

**JMDE PACKAGING &
REALTIES LIMITED**

ANNUAL REPORT

F.Y.: 2009 - 2010

JMDE PACKAGING & REALTIES LIMITED

1. Name of Directors:

- Mr. Devndranath Dubey
- Mrs. Roshini Pandey
- Mr. Pandurang Chorge
- Mr. Arun Bhabukar
- Mr. Manesh Mukharjee

2. Registered Office:

502, Sinchan Apartments,
Off Veera Desai Road,
Andheri West,
Mumbai – 400 053

3. Banker:

Bank of India

4. Name of Registrar:

M/s. Purva Sharegistry India Pvt. Ltd

5. Legal Advisor:

Mr. Sean Wassoodew

JMDE Packaging & Realities Limited

NOTICE

TO THE SHAREHOLDERS

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of the Company will be held at 203, Anupam, Dadabhai Crossroad No. 2, JP Road, Andheri (W), Mumbai – 400 048 on Wednesday, 30th September, 2010 at 4:00 P.M. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet and the Profit & Loss Account for the year ended 31st March 2010 and the Directors' Report and Auditors' Reports thereon.
2. To appoint a Director in place of Mrs. Roshini Pandey who retires by rotation and being eligible offers herself for re-election.
3. To appoint M/s B M Gattani & Co, Chartered Accountants, Mumbai, as Auditors of the company to hold office from the conclusion of this meeting till the conclusion of next Annual General Meeting and to fix their remuneration.

For and on Behalf of the Board of Directors

Place: Mumbai

Dated: 30th August 2010

Registered Office:
502, Sinchan Apartment,
Off. Veera Desai Road,
Andheri (W),
Mumbai 400053


Roshini Pandey
Director


NOTES: -

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY – EIGHT HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING. IN DEFAULT, THE INSTRUMENT OF PROXY SHALL NOT BE TREATED AS VALID..
2. The Company had already notified closure of Register of Members and Share Transfer Books of the Company from September 27, 2010 to September 30, 2010 (both days inclusive)
3. M/s. Purva Shareregistry India Pvt. Ltd., 9 – Shivshakti Industrial Estate, J. R. Borisa Marg, Sitaram Mill Compound, Lower Parel (E), Mumbai – 400 011 has been appointed as Registrar and Share Transfer Agents (STA) of the company. All communications in respect of share transfer and change in the address of the members may be communicated to them.
4. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificate to the STA/Company.
5. Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which shall be made available on request) to the STA, M/s. Purva Shareregistry India Pvt. Ltd.

JMDE Packaging & Realities Limited

MANAGEMENT'S DISCUSSION & ANALYSIS

OVERVIEW:

The Company has entered into real estate business. The real estate segment has contributed significantly to the company's revenues and profitability. The economy in general witnessed down turn due to global meltdown of financial market and real estate sector was also badly affected. It is expected that the scenario will change in coming year as economy is on its path of revival. The company is planning to diversify into the construction industry as a contractor and also plans to develop its own housing projects in rural and semi-rural area, under mass and affordable housing schemes.

BUSINESS ENVIRONMENT:

Though there is significant demand for packaging material and this sector has potential, the major cause of concern is the unusual fluctuation in crude prices. Shortage of raw material has further worsened the situation. The company is not expecting much from this sector and may exit from this line of business in days to come.

World over crises felt in financial sector and thereafter resultant recession has made the overall business confidence low. But it is again on path of revival and the real estate sector is expected to bounce back with the economy stabilizing and generation of demand.

PERFORMANCE:

The company's performance during the year ended 31st March, 2010 was as under:

	2009 - 2010	2008 - 2009
Sales & Other Income (Rs. In Lacs)	518.82	112.23
PBDIT (Rs. In Lacs)	514.91	94.45
PBIT (Rs. in lacs)	495.08	86.23

INTERNAL CONTROL & ADEQUACY:

The company has adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition.

RISK MANAGEMENT SYSTEM:

We manage our business risk through strict compliance and internal control system.

OPPORTUNITIES:

Company sees tremendous opportunity in the real estate sector. The upward change in overall financial market and industry in general has started and all the sectors have shown trend of recovery. Once the situation establishes real estate sector will offer opportunities to the company which shall improve the overall performance of the company.

RISK AND CONCERNS:

Change in use pattern of packaging industry may adversely affect our business. New technology also poses a concern, which in turn requires us to up grade. Any adverse change in Real estate business or negative policy of Government will affect our new sector adversely.

OUTLOOK:

Company has since last few years have focused on job work in packaging line and production against orders. Once the prices of petroleum and allied products stabilize business will show improvement. Company has identified few projects to be carried out in real estate sector which shall better the performance of the company.

JMDE Packaging & Realities Limited

HUMAN RESOURCE:

Company has adequate and trained, well experienced personnel. Our employees are highly motivated and work in line of the organizational goal.

