

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

ANNUAL REPORT 2010-11

BOARD OF DIRECTORS

Shri Saurabh Kumar Tayal – Chairman
Shri Mahendra Kumar Aggarwal – Managing Director
Shri Mahesh Prasad Mehrotra
Dr. Pritam Singh Pritam
Shri Rajshekhar S. Ganiger
Shri Farindra Bihari Rai
Ms. Mrinal Tayal
Shri Kailash Nath Bhandari

AUDITORS

M/s. A.F.Khasgiwala & Co.,
Chartered Accountants

BANKERS

Indian Overseas Bank, Allahabad Bank,
UCO Bank, Oriental Bank of Commerce,
Bank of Maharashtra, Bank of India

REGISTERED OFFICE

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

CORPORATE OFFICE

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

REGISTRAR & SHARE TRANSFER AGENT

Universal Capital Securities Private Limited
(Formerly known as Mondkar Computers Pvt. Ltd.)
21, Shakil Nivas, Opp Satya Sai Baba Temple,
Mahakali Caves Road, Andheri (East)
Mumbai- 400 093
info@unisec.in

PLANTS

Pulgaon, Maharashtra.

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ANNUAL GENERAL MEETING on Saturday 2nd July, 2011, at 3:00 p.m.,
at Village Salvav, Taluka Pardi, Vapi, Dist. Valsad, Gujarat 396 191.

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

NOTICE

NOTICE is hereby given that the 26th Annual General Meeting of the Members of **JAYBHARAT TEXTILES AND REAL ESTATE LIMITED** will be held on Saturday the 2nd July, 2011 at 3:00 p.m. to transact the following business at the Registered Office of the Company at Village Salvav, Taluka Pardi, Near Vapi, Dist Valsad – 396191 at 3.00 P. M.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Company's Audited Balance Sheet as at 31st March, 2011 and Profit and Loss Account for the year ended on that date and Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Saurabh Kumar Tayal, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Ms. Mrinal Tayal, who retires by rotation and, being eligible, offers herself for re-appointment.
4. To reappoint Auditor and to fix remuneration and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:-
"RESOLVED THAT M/s A. F. Khasgiwala. & Co, Chartered Accountants be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS

7. To appoint Shri Kailash Nath Bhandari as an Independent Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT in accordance with the provisions of section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, Shri Kailash Nath Bhandari, who was appointed by the Board as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 and Article 82 of the Article of the Association of the Company, on 16th October, 2010 and whose tenure of office comes to an end at this Annual General Meeting, be and is hereby appointed as Director of the Company who shall be liable to retire by rotation."

NOTES:

1. **A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON (WHETHER A SHAREHOLDER OR NOT) AS HIS/HER PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING AND SHALL BE ENTITLED TO VOTE ONLY UPON A POLL.**
2. The instrument(s) appointing the Proxy, if any, shall be delivered at the Registered Office of the Company not less than forty eight (48) hours before the commencement of the Meeting and the instrument of proxy shall be treated as invalid in case of default.
3. The Register of Members and Share Transfer Register of the Company will remain closed from 30th June, 2010 to 2nd July, 2010 (both days inclusive) to comply with Annual Book Closure requirements.
4. Corporate members intending to send their Authorised Representatives to attend the Meeting are requested to send to the company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. Members desiring any information with regard to accounts or operations are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
6. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio. Members are requested to immediately notify any change in their registered address specifying full address with Pin Code Number and quoting their Registered Folio Number to the Company.
7. All documents and agreements referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except holidays, between 10.00 A.M and 1.00 P.M. up to the date of Annual General Meeting.
8. Green Initiatives in the Corporate Governance: - The Government of India - Ministry of Corporate affairs has vide the Circular No. 17-2011 dated 21st April, 2011, allowed service of documents to the shareholders in the electronic mode. Thus, having regard to the said circular read with the Information Technology Act, 2000 and section 53 of the Companies Act, 1956, The Company hereby requests the members to register their E-mail address (and any change therein from time to time) with Universal Capital Securities Private Limited (Formerly Known as Mondkar Computers Pvt. Ltd.) the Registrar and Share Transfer Agents of the Company. The Company Proposed to send the future Correspondences in electronic form to the Members whose E-mail Address is registered with the Registrar and Share Transfer Agent of the Company. Any Members desiring to receive the said Correspondences in the Physical form should inform the Company.

For and Behalf of the Board of Directors
SD/-

Saurabh Kumar Tayal
Chairman

Place: Mumbai
Date: 28th April, 2011

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

Item No. 7

The Board of Director of the Company, at its meeting held on 16th October, 2010 appointed Shri Kailash Nath Bhandari as an additional director of the Company pursuant to provision of Section 260 of the Companies Act, 1956 ("the Act") read with Article 82 of the Article of Association of the Company.

In terms of the provision of the Section 260 of the Act, Shri Kailash Nath Bhandari would hold office till the conclusion of this Annual General Meeting.

The Company has received a notice in writing from a member alongwith deposit of ₹ 500/- for proposing the candidature of Shri Kailash Nath Bhandari for the office of Director of the Company under the provisions of section 257 of the Act.

Shri Kailash Nath Bhandari is not disqualified from being appointed as Director in terms of Section 274(1)(g) of the Act. The Company has received the requisite Form 'DD-A' from Shri Kailash Nath Bhandari, in terms of the Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules, 2003, confirming his eligibility for such appointment.

Shri Kailash Nath Bhandari is B.A. and L.L.B. He has vast experience of administration in the field of Insurance sector. He is currently working as Chair Professor and Honorary Director of Centre for Insurance Studies & Research, National Law University and holds Directorship in various Companies.

It is proposed to seek Members' approval for the appointment of Shri Kailash Nath Bhandari as an Independent Director, in term of the applicable provisions of the Act. None of the Directors is interested in the Resolution.

For and Behalf of the Board of Directors

SD/-

**Saurabh Kumar Tayal
Chairman**

**Place: Mumbai
Date: 28th April, 2011**

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 26th Annual Report and the Audited Statements of Accounts of your Company for the financial year ended 31st March, 2011.

FINANCIAL RESULTS:

	2010-2011 (₹ in Lacs)	2009-2010 (₹ in Lacs)
Income from Operation	61188.01	53739.75
Profit before Depreciation, Interest and Tax	6392.47	7815.90
Interest & Finance Charges	2632.14	2153.12
Depreciation	3718.55	3038.46
Profit/Loss Before Taxation	41.78	2624.32
Provision for Tax	8.33	446.13
Profit/(Loss) after Tax	(311.27)	1921.42
Profit/(Loss) brought forward from Previous Year	2778.47	1804.96
Appropriated Transfer to General Reserve	2467.20	3726.37
Profit/(Loss) carried to Balance Sheet	2467.20	3726.38

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

DIVIDEND:

In view of inadequacy of profits, your Directors are unable to recommend any dividend on the equity shares for the year under review.

REVIEW OF OPERATIONS:

The Company has achieved a Sales Turnover of ₹ 6118.01 Lacs in Financial Year 2010-11 as against ₹ 53739.75 Lacs in previous Financial Year 2009-10. During the year 2010-11 Interest outgo of the Company has registered at ₹ 2632.14 as against ₹ 2153.12 Lacs in the previous year 2009-10. The Depreciation has registered at ₹ 3718.55 Lacs as Compares with ₹ 3038.46 Lacs for the previous year 2009-10. In the financial year 2010-11 the Company has registered Net Loss of ₹ (311.27 Lacs) as against ₹ 1921.42 Lacs in Financial Year 2009-10.

SUBSIDIARY COMPANY:

The Report and Accounts of the Subsidiary Companies are annexed to this Report along with the Statement pursuant to Section 212 of the Companies Act, 1956. However, in the context of the mandatory requirement to present consolidated accounts, which provides Members with a consolidated position of the Company including its Subsidiary, at the first instance, Members are being provided with the Report and Accounts of the Company and the Consolidated Accounts treating these as abridged accounts as contemplated by Section 219 of the Companies Act, 1956. Members who wish to receive the full Report and Accounts including the Report and Accounts of the Subsidiary Companies will be provided with it upon receipt of a written request. This will help save considerable cost in connection with printing and mailing of the Report and Accounts.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Shri Saurabh Kumar Tayal, and Ms. Mrinal Tayal, Directors, retire by rotation and, being eligible, offered them for re-appointment.

Shri Utpal Mukhopadhyay, Shri Ram Bharosay Lal Vaish & Shri Harinder Kumar resigned as a Director of the Company w.e.f. 16th October, 2010. The Board of Directors place on record the valuable services rendered by them during their tenure as Director of the Company.

The Board of Directors of the Company in its meeting held on 16th October, 2010 appointed Shri Kailash Nath Bhandari as an Additional Director of the Company.

PARTICULARS OF EMPLOYEES:

There were no employees drawing remuneration of ₹60,00,000/- or more per annum employed throughout the year or ₹5,00,000/- or more per month employed for a part of the year. This information is furnished pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- that in the preparation of the annual accounts for the financial year ended 31st March 2010, the applicable Accounting Standards had been followed along with proper explanation relating to material departures except revised AS-15 applicable to accounting treatment for gratuity and leave encashment which are accounted for on cash basis;
- that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for the year under review;
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

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- iv) that the Directors had prepared the accounts for the financial year ended 31st March, 2011 on a going concern basis.

FIXED DEPOSITS:

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

INSURANCE:

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

AUDIT COMMITTEE:

The composition of Audit Committee is given in the Report on Corporate Governance.

SHARE TRANSFER AND INVESTORS' GRIEVANCE COMMITTEE:

The composition of Share Transfer and Investors' Grievance Committee is given in the Report on Corporate Governance.

REPORT ON CORPORATE GOVERNANCE:

The Company has complied with Corporate Governance Code as stipulated under Clause 49 of the Listing Agreement. A separate section on Corporate Governance alongwith a certificate from M/s. A. F. Khasgiwala & Co., Statutory Auditors and Shri Mahendra Kumar Aggarwal, Managing Director, confirming the compliance with the said Clause, forms part of this report.

SAFETY, HEALTH AND ENVIRONMENT:

A sustained and meticulous effort continues to be exercised by the Company at the plant of the Company towards greener production and Environment Conservation. The Company perseveres its efforts to indoctrinate safe and environmentally accountable behavior in every Employee as well as Vendors by compulsory annual training and refresher courses and frequent awareness programs. Mock drills of emergency preparedness are regularly conducted at the plant showing Company's commitment towards safety, not only of its own men and plant, but also of the society at large. Involvement of workers in all safety matters has been encouraged by their participation in shop floor safety meetings.

The health of employees and the environment in and around the plant area have been given due care and attention. The Company continued to comply with the prescribed Industrial Safety Environment Protection and Pollution Control Regulation at its production plant through periodic checks of the system involved and constant monitoring to meet the standards set by the Pollution Control Authorities, etc.

The Plant of the Company is eco-friendly and do not generate any harmful effluents. Safety devices have been installed wherever necessary.

