, 2011, Jain (Europe) Ltd. had sales of GBP 25.19 million (Equivalent to US\$ 39.18 million).

#### C] Operating Subsidiary Companies

- a) Jain Irrigation Inc., USA** (Including Chapin Watermatics Inc. merged w.e.f. 1<sup>st</sup> April 2009) is a wholly owned subsidiary of the Company through the Jain Americas Inc. Jain Irrigation Inc is engaged in drip tape manufacturing and distribution business based in California. For the year ended 31<sup>st</sup> March, 2011, the Company had reported revenue of US\$ 55.86 million.

**b) Cascade Specialities Inc. USA** is owned to the extent of 95.10% by the Company through the Jain (Americas) Inc. It is engaged in onion and garlic dehydration business with specialization in natural low bacteria and organic dehydrated products. For the year ended 31<sup>st</sup> March, 2011, the Company had reported revenue of US\$ 19.87 million. The Company has definite agreement to acquire remaining ownership in the next year from other shareholders at an EBIDTA multiple.

**c) NaanDan Jain Irrigation C.S. Ltd. Israel** is owned to the extent of 50.001% by the Company through Jain (Israel) B.V. It is engaged in the manufacturing of drip / sprinkler irrigation. NaanDan also has manufacturing facilities in Chile, Brazil, Spain. For the year ended 31<sup>st</sup> March, 2011, the Company had reported revenue of NIS 418.54 million (Equivalent to US\$ 114.06 million). The Company has a call option to acquire remaining ownership over the next 6 years from other shareholders at an agreed fixed price.

**d) THE Machines SA, Switzerland** is a Switzerland based manufacturer of plastic extrusion equipments with laser technology. The Company is owned to the extent of 69.75% through JISL Systems SA. For the year ended 31<sup>st</sup> March, 2011, the Company had reported revenue of CHF 28.18 million (Equivalent to US\$ 28.11 million). The Company has a call option to acquire remaining ownership over in the next few months from other shareholders at an agreed prefixed price.

**e) Jain Sulama Sistemleri San. Tic. A.S., Turkey**, is a Turkey based manufacturer of drip / sprinkler irrigation. The Company is owned to the extent of 100% through Jain Overseas B.V. For the year ended 31<sup>st</sup> March, 2011, the Company had reported revenue of TRY 19.44 million (Equivalent to US\$ 12.87 million).

**f) SQF 2009 Ltd., UK** is based in Sleaford town in Lincolnshire County in the East Midlands region of England. The Company is owned to the extent of 80% through Jain (Europe) Ltd., UK. For the post acquisition period, the Company had reported revenue of GBP 11.66 million (Equivalent to US\$ 18.14 million). The Company has a put option to acquire remaining ownership over the next 3 years from other shareholders at an EBIDTA multiple each year.

#### g) Eurodrip S.A. Greece

In February 2006, we acquired 7.39% in Eurodrip through Jain (Europe) Ltd. The Company is one of the largest micro irrigation companies in Europe with its headquarters in Greece.

### 5. Competitive Strengths

We believe that the following are our principal competitive strengths :

#### a) Strong brand and leadership position in our businesses in India.

We are one of India's leading manufacturers of micro irrigation systems, piping systems and agro-processed products. Our MIS products are customised to assist in meeting the special requirements of our customers in India. We have worked with farmers to provide them training and introduce them to more advanced processes and technology as well as with Indian state governments

and international organisation to develop technology and support new initiatives to assist farmers. We have maintained our leadership position with extensive research and development to improve our products. We have built an extensive and loyal distribution and dealership network throughout semi-urban and rural India, selling flagship brands such as Jain Drip, Jain Sprinklers, Jain Pipes, Chapin and FarmFresh, which we believe are well known in our Indian and international markets. We believe that our strong brand presence and leading market position and understanding of our customer's needs makes us well-placed to capitalise on growth opportunities in the Indian and international markets for our products.

**b) Total solution provider across the agricultural value chain.**

We have utilised our agriculture expertise and relationships to participate across the agricultural value chain and diversify our revenue. In addition to our micro and sprinkler irrigation systems, plastic piping and solar pumps which are used in irrigation, we also supply bio-tech tissue cultures which help farmers reduce growing time and create higher crop yields. In addition, we work with our customers on a turnkey basis providing engineering, soil and water analysis, water resource estimation, crop planning, irrigation and fertigation scheduling, marketing assistance and other agronomical and technical support and training. We purchase onions, tomatoes and other vegetables for vegetable dehydration from our contract farmers and others and are a major consumer of mangoes for our fruit processing operations. We believe that being involved across the value chain leverages our knowledge, relationships, brand name and strong distribution network and provides total solutions for farmers.

**c) Diverse revenue streams.**

We have production and processing facilities across India and our sales have been growing in various states in India and internationally, which makes our sales and production less susceptible to weather or other risks in a particular region. We aim to expand internationally by looking for opportunities for future growth, especially in progressive agriculture markets. Our revenues are further diversified across the wide range of products we sell. Additionally, no single customer accounts for more than 5% of our revenues in fiscal 2011. This diversification can help insulate our overall sales and operations from adverse conditions affecting any one of our business segments or products, a particular region or a particular customer.

**d) Experienced management and large pool of agriculture professionals.**

Our senior management team has deep experience in the industries in which we operate. We believe that the experience of our management team in the agriculture sector and international markets will help us increase our penetration internationally and expand the range of our product offerings. Our management team also has long-standing relationships with many of our major customers, distributors/dealers and suppliers. Further, we have one of the largest pools of agricultural scientists, technicians and engineers in the private sector in India, comprising over 900 agricultural scientists, technicians and engineers. Our after sales support, training and other services are one of our main selling points.

**e) Flexible and scalable business model.**

We believe that the flexibility and scalability of our existing production facilities and distribution network will help us meet increased demand for our products. Our presence in India with nine manufacturing plants provides us a low cost, centralised manufacturing base.

The scalability of our existing facilities enables us to increase our production capacity through the installation of new equipment and production lines. Our manufacturing facilities enable us to produce a wide range of products with different specifications, such as inline tubing, flat dripper tubing, PC emitters, sprinkler pipes, impact sprinklers, PVC/PE pipes, casing and screen pipes and duct pipes with different diameters and working pressure ranges, and processed and dehydrated fruits and vegetables using different organic feedstocks. This assists us in meeting the specific demands of our customers and reducing the impact of seasonal changes in production volumes for specific products such as our agro-processed products and piping systems.

**f) Wide dealer and distribution network.**

We have over 2,500 dealers in India selling our products exclusively. Most of these dealers come from farming backgrounds and are influential in their respective regions. This strong local sales force gives us a deep understanding of the needs of our customers in India and assists us in providing strong after-sales support and sharing our knowledge with our customers. We can leverage our production facilities to further expand our distribution reach by adding additional dealers in new areas.

**6) Overview of Segment**

**A) High-Tech Agri Input Products**

The segment comprises of Micro and Sprinkler irrigation systems, PVC Pipes, biotech tissue culture and other agri inputs. The segment has grown at almost 26.7% over the previous year at ₹ 22,859.8 million. The main growth engine was the MIS/SIS business at a robust 31.6% growth. PVC pipes also grew at reasonable growth rate of 10.4%. The segment profit has grown by an impressive 40.1% over the earlier year's level, while the capital employed grew at a little over 30% reflecting the creation of additional capacities during the year.

**a) Micro and sprinkler irrigation**

**i) Industry**

The industry is broadly divided into the organized and unorganized segments in the country. The Company is the largest player in the organized sector. In view of the involvement of a large number of components in a system, all of which are not available with a single manufacturer, it is difficult to hazard a guess about the exact size of the industry as most of the figures are derived on the basis of information available from different sources. While the Company controls 55% of the Micro Irrigation business in the country, it has a market share of 35% in the Sprinkler irrigation business in the country. The current estimate of industry size is ₹ 30 bn. and it is growing at a fast pace. Currently only 5 million Ha (7% coverage) of the possible 69 million Ha area is covered under the micro and sprinkler irrigation in the country. However, as per Government task force 17million Ha of land can be easily brought under micro irrigation coverage in the country by 2012,

while by 2030 the extent of MIS/SIS coverage may reach 69.5 mn Ha.

The prospect for global growth of the MIS industry is strong. Experts estimate that by 2025 the majority of developed countries will confront issues resulting from a scarce water supply, with all major economies switching to MIS to mitigate the disruption that such a shortage could cause. Although MIS's popularity continues to grow, high establishment costs have hindered its wider circulation. Despite this, over the last 20 years, there has been a six-fold increase in the area under micro irrigation. North America and Europe have the highest rates of utilization, with the United States being the first country to employ micro irrigation technology in its fields and achieving the highest micro irrigated area. Asia is in the development phase in its use of the technology, with both India and China adopting the technology, albeit with low utilization rates. India and China both represent attractive growth opportunities for the MIS industry.

## ii) Performance

The business contributes a little over 51% of the Company's turnover. The division has been growing at a CAGR of 46% in last five years on the back of projects in the States of Andhra Pradesh, Gujarat, Tamil Nadu and consistent growth in Maharashtra. The business added 53,060 MT of capacity during the year under review, while Fixed Assets addition was to the tune of ₹1962 million.

## iii) Opportunity & Outlook

Almost 50% of the arable land in the country is still rain fed. The Government (Central and State) provide 50% capital subsidy for promoting the use of Micro Irrigation by farmers. While targeting an agriculture growth of 4% per annum the government had also placed higher targets for farm credit and agriculture investments at 2% plus of the GDP for the XII plan period. Very recently in 2010 the Cabinet Committee of Economic Affairs approved the "National Mission on Micro Irrigation" (NMMI) during the Eleventh Plan period. This again demonstrates the sustained focus of the government on pushing the micro-irrigation as a tool to conserve the water and address the issue of food security. The Union Budget reflected an overall increase in thrust towards agriculture.

During the year under review, the 22<sup>nd</sup> manufacturing plant was inaugurated at Bhavnagar in Gujarat. The plant at peak capacity shall have a capacity to manufacture 15,000 MT per annum of MIS/SIS, 25000 MT per annum of PVC Pipes & Fittings. It will serve the state of Gujrat and help the company improve its penetration levels in this important state in western India.

Your Company has continued its training & extension activities throughout the country. Thus, during the year under review the extension activities were carried out in over 165 districts in the country covering over 164,000 farmers in 15 states. All in all, outlook for this industry is very positive and opportunity is immense.

## iv) Risks & Challenges

Government policies and allocation amount towards central subsidy could influence the growth prospects of this business. Delayed cash-flow, could, apart from causing pressure on managing the working capital requirements, also have negative impact on the profitability of this business. With very high working capital requirements causing higher interest cost, the net profit margin of this business remains under check for the industry.

The growth in industry requires a large pool of trained sales people on continuous basis and skilled people are also required for implementation of the system and also require a dedicated dealer network in the far flung areas of the country. The uneven distribution of rainfall in the country, consecutive drought like situation for 2/3 years and fluctuations in the polymer prices are constant threats faced by the industry. Due to fragmented land holding in the country, the average farmer holds very small piece of land but irrespective of his size of holding the services required are almost the same. This fragmented holding therefore results in high transaction cost for the Company.

There are a large number of players in the industry whose influence is restricted to a small surrounding area, who neither maintain quality nor are able to give any quality service. These players tend to spoil the market due to their practices and may provide backlash against the concept of Micro Irrigation.

## b) PVC Piping

### i) Industry Indian Scenario

India's plastics industry is projected to grow dramatically in the coming years. The country's plastics processing sector, for example, is expected to grow from 69,000 machines to 150,000 machines in 2020. The PVC industry is integral to the MIS industry. The PVC pipes business is driven in large measure by demand for pipes used in agriculture, including agriculture unrelated to MIS. With agriculture expected to continue its rapid growth in India, and the positive correlation historically observed between the growth rates of agriculture and PVC, experts project that the PVC sector will grow by around 9% over the next two years.

Jain Irrigation, with a 15% share, is one of the three (3) major players in the organized market. Rest of the industry, being small and medium scale in nature, is unorganized, fragmented and scattered near the user belts in the country. Increased micro irrigation spends, higher allocation towards rural water infrastructure for potable water, push for urban infrastructure by government agencies and Command Area Development Programme will improve the demand situation for the industry.

### ii) Performance

During the FY 2011, this business contributed 18.1% revenue for the Company. The business has grown at a steady 10.4 % in revenues over last year. The business added 35,145 MT of capacity during the year under review, while the Fixed Assets addition was to the tune of ₹196 million.

### iii) Opportunity & Outlook

While the expansion of capacity undertaken last fiscal year is complete, in view of increased budgetary allocation from government, demand is expected to continue to increase. While the government infrastructure spends are increasing all the time, the government programmes continued for safe drinking water, urban and rural sanitation, rain-water harvesting and integrated watershed management programme etc. are expected to generate substantial demand for piping products in the coming years. The Company is considering establishing two more production centres in the north part of country in near future. A large part of the Urban Infrastructure projects in the current five year plan is towards irrigation, drinking water supply & sanitation.

### iv) Risks & Challenges

Delays in government decision/spending and limited availability of PVC resin in India is the potential threats to the otherwise rosy picture for the future of the industry. Low cost and low quality manufacturers continue to twist healthy markets. Volatility in price of raw material PVC resin is another dampening factor on demand. Due to heavy anti dumping duty, cost of PVC resin has been artificially increased for domestic processors, affecting end product demand.

### c) Biotech Tissue Culture

#### i) Industry

The industry is broadly divided into two segments  
1) Fruits and vegetables  
2) Leafy Plants and flowering Ornamental Plants.

The industry is not organized although some big names did start forays in this industry in the mid 1990's. Most of the players are engaged in tissue culture for cut flower exports, where the model of business is quite different. The Company started with banana as the main crop for tissue culture and the efforts have really paid off. The industry is still growing at an estimated 25% per annum.

#### ii) Performance

The sales in business crossed ₹270.0 million during the year, reflecting a 20.3% growth over the previous year. The quantity increased to 22.5 million plantlets Keeping quality of plants as the top priority Company had implemented four stage disease testing program. Unit has also maintained various certification standard for commercial tissue culture laboratories.

#### iii) Opportunity & Outlook

The outlook continues to be excellent and demand shows improved off take in the coming season. Now, many State Governments are evincing keen interest in promoting tissue culture. The Company has opportunity to diversify the business & produce fruit & ornamental plants & other fruit plants. Your Company has also started production of tissue cultured pomegranate plants, onion and even mango. Research and development is on to create Citrus plants. There is also an export potential to other Asian countries which can be tapped.

### iv) Risks & Challenges

Lack of skilled work force and the risk of legal problems in case of non-performance of the planting material in the farmer's field are the major challenges facing the business.

### B) Industrial Products

The segment business includes the varied business lines like PVC Sheets, Polycarbonate Sheets, PE pipes for industrial applications, Fruit processing, and onion and vegetable dehydration. Business in this segment has grown at 13.7% over the earlier year's level at ₹10,449.21 million. The major growth came from Solar business at 112% growth in revenue terms on a small base.

#### a) PE Piping

##### i) Industry

The applications of PE pipes are growing at a fast pace and yet new applications are being developed for the product. In applications like sewage & effluent disposal, due to the tougher environmental laws and stricter application of the same by the Govt. departments, the replacement of cement/metal pipes by PE pipes is becoming very relevant. Such possibilities are significant especially since the larger diameter PE pipes are now indigenously available within the country itself. The Company's presence in gas and cable duct segments of the PE pipe business is commanding and hence the overall market share is in excess of 30%. The Company is operating in all segments of the applications like cable duct, sprinklers, gas distribution, water conveyance, house service connection, Sewage conveyance, Effluent disposal, sand stowing, dust suppression etc.

##### ii) Performance

This business has grown in FY 2011 by 5.8% and volumes grew by 15.4%. However, with all user industries like telecom, gas, water and sewerage having good plans for growth and capital expenditure, the future is bright for this business.

##### iii) Opportunity & Outlook

The Company has successfully continued to get large supply contracts with multinational companies for supply all over the world as a preferred supplier with very encouraging revenues. The massive infrastructure projects undertaken under the Bharat Nirman Yojana, increased investments by telecommunication industry and plans for piped gas in cities, continue to be the potential demand drivers for the industry. All the Gas Distribution companies are continuing their growth plans as newer cities are being added every year. The telecom sector in India is growing well, more so the recent allocations of licence for 3G applications augur well for the telecom sector.

The demand for next 18 months is expected to be over 275,000 kms of duct pipes. In water transmission and distribution business there are around 200 firms registered with BIS, but the national players are only 3 and Jain Irrigation is the only player to manufacture pipes up to 1600+ mm dia. Jain Irrigation now, has developed the capability to provide a complete solution to Water Management, Waste-water Treatment and judicious use of treated water.

#### iv) Risks & Challenges

The unstable raw material prices and business cycles of the end users and delay in implementation of projects remain the major risks faced by the business segment. Lack of awareness about quality needs at the customer end provide significant challenge. Also conversion to HDPE from steel or concrete is still not easy due to unwillingness to change old specification at engineering levels.

### b) Onion and vegetable dehydration

#### i) Industry

Dehydrated Onion is the largest used general food ingredients. This industry is dominated by USA, followed by India and Egypt. Dehydrated Onion industry uses less than 2% of world's total fresh onion production. Agro processing in India provides an important link between the country's rural and urban economies by combining food produced in farms and villages with growing demand in the cities for high value, packaged food. As a result, the agro processing industry has expanded, growing at about 14% and contributing to 10% of India's manufacturing GDP and 13% of the country's exports. India's total food market turnover is over US\$69.4 million, of which the "value-added" food market of the agro processing industry now contributes US\$22.2 million. Even accounting for the industry's recent growth, agro processing in India remains underdeveloped. Only 2% of India's total agriculture and food produce is processed. India's dairy industry is the sector with the highest processing rates at 35%, with only 13% processed by the organised sector.

#### ii) Performance

During the year under review, product sale remained approximately same in terms of value and quantity. The Company achieved this sales growth under the adverse scenario of bad onion crop, increased raw material cost, volatile rupee, etc.

In order to maintain its leadership position the Company has upgraded and maintained its quality management system to ISO 22000 apart from other certifications like BRC, GMA SAFE, Kosher, Halal etc. Company's Indian operations have also been certified under ISO 14001 and OSHAS 18001 for Environment and Occupational Health and Safety.

#### iii) Opportunity & Outlook

Outlook for vegetable dehydration industry in general and dehydrated onion industry in particular looks positive. Large multinational companies with very popular household brands are looking towards consolidating the number of suppliers and trying to align with select few suppliers who can provide better traceability and sustainability. This puts the Company in a very good position due to its backward linkages, relationship with farmers, contract farming programs, ability to supply from two different origins with different seasons and product quality attributes and Company's sustainability in general.

Worldwide Onion dehydration industry is estimated to be around 180,000MTPA. The industry is growing globally at 3-5% per annum. The Company now has capacity to

produce approximately 26,000 MT per annum of finished products between its three plants in two countries. This makes the Company the third largest dehydrated onion producer in the world. Demand for naturally produced low micro products and organic dehydrated vegetables continues to grow. The Company estimates that with growing demand of its finished products and general upward movement of food prices globally, the Company will be able to achieve further growth in sale and better realization in the coming year. The Company is also looking at increasing production of value added products like fried onion, frozen onion and other vegetables in the coming years.

#### iv) Risks & Challenges

The biggest challenge for any agro processing industry is the availability of right quality material at right price and the required quantity. Poor monsoon, changing climate, competing crops etc pose risk in terms of availability of the raw material itself, which can result in lower production in a particular year. Part of this risk is mitigated by the contract farming program undertaken by the Company, under which the Company secures 100% of its raw material for its US operation and a substantial portion of the Company's raw material requirement for its Indian operations. Apart from challenges on raw material availability front, the other challenge is the rising energy and other costs. Company also faces stiff challenge from low cost / low quality producers who can adversely affect the overall market.

### c) Fruit processing

#### i) Industry

The fruit and vegetable processing industry has a huge potential in India, with India ranking 2<sup>nd</sup> in the world in production of fruits and vegetables but is at the lower rung of the value chain in terms of processing. The availability of fruits and vegetables is varied due to diverse agro climatic conditions. Despite the large production of fruits and vegetables, it is estimated that only up to 6 per cent of total agro output of India is currently processed as against up to 60-80 per cent in some developed countries. India's share in the global food trade is only 1.5%. All of this implies that there is a great potential to grow this industry. An increase from 6% to 20% in terms of processing and increase in value addition from 20% to 30% will translates in to quantum jump in the size of the processed fruit and vegetable industry.

The installed capacity of India's fruit and vegetable subsector has increased from 1.1 million tonnes in January 1993 to 2.1 million tonnes in 2006. It is estimated that processing fruits and vegetables accounts for around 2.2% of India's total production. The major items of this subsector include fruit pulps and juices, fruit-based ready-to-serve beverages, canned fruits and vegetables, jams, squashes, pickles, chutneys and dehydrated vegetables. Recent additions to the space include vegetable curries in reportable pouches, canned mushroom and mushroom products, dried fruits and vegetables and fruit juice concentrates.

## ii) Performance

This division forms an important part of the Company's approach to integrated farming model, wherein the Company supplies the farmer with high-tech agri inputs, and is ready to buy back the surplus output to add value and offer the same locally and in International markets, thereby completing the agri value chain. The division clocked yearly revenues of ₹3,087 Mn. during the year under review. The business grew at 14.8% in value terms. The division processed 115580 MT of fruits during the year. The division added new capacities in Aseptic, Frozen and IQF part of the business. Company processed various different fruits like Mango, Pomegranate, Amla, Guava, Banana, Papaya, Tomato, etc in the year under review.

The division continues to retain its accreditation under various quality standards such as ISO 22000, SGF, Kosher etc. The business unit has also achieved accreditation under ISO 14000 and OSHAS 18000 standards.

With the increased capacity, improved plant utilization and reduction in raw material transport cost; this division has become cost efficient and a high quality producer of fruit purees and concentrates.

Your Company is a strategic supplier to Coca Cola system worldwide for supplying Mango Pulp/Puree and concentrates. The Maaza brand of Coca Cola Company is a brand leader in the fruit beverages category and continues to clock compounded annual growth rate of up to 30%.

## iii) Opportunity & Outlook

India's Economic development has registered a growth rate of 8% over 2006-2009. Contributing to this flourishing economy is the agriculture sector, where productivity is showing an increasing trend. Keeping pace with the world production of Fruits and Vegetables the production in India has also grown and now accounts for 15% of world's vegetable production and 8% of world's fruit production. The focus has now changed from grains and cereals to fruit and vegetables owing to change in consumption pattern resulting in increase in demand for fruits and vegetables.

The fruit and vegetable processing industry is critical to fruit and vegetable sector. Although the horticulture sector has grown by 10%, only just over 2% of the produce is processed, resulting in huge post harvest losses. Fruit and vegetable processing establishes the vital linkage between agriculture and industry. In order to sustain the growth in the economy, Govt. has realized the need to support this vital link and has been providing support to accelerate growth in the sector. The sector has seen exponential growth with demand for fruit juices, beverages, convenience foods growing by around 30% YoY.

The demographic profile of the consumers has been changing. With increase in disposable incomes and standard of living, the consumption pattern is shifting from basic foods to more healthy, convenience foods resulting in growing demand for processed food in general and processed fruits and vegetables in particular.

There is a marked shift in the International markets with emphasis being laid on wellness products and products having nutritive/therapeutic properties. There is also a shift from the usual products such as Citrus and Apple to more exotic products like Mango, Guava, and Pomegranate etc. which are being increasingly being researched for their wellness aspects.

New markets such as China, Russia and Africa are opening up and the existing markets such as Middle East are moving up the value and quality chain.

With opening up of US and Japanese markets for fresh Mango, the taste profile is witnessing a change, resulting in opening up of these markets for processed products also.

The demand for tropical fruit purees and concentrates and processed vegetables is growing rapidly within India as well as in International markets. The new format stores have added a different dimension to the distribution and sale of products, opening up opportunities, hitherto nonexistent. The packaged juices have seen a growth of more than 30% YoY and the consumption of fruits and vegetables as whole has shown an increase of 2.3% CAGR whereas that of cereals has decreased.

With a view to offer products with therapeutic values, the Company is working on offering products from Amla (Gooseberry) and Mangosteen in the International markets.

Company is also working on setting up a processing line for processing Mosambi, the most widely consumed juice in India and also other citrus varieties. The Company was successful in standardizing process and technology for these products, hitherto not processed in India.

Orange being the largest processed and consumed juice in the world and to be able to meet the growing demand for this juice within the country, the Company has drawn up plans to cultivate the processing variety of Oranges in India.

## iv) Risks & Challenges

The biggest challenge in any agri processing business is the availability of required quantity of raw material at the right time and at the right price. The changing climatic conditions are adding uncertainty to the entire agri and horti sector with year of plenty followed by severe scarcity. To mitigate this risk the Company is pro-actively working to expand its sourcing base and is promoting the concept of integrated development of agriculture and establishing backward linkages. The successful model of contract farming in Onion and integrated development in case of Banana is being extended to other fruit crops such as Mango, Pomegranate and Tomato. Company has successfully evolved the concept of 'Ultra High Density' plantation of Mango, which will revolutionise the mango growing, making it one of the most profitable crops for the farmers Company has also evolved a basic standard of good agricultural practices in association with IFC, called 'JainGAP', which has been recognised by Global GAP as the intermediary standard and is being implemented by the Company both in its contract farming program for Onion as well as contact farming

program of Mangoes. This will result in higher productivity at the farm levels, better availability and price stability for the Company apart from taking in to account the concern of traceability to farm get and health of the farmer and farm labour.

The other major risk being the ever increasing cost of energy. The spiralling fuel oil prices are not only mounting pressure on the processing costs, but also directly and indirectly increasing the cost of various inputs. The Company is working towards utilizing its bio-waste to generate energy to offset these rising costs.

There are fiscal and non fiscal trade barriers in the form of multifarious certifications being put by importing countries adds to cost.

#### d) PVC Sheets

##### i) Industry

Major markets for Company's products are Europe and United States of America. The market is divided into two segment; Sign & Graphics (S&G) and Building Materials Market (BMI)

In the BMI segment, Lumber the traditional building material was being replaced by PVC. The basic uses of PVC in BMI was in Trim, used as surrounds for windows and garage doors, Corner Boards, Soffits and interior applications such as Wainscoat and Beadboards. The inherent qualities of PVC such as impervious to water absorption; protected against insect attacks and a life term warranty promulgated the product over traditional Lumber. Further, availability of good quality wood was a problem as resources were drying up and cost of processing was escalating.

The market is serviced by 7 manufacturers and some Chinese imports.

The S&G market has been using PVC sheets in manufacturing Sign and Graphic boards, Point-of-Purchase displays and large print mediums. This industry has stayed with PVC for over 3 decades.

This segment is serviced by 5 manufacturers Some China products have attempted to penetrate the market.

##### ii) Performance

This business has steady growth rate in FY 2011.. it accounted for around 22% of the revenue. Improved 2<sup>nd</sup> half helped achieving the same level of revenue at ₹ 1394 Million compared to ₹1143 Million in the previous year.

##### iii) Opportunity & Outlook

The economic downturn has resulted into some players exiting the market and others redefining their basket of offerings. This consolidation in the industry will benefit both the manufacturer and the end user. US housing market has started showing sign of recovery and is expected to come back on growth track, while signs are positive, nothing can be certain. We have introduced several new products to the market place: A Digital print sheet for optimum print quality, Sheet for the environmentally (EFS) conscientious market place which has been received well.

##### iv) Risks & Challenges

The economy has been slow and this poses a challenge. Jobless rate is another factor adding to the uncertainty in the marketplace. However,

other indicators such as the stock markets show a reasonably healthy trend. Major corporations are showing profits and the Detroit car industry has shown a very a very healthy recovery. The market continues to adopt 'just in time' requirements and this has the manufacturers carrying the inventory burden. Housing statistics show an improvement but has been slow paced. Your Company has modified its marketing strategy which has resulted in current year surpassing several previous results. The trend going forward is cautiously optimistic.

#### 7) Risks and concerns at corporate level

Your Company has significant experience in managing risks related to farming, weather, seasonality, global markets and impact of government policy. During last few very volatile years, this experience and expertise has helped Company to navigate turbulent times in a smooth manner resulting in sustained growth, improved margins and increasing market share, despite historical financial meltdown and violent disruption of all types of global markets.

The risk management, inter alia, shall provide for periodical review of the procedures to ensure that executive management controls the risks through a properly defined framework. The Company has identified the risks and their owners within the organisation and following risks have emerged as the top 5 risks:

- Continuous fund requirement
- **Seasonality in agriculture** and monsoon
- Currency fluctuations
- Aggressive strategies of competition
- Integration and profitability of acquisitions

**Continuous fund requirement :** Challenges in managing cash to cash cycle (payment for procurement to collection for sales) needs continuous fund infusion. This results in increased capital requirements. This risk is especially relevant for a growth oriented Company and the kind of business Company operates in.

**Seasonality in agriculture :** Company's performance is also dependent on the seasonality in agriculture sector.

**Currency fluctuations :** Adverse changes in the exchange rates leading to erosion in export income. Also large amount of Company borrowing is in foreign currency. Therefore exchange rate movement of Rupee can result into notional profit or notional loss for mark to market accounting treatment.

**Aggressive strategies of competition :** The competition adopts aggressive strategies (large sales force, credits, products offered at multiple price points etc.) and competition from unorganised sector (aggressive pricing) results in pressure on sales/margins.

**Integration of acquisitions :** Inability to capitalize on the opportunities arising from the acquisitions due to sub optimal integration of the people, process and technology from the acquired entities is one of the risks associated with the recently completed acquisitions.

#### 8) Analysis of the Standalone Financial Performance

##### a) Net sales

₹ in Million

	2010-11	2009-10	Change	Change%
Micro Irrigation Systems	16,983	13,006	3,977	30.60%
Piping Systems	9,461	8,414	1,047	12.40%
Agro processed Products	4,427	4,028	399	9.90%

	2010-11	2009-10	Change	Change%
Plastic Sheets	1,402	1,523	-121	-8.00%
Other Products	1,142	637	505	79.30%
<b>Total Gross Sales</b>	<b>33,415</b>	<b>27,608</b>	<b>5,807</b>	<b>21.00%</b>
Less: Excise Duty	908	691	217	31.40%
<b>Net sales</b>	<b>32,507</b>	<b>26,917</b>	<b>5,590</b>	<b>20.80%</b>
Domestic	27,349	21,708	5,641	26.00%
Export	5,158	5,209	-51	-1.00%
Export to Total	15.90%	19.40%		

Sales excludes export incentives

Net Sales on corporate basis has increased by 20.8% to ₹32,507 million vis-à-vis ₹26,917 million in the previous year. This increase in revenues primarily reflected increased domestic sales of Micro Irrigation Systems, and Agro Processed products & Solar Systems

Our total domestic revenue increased by 26% in fiscal 2011 to ₹27,349 million from ₹21,708 million in fiscal 2010. The revenues from exports have decreased by 1.0% in fiscal 2011 to ₹5,158 million from ₹5,209 million in fiscal 2010. Export sales accounted for 15.9% corporate sales in fiscal 2011 as compared to 19.4% in fiscal 2010.

**i) Micro Irrigation Systems :** Revenues from domestic sales of our Micro Irrigation Systems increased by 32.4% in fiscal 2011 to ₹16,116 million from ₹12,175 million in fiscal 2010, primarily due to increased retail sales in States like Maharashtra, Andhra Pradesh, Gujarat, and Punjab and project sales in Karnataka, & Rajasthan States. During the same period, exports of Micro Irrigation Systems increased by 4.4% to ₹867 million from ₹831 million mainly due to sales to overseas subsidiaries.

**ii) Piping Products :** Revenues from domestic sales of our Piping Systems increased by 18.4% in fiscal 2011 to ₹9,180 million from ₹ 7,756 million in fiscal 2010. The retail business in Maharashtra, Madhya Pradesh, Karnataka, Gujarat and Rajasthan contributed to the increased domestic sales of PVC pipes and Duct distribution, Gas distribution & water distribution pipe all three segments contributed to the increased domestic sales of our PE pipes. The revenues from export of Piping Products decreased by 57% in fiscal 2011 to ₹281 million from ₹658 million in fiscal 2010,

**iii) Agro-Processed Products:** Revenue from exports of Agro-Processed Products increased by 5.4% in fiscal 2011 to ₹2,684 million from ₹2,546 million in fiscal 2010 mainly on account of higher mango puree demand in our European & Middle East markets. Revenues from domestic sales of our Agro-Processed Products increased by 17.6% in fiscal 2011 to ₹1,743 million from ₹1,483 million in fiscal 2010.

**iv) Plastic Sheets :** Revenues from our Plastic Sheet products de-accelerated by 8% in fiscal 2011 to ₹1,402 million from ₹1,523 million in fiscal 2010, mainly due to closing down the polycarbonate business in third quarter of year 2010.

**v) Other products :** Other product includes Solar Water Heating systems, Solar Photovoltaic Systems, Tissue Culture Plants and Agricultural products. Revenues from other products increased by 79.30% in fiscal 2011 to ₹1,142 million from ₹637 million in the fiscal 2010, mainly due to higher sales of tissue culture plants & solar products.

## b) Operating Income

₹ in Million

	2010-11	2009-10	Change	Change%
Export Incentives & Assistance	802	285	517	181.50%

Operating income includes accrued export incentives & assistance under VKYU Scheme & Transport Assistance Scheme of GOI for our agro processed products division and Mega project incentive from Maharashtra Government.

## c) Raw materials consumption

₹ in Million

	2010-11	2009-10	Change	Change%
Polymers, Chemicals & additives, Fruits & Vegetables, Consumables, packing material, etc.	21,281	16,905	4,376	25.90%

Raw materials consumption increased by 25.9% to ₹21,281 million as compared to ₹16,905 million in the previous year mainly due to increased higher growth in the major segments and also partly due to raw material price increase during the year. During the same period, polymer consumption increased to 217,506MT from 185,722 MT representing an increase of 17%; however in value terms the increase is 34%. The consumption of fruits and vegetables has decreased to 200,171MT from 258,216 MT representing a decrease of 22.4%, however in value terms, the increase is 38.9% reflecting the significantly price increase.

## d) Stores Consumed and Repairs to Machinery

₹ in Million

	2010-11	2009-10	Change	Change%
Stores Consumed and Repairs to Machinery	894	690	204	29.6%

Stores consumed and repairs & maintenance costs increased by 29.6% to ₹ 894 million as compared to ₹690 million in the previous year, mainly due to the increased scale of operations

## e) Power and Fuel

₹ in Million

	2010-11	2009-10	Change	Change%
Power & Fuel Cost	880	780	100	12.8%

Power & Fuel cost increased by 12.8% to ₹ 880 million as compared to ₹ 780 million in the previous year. Mainly due to increased level of production in all major divisions.

## f) Other Manufacturing Expenses:

₹ in Million

	2010-11	2009-10	Change	Change%
Other Manufacturing Expenses including operating lease rent and processing charges	970	740	230	31.1%

Other Manufacturing Cost increased by 31.1% to ₹ 970 million as compared to ₹ 740 million in the previous year, mainly due to the increased level of production in all major divisions.

**g) Payments and Provisions to Employees** ₹ in Million

	2010-11	2009-10	Change	Change%
Payments to and provisions for Employees	1,503	1,036	467	45.1%

Employee costs increased by 45.1% to ₹ 1503 million as compared to ₹1036 million in the previous year. The increase is mainly due to higher employee compensation expenses, commission to directors and new employment. During the year 894 new associates joined the Company. Employee Cost as % of Net Sales is increased to 4.6 % in current year, as against 3.8% in previous year.

**h) Selling & Distribution Expenses** ₹ in Million

	2010-11	2009-10	Change	Change%
Selling & Distribution Expenses	2,053	1,745	308	17.6%

The Selling & Distribution Expenses increased by 17.6% to ₹ 2,053 million as compared to ₹ 1,745 million in the previous year efficiently in line with the revenue growth S&D Expenses as % of Net Sales are 6.3% in current year as against 6.5% in previous year reflecting better cost management & higher sales.

**i) Interest & Finance Charges** ₹ in Million

	2010-11	2009-10	Change	Change%
Interest Expense	2,107	1,751	356	20.3%
Bank charges	257	192	65	33.6%
Total	2,364	1,943	421	21.6%
Less: Interest Income	80	52	28	52.9%
Interest & Finance Charges (Net)	2,284	1,891	393	20.8%

The net interest charges increased by 20.3% to ₹ 2,107 million as compared to ₹ 1,751 million in the previous year, mainly due to long term loans raised for growth capex, increase in working capital utilization for growth and increase in interest rate. The overall finance cost is 7.0% of net sales as same as previous year.

**J) Fixed Assets** ₹ in Million

	2010-11	2009-10	Change	Change%
Gross Block (net of disposal)	19,830	16,309	3,521	21.6%
Less: Depreciation	5,123	4,283	840	19.6%
Net Block	14,707	12,026	2,681	22.3%

Gross block increased by ₹ 3,521 million during the year, mainly due to expansion & modernization plan implemented across all divisions. In current year we have increased installed capacities in plastic processing to 508,700 MT as compared to 421,995 MT in previous

year, in Food processing to 159,789 MT as compared to 127,789 in previous year, substantial increase of 5 million plantlets in Tissue Culture and 24.2 million watts in Solar Photo Voltaic. New Capex has been financed out of long term loans and internal accruals during the current year.

**k) Investments** ₹ in Million

	2010-11	2009-10	Change	Change%
Investment in wholly owned subsidiary (WoS)	4,009	3,941	68	1.7%
Other Investment	24	13	11	82.3%

The increase of ₹ 68 million in investments is mainly on account of capital/loan infused in the WoS based in Mauritius and Netherlands/Holland.

**l) Inventories** ₹ in Million

	2010-11	2009-10	Change	Change%
Inventories	9,149	6,062	3,087	50.9%

The increase in inventory by ₹ 3,087 million during the current year compared to previous year is mainly on account of increased in Finished Good Inventory by 2411 million, raw material increased by 375 million and material in transit increased by ₹ 148 million.

**m) Sundry Debtors** ₹ in Million

	2010-11	2009-10	Change	Change%
Gross Debtors	14,980	8,975	6,005	66.9%
Less: Provision Doubtful Debts	162	99	63	63.2%
Net Debtors	14,818	8,876	5,942	66.9%

The increase in net debtors were 66.9% at ₹ 14,818 million compared to ₹ 8,876 million in the previous year mainly due to higher MIS sales and substantially higher than normal subsidy receivable from government.

**n) Loans and Advances** ₹ in Million

	2010-11	2009-10	Change	Change%
Loans & Advances	5,224	3,736	1,488	39.8%

Loans & Advances increased by ₹ 1,488 million to ₹ 5,224 million in current year from ₹ 3,736 million in previous years.

**o) Current Liabilities & Provisions** ₹ in Million

	2010-11	2009-10	Change	Change%
Current Liabilities	12,933	7,722	5,211	67.5%
Provisions	528	497	31	6.2%

Current Liabilities increased by ₹ 5,211 million to ₹12,933 million in current year from ₹ 7,722 million in previous year mainly due to increase.

**p) Secured & Unsecured Loan** ₹ in Million

	2010-11	2009-10	Change	Change%
Secured Term Loan	7,738	8,660	-922	-10.6%
Secured working Capital Loan	9,226	5,362	3,864	72.1%
Unsecured Loan	5,161	3,813	1,348	35.4%

The Secured Term Loan have gone down as normal repayments have been made during the year. Due to

increase in working capital requirements the Secured Working Capital has gone up substantially at ₹ 9226 million. Similarly Unsecured Loans have gone up moderately due to increase in deferred credit from suppliers of equipment.

#### q) Shareholders Funds

₹ in Million

	Equity Capital	Preference Capital	Share Premium	Other Reserves	Retained Earnings	Share Warrants	Total
Balance as on 1-Apr-2010	760	23	5,697	2,500	4,449	-	13,430
Changes during the year	-	-	-	-	-	-	-
Conversion of FCCB <sup>^</sup>	2	-	65	-	-	-	67
Conversion of Warrants <sup>^</sup>	-	-	-	-	-	348	348
Adjustment for unrealized gain/ loss due to hedging derivatives <sup>^</sup>	-	-	-	66	-	-	66
Adjustment for ESOPs	9	-	446	(1)	-	-	454
Redemption & Redemption Premium on Preference Shares & Debentures	-	(23)	(2)	23	(23)	-	(25)
Profit for the Year	-	-	-	-	2,953	-	2,953
Profit transferred to General Reserve	-	-	-	300	(300)	-	-
Dividend (incl. Dividend Tax)	-	-	-	-	(450)	-	(450)
Sub Total	11	(23)	509	388	2,180	348	3,413
Balance as on 31-Mar-2011	771	-	6,206	2,888	6,629	348	16,843

<sup>^</sup> Refer Note No. (2), (3) & (13b) of Notes to Accounts Schedule 22 (Part-B)

#### r) Appropriation

₹ in Million

	2010-11	2009-10	Change	Change %
Transfer to CRR	23	425	(402)	-94.56%
Transfer to General Reserves	300	271	29	10.62%

An amount of ₹300 million has been transferred to the General Reserve during the year. An amount of ₹23 million is transferred to Capital Redemption Reserve in view of Redemption of preference shares during the year.