CAUTIONARY STATEMENT:

The statements made in this report describe the Company's objectives and projections that may be forward looking statements within the meaning of applicable laws and regulations. The actual results might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors, which are beyond the control of the Company.

JMDE Packaging & Realities Limited

DIRECTORS' REPORT

To
THE SHAREHOLDERS

Your Directors submit their Report and the Audited Accounts of the Company for the year ended 31st March 2010.

FINANCIAL RESULTS

Description	2009 - 2010 (Amt. in Rs.)	2008 - 2009 (Amt. in Rs.)
Profit before Depreciation and Interest	5,09,78,380	94,44,978
Less:- Provision for Depreciation	8,21,743	8,21,743
Interest	6,19,089	2,36,182
Profit / (Loss) before Tax	4,95,07,548	83,87,053
Profit / (Loss) after Tax	5,14,91,406	84,65,029
Balance brought forward from previous year	(11,19,82,853)	(12,04,47,882)
Profit / (Loss) carried to Balance Sheet	(6,04,91,447)	(11,19,82,583)

DIVIDEND

The Board of Directors does not recommend any dividend on Equity shares for the year under consideration.

OPERATIONS

Various steps to improve the Company's performance have started showing result as is evident from the fact that Company was able to maintain a growth in revenue and profitability significantly than previous year. New line of business of real estate has significantly added to the income of the company.

FINANCIAL

Finance is the major hurdle for your company. To overcome this, company has allotted during the year share warrants to select group of entities including the Directors. This fund infusion will certainly improve the performance of the company.

REAL ESTATE BUSINESS

Your Directors have charted out plan to restructure the Company in last year and accordingly company's name had been changed to "JMDE Packaging and Realities Limited" and Objects clause has been altered to incorporate "Real Estate and Construction" business in addition to the packaging business. The said step has started to show result in these years as is evident from the improved performance of your company is regard to revenue as well as profitability. In future too, your directors shall take all out steps to turn around the company.

OUTLOOK FOR THE COMPANY

During the year under review Company's revenue and profitability has improved significantly. Its new line of real estate business has significantly added to the revenue and in turn to the profitability of the Company. In future company plans to take various steps/options to improve the performance of the company. Taking new projects in joint venture or exiting from the packaging business are some of the steps which are being looked into.

LISTING

The Equity Shares of the Company are listed on Bombay Stock Exchange. The Company has paid the Annual Listing Fees to the Bombay Stock Exchange for the year 2009 - 2010.

JMDE Packaging & Realities Limited

Disclosure of particulars with respect to conservation of Energy, technical absorption, Foreign Exchange earning and outgo as required under Companies (Disclosure of Particulars in the report of Board of Directors) Rule, 1988 and forming part of the Report of Board of Directors for the year ended 31st March, 2009.

A. CONSERVATION OF ENERGY :

- (a) Energy Conservation Measures Taken: All possible efforts were made during the period, to ensure reduction in consumption of Electricity & fuel.
- (b) Additional Investment in Proposal if any, being implemented for reduction of consumption of energy: No additional investment is envisaged.
- (c) Impact of above measures:
As a result of measures taken by the Company, consumption of electricity and fuel has been kept at reasonable level.

B. TECHNOLOGY ABSORPTION :

The company has not adopted any foreign technology for its products.

C. FOREIGN EXCHANGE EARNING AND OUTGO :

There were no foreign exchange inflows or outflows during the year.

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Report on Corporate Governance

(A) CORPORATE GOVERNANCE PHILOSOPHY

The Company is committed to good Corporate Governance. The Company has been following good principle of business over the years by following all laws and regulations of the land with an emphasis on accountability and integrity. The code of Corporate Governance emphasizes the transparency of system to enhance the benefits to shareholders, customers, creditors and employees of the company. Your company has complied with the requirements of the Corporate Governance Code as disclosed herein below:

(B) BOARD OF DIRECTORS

THE board of the Company comprises the following Directors, having wide range of skills and experience in the field of management and industrial activities.

Name of the Director	Category of Directorship	No. of Meetings held during the Year 2009 - 10	No. of Meetings attended	No. of other Directorship	No. of Attendance other Committee Membership	Attendance at last AGM
Mr. Devendra Nath Dubey	Director Non-Executive Independent	4	4	---	-----	No
Ms. Roshini Pandey	Director Executive	4	4	---	-----	Yes
Mr. Pandurang Chorghe	Director Executive	4	4	-----	-----	Yes
Mr. Manesh Mukherjee	Director Non-Executive Independent	4	4	---	-----	Yes
Mr. Arun Bhagurkar	Director Non-Executive Independent	4	4	---	-----	Yes

(C) DATES OF BOARD MEETING

Four Board Meetings were held during the year under review on the following dates:

- (i) 30th April, 2009,
- (ii) 30th July 2009,
- (iii) 30th October 2009
- (iv) 29th January 2009,