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

LISTING AGREEMENT:

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

AUDITOR'S REPORT:

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

AUDITORS:

M/s. A. F. Khasgiwala & Co., the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting. The Company has received a letter from M/s. A. F. Khasgiwala & Co., Chartered Accountants, expressing their willingness to continue as Statutory Auditor of the Company. Necessary resolution for appointment of M/s A. F. Khasgiwala & Co., Chartered Accountant as Statutory Auditors, from whom Company has received letter confirmation that their appointment if approve by Shareholder will be within limit prescribed u/s 224(i) of the Companies Act 1956, is placed for consideration and approval of the members of the Company.

EMPLOYEE RELATIONS:

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

ACKNOWLEDGEMENT:

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

For and on Behalf of the Board of Directors

Sd/-

Saurabh Kumar Tayal
Chairman

Place: Mumbai
Date: 28th April, 2011

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

ANNEXURE TO THE DIRECTORS' REPORT

Information as per Section 217(1)(e), of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year 2010 – 11.

I. CONSERVATION OF ENERGY

a) Energy conservation measures taken:

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

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

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

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

The Company is constantly exploring avenues for cost saving as an on-going process.

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

	Year ended 31.03.2011	Year ended 31.03.2010
A. Power and Fuel Consumption in respect of:		
1. Electricity		
(a) Purchased		
1. Units (KWH in Lacs)	131.59	116.46
2. Total amount (₹ in lacs)	743.48	596.29
3. Rate per unit (₹/unit)	5.65	5.12
(b) Own Generation (Through Diesel Generator/Furnace Oil)		
1. Units (KWH in Lacs)	465.12	411.61
2. Units per litre of fuel	4.32	3.82
3. Cost per unit (₹/unit)	9.15	6.96
2. Coal	—	—
3. Furnace Oil	—	—
Others/Internal Generation	—	—
B. Consumption per unit of production (Product : Yarn & Fabric)		
1. Electricity (KWH/Tonne)	1901.61	1682.84
2. Coal (Kgs.)		
3. Furnace Oil (Ltrs.)		
4. Steam (Tonnes)		

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

II. TECHNOLOGY ABSORPTION:

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

Research and Development (R & D)

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

III. FOREIGN EXCHANGE EARNINGS AND OUT-GO :

- a) Activities relating to export Markets for products and services and export plan

The Company has set up an Export Division for export of premium quality yarns and garments.

	Year ended 31.03.2011	Year ended 31.03.2010
b) Foreign Exchange Outgo (₹ in Lacs)	Nil	Nil
c) Foreign Exchange earned (₹ in Lacs)	106.94	Nil

For and on Behalf of the Board of Directors

Sd/-

Saurabh Kumar Tayal
Chairman

Place: Mumbai
Date: 28th April, 2011

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CORPORATE GOVERNANCE REPORT

The Company's Shares are listed on the Bombay Stock Exchange Limited in India. A Report on Corporate Governance in format as prescribed by the Securities and Exchange Board of India and pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges is given below.

1. Company's Philosophy on Code of Governance

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

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

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

2. Board of Directors

2.1 The Board of director consists of professional Directors including the Chairman being Non Executive Director.

During the year 2010-2011, the Board met 4 times on the following dates namely 21st May, 2010, 4th August, 2010, 16th October, 2010 and 5th February, 2011.

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

The following table gives details of Directors, attendance of Directors at the Board Meetings and at the last 25th Annual General Meeting and number of membership held by Directors in the Board / Committees of various companies .

Name	Category	Attendance Particulars		Number of other directorships and Total Committee membership/chairmanships		
		Board Meetings	Last AGM	Other Directorships in Indian Public Limited Companies	Committee Memberships	Committee Chairmanships
Shri Saurabh Kumar Tayal	NEC	4	Yes	9	6	2
Shri Mahendra Kumar Aggarwal	MD	4	Yes	2	Nil	Nil
Shri Rajshekhar S. Ganiger	ID	4	Yes	1	2	Nil
Shri Farindra Bihari Rai	ID	4	No	7	3	Nil
Shri Mahesh Prasad Mehrotra	ID	3	No	14	5	5
Ms. Mrinal Tayal	NED	4	No	4	Nil	Nil
Dr. P. S. Pritam	ID	4	No	1	1	
Shri Kailash Nath Bhandari#	ID	2	–	12	2	1
Shri Utpal Mukhopadhyay*	ID	0	–	–	–	–
Shri R. B. L. Vaish**	ID	2	No	–	–	–
Shri Harinder Kumar ***	ID	0	No	–	–	–

Appointed as a Director w.e.f 16th October, 2010

* Resigned as a Director w.e.f. 16th October, 2010

** Resigned as a Director w.e.f. 16th October, 2010

*** Resigned as a Director w.e.f 16th October, 2010

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

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

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

2.2 Re-appointment of Directors

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

Sr. No	Name of Director	Brief Resume	Area of Expertise	Other Directorships	Other Committee Memberships	Other Committee Chairmanship
1.	Shri Saurabh Kumar Tayal	B. Com, M.B.A. (Finance)	Textile and Real Estate	9	6	2
2.	Ms. Mrinal Tayal	M.B.A. (Finance & Marketing) B. Tech (Computer Science)	Finance, Administration and Banking sector	4	Nil	Nil

2.3 Non-Executive Directors Compensation Disclosures

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

Name of Director	Category	Attendance Particulars	
		Board Meetings	Committee Meeting
Shri M. P. Mehrotra	ID	30000	10000
Dr. P. S. Pritam	ID	40000	-
Shri Rajshekhhar S. Ganiger	ID	40000	16000
Shri Farindra Bihari Rai	ID	40000	16000
Shri Harinder Kumar	ID	0	0
Shri R.B.L. Vaish	ID	30000	0
Ms. Mrinal Tayal	ID	40000	0
Shri K. N. Bhandari	ID	20000	0
	Total ₹	240000	42000

3. Audit Committee

3.1. Brief description and terms of reference

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

1. Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing with Management the annual financial statements before submission to the Board, focusing primarily on (i) any changes in accounting policies and practices (ii) major accounting entries based on exercise of judgment by management (iii) qualifications in draft audit report (iv) significant adjustments arising out of audit (v) the going concern assumption (vi) compliance with accounting standards (vii) compliance with stock exchange and legal requirements concerning financial statements and (viii) any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.
5. Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing with the Management, external and internal auditors, the adequacy of internal control systems.
8. Reviewing the adequacy of internal audit functions.
9. Discussion with internal auditors of any significant findings and follow up there on.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

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3.2 Composition, name of members and Chairman and Attendance

The Audit Committee of the Company has been re-constituted during the year ended 31st March, 2011. In the Meeting of the Board of Directors held on 16th October, 2010, the Audit Committee was re-constituted and comprised of Shri Mahesh Prasad Mehrotra, Chairman, Shri Rajshekhar Ganiger, Member and Shri Farindra Bihari Rai, Member:

The constitution of Audit Committee meets with the requirements of Section 292A of the Companies Act, 1956 and Clause 49(II)(A) of the Listing Agreement as introduced by the Companies (Amendment) Act, 2000.

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

During the year 2009-2010, the Audit Committee met 4 times on the following dates namely 20th May, 2010, 3rd August, 2010, 15th October 2010 and 4th February 2011.

Name of Member	Designation	Attendance
Shri Mahesh Prasad Mehrotra@	Chairman	1
Shri Rajshekhar Ganiger	Member	4
Shri Farindra Bihari Rai	Member	4
Shri Harinder Kumar#	Chairman	3

@ Appointed as on 16th October, 2010

Resigned as on 16th October, 2010

4. Remuneration Committee

The Company does not have Remuneration Committee.

4.1 Terms of Reference

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

5. Shareholders' / Investors' Grievance Committee

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

5.1 Meetings of the Committee:

During the year 2010-11, the Investor Grievance Committee met 4 times on the following dates. 20th May, 2010, 3rd August, 2010, 15th October 2010 and 4th February 2011.

Name of Member	Designation	Attendance
Shri Saurabh Kumar Tayal	Chairman	3
Shri Rajshekhar Ganiger	Member	3
Shri Farindra Bihari Rai	Member	3

No of Shareholder's Complaint received so far - 17

Number solved to the satisfaction of shareholders - 17

Number of pending complaints - Nil

6. General Body Meetings

6.1 The last three Annual General Meetings of the Company were held as under.

Year	Location	Date	Time
2009-10	Village Salvav, Taluka Pardi, Vapi, Dist. Valsad, Gujarat - 396 191.	17 th July, 2010	11:00 A.M.
2008-09	Village Salvav, Taluka Pardi, Vapi, Dist Valsad, Gujarat - 396 191.	4 th September, 2009	12:30 P.M.
2007-08	Village Salvav, Taluka Pardi, Near Vapi, Dist Valsad, Gujarat - 396191.	9 th August, 2008	12.00 P.M.

Note: During the year the Company has not passed any special Resolution in the General Meeting or through Postal Ballot.

7. Disclosures

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

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

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

- (b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
There were no instances of non-compliance of any matter related to the capital markets during the last three years.

8. Means of Communication

- (a) The Company has published its quarterly results in Free Press Journal the English Newspaper Loksatta-Jansatta the Gujarati Newspaper.
(b) The Quarterly Financial Results are also displayed on the website of the Company.
(c) The Company sends regular intimation of any official news releases to the Bombay Stock Exchange Limited where the shares of the Company are listed.
(d) Management Discussion and Analysis forms integral part of this annual report.

9. General Shareholder Information

9.1 Annual General Meeting

- Date and time : 2nd July, 2011 at 3:00 p.m.
– Venue : Village Salvav, Taluka Pardi, N.H. 8
Near Vapi Dist Valsad Gujarat

9.2 Financial Year

- : 1st April 2011 to 31st March 2012
Financial Calendar 2011-2012 : Annual General Meeting – (Next year) (tentative) July 2012

Board Meetings

- Results for the quarter ending June 30, 2011 : Before the 2nd week of August 2011
Results for the quarter ending September 30, 2011 : Before the 2nd week of November 2011
Results for the quarter ending December 31, 2011 : Before the 2nd week of February 2012
Results for the year ending March 31, 2012 : Last week of May, 2012

9.3 Book Closure date

- : 30th June 2011 to 2nd July, 2011 (Both Days Inclusive)

9.4 (a) Listing of Equity shares :

Bombay Stock Exchange Limited

(b) ISIN allotted to Equity Shares :

INE091E01039

(Note: Annual listing fees for the year 2011-2012 has been duly paid to the Bombay Stock Exchange Ltd.)