#### s) Dividend

₹ in Million

The Board has proposed to pay dividend on 4.00% Redeemable Preference Shares at fixed rates, while it is proposed to pay dividend on Equity Shares @ ₹1 per share (50%) to all eligible Shareholders, subject to approval of Shareholders at the ensuing AGM. The dividend cash-outgo (including dividend tax) would be ₹450 million as against ₹417 million in the previous year. The dividend payout (including current year dividend on Preference Shares) as % of Net Profit works out to 15% as compared to 15% in previous year.

	2010-11	2009-10	Change	Change %
Preference Dividend	0	14	(14)	-98.29%
Equity Dividend	386	343	43	12.37%

**Note: The Management cautions that some of statements above are directional and forward looking and do not represent correctness of the underlying projections as they are dependent on various factors some of which may be outside control of management.**



# AUDITORS' REPORT TO THE MEMBERS

To  
The Members of Jain Irrigation Systems Limited

- 1) We have audited the attached Balance Sheet of Jain Irrigation Systems Limited ('the Company') as at March 31, 2011, the Profit and Loss account and the Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) 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.
- 3) As required by the Companies (Auditor's Report) Order, 2003, (as amended) issued by the Central Government of India in terms of Sub – section(4A) of section 227 of 'The Companies Act 1956' of India (The 'Act') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we given in the annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
- 4) Further to our comments in the paragraph 3 above, we report that:
  - i) 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;
  - ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii) The balance sheet, the profit and loss account and the cash flow statement dealt with by this report are in agreement with the books of account;
  - iv) In our opinion, the balance sheet, the profit and loss account and the cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - v) On the basis of the written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2011;
    - b) in the case of the profit and loss account, of the profit for the year ended on that date; and
    - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

**For Haribhakti & Co.**  
Chartered Accountants  
FRN No.103523W

Sd/-

**Prasad Paranjape**  
Partner

Membership No.47296

**Mumbai, 5<sup>th</sup> August, 2011**



# ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 3 of the Auditors' Report of even date to the members of Jain Irrigation Systems Limited on the financial statements for the year ended March 31, 2011

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, some of the fixed assets have been physically verified by the management under the phased programme of physical verification, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the company during the year.
- 2) (a) The inventory has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- 3) As informed, the Company has not granted/taken any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraphs (iii) (b), (c), (d), (f) and (g) of the Companies (Auditors Report) Order 2003 (as amended) are not applicable.
- 4) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct weakness in internal control system of the company.
- 5) According to the information and explanations given to us, there have been no contracts or arrangements referred to in section 301 of the Act during the year to be entered in the register required to be maintained under that section. Accordingly commenting on transactions made in pursuance of such contracts or arrangements does not arise.
- 6) The company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- 7) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- 8) We have broadly reviewed the books of account maintained by the company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- 9) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.  
Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues outstanding of, sales tax, service tax and excise duty on account of any dispute are as follows:

Name of the statute	₹ in Million	Forum where dispute is pending
Central Sales Tax and Local Sales Tax	55.87	Departmental Authorities
Service Tax	2.92	Commissioner – Appeals
Excise Duty	243.51	High Court
	9.80	Appellate Tribunal
	25.24	Departmental Authorities



According to the information and explanation given to us, there are no dues of wealth – tax, income tax, custom duty and cess, which have not been deposited on account of any dispute.

- 10) The Company has no accumulated losses as at 31<sup>st</sup> March 2011 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- 11) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders during the year.
- 12) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- 14) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- 15) According to the information and explanations given to us, and the representation made by the management, the Company has given guarantee for loans taken by its subsidiaries. In our opinion, the terms and conditions of the guarantees given by the company, for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the Company.
- 16) In our opinion, and according to information and explanations given to us, the term loans have been applied for the purpose for which the loans were raised.
- 17) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, there are no funds raised on short-term basis have been used for long-term investment.
- 18) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- 19) According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any debentures.
- 20) The Company has not raised any money by public issue during the year.
- 21) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

**For Haribhakti & Co.**  
Chartered Accountants  
FRN No.103523W

Sd/-

**Prasad Paranjape**  
Partner

Membership No.47296

**Mumbai, 5<sup>th</sup> August, 2011**



# CEO AND CFO CERTIFICATION

(As per sub clause V of Clause 49 Corporate Governance of Listing Agreement)

To,  
The Board of Directors,  
Jain Irrigation Systems Ltd.,  
Jain Plastic Park,  
N.H.No.6, Bambhori,  
Jalgaon-425001

**Sub : CEO/ CFO Certification (As per sub clause V of Clause 49 – Corporate Governance of Listing Agreement)**

Dear Sir / Madam,

I, Anil B. Jain Chief Executive Officer / Managing Director and Manoj L. Lodha, President -Finance and Banking of Jain Irrigation Systems Ltd., do hereby jointly declare and certify that:

- a) We have reviewed financial statements and the cash flow statement of the Company for the year ended 31<sup>st</sup> March, 2011 and that to the best of our knowledge and belief.
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii) These statements together with the schedules and notes thereon present a true and fair view of the Company's affairs for the year ended 31<sup>st</sup> March, 2011 and are in compliance with existing accounting standards, application laws and regulations.
- b) There are, to the best of our 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.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company and we have disclosed to the auditors and we and the Audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take action to rectify these deficiencies.
- d) We have indicated to the Statutory Auditors and the Audit Committee;
  - i) Significant changes in internal control during the year under review;
  - ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - iii) There are no instances of significant fraud of which we 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.

Sd/-

Anil B. Jain

**Managing Director**

**Jalgaon, 5<sup>th</sup> August, 2011**

Sd/-

Manoj L Lodha

**President-Finance and Banking**



# BALANCE SHEET AS AT 31-March-2011

	Schedule	31-Mar-2011	₹ in Million 31-Mar-2010
<b>SOURCES OF FUNDS :</b>			
<b>Shareholders' Funds :</b>			
Share Capital	1	771.45	783.44
Share Warrants	2	347.93	-
Reserves and Surplus	3	15,723.31	12,646.11
		<b>16,842.69</b>	<b>13,429.55</b>
<b>Deferred Tax Liability (Net) (Ref. Note No.11 of Sch. 22: Part B)</b>		<b>1,224.25</b>	<b>1,024.42</b>
<b>Loan Funds :</b>			
Secured Loans	4	16,964.09	14,022.71
Unsecured Loans	5	5,161.01	3,813.07
		<b>22,125.10</b>	<b>17,835.78</b>
	<b>Total</b>	<b>40,192.04</b>	<b>32,289.75</b>
<b>APPLICATION OF FUNDS :</b>			
<b>Fixed Assets :</b>			
Gross Block	6	19,829.56	16,309.51
Less: Accumulated Depreciation / Amortisation		(5,122.98)	(4,283.24)
<b>Net Block</b>		<b>14,706.58</b>	<b>12,026.27</b>
<b>Capital Work-in-Progress [including capital advances]</b>	7	<b>1,645.05</b>	<b>1,215.84</b>
<b>Investments</b>	8	<b>4,032.79</b>	<b>3,964.66</b>
<b>Current Assets, Loans &amp; Advances :</b>			
a] Inventories		9,149.48	6,061.54
b] Sundry Debtors		14,818.16	8,876.00
c] Cash & Bank Balances		3,830.30	4,378.13
d] Other Assets		246.16	251.54
e] Loans & Advances		5,224.33	3,735.90
		<b>33,268.43</b>	<b>23,303.11</b>
Less:			
<b>Current Liabilities &amp; Provisions :</b>			
a] Current Liabilities	10	12,932.66	7,722.68
b] Provisions		528.15	497.45
		<b>13,460.81</b>	<b>8,220.13</b>
<b>Net Current Assets</b>		<b>19,807.62</b>	<b>15,082.98</b>
	<b>Total</b>	<b>40,192.04</b>	<b>32,289.75</b>
<b>Notes forming part of the Accounts</b>	22		
<b>The schedules and Notes to Accounts referred to above form an integral part of the Balance Sheet</b>			

Signatures to the Schedule 1 to 22

As per our report of even date

For Haribhakti & Co.  
Firm Registration No: 103523W  
Chartered Accountants

Sd/-

**Prasad V. Paranjape**  
Partner (Membership No: 47296)  
Mumbai, 5<sup>th</sup> August 2011

Sd/-

**A. V. Ghodgaonkar**  
Company Secretary

Sd/-

**Anil B. Jain**  
Managing Director

Sd/-

**Ghanshyam Dass**  
Director  
Jalgaon, 5<sup>th</sup> August 2011

For and on behalf of the Board of Directors



# PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-MAR-2011

	Schedule	31-Mar-2011	₹ in Million 31-Mar-2010
<b>Income :</b>			
Sales and Operating Income	11	34,216.81	27,893.52
Less: Excise Duty / Service Tax Recovered		(907.80)	(664.41)
		33,309.01	27,229.11
Other Income	12	172.93	247.42
		<b>33,481.94</b>	<b>27,476.53</b>
<b>Expenditure :</b>			
Cost of Materials Consumed, Purchases, etc.	13	21,281.48	16,905.38
(Increase) / Decrease in Stock	14	(2,425.02)	(1,037.18)
Manufacturing Expenses	15	2,744.43	2,209.96
Payments to and Provisions for Employees	16	1,503.21	1,036.56
Selling and Distribution Expenses	17	2,052.80	1,744.70
Administrative and Other Expenses	18	833.46	681.16
Difference in Foreign Exchange Rate (Net)		(102.12)	(711.08)
		<b>25,888.24</b>	<b>20,829.50</b>
<b>Operating Profit</b>		<b>7,593.70</b>	<b>6,647.03</b>
Less: Interest and Finance Charges	19	2,363.63	1,942.97
<b>Profit before Depreciation, Exceptional Items and Prior Year Expenses</b>		<b>5,230.07</b>	<b>4,704.06</b>
Less: Amounts Written Off and Provisions	20	120.65	95.57
Less: Depreciation / Amortisation		834.34	685.91
<b>Profit for the year before Taxation and Prior Period Expenses</b>		<b>4,275.08</b>	<b>3,922.58</b>
Less: Deferred Tax (Ref. Note No.11 of Sch. 22: Part B)		(199.83)	(317.12)
Less: Provision for Current Tax		(909.00)	(670.39)
Add: MAT Credit Entitlement / (Utilised)		(201.00)	(231.61)
Less: Provision for Wealth Tax		(0.22)	(0.22)
<b>Profit for the year before Prior Period Expenses</b>		<b>2,965.03</b>	<b>2,703.24</b>
Less: Prior Period Items - Income / (Expenses) - Net	21	-	9.21
Less: Excess / (Short) Provision for Taxation	21	(12.44)	-
<b>Net Profit for the year</b>		<b>2,952.59</b>	<b>2,712.45</b>
Balance in Profit & Loss Account brought forward		4,449.24	2,850.89
<b>Balance available for Appropriation</b>		<b>7,401.83</b>	<b>5,563.34</b>
<b>Appropriation</b>			
Transferred to General Reserve		(300.00)	(271.20)
Transferred to Capital Redemption Reserve		(23.13)	(425.39)
Proposed Preference Dividend for the year		(0.23)	(13.54)
Provision for Dividend Tax on Preference Dividend for the year		(0.04)	(2.30)
Proposed Equity Dividend		(385.79)	(343.32)
Provision for Dividend Tax on Equity Dividend		(64.07)	(58.35)
Balance Carried to Balance Sheet		(6,628.57)	(4,449.24)
<b>Earning Per Share</b> (Face value of ₹ 2/- each) (Ref. Note No. 3 & 9 of Sch. 22: Part B.)			
<b>Basic EPS ( ₹ )</b>		<b>7.75</b>	<b>7.17</b>
<b>Diluted EPS ( ₹ )</b>		<b>7.74</b>	<b>7.15</b>
<b>Notes forming part of the Accounts</b>	<b>22</b>		
<b>The schedules referred to above and Notes to Accounts form an integral part of the Profit &amp; Loss Account</b>			

Signatures to the Schedule 1 to 22

As per our report of even date

For Haribhakti & Co.

Firm Registration No: 103523W

Chartered Accountants

Sd/-

**Prasad V. Paranjape**

Partner (Membership No: 47296)

Mumbai, 5<sup>th</sup> August 2011

Sd/-

**A. V. Ghodgaonkar**

Company Secretary

Sd/-

**Anil B. Jain**

Managing Director

Sd/-

**Ghanshyam Dass**

Director

Jalgaon, 5<sup>th</sup> August 2011

For and on behalf of the Board of Directors



# CASH FLOW STATEMENT-YEAR ENDED 31-MARCH-2011

	31-March-2011		₹ in Million 31-March-2010
<b>A] Cash Flow From Operating Activities :</b>			
Net Profit / (Loss) Before Tax and Extraordinary Items	<b>4,275.08</b>		<b>3,922.57</b>
<b>Adjustment for :</b>			
Depreciation / Amortisation of Lease Land	834.37	685.94	
Amounts Written off & Provisions	120.65	95.57	
Prior Period Items	-	9.21	
Loss / (Surplus) on Assets Sale/Discarded	(8.82)	17.59	
Loss / (Surplus) on Sale of Investments	(1.68)	-	
Interest and Finance Charges	2,363.63	1,942.97	
Provision for doubtful debts & Advances Written back	(12.98)	(1.54)	
Sundry Credit balances appropriated	(3.33)	(7.91)	
Premium on Redemption of Investment in Preference Shares in Subsidiary	-	(48.40)	
Dividend Income	(79.54)	(52.00)	
	<u>3,212.30</u>		<u>2,641.43</u>
<b>Operating Profit before Working Capital Changes</b>	<b>7,487.38</b>		<b>6,564.00</b>
<b>Adjustment for :</b>			
Sundry Debtors	(6,015.60)	(1,127.91)	
Loans & Advances	(1,116.48)	(683.19)	
Inventories	(3,087.95)	(866.36)	
Trade Payables	5,552.96	1,087.32	
	<u>(4,667.07)</u>		<u>(1,590.14)</u>
<b>Cash Generated from Operations</b>	<b>2,820.31</b>		<b>4,973.83</b>
Direct Taxes paid	(783.17)		(690.72)
<b>Net Cash From Operating Activities</b>	<b>2,037.14</b>		<b>4,283.11</b>
<b>B] Cash Flow From Investing Activities :</b>			
Purchase of Fixed Assets	(3,957.01)	(3,562.10)	
Sale of Fixed Assets	21.93	125.99	
Other Current Assets - Orchards	-	(34.55)	
Sale/(Purchase) of Investment [net]	(66.45)	(10.58)	
Loan to Subsidiaries	(502.18)	(270.01)	
Interest Received	77.47	50.04	
Dividend Income	0.02	-	
<b>Net Cash Flow from Investing Activities</b>	<b>(4,426.22)</b>	<b>(3,701.21)</b>	
	<u>(2,389.08)</u>		<u>581.90</u>
<b>C] Cash Flow From Financing Activities</b>			
Total Proceeds by way of issue/redemption of Shares (Net)	762.07	435.20	
Redemption Premium on NCD & Preference Shares	(1.73)	(1.73)	
Proceeds from Term Loan Borrowings	4,358.52	3,522.61	
Repayments towards Term Loan Borrowings	(4,921.72)	(1,237.70)	
Proceeds from Working Capital Borrowings	4,504.28	2,410.57	
Interest and Finance Charges paid	(2,363.63)	(1,942.97)	
Dividend Paid	(351.86)	(219.05)	
Dividend Distribution Tax Paid	(64.11)	(37.26)	
<b>Net cash used in Financing Activities</b>	<b>1,921.82</b>		<b>2,929.66</b>
<b>Net Increase in Cash &amp; Cash Equivalents</b>	<b>(467.26)</b>		<b>3,511.59</b>
Cash and Cash Equivalents as at the beginning of the year	4,277.37		765.78
Cash and Cash Equivalents as at end of the year.	3,810.11		4,277.37
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(467.26)</b>		<b>3,511.59</b>
<b>Note:</b>			
Cash and Cash Equivalents includes :			
a) Cash in hand & Current Account Bank Balances	3,810.11		4,277.37
b) Margin / TD Account Balances	20.18		100.76
	<u><b>3,830.29</b></u>		<u><b>4,378.13</b></u>

For Haribhakti & Co.  
Firm Registration No: 103523W  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

**Prasad V. Paranjape**  
Partner (Membership No: 47296)  
Mumbai, 5<sup>th</sup> August 2011

Sd/-

**A. V. Ghodgaonkar**  
Company Secretary

Sd/-

**Anil B. Jain**  
Managing Director

Sd/-

**Ghanshyam Dass**  
Director  
Jalgaon, 5<sup>th</sup> August 2011



# SCHEDULES FORMING PART OF THE BALANCE SHEET

			31-March-2011	31-March-2010
			₹ in Million	
<b>Schedule 1 – Share Capital</b>				
<b>Authorised</b>				
926,500,000	(96,500,000)	Equity Shares of ₹ 2/- each (Previous Year : ₹ 10/- each)	1,853.00	965.00
5,000,000	(19,630,000)	Redeemable Preference Shares of ₹ 100/- each	500.00	1,963.00
310,000,000	-	Differential Voting Rights Equity Shares of ₹ 2/- each	620.00	-
-	(4,500,000)	Unclassified Shares of ₹ 2/- each (Previous Year : ₹ 10/- each)	-	45.00
			<b>2,973.00</b>	<b>2,973.00</b>
<b>Issued, Subscribed and Paid up</b>				
<b>a] Equity Shares:</b> Face value of ₹ 2/- each (Previous Year : ₹ 10/- each)				
377,653,204	(72,280,425)	Equity Shares of ₹ 2/- each (Previous Year : ₹ 10/- each)	755.30	722.80
-	(1,997,780)	Preferential allotment on Private Placement Basis	-	19.98
4,608,350	(456,790)	On conversion of ESOP	9.22	4.57
962,700	(1,200,166)	On conversion of Zero Coupon Convertible Bonds	1.93	12.00
2,500,206	(95,521)	Equity Shares representing underlying European Depository Receipts 5,000,412 (Previous Year : 1,91,042)	5.00	0.96
		<b>Sub Total [a]</b>	<b>771.45</b>	<b>760.31</b>
<b>b] Cumulative Redeemable Preference Shares</b>				
462,642	2,807,490	<b>4% Preference Shares of ₹ 100/- each</b>	23.13	163.51
(462,642)	(2,344,848)	Less: Redeemed (Fully) during the year	(23.13)	(117.24)
-	-	Less: Redeemed (Partly) during the year	-	(23.14)
-	462,642		-	23.13
-	5,575,200	<b>4% Preference Shares of ₹ 100/- each</b>	-	278.76
-	(5,575,200)	Less: Redeemed (Fully) during Previous Year	-	(278.76)
-	-		-	-
-	125,000	<b>1% Preference Shares of ₹ 100/- each</b>	-	6.25
-	(125,000)	Less: Redeemed (Fully) during Previous Year	-	(6.25)
-	-		-	-
		<b>Sub Total [b]</b>	<b>-</b>	<b>23.13</b>
		<b>Total [a to b]</b>	<b>771.45</b>	<b>783.44</b>
<b>Schedule 2 – Equity Share Warrants</b>				
-	7,497,400	Balance at the beginning of the year	-	358.49
6,100,000	-	Allotted during the Year	347.93	-
-	(7,497,400)	Less: Forfeited during the year & transfer to Capital Reserve Account	-	(358.49)
6,100,000	-	<b>Total</b>	<b>347.93</b>	<b>-</b>
<b>Schedule 3 – Reserves and Surplus</b>				
<b>a] General Reserve</b>				
		Balance at the beginning of the year	1,449.38	1,176.76
		Add: Transferred from Profit & Loss Account	300.00	271.20
		Add: Transferred from Debenture Redemption Reserve	1.42	1.42
		<b>Sub Total [a]</b>	<b>1,750.80</b>	<b>1,449.38</b>

**Schedule 3 - Reserves and Surplus (Contd...)**

	31-March-2011	31-March-2010
<b>b] Securities Premium Account</b>		
Balance at the beginning of the year	5,696.94	4,441.13
Add: On Preferential Allotment of Nil (Previous Year : 19,97,780) Equity Shares on Private Placement Basis @ 350.40/- each	-	700.02
Add: On Conversion of 70,350 ESOP in to Equity Shares @ 297.76/- each	4.19	136.01
Add: On Conversion of 70,350 ESOP in to Equity Shares transfer from Reserve Account @41.04/-	0.58	18.75
Add: On Conversion of 2,250 ESOP in to Equity Shares @ 59.552/- each	0.13	-
Add: On Conversion of 2,250 ESOP in to Equity Shares transfer from Reserve Account @8.208/-	0.02	-
Add: On Conversion of 20,90,425 ESOP in to Equity Shares @ 80.692/- each	168.68	-
Add: On Conversion of 24,45,325 ESOP in to Equity Shares @ 111.60/- each	272.89	-
Add: On Conversion of 1,500 ZCCB into 9,62,700 Eq.shares @67.118/- each	64.61	402.76
Less: Premium on Redemption of Non Convertible Debentures (Net of Taxes)	(1.73)	(1.73)
<b>Sub Total [b]</b>	<b>6,206.31</b>	<b>5,696.94</b>
<b>c] Capital Reserve Account / Amalgamation Adjustment Account</b>		
Balance at the beginning of the year	395.98	37.49
Add: Balance from Equity Share Warrant Account	-	358.49
<b>Sub Total [c]</b>	<b>395.98</b>	<b>395.98</b>
<b>d] Debenture Redemption Reserve</b>		
Balance at the beginning of the year	1.42	2.84
Less: Transferred to General Reserve	(1.42)	(1.42)
<b>Sub Total [d]</b>	<b>-</b>	<b>1.42</b>
<b>e] Capital Redemption Reserve</b>		
Balance at the beginning of the year	912.19	486.80
Transferred from Profit & Loss Account	23.12	425.39
<b>Sub Total [e]</b>	<b>935.31</b>	<b>912.19</b>
<b>f] Employee Stock Option (Ref. Note No. 3 of Sch. 22: Part B)</b>		
Employee Stock Option (Outstanding)	1.77	20.52
Less: Transfer to Securities Premium Account on conversion	(0.60)	(18.75)
<b>Sub Total [f]</b>	<b>1.17</b>	<b>1.77</b>
<b>g] Hedging Reserve (Ref. Note No. 13 [b] of Sch. 22: Part B)</b>		
Unrealised Gain / Loss on Cash Flow Hedging derivatives (Net)	(194.83)	(260.81)
<b>h] Balance of Profit &amp; Loss Account</b>	<b>6,628.57</b>	<b>4,449.24</b>
<b>Total [ a to h]</b>	<b>15,723.31</b>	<b>12,646.11</b>

**Schedule 4 – Secured Loans**

<b>a] Debentures (Refer Note 1 Below)</b>		
<b>Zero Coupon Non Convertible Redeemable Debentures of Rs 100/- each</b>		
113,513      113,513      Balance at the beginning of the year	1.42	2.84
(113,513)      (113,513)      Less: Redeemed (Fully) during the year	(1.42)	(1.42)
-      -	<b>Sub Total [a]</b>	<b>1.42</b>
1,13,513 debentures of ₹ 12.50 (Previous Year : ₹12.50) have been fully redeemed on 15 <sup>th</sup> March 2011		
<b>b] Term Loans (Refer Note 2 below)</b>		
<b>i) Term Loan From Financial Institutions</b>		
(Including ECB in USD) (Refer Note Nos 2 to 5 below)		
Balance at the beginning of the year	6,625.91	5,597.66
Add: Addition/revalorisation during the year	(58.01)	1,398.59
Less: Repaid during the year	(509.20)	(370.34)
	6,058.70	6,625.91
<b>ii) Term Loan From Banks (Refer Note Nos 6 to 10 below)</b>		
Balance at the beginning of the year	1,965.73	1,200.35
Add: Addition during the year	-	1,474.98
Less: Repaid during the year	(337.19)	(709.60)
	1,628.54	1,965.73

	₹ in Million	
	31-March-2011	31-March-2010
<b>iii) Working Capital Term Loan from Banks</b> (Refer Note No 11 below)		
Balance at the beginning of the year	12.90	54.04
Less: Repaid during the year	(10.33)	(41.14)
	2.57	12.90
<b>iv) Deferred Credit from Supplier</b> (ECB in EURO)		
Balance at the beginning of the year	-	11.47
Add/(Less): On account of revalorisation of loan	-	(0.13)
Less: Repaid during the year	-	(11.34)
	-	-
<b>v) Vehicle Loan</b> (Refer Note No 12 below)		
Balance at the beginning of the year	54.57	0.60
Add: Addition during the year	19.50	29.22
Less: Repaid during the year	(26.25)	24.75
	47.82	54.57
<b>Sub Total [b]</b>	<b>7,737.63</b>	<b>8,659.11</b>
<b>c] Working Capital Loans :</b> (Refer Note No.11 below)		
Consortium of Banks		
Working Capital Demand Loan	2,288.20	1,800.04
Foreign Currency Demand Loan	-	435.15
Cash Credit Account	4,060.60	2,567.54
Export Packing Credit (EPC / PCFC)	2,877.66	559.45
	9,226.46	5,362.18
<b>Sub Total [c]</b>	<b>9,226.46</b>	<b>5,362.18</b>
<b>Total [a to c]</b>	<b>16,964.09</b>	<b>14,022.71</b>

#### Notes To Schedule No. 4 (Secured Loan):

##### 1. Nil (Previous Year : 1,13,513) Zero Coupon Secured Redeemable Non Convertible Debentures of ₹ 100 each:

CY ₹ Nil (Previous Year : ₹ 1.42 Million)

The redemption of the principal amount of debentures, payment of all premiums, remuneration of trustees, all fees, costs, charges, expenses and other monies payable by the company in respect thereof is secured by first mortgage and charge in favour of the trustees on the company's immovable properties located at Mouje-Indrad, Tal. Kadi, Dist. Mehsana (Gujarat) and pari passu on selected immovable properties of the Company located at village Bambhori and Shirsoli, Dist-Jalgaon, in the State of Maharashtra and further secured by second charge on movable properties of the Company.

##### 2. Export Import Bank of India (EXIM):

###### Foreign Currency Term Loan:

i) Production Equipment Finance Programme	: ₹ 31.42 Million (Previous Year : ₹ 74.13 Million)
ii) Production Equipment Finance Programme	: ₹ 142.88 Million (Previous Year : ₹ 216.67 Million)
iii) Production Equipment Finance Programme	: ₹ 111.62 Million (Previous Year : ₹ 157.99 Million)
iv) Import Finance Programme	: ₹ 502.31 Million (Previous Year : ₹ 507.82 Million)
v) Import Finance Programme	: ₹ 49.35 Million (Previous Year : ₹ 49.88 Million)

The loan together with interest, commitment charges, liquidated damages, costs expenses and all other monies payable to EXIM Bank is secured by a first charge on the whole of movable fixed assets of Company both present and future, including its movable plant and machinery, equipments, appliances, furniture, vehicles, machinery spares and stores and accessories whether or not installed and related movables in the course of transit or delivery whether now belonging or which may hereafter belong to the Company or which may be held by any person at any place within or outside India to the order or disposition of the Company and all documents of title including bills of lading, shipping documents, policies of insurance and other instruments and documents relating to such movables together with benefits of all rights thereto. The loans are further secured by First charge ranking Pari-Passu by way of equitable mortgage by deposit of title deeds of selected immovable properties of the Company situated at Village Bambhori & Shirsoli, Dist. Jalgaon in State of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth however, excluding the assets charged exclusively as mentioned in these notes.

The loan as per Serial No. i) above is also personally guaranteed by the Managing Director and three other Directors of the Company in their personal capacity.

##### 3. ECB Loan (Lehman Bros & SBI Etc) of \$45.50 Million: CY ₹ 2,031.57 Million [US\$ 45.50 Million] (Previous Year : ₹ 2,053.87 Million) (US\$ 45.50 Million).

ECB Loan is secured by hypothecation of movable properties and assets of the Company purchased out of ECB proceeds and further secured by exclusive charge on immovable properties of the Company being Non-Agriculture Lands at Gut No. 215/1 and 220 (admeasuring

in aggregate 2 Hectares 73 Ares) all situate at village Bambhori Tal. Dharangaon, Dist. Jalgaon,

**4. ECB Loan – International Finance Corporation (IFC) of \$ 60 Million: CY ₹ 2,618.11 Million (Previous Year: US\$ 60 Million equivalent to ₹ 2,708.40 Million)**

**a) ECB Loan of US\$ 15 Million of IFC (Loan Key Number 2007872)**

The ECB Loan is secured by exclusive first Charge over entire movable plant, machinery and equipment, including all the spare parts and all other movable fixed assets such as furniture, fixtures, installations, vehicles, office equipments, computers and all other fixed assets of the Company both present and future at both the plants of the Company at Chittoor, Andhra Pradesh and further secured by way of exclusive first ranking charge over the land and other immovable properties together with all building and structure thereon and all other plant and machinery at both the plants of the Company at Chittoor, Andhra Pradesh.

**b) ECB Loan of US\$ 15 Million of IFC (Loan Key Number 2008534)**

Exclusive first Charge over entire movable plant, machinery and equipment, including all the spare parts and all other movable fixed assets such as furniture, fixtures, installations, office equipments, computers and all other fixed assets of the Company both present and future at Company's facilities at Vadodara (Gujarat), Bhavnagar (Gujarat) and Hyderabad (Andhra Pradesh) and further secured by way of exclusive first ranking charge over the land and other immovable properties together with all building and structure thereon and all other plant and machinery at Company's facilities at Vadodara (Gujarat), Bhavnagar (Gujarat) and Hyderabad (Andhra Pradesh)

**c) ECB Loan of US\$ 15 Million of IFC (Loan Key Number 2009182)**

Exclusive first Charge over entire movable plant, machinery and equipment, including all the spare parts and all other movable fixed assets such as furniture, fixtures, installations, office equipments, computers and all other fixed assets of the Company both present and future at Company's facilities at Bambhori, Dist. Jalgaon, Maharashtra and further secured by way of exclusive first ranking charge by deposits of title deeds of selected immovable properties of the Company situated at Village Bambhori, Dist. Jalgaon in State of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth however excluding assets charged exclusively as mentioned in these notes.

The above ECB loan (Loan Key Number 2009182) is also personally guaranteed by three Directors including Managing Director of the Company in their personal capacity.

**d) ECB Loan of US\$ 15 Million of IFC (Loan Key Number 2010019)**

Exclusive first Charge over specific movable plant, machinery and equipment of the Company at Company's facilities at Plastic Park, Bambhori, Dist. Jalgaon, Maharashtra and further secured by way of exclusive first ranking charge by deposits of title deeds of selected immovable properties of the Company situated at Village Bambhori, Dist. Jalgaon in State of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth however excluding assets charged exclusively as mentioned in these notes.

The above ECB loan (Loan Key Number 2010019) is

also personally guaranteed by three Directors including Managing Director of the Company in their personal capacity.

**5. IDFC Ltd: Term Loan:**

**CY ₹ 571.43 Million** (Previous Year : ₹ 857.14 Million)

The Term Loan is secured by a first charge ranking pari-passu by way of hypothecation of all the Company's movable properties, including movable machinery, machinery spares, tools, accessories, furniture and fixtures. The loan is further secured by First charge ranking Pari-Passu by way of equitable mortgage by deposits of title deeds of selected immovable properties of the Company situated at Village Bambhori & Shirsolli, Dist.. Jalgaon in State of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth however excluding the assets charged exclusively as mentioned elsewhere.

The loans as above are also personally guaranteed by the Managing Director and three other Directors of the Company in their personal capacity.

**6. Canara Bank :**

**Term Loan: CY ₹ 0.98 Million** (Previous Year : 2.52 Million)

Exclusive charge on the Green House Structure at Chittoor (Andhra Pradesh) Units of the Company.

**7. Canara Bank :**

**Term Loan: CY ₹ 8.55 Million** (Previous Year : 13.60 Million)

Exclusive charge on the ripening Chambers & Cold Storage at Chittoor (Andhra Pradesh) Units of the Company.

**8. State Bank of India: Term Loan:**

**CY ₹ 619.00 Million** (Previous Year : ₹ 904.60 Million)

The Term Loan is secured by a first charge ranking pari-passu by way of hypothecation of all the Company's movable properties, including movable machinery, machinery spares, tools, accessories, furniture and fixtures. The loan is further secured by First charge ranking Pari-Passu by way of equitable mortgage by deposits of title deeds of selected immovable properties of the Company situated at Village Bambhori & Shirsolli, Dist.. Jalgaon in State of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth however excluding the assets charged exclusively as mentioned elsewhere.

The loans as above are also personally guaranteed by the Managing Director and three other Directors of the Company in their personal capacity.

**9. Central Bank of India: Term Loan:**

**CY ₹1,000 Million** (Previous Year : ₹1,000 Million)

The Term Loan is secured by First charge ranking Pari-Passu by way of equitable mortgage by deposits of title deeds of selected immovable properties of the Company situated at Village Bambhori & Shirsolli, Dist. Jalgaon in State of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth however excluding the assets charged exclusively as mentioned elsewhere.

**10. Dena Bank :**

**Rupee Term Loan: CY ₹ Nil** (Previous Year : ₹45.00 Million)

Rupee Term Loan is secured by all tangible movable properties and assets of the Company of whatsoever nature including, plant and machinery, tools and accessories, stores and spares relating to the plant and machinery, furniture, articles, office equipments, computers and things belonging to the Company.

The loan is further secured by First charge ranking Pari-Passu by way of equitable mortgage by deposits of title deeds of selected immovable properties of the Company situated at Village Bambhori & Shirsoli, Dist.. Jalgaon in State of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth however excluding the assets charged exclusively as mentioned in these notes.

The loan as above is also personally guaranteed by the Managing Director and three other Directors of the Company in their personal capacity.

#### 11. Working Capital Loans: (Including WCTL-I & II, FCTL and FCNRB):

**CY ₹ 9,229.03 Million** (Previous Year : ₹ 5,375.08 Million)

Consortium of Banks (In Alphabetical order) led by State Bank of India, Corporate Accounts Group (CAG Branch, Mumbai (including erstwhile State Bank of Indore, Mumbai and sub limit with State Bank of India, Dana Bazar Branch, Jalgaon.) Axis Bank Ltd, Mumbai, Bank of Baroda, Mumbai, Canara Bank, Jalgaon, Dena Bank, Mumbai, Development Credit Bank Ltd, Mumbai; Export Import Bank of India, Mumbai, HDFC Bank Ltd, IDBI Bank Ltd, Jalgaon, Indian Bank, Mumbai, State Bank of Hyderabad, Mumbai\*, Standard Chartered Bank, Mumbai and Union Bank of India, Mumbai.

The working capital loans are secured by a first pari-passu (between consortium members) charge on whole of company's present and future stocks of raw material, finished goods, stocks in process, stores and spares and other raw materials, stored whether raw or

in process of manufacture and all articles manufactured there from brought into store or be in or around the company's godowns or factory premises at Jalgaon or elsewhere, including goods in transit or delivery and the Company's present and future book debts, outstanding monies, receivable, claims, bills, contracts, engagements, securities, investments, rights and assets of the Company. The Working Capital Facilities as above are further secured by a second charge (First Charge in case of WCTL-I & II, FCTL, FCNRB) ranking Pari-Passu by way of equitable mortgage by deposits of title deeds of selected immovable properties of the Company situated at Village Bambhori & Shirsoli, Dist. Jalgaon in State of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth however, excluding assets charged exclusively as mentioned in these notes.

The working capital loans are also secured by personal guarantee by the Managing Director and three other Directors of the Company in their personal capacity.

\* The loan is secured by Hypothecation of current assets only.

#### 12. Vehicle Loan:

**CY ₹ 47.83 Million** (Previous Year : ₹ 54.58 Million)

The loan is secured by exclusive charge on specific vehicles.

			31-March-2011	31-March-2010	
			₹ in Million		
<b>Schedule 5 – Unsecured Loans</b>					
<b>a]</b>	<b>Zero Coupon Convertible Bonds -2011 (ZCCB) of US\$ 1,000 each</b> (Ref. Note No.2 of Sch. 22: Part B)				
	1,500	10,850	Balance at the beginning of the year	67.71	552.81
			Add: Addition During the year	-	-
	(1,500)	(9,350)	Less: Conversion during the period	(66.54)	(414.77)
	-	-	Add/(Less): On account of revalorisation of loan	(1.17)	(70.33)
	-	1,500	<b>Sub Total [a]</b>	<b>-</b>	<b>67.71</b>
<b>b]</b>	<b>Deferred Credit from Supplier</b> (ECB in CHF & Euro)				
			Balance at the beginning of the year	645.36	83.69
			Add: Addition during the year	826.53	649.05
			Add/(Less): On account of revalorisation of loan	136.82	(41.90)
			Less: Repaid during the year	(187.70)	(45.48)
			<b>Sub Total [b]</b>	<b>1,421.01</b>	<b>645.36</b>
<b>c]</b>	<b>Money Market Borrowing</b> (Commercial Papers)				
			Balance at the beginning of the year	3,100.00	-
			Add: Addition during the year	1,200.00	7,800.00
			Less: Repaid during the year	(4,150.00)	(4,700.00)
			<b>Sub Total [c] #</b>	<b>150.00</b>	<b>3,100.00</b>
			(Maximum Balance during year is ₹ 1,000 Million [Previous Year : ₹ 7,800 Million])		
<b>d]</b>	<b>Short Term Loan</b>				
			<b>Sub Total [d]#</b>	<b>3,590.00</b>	<b>-</b>
			(Unsecured Loan against personal guarantee given by Directors)		
			<b>Total [a to d]</b>	<b>5,161.01</b>	<b>3,813.07</b>
			# Out of the above amount, ₹ 3,740 Million (Previous Year : ₹ Nil) is payable within 12 months		

(₹ Million)

**Schedules 6 – Fixed Assets & Depreciation**

a] Tangible Assets	Gross Block			Depreciation			Net Block		
	As at 01-Apr-10	Addition	Adjusted/ Disposal	As at 31-Mar-11	As at 01-Apr-10	Adjusted/ Written Back	For the Period	As at 31-Mar-11	As at 31-Mar-10
Free Hold Land	903.80	129.10	1.28	1,031.62	-	-	-	1,031.62	903.80
Lease Hold Land	2.14	-	0.02	2.12	-	-	-	2.12	2.14
Factory Buildings & Godowns <sup>[1] &amp; [3]</sup>	2,676.21	475.93	-	3,152.14	488.72	-	87.11	2,576.31	2,187.49
Green/Poly/Shed Houses	170.98	57.80	-	228.78	61.23	-	16.21	151.34	109.75
Plant & Machinery and Equipments <sup>[2] &amp; [3]</sup>	11,755.53	2,757.52	16.07	14,496.98	3,360.97	4.29	670.95	10,469.35	8,394.56
Furniture, Fixtures & Office Equipments	226.89	42.16	-	269.05	114.06	-	14.45	140.54	112.83
Vehicles	264.36	46.95	1.10	310.21	92.79	1.04	25.23	193.23	171.57
Live Stock	0.17	0.25	-	0.42	-	-	-	0.42	0.17
<b>Total</b>	<b>16,000.08</b>	<b>3,509.71</b>	<b>18.47</b>	<b>19,491.32</b>	<b>4,117.77</b>	<b>5.33</b>	<b>813.95</b>	<b>4,926.39</b>	<b>11,882.31</b>

b] Intangible Assets	Gross Block			Amortisation			Net Block		
	As at 01-Apr-10	Recognised/ Acquired during the year	Adjusted/ Disposal	As at 31-Mar-11	As at 01-Apr-10	Adjusted/ Written Back	For the Period	As at 31-Mar-11	As at 31-Mar-10
Goodwill	3.54	-	-	3.54	3.54	-	-	3.54	-
Trade Mark & Development	196.34	-	-	196.34	139.18	-	10.92	46.23	57.15
Computer Software	18.17	16.05	-	34.22	18.17	-	1.87	20.04	-
Technical Knowhow & Non Compete Fees	91.38	12.76	-	104.14	4.57	-	18.33	22.90	86.81
<b>Total</b>	<b>309.43</b>	<b>28.81</b>	<b>-</b>	<b>338.24</b>	<b>165.46</b>	<b>-</b>	<b>31.12</b>	<b>196.59</b>	<b>143.96</b>
<b>Grand Total &gt;&gt;</b>	<b>16,309.51</b>	<b>3,538.52</b>	<b>18.47</b>	<b>19,829.56</b>	<b>4,283.24</b>	<b>5.33</b>	<b>845.07</b>	<b>5,122.98</b>	<b>12,026.27</b>
Previous Year	13,148.71	3,357.08	196.28	16,309.51	3,637.52	52.69	698.41	4,283.24	12,026.27

**Note:**

- [1] Building includes Tenancy Rights gross value ₹ 42.55 million (Previous Year : ₹ 42.55 million)
- [2] Depreciation of ₹ 10.72 Million (Previous Year : ₹ 12.49 Million) on Heavy Vehicles being used for Site Development during the year is Capitalised.
- [3] Additions during the year of Plant and Machinery and Building have been reduced by ₹ 20.64 Million (Previous Year : Nil) on account of subsidy.
- [4] Gross Block of Plant and Machinery and Buildings has been reduced by ₹ Nil (Previous Year : ₹ 10.75 Million) on account of subsidy.