9.5 Stock Code

: 512233

9.6 Stock Market Data

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED					
Month	Open Price	High Price	Low Price	Close Price	No. of Shares
April-2010	370	405.9	325.05	354	3399
May-2010	332	366.15	225.1	272.4	5189
June-2010	242.1	299.95	242.1	257.5	2171
July-2010	289.8	313.6	235	256	10289
August-2010	251.2	307.95	241.05	266	8850
September-2010	279.9	319	247.6	262	106095
October-2010	314.4	314.4	223.25	253.55	33396
November-2010	280	280	211.1	250	16811
December-2010	239	256.9	153.55	160.05	1439
January-2011	162	162	126	142.55	3546
February-2011	135.45	142.5	90.35	90.5	1386
March-2011	95	113	87.05	108	1195

Source: www.bseindia.com

9.7 Performance in comparison to broad – based indices such as BSE sensex, CRISIL index etc.

The shares of the Company are listed on Bombay Stock Exchange Ltd. The Stock Market Details of which has been given as above.

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9.8 Registrar & Share Transfer Agent

: Universal Capital Securities Private Limited
(Formerly known as Mondkar Computers Private Limited) 21, Shakil Niwas, Mahakali Caves Road, Opp. Satya Sai Baba Temple, Andheri (E), Mumbai – 400 093
email : info@unisec.in

9.9 Share Transfer System

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

9.10 Shareholding Pattern as on 31st March 2010

Category		No. of shares held	Percentage of shareholding
1.	Promoter's Holding	262436155	68.55
2.	Mutual Funds, Banks, Financial Institutions, FII, NRIs, Clearing Members & OCBs	2364064	0.62
3.	Domestic Companies	2687715	0.70
4.	Resident Individuals	115349566	30.13
Total		382837500	100.00

9.11 Distribution of Shareholding as on 31st March 2010

Category		Number of Shareholders	Number of Shares Held
From	To		
Upto	– 5000	486	55842
5001	– 10000	2411	9041777
10001	– 20000	4	27977
20001	– 30000	1	13700
30001	– 40000	1	15488
40001	– 50000	0	0
50001	– 100000	0	0
100001	– Above	31	373682716
TOTAL		2934	382837500

9.12 Dematerialisation of Shares

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

9.13 Outstanding GDR/ADR / Warrants or any convertible instruments, conversion date and likely impact on equity

: N.A.

9.14 Plant Location

: Pulgaon, Maharashtra

9.15 (i) Address for Investor Correspondence

: Corporate Office

For transfer / dematerialization of shares, payment of dividend on shares, interest and redemption of debentures, and any other query relating to the shares and debentures of the Company	Universal Capital Securities Private Limited (Formerly known as Mondkar Computers Private Limited) 21, Shakil Niwas, Mahakali Caves Road, Opp. Satya Sai Baba Temple, Andheri (E), Mumbai-400 093. email : info@unisec.in
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(ii) Any query on Annual Report

: Village Salvav , Taluka Pardi, Near Vapi, Gujarat - 396 191

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Code of Conduct

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

- a. I have reviewed financial statements and the cash flow statement for the year and that to the best of my 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 present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the auditors and the Audit committee
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

Sd/-

Mahendra Kumar Aggarwal
Managing Director

Place: Mumbai
Date: 28th April, 2011

CEO CERTIFICATION

This is to confirm that the Company has adopted the Code of Conduct for its Board Members and Senior Management Personnel.

I confirm that the Company has in respect of the financial year ended 31st March, 2011, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Executive Directors as on 31st March, 2011.

Sd/-

Mahendra Kumar Aggarwal
Managing Director

Place: Mumbai
Date: 28th April, 2011

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Jaybharat textiles and real estate Limited

We have examined the compliance of the conditions of Corporate Governance by JAYBHARAT TEXTILES AND REAL ESTATE LIMITED for the year ended 31st March 2011 as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in the above Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2011 no investor grievances are pending against the Company as on April, 2011 as per the records maintained by the Company and presented to the Share Transfer/Investors' Grievances Committee.

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

For A.F. KHASGIWALA & CO.,
Chartered Accountants

Sd/-

A.F. KHASGIWALA
Partner

Membership No. 006491
Firm Registration No.: 105114W

Place: Mumbai
Date: 28-04-2011

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

The Management of **JAYBHARAT TEXTILES AND INDUSTRIES LIMITED** in its Analysis Report laid down the performance and outlook of the Company in order to comply the requirement of Corporate Governance as laid down in the Listing Agreement. However, investors and readers are cautioned that this discussion contains certain forward looking statements that involve risk and uncertainties.

Industry structure and developments:

A) Textile Industry:

The Textile Industry occupies a unique place in our Country by contributing around 4% of India's GDP, 14% of the Country's Industrial Production, 18% of Industrial employment and 17% of the export earnings. It is the second largest provider of employment after agriculture. It provides direct employment to over 35 million people and indirect employment to around another 60 million people in the Country.

The Industry contributes around 25% share in the world trade of cotton yarn. India is the largest exporter of yarn in the international market and has a share of 25% in world cotton yarn export market. India contributes for 12% of the world's production of textile fibers and yarn. Indian textile industry is second largest after China in terms of spindlage, and has share of 23% of the world's spindle capacity. India has around 6% of global rotor capacity.

The industry is expected to grow from the present US\$ 70 billion to US\$ 220 billion by 2020; India's textile export is expected to reach US\$ 25 billion by 2012.

India has the potential to increase its textile and apparel share in the world trade from the current level of 4.5 per cent to 8 per cent and reach US\$ 80 billion by 2020.

– Cotton

India is the second largest producer of cotton in the world. According to Cotton outlook, a cotton trade journal cotton production in India for the 2011-12 Season is estimated to be 5.9 MT. The average yield of cotton per hectare in Indian is about 400 kilograms which is considered low. During the year India produced total 32 million bales, out of which 10.5 million has been produced in Gujarat.

– Spinning

The Spinning Industry in India is on set to hit the global market with its enthusiasm and consistency in work. The spinning sector in India is globally competitive in terms of variety, process and production quantity. It has already reached a phenomenal status in India by beating the obstacles that caused a downfall since past few years and is now on its way to cover a wider area in the spinning sector. India has about 40 million spindles (23 per cent of the world).

– Knitting

Weaving and knitting converts cotton, manmade, or blended yarns into woven or knitted fabrics. India's weaving and knitting sector remains highly fragmented, small-scale, and labour intensive.

This sector consists of about 3.9 million handlooms, 380,000 power loom enterprises that operate about 1.7 million looms, and just 137,000 looms in the various composite mills. Power looms are small firms, with an average loom capacity of four to five owned by independent entrepreneurs or weavers. Modern shuttleless looms account for less than 1 percent of loom capacity.

Knitting units are successful in export channels. Some of the prominent weaving / knitting clusters include Tirupur in Tamil Nadu and Ludhiana in Punjab.

i) Opportunity and Threats

The textile industry is undergoing a major reorientation towards non-clothing applications of textiles, known as technical textiles, which are growing roughly at twice rate of textiles for clothing applications and now account for more than half of total textile production. Technical textiles segment is expected to employ over 3,00,000 additional workers increasing the total employment to 1.2 million by 2012. The Government of India has set up 4 Centres of Excellence for Meditech, Agrotech, Geotech and Protech group of technical textile providing one-stop facility for testing, human resource development and research and development.

The present global economic scenario provides ample opportunities for strong integrated textile companies such as like your company. Over the years the Company has built up capacities of scale by installing state-of-art production facilities. By reinforcing its position across the value change and presenting customers with diversified range of products, the company has developed sustainable business model with strength and resilience to combat any down turn in demand.

Strengths:

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

Weaknesses:

- ❖ Labour laws and policies lack reforms.
- ❖ Small size and technologically outdated plants result in lack of economies of scale, low productivity and weak quality control.
- ❖ Cotton availability is vulnerable to erratic monsoon and low per hectare yield.
- ❖ Infrastructure bottlenecks for handling large volumes.
- ❖ Huge Unorganised and decentralized sector.

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

Opportunities:

- ❖ Shift in domestic market towards readymade garments.
- ❖ Domestic textile consumption increasing with growing disposable income.
- ❖ End of quota system and full integration of the textile industry.
- ❖ Increase use of CAD to designing Capabilities and for developing greater options.

Threats:

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

ii) Government Initiatives

In an effort to increase India's share in the world textile market, the government has introduced a number of progressive steps.

- 100 per cent FDI allowed through the automatic route.
- De-reservation of readymade garments, hosiery and knitwear from the small-scale industries sector in end-2000.
- Technology Mission on Cotton was launched in February 2000 to make quality raw material available at competitive prices.
- Technology Upgradation Fund Scheme (TUFS) which was launched to facilitate the modernisation and upgradation of the textiles industry in 1999 has been given further extension till 2011-12.
- 40 textile parks are being set up under the Scheme for Integrated Textile Parks (SITP) which will attract an investment of US\$ 4.38 billion.

In current times of a global meltdown, the government has come out with an economic stimulus package for the textile industry. This includes:

- Extension of interest rate subvention of 2 per cent on pre and post shipment credit.
- Additional allocation of US\$ 285.66 million to clear the entire backlog in TUFS, which would enhance cash flow of the exporters.
- Additional fund of US\$ 224.42 million for refund of terminal excise duty.

B) Real Estate Industry:

Indian real sector has seen an unprecedented boom in the last few years. This was ignited and fueled by two main forces. First, the expanding industrial sector has created a surge in demand for office-buildings and dwellings. The industrial sector grew at the rate of 10.8 percent in 2006-07 out of which a growth of 11.8 percent was seen by the manufacturing sector. Second, the liberalisation policies of government has decreased the need for permissions and licenses before taking up mega construction projects. Opening the doors to foreign investments is a further step in this direction. The government has allowed FDI in thereal estate sector since 2002. FDI was deemed necessary in the view of making the sector more organised and increasing professionalism. farmers. The villages adjacent to the metro cities have experienced sky-rocketing land prices. This has induced farmers to sell their land for good money.

The real estate sector in India is of great importance. According to the report of the Technical Group on Estimation of Housing Shortage, an estimated shortage of 26.53 million houses during the Eleventh Five Year Plan (2007-12) provides a big investment opportunity. According to the data released by the Department of Industrial Policy and Promotion (DIPP), housing and real estate sector including cineplex, multiplex, integrated townships and commercial complexes etc, attracted a cumulative foreign direct investment (FDI) worth US\$ 9,405 million from April 2000 to January 2011 wherein the sector witnessed FDI amounting US\$ 1,048 million during April-January 2010-11.

The positive outlook of Indian government is the key factor behind the sudden rise of the Indian Real Estate sector - the second largest employer after agriculture in India. This budding sector is today witnessing development in all area such as - residential, retail and commercial in metros of India such as Mumbai, Delhi & NCR, Kolkata and Chennai. Easier access to bank loans and higher earnings are some of the pivotal reasons behind the sudden jump in Indian real estate.

The Indian real estate sector plays a significant role in the country's economy. The real estate sector is second only to agriculture in terms of employment generation and contributes heavily towards the gross domestic product (GDP).

The major development in real estate is of residential in nature, the rest comprises of commercial, shopping, hotel and hospital space.