**Schedule 7 – Capital Work In Progress**

Assets	As at 01-Apr-10	Addition / Adjustment	Capitalised during the year	As at 31-Mar-11
Factory Buildings & Godowns	409.43	661.46	538.95	531.94
Plant & Machinery and Equipments	339.03	2,177.23	2,223.55	292.71
Furniture, Fixtures & Office Equipment	-	18.93	18.76	0.17
Vehicles	2.26	45.23	46.73	0.76
Pre-Operative Expenses	23.34	29.43	45.75	7.02
Capital Goods Advances	441.78	576.76	206.09	812.45
<b>Total</b>	<b>1,215.84</b>	<b>3,509.04</b>	<b>3,079.83</b>	<b>1,645.05</b>



			31-Mar-2011	31-Mar-2010
			₹ in Million	
<b>Schedule 8 – Investments [at cost]</b>				
<b>I] Long Term Investments - Unquoted</b>				
<b>a] Government Securities (Pledged):</b>				
		National Saving Certificates	2.95	2.95
		Indira Vikas Patra	0.00	0.00
<b>Sub Total [a]</b>			<b>2.95</b>	<b>2.95</b>
<b>b] Other than Trade Investments :</b>				
25	25	Shares of Astitwa Co-Op. Housing Society Ltd.	0.00	0.00
5	5	Shares of ₹ 100 each of Sarjan Members Association	0.00	0.00
15	15	Shares of ₹ 50 each of Rajdeep Vrundavan Co-Op. Housing Society	0.00	0.00
200	200	Shares of Edlabad Sut Girni Co-Operative Society Ltd.	0.00	0.00
20	20	Shares of ₹ 250 each of Shrinathjee Co-Op. Housing Society Ltd.	0.01	0.01
24,500	-	Sustainable Agro-Commercial Finance Ltd. Equity Shares of ₹ 10/-each fully paid up	0.25	-
1,849	1,849	Linking Shares of ₹ 25 each of Jalgaon Janta Sahakari Bank Ltd.	0.04	0.04
<b>Sub Total [b]</b>			<b>0.30</b>	<b>0.05</b>
<b>c] Investments in Wholly Owned Subsidiary Companies:</b>				
<b>Investment in JISL Overseas Ltd. Mauritius.</b>				
62,305,891	47,655,891	Ordinary / Equity Shares of US\$1 each (Refer Note 1 below)	2,800.96	2,106.00
-	14,650,000	Add: Addition during the year	-	694.96
62,305,891	62,305,891		2,800.96	2,800.96
-	7,108,687	Non Cum. Red. Pref. Shares of US\$1 each	-	310.62
-	(7,108,687)	Less: Redeemed during the year	-	(310.62)
-	-		-	-
19,250,000	28,981,000	Non Cum. Red. Pref. Shares of US\$1 each (Refer Note 2 below)	932.36	1,274.56
-	5,250,000	Add: Addition during the year	-	253.87
-	(14,981,000)	Less: Redeemed during the year	-	(596.07)
19,250,000	19,250,000		932.36	932.36
4,500,000	4,500,000	Non Cum. Red. Pref. Shares of US\$1 each (Refer Note 3 below)	201.19	201.19
<p><b>Note 1 :</b> Includes 1,978,113 Shares Pledged with Financial Institution as collateral Security, however loan is since repaid.</p> <p><b>Note 2 :</b> with non cumulative coupon rate of 6% bullet redemption after 8 years</p> <p><b>Note 3 :</b> with non cumulative coupon rate of 2% bullet redemption after 8 years</p>				
<b>Investment in Jain International Trading Bv, Netherland</b>				
1,293	1,113	Equity Shares of Euro 100/- each.	74.72	6.84
<b>Investment in Jain Irrigation Holding Inc. USA. (Erstwhile Jain Irrigation Inc. USA)</b>				
1	1	Equity Shares of US\$1 each of (₹ 42, [Previous Year : ₹ 42])	0.00	0.00
			<b>4,009.23</b>	<b>3,941.35</b>
<b>d) Unsecured ( Cumulative ) Bonds :</b>				
252	252	Industrial Investment Bank of India ( Pledged with IIBI)	10.20	10.20
<b>Sub Total [a to d]</b>			<b>4,022.68</b>	<b>3,954.55</b>
<b>Sub Total [I]</b>			<b>4,022.68</b>	<b>3,954.55</b>

			31-Mar-2011	₹ in Million 31-Mar-2010
<b>Schedule 8 - Investments (Contd...)</b>				
<b>II] Long Term Investments - Quoted :</b>				
<b>Other than Trade Investment :</b> Equity Shares of ₹ 10 each of				
90	45	Reliance Industries Ltd.	0.00	0.00
45	45	Reliance Communication Ltd.	0.00	0.00
3	3	Reliance Infrastructure Ltd (formerly Reliance Energy Ltd.)	0.00	0.00
2	2	Reliance Capital Ventures Ltd.	0.00	0.00
11	45	Reliance Power Ltd (formerly Reliance Natural Resources Ltd.)	0.00	0.00
75	75	Finolex Industries Ltd.	0.00	0.00
908	908	Union Bank of India	0.11	0.11
<b>Sub Total [II]</b>			<b>0.11</b>	<b>0.11</b>
<b>III] Long Term Investments in Units - Un-quoted :</b>				
-	646,078	Units of State Bank of India (MF) - Magnum Income plus fund (NAV ₹ 15.54)	-	10.00
10	-	Units of YES Bank - II Tier NC Bond @10 Lacs each	10.00	-
<b>Total [I+II+III]</b>			<b>4,032.79</b>	<b>3,964.66</b>

Aggregate market value of Investments	(₹ in Million)		(₹ in Million)	
	Book Value (₹) As At		Market Value (₹) As At	
	31-Mar-2011	31-Mar-2010	31-Mar-2011	31-Mar-2010
Quoted - Equity Shares	0.11	0.11	0.38	0.22
Unquoted	4,022.68	3,954.55	-	-
Unquoted - Units	10.00	10.00	10.04	-
Total	<u>4,032.79</u>	<u>3,964.66</u>	<u>10.42</u>	<u>0.22</u>

### Schedule 9 – Current Assets, Loans and Advances

<b>a] Inventories:</b>				
Raw Materials (At lower of Cost or Net Realisable Value)			2,497.62	2,122.79
Stores and Spares			543.25	451.36
Stock-in-Process			67.41	4.85
Finished Goods			5,626.83	3,215.79
Materials in Transit			414.37	266.75
<b>Sub Total [a]</b>			<b>9,149.48</b>	<b>6,061.54</b>
<b>b] Sundry Debtors - Unsecured <sup>[1, 2 &amp; 3]</sup></b>				
Over Six Months				
- Good			1,114.83	1,041.60
Considered Doubtful		161.63		99.29
Less: Provision for Doubtful Debts		(161.63)		(99.29)
			-	-
Others Debtors - Considered Good			13,703.33	7,834.40
<b>Sub Total [b]</b>			<b>14,818.16</b>	<b>8,876.00</b>

[1] Includes receivable from Second

	(₹ in Million)	
Generation Subsidiaries:	31-Mar-2011	31-Mar-2010
Over Six Month - Good	291.36	409.71
Others Debtors - Considered Good	1,601.94	1,249.62

[2] Includes ₹ 29.60 Million (Previous Year : ₹ 55.62 Million)  
where legal action has been initiated for recovery.

[3] Net of Sundry Debtors securitized under arrangement with banks  
₹ 9,796.41 Million (Previous Year : ₹ 7,440.40 Million)

₹ in Million

**Schedule 9 - Current Assets, Loans and Advances (Contd...)**

**c] Cash & Bank Balances :**

Cash in Hand	14.49	16.04
Balances with Scheduled Banks		
- In Current Accounts	3,770.67	4,191.55
- In Fixed Deposit Accounts	-	-
- In Margin Accounts	20.18	100.76
Balances with Non -Scheduled Banks <sup>[4]</sup>		
- In Current Accounts	24.96	69.78
<b>Sub Total [c]</b>	<b>3,830.30</b>	<b>4,378.13</b>

**Closing balance**

	31-Mar-2011	31-Mar-2010
<i>[4] Non -Scheduled Banks</i>		
Shri Mahavir S'ahakari Bank Ltd. (Max. Balance ₹ 24.92 Million (Previous Year : ₹ 69.74 Million) <sup>[5]</sup>	24.92	69.74
Jalgaon Peoples Co-Op. Bank Ltd. (Max. Balance ₹ 0.03 Million (Previous Year : ₹ 0.03 Million)	0.03	0.03
Jalgaon District Central Co-Op Bank Ltd. (Max. Balance ₹ 0.01 Million (Previous Year : ₹ 0.01 Million)	0.01	0.01
<i>[5] One of the director is a director in the bank.</i>	24.96	69.78

**d] Other Assets :**

Orchard Activities:		
Balance at the beginning of the year	251.54	220.58
Add: Addition During the year	-	34.55
Less: Orchard Amortisation Expenses	(5.38)	(3.59)
	(5.38)	30.96
<b>Sub Total [d]</b>	<b>246.16</b>	<b>251.54</b>

**e] Loans & Advances :**

[Unsecured, considered good unless otherwise stated]		
Loan to Subsidiaries <sup>[6]</sup>	1,307.46	805.29
Advances Recoverable in Cash or Kind or for value to be received:		
a) For Purchases	1,354.29	1,124.64
b) For Others <sup>[7] &amp; [8]</sup>	803.93	610.00
	2,158.22	1,734.64
Less:- Provision for Doubtful Advances	-	(12.98)
	2,158.22	1,721.66
Claims Receivables	363.00	200.97
Sundry Deposits	291.28	307.28
Advance Tax (Including FBT)	3.61	-
MAT Credit	-	201.00
Derivatives Assets	-	4.25
Balance with Collectorate of Central Excise and Customs	1.70	0.49
Incentives and Assistance receivable From Government	1,099.06	494.96
<b>Sub Total [e]</b>	<b>5,224.33</b>	<b>3,735.90</b>
<b>Total [a to e]</b>	<b>33,268.43</b>	<b>23,303.11</b>

*[6] JISL Overseas Ltd. Mauritius (Max. balance ₹ 1,158.90 Million [Previous Year : ₹ 808.08 Million]) repayable after 7 years ₹ Nil at rate of Interest 4% to 6% and Jain Irrigation Inc, USA (Max. balance ₹ 58.22 Million [Previous Year : ₹ 50.25]) at rate of Interest 1.195% and Jain International Trading BV Netherland ₹ 90.34 [Previous Year : Nil] at rate of Interest 5%. Further none of the subsidiaries have invested in the shares of the Company.*

*[7] Includes Bad & Doubtful ₹ Nil [Previous Year : ₹ 12.98 Million]*

*[8] Includes Inter Corporate Deposits of ₹ 8.63 Million [Previous Year : ₹ 17.81 Million]*

₹ in Million

31-Mar-2011

31-Mar-2010

**Schedule 10 – Current Liabilities and Provisions**

**a) Liabilities :**

Sundry Creditors

- Total Outstanding Dues of Micro & Small & Medium Enterprises

(Ref. Note No 14 of Sch. 22: Part B)

- For Total Outstanding Dues of Creditors other than Micro and Small Enterprises<sup>[9]</sup>

- For Expenses

10,815.55  
220.59

5,850.74  
277.55

11,036.14

6,128.29

Advances from Customers

422.15

258.51

Unclaimed Dividend

3.22

1.98

Outstanding Liabilities for Expenses<sup>[10]</sup>

465.05

432.27

Provision for Excise Duty on Year End Inventory of Finished Goods

75.16

29.56

Security and Dealers Deposits

99.42

155.52

Derivative Liability

194.83

265.06

Other Liabilities

636.69

451.49

**Sub Total [a]**

**12,932.66**

**7,722.68**

[9] Includes ₹ 291.55 Million (Previous Year : ₹ 233.16 Million) due to Second Generation Subsidiaries (WOS) out of the same ₹ 60.83 Million (Previous Year : ₹ 61.50 Million) due, for which permission for set-off against export receivables is under process.

[10] Includes Interest accrued but not due ₹ 45.20 Million (Previous Year : ₹ 63.02 Million)

**b) Provisions :**

Gratuity (Refer Note No.4 of Schedule 22: Part B)

33.96

6.08

Leave Entitlement

43.91

15.34

Income Tax - Current Tax [Net of advance payment ₹ Nil (Previous Year : ₹ 1,108.25)]

-

58.71

Wealth Tax

0.22

0.19

Proposed Preference Dividend

0.23

13.54

Dividend Tax on Proposed Preference Dividend

0.04

2.30

Proposed Equity Dividend

385.73

343.00

Dividend Tax on Proposed Equity Dividend

64.06

58.29

**Sub Total [b]**

**528.15**

**497.45**

**Total [a+b]**

**13,460.81**

**8,220.13**

# SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

	31-Mar-2011	31-Mar-2010
<i>₹ in Million</i>		
<b>Schedule 11 – Sales and Operating Income</b>		
<b>a] Sales :</b>		
Domestic Sales	31,723.35	25,732.62
Export Sales	5,160.49	5,163.28
	36,883.84	30,895.90
Less: Sales Return <sup>[11]</sup>	(302.40)	(701.40)
	36,581.44	30,194.50
Less: Trade, Other Discounts and Allowances <sup>[12]</sup>	(3,168.52)	(2,643.17)
	33,412.92	27,551.33
<b>b] Operating Income:</b>		
Export Services	1.70	56.99
Incentives & Assistance (Ref. Note No. 18 of Sch. 22: Part B)	802.19	285.20
	803.89	342.19
<i>[11] Includes Export Sales Return of ₹ 2.81 Million (Previous Year : ₹ 7.79 Million)</i>		
<i>[12] Includes Discount on Export Sales of ₹ 1.67 Million (Previous Year : ₹ 3.50 Million)</i>		
<b>Total</b>	<b>34,216.81</b>	<b>27,893.52</b>
<b>Schedule 12 – Other Income</b>		
Dividend from Long Term Investment	0.02	0.00
Premium on Redemption of Investment in a Wholly Owned Subsidiary	-	48.40
Profit on sale of Current Investments (Net)	1.68	-
Sundry Credit balances appropriated	3.33	7.91
Provisions no longer required	12.98	1.54
Profit on sale of Fixed Assets (Net)	8.82	-
Income from Services	12.01	42.98
Interest on Deposits and Others [Includes TDS ₹ 2.99 Million (Previous Year : ₹ 0.56 Million)]	79.52	52.00
Miscellaneous Income	54.57	94.59
<b>Total</b>	<b>172.93</b>	<b>247.42</b>
<b>Schedule 13 – Cost of Materials Consumed, Purchases, etc.</b>		
Raw Materials		
Opening Stock	2,122.79	2,004.96
Add: Purchases	21,656.31	17,023.21
Less- Closing Stock	(2,497.62)	(2,122.79)
<b>Total</b>	<b>21,281.48</b>	<b>16,905.38</b>
<b>Schedule 14 – (Increase) / Decrease in Stock</b>		
Closing Stock		
- Finished Goods	5,626.83	3,215.79
- Stock in Process	67.41	4.85
	5,694.24	3,220.64
Less: Opening Stock		
- Finished Goods	(3,215.79)	(2,151.46)
- Stock in Process	(4.85)	(5.42)
	(3,220.64)	(2,156.88)
Add: Increase /(Decrease) in Excise Duty Finished Goods	(48.58)	(26.58)
<b>Total</b>	<b>2,425.02</b>	<b>1,037.18</b>
<b>Schedule 15 – Manufacturing Expenses</b>		
Stores and Spares Parts Consumed	663.77	439.51
Repairs & Maintenance		
- Plant & Machinery <sup>[14]</sup>	35.70	19.04
- Buildings	112.61	107.49
- Others	82.08	124.06
	230.39	250.59
Power & Fuel	880.16	780.14
Lease Rent (Operating)	-	2.25
Processing Charges	421.22	445.98
Other Manufacturing Expenses	548.89	291.49
	1,850.27	1,519.86
<i>[14] excluding stores consumed for Repairs and Maintenance</i>		
<b>Total</b>	<b>2,744.43</b>	<b>2,209.96</b>

₹ in Million

	31-Mar-2011	31-Mar-2010
<b>Schedule 16 – Payments to and Provisions for Employees</b>		
Salaries, Wages, Bonus etc. (including contractual employment)	1,125.01	777.16
Commission /Performance Bonus to Directors (Ref. Note No 5 of Sch. 22: Part B)	187.19	129.63
Contribution to Provident and Other Funds	107.15	61.02
Welfare Expenses	54.74	59.75
Gratuity (Ref. Note No 4 of Sch. 22: Part B)	29.12	9.00
<b>Total</b>	<b>1,503.21</b>	<b>1,036.56</b>
<b>Schedule 17 – Selling &amp; Distribution Expenses</b>		
Commission & Brokerage	157.24	104.20
Goods Outward Expenses	830.72	621.98
Export Selling Expenses	417.45	424.25
Cash Discount	41.80	97.77
Sales Tax Expenses	46.19	31.10
Excise Duty	25.35	29.56
Other Selling and Distribution Expenses	534.05	435.84
<b>Total</b>	<b>2,052.80</b>	<b>1,744.70</b>
<b>Schedule 18 – Administrative &amp; Other Expenses</b>		
Postage, Telephone & Telex	40.18	38.95
Travelling & Conveyance Expenses	275.51	201.89
Vehicle Expenses	36.91	49.80
Legal and Professional Consultancy Fees	127.03	93.25
Auditors' Remuneration <sup>[15]</sup>	4.68	5.16
Rent (Ref. Note No 8 of Sch.22: Part B)	66.88	44.46
Rates & Taxes	7.06	4.01
Insurance Expenses	31.78	31.98
Directors' Sitting Fees	0.50	0.56
Loss on sale of Assets ( Net)	-	17.59
Donation	62.82	-
Other Administrative Expenses	180.11	193.51
[ includes ₹ 0.02 Million [ Previous Year : ₹ 0.02 Million ] on amortisation of leasehold land]		
<b>Total</b>	<b>833.46</b>	<b>681.16</b>
<b>[15] Auditors' Remuneration</b>		
	<b>31-Mar-2011</b>	<b>31-Mar-2010</b>
Audit Fee	4.00	4.00
Tax Audit Fee	-	0.40
Certification & other matters	0.68	0.69
Out of Pocket Expenses	-	0.07
	<u>4.68</u>	<u>5.16</u>
Management Services	-	-
	<u>4.68</u>	<u>5.16</u>
<b>Schedule 19 – Interest and Finance Charges</b>		
Interest on Term Loans	439.37	426.62
Interest on Working Capital Loans	1,533.51	1,172.41
Interest on Others	36.21	14.05
	2,009.09	1,613.08
Discounting Charges	98.01	137.90
Bank Commission and Charges	256.53	191.99
	<u>354.54</u>	<u>329.89</u>
<b>Total</b>	<b>2,363.63</b>	<b>1,942.97</b>
<b>Schedule 20 – Amounts Written off and Provisions</b>		
Amounts Written off and Provisions:		
Irrecoverable Claims	41.82	21.88
Bad Debts & Bad Advances	11.10	13.69
Orchard Amortisation Expenses	5.38	3.59
Provisions for Doubtful Advances	-	2.18
Provisions for Bad & Doubtful Debts	62.35	54.23
<b>Total</b>	<b>120.65</b>	<b>95.57</b>
<b>Schedule 21 – Prior Period Expenses</b>		
Short Provision of Income Tax	12.44	-
Profit on Sale of Assets	-	(9.21)
<b>Total</b>	<b>12.44</b>	<b>(9.21)</b>



# SCHEDULE 22 - NOTES FORMING PART OF THE ACCOUNTS

## PART [A]: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### 1) Basis of preparation of financial statements:

- a) The Financial Statements have been prepared to comply in all material respect with the Notified Accounting Standards by Companies (Accounting Standards) Rules, 2006, (as amended), and the relevant provisions of the Companies Act, 1956. The Financial Statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles. The accounting policies have been consistently applied by the company and are consistent with those used in the Previous Year.
- b) The Company follows the mercantile systems of accounting and recognises income and expenditure on an accrual basis except stated otherwise.

### 2) Revenue Recognition:

- a) Export sales are accounted based on the dates of Bill of Lading.
- b) Export incentives and assistance is recognised in the year of exports.

### 3) Use of Estimates: In preparation of financial statements requires estimates and assumptions to be made which affect the reported amounts of assets / liabilities and disclosures of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Although those estimates are based upon Management's best knowledge of current events and actions, actual result could differ from these estimates.

### 4) Fixed Assets and Depreciation / Amortization:

- a) Fixed assets are carried at cost of acquisition / construction, except Leasehold Land which is carried at book value.
- b) Leasehold Land is amortised over the period of lease.
- c) Depreciation:
  - i) Depreciation on all the assets has been provided at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 on Straight Line Method except Green Houses, Shade and Poly-houses depreciated at 10%.
  - ii) Depreciation on additions to assets or on sale / disposal of assets is calculated from the beginning of the month of such addition or up to the month of such sale / scrapped, as the case may be.
  - iii) Trade Mark and Development costs are amortised over a period of 18 years beginning from the date of commercial use.
  - iv) Computer Software, Technical Knowhow etc are amortised over a period of 5 years from the date of acquisition.

### 5) Capital Work In Progress: Expenditure during construction period including development cost incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets, and are included under "Capital Work in Progress". These expenses are apportioned to fixed assets on commencement of commercial production. Capital Work in Progress is stated at the amount expended up to the date of balance sheet.

### 6) Borrowing Cost: Borrowing cost attributable to acquisitions and construction of qualifying assets are capitalized as a part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing cost are charged to Profit & Loss Account.

### 7) Investments: Long-term investments are carried at 'cost'. However, the provision for diminution in the value is made to recognize a decline other than temporary in the value of the investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis.

### 8) Inventory Valuation:

- a) Raw Materials and Components, Stock in Process, Finished goods are valued at cost or net realisable value whichever is lower. Finished goods at factory premises & depots are valued at inclusive of excise duty.
- b) Stores, Spares and Consumables are valued at cost except certain spares are valued at cost or its fair value which ever is lower.
- c) Goods / Materials in Transit are valued at cost to date.
- d) Cost comprises cost of purchase, cost of conversion and other cost incurred in bringing the inventory to present location and condition. Cost is arrived at on weighted average basis.
- e) Stock for Demonstration lying with third parties at sites are valued at the estimated value of its useful life in relation to its original cost at the time of transfer to the third party.

### 9) Foreign Currency Transactions : All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year.

### 10) Foreign Currency Derivative contracts : The Company is exposed to foreign currency fluctuations on foreign currency assets and liabilities and forecasted cash flows denominated in foreign currency. In order to limit the effects of foreign exchange rate fluctuations, the Company enters into derivative contracts, viz. forward contracts, option contracts, etc., with banks under its risk management policies.

In absence of any specific accounting treatment prescribed in the applicable accounting standards to such derivative contracts, other than forward contracts, the Company is applying the principles as set out in Accounting Standard 30 –



Financial Instruments - Recognition and Measurement issued by The Institute of Chartered Accountants of India for such instruments, to the extent they do not conflict with existing accounting standards and other authoritative pronouncements of Company Law and other regulatory requirements.

Accordingly, the Company records the gain or loss on effective hedges in the Hedging Reserve until the transactions are complete. On completion, the gain or loss is transferred to the profit and loss account of that period. To designate a contract as an effective hedge, management objectively evaluates at the inception of each contract whether the contract is effective in achieving off setting cash flows attributable to the hedged risk. In the absence of a designation as effective hedge, the gain or loss is immediately recognized in the profit and loss account.

**11) Government Grants and Subsidies :**

- a. Grants and subsidies from the government are recognized when there is reasonable certainty that the grant/subsidy will be received and all attaching conditions will be complied with.
- b. When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.
- c. Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.
- d. Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds.
- e. Revenue grants are recognized in the Profit and Loss Account in accordance with the related scheme and in the period in which these are accrued.

**12) Amortisation / Write off of Other Assets:** Orchard expenditure is amortised over a period of 15 years commencing from the 6<sup>th</sup> year from the date of planting. Orchard mortality during first two years of planting up to 10% is considered normal and any mortality after second year is charged to Profit & Loss Account.

**13) Employee Benefits:** Short term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered.

Post employment benefits:

- a) Defined contribution plans: Company's contribution to the provident fund scheme, Superannuation, etc are recognised during the year in which the related service is rendered.
- b) Defined benefit plans: The present value of the obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses on such valuation are recognised immediately in the Profit and Loss Account. The fair value of the plan assets of the trust administered by the Company, is reduced from the gross obligation under the defined benefit plan, to recognise the obligation on a net basis.
- c) Long Term compensated absences are provided on the basis of an actuarial valuation.
- d) Termination Benefits are charged to Profit and Loss Account in the year in which they are incurred.

**14) Shares/ Bonds/Debentures Issue Expenses and Premium on Redemption:** Shares/ bonds/ debenture issue expenses and premium on redemption of debentures, preference shares and bonds are adjusted against the balance in "Securities Premium Account" in accordance with provisions of Section 78 of the Companies Act, 1956.

**15) Tax Provision:** Income-tax expense comprises Current Tax and Deferred tax charge or credit. Provision for current tax is made on the assessable Income at the tax rate applicable to the relevant assessment year.

Minimum Alternate Tax (MAT) paid in accordance with the Tax Laws, which gives rise to future economic benefits in the form of adjustment of future Income tax liabilities, is considered as an assets, when there is convincing evidence that the company will pay normal income tax.

The deferred tax asset and/or deferred tax liability; is calculated by applying the applicable tax rate as at Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation is recognised in view of the managements' assessment of virtual certainty of its realisation, deferred tax adjustment on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. At each balance sheet date, carrying amount of deferred asset/liability is reviewed and the necessary adjustment to asset or liability is made.

**16) Provisions:** A provision is recognised when there is present obligation as a result of past event, that probably requires an outflow of resources and a reliable estimate can be made to settle the obligation. Provision is not discounted to its present value and is determined based on the last estimate required to settle the obligation. These are reviewed at each year end and adjusted to reflect the best current estimates.

**17) Impairment of Assets:** At each balance sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets suffered any an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash-flow expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific of the assets.

Reversal of impairment loss is recognised immediately as income in the profit and loss account.

**18) Employees Stock Options and Shares Plan (ESOP):** In accordance with SEBI guidelines, the excess of the market price of the shares at the date of grant of options under the ESOP, over the exercise price, is treated as Employee Compensation Expense and amortized on a straight-line basis over the vesting period of options.

**19) Goodwill on acquisition :** Goodwill arising on acquisition of business has been amortised over the period of 5 years from the date of acquisition. (Refer Note No 17 of schedule 22 Part B below)



## PART [B]: OTHER NOTES TO ACCOUNTS

### 1) A) Contingent Liabilities not provided for in respect of :

[₹ in Million]

	31-Mar-11	31-Mar-10
i) Claims not acknowledged as Debts in respect of:		
- Customs and Excise Duty	281.47	271.35
- Other Taxes & Levies	73.78	110.90
- Others (Legal Case)	52.71	49.74
ii) Guarantees given by the Company's Bankers in the normal course of business	1,263.65	932.56
iii) Bills Discounted with the banks.	454.45	244.28
iv) Export obligation towards duty saved amount under EPCG Scheme	1,834.10	5,851.26
v) Corporate Guarantees given for repayment of indebtedness of Overseas Subsidiaries	1,802.04	1,379.49
In respect of (i) above, the company has taken necessary legal steps to protect its position in respect of these claims, which, in its opinion, based on legal advice, are not expected to devolve. It is not possible to make any further determination of the liabilities which may arise or the amounts which may be refundable in respect of these claims.		
<b>B) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advances)</b>	603.58	591.07

- 2) On 29<sup>th</sup> March 2006, Company had issued 60,000 Zero Coupon Currency Convertible Bonds (ZCCBs) (due on 30<sup>th</sup> March 2011) at face value of US\$ 1,000.00 each aggregating to US\$ 60.00 Million at a redemption price of 139.37%. The bondholder had the option to convert the bonds into fully paid Equity Shares of ₹10/- each (at a premium of ₹ 335.59 per share) in the ratio of 1:1.283602 on or before 28<sup>th</sup> February 2011 (with fixed rate of exchange on conversion at ₹ 44.36 to US\$=1). These bonds were to be redeemed, in whole but not in part at the option of the Company on or at any time after 29<sup>th</sup> March 2009 subject to satisfaction of certain pre conditions. As of the Balance Sheet date, all bondholders representing 60,000 (100%) bonds have opted for conversion into Equity Shares and 7,701,602 Equity Shares of face value of ₹ 10/- have been allotted (with a premium of ₹ 335.59 per share).
- 3) Employees Stock Options and Shares Plan 2005 (ESOP) - Out of 15,356,000 Stock Options, Compensation Committee of the Company has approved/ allotted following options to the eligible employees including working & non executive Directors.

The Shareholders of the Company at the Annual General Meeting held on 29<sup>th</sup> September 2010 approved the split of face value of the Company's Equity Shares from ₹10 per Equity Share to ₹2 per Equity Share from 1<sup>st</sup> November 2010, the record date for the split. The details of the Options and Equity Shares provided herein have been adjusted for split except the Market Price on the date of issue.

Particulars	Lot No. 1	Lot No. 2	Lot No. 3	Lot No. 4
a) Number of ESOP's Allotted	2,500,000	2,500,000	2,500,000	2,500,000
b) Date of Issue	27-Jan-07	04-Jun-07	14-Feb-08	27-Jun-08
c) Market Price on the Date of Issue (NSE, Mumbai)	410.35	459.40	630.15	476.20
d) Discount offered as per Terms	25%	10%	10%	10%
e) Option Exercise Price	307.76	413.46	568.00	428.58
f) Post Split Option Exercise Price	61.55	82.69	113.60	85.72
g) Vesting Period	1 Year	3 Years	3 Years	3 Years
h) Options Exercised during FY 2010-11	72,600	2,090,425	2,445,325	Nil
i) Total Options Exercised till 31 <sup>st</sup> March, 2011	2,356,550	2,090,425	2,445,325	Nil
j) Options Lapsed	Nil	Nil	Nil	Nil

The discount to market price on above ESOP has been accounted/ amortized in the annexed accounts based on vesting period and as per the accounting policies specified in Schedule 1 of the ESOP Guidelines issued by the SEBI. No employee has been issued options entitling such person to subscribe more than 1% of Equity Share Capital of the Company.

Out of the total 10,000,000 ESOPs granted, as of 31<sup>st</sup> March 2011, 68,92,300 ESOPs have been converted into equity shares of the Company.

#### 4) Disclosures in terms of Accounting Standard 15 “Employees Benefits”

**Defined benefit obligation:** The Gratuity obligation is managed by a Trust (JISL Gratuity Trust).

##### Actuarial Assumptions

	2010-11	2009-10
Rate of Interest .....(P. A.)	8.25%	8.25%
Salary Growth ..... (P. A.)	4.00%	4.00%
Withdrawal Rate .....(P.A.)	1.00%	1.00%
Mortality rate Table ..... LIC (1994-96) Utility rates		

##### A] Change in present value of the defined benefit obligation

	2010-11	2009-10
Opening Balance	72.93	53.97
Current service cost	9.02	7.69
Interest cost	6.01	4.18
Actuarial loss / (gain) on obligation	18.92	8.02
Benefits paid	(1.16)	(0.92)
<b>Closing balance</b>	<b>105.73</b>	<b>72.93</b>

(₹ in Million)

##### B] Change in fair value of plan assets

Opening fair value of plan assets	66.85	46.28
Expected return on plan assets	5.34	9.22
Actuarial gain / (loss) on plan assets	(0.05)	1.67
Contributions	1.24	10.60
Benefits paid	(1.16)	(0.92)
<b>Closing fair value of plan assets #</b>	<b>71.77</b>	<b>66.85</b>

##### C] Movement in the net liability recognised in the Balance Sheet

Changes in present value of Defined Benefit Obligations	105.73	72.93
Changes in fare value of Plan Assets	71.77	66.85
<b>Closing net liability</b>	<b>33.96</b>	<b>6.08</b>

##### D] Expenses recognised in Profit and Loss statement

Current service cost	9.02	7.69
Interest cost	6.02	4.18
Expected return on plan assets	(5.34)	(9.22)
Net actuarial (gain) loss recognised in year	19.43	6.35
<b>Expenses recognised in profit and loss statement</b>	<b>29.12</b>	<b>9.00</b>

# Planed Assets are with ICICI Prudential Group Gratuity Plan in Balanced Fund which allocates the assets in ratio of 80% Debt & 20% Equity.

##### E]

[₹ in Million]

Category of Assets:	31-Mar-11
Government of India Assets	-
Corporate Bonds	-
Special Deposit Scheme	-
Equity Shares of Listed Companies	-
Property	-
Insurer Managed Funds	-
Other	71.77
<b>Total</b>	<b>71.77</b>

##### F]

[₹ in Million]

Experience Adjustment	31-Mar-2011
On Plan Liability (Gains)/ Losses	22.88
On Plan Assets (Losses)/ Gains	(0.51)

The estimate of future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factor.

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

- Employers Contribution to Provident Fund ₹29.72 Million (Previous Year : ₹19.04 Million) deposited with concerned authority.
- Employers Contribution to Pension Scheme ₹30.93 Million (Previous Year : ₹ 23.77 Million) deposited with concerned authority.
- Employers Contribution to Superannuation Fund ₹ 37.05 Million (Previous Year : ₹10.36 Million) managed by a Trust.

## 5) Managerial Remuneration:

a) The details of managerial remuneration paid during the year:

(₹ in Million)

	Managing Director		Jt. Managing Director		Whole time Directors		Total	
	CY	PY	CY	PY	CY	PY	CY	PY
Salary	14.02	14.02	11.46	10.42	24.05	14.65	49.52	39.09
Provident Fund, etc	3.78	3.78	3.09	2.81	6.49	3.95	13.37	10.54
Perquisites	1.15	0.22	0.99	0.22	2.26	0.54	4.39	0.98
Performance Bonus	45.42	31.03	45.42	31.03	90.84	62.06	181.68	124.12
<b>Total</b>	<b>64.37</b>	<b>49.05</b>	<b>60.96</b>	<b>44.48</b>	<b>123.64</b>	<b>81.20</b>	<b>248.96*</b>	<b>174.73*</b>

CY: Current Year PY: Previous Year

\*As the employee-wise break-up of liability on account of employee benefits based on actuarial valuation is not available, such amounts relating to the Directors are considered in the year of payment and also excludes ESOP granted to a Director under 'Employee Stock Option Share Plan 2005' of the Company.

b) Determination of Net Profits in accordance with the provisions of Section 198(1) of the Companies Act, 1956 and percentage of profits being paid to working Directors and Non Executive Directors:

### Managerial Remuneration

(₹ in Million)

	31-Mar-2011	31-Mar-2010
Net Profit for the year	2,952.59	2,712.42
Add:		
Taxation for the year	1,310.05	1,219.34
Directors Remuneration	67.28	53.50
Commission /Performance Bonus to Directors	181.68	124.12
Commission /Performance Bonus to Non Executive Directors	5.00	5.50
Directors' Fees	0.50	0.56
Provisions / (Write back) for doubtful debts & advances (Net)	49.37	54.87
Book Deficit / (Surplus) on Fixed Assets Sold, Scraped etc.	-	17.59
Surplus on disposal of Investments (net)	(1.68)	-
Profit arising on disposal of long-term investments	-	(48.40)
<b>Sub total [a]</b>	<b>1,594.44</b>	<b>1,427.09</b>
Less: Deficit / (Surplus) on disposal of fixed assets (net) U/s 349.	(5.33)	(1.87)
<b>Sub total [b]</b>	<b>(5.33)</b>	<b>(1.87)</b>
<b>Net Profit for Section 198 of the Companies Act, 1956.</b>	<b>4,559.46</b>	<b>4,137.64</b>
1% [Previous Year : 0.75%] Commission / Performance Bonus payable to:		
Vice Chairman Shri. Ashok B. Jain	45.42	31.03
Managing Director Shri. Anil B. Jain	45.42	31.03
Joint Managing Director Shri. Ajit B. Jain	45.42	31.03
Director - Marketing Shri. Atul B. Jain	45.42	31.03
	<b>181.68</b>	<b>124.12</b>
Commission to Non-Executive Directors (12.5 lacs each)	5.00	5.50
<b>Total Commission / Performance Bonus</b>	<b>186.68</b>	<b>129.62</b>

Remuneration and commission as Percentage of Net profits

U/s Section 198 is 4.11% (Previous Year : 4.29%)

During the year Company has given commission to Non Executive Directors of

₹ 5.00 million (Previous Year : ₹ 5.50 Million), which is around 0.11%

(Previous Year : 0.13%) of profit U/s 198.

## 6) Research and Development expenditure:

Expenditure incurred on in-house research & development facility by the Company:

Expenditure (charged out through the natural heads of the accounts) in respect of eligible facilities

### a. Revenue Expenditure

Agri Park*	57.61	2.46
Energy Park*	17.79	14.69
Food Park*	11.07	0.16
Plastic Park*	16.40	2.80
Common R&D*	-	11.52
Bio Tech Lab*	-	16.85
<b>Sub Total [a]</b>	<b>102.88</b>	<b>48.48</b>



	31-Mar-2011	(₹ in Million) 31-Mar-2010
<b>b. Capital Expenditure</b>		
Agri Park*	41.17	0.91
Energy Park*	16.15	-
Food Park*	15.81	0.42
Plastic Park*	124.24	143.50
Bio Tech Lab*	-	1.69
<b>Sub Total [b]</b>	<b>197.38</b>	<b>146.52</b>
<b>Total (a+b)</b>	<b>300.26</b>	<b>195.00</b>

\* R & D Facilities approved by Department of Scientific and Industrial Research, Ministry of Science & Technology

## 7) Related Party Disclosure as required by the Accounting Standard 18 (AS18):

### A) Related parties and their relation:

#### [1] Wholly Owned Subsidiary Companies:

JISL Overseas Ltd., Mauritius.  
Jain International Trading BV, Netherlands

#### [2] Fellow Subsidiary Companies:

Jain (Europe ) Ltd. UK Jain ( Americas ) Inc. USA, Jain Overseas BV. Netherland	} Wholly Owned Subsidiaries of JISL Overseas Ltd., Mauritius.
Nu Cedar Mills Inc. USA, [Merged in Jain (Americas) Inc, USA w.e.f. 31 <sup>st</sup> March 2011 ] Cascade Specialties Inc. USA Jain Irrigation Holding Inc. USA	} Subsidiaries of Jain (Americas) Inc, USA
Jain Irrigation Inc, California	} Subsidiary of Jain Irrigation Holding Corporation
Point Source Irrigation, Inc., USA	} Wholly Owned Subsidiary of Jain Irrigation Inc, California
JISL Global SA Jain (Israel) BV, Netherland	} Wholly Owned Subsidiaries of Jain Overseas B V, Netherland
JISL Systems SA	} Wholly Owned Subsidiaries of JISL Global SA
Naandan Jain Irrigation CS Ltd	} Subsidiary of Jain (Israel) BV, Netherland
THE Machines SA	} Subsidiary of JISL Systems SA, Switzerland
Sleaford Quality Foods Ltd. w.e.f. 2 <sup>nd</sup> Nov. 2010	} Subsidiary of Jain (Europe ) Ltd. UK
Jain Sulama Sistemleri Sanayi Ve Ticaret Anonim Sirkti, Turkey.	} Subsidiary of Jain Overseas B V, Netherland
NaanDan Agro-Pro Ltd, Israel NaanDanJain France Sarl, France NaanDanJain Australia Pty Ltd, Australia NaanDan Do Brasil Participacoes Ltda., Brazil NaanDanJain Industria E Comercio de Equipmentos Ltda., Brasil Dansystems S.A., Chile NaanDanJain Mexico, S.A. De C.V. Mexico NaanDanJain S.R.L., Italy NaanDanJain Iberica S.C., Spain NaanDanJain Peru S.A.C, Peru NaanDanJain Irrigation Projects S.R.L., Romania Naan Sprinklers and Irrigation Systems, INC, USA	} Subsidiaries of Naandan Jain Irrigation CS Ltd, Israel
Sleaford Food Group Ltd, UK Sleaford Quality Foods Ltd, UK Arnolds Quick Dried Foods Ltd, UK	} w.e.f. 2 <sup>nd</sup> Nov. 2010 } Wholly owned Subsidiaries of SQF 2009 Ltd. UK



**[3] Companies / Firms in which Director, Director's Relatives are Directors/Partners:**

**Companies**

Jain Extrusion & Molding Pvt. Ltd.	Pixel Point Pvt. Ltd.
Jain Vanguard Polybutelyne Ltd.	Labh Subh Securities International Ltd.
Atlaz Technology Pvt. Ltd.	Jain Brothers Industries Pvt. Ltd.
JAF Products Pvt. Ltd.	Cosmos Investment & Trading Pvt. Ltd.
Jalgaon Investment Pvt. Ltd.	Stock & Securities (India) Pvt. Ltd.
Jain Rotfil Heaters Pvt. Ltd.	Timbron India Pvt. Ltd.
Jain e-agro.com India Pvt. Ltd.	Sustainable Agro-Commercial Finance Ltd.
Aadhunik Hi Tech Agriculture Pvt. Ltd. ( Formerly Gauri Hi Tech Agriculture Pvt. Ltd.)	
Jain Green Energy Ltd. (Formerly Jain Solar Systems Ltd.)	

**Partnership Firms**

Jain Computer & Allied Services	Jalgaon Udyog
Jalgaon Metal & Bricks Manufacturing Co.	

**Proprietorship**

PVC Trading House	Plastic Enterprises
Drip & Pipe Suppliers	Jain Sons Investments Corporation

**Trust**

Anubhuti Scholarship Foundation	Gandhi Research Foundation
Bhavarlal and Kantabai Jain Multipurpose Foundation	

**Trust Entities**

Jain Family Holding Trust	Jain Family Investment Trust
Jain Family Enterprises Trust	Jain Family Investment Management Trust
Jain Family Trust	

**Foreign Companies**

Jain Investments & Finance BV. Netherland	Jain Overseas Investments Ltd. Mauritius
Jain Investment A. G., Switzerland	

**[4] Key Management Personnel & Designation**

Bhavarlal H. Jain (Chairman)	Ashok B. Jain (Vice Chairman)
Anil B. Jain (Managing Director)	Ajit B. Jain (Joint Managing Director)
Atul B. Jain (Director - Marketing)	R. Swaminathan (Whole Time Director)
A. R. Barwe (Director) (Deceased on 05.10.2010)	Ramesh C A Jain (Director)
V. V. Warty (Director – SBI Nominee)	Radhika C Pereira (Director)
D. R. Mehta (Director)	Ghanshyam Dass (Director)

**[5] Relatives of Key Management Personnel & Designation**

Jyoti A. Jain (Wife of Vice Chairman)	Nisha A. Jain (Wife of Managing Director)
Shobhana A. Jain (Wife of Joint Managing Director)	Bhavana A. Jain (Wife of Director – Marketing)

**B] Transactions & Balances Party-wise -**

(₹ in Million)

**Sr. Transactions**

**1 Purchase of Goods**

Naandan Jain Irrigation CS Ltd

Jain Irrigation Inc, California

Other

	[1]	[2]	[3]	[4]	[5]	Total
	-	313.03	-	-	-	313.03
	(-)	(508.34)	(0.06)	(-)	(-)	(508.40)
	-	212.01	-	-	-	212.01
	(-)	(460.28)	(-)	(-)	(-)	(460.28)
	-	83.01	-	-	-	83.01
	(-)	(44.53)	(-)	(-)	(-)	(44.53)
	-	18.01	-	-	-	18.01
	(-)	(3.53)	(0.06)	(-)	(-)	(3.59)

**1A Reimbursement of R&D Expenses**

Jain Irrigation Inc, California

	-	27.67	-	-	-	27.67
	(-)	(-)	(-)	(-)	(-)	(-)



(₹ in Million)

<b>2 Purchase of Capital Goods.</b>	-	<b>951.70</b>	-	-	-	<b>951.70</b>
	(-)	(1,085.08)	(-)	(-)	(-)	(1,085.08)
The Machines SA	-	951.32	-	-	-	951.32
	(-)	(993.70)	(-)	(-)	(-)	(993.70)
Other	-	0.38	-	-	-	0.38
	(-)	(91.38)	(-)	(-)	(-)	(91.38)
<b>3 Sale of Goods.</b>	-	<b>3,307.69</b>	-	-	-	<b>3,307.69</b>
	(-)	(2,925.87)	(-)	(-)	(-)	(2,925.87)
Jain (Europe ) Ltd. UK.	-	1,530.45	-	-	-	1,530.45
	(-)	(1,641.47)	(-)	(-)	(-)	(1,641.47)
Jain ( Americas ) Inc. USA,	-	738.37	-	-	-	738.37
	(-)	(672.24)	(-)	(-)	(-)	(672.24)
Jain Sulama Sistemleri Sanayi Ve Ticaret Anonim Sirkti, Turkey.	-	252.07	-	-	-	252.07
	(-)	(298.68)	(-)	(-)	(-)	(298.68)
Other	-	786.80	-	-	-	786.80
	(-)	(313.48)	(-)	(-)	(-)	(313.48)
<b>4 Sale of Capital Goods.</b>	-	<b>19.75</b>	-	-	-	<b>19.75</b>
	(-)	(109.25)	(-)	(-)	(-)	(109.25)
Jain Sulama Sistemleri Sanayi Ve Ticaret Anonim Sirkti, Turkey.	-	7.27	-	-	-	7.27
	(-)	(108.15)	(-)	(-)	(-)	(108.15)
Jain Irrigation Inc, California	-	12.48	-	-	-	12.48
	(-)	(1.10)	(-)	(-)	(-)	(1.10)
<b>5 Rent Expenses</b>	-	-	<b>0.86</b>	<b>4.51</b>	<b>3.95</b>	<b>9.32</b>
	(-)	(-)	(0.47)	(2.75)	(3.95)	(7.17)
B. H. Jain	-	-	-	1.76	-	1.76
	(-)	(-)	(-)	(-)	(-)	(-)
Ajit B. Jain.	-	-	-	1.69	-	1.69
	(-)	(-)	(-)	(1.69)	(-)	(1.69)
Ashok B. Jain	-	-	-	1.06	-	1.06
	(-)	(-)	(-)	(1.06)	(-)	(1.06)
Jyoti A Jain	-	-	-	-	0.71	0.71
	(-)	(-)	(-)	(-)	(0.71)	(0.71)
Nisha A Jain	-	-	-	-	1.82	1.82
	(-)	(-)	(-)	(-)	(1.82)	(1.82)
Shobhana A Jain	-	-	-	-	0.71	0.71
	(-)	(-)	(-)	(-)	(0.71)	(0.71)
Bhavana A Jain	-	-	-	-	0.71	0.71
	(-)	(-)	(-)	(-)	(0.71)	(0.71)
Others	-	-	0.86	-	-	0.86
	(-)	(-)	(0.47)	(-)	(-)	(0.47)
<b>6 Donation</b>	-	-	<b>61.39</b>	-	-	<b>61.39</b>
	(-)	(-)	(-)	(-)	(-)	(-)
Gandhi Research Foundation	-	-	20.64	-	-	20.64
	(-)	(-)	(-)	(-)	(-)	(-)
Bhavarlal and Kantabai Jain Multipurpose Foundation	-	-	40.75	-	-	40.75
	(-)	(-)	(-)	(-)	(-)	(-)
<b>7 Discount &amp; Sales Promotion Expenses</b>	-	-	-	-	-	-
	(-)	(2.59)	(-)	(-)	(-)	(2.59)
Jain (Europe ) Ltd. UK	-	-	-	-	-	-
	(-)	(2.03)	(-)	(-)	(-)	(2.03)
Jain ( Americas ) Inc. USA,	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Jain Sulama Sistemleri Sanayi Ve Ticaret Anonim Sirkti, Turkey.	-	-	-	-	-	-
	(-)	(0.33)	(-)	(-)	(-)	(0.33)
Others	-	-	-	-	-	-
	(-)	(0.23)	(-)	(-)	(-)	(0.23)

<b>8 Remuneration &amp; Fees</b>	-	-	-	<b>254.47</b>	-	<b>254.47</b>
	(-)	(-)	(-)	(167.87)	(15.82)	(183.69)
Anil B Jain.	-	-	-	64.37	-	64.37
	(-)	(-)	(-)	(49.05)	(-)	(49.05)
Ajit B Jain.	-	-	-	60.96	-	60.96
	(-)	(-)	(-)	(44.48)	(-)	(44.48)
Ashok B Jain.	-	-	-	58.65	-	58.65
	(-)	(-)	(-)	(40.09)	(-)	(40.09)
Atul B Jain.	-	-	-	57.54	-	57.54
	(-)	(-)	(-)	(22.14)	(15.82)	(37.96)
Others	-	-	-	12.95	-	12.95
	(-)	(-)	(-)	(12.11)	(-)	(12.11)
<b>9 Investment during the year</b>	<b>67.88</b>	-	-	-	-	<b>67.88</b>
	(955.67)	(-)	(-)	(-)	(-)	(955.67)
JISL Overseas Ltd.	-	-	-	-	-	-
	(948.83)	(-)	(-)	(-)	(-)	(948.83)
Jain International Trading BV	67.88	-	-	-	-	67.88
	(6.84)	(-)	(-)	(-)	(-)	(6.84)
<b>10 Redemption of Investment</b>	-	-	-	-	-	-
	(1,040.26)	(-)	(-)	(-)	(-)	(1,040.26)
JISL Overseas Ltd,	-	-	-	-	-	-
	(1,040.26)	(-)	(-)	(-)	(-)	(1,040.26)
<b>11 Loans &amp; Other Advances Given</b>	<b>470.21</b>	-	<b>0.15</b>	<b>12.03</b>	-	<b>482.39</b>
	(261.80)	(52.66)	(1.57)	(3.43)	(-)	(319.46)
JISL Overseas Ltd.	379.95	-	-	-	-	379.95
	(261.80)	(-)	(-)	(-)	(-)	(261.80)
Jain Irrigation Inc, California	-	-	-	-	-	-
	(-)	(52.66)	(-)	(-)	(-)	(52.66)
Jain International Trading BV	90.26	-	-	-	-	90.26
	(-)	(-)	(-)	(-)	(-)	(-)
Others	-	-	0.15	12.03	-	12.18
	(-)	(-)	(1.57)	(3.43)	(-)	(5.00)
<b>12 Interest &amp; Forex Loss on Loans Given</b>	<b>41.04</b>	<b>0.67</b>	-	-	-	<b>41.71</b>
	(41.24)	(3.22)	(-)	(-)	(-)	(44.46)
JISL Overseas Ltd.	40.00	-	-	-	-	40.00
	(41.24)	(-)	(-)	(-)	(-)	(41.24)
Jain Irrigation Inc, California	-	0.67	-	-	-	0.67
	(-)	(3.22)	(-)	(-)	(-)	(3.22)
Jain International Trading B.V.	1.04	-	-	-	-	1.04
	(-)	(-)	(-)	(-)	(-)	(-)
<b>13 Forfeiture of Equity Share Warrants</b>	-	-	-	-	-	-
	(-)	(-)	(205.61)	(152.88)	(-)	(358.49)
Cosmos Investments Trading Pvt. Ltd	-	-	-	-	-	-
	(-)	(-)	(205.61)	(-)	(-)	(205.61)
Ashok B. Jain	-	-	-	-	-	-
	(-)	(-)	(-)	(38.22)	(-)	(38.22)
Anil B. Jain	-	-	-	-	-	-
	(-)	(-)	(-)	(38.22)	(-)	(38.22)
Ajit B. Jain	-	-	-	-	-	-
	(-)	(-)	(-)	(38.22)	(-)	(38.22)
Atul B. Jain	-	-	-	-	-	-
	(-)	(-)	(-)	(38.22)	(-)	(38.22)



(₹ in Million)

**14 ESOP Allotment**

	-	-	-	<b>9.65</b>	-	<b>9.65</b>
	(-)	(-)	(-)	(4.62)	(-)	(4.62)
R. Swaminathan	-	-	-	4.75	-	4.75
	(-)	(-)	(-)	(1.54)	(-)	(1.54)
Radhika Pareira	-	-	-	2.45	-	2.45
	(-)	(-)	(-)	(-)	(-)	(-)
D R Mehta	-	-	-	2.45	-	2.45
	(-)	(-)	(-)	(-)	(-)	(-)
A. R. Barwe	-	-	-	-	-	-
	(-)	(-)	(-)	(1.54)	(-)	(1.54)
Ramesh CA Jain	-	-	-	-	-	-
	(-)	(-)	(-)	(1.54)	(-)	(1.54)

**15 Issue of Equity Share Warrants**

	-	-	<b>195.01</b>	<b>152.92</b>	-	<b>347.93</b>
	(-)	(-)	(-)	(-)	(-)	(-)
Anil B Jain	-	-	-	76.46	-	76.46
	(-)	(-)	(-)	(-)	(-)	(-)
Atul B Jain	-	-	-	76.46	-	76.46
	(-)	(-)	(-)	(-)	(-)	(-)
Jain Brothers Industries Pvt. Ltd.	-	-	195.01	-	-	195.01
	(-)	(-)	(-)	(-)	(-)	(-)

**16 Corporate Guarantees Given for Subsidiaries during the Year**

	-	<b>776.13</b>	-	-	-	<b>776.13</b>
	(-)	(758.03)	(-)	(-)	(-)	(758.03)
Jain ( Americas ) Inc. USA,	-	102.65	-	-	-	102.65
	(-)	(671.71)	(-)	(-)	(-)	(671.71)
Jain Irrigation Inc, California	-	104.08	-	-	-	104.08
	(-)	(86.32)	(-)	(-)	(-)	(86.32)
Jain Sulama Sistemleri Sanayi Ve Ticaret Anonim Sirkti, Turkey.	-	212.20	-	-	-	212.20
	(-)	(-)	(-)	(-)	(-)	(-)
Jain (Israel) BV, Netherland	-	357.20	-	-	-	357.20
	(-)	(-)	(-)	(-)	(-)	(-)

**Balances Receivables & Payables:**

**1 Investment in**

	<b>4,009.23</b>	-	-	-	-	<b>4,009.23</b>
	(3,941.35)	(-)	(-)	(-)	(-)	(3,941.35)
JISL Overseas Ltd.	3,934.51	-	-	-	-	3,934.51
	(3,934.51)	(-)	(-)	(-)	(-)	(3,934.51)
Jain International Trading BV.	74.72	-	-	-	-	74.72
	(6.84)	(-)	(-)	(-)	(-)	(6.84)

**2 Loan given to**

	<b>1,249.24</b>	<b>58.22</b>	-	-	-	<b>1,307.46</b>
	(755.84)	(49.45)	(-)	(-)	(-)	(805.29)
JISL Overseas Ltd.	1,158.90	-	-	-	-	1,158.90
	(755.84)	(-)	(-)	(-)	(-)	(755.84)
Jain Irrigation Inc, California	-	58.22	-	-	-	58.22
	(-)	(49.45)	(-)	(-)	(-)	(49.45)
Jain International Trading BV	90.34	-	-	-	-	90.34
	(-)	(-)	(-)	(-)	(-)	(-)

**3 Accounts Receivable**

	-	<b>1,911.23</b>	<b>0.15</b>	-	-	<b>1,911.38</b>
	(-)	(1,763.62)	(8.97)	(-)	(-)	(1,772.59)
Jain (Europe ) Ltd. UK	-	1,200.25	-	-	-	1,200.25
	(-)	(1,127.26)	(-)	(-)	(-)	(1,127.26)
Jain ( Americas ) Inc. USA,.	-	112.74	-	-	-	112.74
	(-)	(76.46)	(-)	(-)	(-)	(76.46)
THE Machines SA.	-	10.38	-	-	-	10.38
	(-)	(-)	(-)	(-)	(-)	(-)
Jain Sulama Sistemleri Sanayi Ve Ticaret Anonim Sirkti, Turkey.	-	9.93	-	-	-	9.93
	(-)	(360.93)	(-)	(-)	(-)	(360.93)



(₹ in Million)

Naandan Jain Irrigation CS Ltd.	-	80.55	-	-	-	80.55
	(-)	(113.83)	(-)	(-)	(-)	(113.83)
SQF 2009 Ltd	-	273.12	-	-	-	273.12
	(-)	(-)	(-)	(-)	(-)	(-)
Others	-	224.26	0.15	-	-	224.41
	(-)	(85.14)	(8.97)	(-)	(-)	(94.11)
<b>4 Accounts Payable</b>	-	<b>289.20</b>	-	<b>186.74</b>	-	<b>475.94</b>
	(-)	(233.17)	(0.13)	(117.61)	(12.93)	(363.84)
Naandan Jain Irrigation CS Ltd,	-	178.64	-	-	-	178.64
	(-)	(151.83)	(-)	(-)	(-)	(151.83)
Jain (Europe ) Ltd. UK	-	54.93	-	-	-	54.93
	(-)	(55.05)	(-)	(-)	(-)	(55.05)
THE Machine SA	-	20.57	-	-	-	20.57
	(-)	(5.93)	(-)	(-)	(-)	(5.93)
Jain Irrigation Inc, California	-	70.92	-	-	-	70.92
	(-)	(16.62)	(-)	(-)	(-)	(16.62)
Others	-	5.28	-	186.74	-	192.02
	(-)	(3.74)	(0.13)	(117.61)	(12.93)	(134.41)
<b>5 Deposit Receivable</b>	-	-	<b>10.00</b>	<b>61.20</b>	<b>61.23</b>	<b>132.43</b>
	(-)	(-)	(8.00)	(61.20)	(61.23)	(130.43)
Ajit B Jain	-	-	-	30.67	-	30.67
	(-)	(-)	(-)	(30.67)	(-)	(30.67)
Nisha A Jain	-	-	-	-	30.01	30.01
	(-)	(-)	(-)	(-)	(30.01)	(30.01)
Jyoti A Jain	-	-	-	-	25.63	25.63
	(-)	(-)	(-)	(-)	(25.63)	(25.63)
Atul B Jain	-	-	-	24.00	-	24.00
	(-)	(-)	(-)	(24.00)	(-)	(24.00)
Others	-	-	10.00	6.53	5.59	22.12
	(-)	(-)	(8.00)	(6.53)	(5.59)	(20.12)
<b>6 Corporate Guarantees Given for Subsidiaries</b>	-	<b>1,802.04</b>	-	-	-	<b>1,802.04</b>
	(-)	(1,379.49)	(-)	(-)	(-)	(1,379.49)
Jain (Europe ) Ltd. UK	-	-	-	-	-	-
	(-)	(170.08)	(-)	(-)	(-)	(170.08)
Jain Irrigation Inc, California	-	267.90	-	-	-	267.90
	(-)	(451.40)	(-)	(-)	(-)	(451.40)
Jain Irrigation Inc, California	-	190.41	-	-	-	190.41
	(-)	(86.32)	(-)	(-)	(-)	(86.32)
Jain Sulama Sistemleri Sanayi Ve Ticaret Anonim Sirkti, Turkey.	-	212.20	-	-	-	212.20
	(-)	(-)	(-)	(-)	(-)	(-)
Jain (Israel) BV, Netherland	-	357.20	-	-	-	357.20
	(-)	(-)	(-)	(-)	(-)	(-)
Jain ( Americas ) Inc. USA,	-	774.33	-	-	-	774.33
	(-)	(671.68)	(-)	(-)	(-)	(671.68)

**Note:** Previous Year's figures are given in brackets & italics.

Personal Guarantees of Promoters given to Consortium Bank and FI's for various credit facilities provided to the Company and counter guaranteed by the Company is amounting to ₹29,430.94 Million ( Previous Year : ₹19,675.29 Million ).

The Company, in its quest for rural development, has supported through investment in buildings, facility and infrastructure in an initiative by Bhavarlal & Kantabai Jain Multipurpose Foundation to establish a residential school called "Anubhuti School" based upon Indian ethos and values. The Company also derives benefit from this investment in the form of usage of these facilities, children of Company's associates get priority admission into the school, etc.

[1] \* Wholly Owned Subsidiary Companies;

[2] \* Fellow Subsidiary Companies

[3] \* Companies / Firms in which Director, Directors Relatives are Directors / Partners;

[4] \* Key Management Personnel

[5] \* Relatives of Key Management Personnel & Designation

## 8) Leases:

The Company has entered into "Operating Lease for premises" as defined in the Accounting Standard 19 (AS-19). Significant terms of the Lease Agreement are:

- No transfer of ownership on termination of lease,
- No compensation for transfer on termination of lease.
- No renewal of lease on expiry of the lease period.

The future Minimum Lease Payments (MLP) under non-cancelable operating lease in the aggregate and for each of the following periods are as under:

[₹ in Million]

Particulars	2010-11	2009-10
Not later than one year	13.68	22.25
Later than one year and not later than five years	18.37	29.88
Later than five years	1.74	3.29

Aggregate amount of operating lease rent debited to Profit and Loss account during the year is ₹ 66.89 Million (Previous Year : Rs 44.46 Million)

## 9) Earning per Share ( EPS):

[₹ in Million]

Particulars	31-Mar-2011	31-Mar-2010
i) Profit for the year	2,952.59	2,712.45
Less: Proposed dividend on preference capital (Including Dividend Tax )	0.27	15.84
Amount Available for Equity Share Holders	2,952.32	2,696.61
ii) Weighted average Number of Equity Shares for Basic EPS [Nos.]	381,126,589	376,181,615
Add: Number of Potential Equity Shares under ESOP	332,289	804,015
Add: Number of Shares against Deposit of Equity Share Warrants	-	-
iii) Weighted average Number of Equity Shares including potential Equity Shares for Diluted EPS [Nos.]	381,458,878	376,985,630
<b>Basic EPS [₹ ]</b>	<b>7.75</b>	<b>7.17</b>
<b>Diluted EPS [₹ ]</b>	<b>7.74</b>	<b>7.15</b>

## 10)a) Primary Segment Accounting:

Reporting of Segment wise Revenue, Result and Capital Employed:

[₹ in Million]

Particulars	Year Ended 31-Mar-2011	Year Ended 31-Mar-2010
<b>1 Segment Revenue</b>		
a) Hi-tech Agri Input Products	22,859.80	18,042.10
b) Industrial Products	10,449.21	9,187.00
Net Sales Income From Operations	33,309.01	27,229.10
<b>2. Segment Results: Profit before Tax.</b>		
a) Hi-tech Agri Input Products	6,609.70	4,716.88
b) Industrial Products	1,244.70	1,663.03
Sub Total	<b>7,854.40</b>	<b>6,379.91</b>
Un-allocable expenditure (Net):		
Less: i) Interest	2,363.63	1,942.97
ii) Taxation (Including short provision) Add short provision	1,322.49	1,219.34
iii) Others (Net off Income)	1,215.70	523.60
Total Profit / (Loss) After Tax:	<b>2,952.59</b>	<b>2,712.45</b>

3.	Other Information (Capital Employed) 2010-11	Hi-tech Agri Input Products	Industrial Products	Others Un-allocable	Total
	Capital Assets (Net) Including CWIP & Investments	7,339.70	6,789.67	6,255.05	20,384.42
	Current Assets (Net)	16,236.11	10,254.72	6,777.60	33,268.43
	Current Liabilities (Net)	(6,980.42)	(3,438.02)	(3,042.37)	(13,460.81)
		<b>16,595.39</b>	<b>13,306.37</b>	<b>9,990.28</b>	<b>40,192.04</b>
	<b>Other Information: 2010-11</b>				
	Depreciation/ Amortization	361.42	412.47	60.45	834.34
	Capital Expenditure	1,396.15	362.91	1,418.60	3,177.66
	Non Cash items	78.83	41.82	-	120.65
	<b>Other Information (Capital Employed): 2009-10</b>				
	Capital Assets (Net) Including CWIP & Investments	5,943.55	6,126.76	5,136.46	17,206.77
	Current Assets (Net)	10,395.30	7,039.92	6,976.15	24,411.37
	Current Liabilities (Net)	(3,580.46)	(3,678.41)	(2,069.51)	(9,328.38)
		<b>12,758.39</b>	<b>9,488.27</b>	<b>10,043.10</b>	<b>32,289.76</b>
	<b>Other Information: 2009-10</b>				
	Depreciation/ Amortization	416.62	269.30	-	685.92
	Capital Expenditure	1,438.81	1,309.62	43.12	2,791.55
	Non Cash items	63.06	46.51	-	109.57

#### b) Secondary Segment Accounting (Geographical) :

Segment Revenue : 2010-11	India	Europe	USA	Rest of the World	Total
a] Hi-tech Agri Input Products	22,272.45	211.03	297.25	530.34	23,311.07
b] Industrial Products	5,877.95	1,875.82	929.11	1,315.06	9,997.94
	<b>28,150.40</b>	<b>2,086.85</b>	<b>1,226.36</b>	<b>1,845.40</b>	<b>33,309.01</b>
Segment Revenue : 2009-10					
a] Hi-tech Agri Input Products	17,029.84	228.75	185.92	611.56	18,056.07
b] Industrial Products	4,990.28	2,238.28	727.59	1,216.88	9,173.03
	<b>22,020.12</b>	<b>2,467.03</b>	<b>913.51</b>	<b>1,828.44</b>	<b>27,229.10</b>

#### Notes:

- 1) Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17) taking into account the organisation structure as well as the differential risks and returns of these segments.
- 2) The Company has disclosed Business Segment as the primary segment and type of products and services in each segment: a) Hi-tech Agri Input Products: Micro & Sprinkler Irrigation, PVC Pipes, Bio-tech Tissue Culture. b) Industrial Products : PVC & PC Sheets, PE Pipes, Onion & Vegetable Dehydration, Fruit Processing, Solar.
- 3) The revenue and results figure given above are directly identifiable to respective segments and expenditure on common services incurred at the corporate level are not directly identifiable to respective segments have been shown as "Other Un-allocable Expenditure".
- 4) The Other Information figures given above are directly identifiable to respective segments and information for corporate services for head office and investments related to acquisitions have been shown as "Others Un-allocable".

#### 11) Deferred Tax:

[₹ in Million]

Particulars	As at 31-Mar-2011	As at 31-Mar-2010
Depreciation	(1,304.45)	(1,154.04)
Carried Forward Capital Losses	-	29.13
Disallowance Under Section 43B of the IT Act, 1961	26.45	19.68
Other Current Assets / Liabilities	53.75	80.81
Net Deferred Tax Assets / (Liability)	(1,224.25)	(1,024.42)

## 12) Remittance in foreign currency for dividend:

The Company has remitted ₹ 200.22 Million (Previous Year : ₹ 99.27 Million) on account of dividend payable pertaining to year 2010-11 to the non-resident shareholders on 44,493,498 (Previous Year : 39,707,028) number of ordinary shares held by them.

## 13) Disclosure of Derivatives:

### a) Total Foreign Currency (FC) Exposure (net of forward cover)

[FC in Million]

	USD		Euro		GBP		Others	
	CY	PY	CY	PY	CY	PY	CY	PY
<b>Liabilities:</b>								
1. Loans and ZCCB taken	167.26	127.64	(0.13)	0.28	-	-	23.62	15.86
2. Import Liabilities and LC Commitments	147.81	18.54	4.85	3.64	(0.02)	0.00	15.18	(0.69)
3. Contingent Liability- Corporate Guarantee	40.11	31.68	-	-	-	2.27	-	-
<b>Sub Total</b>	<b>355.18</b>	<b>177.86</b>	<b>4.72</b>	<b>3.92</b>	<b>(0.02)</b>	<b>2.28</b>	<b>38.80</b>	<b>15.17</b>
<b>Assets:</b>								
1. Export Receivables	43.01	21.77	12.48	9.50	8.20	7.37	-	-
2. Balances with Banks	0.01	0.01	-	-	-	-	-	-
3. Loans & Advances	22.44	16.74	-	-	-	-	0.97	1.24
4. Investment	87.71	86.21	-	-	-	-	-	-
<b>Sub Total</b>	<b>153.17</b>	<b>124.74</b>	<b>12.48</b>	<b>9.50</b>	<b>8.20</b>	<b>7.37</b>	<b>0.97</b>	<b>1.24</b>
<b>Net Liability/(Asset)</b>	<b>202.01</b>	<b>53.13</b>	<b>(7.76)</b>	<b>(5.58)</b>	<b>(8.22)</b>	<b>(5.10)</b>	<b>37.82</b>	<b>13.92</b>
Rupee Conversion Rate	44.65	45.14	63.24	60.56	71.93	68.03		

CY: Current Year PY: Previous Year

Note: Other FC amount shown in US\$ denomination, converted as of 31-March-2011 & 31-March-2010.

### Derivative instruments outstanding:

Option (USD / INR) – Long Term USD 46.50 Million Euro 0.60 Million (Previous Year : ₹ 59.50 Million)  
 Loan Interest Rate Swap (USD / INR) – Long Term USD 69.14 Million CHF 8.54 Million (Previous Year : ₹ 70.50 Million)

b) The net un-realised loss aggregating ₹ 194.83 Million (Previous Year : ₹ 260.80 Million) in respect of derivative instruments which qualify for hedge accounting have been accounted for as a Hedging Reserve to be ultimately recognized in the profit and loss account when the underlying transactions will be matured.

14) To the extent, the Company has received the intimation from the "Suppliers" regarding their status under the Micro, Small, and Medium Enterprises Development Act, 2006 (MSMED Act), the details are provided as under:

[₹ in Million]

Particulars	2010-11	2009-10
1) Principal amount remaining unpaid as on 31 <sup>st</sup> March,	Nil	Nil
2) Interest due thereon remaining unpaid as on 31 <sup>st</sup> March	Nil	Nil
3) Interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	Nil	Nil
4) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	Nil	Nil
5) Interest accrued and remaining unpaid as at 31 <sup>st</sup> March	Nil	Nil
6) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	Nil	Nil

15) The Company has a system of periodically reconciling outstanding balances of sundry debtors, advances, deposits, etc. and on such reconciliation; the necessary adjustments are made in accounts. Consequently, balances at the end of the year are as per books of accounts.

16) During the year, pursuant to the approval of Shareholders in the EGM held on 9<sup>th</sup> March, 2011, a lot of 6,100,000 Equity Warrants was allotted as per SEBI (ICDR) Regulations 2009 and other applicable provisions of law at a price of ₹ 228.15 each, aggregating to ₹ 1,391.72 million. These warrants are to be converted to Equity Shares as per the terms of Issue. A deposit of ₹ 57.0375 per Equity Warrant amounting to ₹ 347.93 million has been paid by the subscribers.



- 17) The Company was hitherto, amortising the Goodwill on acquisition in the year of acquisition. During the year, the company has changed its policy for amortisation of Goodwill in acquisition on the year to a period of five years from the date of acquisition. There is no impact on the Profit and Loss account for the year.
- 18) In terms of MOU dated 15<sup>th</sup> May 2008 entered by Company with Govt. of Maharashtra, (GoM), the Company has received an Eligibility Certificate (EC) under the Industrial Promotion Scheme (IPS) from DIC, GoM for ₹ 3,804.71 Million valid upto 7 years from date of commercial production (30.09.2009). The Company has taken credit for ₹554.03 Million for the year ended 31<sup>st</sup> March, 2011 which includes ₹142.39 Million for the period October 2009 to March 2010.
- 19) Pursuant to the Board decision dated 9<sup>th</sup> August 2010 and Shareholders decision dated 29<sup>th</sup> September 2010, the Company decided to split Equity Shares of ₹10 each into Equity Shares of ₹2 each. The Company fixed a Record Date of 1<sup>st</sup> November 2010 to make effective the split of shares as above.
- 20) Amounts less than ₹5,000 have been shown at actual in brackets since the amounts are rounded off to the nearest million. (One Million = Ten Lacs)
- 21) The previous financial year's figures have been reworked, regrouped and reclassified to the extent possible, wherever necessary. The Previous Year's figures had been audited by a firm of Chartered Accountants other than Haribhakti & Co.

As per our report of even date

For Haribhakti & Co.  
Firm Registration No: 103523W  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Sd/-

Sd/-

Sd/-

**Prasad V. Paranjape**  
Partner (Membership No: 47296)  
Mumbai, 5<sup>th</sup> August 2011

**A. V. Ghodgaonkar**  
Company Secretary

**Anil B. Jain**  
Managing Director

**Ghanshyam Dass**  
Director  
Jalgaon, 5<sup>th</sup> August 2011

## Additional Information pursuant to the Part II of Schedule VI of the Companies Act, 1956

# Annexure - A

### A) Details of Licensed and Installed capacity and Production

Sr.	Products	Unit	Installed Capacity [1]		Production	
			31-Mar-11	31-Mar-10	2010-11	2009-10
A)	Micro Irrigation Systems <sup>[2]</sup>	MT	212,410	159,350	101,404	80,634
B)	Piping Systems <sup>[2]</sup>	MT	259,990	226,345	120,979	112,600
C)	Plastic Sheets	MT	36,300	36,300	14,920	14,306
D)	<b>Agro Processing</b>					
	Dehydrated Onions & Vegetables	MT	18,214	18,214	11,842	11,214
	Fruit Puree & Concentrate	MT	141,575	109,575	58,179	64,545
E)	<b>Solar Systems</b>					
	Solar Water Heating Systems	LTR	2,000,000	1,200,000	1,649,000	790,965
	Solar Photo voltaic Systems	Watts	25,000,000	800,000	7,637,405	605,136
F)	<b>Tissue Culture Plants</b>	No's	30,000,000	25,000,000	23,814,905	21,432,270
G)	<b>Slabs / Tiles <sup>[3]</sup></b>	Sq Mtr	33,750	33,750	31,879	26,566

#### Note:

[1] As certified by Management and accepted by the auditors.

[2] Optimum Capacity Utilization is only 70% to 80% of installed capacity due to seasonality factor.

[3] Entire Production for Captive Consumption.

## Annexure- B Stocks and Turnover

Class of Goods	Unit	Opening Stock				Closing Stock				Turnover			
		01-Apr-10		01-Apr-09		31-Mar-11		31-Mar-10		2010-11		2009-10	
		Quantity	Value ₹ in Million	Quantity	Value ₹ in Million	Quantity	Value ₹ in Million	Quantity	Value ₹ in Million	Quantity	Value ₹ in Million	Quantity	Value ₹ in Million
<b>Goods Manufactured :</b>													
Micro Irrigation Systems <sup>[1&amp;3]</sup>	MT	6,066	1,611.30	3,720	974.68	10,342	2,573.63	6,066	1,611.30	97,507	18,448.09	81,364	14,462.50
Piping Systems <sup>[3]</sup>	MT	7,975	544.68	4,723	324.37	5,713	474.00	7,975	544.68	123,392	11,389.40	109,774	10,197.97
Plastic Sheet	MT	11	0.80	2	0.19	40	3.93	11	0.80	14,891	1,424.20	14,297	1,548.20
Dehydrated Onions & Vegetables <sup>[3]</sup>	MT	1,575	152.31	3,143	265.63	760	69.25	1,575	152.31	12,678	1,342.73	12,829	1,344.95
Fruit Puree & Concentrate	MT	16,214	840.32	8,135	536.20	24,963	1,860.92	16,214	840.32	49,430	3,087.80	56,483	2,690.86
Tissue Culture Plants	Nos.	8,759,038	52.32	5,780,053	39.24	10,052,428	56.53	8,759,038	52.32	22,521,515	278.10	18,453,285	231.59
Solar Water Heating Systems <sup>[2]</sup>	LTR	87,300	11.94	105,030	14.32	131,325	14.20	87,300	11.94	1,604,975	241.94	812,040	134.16
Solar Photo voltaic Systems	Watts				0.00	5,802,782	568.29		0.00	1,834,623	543.10	605,136	224.33
Others <sup>[4]</sup>			6.96		2.27		73.51		6.96		128.50		61.34
<b>Total</b>			<b>3,220.64</b>		<b>2,156.88</b>		<b>5,694.24</b>		<b>3,220.64</b>		<b>36,883.85</b>		<b>30,895.90</b>

[1] a) Micro Irrigation Systems consist of Polytube, Injection Moulded Components, Filter and Filtration Equipments and certain Bought-out Components. MIS Systems are normally sold on acreage basis in the Domestic market. Since the per acre cost varies depending upon the crop, soil conditions & size of the plot, the unit for sales has been converted into MT, wherever required.

b) The Polytube, Injection Moulded Components and Filter and Filtration Equipments for export are sold on Meters & Numbers basis, however the same is converted in MT for this statement.

[2] The Solar Water Heating Systems has been stated as "Liters" based on the capacity of the Storage Tank.

[3] Turnover is gross and excludes sales return quantity for Micro Irrigation Systems 379 MT, Plastic Piping Systems 152 MT, Dehydrated Onions & Vegetables 20 MT (Previous Year : Mirco Irrigation Systems 3076 MT, Plastic Piping Systems 426 MT & Dehydrated Onions & Vegetables 47)

[4] Others includes Stock-in-Process of Rs 67413634 (Previous Year : Nil).

Additional Information pursuant to the Part II of Schedule VI of the Companies Act 1956

## Annexure- C

Cost of Materials Consumed, Purchases etc.

Major materials	Unit	2010-11		2009-10	
		Quantity	Value ₹ in Million	Quantity	Value ₹ in Million
Raw Materials [including Components] Consumed					
Resins	MT	217,506	13,758.57	185,722	10,279.07
Chemicals and additives	MT	18,788	1,699.10	18,084	1,197.78
Vegetables	MT	84,591	718.64	84,840	575.76
Fruits	MT	115,580	2,134.88	173,376	1,478.01
Packing Material & Others		-	2,970.28	-	3,374.76
<b>Total</b>			<b>21,281.47</b>		<b>16,905.38</b>

Additional Information pursuant to the Part II of Schedule VI of the Companies Act, 1956

## Annexure- D

Value of Imported and Indigenous Raw Materials & Components and Stores & Spares Consumed

Product	2010-11		2009-10	
	%	Value ₹ in Million	%	Value ₹ in Million
<b>a] Raw Materials [including components]</b>				
- Imported	35%	7,344.27	32%	5,392.25
- Indigenous	65%	13,937.20	68%	11,513.13
	<b>100%</b>	<b>21,281.47</b>	<b>100%</b>	<b>16,905.38</b>
<b>b] Stores &amp; Spares</b>				
- Imported	19%	128.63	33%	145.57
- Indigenous	81%	535.14	67%	293.94
	<b>100%</b>	<b>663.77</b>	<b>100%</b>	<b>439.51</b>

Additional Information pursuant to the Part II of Schedule VI of the Companies Act, 1956

## Annexure- E

C.I.F. Value of Imports, Expenditure and Earnings of Foreign Currency

	2010-11	2009-10
	₹ in Million	₹ in Million
<b>a) C.I.F. Value of Imports</b>		
Raw Materials, Components and Stores and Spares	7,781.15	6,796.71
Capital Goods	1,787.89	5,837.81
	<b>9,569.04</b>	<b>6,796.71</b>
<b>b) Expenditure in Foreign Currency (on accrual basis)</b>		
Interest and Finance Charges	279.88	209.90
Discount/Commission on Export Sales	2.58	1.37
Export Selling / Market Development Expenses	8.08	27.43
Travelling Expenses	16.36	8.86
Law & Legal/Professional Consultancy Expenses	28.95	27.66
Testing, Quality & Others Charges	8.62	12.92
	<b>344.47</b>	<b>288.14</b>
<b>c) Earnings in Foreign Currency</b>		
FOB Value of Exports (on the basis of bill of lading)	4,920.47	4,889.57
	<b>4,920.47</b>	<b>4,889.57</b>



# STATUTORY INFORMATION

## Part 4 of Schedule 6 of Companies Act,1956 ( As Amended )

### Balance Sheet Abstract and Company's General Business Profile

#### 1) Registration Details:

Registration No.	State Code	CIN No.	Balance Sheet Date
42028	11	L29120 MH 1986 PLC 042028	31-Mar-2011

#### 2) Capital Raised during the year ( ₹in thousand )

Public Issue	Right Issue	Bonus Issue	Private Placement
Nil	Nil	Nil	11,142

#### 3) Position of Mobilisation and Deployment of Funds ( ₹in thousand )

Total Liabilities	Total Assets
40,192,052	40,192,052

#### Sources of Funds:

Paid-Up Capital	Reserve & Surplus	Secured Loans	Unsecured Loans	Deferred Tax Asset
1,119,378	15,723,332	16,964,086	5,161,008	1,224,248

#### Application of Funds:

Net Fixed Assets	Investment	Net Current Assets
16,351,637	4,032,779	19,807,636

Misc. Expenditure	Accumulated Losses
Nil	Nil

#### 4) Performance of Company ( ₹in thousand )

Turnover (Net)	Total Expenditure	Profit/(Loss) Before Tax	Profit/(Loss) After Tax
34,216,808	29,941,727	4,275,081	2,952,592

<b>Earning Per Share in ₹</b>	<b>Dividend Rate ( % )</b>
Basic :	7.75
	50.00%

#### 5) Generic Names of Three Principal Products/ Services of Company ( as per monetary terms):

Item Code No. (ITC Code)	Product Description
842481.00	Micro Irrigation Systems
Item Code No. (ITC Code)	Product Description
392061	Plastic Sheets
Item Code No. (ITC Code)	Product Description
391723.09	Plastic Extruded and Moulded Products such as Pipes, Fittings, Profiles etc.