The Company's realty project at Vapi, Gujarat and at Pulgaon, Maharashtra are progressing well and on its completion it has the potential to generate ₹ 450 Crores in Revenues across three years. The complex being built up on ten Hectare facility will comprise of residential complexes, Five Star Hotels, Shopping Malls, IT Parks, Multiplexes etc. The Company has also undertaken realty projects at other locations also.

Real Estate Sector's

Strength

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

Weakness

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

Opportunities

- ❖ Competitive market creation
- ❖ Mass investments in the economy

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- ❖ REITS / MFs
- ❖ Improved business environment

Threats

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

C) Segment-wise performance

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

D) Outlook

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

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

E) Risk and Concern

Forward looking statements are based on certain assumptions and expectations of the future events that are subject to risks and uncertainties. Actual future results and trends may differ materially from historical results, depending on variety of factors. The risk and concerns faced by the Company are similar to those faced by any growing organization in today's dynamic industrial and economic scenario.

There are no major risk and concern to the Company's operation except from the competitive pricing pressure from cheaper imports, unethical competitions from sick units, free market policies and removal of quantitative restrictions.

F) Internal Control system and their adequacy

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

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

G) Financial Performance Vs. Operational Performance

The Company has achieved a Sales Turnover of ₹ 61188.01 Lacs as against ₹ 53739.75 Lacs in respect of the previous Financial Year ended 31st March, 2010. The Profit before Depreciation, Interest and Tax is ₹ 6392.47 Lacs in the Financial Year ended 31st March, 2011 as against ₹ 7815.90 Lacs in the previous Financial year ended 31st March, 2010. The Company has registered Net Loss of ₹ (311.27) Lacs for the year ended 31st March, 2011 as against Net Profit of ₹ 1921.42 Lacs in the corresponding previous Financial Year.

H) Development in Human Resources/Industrial Relation front

Human resources represent the strength of your Company with a team of qualified and dedicated personnel who have contributed to the consolidation of the operations of your Company. The team ensured timely completion of the various projects undertaken by the Company. The Company has also laid qualitative objectives to maximize overall growth. Emphasis was placed on building a cohesive workforce to maximize returns to all stakeholders of the Company.

The focus of Human Resource is on building and developing intellectual capital through innovative ideas and by providing the training of the employees is an on going process. The industrial relation climate of the Company continues to remain harmonious with focus on quality and safety.

I) Research and Development:

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

H) Cautionary Statement

Closed-circuit television and earthquake proofing are expected as standard features in most upmarket blocks. Evershine Builders, for instance, is providing a range of facilities from modular kitchens to piped gas and Internet connections. Some of its flats are even fully furnished. The boom is also attracting interest from foreign players. Vancouver-based Royal Indian Raj International Corporation (RIRIC) will invest a staggering US\$ 2.9 billion in a single real-estate project named Royal Garden City in Bottom of Form

Statements Made in this Report may be "forward looking statements" within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of the future events that are subject to risks and uncertainties. Actual future results and trend may differ materially from historical results, depending on variety of factors like changes in economic conditions affecting demand/supply, price conditions in which the Company operates, Government regulations, tax laws and other statutes and incidental factors.

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

AUDITORS' REPORT

To,
The Members of
JAYBHARAT TEXTILES & REAL ESTATE LIMITED

1. We have audited the attached Balance Sheet of **JAYBHARAT TEXTILES & REAL ESTATE LIMITED** as at 31st March, 2011, the Profit and Loss Account of the Company for the year ended on that date and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 and the Companies (Auditor's Report)(Amendment) order 2004 issued by the Central Government of India in terms of section 227(4A) of the Companies Act,1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that : -
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report in compliance with the Accounting standards referred to in Section 211 (3C) of the Companies Act,1956.
 - e) On the basis of the written representations received from the directors as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director of the Company in terms of Section 274 (1) (g) of the Companies Act,1956.
 - f) 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 accounting principles generally accepted in India except for the retirement benefits which are accounted for on cash basis
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011,
 - ii) in the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date and ;
 - iii) in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

FOR A.F.KHASGIWALA & CO
Chartered Accountants

Sd/-
A.F.KHASGIWALA
Partner
Membership No.6491
Firm Regn No.105114W

Place : Mumbai
Date : 28.04.2011

ANNEXURE TO THE AUDITORS' REPORT

REFERRED TO IN PARAGRAPH 2 OF AUDITORS' REPORT OF EVEN DATE

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

1. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the Fixed Assets.
 - (b) The Management has at reasonable intervals carries out the physical verification of the fixed assets. No material discrepancies have been noticed on such verification.
 - (c) No assets have been disposed by the Company during the year, therefore reporting under this clause does not arise.
2. In respect of its inventories:
 - (a) The inventories have been physically verified during the year by the Management. In our opinion, having regard to the nature and location of the stocks, the frequency of such verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of stocks followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - (c) In our opinion, Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of the above referred inventories as compared to the book records were not material and have been properly dealt with in the books of account.
3. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls and there is no counting failure for the same.
4. The company has neither granted nor taken secured or unsecured loans to/from Companies, firm or other parties covered in the register maintained under section 301 of the Companies Act 1956. Accordingly Sub-clause (b), (c) & (d) are not applicable to the company.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
 - (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, We are of the opinion that the transactions that need to be entered into the register under section 301 of the Companies Act. 1956, have been so entered.
 - (b) According to the information and explanations given to us, purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act and aggregating to ₹ 5,00,000/- (Rupees Five Lacs only) or more during the year in respect of each party have been made at prices which are reasonable having regards to the prevailing market price for such goods, materials or services or the prices at which the transactions for similar goods are services have been made with other parties, where applicable.
6. The Company has not accepted any deposits from the public; hence question of complying with the provision of Section 58A and 58AA of the Companies Act, 1956 and Rules made there under does not arise.
7. In our opinion, the internal audit system of the Company is commensurate with the size of the Company and nature of its business.
8. We are of the opinion that, prima facie, the cost records and accounts prescribed by the Central Government of India under Section 209 (1) (d) of the Companies Act, 1956 have been maintained. We have, however, not made a detailed examination of such accounts and records.
9. In respect of statutory dues:
 - (a) According to the records of the company, the Provident Fund and Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Cess and other material statutory dues have been regularly depositing during the year with appropriate authorities
 - (b) There are no disputed statutory dues.
10. The Company does not have any accumulated losses as at 31st March, 2011 and has not incurred cash losses in the financial year ended on that date or in the immediately preceding year.
11. According to the books of accounts & records of the company, There has been no default in repayment of dues to any Financial Institution or Banks during the year.
12. Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations provided to us the nature of activities of the company does not attract special statute applicable to Chit fund & Nidhi / Mutual benefit / society.
14. During the year, the Company has not dealt in dealing and trading of shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has given corporate guarantee to Bank of India ₹90 Crores to secure the loan granted to Realtime Properties Ltd. (100% Subsidiary Company of the Company)
16. According to the information and explanation given to us and on the overall examination of the Balance Sheet of the Company, We report that no funds raised on short term basis have been used for long term investment by the company.
17. Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
18. The Company has not made any preferential allotment of shares during the Year.
19. During the year covered by our audit report the Company has not issued any debentures.
20. The Company has not raised any money by public issues during the year.
21. Based upon the Audit Procedures performed for the purpose of reporting the true and fair view of financial statement and as per the information and explanation given by the Management, we report that no fraud on or by the company has been noticed or reported during the year.

FOR A.F.KHASGIWALA & CO
Chartered Accountant

Sd/-
A.F.KHASGIWALA
Partner
Membership No. 6491
Firm Regn No.105114W

Place : Mumbai
Date : 28.04.2011

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedules	AS ON 31.03.2011 (₹ in Lacs)	AS ON 31.03.2010 (₹ in Lacs)
A. SOURCES OF FUNDS :			
Share Holders Fund :			
Share Capital	“1”	7656.75	7656.75
Reserves & Surplus	“2”	4728.27	5039.54
		<u>12385.02</u>	<u>12696.29</u>
Shares Application Money		10000.00	10000.00
Deferred Tax Liability		1654.12	1391.32
Loans Fund	“3”	36940.01	35448.08
TOTAL :		<u>60979.15</u>	<u>59535.69</u>
B. APPLICATION OF FUNDS :			
Fixed Assets	“4”		
Gross Block		47312.15	45191.32
Less: Depreciation		11647.92	7929.37
Net Block		<u>35664.23</u>	<u>37261.95</u>
Investment	“5”	840.53	840.53
Current Assets Loans & Advances :			
Sundry Debtors	“6”	12835.12	11108.72
Inventories	“7”	12047.43	11778.61
Cash & Bank Balances	“8”	183.26	331.56
Loans & Advances	“9”	1441.22	1022.89
		<u>26507.04</u>	<u>24241.78</u>
Less : Current Liabilities & Provisions	“10”	2064.65	2844.57
Net Current Assets		<u>24442.39</u>	<u>21397.21</u>
MISCELLANEOUS EXPENDITURE (To the extent not adjusted or written off)	“11”	32.00	36.00
TOTAL :		<u>60979.15</u>	<u>59535.69</u>
NOTES FORMING PART OF THE ACCOUNTS	“18”		

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For A.F. KHASGIWALA & CO.,
Chartered Accountants

A.F. KHASGIWALA
Partner
Membership No. 006491
Firm Regn No. 105114W

Place: Mumbai
Date: 28-04-2011

Chairman

Managing Director

Company Secretary

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PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedules	AS ON 31.03.2011 (₹ in Lacs)	AS ON 31.03.2010 (₹ in Lacs)
A. INCOME			
Income from Operation	“12”	61188.01	53739.75
Increase in stock	“13”	(839.97)	321.01
TOTAL :		60348.04	54060.76
B. EXPENSES			
Raw Material Consumed	“14”	44084.07	37450.35
Manufacturing Expenses	“15”	8432.99	7564.08
Interest & Financial Charges	“16”	2632.14	2153.12
Selling & Administrative Expenses	“17”	1434.51	1226.43
Depreciation		3718.55	3038.46
Miscellaneous Expenditure Written off		4.00	4.00
TOTAL :		60306.26	51436.44
Profit/(Loss) Before Taxation		41.78	2624.32
Provision For Taxation		8.33	446.13
Less: Provision for taxation for earlier year		81.92	0.00
Deferred Tax Liabilities		262.80	256.77
Profit after Tax		(311.27)	1921.41
Balance brought forward from Previous Year		2778.47	1804.96
AMOUNT AVAILABLE FOR APPROPRIATION		2467.20	3726.37
APPROPRIATIONS			
Transfer to General Reserve		0.00	500.00
Proposed Dividend		0.00	382.84
Tax on Dividend		0.00	65.06
Profit Carried to Balance Sheet		2467.20	2778.47
		2467.20	3726.37
Basic/ Diluted Earning Per Share: (Note '19') (Face value of ₹ 2/- each) (Rupees)		(0.08)	0.50
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS	“18”		

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For **A.F. KHASGIWALA & CO.,**
Chartered Accountants