For and on behalf of the Board of Directors

Sd/-  
**A. V. Ghodgaonkar**  
Company Secretary

Sd/-  
**Anil B. Jain**  
Managing Director

Sd/-  
**Ghanshyam Dass**  
Director  
Jalgaon, 5<sup>th</sup> August 2011



# AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To

The Board of Directors of Jain Irrigation Systems Limited

- 1) We have audited the attached consolidated Balance Sheet of Jain Irrigation Systems Limited ('the Company'), its subsidiaries and its jointly controlled entity; hereinafter referred to as the "Group" as at 31<sup>st</sup> March 2011, the consolidated Profit and Loss account and the consolidated cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) 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.
- 3) We did not audit the financial statements of any of the subsidiaries and the jointly controlled entity included in the consolidated financial statements, which constitute total assets of ₹ 30152.72 millions as at 31<sup>st</sup> March 2011, total revenue of ₹ 9787.69 millions, net profit of ₹ 20.44 millions and net cash flows amounting to ₹ 313.42 millions for the year then ended. These financial statements and other financial information have been audited/reviewed by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of other auditors.
- 4) We report that the consolidated financial statements have been prepared by company's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements and Accounting Standard (AS) 27, Financial Reporting of Interests in Joint Ventures notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended).
- 5) Based on our audit and on consideration of reports of other auditors on separate financial statements and other financial information of the components, and to the best of our information and according to the explanations given to us, in our opinion that the attached 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 the Group as at 31<sup>st</sup> March, 2011;
  - b) In the case of the consolidated profit and loss account, of the profit for the year ended on that date; and
  - c) In the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

**For Haribhakti & Co.**  
Chartered Accountants  
FRN No.103523W

Sd/-

**Prasad Paranjape**  
Partner

Membership No. 47296

**Mumbai, 5<sup>th</sup> August 2011**



# CONSOLIDATED BALANCE SHEET AS AT 31-MARCH-2011

	Schedule	31-Mar-2011	₹ in Million 31-Mar-2010
<b>SOURCES OF FUNDS :</b>			
<b>Shareholders' Funds :</b>			
Share Capital	1	771.45	783.44
Share Warrants	2	347.93	-
Reserves and Surplus	3	14,438.71	11,383.89
		<b>15,558.09</b>	<b>12,167.33</b>
<b>Minority Interests</b>		<b>524.23</b>	<b>570.72</b>
<b>Deferred Tax Liability</b> (Ref. Note No. 10 of Sch. 22: Part B.)		<b>1,238.99</b>	<b>1,024.42</b>
<b>Loan Funds :</b>			
Secured Loans	4	24,466.57	20,507.53
Unsecured Loans	5	5,421.21	3,939.95
		<b>29,887.78</b>	<b>24,447.48</b>
	<b>Total</b>	<b>47,209.09</b>	<b>38,209.95</b>
<b>APPLICATION OF FUNDS :</b>			
<b>Fixed Assets :</b>			
Gross Block	6	26,499.18	21,600.51
Less: Accumulated Depreciation / Amortisation		(8,044.25)	(6,667.42)
		18,454.93	14,933.09
Add: Goodwill on Consolidation (Net)		1,716.35	1,665.93
<b>Net Block</b>		<b>20,171.28</b>	<b>16,599.02</b>
<b>Capital Work-In-Progress [including capital advances]</b>	7	<b>1,611.13</b>	<b>1,324.29</b>
<b>Investments</b>	8	<b>211.07</b>	<b>210.82</b>
<b>Deferred Tax Assets</b> (Ref. Note No. 10 of Sch. 22: Part B.)		<b>577.41</b>	<b>414.29</b>
<b>Current Assets, Loans &amp; Advances :</b>			
a] Inventories	9	14,864.37	10,637.51
b] Sundry Debtors		16,924.09	10,099.10
c] Cash & Bank Balances		4,143.72	5,052.59
d] Other Assets		246.16	251.54
e] Loans & Advances		4,783.74	3,631.26
		<b>40,962.08</b>	<b>29,672.00</b>
Less:			
<b>Current Liabilities &amp; Provisions :</b>			
a] Current Liabilities	10	15,603.93	9,323.18
b] Provisions		719.95	687.29
		<b>16,323.88</b>	<b>10,010.47</b>
<b>Net Current Assets</b>		<b>24,638.20</b>	<b>19,661.53</b>
	<b>Total</b>	<b>47,209.09</b>	<b>38,209.95</b>
<b>Notes forming part of the Accounts</b>	<b>22</b>		
The Schedules & Notes to Accounts referred to above form an integral part of the Balance Sheet			

Signatures to the Schedule 1 to 22

As per our report of even date

For and on behalf of

**Haribhakti & Co.**

Firm Registration No: 103523W

Chartered Accountants

Sd/-

**Prasad V. Paranjape**

Partner (Membership No: 47296)

Mumbai, 5<sup>th</sup> August 2011

Sd/-

**A. V. Ghodgaonkar**

Company Secretary

Sd/-

**Anil B. Jain**

Managing Director

Sd/-

**Ghanshyam Dass**

Director

Jalgaon, 5<sup>th</sup> August 2011



# CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-MAR-2011

₹ in Million

	Schedule	2010-11	2009-10
<b>Income :</b>			
Sales and Operating Income	11	42,436.18	34,864.33
Less: Excise Duty / Service Tax Recovered		(907.80)	(664.41)
		41,528.38	34,199.92
Other Income	12	274.01	196.91
		<b>41,802.39</b>	<b>34,396.83</b>
<b>Expenditure :</b>			
Cost of Materials Consumed, Purchases, etc.	13	25,752.12	20,731.28
(Increase) / Decrease in Stock	14	(3,126.85)	(1,821.79)
Manufacturing Expenses	15	3,414.21	2,782.82
Payments To and Provisions for Employees	16	4,177.89	3,513.61
Selling & Distribution Expenses	17	2,936.61	2,562.74
Administrative & Other Expenses	18	1,717.07	1,374.82
Difference in Foreign Exchange Rate (Net)		(278.52)	(868.23)
Cost of Self Generated Capital Equipments		(1,001.38)	(880.60)
		<b>33,591.15</b>	<b>27,394.65</b>
<b>Operating Profit</b>		<b>8,211.24</b>	<b>7,002.18</b>
Less: Interest & Finance Charges	19	2,716.54	2,193.91
<b>Profit before Depreciation, Taxation, Prior Period Expenses &amp; Minority Interest</b>		<b>5,494.70</b>	<b>4,808.27</b>
Less: Amounts Written Off and Provisions	20	184.32	107.02
Less: Depreciation / Amortisation		1,216.17	1,019.58
<b>Profit for the year before Taxation, Prior Period Expenses &amp; Minority Interest</b>		<b>4,094.21</b>	<b>3,681.67</b>
Less: Deferred Tax		(36.49)	(224.42)
Less: Provision for Current Tax		(963.41)	(747.15)
Add: MAT Credit Utilised		(201.00)	(231.61)
Less: Provision for Wealth Tax		(0.22)	(0.22)
<b>Profit for the year before Prior Period Expenses and Minority Interest</b>		<b>2,893.09</b>	<b>2,478.27</b>
Less: Prior Period Items - Income / (Expenses) - Net	21	(12.44)	9.21
<b>Profit for the year before Minority Interest</b>		<b>2,880.65</b>	<b>2,487.48</b>
Less: Minority Interest		(73.53)	(11.62)
<b>Net Profit for the year</b>		<b>2,807.12</b>	<b>2,475.86</b>
Balance in Profit & Loss Account brought forward		3,662.17	2,300.40
<b>Balance available for Appropriation</b>		<b>6,469.29</b>	<b>4,776.26</b>
<b>Appropriation</b>			
Transferred to General Reserve		(300.00)	(271.20)
Transferred to Capital Redemption Reserve		(23.13)	(425.38)
Proposed Preference Dividend for the year		(0.23)	(13.54)
Provision for Dividend Tax on Preference Dividend for the year		(0.04)	(2.30)
Proposed Equity Dividend		(385.79)	(343.32)
Provision for Dividend Tax on Equity Dividend		(64.08)	(58.35)
Balance Carried to Balance Sheet		(5,696.02)	(3,662.17)
<b>Earning Per Share (Face value of ₹ 2/- each)</b> (Ref. Note No. 7 of Sch. 22: Part B.)			
<b>Basic EPS (₹)</b>		<b>7.37</b>	<b>6.54</b>
<b>Diluted EPS (₹)</b>		<b>7.36</b>	<b>6.53</b>
<b>Notes forming part of the Accounts</b>	<b>22</b>		
The Schedules & Notes to Accounts referred to above form an integral part of the Profit & Loss Account			

Signatures to the Schedule 1 to 22

As per our report of even date

For and on behalf of

Haribhakti & Co.

Firm Registration No: 103523W

Chartered Accountants

Sd/-

**Prasad V. Paranjape**

Partner (Membership No: 47296)

Mumbai, 5<sup>th</sup> August 2011

Sd/-

**A. V. Ghodgaonkar**

Company Secretary

Sd/-

**Anil B. Jain**

Managing Director

Sd/-

**Ghanshyam Dass**

Director

Jalgaon, 5<sup>th</sup> August 2011



# CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31-MARCH-2011

₹ in Million

	2010-11	2009-10
<b>A] Cash Flow From Operating Activities:</b>		
Net Profit Before Tax and Extraordinary Items	<b>4,094.21</b>	<b>3,681.67</b>
<b>Adjustment for:</b>		
Depreciation / Amortisation of Lease Land	1,232.01	1,019.60
Amounts Written off & Provisions	184.32	107.02
Prior Period (Expenses) / Income	-	9.21
Loss on Assets Sale/Discarded	20.51	44.69
Loss / (Surplus) on sale of investments	(1.68)	-
Interest and Finance Charges	2,716.54	2,232.40
Provision for doubtful debts & Advances Written back	(12.98)	(1.54)
Sundry Credit balances appropriated	(3.33)	(8.77)
Dividend / Interest Income	(38.84)	(38.49)
	<u>4,096.55</u>	<u>3,364.12</u>
<b>Operating Profit before Working Capital Changes</b>	<b>8,190.76</b>	<b>7,045.79</b>
<b>Adjustment for :</b>		
Sundry Debtors	(7,003.93)	(1,515.22)
Loans & Advances	(1,266.03)	(1,173.25)
Inventories	(4,226.86)	(778.91)
Trade Payables	6,427.90	1,059.22
	<u>(6,068.92)</u>	<u>(2,408.16)</u>
<b>Cash Generated from Operations</b>	<b>2121.84</b>	<b>4,637.63</b>
Direct Taxes paid	(1047.00)	(706.08)
<b>Net Cash From Operating Activities</b>	<b>1,074.84</b>	<b>3,931.55</b>
<b>B] Cash Flow From Investing Activities :</b>		
Purchase of Fixed Assets	(4,967.50)	(4,656.60)
Sale of Fixed Assets	21.66	10.66
Other Current Assets - Orchards	-	(34.55)
Sale/(Purchase) of Investment [net]	1.68	(10.00)
Acquisition of Strategic Investment	(141.61)	6.27
Dividend to Minority	(29.08)	(148.44)
Interest Received	38.82	38.49
Dividend Income	0.02	-
<b>Net Cash Flow from Investing Activities</b>	<b>(5,076.01)</b>	<b>(4,794.17)</b>
	<u>(4,001.17)</u>	<u>(862.62)</u>
<b>C] Cash Flow From Financing Activities</b>		
Total Proceeds by way of issue/redemption of Shares (Net)	779.91	435.20
Redemption Premium on NCD & Preference Shares	(1.73)	(1.73)
Proceeds from Term Loan Borrowings (Net)	4,000.34	3,399.14
Proceeds from Working Capital Borrowings (Net)	1,506.50	3,293.55
Interest and Finance Charges paid	(2,716.54)	(2,232.40)
Dividend Paid	(355.37)	(219.05)
Dividend Distribution Tax Paid	(60.61)	(37.26)
<b>Net cash used in Financing Activities</b>	<b>3,152.50</b>	<b>4,637.45</b>
<b>D] Changes in Translation Reserve arising on consolidation</b>	<b>22.68</b>	<b>111.79</b>
<b>Net Increase in Cash &amp; Cash Equivalents</b>	<b>(825.99)</b>	<b>3,886.62</b>
Cash and Cash Equivalents as at the beginning of the year	4,939.50	1,052.87
Cash and Cash Equivalents as at end of the year.	4,113.51	4,939.50
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(825.99)</b>	<b>3,886.62</b>
<b>Note:</b> Reconciliation of Cash & Cash Equivalents with Schedule 9		
Cash & Bank Balance as per Schedule 9	4,143.72	5,052.59
Less: Margin / Term Deposits Account Balances	(30.21)	(113.09)
Cash and Cash Equivalents (as per above)	4,113.51	4,939.50

As per our report of even date

For and on behalf of

**Haribhakti & Co.**

Firm Registration No: 103523W

Chartered Accountants

Sd/-

**Prasad V. Paranjape**

Partner (Membership No: 47296)

Mumbai, 5<sup>th</sup> August 2011

Sd/-

**A. V. Ghodgaonkar**

Company Secretary

Sd/-

**Anil B. Jain**

Managing Director

Sd/-

**Ghanshyam Dass**

Director

Jalgaon, 5<sup>th</sup> August 2011

For and on behalf of the Board of Directors



# SCHEDULES FORMING PART OF THE BALANCE SHEET

			31-Mar-2011	₹ in Million 31-Mar-2010
<b>Schedule 1 – Share Capital</b>				
<b>Authorised</b>				
926,500,000	(96,500,000)	Equity Shares of ₹ 2/- each (Previous Year ₹10/- each)	1,853.00	965.00
5,000,000	(19,630,000)	Redeemable Preference Shares of ₹ 100/- each	500.00	1,963.00
310,000,000	–	Differential Voting Rights Equity Shares of ₹ 2/- each	620.00	–
–	(4,500,000)	Unclassified Shares of ₹ 2/- each (Previous year ₹10/- each)	–	45.00
			<b>2,973.00</b>	<b>2,973.00</b>
<b>Issued, Subscribed and Paid up:</b>				
<b>a] Equity Shares:</b> Face value of ₹ 2/- each (Previous Year @ ₹ 10/- each)				
377,653,204	(72,280,425)	Equity Shares of ₹ 2/- each (Previous Year @ ₹ 10/- each)	755.30	722.80
–	(1,997,780)	Preferential allotment on Private Placement Basis	–	19.98
4,608,350	(456,790)	On conversion of ESOP	9.22	4.57
962,700	(1,200,166)	On conversion of Zero Coupon Convertible Bonds	1.93	12.00
2,500,206	(95,521)	Equity Shares representing underlying European Depository Receipts 5,000,412 (Previous Year 191,042)	5.00	0.96
<b>Sub Total [a]</b>			<b>771.45</b>	<b>760.31</b>
<b>b] Cumulative Redeemable Preference Shares:</b>				
462,642	2,807,490	4% Preference Shares of ₹ 100/- each	23.13	163.51
(462,642)	(2,344,848)	Less: Redeemed (Fully) during the year	(23.13)	(117.24)
–	–	Less: Redeemed (Partly) during the year	–	(23.14)
–	462,642		–	23.13
–	5,575,200	4% Preference Shares of ₹100/- each	–	278.76
–	(5,575,200)	Less: Redeemed (Fully) during the year	–	(278.76)
–	–	Less: Redeemed (Partly) during the year	–	–
–	–		–	–
–	125,000	1% Preference Shares of ₹ 100/- each	–	6.25
–	(125,000)	Less: Redeemed (Partly) during the year	–	(6.25)
–	–		–	–
<b>Sub Total [b]</b>			<b>–</b>	<b>23.13</b>
<b>Total [a to b]</b>			<b>771.45</b>	<b>783.44</b>
<b>Schedule 2 – Equity Share Warrants</b>				
–	7,497,400	Balance at the beginning of the year	–	358.49
6,100,000	–	Allotted During the Year	347.93	–
–	(7,497,400)	Less: Forfeited during the year & transfer to Capital Reserve Account	–	(358.49)
6,100,000	–	<b>Total</b>	<b>347.93</b>	<b>–</b>

₹ in Million

	31-Mar-2011	31-Mar-2010
<b>Schedule 3 - Reserves and Surplus</b>		
<b>a] General Reserve</b>		
Balance at the beginning of the year	1,199.11	926.49
Add: Transferred from Profit & Loss Account	300.00	271.20
Add: Transferred from Debenture Redemption Reserve	1.42	1.42
<b>Sub Total [a]</b>	<b>1,500.53</b>	<b>1,199.11</b>
<b>b] Securities Premium Account</b>		
Balance at the beginning of the year	5,696.95	4,441.13
Add: On Preferential Allotment of Nil (Previous Year: 19,97,780) Equity Shares on Private Placement Basis @ 350.40/- each	–	700.02
Add: On Conversion of 70,350 ESOP in to Equity Shares @ 297.76/- each	4.19	136.02
Add: On Conversion of 70,350 ESOP in to Equity Shares trf from Reserve Account @41.04/-	0.58	18.75
Add: On Conversion of 2,250 ESOP in to Equity Shares @ 59.552/- each	0.13	–
Add: On Conversion of 2,250 ESOP in to Equity Shares trf from Reserve Account @8.208/-	0.02	–
Add: On Conversion of 20,90,425 ESOP in to Equity Shares @ 80.692/- each	168.68	–
Add: On Conversion of 24,45,325 ESOP in to Equity Shares @ 111.60/- each	272.90	–
Add: On Conversion of 1,500 ZCCB into 962700 Equity Shares @ 67.118/- each	64.61	402.76
Less: Premium on Redemption of Non Convertible Debentures (Net of Taxes)	(1.73)	(1.73)
<b>Sub Total [b]</b>	<b>6,206.33</b>	<b>5,696.95</b>
<b>c] Capital Reserve Account / Amalgamation Adjustment Account</b>		
Balance at the beginning of the year	395.97	37.49
Add: Balance from Equity Share Warrant Account.	–	358.48
<b>Sub Total [c]</b>	<b>395.97</b>	<b>395.97</b>
<b>d] Debenture Redemption Reserve</b>		
Balance at the beginning of the year	1.42	2.84
Less: Transferred to General Reserve	(1.42)	(1.42)
<b>Sub Total [d]</b>	<b>–</b>	<b>1.42</b>
<b>e] Capital Redemption Reserve</b>		
Balance at the beginning of the year	912.19	486.80
Transferred from Profit & Loss Account	23.13	425.39
<b>Sub Total [e]</b>	<b>935.32</b>	<b>912.19</b>
<b>f] Employee Stock Option (Ref. Note No. 4 of Sch. 22: Part B.)</b>		
Employee Stock Option (Outstanding)	1.77	20.52
Less: Transfer to Securities Premium Account on conversion	(0.59)	(18.75)
<b>Sub Total [f]</b>	<b>1.18</b>	<b>1.77</b>
<b>g] Hedging Reserve (Ref. Note No. 8 of Sch. 22: Part B.)</b>		
Unrealised Gain / Loss on Cash Flow Hedging derivatives (Net)	<b>(194.83)</b>	<b>(260.82)</b>
<b>h] Accumulated Translation Reserve arising on consolidation</b>		
Balance at the beginning of the year	(224.87)	(63.45)
Add : Exchange Difference in respect of non integral	123.06	(161.42)
	<b>(101.81)</b>	<b>(224.87)</b>
<b>i] Balance of Profit &amp; Loss Account</b>	<b>5,696.02</b>	<b>3,662.17</b>
<b>Total [ a to i]</b>	<b>14,438.71</b>	<b>11,383.89</b>
<b>Schedule 4 - Secured Loans</b>		
a] Debentures		
Zero Coupon Non Convertible Redeemable Debentures of ₹ 100/- each	–	1.42
b] Term Loans	11,364.12	11,860.16
c] Working Capital Loans	13,102.45	8,645.95
<b>Total [ a to c]</b>	<b>24,466.57</b>	<b>20,507.53</b>
<b>Schedule 5 - Unsecured Loans</b>		
a] Zero Coupon Convertible Bonds -2011 (ZCCB) of US\$ 1,000 each	–	67.71
b] Deferred Credit from Supplier (ECB in CHF & Euro)	1,421.01	645.36
c] Money Market Borrowing (Commercial Papers & Call-put Options)	150.00	3,100.00
d] Other Unsecured Loan Long Term	260.20	126.88
e] Other Unsecured Loan (Short Term payable within one year)	3590.00	–
<b>Total [a to e]</b>	<b>5,421.21</b>	<b>3,939.95</b>



[ ₹ in Million ]

**Schedules 6 – Fixed Assets & Depreciation**

a] Tangible Assets	Gross Block					Depreciation					Net Block		
	As at 01-Apr-10	Addition on Amalgamation/ Acquisition	Adjusted/ Disposal	Translation Difference	As at 31-Mar-11	As at 01-Apr-10	Addition on Amalgamation/ Acquisition	Adjusted/ Written Back	For the Year	Translation Difference	As at 31-Mar-11	As at 31-Mar-11	As on 31-Mar-10
Free Hold Land	908.29	113.40	132.98	(1.28)	1,154.91	0.01	–	(0.01)	–	–	–	1,154.91	908.28
Lease Hold Land	2.14	–	(0.02)	–	2.12	–	–	–	–	–	–	2.12	2.14
Factory Buildings & Godowns [3] & [4]	3,145.30	136.06	481.82	(20.14)	3,742.81	522.70	12.29	8.41	105.18	(12.88)	635.70	3,107.11	2,622.60
Green/Poly/Shade Houses	170.98	–	57.80	–	228.78	61.24	–	–	16.21	–	77.45	151.33	109.74
Plant & Machinery & Equipments [1], [3] & [4]	15,819.37	156.83	3,233.88	(94.10)	19,257.98	5,282.25	93.86	(60.97)	953.05	58.91	6,327.10	12,930.88	10,537.12
Furniture, Fixtures & Office Equipments	528.93	0.56	76.66	(3.34)	618.85	350.91	–	(1.04)	49.53	13.45	412.85	206.00	178.02
Vehicles[2]	340.22	59.23	66.02	(11.93)	458.65	127.85	35.61	(7.41)	40.53	1.93	198.51	260.14	212.37
Live Stock	0.17	–	0.25	–	0.42	–	–	–	–	–	–	0.42	0.17
Lease Hold Improvements	250.51	–	85.72	(9.11)	334.06	73.84	–	2.16	20.48	(1.57)	94.91	239.15	176.67
<b>TOTAL</b>	<b>21,165.91</b>	<b>466.08</b>	<b>4,135.13</b>	<b>(139.92)</b>	<b>25,798.58</b>	<b>6,418.80</b>	<b>141.76</b>	<b>(58.86)</b>	<b>1,184.98</b>	<b>59.84</b>	<b>7,746.52</b>	<b>18,052.06</b>	<b>14,747.11</b>
b] Intangible Assets	Gross Block					Amortisation					Net Block		
	As at 01-Apr-10	Addition on Amalgamation/ Acquisition	Adjusted/ Disposal	Translation Difference	As at 31-Mar-11	As at 01-Apr-10	Addition on Amalgamation	Adjusted/ Written Back	For the Year	Translation Difference	As at 31-Mar-11	As at 31-Mar-11	As on 31-Mar-10
Goodwill	3.54	10.49	–	(0.21)	13.82	3.54	–	–	0.17	–	3.71	10.11	–
Trade Mark & Development	226.88	–	0.84	1.48	229.20	155.05	–	–	13.98	1.19	170.22	58.98	71.83
Computer Software	36.90	–	41.35	1.92	80.17	22.35	–	(0.38)	7.27	0.36	29.60	50.57	14.55
Technical Knowhow & Non Compete	–	–	12.76	–	12.76	–	–	–	0.05	–	0.05	12.71	–
Licencing Agreement	39.50	–	–	(0.43)	39.07	22.06	–	–	5.32	(0.36)	27.02	12.05	17.44
Non Compete Fees	44.44	–	22.96	(0.94)	66.46	26.59	–	–	7.00	(0.43)	33.16	33.30	17.85
Product Development	63.36	–	126.77	2.98	231.27	17.65	–	–	12.08	1.59	31.32	199.95	45.71
Patents	19.98	–	6.35	1.52	27.85	1.38	–	–	1.14	0.13	2.65	25.20	18.60
<b>TOTAL</b>	<b>434.60</b>	<b>10.49</b>	<b>211.03</b>	<b>6.32</b>	<b>700.60</b>	<b>248.62</b>	<b>–</b>	<b>(0.38)</b>	<b>47.01</b>	<b>2.48</b>	<b>297.73</b>	<b>402.87</b>	<b>185.98</b>
<b>Grand Total &gt;&gt;</b>	<b>21,600.51</b>	<b>476.57</b>	<b>4,346.16</b>	<b>(101.76)</b>	<b>26,499.18</b>	<b>6,667.42</b>	<b>141.76</b>	<b>(59.24)</b>	<b>1,231.99</b>	<b>62.32</b>	<b>8,044.25</b>	<b>18,454.93</b>	<b>14,933.09</b>
<b>Previous Year</b>	<b>17,500.84</b>	<b>–</b>	<b>4,535.42</b>	<b>(167.85)</b>	<b>21,600.51</b>	<b>5,805.64</b>	<b>–</b>	<b>(112.48)</b>	<b>1,049.81</b>	<b>(75.55)</b>	<b>6,667.42</b>	<b>14,933.09</b>	<b>–</b>

[1] Depreciation of ₹5.10 Million (Previous Year ₹17.74 Million) on Plant & Machinery etc. being used for Product Development during the year is Capitalised.

[2] Depreciation of ₹10.72 Million (Previous Year ₹12.49 Million) on Heavy Vehicles being used for Site Development during the year is Capitalised.

[3] Additions during the year of Plant and Machinery and Building have been reduced by ₹ 20.64 Million (Previous Year : ₹ Nil) on account of subsidy.

[4] Gross Block of Plant and Machinery and Buildings has been reduced by ₹ Nil (Previous Year : ₹ 10.75 Million) on account of subsidy.

**Schedule 7 – Capital Work In Progress**

[ ₹ in Million ]

Assets	As at 01-Apr-10	Addition / Adjustment	Capitalised during the year	Translation Difference	As at 31-Mar-11
Free Hold Land & Site Development	-	2.64	(2.50)	-	0.14
Factory Buildings & Godowns	410.23	708.71	(560.34)	(0.84)	557.76
Plant & Machinery & Equipments	459.75	2,247.06	(2,316.39)	(0.51)	389.91
Furniture, Fixtures & Office Equipment	-	18.93	(18.76)	-	0.17
Vehicles	2.26	45.23	(46.73)	-	0.76
Pre Operative Expenses	37.70	29.43	(60.44)	0.34	7.03
Capital Goods Advances	414.35	608.00	(367.39)	0.40	655.36
Development Costs	-	0.01	-	(0.01)	0.00
<b>Total</b>	<b>1,324.29</b>	<b>3,660.01</b>	<b>(3,372.55)</b>	<b>(0.62)</b>	<b>1,611.13</b>

₹ in Million

	31-Mar-2011	31-Mar-2010
<b>Schedule 8 – Investments [at cost]</b>		
<b>I] Unquoted other than trade</b>		
<b>Long Term</b>		
<b>a] In Government Securities (Pledged):</b>		
National Saving Certificates	2.95	2.95
Indira Vikas Patra (₹ 1000; [ Previous Year ₹ 1000])	0.00	0.00
	<b>2.95</b>	<b>2.95</b>
<b>b] In Equity Shares of</b>		
Astitwa Co-Op. Housing Society Ltd. (₹ 250; [ Previous Year ₹ 250])	0.00	0.00
Sarjan Members Association (₹ 500; [ Previous Year ₹ 500])	0.00	0.00
Rajdeep Vrundavan Co-Op. Housing Society (₹ 750; [ Previous Year ₹ 750])	0.00	0.00
Edlabad Sut Girni Co-Operative Society Ltd. (₹ 2000; [ Previous Year ₹ 2000])	0.00	0.00
Shrinathjee Co-Op. Housing Society Ltd. (₹ 5000; [ Previous Year ₹ 5000])	0.01	0.01
Jalgaon Janta Sahakari Bank Ltd.	0.04	0.04
Sustainable Agro-Commercial Finance Ltd.	0.25	0.00
Investment in Naan USA (Ref. Note No. 2 (i) of Sch. 22: Part A.)	0.05	0.05
	<b>0.35</b>	<b>0.10</b>
<b>c] In Bonds</b>		
Industrial Investment Bank of India (Pledged with IIBI)	10.20	10.20
	<b>10.20</b>	<b>10.20</b>
<b>d] In Units - Un-quoted</b>		
Units of State Bank of India (MF) - Magnum Income plus fund	-	10.00
Units of YES Bank - II Tier NC Bond @10 Lacs each	10.00	-
	<b>10.00</b>	<b>10.00</b>
	<b>23.50</b>	<b>23.25</b>
<b>Sub Total [I]</b>	<b>23.50</b>	<b>23.25</b>
<b>II] Quoted other than trade</b>		
<b>Long Term in Equity Shares</b>		
Euro Drip SA	187.47	187.47
Reliance Industries Ltd. (₹1485; [ Previous Year ₹1485])	0.00	0.00
Reliance Communication Ltd. (₹743; [ Previous Year ₹743])	0.00	0.00
Reliance Infrastructure Ltd (formerly Reliance Energy Ltd.) (₹1296; [ Previous Year ₹1296])	0.00	0.00
Reliance Capital Ventures Ltd. (₹1351; [ Previous Year ₹1351])	0.00	0.00
Reliance Power Ltd. (₹742; [ Previous Year ₹742])	0.00	0.00
Finolex Industries Ltd. (₹1575; [ Previous Year ₹1575])	0.00	0.00
Union Bank of India	0.10	0.10
	<b>187.57</b>	<b>187.57</b>
<b>Sub Total [II]</b>	<b>187.57</b>	<b>187.57</b>
<b>Total [I+II]</b>	<b>211.07</b>	<b>210.82</b>

	31-Mar-2011	₹ in Million 31-Mar-2010
<b>Schedule 9 – Current Assets, Loans and Advances</b>		
<b>a] Inventories:</b> [at Lower of Cost and Net Realisable Value]		
Raw Materials	3,373.14	2,617.91
Stores and Spares	626.61	518.02
Stock-in-Process	379.67	251.81
Finished Goods	10,148.62	6,983.02
Materials in Transit	336.33	266.75
<b>Sub Total [a]</b>	<b>14,864.37</b>	<b>10,637.51</b>
<b>b] Sundry Debtors - Unsecured</b>		
- Good	16,924.09	10,099.10
Considered Doubtful	250.48	182.60
Less: Provision for Doubtful Debts	(250.48)	(182.60)
<b>Sub Total [b]</b>	<b>16,924.09</b>	<b>10,099.10</b>
<b>c] Cash &amp; Bank Balances</b>		
Cash in Hand	38.56	24.33
Balances with Banks		
- In Current Accounts	4,074.95	4,915.17
- In Fixed Deposit Accounts	10.02	12.33
- In Margin Accounts	20.19	100.76
<b>Sub Total [c]</b>	<b>4,143.72</b>	<b>5,052.59</b>
<b>d] Other Assets</b>		
Orchard Activities:		
Balance at the beginning of the year	251.54	220.58
Add: Addition During the year	–	34.55
Less: Orchard Amortisation Expenses	(5.38)	(3.59)
	(5.38)	30.96
<b>Sub Total [d]</b>	<b>246.16</b>	<b>251.54</b>
<b>e] Loans &amp; Advances</b>		
[Unsecured, considered good unless otherwise stated]		
a) For Purchases	1,518.48	1,143.86
b) For Others (Considered Good)	1,384.06	1,179.04
For Others (Considered Doubtful)	–	12.98
	2,902.54	2,335.88
Less:- Provision for Doubtful Advances	–	(12.98)
	2,902.54	2,322.90
Claims Receivables	376.66	228.18
Sundry Deposits	308.55	310.49
Advance Tax (Including FBT)	8.81	–
MAT Credit	–	201.00
Derivatives Assets	–	4.25
Balance with Collectorate of Central Excise and Customs	1.70	0.49
Incentives and Assistance receivable From Government	1,185.48	563.95
<b>Sub Total [e]</b>	<b>4,783.74</b>	<b>3,631.26</b>
<b>Total [a to e]</b>	<b>40,962.08</b>	<b>29,672.00</b>

₹ in Million

	31-Mar-2011	31-Mar-2010
<b>Schedule 10 – Current Liabilities and Provisions</b>		
<b>a] Liabilities</b>		
Sundry Creditors	12,814.41	7,044.53
Advances from Customers	778.30	397.49
Unclaimed Dividend	3.22	1.98
Outstanding Liabilities for Expenses	859.51	818.50
Provision for Excise Duty on Year End Inventory of Finished Goods	75.16	29.56
Security and Dealers Deposits	99.42	155.52
Derivative Liability	194.83	265.06
Other Liabilities	779.08	610.54
<b>Sub Total [a]</b>	<b>15,603.93</b>	<b>9,323.18</b>
<b>b] Provisions</b>		
Employee Benefits	158.15	96.29
Income Tax - Current Tax	111.53	118.13
Wealth Tax	0.22	0.19
Fringe Benefit Tax	–	55.54
Proposed Preference Dividend	0.23	13.54
Dividend Tax on Proposed Preference Dividend	0.04	2.30
Proposed Equity Dividend	385.72	343.00
Dividend Tax on Proposed Equity Dividend	64.06	58.30
<b>Sub Total [b]</b>	<b>719.95</b>	<b>687.29</b>
<b>Total [a+b]</b>	<b>16,323.88</b>	<b>10,010.47</b>

# SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

₹ in Million

	31-Mar-2011	31-Mar-2010
<b>Schedule 11 – Sales and Operating Income</b>		
<b>a] Sales:</b>		
Sales	45,205.07	37,898.20
Less: Sales Return	(303.02)	(706.92)
	44,902.05	37,191.28
Less: Trade, Other Discounts and Allowances	(3,269.76)	(2,669.14)
	41,632.29	34,522.14
<b>b] Operating Income:</b>		
Export Services Incentives & Assistance	803.89	342.19
<b>Total</b>	<b>42,436.18</b>	<b>34,864.33</b>
<b>Schedule 12 – Other Income</b>		
Dividend	0.02	–
Sundry Credit balances appropriated	3.33	8.77
Provisions for Doubtful Debts / Advances Written Back	12.98	1.54
Profit on sale of Current Investments ( Net)	1.68	–
Income from Services	12.01	42.98
Interest on Deposits and Others	38.82	38.49
Miscellaneous Income	205.17	105.13
<b>Total</b>	<b>274.01</b>	<b>196.91</b>
<b>Schedule 13 – Cost of Materials Consumed, Purchases, etc.</b>		
<b>Raw Materials</b>		
Opening Stock	2,617.91	2,511.52
Add: On acquisition of business	197.71	–
Add: Purchases	26,303.58	20,874.25
Add: Foreign Exchange Movement	6.06	(36.58)
	29,125.26	23,349.19
Less- Closing Stock	(3,373.14)	(2,617.91)
<b>Total</b>	<b>25,752.12</b>	<b>20,731.28</b>
<b>Schedule 14 – (Increase) / Decrease in Stock</b>		
Closing Stock		
- Finished Goods	10,148.62	6,983.02
- Stock in Process	379.67	251.81
	10,528.29	7,234.83
Less: Opening Stock		
- On acquisition of business	(23.45)	–
- Finished Goods	(6,983.02)	(5,427.53)
- Stock in Process	(251.81)	(298.65)
	(7,258.28)	(5,726.18)
Add: Increase /(Decrease) in Excise Duty Finished Goods	(48.58)	(26.58)
Add: Foreign Exchange Movement	(94.58)	339.72
	<b>(3,126.85)</b>	<b>(1,821.79)</b>
<b>Schedule 15 – Manufacturing Expenses</b>		
Stores and Spares Parts Consumed	778.77	484.23
Repairs & Maintenance	289.18	302.62
Power & Fuel	1,014.83	927.11
Lease Rent (Operating)	42.03	40.24
Processing Charges	421.43	445.98
Other Manufacturing Expenses	867.97	582.64
<b>Total</b>	<b>3,414.21</b>	<b>2,782.82</b>

₹ in Million

31-Mar-2011 31-Mar-2010

### Schedule 16 – Payments to and Provisions for Employees

Salaries, Wages, Bonus, Gratuity etc. (including contractual employment)	3,737.75	3,176.38
Commission /Performance Bonus to Directors	187.19	129.63
Contribution to Provident and Other Funds	124.89	75.01
Welfare Expenses	128.06	132.59
<b>Total</b>	<b>4,177.89</b>	<b>3,513.61</b>

### Schedule 17 – Selling & Distribution Expenses

Commission & Brokerage	287.72	235.35
Goods Outward Expenses	1,363.27	1,006.79
Export Selling Expenses	418.65	424.25
Cash Discount	54.01	102.85
Sales Tax Expenses	47.39	31.10
Excise Duty on Finished Goods Inventory	25.35	29.56
Other Selling and Distribution Expenses	740.22	732.84
<b>Total</b>	<b>2,936.61</b>	<b>2,562.74</b>

### Schedule 18 – Administrative & Other Expenses

Postage, Telephone & Telex	86.71	62.88
Travelling & Conveyance Expenses	420.20	335.93
Vehicle Expenses	115.04	120.82
Legal and Professional Consultancy Fees	240.16	215.38
Rent, Rates & Taxes	300.78	187.52
Insurance Expenses	76.40	60.91
Directors' Sitting Fees	1.29	1.83
Loss on sale of Assets ( Net)	20.51	44.69
Donation	62.82	–
Other Administrative Expenses	393.16	344.86
<b>Total</b>	<b>1,717.07</b>	<b>1,374.82</b>

### Schedule 19 – Interest and Finance Charges

Interest on Term Loans	580.80	516.08
Interest on Working Capital Loans	1,693.24	1,300.01
Interest on Others	37.47	19.09
	2,311.51	1,835.18
Discounting Charges	104.79	145.19
Bank Commission and Charges	300.24	213.54
	405.03	358.73
<b>Total</b>	<b>2,716.54</b>	<b>2,193.91</b>

### Schedule 20 – Amounts Written off and Provisions

Amounts Written off and Provisions:		
Irrecoverable Claims	41.82	21.88
Bad Debts & Bad Advances	64.50	24.93
Orchard Amortisation Expenses	5.38	3.59
Provisions for Bad & Doubtful Debts	72.62	56.62
<b>Total</b>	<b>184.32</b>	<b>107.02</b>

### Schedule 21 – Prior Period Expenses

Short Provision of Income Tax	12.44	–
Profit on Sale of Assets	–	(9.21)
<b>Total</b>	<b>12.44</b>	<b>(9.21)</b>



# SCHEDULE 22 - NOTES FORMING PART OF THE ACCOUNTS

## PART [A]: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Consolidated Financial Statements relate to Jain Irrigation Systems Limited ('the Company') and its Subsidiaries & the Joint Venture Company ('the group').

### 1) Basis of Preparation of Financial Statements

- a) The Financial Statements have been prepared to comply in all material respect with the mandatory notified Accounting Standards by Companies (Accounting Standards) Rules, 2006, (as amended), and the relevant provisions of the Companies Act, 1956. The Financial Statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles. The accounting policies have been consistently applied by the company and are consistent with those used in the Previous Year.
- b) The Group follows the mercantile systems of accounting and recognizes income and expenditure on an accrual basis except stated otherwise.

### 2) Principles of Consolidation

The Consolidated Financial Statements have been prepared on the following basis:

- a) The consolidated financial statements have been prepared in accordance with the principles and procedures required for the preparation of Consolidated Financial Statements as laid down under the Accounting Standard (AS-21) Consolidated Financial Statements & Accounting Standard (AS-27) Financial Reporting of Interests in Joint Ventures as per The Companies (Accounting Standard) Rules, 2006
- b) The financial statements of the subsidiaries and the Joint Venture forming part of the consolidated financial statements are drawn up to the same reporting date as that of the Company, i.e. year ended 31<sup>st</sup> March 2011.