A.F. KHASGIWALA
Partner
Membership No. 006491
Firm Regn No. 105114W

Place: Mumbai
Date: 28-04-2011

Chairman

Managing Director

Company Secretary

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

	AS ON 31.03.2011 (₹ in Lacs)	AS ON 31.03.2010 (₹ in Lacs)
SCHEDULE "1" : SHARE CAPITAL		
AUTHORISED		
75,00,00,000 Equity Shares of ₹ 2/- each (Previous year 75,00,00,000 Equity Shares of ₹2/- Each)	15000.00	15000.00
	<u>15000.00</u>	<u>15000.00</u>
ISSUED SUBSCRIBED, & PAID UP		
38,28,37,500 Equity Shares of ₹2/-each (Previous year 38,28,37,500 Equity Shares of ₹2/- Each) (of the above Equity Shares, 127612500 Shares were allotted as bonus shares by capitalisation of reserves)	7656.75	7656.75
TOTAL :	<u>7656.75</u>	<u>7656.75</u>
SCHEDULE "2" : RESERVE & SERPLUS		
General Reserve		
As per last Balance Sheet	2261.07	4313.32
Add: Transfer From Profit and Loss Account	0.00	500.00
	<u>2261.07</u>	<u>4813.32</u>
Less: Amount transferred to share Capital account for issue of Bonus Shares	0.00	2552.25
TOTAL (A)	<u>2261.07</u>	<u>2261.07</u>
Profit & Loss Account	2467.20	2778.47
TOTAL	<u>4728.27</u>	<u>5039.54</u>
SCHEDULE "3" : LOANS FUNDS		
SECURED LOANS		
Term Loans		
(Secured by 1st charge over the Fixed Assets both Movable & Immovable & 11nd charge over the entire Current Assets & personal Guarantee of Director)(Due repayment within one year ₹2754 Lacs)	9772.45	12423.35
Interest Accrued and Due	118.83	125.65
Mortgage Loan (Secured by 1st charge over the Fixed Assets both Movable & Immovable & 11nd charge over the entire Current Assets & Corporate Guarantee.)	600.00	0.00
Working Capital Loan	12448.74	12399.08
Banks (Secured by first charge on all Current Assets & second charge in pari passu basis with other Banks and personal guarantee of Director)		
TOTAL : A	<u>22940.01</u>	<u>24948.08</u>
UNSECURED LOANS		
Long Term From Corporates	14000.00	10500.00
TOTAL : B	<u>14000.00</u>	<u>10500.00</u>
TOTAL : A+B	<u>36940.01</u>	<u>35448.08</u>

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SCHEDULE "D": FIXED ASSETS AS AT 31.03.2011

(₹ in Lacs)

SL. NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		COST ON 01-04-2010	ADDI-TION	DEDUC-TION	AS ON 31.03.2011	AS ON 01-04-2010	DURING THE YEAR	WRITTEN BACK	UPTO 31.03.211	AS ON 31.03.2011	AS ON 31-03-2010
1	LAND & BUILDING	660.67	0.00	0.00	660.67	0.00	0.00	0.00	0.00	660.67	660.67
2	LAND	23.00	0.00	0.00	23.00	0.00	0.00	0.00	0.00	23.00	23.00
3	LAND AND SITE DEVELOPMENT	858.00	0.00	0.00	858.00	0.00	0.00	0.00	0.00	858.00	858.00
4	PLANT & MACHINERIES	31593.56	2586.70	0.00	34180.27	7039.82	3333.98	0.00	10373.80	23806.48	24553.75
5	BUILDING	11165.89	289.02	0.00	11454.91	859.99	375.35	0.00	1235.34	10219.56	10305.90
6	FURNITURE & FIXTURE	114.55	0.00	0.00	114.55	19.35	7.25	0.00	26.60	87.95	95.21
7	MOTOR VEHICLE	20.76	0.00	0.00	20.76	10.21	1.97	0.00	12.19	8.57	10.55
	TOTAL	44436.43	2875.72	0.00	47312.15	7929.37	3718.55	0.00	11647.92	35664.23	36507.08
	Capital Work In Progress	754.88	2120.84	2875.72	0.00	0.00	0.00	0.00	0.00	0.00	754.88
	TOTAL	45191.32	4996.56	2875.72	47312.15	7929.37	3718.55	0.00	11647.92	35664.23	37261.96
	Previous Year	30732.98	29193.06	14734.72	45191.32	5008.57	3038.46	117.66	7929.37	37261.95	25724.40

AS ON
31.03.2011
(₹ in Lacs)

AS ON
31.03.2010
(₹ in Lacs)

SCHEDULE "5" : INVESTMENT

LONG TERM INVESTMENT (Trade)

QUOTED

ASAHI INDUSTRIES LIMITED.

(FORMERLY KNOWN AS ASAHI FIBRES LIMITED) (32225870 Eq.Sh.of ₹1/- each fully paid up)

312.00

312.00

UNQUOTED (Holding own Subsidiary)

PULGOAN COTTON MILLS LIMITED (22749993 Eq.Sh. of ₹10/- each fully paid up)

523.53

523.53

REALTIME PROPERTIES LIMITED (49994 Eq.Sh. of ₹10/- each fully paid up)

5.00

5.00

TOTAL :

840.53

840.53

Aggregate Book Value of Quoted Investments

312.00

0.00

Aggregate Market Value of Quoted Investments

12503.64

0.00

SCHEDULE "6" : SUNDRY DEBTORS

(Unsecured considered good)

Debtors more than 6 Months

68.31

73.65

Others

12766.81

11035.07

TOTAL :

12835.12

11108.72

SCHEDULE "7" : INVENTORIES

(valued and certified by management)

Raw Material

7847.20

6910.63

Finished Goods

2310.22

3150.19

Work in Progress

1843.12

1660.52

Consumables Spares

46.89

57.27

TOTAL :

12047.43

11778.61

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

	AS ON 31.03.2011 (₹ in Lacs)	AS ON 31.03.2010 (₹ in Lacs)
SCHEDULE "8" : CASH & BANK BALANCE		
Cash in hand	25.17	16.78
Balance with Banks current Accounts	81.56	239.78
Fixed Deposits (Pledged with Bank)	76.54	75.00
TOTAL :	183.26	331.56
SCHEDULE "9" : LOANS & ADVANCES		
Advances Recoverable in cash or kind or for value to be received	966.14	519.91
Subsidy Receivable	475.08	502.97
TOTAL :	1441.22	1022.89
SCHEDULE "10" : CURRENT LIABILITIES & PROVISIONS		
A. CURRENT LIABILITIES		
Sundry Creditors	540.29	437.93
Other Liabilities	1516.03	1512.61
	2056.33	1950.54
B PROVISIONS		
Provision For Taxation	8.33	446.13
Proposed Dividend	0.00	382.84
Tax on Dividend	0.00	65.06
	8.33	894.04
TOTAL:	2064.65	2844.57
SCHEDULE "11" : MISCELLANEOUS EXPENDITURE (To the extent not adjusted or written off)		
Balance as per last Balance Sheet	36.00	40.00
Less: Written off During the Year	4.00	4.00
	32.00	36.00
SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011		
SCHEDULE "12" : INCOME FROM OPERATIONS		
Domestic Sales	61081.07	53739.75
Export	106.94	0
	61188.01	53739.75
SCHEDULE "13" : INCREASE IN STOCK OF FINISHED GOODS		
Closing Stock	2310.22	3150.19
Opening Stock	3150.19	2829.18
	(839.97)	321.01
SCHEDULE "14" : MATERIALS AND GOODS CONSUMED		
Opening Stock		
Raw Material	6910.63	2936.55
Work In Progress	1660.52	1544.92
	8571.15	4481.47
Add:- Purchases	45203.24	41540.03
	53774.39	46021.50
Less:- Closing Stock		
Raw Material	7847.20	6910.63
Work In Progress	1843.12	1660.52
	9690.32	8571.15
Raw Material Consumed	44084.07	37450.35

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	AS ON 31.03.2011 (₹ in Lacs)	AS ON 31.03.2010 (₹ in Lacs)
SCHEDULE "15" : MANUFACTURING EXPENSES		
Labour Charges	2962.69	2663.23
Power & Fuel Exp.	3865.32	3436.41
Repair & Maintainace to Building	48.48	30.65
Repair & Maintainace to Plant & Machinery	97.84	83.25
Spares, Consumable & Packing Material	1458.66	1350.54
	8432.99	7564.08
 SCHEDULE "16" : INTEREST & FINANCIAL CHARGES		
Interest for Term Loan	917.94	928.30
Interest for Cash Credit	1678.38	1194.56
Bank & Processing Charges	35.83	30.26
TOTAL :	2632.14	2153.12
 SCHEDULE "17" : SELLING & ADMINISTRATIVE EXPENSES		
Salaries & Bonus	245.62	180.25
Staff Welfare Expenses	19.78	15.45
Electricity Charges	39.90	34.95
General Expenses	72.75	68.56
Insurance	19.49	24.51
Repairs & Maintenance others	145.30	30.28
Postage & Telegram	51.76	45.68
Registration & Filing Fees	1.17	13.68
Auditors Remuneration	1.10	1.10
Rent, Rates & Taxes	47.75	39.76
Listing Fees	0.80	0.54
Consultancy Charges	6.54	6.00
Legal & Professional Charges	7.60	26.25
Conveyance/Travelling Expenses	115.73	102.34
Advertisement Expenses	27.34	20.34
Printing & Stationary	78.41	75.69
Transporation /Carriage Outward	105.55	103.25
Discount andCommission	291.26	287.33
Sale and Business Promotion	77.45	76.45
Directors Remuneration	6.00	6.00
Director Sitting Fees	2.82	1.70
Telephone Charges	48.27	45.87
Motor Car Expenses	22.11	20.45
TOTAL :	1434.51	1226.43

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

SCHEDULE "18": SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS AS ON 31st March, 2011

I. SIGNIFICANT ACCOUNTING POLICIES

1. GENERAL

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

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

2. REVENUE RECONGNITION:

Sales are recognized on dispatch of goods to customers.

3. VALUATION OF INVENTORIES:

Inventory are valued at cost or net realizable value, whichever is lower.

4. INVESTMENTS:

Long Term Investments are carried at cost less provision for diminution other than Temporary, if any, in value of such investments.

5. FIXED ASSETS :

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

6. DEPRECIATION :

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

7. FOREIGN CURRENCY TRANSACTION:

Foreign currency transactions are converted exchange at the rates prevailing on the dates of the transactions.

8. RETIREMENT BENEFITS:

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

9. TAXES ON INCOME:

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on expected outcome of assessment / appeals.

Deferred tax has been provided in a accordance with the Accounting Standard-22-Accounting for taxes on income issued by the ICAI applicable with effect from 1st April, 2001

The Deferred tax liability as on 31st March, 2011 amounting to Rs 262.80Lacs is the difference between depreciation as per Income Tax Act and Companies Act.

10. NOTE ON SECURITY FOR TERM LOAN :

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

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

II. NOTES OF ACCOUNTS

1. There are no contracts remaining to be executed on Capital account therefore no advance is to be paid against such contracts.

2. Contingent liabilities not provided during the year ended on 31st March, 2011 in respect of Corporate Guarantee in favour of Bank of India to secure Loan of ₹ 61.65 crore (Previous year ₹90 crore) granted to Real Time Properties Limited (100% Subsidiary of the company) Bank Guarantee issued on behalf of the company aggregating ₹110.00 Lacs (Previous year ₹116.90 lacs).

3. AS-18 Related Party Disclosure: Related party disclosures as required by AS-18 "Related Party Disclosures" are given below. [Related parties are as identified by the Company and relied upon by the Auditors]:

A. List of Related Parties.

1. Parties where control exists:

Name of the Party	Relationship
PULGAON COTTON MILLS LTD.	100% Subsidiary company
REAL TIME PROPERTIES LTD	100% Subsidiary company
ASAHI INDUSTRIES LIMITED. (FORMERLY KNOWN AS ASAHI FIBRES LIMITED)	Associate Company

4. Other parties with whom the company has entered into transaction during the year.

- Associates where key management personnel and their relatives have significant influence ; - Nil
- Key Management Personnel:- Shri M.K.Aggarwal – Managing Director
- Relative of Key Management Personnel: - Nil

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

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

	CURRENT YEAR	PREVIOUS YEAR
(a) As Auditors	1.10 Lacs	1.10 Lacs
(b) In other Capacity	—	—

b) The company has paid 6.00 Lacs remuneration to Managing Director. (Previous year 6.00 Lacs).

c) Particulars in respect of goods manufactured:

	As at 31.03.2011 (In tones per annum)	As at 31 .03.2010 (In tones per annum)
I. Licensed Capacity	N.A.	N.A.
II. Installed Capacity		
— TFO Division	13000	13000
— Processing Division	10700	10700
— Spinning	39610	39610
— Knitting	3350	0
III. Actual Production (Tonnes)		29490.07

d) Quantitative information pertaining to goods manufacturing, turnover, stock and Raw Material Consumed (₹in Lacs)

	2010-11		2009-10	
	Qty (Tonnes)	Value (In Lacs)	Qty (Tonnes)	Value (In Lacs)
(i) MANUFACTURING				
I Opening Stock				
Raw Material	9877.37	6910.63	3887.11	2936.55
Work in progress	1566.92	1660.52	1461.20	1544.92
Finished Goods	2483.31	3150.19	2259.97	2829.18
II Closing Stock				
Raw Material	6221.41	7847.20	9877.37	6910.63
Work in progress	1146.96	1843.12	1566.92	1660.52
Finished Goods	1184.80	2310.22	2483.31	3150.19
III Purchase	32817.33	45203.24	39068.00	41540.03
IV Sales	3131623	61188.01	31156.38	53739.75
Raw Material Consumed		44084.07		37450.35

6. The balances of advances, debtors and creditors are confirmed by majority of the parties and efforts are being made for obtaining confirmations from remaining parties.

7. The company has only one business segment that is "Textiles" and hence segment reporting as required under AS-17 is not applicable issued by ICAI.

8. There are no parties which can be classified as small scale industries to whom the companies Owes a sum exceeding ₹1 lacs, which is outstanding for more than 30 days.

9. Earnings per Share: In accordance with the Accounting Standard-22 Earning per share issued by ICAI

i. Net Profit available to Equity Shareholder(in Lacs)	₹ -311.27
ii. Weighted Average No. of Equity shares outstanding at the end of the year	382837500
iii. Basic and Diluted Earning per share of ₹ 2/- each	₹-0.08

10. Previous year figures have been rearranged and regrouped wherever necessary to conform to this year's classification.

11. Balance sheet Abstract & companies general business profile as required by part IV schedule VI to the Companies Act, 1956 is enclosed in Annexure 'A'.

SIGNATURE TO SCHEDULE "1" to "18"

FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For A.F. KHASGIWALA & CO.,
Chartered Accountants

Chairman

Managing Director

A.F. KHASGIWALA
Partner
Membership No. 006491
Firm Regn No. 105114W

Place: Mumbai
Date: 28-04-2011

Company Secretary

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	2010-11 (₹ in Lacs)	2009-10 (₹ in Lacs)
(A) CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ACTIVITIES	41.78	2624.32
Adjustment for Non Cash Charges		
Depreciation & Amortisation	3722.55	3042.46
Interest (net)	2632.14	2153.12
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	6396.47	7819.90
Adjustment for .		
Trade and Other Receivables	(2144.73)	(1674.73)
Inventories	(268.83)	(4429.33)
Trade Payable	(779.92)	(2188.10)
CASH GENERATED FROM OPERATION	3202.99	(472.27)
Direct taxes paid	(473.09)	(454.47)
NET CASH FROM OPERATING ACTIVITIES	2729.90	(926.74)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(2120.84)	(14458.34)
Sale of Fixed Assets	0.00	0.00
Purchase of investments	0.00	0.00
Dividend and Other Income received	0.00	0.00
NET CASH USED IN INVESTING ACTIVITIES	(2120.84)	(14458.34)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from issue of shares capital	0.00	0.00
Interest paid	(2632.14)	(2153.12)
Total amount from borrowing	1491.93	8189.32
share application money	0.00	10000.00
Dividend paid	382.84	(597.20)
NET CASH FROM FINANCING ACTIVITIES	(757.37)	15439.00
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(148.30)	53.92
CASH AND CASH EQUIVALENTS(Opening Balance)	331.56	277.64
CASH AND CASH EQUIVALENTS(Closing Balance)	183.26	331.56
	(148.30)	53.92

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For A.F.KHASGIWALA & CO.
Chartered Accountants

A.F.KHASGIWALA
Partner
Membership. No.006491
Firm Regn no.105114W

Chairman

Managing Director

Place : Mumbai
Date : 28.04.2011

Company Secretary

AUDITORS CERTIFICATE

We have examined the attached cash flow statement of **Jaybharat Textiles and Real Estate Ltd.** For the year ended 31st March 2011. The Statement has been prepared by the company in accordance with the requirements of Listing Agreement Clause 32 with various Stock Exchanges and is based on and is in Agreement with the corresponding Profit and Loss account and Balance Sheet of the company by our report to the members of the company

For A.F.KHASGIWALA & CO.
Chartered Accountants

A.F.KHASGIWALA
Partner
Membership. No.006491
Firm Regn no.105114W
Place : Mumbai
Date : 28.04.2011

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

(₹ in Lacs)

I. REGISTRATION DETAILS

Registration No. L99999GJ1988PLC011553 State Code : 04
Balance sheet Date : 31.03.2011

II. CAPITAL RAISED DURING THE YEAR (In Lacs)

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

III. POSITION TO THE MOBILISATION AND DEPLOYMENT OF FUNDS

Total Liabilities : 60979.15 Total Assets : 60979.15

SOURCE OF FUNDS

Paid-up Capital : 7656.75 Secured Loans : 22940.01
Reserves & Surplus : 4728.27 Unsecured Loans : 14000.00
Share Application Money 10000.00 Deferred Tax liability : 1654.12

APPLICATION OF FUNDS

Net Fixed Assets : 35664.23 Investments : 840.53
Net Current Assets : 24442.39 Misc. Expenditure : 32.00
Accumulated Losses : Nil

IV PERFORMANCE OF COMPANY

Turnover : 60348.04 Other Income : 0.00
Total Expenses : 60306.26 Profit/(Loss) before Tax : 41.78
Profit/(Loss) after Tax : (311.27) Earning Per Share (in ₹) : (0.08)
Dividend Rate % : 5%

V General Names of Principal

Product/Trading : 60-.02
Item Code No. (ITC Code)
Product description : Knitted Fabrics

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For **A.F. KHASGIWALA & CO.,**
Chartered Accountants

Chairman

Managing Director

A.F. KHASGIWALA
Partner
Membership No. 006491
Firm Regn No. 105114W

Company Secretary

Place : Mumbai
Date : 28.04.2011

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT.1956 RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANIES FOR FINANCIAL YEAR 2009-10

Name of the Subsidiary Company	Pulgaon Cotton Mills Ltd	Realtme properties Ltd
1. Financial Year of the Subsidiary Company	31 st March,2011	31 st March,2011
2. Date from which they became Subsidiary Company the subsidiary company:	14 th March,2005	6 th March,2007
3. (a) Number of shares held by "Jaybharat Textiles and Real Estate Ltd." with its nominees in the subsidiary at the end of the financial year of the Company	22749993 Eq.sh.of ₹ 10/-each.	49994 Eq.sh.of ₹ 10/- each
b) Extent of Interest of holding company at the end of the financial year of subsidiary company	100%	100%

DETAILS OF SUBSIDIARY COMPANY	(₹ in Lacs)	(₹ in Lacs)
1. Capital	2275.00	1405.00
2. Reserve	0	1204.00
3. Total Assets	2284.80	21125.35
4. Total Liabilities	2284.80	21125.35
5. Details of Investment	0.00	0.00
6. Total Income	1785.85	195.52
7. Profit (Loss) Before Taxation	0.90	28.39
8. Provision for taxation	0.28	9.65
9. Profit (Loss) after Taxation	0.62	18.74

NOTES: Annual Accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be kept for inspection by any shareholders in the head office of the holding company and of the subsidiary companies concerned

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AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To,
The Members of
JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

We have examined the attached consolidated balance sheet of JAYBHARAT TEXTILES AND REAL ESTATE LIMITED and its subsidiaries which together constitute "the group" as at 31st March, 2011, the consolidated Profit & Loss a/c and the consolidated Cash Flow Statement of the group for the year ended on that date both annexed thereto. These financial statements are the responsibility of company management. Our responsibility is to express an opinion on these financial statements based on our

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003(CARO) issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. We report that the consolidated financial statements have been prepared by the company, in accordance with the requirements of Accounting Standard 21, "Consolidated Financial Statements", issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Jaybharat Textiles and Real Estate Limited and the separate audited accounts of subsidiaries which have been included in the consolidated financial statements.
4. On the basis of the information and explanation given to us and on the consideration of the separate audit reports on the individual audited financial statements of the Jaybharat Textiles and Real estate Limited and its subsidiaries, In our opinion the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.
 - a) In the case of the consolidated balance sheet, of the state of affairs of Jaybharat Textiles and Reel Estate Limited and its subsidiaries as at 31st March, 2011;
 - b) In the case of the consolidated profit and loss account, of the consolidated Profit & Loss a/c for the year ended on that date.
 - c) In the case of the consolidated cash flow statement of the cash flow for the year ended on that date