- c) The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of similar items of assets, liabilities, income and expenses, after eliminating intra -group balances, intra-group transactions and resulting unrealised gains/losses.
- d) The consolidated financial statements have been prepared by applying uniform accounting policies for similar transactions except otherwise stated.
- e) The difference between the costs of investment in subsidiaries, over the net assets at the time of acquisition is recognised in the financial statements as Goodwill / Capital Reserve as the case may be.
- f) Minority interest in the net assets of consolidated subsidiaries consists of:
  - i) The amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
  - ii) The minorities' share of movements in equity since the date the parent subsidiary relationship came into existence
- g) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified, wherever applicable, and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company. Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- h) Subsidiaries

The consolidated Financial Statements present the consolidated accounts of JAIN IRRIGATION SYSTEMS LTD., with its following Subsidiaries & the Joint Venture:

Name of the subsidiaries	Ownership in % either directly or through subsidiaries		Country of Incorporation
	2010-11	2009-10	
JISL Overseas Limited	100.00%	100.00%	Mauritius
Jain International Trading BV	100.00%	100.00%	Netherland
Jain ( Europe ) Limited.	100.00%	100.00%	United Kingdom
SQF 2009 Limited. # *	80.00%	-	United Kingdom
Jain ( Americas ) Inc.	100.00%	100.00%	United States of America
Jain Irrigation Holding Inc. (Erstwhile Jain Irrigation Inc.)	100.00%	100.00%	United States of America
Cascade Specialties Inc. #	95.10%	80.17%	United States of America
Nu Cedar Mills Inc. (Merged in Jain (Americas) Inc., USA w.e.f 31-Mar-2011)	100.00%	89.18%	United States of America
Jain Irrigation Inc. (Erstwhile Aquarius Brands Inc.) (including Chapin Watermatics Inc. merged w.e.f. 1-April-2009)	100.00%	100.00%	United States of America
Jain Overseas B.V. Netherland	100.00%	100.00%	Netherland
Jain (Israel) B.V. Netherland	100.00%	100.00%	Netherland
Naandan Jain Irrigation CS Ltd. # @	50.001%	50.001%	Israel
JISL Global SA	100.00%	100.00%	Switzerland
JISL Systems SA	100.00%	100.00%	Switzerland
THE Machines S.A. #	69.75%	69.75%	Switzerland
Jain Sulama Sistemleri Sanayi ve Ticaret A.S.	100.00%	100.00%	Turkey
Point Source Irrigation Inc.	100.00%	100.00%	United States of America



# The company through its step down subsidiaries has the option to buy the balance stake of minority shareholders in these companies at a pre determined price /agreed valuation based on EBIDTA multiple / performance.

\* The Company has acquired SQF 2009 Limited, in UK in November 2010 along with it's under mentioned subsidiary companies through its fellow subsidiary Jain (Europe) Limited, UK.

Name of the subsidiaries	Ownership in % either directly or through subsidiaries	Country of Incorporation
	2010- 11	
Sleaford Food Group Limited	100.00%	United Kingdom
Sleaford Quality Foods Limited	100.00%	United Kingdom
Arnolds Quick Dried Foods Limited	100.00%	United Kingdom

@ Subsidiaries & Joint Venture of Naandan Jain Irrigation CS Limited are as under.

Name of Subsidiaries & Joint Venture	Ownership in % either directly or through subsidiaries		Country of Incorporation
	2010- 11	2009- 10	
<b>Subsidiaries</b>			
Naan Dan Agro-Pro (Israel Company for Agricultural Applications) Ltd.	100.00%	100.00%	Israel
NaanDan Jain France Sarl	100.00%	100.00%	France
NaanDan Jain Mexico, S.A. De C.V.	100.00%	100.00%	Mexico
NaanDan Jain Australia Pty Ltd	100.00%	100.00%	Australia
NaanDan Jain S.R.L.	100.00%	100.00%	Italy
NaanDan Do Brasil Participacoes Ltda.	100.00%	100.00%	Brasil
NaanDan Jain Industria E Comercio de Equipmentos Ltd	100.00%	100.00%	Brasil
NaanDan Jain Iberica S.C.	100.00%	100.00%	Spain
NaanDan Jain Peru S.A.C	100.00%	100.00%	Peru
NaanDan Jain Irrigation Projects S.R.L.	100.00%	-	Romania
<b>Joint Venture</b>			
Dansystems S.A	50.00%	50.00%	Chile

i) The shares in a Joint Venture Naan Sprinklers and Irrigation System, Inc. USA (50%) has not been consolidated as the group was holding them for disposal and has entered in to an agreement to sell the said shares.

### 3) Revenue Recognition

- Export sales are accounted based on the dates of Bill of Lading.
- Export incentives and assistance is recognised in the year of exports.

### 4) Use of Estimates

In preparation of financial statements requires estimates and assumptions to be made which affect the reported amounts of assets / liabilities and disclosures of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Although those estimates are based upon Management's best knowledge of current events and actions, actual result could differ from these estimates.

### 5) Fixed Assets and Depreciation / Amortisation

- Fixed assets are carried at cost of acquisition / construction, except Leasehold Land which is carried at book value.
- Leasehold Land is amortised over the period of lease.
- Depreciation
  - Depreciation on fixed assets is provided by using straight line method based on the useful life of the assets as estimated by the management of respective subsidiaries included in consolidation.

ii) In respect of Jain Irrigation Systems Limited (parent company), depreciation is provided for at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 on Straight Line Method except for Green Houses, Shade and Poly-houses which are depreciated at 10%.

iii) Depreciation on additions to assets or on sale / disposal of assets is calculated from the beginning of the month of such addition or up to the month of such sale / scrapped, as the case may be.

iv) Trade Mark and Development costs are amortised over a period of 18 years beginning from the date of commercial use.

v) Computer Software, Technical Knowhow etc are amortised over a period of 5 years from the date of acquisition.

vi) Goodwill arising on acquisition of business has been amortised over a period of 5 years from the date of acquisition. (Refer Note No. 2 of Schedule 22 Part B below)

### 6) a) Capital Work In Progress

Expenditure during construction period including development cost incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets, and are included under "Capital Work in Progress".

These expenses are apportioned to fixed assets on commencement of commercial production. Capital Work in Progress is stated at the amount expended up to the date of balance sheet.

#### **b) Development Costs**

Research and development costs are expensed in the financial period during in which they are incurred, except for certain development costs which are capitalized when it is probable that a development project will be a success, and certain criteria, including commercial and technological feasibility, have been established. Capitalized development costs are amortised on a systematic basis over their expected useful lives. In process development costs are included under Capital Work in Progress.

### **7) Borrowing Cost**

Borrowing cost attributable to acquisitions and construction of qualifying assets are capitalized as a part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing cost are charged to Profit & Loss Account.

### **8) Investments**

Long-term investments are carried at 'cost'. However, the provision for diminution in the value is made to recognize a decline other than temporary in the value of the investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis.

### **9) Inventory Valuation**

- a) Raw Materials and Components, Stock in Process, Finished goods are valued at cost or net realisable value whichever is lower. Finished goods at factory premises & depots are valued at inclusive of excise duty.
- b) Stores, Spares and Consumables are valued at cost except certain spares are valued at cost or its fair value whichever is lower.
- c) Goods / Materials in Transit are valued at cost to date.
- d) Cost comprises cost of purchase, cost of conversion and other cost incurred in bringing the inventory to present location and condition. Cost is determined on a weighted average basis. For determining the cost of inventories, all subsidiaries have adopted the weighted average cost formula except Naandan Jain Irrigation C.S. Ltd., Israel and SQF 2009 Ltd. UK; which have followed first-in-first-out basis. Jain Irrigation Inc., USA has follows standard cost basis. (Refer Note No. 12 of Schedule 22 Part B below)
- e) Stocks for Demonstration lying with third parties at sites are valued at the estimated value of its useful life in relation to its original cost at the time of transfer to the third party.

### **10) Foreign Currency Transactions**

- a) All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.
- b) Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange

prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year;

- c) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are translated at the average exchange rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. The exchange difference arising on consolidation is recognised in the exchange fluctuation reserve.
- d) In case of foreign subsidiaries that have been identified as integral foreign operations, revenue items are translated at the rate prevailing on the date of transaction. Monetary items are reported using the closing rate. Non-monetary items are reported using the exchange rate at the date of transaction. The exchange difference arising on consolidation is recognised in the statement of profit and loss account.

### **11) Foreign Currency Derivative Contracts**

The Company is exposed to foreign currency fluctuations on foreign currency assets and liabilities and forecasted cash flows denominated in foreign currency. In order to limit the effects of foreign exchange rate fluctuations, the Company enters into derivative contracts, viz. forward contracts, option contracts, etc., with banks under its risk management policies.

In absence of any specific accounting treatment prescribed in the applicable accounting standards to such derivative contracts, other than forward contracts, the Company is applying the principles as set out in Accounting Standard 30 – Financial Instruments - Recognition and Measurement issued by The Institute of Chartered Accountants of India for such instruments, to the extent they do not conflict with existing accounting standards and other authoritative pronouncements of Company Law and other regulatory requirements.

Accordingly, the Company records the gain or loss on effective hedges in the Hedging Reserve until the transactions are complete. On completion, the gain or loss is transferred to the profit and loss account of that period. To designate a contract as an effective hedge, management objectively evaluates at the inception of each contract whether the contract is effective in achieving off setting cash flows attributable to the hedged risk. In the absence of a designation as effective hedge, the gain or loss is immediately recognised in the profit and loss account.

### **12) Amortisation / Write off of Other Assets**

Orchard expenditure is amortised over a period of 15 years commencing from the 6<sup>th</sup> year from the date of planting. Orchard mortality during first two years of planting up to 10% is considered normal and any mortality after second year is charged to Profit & Loss Account.

### **13) Employee Benefits**

#### **Parent Company**

Short term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered.

#### **Post employment benefits**

- i) Defined Contribution Plans : Company's contribution to the provident fund scheme, Superannuation, etc

are recognised during the year in which the related service is rendered.

- ii) Defined benefit plans: The present value of the obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses on such valuation are recognised immediately in the Profit and Loss Account. The fair value of the plan assets of the trust administered by the Company is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on a net basis.

Long Term compensated absences are provided on the basis of an actuarial valuation.

Termination Benefits are charged to Profit and Loss Account in the year in which they are incurred.

#### **Subsidiary Companies in USA**

In case of Jain Irrigation Holding Inc. and Cascade Specialities Inc. US Subsidiaries maintain a 401 (k) plan that covers substantially all of its employees. The employees may elect to defer up to 15% of their gross pay. The company match is currently 100% of the employee contribution up to 5% of the employee's eligible pay. The match is vested upon contribution and the company may make additional discretionary profit sharing contributions. No profit sharing contribution were made for the year ended March 2011.

#### **14) Shares/ Bonds/ Debentures Issue Expenses and Premium on Redemption**

Shares/ bonds/ debenture issue expenses and premium on redemption of debentures, preference shares and bonds are adjusted against the balance in "Securities Premium Account" in accordance with provision of Section 78 of the Companies Act, 1956.

#### **15) Tax Provision**

Income-tax expense comprises Current Tax and Deferred tax charge or credit. Provision for current tax is made on the assessable Income at the tax rate applicable to the relevant assessment year.

Minimum Alternate Tax (MAT) paid in accordance with the Tax Laws, which gives rise to future economic benefits in the form of adjustment of future Income tax liabilities is considered as an asset, when there is convincing evidence that the company will pay normal income tax.

The deferred tax asset and/or deferred tax liability; is calculated by applying the applicable tax rate as at Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation is recognised in view of the managements' assessment of virtual certainty of its realization, deferred tax adjustment on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. At each balance sheet date, carrying amount of deferred asset/liability is reviewed and the necessary adjustment to asset or liability is made.

#### **16) Provisions**

The provision is recognised when there is present obligation as a result of past event, that probably requires an outflow of resources and the reliable estimate can be made to settle the obligation. Provision is not discounted to its present value and is determined based on the last estimate require to settle the obligation. These are reviewed at each year end and adjusted to reflect the best current estimates

#### **17) Impairment of Assets**

At each balance sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and the value in use. In assessing value in use, the estimated future cash-flow expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific of the assets.

Reversal of impairment loss is recognised immediately as income in the profit and loss account.

#### **18) Employees Stock Options and Shares Plan (ESOP)**

In accordance with SEBI guidelines, the excess of the market price of the shares, at the date of grant of options under the ESOP, over the exercise price, is treated as Employee Compensation Expense and amortized on a straight-line basis over the vesting period of options.

#### **19) Government Grants**

- Grants and subsidies from the government are recognised when there is reasonable certainty that the grant/subsidy will be received and all attaching conditions will be complied with.
- When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.
- Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.
- Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds.
- Revenue grants are recognised in the Profit and Loss Account in accordance with the related scheme and in the period in which these are accrued.

## PART [B]: OTHER NOTES TO ACCOUNTS

### 1) A) Contingent Liabilities not provided in respect of :

[ ₹ in Million ]

	31-Mar-11	31-Mar-10
i) Claims not acknowledged as Debts in respect of:		
- Customs and Excise Duty	281.47	271.35
- Other Taxes & Levies	73.78	82.77
- Others (Legal Case)	52.71	62.44
ii) Guarantees given by the Company's Bankers in the normal course of business	1,263.65	936.27
iii) Bills Discounted with the banks.	468.07	244.28
iv) Export obligation towards duty saved amount under EPCG Scheme	1,834.10	5,851.26
In respect of (i) above, the company has taken necessary legal steps to protect its position in respect of these claims, which, in its opinion, based on legal advice, are not expected to devolve. It is not possible to make any further determination of the liabilities which may arise or the amounts which may be refundable in respect of these claims.		
<b>B) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advances)</b>	603.58	591.07

2) The Group was hitherto, amortising the goodwill on acquisition in the year of acquisition. During the year the group has changed its policy for amortisation of goodwill in acquisition on the year to a period of 5 year from the date of acquisition. As a result of said change, profit for the year and fixed assets as at 31<sup>st</sup> March 2011 have increased by ₹10.11 Million.

3) On 29<sup>th</sup> March 2006, Company had issued 60,000 Zero Coupon Currency Convertible Bonds (ZCCBs) (due on 30-March-2011) at face value of US\$ 1,000.00 each aggregating to US\$ 60.00 Million at a redemption price of 139.37%. The bondholder had the option to convert the bonds into fully paid Equity Shares of ₹10/- each (at a premium of ₹335.59 per share) in the ratio of 1:1.283602 on or before 28-February-2011 (with fixed rate of exchange on conversion at ₹44.36 to US\$=1). These bonds were to be redeemed, in whole but not in part at the option of the Company on or at any time after 29-March-2009 subject to satisfaction of

certain pre conditions. As of the Balance Sheet date, all bondholders representing 60,000 (100%) bonds have opted for conversion into Equity Shares and 7,701,602 Equity Shares of face value of ₹10/- have been allotted (with a premium of ₹335.59 per share).

4) Employees Stock Options and Shares Plan 2005 (ESOP) - Out of 15,356,000 Stock Options, Compensation Committee of the Company has approved/ allotted following options to the eligible employees including working & Non-Executive Directors.

The Shareholders of the Company at the Annual General Meeting held on 29<sup>th</sup> September 2010 approved the split of face value of the Company's Equity Shares from ₹10 per Equity Share to ₹2 per Equity Share from 1<sup>st</sup> November 2010, the record date for the split. The details of the Options and Equity Shares provided herein have been adjusted for split except the Market Price on the date of issue.

Particulars	Lot No. 1	Lot No. 2	Lot No. 3	Lot No. 4
a) Number of ESOP's Allotted	2,500,000	2,500,000	2,500,000	2,500,000
b) Date of Issue	27-Jan-07	04-Jun-07	14-Feb-08	27-Jun-08
c) Market Price on the Date of Issue (NSE, Mumbai)	410.35	459.40	630.15	476.20
d) Discount offered as per Terms	25%	10%	10%	10%
e) Option Exercise Price	307.76	413.46	568.00	428.58
f) Post Split Option Exercise Price	61.55	82.69	113.60	85.72
g) Vesting Period	1 Year	3 Years	3 Years	3 Years
h) Options Exercised during FY 2010-11	72,600	2,090,425	2,445,325	Nil
i) Total Options Exercised till 31 <sup>st</sup> March, 2011	2,356,550	2,090,425	2,445,325	Nil
j) Options Lapsed	Nil	Nil	Nil	Nil

The discount to market price on above ESOP has been accounted/ amortised in the annexed accounts based on vesting period and as per the accounting policies specified in Schedule 1 of the ESOP Guidelines issued by the SEBI. No employee has been issued options entitling such person to subscribe more than 1% of Equity Share Capital of the Company.

Out of the total 10,000,000 ESOP granted, as of 31<sup>st</sup> March 2011, 68,92,300 ESOP have been converted into equity shares of the Company.

## 5) Related Party Disclosure as required by the Accounting Standard 18 (AS18):

### A] Related parties and their relation:

#### 1 Companies / Firms in which Director, Director's Relatives are Directors/Partners

Jain Extrusion & Molding Pvt. Ltd.	Pixel Point Pvt. Ltd.
Jain Vanguard Polybutelyne Ltd.	Labh Subh Securities International Ltd.
Atlaz Technology Pvt. Ltd.	Jain Brothers Industries Pvt. Ltd.
JAF Products Pvt. Ltd.	Cosmos Investment & Trading Pvt. Ltd.
Jalgaon Investment Pvt. Ltd.	Stock & Securities (India) Pvt. Ltd.
Jain Rotfil Heaters Pvt. Ltd.	Timbron India Pvt. Ltd.
Jain e-agro.com India Pvt. Ltd.	Sustainable Agro-Commercial Finance Ltd.
Aadhunik Hi Tech Agriculture Pvt. Ltd. ( Formerly Gauri Hi Tech Agriculture Pvt. Ltd.)	Jain Green Energy Ltd(Formerly Jain Solar Systems Ltd.)

#### Partnership Firms

Jain Computer & Allied Services	Jalgaon Udyog
Jalgaon Metal & Bricks Manufacturing Co.	

#### Proprietorship

PVC Trading House	Plastic Enterprises
Drip & Pipe Suppliers	Jain Sons Investments Corporation

#### Trust

Anubhuti Scholarship Foundation	Gandhi Research Foundation
Bhavarlal and Kantabai Jain Multipurpose Foundation	

#### Trust Entities

Jain Family Holding Trust	Jain Family Investment Trust
Jain Family Enterprises Trust	Jain Family Investment Management Trust
Jain Family Trust	

#### Foreign Companies

Jain Investments & Finance BV. Netherland	Jain Overseas Investments Ltd. Mauritius
Jain Investment A. G., Switzerland	

#### 2 Key Management Personnel & Designation

Bhavarlal H. Jain (Chairman)	Ashok B. Jain (Vice Chairman)
Anil B. Jain (Managing Director)	Ajit B. Jain (Joint Managing Director)
Atul B. Jain (Director - Marketing)	R. Swaminathan (Whole Time Director)
A. R. Barwe (Director) (Deceased on 05.10.2010)	Ramesh C A Jain (Director)
V. V. Warty (Director – SBI Nominee)	Radhika C Pereira (Director)
D. R. Mehta (Director)	Ghanshyam Dass (Director)

#### 3 Relatives of Key Management Personnel & Designation

Jyoti A. Jain (Wife of Vice Chairman)	Nisha A. Jain (Wife of Managing Director)
Shobhana A. Jain (Wife of Joint Managing Director)	Bhavana A. Jain (Wife of Director – Marketing)

### B] Transactions with related parties

[ ₹ in Million ]

Sr.	Transactions	[1]	[2]	[3]	Total
1	<b>Purchase of Goods.</b>	-	-	-	-
		(0.06)	(-)	(-)	(0.06)
	Plastic Enterprises	-	-	-	-
		(0.06)	(-)	(-)	(0.06)
2	<b>Rent Expenses</b>	<b>0.86</b>	<b>4.51</b>	<b>3.95</b>	<b>9.32</b>
		(0.47)	(2.75)	(3.95)	(7.17)
	B. H. Jain	-	1.76	-	1.76
		(-)	(-)	(-)	(-)

	-	1.69	-	1.69
Ajit B. Jain	(-)	(1.69)	(-)	(1.69)
	-	1.06	-	1.06
Ashok B. Jain	(-)	(1.06)	(-)	(1.06)
	-	-	0.71	0.71
Jyoti A. Jain	(-)	(-)	(0.71)	(0.71)
	-	-	1.82	1.82
Nisha A. Jain	(-)	(-)	(1.82)	(1.82)
	-	-	0.71	0.71
Shobhana A. Jain	(-)	(-)	(0.71)	(0.71)
	-	-	0.71	0.71
Bhavana A. Jain	(-)	(-)	(0.71)	(0.71)
	0.86	-	-	0.86
Others	(0.47)	(-)	(-)	(0.47)
<b>3 Donation</b>	<b>61.39</b>	<b>-</b>	<b>-</b>	<b>61.39</b>
	(-)	(-)	(-)	(-)
Gandhi Research Foundation	20.64	-	-	20.64
	(-)	(-)	(-)	(-)
Bhavarlal and Kantabai Jain Multipurpose Foundation	40.75	(-)	(-)	40.75
	(-)	(-)	(-)	(-)
<b>4 Remuneration &amp; Fees</b>	<b>-</b>	<b>254.47</b>	<b>-</b>	<b>254.47</b>
	(-)	(167.87)	(15.82)	(183.69)
Anil B. Jain	-	64.37	-	64.37
	(-)	(49.05)	(-)	(49.05)
Ajit B. Jain	-	60.96	-	60.96
	(-)	(44.48)	(-)	(44.48)
Ashok B. Jain	-	58.65	-	58.65
	(-)	(40.09)	(-)	(40.09)
Atul B. Jain	-	57.54	-	57.54
	(-)	(22.14)	(15.82)	(37.96)
Others	-	12.95	-	12.95
	(-)	(12.11)	(-)	(12.11)
<b>5 Equity Share Warrants Allotment</b>	<b>195.01</b>	<b>152.92</b>	<b>-</b>	<b>347.93</b>
	(-)	(-)	(-)	(-)
Anil B Jain	-	76.46	-	76.46
	(-)	(-)	(-)	(-)
Atul B Jain	-	76.46	-	76.46
	(-)	(-)	(-)	(-)
Jain Brothers Industries Pvt. Ltd	195.01	-	-	195.01
	(-)	(-)	(-)	(-)
<b>6 Forfeiture of Equity Share Warrants</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	(205.61)	(152.88)	(-)	(358.49)
Cosmos Investments Trading Pvt. Ltd	-	-	-	-
	(205.61)	(-)	(-)	(205.61)
Ashok B. Jain	-	-	-	-
	(-)	(38.22)	(-)	(38.22)
Anil B. Jain	-	-	-	-
	(-)	(38.22)	(-)	(38.22)
Ajit B. Jain	-	-	-	-
	(-)	(38.22)	(-)	(38.22)
Atul B. Jain	-	-	-	-
	(-)	(38.22)	(-)	(38.22)

<b>7</b>	<b>Loans &amp; Other Advances Given</b>	<b>0.15</b>	<b>12.03</b>	<b>-</b>	<b>12.18</b>
		<i>(1.57)</i>	<i>(3.43)</i>	<i>(-)</i>	<i>(5.00)</i>
	Gandhi Research Foundation	0.15	-	-	0.15
		<i>(1.57)</i>	-	<i>(-)</i>	<i>(1.57)</i>
	Ajit B. Jain	-	7.21	-	7.21
		<i>(-)</i>	<i>(0.50)</i>	<i>(-)</i>	<i>(0.50)</i>
	Atul B. Jain	-	2.05	-	2.05
		<i>(-)</i>	<i>(-)</i>	<i>(-)</i>	<i>(-)</i>
	Ashok B. Jain	-	1.55	-	1.55
		<i>(-)</i>	<i>(0.94)</i>	<i>(-)</i>	<i>(0.94)</i>
	Others	-	1.22	-	1.22
		<i>(-)</i>	<i>(1.99)</i>	<i>(-)</i>	<i>(1.99)</i>
<b>8</b>	<b>ESOP Allotment</b>	<b>-</b>	<b>9.65</b>	<b>-</b>	<b>9.65</b>
		<i>(-)</i>	<i>(4.62)</i>	<i>(-)</i>	<i>(4.62)</i>
	Swaminathan R.	-	4.75	-	4.75
		<i>(-)</i>	<i>(1.54)</i>	<i>(-)</i>	<i>(1.54)</i>
	Radhika Pareira	-	2.45	-	2.45
		<i>(-)</i>	<i>(-)</i>	<i>(-)</i>	<i>(-)</i>
	D R Mehta	-	2.45	-	2.45
		<i>(-)</i>	<i>(-)</i>	<i>(-)</i>	<i>(-)</i>
	Others	-	-	-	-
		<i>(-)</i>	<i>(3.08)</i>	<i>(-)</i>	<i>(3.08)</i>

**Balances Receivables & Payables:**

<b>1</b>	<b>Accounts Receivable -</b>	<b>0.15</b>	<b>-</b>	<b>-</b>	<b>0.15</b>
		<i>(8.97)</i>	<i>(-)</i>	<i>(-)</i>	<i>(8.97)</i>
	Gandhi Research Foundation	0.15	-	-	0.15
		<i>(8.97)</i>	<i>(-)</i>	<i>(-)</i>	<i>(8.97)</i>
<b>2</b>	<b>Accounts Payable -</b>	<b>-</b>	<b>186.74</b>	<b>-</b>	<b>186.74</b>
		<i>(0.13)</i>	<i>(117.61)</i>	<i>(12.93)</i>	<i>(130.67)</i>
	Ashok B. Jain	-	45.43	-	45.43
		<i>(-)</i>	<i>(31.03)</i>	<i>(-)</i>	<i>(31.03)</i>
	Anil B. Jain	-	45.43	-	45.43
		<i>(-)</i>	<i>(31.04)</i>	<i>(-)</i>	<i>(31.04)</i>
	Ajit B. Jain	-	45.43	-	45.43
		<i>(-)</i>	<i>(31.03)</i>	<i>(-)</i>	<i>(31.03)</i>
	Atul B. Jain	-	45.43	-	45.43
		<i>(-)</i>	<i>(18.10)</i>	<i>(12.93)</i>	<i>(31.03)</i>
	Others	-	5.02	-	5.02
		<i>(0.13)</i>	<i>(6.41)</i>	<i>(-)</i>	<i>(6.54)</i>
<b>3</b>	<b>Deposit Given -</b>	<b>10.00</b>	<b>61.20</b>	<b>61.23</b>	<b>132.43</b>
		<i>(8.00)</i>	<i>(61.20)</i>	<i>(61.23)</i>	<i>(130.43)</i>
	Ajit B. Jain	-	30.67	-	30.67
		<i>(-)</i>	<i>(30.67)</i>	<i>(-)</i>	<i>(30.67)</i>
	Nisha A Jain	-	-	30.01	30.01
		<i>(-)</i>	<i>(-)</i>	<i>(30.01)</i>	<i>(30.01)</i>
	Jyoti A. Jain	-	-	25.63	25.63
		<i>(-)</i>	<i>(-)</i>	<i>(25.63)</i>	<i>(25.63)</i>
	Atul B. Jain	-	24.00	-	24.00
		<i>(-)</i>	<i>(24.00)</i>	<i>(-)</i>	<i>(24.00)</i>
	Others	10.00	6.53	5.59	22.12
		<i>(8.00)</i>	<i>(6.53)</i>	<i>(5.59)</i>	<i>(20.12)</i>

Note: Previous year's figures are given in bracket & italics

Personal Guarantees of Promoters given to Consortium Bank and FI's for various credit facilities provided to the Company and counter guaranteed by the Company is amounting to ₹29,430.94 Million ( Previous Year ₹19,675.29 Million ).



[1] \*Companies / Firms in which Director, Directors Relatives are Directors / Partners.

[2] \* Key Management Personnel.

[3] \* Relatives of Key Management Personnel & Designation

## 6) Leases

The company has entered into "Operating Lease" as defined in the Accounting Standard 19 (AS-19) "Leases". Significant terms of the Lease Agreements are:

- No transfer of ownership on termination of lease,
- No compensation for transfer on termination of lease
- No renewal of lease on expiry of the lease period

The future Minimum Lease Payments (MLP) under non-cancelable operating lease in the aggregate and for each of the following periods is as under:

[₹ in Million]

Particulars	2010-11	2009-10
Not later than one year	67.06	111.93
Later than one year and not later than five years	136.48	248.06
Later than five years	173.32	203.76

## 7) Consolidated Earning Per Share ( EPS)

[₹ in Million]

Particulars		2010-11	2009-10
i)	Net Profit for the Year	2,807.12	2,475.86
	Less: proposed dividend on preference capital ( Including Dividend Tax )	0.27	15.84
	Amount available for Equity Share Holders	2,806.85	2,460.02
ii)	Weighted average number of Equity Shares for Basic EPS [Nos.]	381,126,589	376,181,615
	Add: Number of Potential Equity Shares under ESOP	332,289	804,015
	Add: Number of Shares against Deposit of Equity Share Warrants	—	—
iii)	Weighted average number of Equity Shares including potential Equity Shares for Diluted EPS [Nos.]	381,458,878	376,985,630
	<b>Basic EPS [₹]</b>	<b>7.37</b>	<b>6.54</b>
	<b>Diluted EPS [₹]</b>	<b>7.36</b>	<b>6.53</b>

## 8) Disclosure of Derivatives

The net un-realised loss aggregating ₹ 194.83 Million (Previous Year ₹ 260.82 Million) in respect of derivative instruments which qualify for hedge accounting have been accounted for as a Hedging Reserve to be ultimately recognised in the profit and loss account when the underlying transactions will be matured.

### 9) a) Primary Segment Accounting

Reporting of Segment wise Revenue, Result and Capital Employed: -

[₹ in Million]

Particulars	Year Ended	Year Ended
	31-Mar-11	31-Mar-10
<b>1 Segment Revenue</b>		
a) Hi-tech Agri Input Products	29,626.46	23,715.33
b) Industrial Products	11,901.93	10,484.59
<b>Net Sales Income From Operations</b>	<b>41,528.39</b>	<b>34,199.92</b>
<b>2 Segment Results: Profit / (Loss) before Tax and Interest</b>		
a) Hi-tech Agri Input Products	5,807.82	4,678.59
b) Industrial Products	599.63	1,699.59
<b>Sub Total</b>	<b>6,407.45</b>	<b>6,378.18</b>
<b>Un-allocable expenditure (Net):</b>		
Less i) Interest	2,716.54	2,193.91
ii) Others (Net off Income)	(317.33)	505.23
iii) Taxes	1,201.12	1203.18
<b>Total Profit for the Year</b>	<b>2,807.12</b>	<b>2,475.86</b>

[ ₹ in Million ]

3	Other Information (Capital Employed): 2010-11	Hi-tech Agri Input Products	Industrial Products	Others Un-allocable	Total
	Capital Assets (Net) Including CWIP & Investments	10,962.60	8,485.06	2,545.82	21,993.48
Current Assets (Net)	22,236.98	13,235.90	5,489.20	40,962.08	
Current Liabilities (Net)	(9,026.71)	(4,240.60)	(3,056.57)	(16,323.88)	
	<b>24,172.87</b>	<b>17,480.36</b>	<b>4,978.45</b>	<b>46,631.68</b>	
<b>Other Information: 2010-11</b>					
Depreciation/Amortisation	609.84	545.88	60.45	1,216.17	
Capital Expenditure	1758.01	750.61	1350.73	3,859.35	
Non Cash items	134.73	70.10	-	204.83	
<b>Other Information (Capital Employed) : 2009-10</b>					
Capital Assets (Net) Including CWIP & Investments	9,204.59	7,734.45	1,195.09	18,134.13	
Current Assets(Net)	14,788.34	9,599.58	5,284.08	29,672.00	
Current Liabilities(Net)	(5,384.82)	(3,658.46)	(967.19)	(10,010.47)	
	<b>18,608.11</b>	<b>13,675.57</b>	<b>5,511.98</b>	<b>37,795.66</b>	
<b>Other Information:2009-10</b>					
Depreciation/Amortisation	639.70	379.88	-	1,019.58	
Capital Expenditure	1,569.52	1,189.70	601.42	3,360.64	
Non Cash items	91.11	54.81	5.78	151.70	

**b) Secondary Segment Accounting (Geographical) :**

[ ₹ in Million ]

Segment Revenue : 2010-11	India	Europe	USA	Rest of the World	Total
a] Hi-tech Agri Input Products	22,279.04	1,595.33	2,328.37	3,423.72	29,626.46
b] Industrial Products	5,877.69	2,648.06	2,061.11	1,315.06	11,901.92
	<b>28,156.73</b>	<b>4,243.39</b>	<b>4,389.48</b>	<b>4,738.78</b>	<b>41,528.38</b>
<b>Segment Revenue : 2009-10</b>					
a] Hi-tech Agri Input Products	17,128.30	1,610.97	2,247.42	2,728.63	23,715.32
b] Industrial Products	5,059.40	2,499.42	1,686.52	1,239.26	10,484.60
	<b>22,187.70</b>	<b>4,110.39</b>	<b>3,933.94</b>	<b>3,967.89</b>	<b>34,199.92</b>

Notes:

- 1) Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17) taking into account the organisation structure as well as the differential risks and returns of these segments.
- 2) The Company has disclosed Business Segment as the primary segment. And type of products and services in each segment: a) Hi-tech Agri Input Products: Micro & Sprinkler Irrigation, PVC Pipes, Bio-tech Tissue Culture. b) Industrial Products: PVC & PC Sheets, PE Pipes, Onion & Vegetable Dehydration, Fruit Processing, Solar.
- 3) The revenue and results figure given above are directly identifiable to respective segments and expenditure on common services incurred at the corporate level are not directly identifiable to respective segments have been shown as "Other Un-allocable Expenditure".
- 4) The Other Information figures given above are directly identifiable to respective segments and information for corporate services for head office and investments related to acquisitions have been shown as "Others Un-allocable".



## 10) Deferred Tax

[ ₹ in Million ]

Particulars	As at 31.03.2011	As at 31.03.2010
<b>a. Deferred Tax Liability</b>		
Depreciation	(1,319.41)	(1,154.04)
Carried Forward Business Losses	-	-
Carried Forward Capital Losses	-	29.13
Disallowance Under Sec.43B of the IT Act, 1961	26.45	19.68
Other Current Assets/(Liabilities)	53.97	80.81
<b>Deferred Tax Liability Total</b>	<b>(1,238.99)</b>	<b>(1,024.42)</b>
<b>b. Deferred Tax Assets</b>		
Depreciation	(11.18)	-
Carried Forward Business Losses	569.75	384.36
Other Current Assets/(Liabilities)	18.84	29.93
<b>Deferred Tax Assets Total</b>	<b>577.41</b>	<b>414.29</b>

- 11) During the year, pursuant to the approval of Shareholders in the EGM held on 9<sup>th</sup> March, 2011, a lot of 6,100,000 Equity Warrants was allotted as per SEBI (ICDR) Regulations 2009 and other applicable provisions of law at a price of ₹228.15 each, aggregating to ₹1,391.72 Million. These warrants are to be converted to Equity Shares as per the terms of Issue. A deposit of ₹57.0375 per Equity Warrant amounting to ₹347.93 Million has been paid by the subscribers.
- 12) The cost of Raw Materials in case of Naandan Jain Irrigation C.S. Ltd., Israel and SQF 2009 Ltd. UK, is determined on first-in-first-out (FIFO) basis. Value of stock is ₹196.50 and ₹196.55 Million respectively. The cost of Raw Materials in case of Jain Irrigation Inc. USA is determined on standard cost basis and the value of stock is ₹243.66 Million. The management considers it impracticable to use a uniform accounting policy for the valuation and to quantify the impact of the difference between such accounting policies. There is no material impact on the financial statement presented as a Group.
- 13) Pursuant to the Board decision dated 9<sup>th</sup> August 2010 and Shareholders decision dated 29<sup>th</sup> September 2010, the Company decided to split Equity Shares of ₹10 each into Equity Shares of ₹2 each. The Company fixed a Record Date of 1<sup>st</sup> November 2010 to make effective the split of shares as above.
- 14) In terms of MOU dated 15<sup>th</sup> May 2008 entered by Company with Govt. of Maharashtra, (GoM), the Company has received an Eligibility Certificate (EC) under the Industrial Promotion Scheme (IPS) from DIC, GoM for ₹3,804.71 Million valid upto 7 years from date of commercial production (30<sup>th</sup> September 2009). The Company has taken credit for ₹554.03 Million for the year ended 31<sup>st</sup> March, 2011 which includes ₹142.39 Million for the period October 2009 to March 2010.
- 15) Amounts less than ₹5,000 have been shown at actual in brackets since the amounts are rounded off to the nearest Million. (One Million = Ten Lacs)
- 16) The previous financial year's figures have been reworked, regrouped and reclassified to the extent possible, wherever necessary. The Previous Year's figures had been audited by a firm of Chartered Accountant other than Haribhakti & Co.

As per our report of even date

For and on behalf of  
**Haribhakti & Co.**  
 Firm Registration No: 103523W  
 Chartered Accountants

For and on behalf of the Board of Directors

Sd/-  
**Prasad V. Paranjape**  
 Partner (Membership No: 47296)  
 Mumbai, 5<sup>th</sup> August 2011

Sd/-  
**A. V. Ghodgaonkar**  
 Company Secretary

Sd/-  
**Anil B. Jain**  
 Managing Director

Sd/-  
**Ghanshyam Dass**  
 Director  
 Jalgaon, 5<sup>th</sup> August 2011



# SUBSIDIARY STATEMENT

Statement Pursuant to Section 212 of the Companies Act, 1956 relating to Company's interest in the Subsidiary Companies.

Sr.No.	Details	JISL Overseas Ltd. Mauritius	Jain International Trading B.V. Netherland
1	The financial year of the subsidiary Company ended on	31 <sup>st</sup> March, 2011	31 <sup>st</sup> March, 2011
2	Date from which it became subsidiary	3 <sup>rd</sup> November 1995	24 <sup>th</sup> March 2010
3	a) No. of shares held by Holding Company with its nominees in the subsidiary at the end of the financial year of the subsidiary  b) Extent of interest of holding Company at the end of the financial year of the subsidiary	i) 62,305,891 Ordinary Shares of US\$ 1 each fully paid up ii) 45,00,000 2% preference shares of US\$ 1 each fully paid up. iii) 19,250,000 6% preference shares of US\$ 1 each fully paid up.  100%	1293 Ordinary Shares of Euro 100 each     100%
4	The net aggregate amount of the subsidiary's profit / (loss) so far as it concerns the members a) Not dealt with in holding Company's accounts i) For the financial year of the subsidiary ii) For the previous financial year of the subsidiary since it became the subsidiary of the Company b) Dealt with in holding Company accounts (In consolidated accounts) i) For the financial year of the subsidiary ii) For the previous financial year of the subsidiary	  US\$ (810,782) US\$ (1,148,180)  Fully  Nil* Nil*	  US\$ (388,047) US\$ (7,888)  Fully  Nil* Nil*
5	Changes in the holding Company's interest in the subsidiary between the end of the financial year of the subsidiary and the end of the holding Company's financial year.	Not Applicable	Not Applicable
6	Material changes between the end of the financial year of the subsidiary and the end of holding Company's financial year in respect of: a) Subsidiary's fixed assets b) Its investments c) The monies lent by it d) The monies borrowed but for any purpose other than meeting current liabilities	Not Applicable	Not Applicable

\* Consolidated accounts reflect the effect fully.