For A.F.Khagsiwala & Co
Chartered Accountants

A.F. Khasgiwala
Partner

Membership No.006491
Firm Regn no.105114W

Place : Mumbai
Dated : 28.04.2011

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

	SCHEDULES	AS AT 31.03.2011 (₹ in Lacs)	AS AT 31.03.2010 (₹ in Lacs)
A. SOURCES OF FUNDS :-			
1 Share Holders Fund :			
a) Share Capital	“A”	9056.75	9056.75
b) Reserves & Surplus	“B”	5617.73	6259.94
		<u>14674.48</u>	<u>14816.69</u>
SHARE APPLICATION MONEY			
		10000.00	10000.00
2 Deferred Tax Liability		2005.66	1392.56
3 Loan Funds	“C”	55114.61	52064.25
		<u>55114.61</u>	<u>52064.25</u>
TOTAL :		<u>81794.74</u>	<u>78773.50</u>
B. APPLICATION OF FUNDS			
1 Fixed Assets	“D”		
Gross Block		58629.52	44596.55
Less: Depreciation		11753.99	7938.65
Net Block		<u>46875.52</u>	<u>36657.90</u>
Add :- Capital WIP		16226.99	27183.33
		<u>63102.51</u>	<u>63841.23</u>
Goodwill		484.67	484.67
2 Investments	“E”	313.00	312.00
3 Current Assets Loans & Advances :	“F”		
a) Sundry Debtors		12838.24	11111.84
b) Inventories		13012.66	11778.61
c) Cash & Bank Balances		233.46	339.70
d) Loans & Advances		2159.00	1423.48
		<u>28243.37</u>	<u>24653.63</u>
Less : Current Liabilities & Provisions	“G”	10384.32	10559.25
NET CURRENT ASSETS		<u>17859.05</u>	<u>14094.38</u>
Miscellaneous Expenditure (To the extent not adjusted or written off)	“G(C)”	35.52	41.22
TOTAL :		<u>81794.75</u>	<u>78773.50</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS	“N”		

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

FOR A.F.KHASGIWALA & CO
Chartered Accountants

Chairman

Managing Director

(A.F.KHASGIWALA)
Partner
Membership. No.6491
Firm Regn no.105114W
Place : Mumbai
Date : 28.04.2011

Company Secretary

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CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	SCHEDULES	AS AT 31.03.2011 (₹ in Lacs)	AS AT 31.03.2011 (₹ in Lacs)
A. INCOME			
a) Income from Operation	“H”	62972.66	53979.98
b) Other Income	“I”	196.72	37.43
c) Increase/(Decrease) in stock		-839.97	321.01
TOTAL :		62329.41	54338.42
B. EXPENSES			
a) Material & Goods Consumed	“J”	45864.41	37688.61
b) Manufacturing Expenses	“K”	8433.58	7564.12
c) Selling & Administrative Expenses	“L”	1507.03	1234.38
d) Interest & Financial Charges	“M”	2632.30	2153.14
e) Depreciation		3815.33	3041.05
f) Miscellaneous Exp. Written off		5.70	5.70
TOTAL :		62258.35	51687.01
Profit/(Loss) before Taxation		71.06	2651.42
Less: Provision For Taxation		18.25	455.34
Less: Provision For Taxation for earlier year		81.92	0.00
Deferred Tax Liabilities		613.10	258.02
Profit after Tax		-642.21	1938.06
Profit/(Loss) B/F From Previous Year		2812.32	1822.18
AMOUNT AVAILABLE FOR APPROPRIATION		2170.11	3760.24
APPROPRIATIONS			
Transfer to General Reserve		0.00	500.00
Proposed Dividend		0.00	382.84
Tax on Dividend		0.00	65.08
Profit/(Loss) Carried to Balance Sheet		2170.11	2812.32
		2170.11	3760.24
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS	“N”		

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

FOR A.F.KHASGIWALA & CO
Chartered Accountants

Chairman

Managing Director

(A.F.KHASGIWALA)
Partner
Membership. No.6491
Firm Regn no.105114W
Place : Mumbai
Date : 28.04.2011

Company Secretary

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

SCHEDULE A TO N ANNEXED TO AND FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011 AND CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

	AS AT 31.03.2011 (₹ in Lacs)	AS AT 31.03.2010 (₹ in Lacs)
SCHEDULE "A" : SHARE CAPITAL		
AUTHORISED		
75,00,00,000 Equity Shares of ₹ 2/- each		
(Previous year 35,00,00,000 Equity Shares of ₹2/- each)	15000.00	15000.00
1400000 0.01% Redeemable non cumulative	1400.00	1400.00
Preference Shares of ₹100/- each (of Subsidiary Company)		
	<u>16400.00</u>	<u>16400.00</u>
ISSUED, SUBSCRIBED, & PAID UP		
38,28,37,500 Equity Shares of ₹2/-each	7656.75	7656.75
(Previous year 25,52,25,000 Equity Shares of ₹2/- Each)		
1400000 0.01% Redeemable non cumulative		
Preference shares of ₹100/- each (of Subsidiary Company)	1400.00	1400.00
TOTAL :	<u>9056.75</u>	<u>9056.75</u>
SCHEDULE "B" : Reserves & Surplus		
General Reserve		
As per last Balance Sheet	2243.62	4295.87
Add: Transfer from Profit & Loss Account	0.00	500.00
	<u>2243.62</u>	<u>4795.87</u>
Less: Amount transferred to Share Capital account for issue of Bonus Share	0.00	2552.25
TOTAL (A)	<u>2243.62</u>	<u>2243.62</u>
SHARE PREMIUM		
	1204.00	1204.00
Profit & Loss Account		
Op. Balances		
Less: Amount trfd to Share Capital account for issue of Bonus Share		
Add: Transferred from Profit & Loss	2170.11	2812.32
TOTAL : (B)	<u>3374.11</u>	<u>4016.32</u>
TOTAL (A+B)	<u>5617.73</u>	<u>6259.94</u>
SCHEDULE "C" : LOAN FUNDS		
SECURED LOANS		
Term Loans		
(Secured by 1st charge over the Fixed Assets both Movable & Immovable & 11nd charge over the entire Current Assets & Personal Guarantee of Director)(Due repayment within one year ₹2754 Lacs)	15852.52	19744.04
Interest Accrued and Due	203.55	211.33
<u>Mortgage Loan</u>	600.00	0.00
Working Capital Loan		
Banks	12448.74	12399.08
Interest Accrued and Due	0.00	0.00
(Secured by first charge on all Current Assets & second charge on pari passu basis with other banks and Personal Guarantee of Director)		
TOTAL : A	<u>29104.81</u>	<u>32354.45</u>

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	AS AT 31.03.2011 (₹ in Lacs)	AS AT 31.03.2010 (₹ in Lacs)
UNSECURED LOANS		
Long Term		
From Corporates	26000.00	19700.00
From Others - Vinar & Co.	0.80	0.80
90, 7.75% Debenture of 10000/- each	9.00	9.00
TOTAL : B	26009.80	19709.80
GRAND TOTAL	55114.61	52064.25

SCHEDULE "D": CONSOLIDATED FIXED ASSETS AS AT 31ST MARCH, 2011

(₹ in Lacs)

SL. NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AT COST AS ON 01-04-2010	ADDI- TION	DEDUC- TION	AS ON 31.3.2011	AS ON 01-04-2010	DURING THE YEAR	WRITTEN BACK	UPTO 31.03.2011	AS ON 31.03.2011	AS ON 31-03-2010
1	LAND & BUILDING	660.67	0.00	0	660.67	0	0	0	0	660.67	660.67
2	LAND	23.10	0.00	0	23.10	0	0	0	0	23.10	23.10
3	LAND AND SITE DEVELOPMENT	858.00	0.00	0	858.00	0	0	0	0	858.00	858.00
4	PLANT & MACHINERY	31593.57	2586.70	0.00	34180.29	7039.81	3333.98	0.00	10373.79	23806.49	24553.76
5	BUILDING	11325.90	11446.25	0	22772.15	869.28	472.13	0.00	1341.41	21430.74	10456.62
6	FURNITURE & FIXTURES	114.55	0.00	0	114.55	19.35	7.25	0.00	26.60	87.95	95.20
7	MOTOR VEHICLE	20.76	0.00	0	20.76	10.21	1.97	0.00	12.19	8.57	10.55
		44596.55	14032.96	0.00	58629.52	7938.65	3815.33	0.00	11753.99	46875.53	36657.90
	CAPITAL WORK IN PROGRESS	27183.33	3076.62	14032.96	16226.99	0.00	0.00	0.00	0.00	16226.99	27183.33
	TOTAL	71779.89	17109.57	14032.96	74856.51	7938.65	3815.33	0.00	11753.99	63102.52	63841.23
	PREVIOUS YEAR	54987.33	31527.28	14734.72	71779.89	5015.26	3041.05	117.66	7938.65	63841.23	49972.07

SCHEDULE "E" : INVESTMENTS

ASAHI INDUSTRIES LIMITED. (FORMERLY KNOWN AS ASAHI FIBRES LIMITED) (32225870 SHARES OF ₹1/- EACH)	312.00	312.00
PULGOAN COTTON MILLS Limited (100% SHARE HOLDING)	0.00	0.00
REALTIME PROPERTIES LIMITED (100% SHARE HOLDING)	0.00	0.00
Unquoted: 10010 Eq.sh.of Madhu Crimpers pvt.ltd of ₹10 each fully paid up	1.00	0.00
TOTAL :	313.00	312.00

SCHEDULE "F" : CURRENT ASSETS, LOAN AND ADVANCES

A. CURRENT ASSET

1. Sundry Debtors (Unsecured considered good)		
a) Debtors exceeding 6 Months	68.31	73.65
b) Others	12769.93	11038.19
TOTAL :	12838.24	11111.84
2. Inventories		
Raw material	8812.42	6910.63
Finished Goods	2310.22	3150.19
Stock In Process	1843.12	1660.52
Stores, Spares, Packing materials, fuel etc and non moving items	46.89	57.27
TOTAL :	13012.66	11778.61

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

	AS AT 31.03.2011 (₹ in Lacs)	AS AT 31.03.2010 (₹ in Lacs)
3 Cash & Bank Balance		
Cash in Hand	31.60	20.71
Balance with Banks		
Current Accounts	125.32	243.99
Fixed Deposits (Pledge with bank)	76.54	75.00
TOTAL :	<u>233.46</u>	<u>339.70</u>
B. LOANS & ADVANCES		
(Recoverable in cash or kind or for value to be received)	1666.13	902.71
Sundry Deposits	17.58	17.58
Tax deducted at Source	0.21	0.21
Subsidy Receivable	475.08	502.97
TOTAL :	<u>2159.00</u>	<u>1423.47</u>
GRAND TOTAL :	<u>28243.38</u>	<u>24653.62</u>
 SCHEDULE "G" : CURRENT LIABILITIES & PROVISIONS		
A. CURRENT LIABILITIES		
1) SUNDRY CREDITORS		
For Goods	543.90	429.45
For Project creditors	321.54	309.72
For Expenses & Other Liabilities	9495.75	8916.81
	<u>10361.19</u>	<u>9655.98</u>
B. PROVISIONS		
Provision For Taxation	23.12	455.34
Proposed Dividend	0.00	382.84
Tax on Dividend	0.00	65.08
	23.12	903.26
TOTAL:	<u>10384.32</u>	<u>10559.24</u>
C. MISCELLANEOUS EXPENDITURE		
(To the extent not adjusted or written off)		
Deffered Revenue Expenditure	41.22	46.92
Less : W/O. during the year.	5.70	5.70
	<u>35.52</u>	<u>41.22</u>
 SCHEDULE "H" : INCOME FROM OPERATIONS		
Sales	62972.66	53979.98
	<u>62972.66</u>	<u>53979.98</u>
 SCHEDULE "I" : OTHER INCOME		
Other Income	195.52	36.23
Rent Received	1.20	1.20
	<u>196.72</u>	<u>37.43</u>