For and on behalf of the Board of Directors

Jalgaon, 5<sup>th</sup> August 2011

Sd/-  
**A.V. Ghodgaonkar**  
Company Secretary

Sd/-  
**Anil B. Jain**  
Managing Director

Sd/-  
**Ghanshyam Dass**  
Director



# JISL OVERSEAS LTD., MAURITIUS

## Balance Sheet

As at 31<sup>st</sup> March, 2011

	2011 USD	2010 USD
<b>Assets</b>		
<b>Non-current assets</b>		
Investments in subsidiary companies	101,192,200	101,354,863
<b>Current assets</b>		
Loans to subsidiaries	8,500,000	–
Trade and other receivables	110,407	29,954
Cash at bank	42,820	58,622
	<u>8,653,227</u>	<u>88,576</u>
<b>Total Assets</b>	<b><u>109,845,427</u></b>	<b><u>101,443,439</u></b>
<b>Equity And Liabilities</b>		
<b>Capital and Reserves</b>		
Share capital	62,305,891	62,305,891
Retained earnings	(2,171,252)	(1,360,470)
<b>Shareholders' interests</b>	<b>60,134,639</b>	<b>60,945,421</b>
<b>Non-current liabilities</b>		
Redeemable preference shares	23,750,000	23,750,000
Loan from Holding Company	15,689,388	16,689,388
	<u>39,439,388</u>	<u>40,439,388</u>
<b>Current liabilities</b>		
Loan from Holding Company	9,500,000	–
Trade and other payable	771,400	58,630
<b>Total Current Liabilities</b>	<b>10,271,400</b>	<b>58,630</b>
<b>Total Liabilities</b>	<b>49,710,788</b>	<b>40,498,018</b>
<b>Total Equity and Liabilities</b>	<b><u>109,845,427</u></b>	<b><u>101,443,439</u></b>

## Income Statement

For the Year Ended 31<sup>st</sup> March, 2011

	2011 USD	2010 USD
<b>Revenue</b>		
Interest on loan	116,066	747,234
Dividend income	–	4,412
Bank Interests	60	38
	<u>116,126</u>	<u>751,684</u>
<b>Expenses</b>		
Interest expenses	895,861	620,177
Accountancy fees	5,000	2,000
Professional fees	3,200	2,900
Licence fees	1,740	1,700
Secretarial fees	1,500	1,500
Audit fees	1,269	2,000
Bank charges	962	3,072
Disbursements	75	724
	<u>909,607</u>	<u>634,073</u>
<b>(Loss)/ Profit from operating activities</b>	<b>(793,481)</b>	<b>117,611</b>
Premium on redemption of shares	–	(1,073,420)
Other (losses)/ gains	(17,301)	18,127
<b>Loss before tax</b>	<b>(810,782)</b>	<b>(937,682)</b>
Income tax expense	–	(210,498)
<b>Loss For The Year</b>	<b><u>(810,782)</u></b>	<b><u>(1,148,180)</u></b>



# JAIN INTERNATIONAL TRADING B.V., NETHERLAND

## Balance Sheet

As at 31<sup>st</sup> March, 2011

	2011 USD	2010 USD
<b>Fixed Assets</b>		
Financial Fixed Assets	28,428,000	30,250,000
<b>Total Fixed Assets</b>	<b>28,428,000</b>	<b>30,250,000</b>
<b>Current Assets</b>		
Loan receivable	8,996,000	-
Interest receivable	905,713	5,456
Cash and cash equivalents	252,762	4,923,365
<b>Total Current Assets</b>	<b>10,154,475</b>	<b>4,928,821</b>
<b>Total Assets</b>	<b>38,582,475</b>	<b>35,178,821</b>
<b>Equity and Liabilities</b>		
<b>Shareholders' Equity</b>		
Paid up share capital	174,143	24,242
Share premium	1,500,000	-
Other reserves	(24,143)	(2,483)
Unappropriated result	(388,047)	(7,888)
<b>Total Shareholders' Equity</b>	<b>1,261,953</b>	<b>13,871</b>
<b>Long Term Liabilities</b>		
Credit institutions	25,000,000	35,000,000
Loan from shareholder	2,000,000	-
<b>Total Long Term Liabilities</b>	<b>27,000,000</b>	<b>35,000,000</b>
<b>Current Liabilities</b>		
Current accounts	10,296,218	158,171
Other payables and accrued expenses	24,304	6,779
<b>Total Current Liabilities</b>	<b>10,320,522</b>	<b>164,950</b>
<b>Total Equity and Liabilities</b>	<b>38,582,475</b>	<b>35,178,821</b>

## Profit and Loss Account

For the year ended 31<sup>st</sup> March 2011

	2011 USD	2010 USD
Interest Income and similar Income	939,000	8,362
Interest Expense and Similar Expenses	(1,221,875)	(9,472)
<b>Operating Income / (Expenses)</b>	<b>(282,875)</b>	<b>(1,110)</b>
General and Administrative Expenses	(105,172)	(6,778)
<b>Ordinary Result before Tax</b>	<b>(388,047)</b>	<b>(7,888)</b>
Corporate Tax	-	-
<b>Result after Taxation</b>	<b>(388,047)</b>	<b>(7,888)</b>

# Corporate Governance Report

## I) Corporate Governance:

Corporate Governance is the application of best management practices, compliance of laws, rules, regulations and adherence to standards to achieve the objects of the Company, enhance shareholder value and discharge of social responsibility. The Corporate Governance Structure in the Company assigns responsibility and authority to Board of Directors, its committees and the executive management, senior management employees etc.

## II) Company's Philosophy on code of Corporate Governance:

The Company acknowledges its responsibilities to its Stakeholders. The Company believes that Corporate Governance helps to achieve commitment and goals to enhance stakeholder value by focusing towards all stakeholders. The core values of the Company are based on integrity, emphasis on product quality and transparency in its dealings with all stakeholders. Any good corporate governance provides an appropriate framework for the Board, its committees and the executive Management to carry out the objectives that are in the interest of the Company and the Stakeholders. The Company maintains highest levels of transparency, accountability and good management practices through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities. The Company is committed to meeting the aspirations of all our stakeholders. The associate's satisfaction is reflected in the stability in all the levels of management.

The Company is in compliance with the requirements of the revised guidelines on Corporate Governance stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges. A code of conduct is framed and adopted in and the pursuit of excellence in corporate governance.

The Company has three tiers of the governance pyramid:

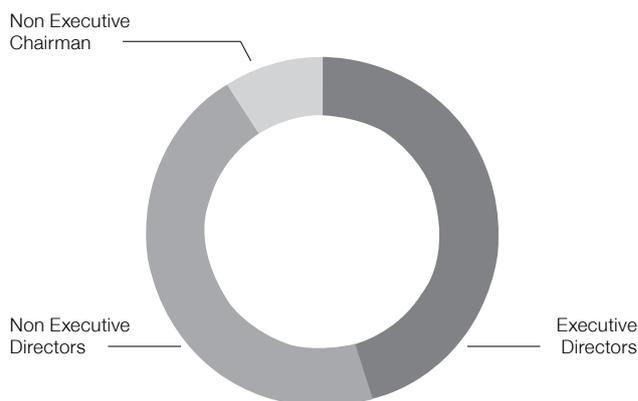
- Shareholders - Board of Directors
- Committees of the Board
- Executive Management

Each of the tier operates within the given parameters as per prevailing laws and regulations or the practices prevalent in the industry.

## 2. Board of Directors:

### a) Composition:

The Board of Directors of Jain Irrigation comprises of Executive and Non Executive Directors. Since the Chairman is from the Promoters Group but Non Executive, the strength of independent Directors is mandated at 1/2 of the strength of the Board. The Board has 6 independent members in total strength of 11 at present. The executive Directors are 5 in view of the diverse nature of business of the Company. The independent Directors are professionals in their field and possess background of financial, legal and agriculture fields. 5 independent directors out of the 11 Directors are with the Company Board for less than 5 years at present. In terms of the Articles of Association the



strength of the Board shall not be less than 3 and not more than 14 at present.

The following is the composition of the Board on 31<sup>st</sup> March, 2011:

As on	Executive Directors	Non Executive Directors	Non Executive Chairman	Total Directors
31-March-2011	5	5	1	11

Mr. Bhavarlal H Jain, the founder is the Chairman (non-executive) of the Board.

The table below gives the composition of Jain Irrigation's Board and the number of other Directorships and Committee Memberships as on 31<sup>st</sup> March, 2011.

Name of Directors	Other Directorship in Ltd. Co.	Other Directorship in Pvt. Ltd. Co.	Membership in Committees (other than JISL)	Membership in Committees at JISL
Mr. Bhavarlal H. Jain	2	Nil	Nil	Nil
Mr. Ashok B. Jain	4	8	Nil	2
Mr. Anil B. Jain	14*	Nil	Nil	1
Mr. Ajit B. Jain	5*	3	Nil	3
Mr. Atul B. Jain	13	10	Nil	1
Mr. D. R. Mehta	5	1	Nil	Nil
Mr. R. Swaminathan	2*	Nil	Nil	1
Mr. Ghanshyam Dass	3	3	4	1
Mrs. Radhika C. Pereira	1	2	3	1
Mr. Ramesh C. A. Jain	Nil	Nil	Nil	3
Mr. V. V. Warty	Nil	1	Nil	3

\* Including foreign Subsidiary Companies in group.

### b) The Shareholding of Directors in the Company is as under as on 31.03.2011

Name of Director	No. of Shares	% of Total Equity Capital
Mr. Bhavarlal H. Jain	2,780,240	0.72
Mr. Ashok B. Jain	1,857,490	0.48
Mr. Anil B. Jain	113,690	0.03
Mr. Ajit B. Jain	9,340,205	2.42
Mr. Atul B. Jain	101,400	0.03
Mr. D. R. Mehta	25,000	0.01
Mr. R. Swaminathan	207,260	0.05
Mr. Ghanshyam Dass	-	-
Mr. Radhika C. Pereira	25,000	0.01
Mr. Ramesh C. A. Jain	25,000	0.01
Mr. V. V. Warty	-	-
<b>Total</b>	<b>14,475,285</b>	<b>3.76</b>

**c) Meetings of Board and its Committees:**

Meetings of Board and its Committees are held as and when required. The meetings of the Board and Audit Committee normally last for a day and in some cases

are held over two days. The Board of Directors met 6 times, one EGM was held on 9<sup>th</sup> March, 2011 and AGM was held on 29<sup>th</sup> September, 2010 during the year. The attendance details are as follows:

Name of Directors	Designation	Category	BOD	EGM	AGM
Mr. Bhavarlal H. Jain	Chairman	Promoter Director	4	-	Yes
Mr. Ashok B. Jain	Vice Chairman	Promoter Director	6	Yes	Yes
Mr. Anil B. Jain	Managing Director	Promoter Director	6	Yes	Yes
Mr. Ajit B. Jain	Joint Managing Director	Promoter Director	6	Yes	Yes
Mr. Atul B. Jain	Director - Marketing	Promoter Director	6	-	Yes
Mr. Anirudha R. Barwe*	Director	Independent Director	3	-	Yes
Mr. D. R. Mehta	Director	Independent Director	5	-	No
Mr. R. Swaminathan	Director -Technical	Executive Director	5	Yes	Yes
Mr. Ghanshyam Dass	Director	Independent Director	6	-	No
Mrs. Radhika C. Pereira	Director	Independent Director	5	-	No
Mr. Ramesh C. A. Jain	Director	Independent Director	4	-	Yes
Mr. V. V. Warty	Director	Independent Director SBI Nominee Director	3	-	No

\* Expired on 05.10.2010

**d) Disclosure regarding appointment or re-appointment of Directors**

Sr. No.	Name, Designation and Qualification	"Experience and Expertise in specific functional areas"	Other Company Directorships, Committee Memberships, Trustee, Proprietor, Partner etc.
1	Mr. Bhavarlal H. Jain Chairman B.Com., LLB	"Founder of the Jain group of Companies and Chairman of the Company. He began his business in 1963 by trading in agricultural inputs and equipments. In 1978, he acquired a sick unit which he used to manufacture Papain. In 1980, he commenced PVC Pipe manufacturing operations. Post 1986, he pioneered the concept of micro irrigation in India. He has received many awards and accolades for outstanding work in agriculture including the prestigious Crawford Reid Memorial Award instituted by Irrigation Association, U.S.A. for "Significant Contribution to the Irrigation Industry outside the United States".4 honorary doctorates have been conferred to him from different universities.  Acknowledging path breaking work he has done for improvement of agriculture in India. On 5 <sup>th</sup> May 2008 he was conferred by Padmashree by the Govt. of India at the hands of Hon'ble President of India."	Director of: i) Kantabai Bhavarlal Jain Family Knowledge Institute ii) Gandhi Research Foundation Trustee: i) Bhavarlal and Kantabai Jain Multipurpose Foundation ii) Anubhuti Scholarship Foundation iii) Bahinabai Chaudhari Memorial Trust iv) Jain Family Holding Trust v) Jain family Investment Trust vi) Jain Family Enterprises Trust vii) Jain family Investment Management Trust viii) Jain family Trust Committee Membership: None

Sr. No.	Name, Designation and Qualification	"Experience and Expertise in specific functional areas"	Other Company Directorships, Committee Memberships, Trustee, Proprietor, Partner etc.
2	Mr. Ashok B. Jain Vice Chairman B.Com.	Joined the management team in 1982 and was in charge of marketing and extension services in Maharashtra and other States. In 1993 he became Director and was responsible for Corporate Administration, Corporate Image and Relationships, Events Management, Personnel/Human Resource Development, Communication, Public Relations, Art and Publicity. At present he also acts as Commercial Chief of the Food Processing Division.	<p>Director of:</p> <ul style="list-style-type: none"> <li>i) Atlaz Technology Pvt. Ltd.</li> <li>ii) Cosmos Investment &amp; Trading Pvt. Ltd.</li> <li>iii) Gandhi Research Foundation</li> <li>iv) Jain Vanguard Polybutylene Ltd.</li> <li>v) JAF Products Pvt. Ltd.</li> <li>vi) Jain Brothers Industries Pvt. Ltd</li> <li>vii) Jain Eagro.Com India Pvt. Ltd.</li> <li>viii) Jalgaon Investments Pvt. Ltd.</li> <li>ix) Kantabai Bhavarlal Jain Family Knowledge Institute</li> <li>x) Labh Subh Securities International Ltd.</li> <li>xi) Pixel Point Pvt. Ltd.</li> <li>xii) Timbron India Pvt. Ltd.</li> <li>xiii) Jain Investment A.G. Switzerland</li> </ul> <p>Partner:</p> <ul style="list-style-type: none"> <li>i) Jain Computer &amp; Allied Services</li> <li>ii) Jalgaon Udhyog</li> <li>iii) Jalgaon Metal &amp; Bricks Mfg. Co.</li> </ul> <p>Proprietor:</p> <ul style="list-style-type: none"> <li>i) PVC Trading House</li> </ul> <p>Trustee:</p> <ul style="list-style-type: none"> <li>i) Anubhuti Scholarship Foundation</li> <li>ii) Jain Family Holding Trust</li> <li>iii) Jain family Investment Trust</li> <li>iv) Jain Family Enterprises Trust</li> <li>v) Jain family Investment Management Trust</li> <li>vi) Jain family Trust</li> </ul> <p>Committee Membership: None</p>

Sr. No.	Name, Designation and Qualification	"Experience and Expertise in specific functional areas"	Other Company Directorships, Committee Memberships, Trustee, Proprietor, Partner etc.
3	Mr. Anil B. Jain Managing Director Director B.Com., LLB	Managing Director of the Company since 1992. He joined management team in 1984 and was in charge of US based marketing operations. He has an extensive background and experience in Finance, Banking, Mergers & Acquisitions, Strategic Planning, Restructuring Operations, Export Marketing, International Business Relations, Collaborations and Joint Ventures.	Director of: i) JISL Overseas Ltd. ii) Jain(Americas) Inc. iii) Cascade Specialties Inc. iv) Nucedar Mills, Inc v) Jain International Trading B V vi) Jain Irrigation Holding Corporation vii) Jain Irrigation Inc. viii) Jain Sulama Sistemleri San Ve Tic A S ix) Jain (Europe) Ltd. x) Naandan Jain Irrigation CS Ltd. xi) Jain Investment & Finance B V xii) Jain Overseas Investments Ltd. xiii) Jain Overseas BV. Netherland xiv) Jain (Israel) BV, Netherland xv) Jain Investment A.G. Switzerland  Proprietor i) Drip & Pipe Suppliers  Partner i) Jalgaon Udhyog ii) Jalgaon Metal & Bricks Mfg. Co.  Trustee: i) Anubhuti Scholarship Foundation ii) Jain Family Holding Trust iii) Jain family Investment Trust iv) Jain Family Enterprises Trust v) Jain family Investment Management Trust vi) Jain family Trust  Committee Membership: None
4	Mr. Ajit B. Jain Joint Managing Director BE.(Mech.)	Joint Managing Director of the Company since 1994 and is responsible for the pipe division as well as marketing all plastic products, including drip irrigation, guidance for extension service and development of new applications and products. He joined in 1984 and started his training in production and maintenance in the pipe division. During the period from 1985-1990, he was in charge of establishing our new pipe production plant at Sendhwa (in the state of Madhya Pradesh in India). In 1991 he was appointed Director with the overall responsibility of the pipe manufacturing plant at Jalgaon, including production, maintenance and marketing.	Director of: i) Jain Extrusion & Moulding Pvt. Ltd. ii) Jain Rotfil Heaters Pvt. Ltd. iii) Cosmos Investment & Trading Pvt. Ltd. iv) JISL Global S.A. v) Naandan Jain Irrigation CS Ltd. vi) JISL Systems S.A. vii) Thomas Machines Ltd. viii) Jain Sulama Sistemleri San Ve Tic A S ix) Jain Investment A.G. Switzerland  Proprietor: i) Plastic Enterprises  Partner: i) Jalgaon Metal & Bricks Manufacturing Co.  Trustee: i) Anubhuti Scholarship Foundation ii) Jain Family Holding Trust iii) Jain family Investment Trust iv) Jain Family Enterprises Trust v) Jain family Investment Management Trust vi) Jain family Trust  Committee Membership: None

Sr. No.	Name, Designation and Qualification	"Experience and Expertise in specific functional areas"	Other Company Directorships, Committee Memberships, Trustee, Proprietor, Partner etc.
5	Mr. Atul B. Jain Director - Marketing B.Com.	He is a Commerce Graduate. He joined the management team in 1992. He was posted in London office and developed the Food Processing distribution business in Europe and helped the Company to maintain the plastic exports to Europe. He was appointed CMO of the Company w.e.f. 20th August, 2002. Besides overall marketing management responsibility he has also handled all India marketing function of Drip Irrigation and PVC pipe products, PE and other specialty pipes and fittings all over the world. He has been involved with development of new applications & products in overseas markets for food and plastic sheet divisions.	<p>Director of:</p> <ul style="list-style-type: none"> <li>i) Atlaz Technology Pvt. Ltd.</li> <li>ii) Cosmos Investment &amp; Trading Pvt. Ltd</li> <li>iii) JAF Products Pvt. Ltd.</li> <li>iv) Jain Brothers Industries Pvt. Ltd.</li> <li>v) Jain Eagro.Com India Pvt. Ltd.</li> <li>vi) Jain Extrusion &amp; Moulding Pvt. Ltd.</li> <li>vii) Jain Rotfil Heaters Pvt. Ltd.</li> <li>viii) Jain Vanguard Polybutylene Ltd.</li> <li>ix) Jalgaon Investments Pvt. Ltd.</li> <li>x) Labhsubh Securities International Ltd.</li> <li>xi) Pixel Point Pvt. Ltd.</li> <li>xii) Timbron India Pvt. Ltd.</li> <li>xiii) Nucedar Mills, Inc</li> <li>xiv) Naandan Jain Irrigation CS Ltd.</li> <li>xv) JISL Overseas Ltd.</li> <li>xvi) Cascade Specialities Inc.</li> <li>xvii) Jain (Americas) Inc</li> <li>xviii) Jain Irrigation Inc</li> <li>xix) Jain (Europe) Ltd.</li> <li>xx) Jain Overseas Investments Ltd.</li> <li>xxi) Jain Investment &amp; Finance BV</li> <li>xxii) Jain International Trading B V</li> <li>xxiii) Jain Sulama Sistemleri San Ve Tic A S</li> <li>xxiv) Jain Investment A.G. Switzerland</li> </ul> <p>Proprietor :</p> <p>Jain Sons Investments Corporation</p> <p>Partner:</p> <ul style="list-style-type: none"> <li>i) Jalgaon Udhog</li> <li>ii) Jain Computer &amp; Allied Services</li> <li>iii) Jalgaon Metal &amp; Bricks Manufacturing Co.</li> </ul> <p>Trustee:</p> <ul style="list-style-type: none"> <li>i) Anubhuti Scholarship Foundation</li> <li>ii) Bahinabai Chaudhary Memorial Trust</li> <li>iii) Jain Family Holding Trust</li> <li>iv) Jain family Investment Trust</li> <li>v) Jain Family Enterprises Trust</li> <li>vi) Jain family Investment Management Trust</li> <li>vii) Jain family Trust</li> </ul> <p>Committee Membership:</p> <p>None</p>

Sr. No.	Name, Designation and Qualification	"Experience and Expertise in specific functional areas"	Other Company Directorships, Committee Memberships, Trustee, Proprietor, Partner etc.
6	Mr. D. R. Mehta Director	<p>Mr. D. R. Mehta was appointed on 26.12.2007. He joined Indian Administrative Service in 1961 and held important positions in the Govt. of Rajasthan and later in Govt. of India. He was the Chairman of Securities and Exchange Board of India (SEBI), an apex regulatory body that deals with the regulation and development of the capital market in India. He has been credited with transforming the Capital Market in India into a modern, efficient, safe, vibrant and a very investor friendly one. His prior prestigious postings include the Deputy Governor of Reserve Bank of India, Director General of Foreign Trade, Ministry of Commerce, and Additional Secretary, Banking, Ministry of Finance.</p> <p>Born in 1937, he is a graduate of Arts and Law from Rajasthan University. He also studied at Royal Institute of Public Administration, London and Alfred Sloan School of Management, MIT, Boston.</p> <p>There is another side to this sterling personality-humane side. A man of compassion, he set up the Bhagwan Mahavir Viklang Sahayata Samiti in 1975.</p> <p>On 5<sup>th</sup> May 2008 he was conferred by Padmashree by the Govt. of India at the hands of Hon'ble President of India.</p>	<p>Director of:</p> <ul style="list-style-type: none"> <li>i) Polymedicare Ltd.</li> <li>ii) SPICE Retail. Ltd.</li> <li>iii) SPICE Mobility Ltd</li> <li>iv) JMC Projects (India) Ltd.</li> <li>v) Glenmark Generics Ltd.</li> <li>vi) Atul Rajasthan Date Palms Ltd.</li> <li>vii) Glenmark Pharmaceuticals Ltd.</li> </ul> <p>Committee Membership: None</p>
7	Mr. R. Swaminathan Director – Technical B.Tech. (Chemical)	<p>He is Chemical Engineer responsible for manufacturing operations in our Poly-tube, Sprinkler, PVC &amp; PC Sheets and PVC &amp; PE Pipe units. He has 32 years of experience in operation and maintenance activities of plants handling such things as Solvent Extraction, Plastics Extrusion and Injection Moulding. He joined the Jain Group in 1982 and was appointed a full-time Director in 1996.</p>	<p>Director of:</p> <ul style="list-style-type: none"> <li>i) Nucedar Mills, Inc.</li> <li>ii) Thomas Machines Ltd.</li> </ul> <p>Committee Membership: None</p>

Sr. No.	Name, Designation and Qualification	"Experience and Expertise in specific functional areas"	Other Company Directorships, Committee Memberships, Trustee, Proprietor, Partner etc.
8	Mr. Ghanshyam Dass  Bachelor's degree with Honours in Economics, Master in Linguistics.	He has had an outstanding career in domestic, international banking and Capital Markets for over 32 years, during which he developed a firm understanding of the complexities of international markets. He is thoroughly familiar with the regulatory and business environment in USA, European Union, South East Asia, The Middle East, India and other major money-center locations. Mr. Dass is an Advisor to Intel Capital, Task Force, Founder Member Association of Outsourcing Professionals (AOP), Member Academic Council – Union Bank School of Management, Member of the CII National Council on Corporate Governance and Regulatory Framework and CII National Committee on Capital Markets and Government Nominee on the Governing Council of The Institute of Company Secretaries of India (ICSI). Mr. Dass is a member of Brickwork Ratings Committee (A Credit Rating Agency) and Vice President Karnataka Athletics Association.	Director of : i) Dhanlakshmi Bank Ltd. ii) Jubilant Industries Ltd iii) Powerica Ltd iv) Biopure Healthcare Pvt. Ltd. v) Mayar Infrastructure Development Pvt. Ltd vi) Carbon Clean Solutions Pvt. Ltd  Committee Membership: i) Dhanlakshmi Bank Ltd.- Member of Risk management, Human Resource Development, Customer Services, Shareholders Redressal and Information Technology Committees ii) Jubilant Industries Ltd Member of Audit, Committee to Monitor Voluntary Corporate Governance and CSR Guidelines and Business Sustainability Committee iii) Powerica Ltd (unlisted) Member of Audit and Remuneration Committees iv) Mayar Infrastructure Pvt. Ltd. Member of Audit Committee
9	Mr. Ramesh C. A. Jain  Director B.A., LLB	He holds a Bachelor of Arts Degree from the University of Rajasthan, a Bachelor of Law Degree from the University of Bombay and a Post-graduate Diploma in Development Administration from the University of Manchester in the United Kingdom. He has 10 years of experience in the industrial development and financial sectors. In 2003 he was Secretary of the Department of Agriculture and Cooperation in the Ministry of Agriculture in New Delhi and was responsible for the formulation and implementation of national policies and programmes for agricultural development. In 2004, before joining the Food and Agriculture Organization of the United Nations as its Country Representative in the Philippines, he held the post of Member Secretary, National Commission on Farmers, established by the Government of India.	Directorship: None  Committee Membership: None
10	Smt. Radhika C. Pereira  Director B.Sc., LLB, LLM(Cambridge) LLM(Harvard)	She is a graduate of Mumbai University concentrating in science and law, and holds an LLM from Cambridge (England) and Harvard (USA). Currently, she is the managing partner of Dudhat, Periera and Associates, Advocates, Mumbai. Over the years she worked with Mulla & Mulla, Cragie, Blunt & Caroe, Advocates and Solicitors, Mumbai, Arthur Anderson & Co, Mumbai, and as a Partner in Udwadia & Udeshi, Advocates, Mumbai.	Director of: i) Tips Industries Ltd. ii) Sethi Funds Management Pvt. Ltd. iii) Ascent HR Solutions Pvt. Ltd.  Committee Membership: Tips Industries Ltd – a) Member of Audit Committee b) Chairman of Remuneration Committee c) Chairman of Share Transfer and Shareholders/Investors Grievance Committee.

Sr. No.	Name, Designation and Qualification	"Experience and Expertise in specific functional areas"	Other Company Directorships, Committee Memberships, Trustee, Proprietor, Partner etc.
11	Mr. Vasant V. Warty Director Nominee – SBI B.A., LLB	He was appointed on May 13, 2004 by State Bank of India, the lead bank for our consortium of working capital bankers. He is a graduate in arts and law and holds a diploma in Managerial Accounting from Jamnalal Bajaj Institute, in addition to having passed CAIIB. Mr. Warty joined State Bank of India as a Probationary Officer in October 1966 and has held various positions within the field of Branch Management, including International Banking faculty member of State Bank staff college, Zonal Office in Mumbai, GM Commercial Banking and CGM Orissa State.	Director of: i) Ratnagiri Gas Power (P) Ltd.  Committee Membership: None

**e) Information provided to Board Members:**

The structured agenda for the Board Meetings together with appropriate supporting documents is circulated in advance of the meetings. Some bulky documents are placed at the meeting and Power Point presentations are made to explain the details to all the Directors. The Board of Directors decide certain urgent matters by circulation as is permitted under the Companies Act, 1956. The circular resolutions are then confirmed at the next Board Meeting. As a part of Agenda, the Company has circulated notices, circulars, and orders on material development, legal and regulatory environment affecting the Company including the following:

- Quarterly/annual divisional performance vis a vis the Budget for the financial quarter/year adopted by Board and reasons and details for variations, if any.
- Treasury decisions both Domestic and Foreign exchange related as and when movement takes place but otherwise on a quarterly/semi-annual basis.

- Internal Audit findings and Statutory Auditors reports (thru the Audit Committee).
- Show cause, demand, prosecution notices, if any from revenue authorities which are materially important and that exceed financial threshold set by the Board.
- Default, if any, in payment of interest and redemption of principal on Debentures issued by Company and the dues to major creditors of the Company or Financial Institution, Bank.
- Constitution and Terms of reference of the Committees appointed by the Board.
- Significant write off's/disposals or incidents of fraud/ theft etc.
- Information related to strike, lock outs, retrenchments and fatal accidents etc.
- Any information which could potentially alter/impact the business seriously or which could negatively impact the Company's image in general.

**f) Compensation to Directors:**

The remuneration paid or payable to the Directors for services rendered during 2010-2011 is given hereunder:

- Executive Directors:

Sr. No.	Name of Director	Position	Gross Remuneration (₹)		
			Remuneration	Commission	Total
1	Mr. Anil B Jain	Managing Director	19,620,696	45,422,036	<b>65,042,732</b>
2	Mr. Ajit B Jain	Joint Managing Director	16,088,669	45,422,036	<b>61,510,705</b>
3	Mr. Ashok B Jain	Vice Chairman	13,695,832	45,422,036	<b>59,117,868</b>
4	Mr. Atul B Jain	Director- Marketing	12,547,647	45,422,036	<b>57,969,683</b>
5	Mr. R Swaminathan	Director- Technical	11,408,401*	0	<b>11,408,401</b>
<b>Total</b>			<b>73,361,245</b>	<b>181,688,144</b>	<b>255,049,389</b>

\* Includes Rs. 36,98,573 benefit on Esops.

ii) Non Executive Directors:

Sr. No.	Name of Director	Commission (₹)	Perquisites* (₹)	Sitting Fees (₹)			Total (₹)
				Board Meeting	Committee Meetings	Total	
1	Mr. Anirudha R Barwe	0	0	30,000	50,000	80,000	<b>80,000</b>
2	Mr. Ramesh CA Jain	1,250,000	0	40,000	50,000	90,000	<b>1,340,000</b>
3	Mr. V V Warty	0	0	30,000	90,000	120,000	<b>120,000</b>
4	Mrs. Radhika C Pereira	1,250,000	1,789,808	50,000	10,000	60,000	<b>3,099,808</b>
5	Mr. D R Mehta	1,250,000	1,789,808	50,000	0	50,000	<b>3,089,808</b>
6	Mr. Ghanshyam Dass	1,250,000	0	60,000	40,000	100,000	<b>1,350,000</b>
<b>Total</b>		<b>5,000,000</b>	<b>3,579,616</b>	<b>2,60,000</b>	<b>2,40,000</b>	<b>500,000</b>	<b>9,079,616</b>

iii) Allotment of Shares under ESOP 2005 Scheme on 25.03.11 and 31.03.11

Sr. No.	Name of Directors	No. of Shares
1	Mr. Ramesh C.A. Jain	0
2	Mr. R. Swaminathan	50,000
3	Mr. V. V. Warty	0
4	Mrs. Radhika C. Pereira	25,000
5	Mr. D. R. Mehta	25,000
6	Mr. Ghanshyam Dass	0
<b>Total</b>		<b>1,00,000</b>

and internal control in the Company. The Statutory Auditors are responsible for performing audit of the Company's financial statements in accordance with the generally accepted audit practices and issue reports based on such audits. The Audit Committee is responsible for supervising the financial reports, Statutory Audit and Internal Audit to ensure accurate and appropriate disclosures that maintain and enhance quality of financial reporting. The following are the members of the Audit Committee as on 31<sup>st</sup> March 2011:

- Mr. Ghanshyam Dass Chairman
- Mr. Ramesh C A Jain Member
- Mr. V V Warty Member

Mr. Anil B Jain, Managing Director is permanent invitee and the Company Secretary is the Secretary and Convener of the Committee.

The Statutory Auditors were present in all 5 Audit Committee Meetings held during the year 2010-11.

f) Presence at Audit Committee Meetings:

Name of Directors	Designation	Category	Total meetings	Meetings Attended
Mr. Anirudha R. Barwe*	Chairman	Independent Director	5	2
Mr. Ghanshyam Dass	Chairman	Independent Director	5	4
Mr. Ramesh C. A Jain	Member	Independent Director	5	3
Mr. V. V. Warty	Member	Independent Director	5	3

\* Expired on 05.10.10

**IV) Related Party Transactions:**

The details of related party transactions are given in detail in Note No 5 of part (B) of Schedule 22 of the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2011.

**V) Committees of the Board:**

The Committees appointed by the Board carry out functions in specific areas and make recommendations to the Board on various matters from time to time or take decisions as are delegated by the Board.

The decisions and recommendations of the Committees are placed before the Board for information or approval as the case may be.

Jain Irrigation has following regular Board level committees:

- Audit Committee,
- Compensation Committee,
- Investors Relation and Grievances Committee, and
- Operations Review Committee

**A) Audit Committee:**

The Audit Committee meetings are generally organized just before the Board Meeting. The agenda for Audit Committee meeting includes following items:

- Detailed presentation on matters within the purview of the Committee.
- Action taken reports.
- Internal Audit Reports.
- Matters regarding appointment of Statutory Auditors, Internal Auditors etc.
- Financial reporting to all Stakeholders.

The management is responsible for financial reporting

**B) Compensation Committee:**

Committee consists of following persons as on 31<sup>st</sup> March, 2011:

- Mr. Ramesh C. A. Jain Chairman
- Mr. Ashok B. Jain Member
- Mr. Ajit B. Jain Member
- Mr. V. V. Warty Member
- Mrs. Radhika C. Pereira Member

The Company Secretary is the Convener of the Committee.

The Compensation Committee considers and recommends the compensation of Executive Directors and selected Executives at the senior level in the Company as also the allotment/devolution of ESOP's under approved ESOP Scheme 2005. Three meetings were held on 08.08.2010 and in 2010-11.



### C) Share holders Grievances Committee:

The Shareholders Grievances Committee (SGC) is chaired by the Independent and Non-Executive Director and comprises of following as on 31<sup>st</sup> March, 2011:

- a) Mr. V V Warty Chairman
- b) Mr. Ajit B. Jain Member
- c) Mr. R C A Jain Member

The Company Secretary is the Secretary and convenor of this Committee.

The scope of the committee is as follows:

- \* To review Investor complaints,
- \* To review Corporate action related work,
- \* Out source investor services like Registrar and Transfer Agents, etc.

Five meetings of SGC were held on 11.05.2010, 10.07.2010, 08.08.2010, 30.11.2010 and 27.01.2011 during the year 2010-11. However, the transfer sub committee has met 48 numbers of times to approve the requests for transfer, transmission, duplicate, split, demat of Shares etc.

### D) Operations Review Committee:

The Board on 28<sup>th</sup> January 2010 reconstituted Operations Review Committee which undertakes work of approving

(within the borrowing powers approved by Board) the individual sanction letters and delegates authority for completing documentation related to such borrowing, review the operational areas, delegation of authority for some more areas in view of increase in the size of operations, timely decisions for operational efficiency and effectiveness.

The Committee also approves opening and closing of Bank accounts and delegates' authority for security creation or related action for documentation, review the operational areas, delegation of authority for some more areas in view of increase in the size of operations, timely decisions for operational efficiency and effectiveness.

The Committee consists of the following persons as on 31<sup>st</sup> March, 2011.

- a) Mr. Ashok B. Jain Chairman
- b) Mr. Anil B. Jain Member
- c) Mr. Ajit B. Jain Member
- d) Mr. Atul B. Jain Member
- e) Mr. R. Swaminathan Member

The Operations Review Committee has met 23 times during the FY 2010-11.

## VI) Information to Shareholders:

### A) General Information:

1	Annual General Meeting Day, Date, Time & Venue	Friday, 30 <sup>th</sup> September, 2011 11:00 AM Registered Office at Jain Plastic Park, N H No. 6, Bambhori, Jalgaon 425001
2	Book Closure Dates	Monday, 19 <sup>th</sup> September, 2011 to Friday, 30 <sup>th</sup> September, 2011(Both days inclusive)
3	Financial calendar 2010-2011 Audited results of 2009-2010 First quarter results declared Second quarter results declared Third quarter results declared Fourth quarter, and Audited results of 2010-2011	on 25 <sup>th</sup> August, 2009 on 8 <sup>th</sup> August, 2010 on 8 <sup>th</sup> November, 2010 on 27 <sup>th</sup> January, 2011 on 29 <sup>th</sup> April, 2011
4	Financial calendar 2011-2012 First quarter results Second quarter results Third quarter results Fourth quarter and audited Annual Accounts	} } During third to fifth week of month followed by end of the quarter }
5	Registered Office	Jain Plastic Park, N H No. 6, Bambhori, Jalgaon - 425001
6	Listing of Shares on Stock Exchanges	The Stock Exchange, Mumbai National Stock Exchange of India Ltd., Mumbai Bourse De Luxembourg (for EDRs) Singapore Exchange Securities Trading Ltd (for FCCB's)
7	De-listing of shares on Stock Exchanges	Not Applicable
8	Listing Fees	Paid to BSE and NSE Stock Exchanges up to the year 2011-2012.
9	Stock Codes The Stock Exchange, Mumbai National Stock Exchange of India Ltd., Mumbai	500219 (Demat & Physical) JISLJALEQS
10	ISIN No.	INE175A01038
11	Depositories	National Securities Depository Ltd. Central Depository Services (India) Ltd.
12	Depository Charges	Paid to NSDL and CDSL up to the year 2011-12

### C) Postal Ballot

The following ordinary/ special resolutions passed by the Shareholders of the Company through postal ballot on 15<sup>th</sup> March 2011:-

- 1) Amendment of the Authorised Capital of the Company by reclassification of Equity Shares into Ordinary Equity Shares and DVR Equity Shares of ₹ 2 each.
- 2) Issue Equity Shares of ₹ 2 each with Differential Voting Rights (DVR's) as Bonus Shares in proportion of 1 such DVR Equity Share for 20 Equity Shares of ₹ 2 each.
- 3) Take authority for transfer of undertaking of SOLAR BUSINESS of the Company u/s 293 (1) (a) of the Companies Act, 1956 into a Wholly Owned Subsidiary of Company.
- 4) Change in Object clause by inclusion of "additional object" III C 82 A to D Power Generation objects by alteration of Memorandum of Association.

### D) Registrar and Transfer Agents

The Company has appointed the following as Registrar and Transfer Agent and delegated authority to deal with physical transfers as well as dematerialisation/ rematerialisation of Equity Shares of the Company with effect from 30.01.2003.

**Bigshare Services Private Limited,**  
E-2/3, Ansa Industrial Estate,  
Sakivihar Road, Sakinaka,  
Andheri East, Mumbai 400 072

### E) Distribution of Shareholding: As at 31<sup>st</sup> March 2011

Shareholding of nominal value of Rs.	No. of Shareholders	% of total Nos.	Number of shares	Value (₹ In Lacs)	% to Total ₹.
Upto 5000	56,616	89.03	6,968,858	13,937,716	1.81
5,001 - 10,000	3,967	6.24	3,096,266	6,192,532	0.80
10,001 - 20,000	1,318	2.07	2,037,261	4,074,522	0.53
20,001 - 30,000	560	0.88	1,473,954	2,947,908	0.38
30,001 - 40,000	186	0.29	654,880	1,309,760	0.17
40,001 - 50,000	186	0.29	893,237	1,786,474	0.23
50,001 - 1,00,000	257	0.40	1,872,548	3,745,096	0.49
1,00,001 & Above	504	0.80	368,727,456	737,454,912	95.59
<b>TOTAL</b>	<b>63,594</b>	<b>100.00</b>	<b>385,724,460</b>	<b>771,448,920</b>	<b>100.00</b>

**F) Shareholding Pattern as on 31.03.2011**

Category code	Category of Shareholders	Number of Shareholders	Total Number of Shares	Number of Shares held in dematerialised form	Total Shareholding as a % of total number of Shares		Shares Pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	No. of Shares	As a %
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)=(VIII) / (IV)*100
<b>(A)</b>	<b>Shareholding of promoter and promoter Group</b>							
<b>1</b>	<b>Indian</b>							
(a)	Individuals/Hindu Undivided Family	30	20,638,245	20,638,245	5.39	5.35	11,196,605	54.25
(b)	Central/State Governments	-	-	-	-	-	-	-
(c)	Bodies Corporate	1	96,605,000	96,605,000	25.21	25.05	2,200,000	2.28
(d)	Financial Institutions/Banks	-	-	-	-	-	-	-
(e)	Any Other	-	-	-	-	-	-	-
	<b>Sub Total (A)(1)</b>	<b>31</b>	<b>117,243,245</b>	<b>117,243,245</b>	<b>30.60</b>	<b>30.40</b>	<b>13,396,605</b>	<b>11.43</b>
<b>2</b>	<b>Foreign</b>							
(a)	Individuals(NRI/Foreign Individual).	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-
(d)	Any others	-	-	-	-	-	-	-
	<b>Sub Total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoters and Promoters Group (A)=(A)(1)+(A)(2)</b>	<b>31</b>	<b>117,243,245</b>	<b>117,243,245</b>	<b>30.60</b>	<b>30.40</b>	<b>13,396,605</b>	<b>11.43</b>
<b>(B)</b>	<b>Public Shareholding</b>							
<b>1</b>	<b>Institutions</b>						NA	NA
(a)	Mutual Funds/UTI	54	7,451,931	7,417,651	1.94	1.93	-	-
(b)	Financial Institutions/Banks	10	35,960	32,535	0.01	0.01	-	-
(c)	Central Govt./State Govt.	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-
(e)	Insurance Companies	1	250	250	0.00	0.00	-	-
(f)	Foreign Institutional Investors	232	214,632,229	214,623,729	56.01	55.65	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-
(h)	Any other	-	-	-	-	-	-	-
	<b>Sub Total (B)(1)</b>	<b>297</b>	<b>222,120,370</b>	<b>222,074,165</b>	<b>57.96</b>	<b>57.59</b>	<b>-</b>	<b>-</b>
<b>2</b>	<b>Non Institutions</b>						NA	NA
(a)	Bodies Corporate	1026	5,110,031	5,016,661	1.33	1.32	-	-
(b)	i. Individuals-shareholders holding nominal Share Capital up to ₹ 1 Lakh	61,279	17,955,895	10,585,880	4.69	4.65	-	-
	ii. Individuals-shareholders holding nominal Share Capital in excess of ₹ 1 Lakh	34	3,921,246	3,345,706	1.02	1.02	-	-
(c)	Any other							
	i) NRI	720	583,902	538,117	0.15	0.15	-	-
	ii) Non Domestic Company	3	15,659,800	15,659,800	4.09	4.06	-	-
	iii) Clearing Members	199	626,565	626,565	0.16	0.16	-	-
	iv) Trust	3	3200	3200	0.00	0.00	-	-
	<b>Sub Total B(2)</b>	<b>63,264</b>	<b>43,860,639</b>	<b>35,775,929</b>	<b>11.44</b>	<b>11.36</b>	<b>NA</b>	<b>NA</b>
	<b>Total Public Shareholding B(1)+ B(2)</b>	<b>63,561</b>	<b>265,981,009</b>	<b>257,850,094</b>	<b>69.40</b>	<b>68.95</b>	<b>NA</b>	<b>NA</b>
	<b>Total (A) + (B)</b>	<b>63,592</b>	<b>383,224,254</b>	<b>375,093,339</b>	<b>100.00</b>	<b>99.35</b>		
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>							
(1)	Promoter and promoters Group	-	-	-	-	-	-	-
(2)	Public	2	2,500,206	2,497,456	xxx	0.65	NA	NA
	<b>Grand Total (A) + (B) + (C)</b>	<b>63,594</b>	<b>385,724,460</b>	<b>377,590,795</b>	<b>xxx</b>	<b>100.00</b>	<b>13,396,605</b>	<b>3.47</b>

## G) Evaluation of Capital

Sr. No.	Particulars	Allotment Date	No. of Shares
1	Subscribers to Memorandum	December 1986	70
2	Maiden Issue	December 1988	3,018,050
3	Right Issue	December 1992	7,243,488
4	Euro Issue	March 1994	2,696,600
5	Shareholders of Jain Plastics & Chemicals Ltd, Jain Rahan Biotech Ltd and Jain Kemira Fertilizers Ltd (Merged with the Company)	July 2, 1998	7,285,952
<b>Total</b>			<b>20,244,160</b>

### Post Reduction:

1	Reduction of Capital	January 1, 2001	10,122,080
2	Conversion of Optionally Fully Convertible Debentures	October 3, 2001	12,676,055
3	Conversion of Optionally Fully Convertible Debentures	July 12, 2002	1,432,334
4	Preferential Allotment	August 20, 2002	23,655,834
5	Preferential Allotment to Promoters	December 16, 2003	2,500,000
6	Preferential Allotment	December 26, 2003	1,987,281
7	Preferential Allotment to Promoters	January 19, 2004	630,500
8	Conversion of Fully Convertible Debentures	April 15, 2004	1,349,144
9	Preferential Allotment	January 10, 2005	4,000,000
10	Shareholders of Terra Agro Technologies Ltd (Merged with the Company)	July 31, 2006	57,292
11	Conversion of Zero Coupon Convertible Bonds	May 21, 2007	577,620
12	Conversion of Zero Coupon Convertible Bonds	May 26, 2007	468,514
13	Conversion of Zero Coupon Convertible Bonds	June 1, 2007	667,472
14	Conversion of Zero Coupon Convertible Bonds	June 14, 2007	513,440
15	Conversion of Zero Coupon Convertible Bonds	June 27, 2007	1,411,961
16	Conversion of Zero Coupon Convertible Bonds	July 6, 2007	160,450
17	Shareholders of Eurisko Agro Ltd (Merged with the Company)	July 30, 2007	270,615
18	Conversion of Zero Coupon Convertible Bonds	July 20, 2007	128,360
19	Conversion of Zero Coupon Convertible Bonds	July 27, 2007	282,392
20	Conversion of Zero Coupon Convertible Bonds	August 13, 2007	57,762
21	Conversion of Zero Coupon Convertible Bonds	August 22, 2007	224,630
22	Preferential Allotment to Promoters	March 9, 2007	3,070,000
23	Conversion of Zero Coupon Convertible Bonds	October 23, 2007	436,424
24	Conversion of Zero Coupon Convertible Bonds	November 2, 2007	256,720
25	Shareholders of Orient Vegetexo Ltd (Merged with the Company)	December 7, 2007	713,316
26	Conversion of Zero Coupon Convertible Bonds	January 24, 2008	417,170
27	Conversion of Zero Coupon Convertible Bonds	March 7, 2008	385,080
28	Preferential Allotment to Promoters	March 28, 2008	2,500,000
29	Preferential Allotment to Promoters	March 29, 2008	1,102,600
30	Conversion of Zero Coupon Convertible Bonds	April 21, 2008	64,180
31	Conversion of Zero Coupon Convertible Bonds	May 8, 2008	64,180
32	Conversion of Zero Coupon Convertible Bonds	July 14, 2008	192,540
33	Preferential Allotment to IFC	April 9, 2009	1,997,780
34	Conversion of Zero Coupon Convertible Bonds	May 23, 2009	128,360
35	Conversion of Zero Coupon Convertible Bonds	June 12, 2009	385,080
36	Conversion of Zero Coupon Convertible Bonds	July 30, 2009	430,006
37	Conversion of Zero Coupon Convertible Bonds	August 28, 2009	125,151
38	Conversion of Zero Coupon Convertible Bonds	October 1, 2009	67,389
39	Conversion of Zero Coupon Convertible Bonds	January 1, 2010	64,180
40	ESOP- Allotment	January 23, 2010	437,670
41	ESOP Allotment	March 31, 2010	19,120
42	Conversion of Zero Coupon Convertible Bonds	May 1, 2010	128,360
43	Conversion of Zero Coupon Convertible Bonds	June 2, 2010	64,180
44	ESOP Allotment	September 10, 2010	14,070
<b>Total</b>			<b>76,237,292</b>

### Post Split

1	Split (Face value from Rs.10 to Rs. 2 each)	November 1, 2010	381,186,460
2	ESOP Allotment	March 25, 2011	3,865,500
3	ESOP Allotment	March 31, 2011	672,500
<b>Total Equity Shares as on March 31, 2011</b>			<b>385,724,460</b>

#### H) Share Transfer/ Demat data as on 31.03.2011

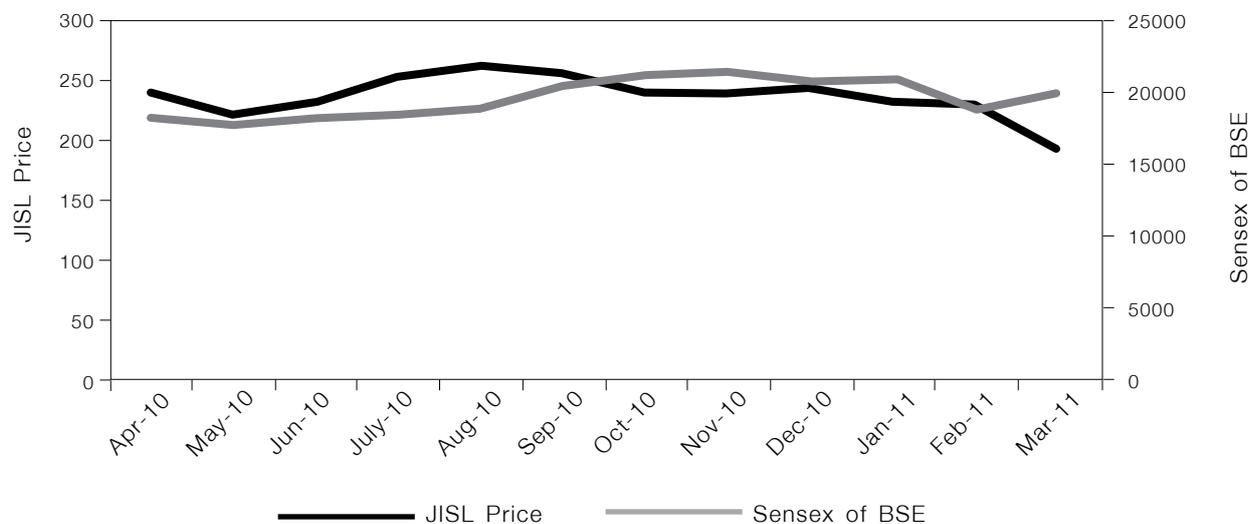
Month	Physical		Demat (NSDL)		Demat (CDSL)	
	No.of Transfer	No.of Shares	No.of Requests	No.of Shares	No.of Requests	No.of Shares
Apr-10	44	2,179	70	9,678	65	6,948
May-10	78	5,876	121	16,833	72	6,347
Jun-10	36	2,101	101	8,693	94	8,542
Jul-10	35	1,581	110	10,829	70	4,983
Aug-10	42	1,523	89	5,323	42	3,144
Sep-10	59	2,583	87	18,886	75	5,137
Oct-10	22	4,918	107	9,698	46	3,148
Nov-10	62	4,601	43	75,167	22	2,053
Dec-10	20	2,920	74	23,705	41	14,257
Jan-11	39	11,115	52	19,360	31	9,740
Feb-11	28	8,215	73	21,210	49	19,550
Mar-11	23	3,170	56	21,995	31	11,010
<b>Total</b>	<b>488</b>	<b>50,782</b>	<b>983</b>	<b>2,41,377</b>	<b>638</b>	<b>94,859</b>

#### I) Physical & Dematerialisation of Shares as on 31.03.2011

Particulars	No. of Shares	%
Physical	8,133,665	2.11
Demat		
NSDL	359,458,409	93.19
CDSL	18,132,386	4.70
<b>Total Demat</b>	<b>377,590,795</b>	<b>97.89</b>
<b>Total Equity</b>	<b>385,724,460</b>	<b>100.00</b>

#### J) Market Price Data

##### a) Stock Price Data (in Rs.)



Month	Stock Exchange, Mumbai				National Stock Exchange			
	Date	High	Date	Low	Date	High	Date	Low
Apr-10*	26.04.2010	237.10	01.04.2010	191.36	26.04.2010	237.36	01.04.2010	191.40
May-10*	03.05.2010	220.03	20.05.2010	183.13	03.05.2010	219.69	20.05.2010	183.39
Jun-10*	21.06.2010	228.73	08.06.2010	200.16	21.06.2010	228.82	08.06.2010	200.25
Jul-10*	30.07.2010	246.94	02.07.2010	217.29	30.07.2010	247.10	02.07.2010	216.63
Aug-10*	02.08.2010	258.51	20.08.2010	240.53	02.08.2010	259.64	20.08.2010	240.34
Sep-10*	14.09.2010	252.95	30.09.2010	238.74	14.09.2010	253.56	30.09.2010	237.85
Oct-10*	21.10.2010	236.32	29.10.2010	231.95	21.10.2010	237.00	29.10.2010	232.00
Nov-10	01.11.2010	236.10	18.11.2010	203.65	01.11.2010	235.05	18.11.2010	202.55
Dec-10	02.12.2010	241.05	28.12.2010	205.20	02.12.2010	241.20	28.12.2010	204.95
Jan-11	06.01.2011	231.55	31.01.2011	191.45	06.01.2011	231.60	31.01.2011	191.25
Feb-11	17.02.2011	227.35	01.02.2011	157.50	17.02.2011	227.15	01.02.2011	156.95
Mar-11	01.03.2011	193.45	31.03.2011	178.55	01.03.2011	193.10	31.03.2011	178.90

\* Pre-split share prices has been converted into post split share price.

**b) Sensex of BSE**

Month	High	Low
Apr-10	18,047.86	17,276.80
May-10	17,536.86	15,960.15
Jun-10	17,919.62	16,318.39
Jul-10	18,237.56	17,359.58
Aug-10	18,475.27	17,819.99
Sep-10	20,267.98	18,027.12
Oct-10	20,854.55	19,768.96
Nov-10	21,108.64	18,954.82
Dec-10	20,552.03	19,074.57
Jan-11	20,664.80	18,038.48
Feb-11	18,690.97	17,295.62
Mar-11	19,575.16	17,792.17

**c) Trading of Shares (Rs. in Lacs)**

Month	Stock Exchange, Mumbai			National Stock Exchange		
	No. of Transactions	No. of Shares	₹ in Lacs	No. of Transactions	No. of Shares	₹ in Lacs
Apr-10	36,744	651,863	7,029.73	111,263	3,069,748	32,777.10
May-10	69,908	1,574,645	15,507.47	206,288	5,976,781	58,631.20
Jun-10	42,702	892,193	9,656.17	151,137	3,896,393	42,350.83
Jul-10	25,897	496,593	5,851.48	93,667	3,355,424	39,222.16
Aug-10	27,873	985,001	12,383.26	147,151	4,944,046	62,028.30
Sep-10	12,535	680,638	8,429.30	96,777	3,197,818	39,491.98
Oct-10	15,832	277,711	2,703.55	100,687	2,525,913	25,798.65
Nov-10	63,195	5,084,149	11,385.44	373,333	27,110,838	60,609.37
Dec-10	52,957	4,671,934	10,446.95	223,728	22,335,445	49,709.13
Jan-11	46,807	3,208,310	6,974.06	242,278	16,445,170	35,856.08
Feb-11	489,511	41,968,854	80,463.96	1,242,521	106,922,252	202,776.34
Mar-11	102,175	7,093,218	13,289.71	428,324	30,742,909	57,009.08
<b>Total</b>	<b>986,136</b>	<b>67,585,109</b>	<b>184,121.08</b>	<b>3,417,154</b>	<b>230,522,737</b>	<b>706,260.22</b>

**K) Outstanding GDR's/ ADR's /Convertible instruments, conversion date and impact on Equity:**

- a) Out of a total of 13,48,300 (post Split 67,42,500) European Depository Receipts (EDR's) issued by the Company in 1994, represented by underlying Equity Shares, all except 25,00,206 EDR's, represented by underlying Equity Shares have been cancelled and converted into underlying Equity Shares of ₹10 each as on 31.03.2011. However, the conversion into underlying Equity Shares does not impact the Share capital in any manner whatsoever. The ratio is 2 EDRs = 1 Equity Share.

- b) In terms of EGM resolution dated 31.01.2006 u/s 81(1A) of the Companies Act, 1956 the Company has issued US\$ 60 million Zero Coupon Convertible Bonds due 2011. The Bonds are convertible at any time and after April 28, 2006 up to the close of business on February 28, 2011 by holders into fully paid Equity Shares at par value of ₹10 each at an initial conversion price of ₹ 345.59 per Share.

The above ZCCB's fully converted into Equity Shares. The Company has issued and allotted 77,01,601 Equity Shares of ₹ 10 each at a premium of ₹ 335.59 per share in conversion of 60,000 ZCCB as per Notifications received up to 31<sup>st</sup> March, 2011.

- c) In terms of the AGM resolution dated 30.09.2005 Company has issued 1,53,56,000 (pre Split 30,71,200) ESOP's entitling the ESOP holders upon vesting to exercise the right to convert ESOP into Equity Share of ₹ 2 each on payment of the exercise price. The Company has issued and allotted Shares as per details given below out of 1,53,56,000 (pre Split 31,71,200) ESOP's as at 31<sup>st</sup> March 2011.

Particulars	ESOP 1	ESOP 2	ESOP 3	ESOP 4	Total
<b>No. of ESOPs</b>	<b>25,00,000</b>	<b>25,00,000</b>	<b>25,00,000</b>	<b>25,00,000</b>	<b>1,00,00,000</b>
Allotted on 23.01.10	21,88,350	0	0	0	21,88,350
Allotted on 31.03.10	95,600	0	0	0	95,600
Allotted on 10.09.10	70,350	0	0	0	70,350
Allotted on 25.03.11	2,250	17,52,400	21,10,850	0	38,65,500
Allotted on 31.03.11	0	3,38,025	3,34,475	0	6,72,500
<b>Total Allotment</b>	<b>23,56,550</b>	<b>20,90,425</b>	<b>24,45,325</b>	<b>0</b>	<b>68,92,300</b>
<b>Balance</b>	<b>1,43,450</b>	<b>4,09,575</b>	<b>54,675</b>	<b>25,00,000</b>	<b>31,07,700</b>

- d) In terms of EGM resolution dated 9<sup>th</sup> March, 2011 u/s 81(1A) of the Companies Act, 1956 the Company has allotted 61,00,000 Equity Warrants of ₹ 228.15 each to certain corporate entity/individuals of Promoters group on preferential basis aggregating to ₹ 1,39,17,15,000/- on 24<sup>th</sup> March, 2011. The Equity Warrants shall be convertible at the option of the holder of such Equity Warrants at any time within 18 months from the date of allotment.

#### L) Shareholders queries received and replied during the year ended 31<sup>st</sup> March, 2011

Sr.No.	Nature of Complaints	Op. Balance	Received	Resolved	Balance
1	Transfer/Transmission of Shares related	-	16	16	-
2	Non payment of dividend	-	13	13	-
3	Demat of Shares	-	11	11	-
4	Issue of Duplicate Shares	-	2	2	-
5	Loss of Shares	-	7	7	-
5	Non receipt of new Shares	-	29	29	-
6	Others	-	1	1	-
<b>Total</b>		<b>-</b>	<b>79</b>	<b>79</b>	<b>-</b>

#### M) Compliance:

- a) **Capital Market Compliance:** There were no cases of non-compliance during the year with Stock Exchange where the Shares of the Company are listed, SEBI regulations or any other statutory bodies nor any cases of penalties imposed by them for any non compliance related to the capital market compliances during the last three years.
- b) **Compliance under Companies Act:** There were no cases of non-compliance of applicable provisions of Companies Act, 1956 nor any cases of penalties imposed by Department of Corporate Affairs or the Registrar of Companies or any other Statutory Bodies for any non compliance related to the Company Law provisions during the last three years.
- c) **Insider Trading Rules:** In terms of provisions of SEBI (Prevention of Insider Trading) Regulations, 2002, as amended, the Company has formulated a 'Code of internal procedure & conduct for prevention of

insider trading' in shares of the Company. The code of conduct has been explained and circulated to the employees and is implemented by compliance officer who reports to the Managing Director.

#### N) Means of Communication:

- a) **Financial Results:** All financial results of your Company are forthwith communicated to stock exchanges (where Company's equity shares are listed) as soon as they are approved and taken on record by the Board of Directors of the Company. Further the results are published in leading Marathi newspaper circulated over Jalgaon District and leading financial newspapers published on an all India basis. These results are simultaneously posted on the website of Company, the website address of Company is <http://www.jains.com>.
- b) **Website:** The website of the Company [www.jains.com](http://www.jains.com) is regularly updated with the financial results, shareholding patterns and other information.

#### O) Additional Information:

Review of business of 23<sup>rd</sup> Annual General Meeting held on 29<sup>th</sup> September, 2010:

##### a) Ordinary Business:

Sr. No.	Resolution No.	Particulars of Resolution	Review
1	1	Adoption of Audited Accounts for the year ended 31 <sup>st</sup> March, 2010	Resolution passed unanimously
2	2	Declare dividend on various Preference Shares and Equity Shares of the Company	Resolution passed unanimously
3	3	Appoint a Director in place of Mr. A R Barwe who retire by rotation	Reappointed
4	4	Appoint a Director in place of Mr. R Swaminathan who retire by rotation	Reappointed
5	5	Appointment of M/s Haribhakti and Company as Statutory Auditors of the Company.	Reappointed

##### b) Special Business:

Sr. No.	Resolution No.	Particulars of Resolution	Review
1	6	Mortgage of immovable properties of the Company	Resolution passed as ordinary resolution
2	7	Appointment and Remuneration to Mr. Anil B Jain as Managing Director	Resolution passed as special resolution
3	8	Appointment and Remuneration to Mr. Ajit B Jain as Joint Managing Director	Resolution passed as special resolution
4	9	Appointment and Remuneration to Mr. Ashok B Jain as Vice Chairman	Resolution passed as special resolution
5	10	Appointment and Remuneration to Mr. Atul B Jain as Director- Marketing .	Resolution passed as special resolution
6	11	Appointment and Remuneration to Mr. R Swaminathan as Director- Technical.	Resolution passed as special resolution
7	12	Amendment to the Authorised Capital Clause and other clauses of the Memorandum of Association and Articles of Association of the Company	Resolution passed as special resolution

## P) Nomination facility

The Shareholder of the Company who wants to make a nomination may do so by submitting duly filled form No.2B for nomination. The nomination can be made by individuals only applying/holding Shares on their own behalf singly or jointly. A holder of Shares can nominate a minor and in that event the name and address of the guardian shall be given by the holder. The nomination stand cancelled upon transfer of shares.

The intimation regarding nomination/nomination form shall be filed with Company or R & T Agent of the Company i.e. Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East) Mumbai – 400072.

## Q) Unclaimed Dividend and Interest amount:

- a) Unclaimed Dividend: The details of unclaimed dividend are as follows.

Sr. No.	Year	Date of declaration	Unclaimed amount as on 31.03.2011 (₹)	Due date for transfer to IE&PF
1	2005-06	29.09.2006	278,465	30.09.2013
2	2006-07	27.09.2007	435,798	28.09.2014
3	2007-08	30.09.2008	589,260	01.10.2015
4	2008-09	30.09.2009	652,585	01.10.2016
5	2009-10	29.09.2010	1,265,571	30.09.2017
<b>Total</b>			<b>3,221,679</b>	

## VIII) Auditors' Certificate on Corporate Governance:

As required by Clause 49 of the Listing Agreement, the Auditors' Certificate is given as an annexure to this Report.

## IX) Plant Locations in India

**Jalgaon** Jain Plastic Park, N.H.No. 6, P.O.Box: 72, Village – Bambhori, Taluka – Dharangaon, District – Jalgaon - 425001, Maharashtra.

**Jain Agri Park,** Jain Hills, Jain Agri Park, Jain Hills, Shirsoli Road, District- Jalgaon-425001, Maharashtra.

**Jain Food Park,** Jain Valley, Jain Food Park, Jain Valley, Shirsoli Road, District- Jalgaon 425001, Maharashtra.

**Alwar** Plot No. SP-1, Matsya Industrial Area, Alwar, Rajasthan - 301 030.

**Bhavnagar** Survey No. 215, JIDC4, At Post Ghangali, Taluka Sihor, Dist. Bhavnagar - 364 240.

**Chittoor Food Plant - Unit No.01,** 100,Gollapali, Gangadhara Village, Nellore (Mandal), Dist. Chittoor- 517125.

### Food Plant - Unit No.02

Avalkonda Road, Gangadhara Village, Nellore (Mandal), Dist. Chittoor- 517 125.

**Kondamadgu** S.No.587 & 588, Kondamadgu (Village), Bibi Nagar (Mandal), Nalgonda Dist. (A.P)- 508 126.

**Udumalpet** Site No. 258-90, Ellaymuthur Village, Udumalpet - 642 154, Coimbatore Dist., Tamilnadu.

**Vadodara** Jain Food Park, Village - Dhobikuva, Post: Muvad, Tal. Padra, Dist.: Vadodra.

## X) Demo and Research & Development Farms

**Jain Agri Park,** Jain Hills, P.O.Box: 72, Jalgaon- 425 001.

**Jain River Bank,** At. Takarkheda, Post. Kadholi, Tal. Erandol, Dist.Jalgaon- 425001

**Kulu** Angora Breeding Farm, Village Pirdi, Tal. Mahol, Dist. Kulu (H.P.)

**Udumalpet** Site No. 258-90, Ellaymuthur Village, Udumalpet-642 154, Dist. Coimbatore, Tamilnadu.

**Wardha** "Aarogyadham" Kasturba Nisarga Upchar Kendra, Varud Road, Kasturba Health Society, Sevagram, Wardha.

## XI) Plants in Overseas

**Jain Irrigation Inc. -** (Micro Irrigation) 2851, East, Florence Avenue, Fresno, California CA.93721

**Jain Irrigation Inc.** [Winter Haven, Florida] - P.O. Box 3546, 3857 W. Lake Hamilton Dr.Winter Haven, FL 33881

**Chapin Watermatics, Inc. -** (Micro Irrigation) 740, Water street, Water town, NY 13601.

**Cascade Specialities Inc. -** (Onion Dehydration Plant) 1 Cascade Way, Boardman, Oregon 97818, USA

**NuCedar Mills, Inc.-** (Building Products-1000 Sheridan Siding & Trim) Tom Lopar,President & CEO, Street,Chicopee, Massachusetts.01022.

**Sleaford Quality Foods Ltd. [UK]-** Woodbridge Road, East Road Industrial Estate, Sleaford, Lincolnshire NG3471X - UK.

**NaanDanJain Irrigation System Ltd.** [Israel]- (Drip and Sprinkler Irrigation) Post Naan 76829, Israel.

**NaanDanJain Irrigation System Ltd.** [Australia] - 214-216 Hammond Road Dandenong, Victoria 3175

**NaanDanJain Irrigation System Ltd.** [Brazil] - Rua Biazo Vicentin No. 260, Bairro Cidade Jardim, P.O.Box 175Leme SP - CEP 13614-330.

**NaanDanJain Irrigation System Ltd.** [Spain]- P.I. La Redonda, c/XIV nº 26 04710 Santa Maria del Águila – El Ejido Almería – ESPAÑA

**NaanDanJain Irrigation System Ltd.** [Chile] - Agrosystems, S.A.Carretera San Martin 16.500, Loteo Industrial Los Libertadores - Colina

**Jain Sulama Sistemleri Sanayi Ve Ticaret AS.** [Turkey] - Krizantem Sokak No. 60, Levent Besiktas Istanbul 343330- Turyey

**THE Machines SA -** Rue de l'industries 5, CH-1462 YVONAND, Switzerland.

**ProTool AG -** Bernstrasse 52, CH-4923 Wynau, Switzerland

## XII) Address for correspondence

Jain Plastic Park, N H No. 6, Bambhori, P.O.Box No. 72, Taluka- Dharangaon, District- Jalgaon-425001. (Maharashtra)



# DECLARATION FROM THE MANAGING DIRECTOR (UNDER CLAUSE 49(D) (II) OF THE LISTING AGREEMENT)

To,

The Members of Jain Irrigation Systems Ltd.

As provided under clause 49 of the listing agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Company's code of conduct for the year ended 31<sup>st</sup> March, 2011.

For Jain Irrigation Systems Ltd.

**sd/-**

Anil B. Jain

**Managing Director**

**Jalgaon, 5<sup>th</sup> September, 2011**

---

## AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of

JAIN IRRIGATION SYSTEMS LIMITED

We have examined the compliance of conditions of Corporate Governance by Jain Irrigation Systems Limited, for the year ended 31<sup>st</sup> March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to 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 opinion on the financial statements of the Company.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

**For Haribhakti & Co.**

Firm Registration No: 103523 W

Chartered Accountants

Sd/-

**Prasad V. Paranjape**

Partner

Membership Number: 047296

**Mumbai, 5<sup>th</sup> September 2011**

## Plants in India

### Jalgaon

Tel: 0257-2258011/22,  
E-mail: jisl@jains.com

### Jain Agri Park, Jain Hills

Tel: 0257-2260011/22, 2260288,  
E-mail: agripark@jains.com

### Jain Food Park, Jain Valley

Tel: 0257-2260033/44, 2260288,  
E-mail: foodpark@jains.com

### Bhavnagar

Tel: 02846-294222/225503  
E-mail: jainbhavnagar@jains.com

### Chittoor - Unit No.01

Tel: 08572-202022, 273703,  
E-mail: foodchittoor1@jains.com

### Chittoor - Unit No.02;

Tel: 08572-273185, 202033,  
E-mail: foodchittoor2@jains.com

### Hyderabad

Tel: 08685-277302,3.  
E-mail: hyderabadplant@jains.com

### Udumalpet, (TN)

Tel: 04252-278401/2,  
E-mail: jainudumalpet@jains.com

### Vadodara

Tel: 02662-267281, 267400.  
E-mail: jainbaroda@jains.com

### Alwar

Tel: 0144-2881173,74,75,99  
E-Mail: jainalwar@jains.com

## Offices in India

### Ahmednagar

Tel: 0241-2415481, 09422772248  
E-mail: jainahmednagar@jains.com

### Amravati

Tel: 0721-2674737, 2671486, 09422292103  
E-mail: jainamravati@jains.com

### Aurangabad

Tel: 0240 - 2345136.  
E-mail: jainaurangabad@jains.com

### Buldhana

Tel: 07262-244801, 09422283424  
E-mail: jainbuldhana@jains.com

### Jalgaon - Jain Shop

Tel: 0257-2220077, 09422774918,

### Latur

Tel: 02382-224098, 09422773389  
E-mail: dongre.suhas@jains.com

### Mumbai

Tel: 022-22109090, 22610011,  
E-mail: jainmumbai@jains.com.

### Nagpur

Tel: 07104 - 645025, 09422283408  
E-mail: jainnagpur@jains.com.

### Nanded

Tel: 02462-274046, 09403080109,  
E-mail: jainnanded@jains.com

### Nasik

Tel: 0253-2620101, 09422774916,  
E-mail: jainnasik@jains.com

### Pandharpur

Tel: 02186-227328, 09422773390,

### Pune

Tel: 020-26057777,  
E-mail: jainpune@jains.com  
Ratnagiri  
Tel: 02352 - 230033  
E-mail: jainratnagiri@jains.com

### Sangli

Tel: 0233-2422100,  
E-mail: jainsangli@jains.com

### Solapur

Tel: 0217- 2357395, 09422773390  
E-mail: jainsolapur@jains.com

### Thane

Tel: 022-25443992,  
E-mail: jainthane@jains.com

### Adilabad

E-mail:jainadilabad@jains.com

### Anantapur

Tel:08554-274226;  
E-mail:jainanantapur@jains.com

### Chittoor

Tel: 08572-226562, 213108, 226561.  
E-mail:jainchittoor@jains.com

### East Godavari

Tel: 09440797845  
E-mail:jaineastgodavari@jains.com

### Guntur

Tel: 09440797839  
E-mail:jainguntur@jains.com

### Hyderabad

Tel: 040- 27611706, 27612593;  
E-mail: jainhyderabad@jains.com

### Karimnagar

Tel: 09440797808  
E-mail: jainkarimnagar@jains.com

### Khammam

9440797816, 9440797818  
E-mail: jainkhammam@jains.com

### Kurnool

Tel: 09440797821,  
E-mail:jainkurnool@jains.com

### Kadapah

Tel.: 08562-254334, 09440797829

### Mahaboobnagar

Tel: 09440797820,  
E-mail:jainmahabubnagar@jains.com

### Medak

Tel: 09440797811  
E-mail:jainmedak@jains.com

### Nellore

Tel: 094407-97835  
E-mail:jainnellore@jains.com

### Nalgonda

Tel: 09440797806  
E-mail: jainnalgonda@jains.com

### Nizamabad

Tel: 09440797817  
E-mail:jainnizamabad@jains.com

### Parawada

Tel: 09440797833

### Pulivendula

Tel & fax No-08568-280163.  
E-mail :- jainpulivendula@jains.com

### Sreekakulam

Tel: 09440797867  
E-mail:jainsreekakulam@jains.com

### Tirupathi

Tel: 09440797881  
E-mail: jainwestgodavari@jains.com

### Vishakhapatnam

Tel: 09440797870

### Vijayanagaram

Tel: 09440797809  
E-mail: jainvijayanagaram@jains.com

### Vijaywada

Tel: 0866-2081558, 2081575.  
E-mail: vijaywadadepot@jains.com

### Warangal

Tel: 09440797813  
E-mail: jainwarangal@jains.com

### West Godavari

Tel: 09440797851  
E-mail: jainwestgodavari@jains.com

### Guwahati

0376-2341030, 09435199998  
E-mail: jainne@jains.com

### Patna

Tel: 0612-2644880, 09431800782  
E-mail: jainpatna@jains.com;

### Raipur

Tel: 0771-6454653, 09406805850,  
E-mail: jainraipur@jains.com

### New Delhi

Tel: 011-26691569, 26691829,  
E-mail: jainnewdelhi@jains.com

### Ahmedabad

Telefax: 079-26421704, 09426511403  
E-mail : jainahmedabad@jains.com

### Bardoli

Tel: 02622-221238, 09426511404

### Bhuj

Tel: 02832-257624  
E-mail: jainbhuj@jains.com

### Deesa

Tel: 02744-221022, 09426724541  
E-mail: jaindeesa@jains.com

### Vadodara

Tel: 0265-2356727, 2356737, 2356575  
E-mail: jaingujarat@jains.com

### Yamuna Nagar

Tel: 09416400201  
E-mail: jainharyana@jains.com

### Sirsa

Tel: 09416400207  
E-mail: jainsirsa@jains.com

### Chandigarh

Tel-0172-2600901, 09417202115,  
E-mail : jainchandigarh@jains.com

### Bilaspur

Tel: 01978-221646, 09418191511  
E-mail: jainbilaspur@jains.com

### Chamba

Tel: 01899-220031, 09459135908  
E-mail: jainchamba@jains.com

### Poanta Sahib

Tel: 01704-224193, 09459135906  
E-mail: jainpoantasahib@jains.com

### Hamirpur

Tel: 01972-222240, 09318519394  
Email: jainhamirpur@jains.com

**Solan**

Tel: 01792-229073, 09418016133  
E-mail : jainsolan@jains.com

**Sundarnagar**

Tel.:01907-265621; 09418169333  
E-mail : jainsundarnagar@jains.com

**Palampur**

Tel.: 01894-234152, 09418016033  
E-mail: jainpalampur@jains.com

**Kullu**

Tel: 01902-201311, 09418073923  
E-mail: jainkullu@jains.com

**Shimla**

Tel: 0177-2672513, 09418171333  
E-mail: jainshimla@jains.com

**Una:**

Tel:01975-228272, 09418944441  
E-mail: jainuna@jains.com

**Ranchi**

Tel: 0651-2532240, 09470590437

**Bangalore**

Tel: 080-25361257, 25548920,  
E-mail: jainbangalore@jains.com

**Bijapur**

Telefax: 08352-265411, 09448286500  
E-mail: jainbijapur@jains.com

**Belgaum**

Tel:-0831-2450022, 09448286508  
E-Mail :- jainbelgaum@jains.com

**Shiggaon**

Tel & fax : 08378-256198, 09448286502  
E-mail: jainshiggaon@jains.com

**Indore**

Tel: 0731-4265112  
E-mail: jainindore@jains.com

**Jaipur**

Telefax: 0141-2203515, 6571402,  
E-mail: jainjaipur@jains.com

**Bikaner**

Tel: 0151-2233130, 09413342148  
E-mail: jainbikaner@jains.com

**Sanchore**

Tel: 09413340047  
E-mail: kara.tarun@jains.com

**Chennai**

Tel: 044-24339794, 42867501,  
E-mail: jainchennai@jains.com

**Cochin**

Tel: 0484- 2307642, 09446363742

**Coimbatore**

Tel: 0422 2457318, 09443316061  
E-mail: jaincoimbatore@jains.com

**Madurai**

Tel: 0452-2381491, 09443145112  
E-mail: jainmadurai@jains.com

**Trichy**

Tel: 0431- 4060601, 09443403368  
E-mail: jaintrichy@jains.com

**Tirunelveli**

Tel: 09443315945  
E-mail: jaintirunelveli@jains.com

**Lucknow**

Tel: 0522-4021067, 09453007282  
E-mail: jainlucknow@jains.com

**Jhansi**

Tel: 0510-2450183, 09453007801,  
E-mail: jainjhansi@jains.com

**Deharadun**

Tel: 0135-2669865, 09412997917  
E-mail: jaindeharadun@jains.com

**Kolkata**

Tel. No: 033-24198646, 09433047499  
Email: jainkolkata@jains.com

**Depots in India****Jaipur**

Tel: 0141-2206071/72,  
E-mail: jainjaipur@jains.com

**Jhalawad**

Tel: 9414194442/ 07432-240105.

**Jodhpur**

Tel: 09414100901

**Pratapgarh**

Tel: 09414396674; 01478-222183.

**Coimbatore**

Tel: 09843814444, 0422-2390101  
E-mail: coimbatoredepot@jains.com

**Sivaganga**

Tel 04575-291228, 09443315952  
E-Mail: jainsivaganga@jains.com

**Thanjavur**

Tel: 09442502361

**Udumalpet**

Tel: 04252-278401, 9443315944  
E-mail: udumalpetdepot@jains.com

**Lucknow**

Tel: 0522-2762750,  
E-mail:lucknodepot@jains.com

**Offices in Overseas****USA****Jain (Americas) Inc. [Columbus]**

Tel: +1-888-473-7539 or (614) 850-9400  
Email: info@jainamericas.com

**Jain Irrigation Inc. [Ontario]**

Tel: 1-800-695-7171 or (559)-485-7171  
Email: info@jainsusa.com  
Web: www.jainsusa.com

**Chapin Watermatics Inc.**

Tel: +1-315-782-1170,  
E-mail: ngupta@chapindrip.com  
Web: chapindrip.com

**Cascade Specialties Inc.**

Tel: +1-541-481-2522;  
E-mail: info@cascadespec.com  
Web: www.cascadespec.com

**NuCedar Mills Inc. [Chicopee, MA]**

Phone: + 1-866-393-8883  
E: info@nucedar.com  
Web: www.nucedarmills.com

**EUROPE****Jain(Europe) Limited,**

Tel: +44 20 8326 5900

**AUSTRALIA**

Tel. +61296032718, Mob. +61425209644.  
E-mail: bedekar.sanjay@jains.com

**EGYPT**

Tel: +20-22-454-6043, +20-12-212-7547,  
E-mail: dr.hanafy@jains.com

**SINGAPORE****Silastan**

Tel: +65-64576852 (O), +65-98710036 (M)

**SRI LANKA**

Tel: +94112852610, +94-777-586411  
E-mail: srbala@jains.com

**TURKEY**

**(Jain Sulama Sistemleri Sanayi Ve Ticaret)**

Tel : +90 212 269 8585  
Web: www.jains.com.tr

**TAIWAN**

Tel: +86 693 3295430.

**FRANCE****Toulouse - NDJ**

Tel: +33-5-61998509;  
E-mail: contact@naandanjain.fr

**ITALY****Milano - NDJ**

Tel: +390-255603877;  
E-mail: info@naandanjain.it

**MEXICO - NDJ**

Tel: +52-5959-251240/1;  
E-mail: info@naandan.com.mx

**PERU [Lima] - NDJ**

Tel: +51-14402322;  
E-mail: mauricio@naandanjain-peru.com

**ROMANIA - NDJ**

Tel: +40-21-3694055;  
E-mail: lleana-stanciu@naandanjain.ro

**Overseas Plants****USA****Jain Irrigation Inc. [Fresno, California]**

Tel: 1-800-695-7171  
Email: info@jainsusa.com;  
Web: www.jainsusa.com.,

**Jain Irrigation Inc. [Winter Haven, Florida]**

Tel: +1-800-848-8153;

**Jain Irrigation Inc. [Ontario, CA]**

Tel: +1-909-3955200;

**Chapin Watermatics, Inc. [New York]**

Tel: +1-800-242-7467;  
E-mail: ngupta@chapindrip.com  
Web: www.chapindrip.com.

**Sleaford Quality Foods Ltd. [UK]**

Tel: +44-1529305000,  
E-mail: enquiries@sleafordqf.com  
Web: www.sleafordqf.com

**SWITZERLAND****THE Machines SA**

Tel: +41-24-423-5050,  
Email: info@the-machines.ch  
Web: www.the-machines.ch

**ISRAEL - NDJ**

Tel: +972-8-9442180; +972-546-741120;  
E-mail: mkt@naandanjain.com

**AUSTRALIA - NDJ**

Tel: +61-3-976-71222;  
E-mail: marketing@naandanjain.com.au

**BRAZIL - NDJ**

Tel: +55-1-935-714646;  
E-mail: alfredo@naandan.com.br

**SPAIN - NDJ**

Tel: +34-9-505-82121;  
E-mail: pedros@naandanjain.es

# Brand Equity



**Jain Irrigation Systems Ltd.**  
Small Ideas. Big Revolutions.®

## Micro Irrigation Systems, Equipments & Agri Inputs



## Plastic Products



## Green Energy Products



## Food Products



## Social Profile





**We revere these elements of our universe. They reflect our ethos.**

Yellow, Green, Blue and Brown are colours of Nature and have been embodied in our logo. They encapsulate the conviction of the Founder and the lasting commitment of the Corporation to agriculture.

Jain Irrigation is striving to add value to the entire agri-chain. At the same time, they produce and process a complete range of agri-products for the exacting world markets and the growing domestic clientele.

The Corporation is poised to grow and attain water, food and energy security.