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	AS AT 31.03.2011 (₹ in Lacs)	AS AT 31.03.2010 (₹ in Lacs)
SCHEDULE "J" : MATERIALS AND GOODS CONSUMED		
Op. Stock: Raw Material	6910.63	2936.55
Stock In Process	1660.52	1544.92
	8571.15	4481.47
Add:- Purchases	46983.58	41778.29
	55554.73	46259.76
Less:- CI Stock: Raw Material	7847.20	6910.63
Stock In Process	1843.12	1660.52
	9690.32	8571.15
Material & Goods Consumed	45864.41	37688.61
Increase in stock of finished Goods		
Closing Stock	2310.22	3150.19
Opening Stock	3150.19	2829.18
	-839.97	321.01
SCHEDULE "K" : MANUFACTURING EXPENSES		
Labour Charges	2962.69	2663.23
Power & Fuel Expenses	3865.58	3436.41
Repair & Maintainace to Building	48.81	30.69
Repair & Maintainace to Plant & Machinery	97.84	83.25
Spares, consumable & Packing Material	1458.66	1350.54
	8433.58	7564.12
SCHEDULE "L" : SELLING & ADMINISTRATIVE EXPENSES		
Salaries & Bonus	267.74	180.90
Staff Welfare Expenses	19.98	19.13
Electricity Charges	52.05	34.95
General Expenses	78.10	69.47
Insurance	24.10	24.51
Repairs & Maintenance to others	145.30	30.38
Postage & Telegram	53.28	45.92
Registration & Filing Fees	1.27	13.70
Auditors Remuneration	1.57	1.30
Rent, Rates & Taxes	52.38	40.31
Listing Fees	0.80	0.54
Consultancy Charges	6.54	6.00
Legal & Professional Charges	12.46	26.90
Conveyance/Travelling Expenses	122.02	102.73
Advertisement Expenses	27.34	20.34
Printing & Staitonary	80.64	76.04
Transporation / Carriage Outward	105.55	103.25
Discount and Commission	291.26	287.33
Sales and Business Promotion Expenses	77.45	76.45
Director Remuneration	6.40	6.00
Director Sitting Fees	3.10	1.70
Telephone Charges	48.65	46.07
Security & service Charges	6.94	
Motor Car Expenses	22.11	20.45
TOTAL :	1507.03	1234.38
SCHEDULE "M" : INTEREST & FINANCIAL CHARGES		
Interest for		
Term Loan	917.94	928.30
Cash Credit	1678.38	1194.56
Bank & Processing Charges	35.98	30.28
TOTAL :	2632.30	2153.14

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

SCHEDULE 'N' :

SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT AS ON 31ST MARCH, 2011

1. a. **ACCOUNTING CONVENTION & CONCEPTS:**

The financial statements have been prepared under the historical cost convention on an accrual basis and accordance with applicable mandatory Accounting Standard.

b. **PRINCIPLE OF CONSOLIDATION:**

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

ii) The financial statement of Jaybharat Textiles and Real Estate Limited and its subsidiary companies have been consolidated on a line-by line basis by adding together the book values of like items of assets, liabilities, Income and expenses, after fully eliminating intra-group balances and intra-group transaction and are presented to the extent possible in the same manner as the company's separate financial statement

iii) Notes on Accounts of the financial statement of the Company and all the Subsidiaries are set out in their respective financial statement

c. **FIXED ASSETS**

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

d. **DEPRECIATION**

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

e. **INVENTORIES**

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

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

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

Name of Subsidiary	Country of %Shareholding	Incorporation & Voting Power
Pulgaon Cotton Mills Ltd.	India	100%
Real Time Properties Ltd	India	100%

The Company has invested ₹ 523.53 Lacs to acquire 100% equity of Pulgaon Cotton Mills Limited located at Pulgaon, Maharashtra. As at 31st March, 2011 the Company has Total Reserve of ₹ NIL and total Accumulated Losses were ₹ 2253.32 Lacs and the company has invested ₹ 5.00 Lacs to acquire 100% equity of Realtime Properties Limited located at Vapi. As at 31st March, 2011 the Company has Total Reserve of ₹ 910.89 Lacs

2. The necessary adjustments in consolidated accounts are made in accordance with the Accounting Standard- 21 "Consolidated Financial Statement" and Goodwill of ₹ 484.67 Lacs recognized on such consolidation.

3. Earnings per Share: In accordance with the Accounting Standard -22 Earning per share issued by ICAI

i. Net Profit available to Equity Shareholder(in Lacs)	₹ -637.34
ii. Weighted Average No. of Equity shares outstanding at the end of the year	382837500
iii. Basic and Diluted Earning per share of ₹ 2- each	₹-0.16

4. Figures of previous year have been re-grouped/re-arranged wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For A.F. KHASGIWALA & CO.,
Chartered Accountants

A.F. KHASGIWALA
Partner
Membership No. 006491
Firm Regn No. 105114W

Chairman

Managing Director

Place: Mumbai
Date: 28-04-2011

Company Secretary

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CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	2010-2011 (₹ in Lacs)	2009-2010 (₹ in Lacs)
(A) CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ACTIVITIES	71.06	2651.42
Adjustment for Non Cash Charges		
Depreciation & Amortisation	3821.03	3046.75
Other Income	196.72	37.43
Interest (Net)	2632.30	2153.14
	6721.11	7888.74
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		
Adjustment for .	0	0
Trade and Other Receivables	(2461.93)	(1699.38)
Inventories	(1234.06)	(4429.33)
Trade Payable	(174.93)	(6995.59)
CASH GENERATED FROM OPERATION	2850.21	(5235.54)
Direct taxes paid	(455.34)	(567.31)
	2394.87	(5802.85)
NET CASH FROM OPERATING ACTIVITIES		
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets	(3076.62)	(16910.22)
Sale of Fixed Assets	0	0
Purchase of Investments / Goodwill	0	0
Dividend and Other Income received	(196.72)	-37.43
Increase/Decrease in Miscellaneous Expenditure	0.00	(40.00)
NET CASH USED IN INVESTING ACTIVITIES	(3273.34)	(16987.65)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from Issue of Share Capital	0.00	0.00
Interest Paid	(2632.30)	(2153.14)
Total Proceeds from borrowing	3050.36	15595.69
Share Application Money	0.00	10000.00
Dividend paid	382.84	(597.20)
NET CASH FROM FINANCING ACTIVITIES	800.90	22845.35
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(77.57)	54.87
CASH AND CASH EQUIVALENTS(Opening Balance)	339.70	284.83
CASH AND CASH EQUIVALENTS(Closing Balance)	233.46	339.70

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For A.F. KHASGIWALA & CO.,
Chartered Accountants

A.F. KHASGIWALA
Partner
Membership No. 6491
Firm Regn. No. 105114W

Chairman

Managing Director

Place: Mumbai
Date: 28.04.2011

Company Secretary

AUDITORS CERTIFICATE

We have examined the attached consolidated cash flow statement of Jaybharat Textiles and Real Estate Ltd. For the year ended 31st March 2011. The Statement has been prepared by the company in accordance with the requirements of Listing Agreement Clause 32 with various Stock Exchanges and is based on and is in Agreement with the corresponding Profit and Loss account and Balance Sheet of the company by our report to the members of the company.

For A.F. KHASGIWALA & CO.,
Chartered Accountants

A.F. KHASGIWALA
Partner
Membership No. 006491
Firm Regn. No. 105114W
Place: Mumbai
Date: 28.04.2011

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

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

(₹ in Lacs)

I. REGISTRATION DETAILS

Registration No. L99999GJ1988PLC011553 State Code : 04
Balance sheet Date : 31.03.2011

II. CAPITAL RAISED DURING THE YEAR (In Lacs)

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

III. POSITION TO THE MOBILISATION AND DEPLOYMENT OF FUNDS

Total Liabilities : 81794.74 Total Assets : 81794.75

SOURCE OF FUNDS

Paid-up Capital : 9056.75 Secured Loans : 29104.81
Reserves & Surplus : 5617.73 Unsecured Loans : 26009.80
Minority Interest : Nil Deferred Tax liability : 2005.66
Share Application Money 10000.00

APPLICATION OF FUNDS

Net Fixed Assets : 63102.51 Investments : 313.00
Net Current Assets : 17859.05 Misc. Expenditure : 35.52
Goodwill : 484.67

IV PERFORMANCE OF COMPANY

Turnover : 62972.66 Other Income : 196.72
Total Expenses : 62258.35 Profit/(Loss) before Tax : 71.06
Profit/(Loss) after Tax : (642.21) Earning Per Share (in ₹) : (0.25)
Dividend Rate % : 0%

V General Names of Principal Product/Trading

Item Code No. (ITC Code)
Product description : Knitted Fabrics

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For A.F. KHASGIWALA & CO.,
Chartered Accountants

A.F. KHASGIWALA
Partner
Membership No. 006491
Firm Regn No. 105114W

Chairman

Managing Director

Place: Mumbai
Date: 28-04-2011

Company Secretary

ATTENDANCE SLIP

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

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

TWENTY SIXTH ANNUAL GENERAL MEETING

Member's Name (in capital letters)

Folio No. No. of Shares held

DP. ID*	
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Client ID*	
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I hereby record my presence at the Twenty Sixth Annual General Meeting of the company being held on Saturday, 2nd July, 2011, at 3.00 p.m. at Village Salvav, Taluka Pardi, Near Vapi, Dist Valsad, Gujarat- 396191.

Signature of the Shareholder or Proxy

* Applicable for investors holding shares in electronic form

----- CUT HERE -----

PROXY FORM

JAYBHARAT TEXTILES AND REAL ESTATE LIMITED

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

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

Client ID*	
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I/We

of

being a member/members of the Company, hereby appoint

of in the District of

or failing him of in the District of

or failing him of in the District of

as my/our Proxy to vote for me/us on my/our behalf at the Twenty Sixth Annual General Meeting of the Company to be held on Saturday, 2nd July, 2011, at 3.00 p.m. at any adjournment thereof.

Signed this Day of 2011

* Applicable for investors holding shares in electronic form.

Affix Re. 1/- Revenue Stamp

Signature of the Shareholder

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