(D) COMMITTEES OF DIRECTORS

a) Audit Committee

The terms of reference and role are as prescribed by Clause 49 of the Listing Agreement with the Stock Exchanges and Section 292A of the Companies Act, 1956 and by the Board from time to time. During the year 2009 - 10 the committee met 4 times. The composition of the Audit Committee and the attendance of the members is as under:

Name of the Director	Designation	Meetings attended
Mrs. Roshini Pandey	Chairman	4
Mr. Devendra Nath Dubey	Member	4

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Mr. Arun Bhagurkar

Member

3

b) Remuneration Committee

The Company has constituted a Remuneration Committee consisting of the following members:

Name of the Director	Nature of Directorship	Membership
Mr. Manesh Mukharjee	Non – Executive & Independent	Member
Mr. Devendra Nath Dubey	Non – Executive & Independent	Chairman
Mr. Arun Bhagurkar	Non – Executive & Independent	Member

During the year under review no remuneration paid to Directors. During the year no sitting fees was paid to the Directors. One meeting held during the year under review.

c) Investors Relations Committee

The composition of the Investors Relations Committee (Shareholders/Investors Grievances Committee) is as under:

Name of the Director	Nature of Directorship	Membership
Mr. Devendra Nath Dubey	Non – Executive & Independent	Member
Mr. Pandurang Chorghe	Executive Director	Member
Mr. Manesh Mukharjee	Non – Executive & Independent	Chairman

In accordance with Clause 49(VI) (D) of the Listing Agreement with Stock Exchanges, the Board has authorised Mr. Pandurang Chorghe to approve share transfers/transmissions and comply with other formalities in relation thereto.

No Investor Complaints remain unresolved, which were received during the year under review.

There were no pending transfers as on 31st March 2010.

(E) GENERAL BODY MEETINGS

a) The details of last 3 Annual General Meeting (AGM) held are as under:

Financial Year Ended	Date	Time	Place
31 st March 2007	29/09/2007	04.00 P.M	203, Anupam Building, J P Road, Andheri (W) Mumbai – 400 058
31 st March 2008	29/09/2008	04.00 P.M	203, Anupam Building, J P Road, Andheri (W) Mumbai – 400 058
31 st March 2009	30/09/2009	10:00 A.M	Privilege Inn, Opp. Shakti Ford Showroom, Near Inorbit Mall, Malad (W), Mumbai – 400 064

b) All special resolutions moved at the last Annual General Meeting were passed unanimously on show of hand by the shareholders present at the meeting.

c) None of the business required to be transacted at the forthcoming Annual General Meeting is proposed to be passed by postal ballot.

(F) DISCLOSURES

a) Disclosures on Materially Significant related Party Transactions

There were no materially significant related party transactions during the year conflicting with the interest of the Company.

b) Details of Non – Compliances and Penalties

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There were no penalties levied by the stock exchange, SEBI or any Statutory Authority.

(G) MEANS OF COMMUNICATION

1. Quarterly and half yearly reports are published in the newspapers.
2. Management Discussion and Analysis forms part of this Annual Report.

(H) GENERAL SHAREHOLDER'S INFORMATION

1. The Annual General Meeting will be held on 30th day of September 2010 at 10.00 A.M. at 203, Anupam, Dadabhai Crossroad No. 2, JP Road, Andheri (W), Mumbai - 400 058.
2. Financial Year : April to March
3. Book Closure : from 27.09.2010 to 30.09.2010 (Both days inclusive)
4. Listing on Stock Exchanges: The Bombay Stock Exchange, Mumbai
5. Stock Code

Name of the Stock Exchange	Stock Code
The Bombay Stock Exchange, Mumbai	524378

The listing fees of The Bombay Stock Exchange, Mumbai for the year 2009 - 10 has been paid.

6. Market Price Data

Market price data for the year 2009 - 10 is given below:

Month	High Price	Low Price	No. of Shares
Apr-09	3.76	2.27	8482
May-09	4.45	3.55	33730
Jun-09	4.75	3.8	69680
Jul-09	4.3	3.02	47901
Aug-09	3.34	2.54	56842
Sep-09	3.41	2.5	114973
Oct-09	3.83	3.02	64630
Nov-09	4	3	43711
Dec-09	4.94	2.83	243769
Jan-10	8.3	5.18	650072
Feb-10	10.39	0.91	691843
Mar-10	0.98	0.62	2007991

7. **Registrar and Transfer Agents** : M/s. Purva Shareregistry India Pvt. Ltd.
9 - Shivshakti Industrial Estate, J. R. Borisa Marg,
Sitaram Mill Compound, Lower Parel (E),
Mumbai - 400 011

8. **Share Transfer System** : Shares of the company can be transferred by lodging Transfer Deeds and Share Certificates with the Registrars & Share Transfer Agents at the above said address.
The Company has constituted Share Transfer and Shareholders' Grievance Committee of the Board of Directors of the Company.
The Company has authorised Purva Shareregistry India Pvt Ltd through their executives to make endorsement of share transfers being registered.
The shareholders have option of converting their holding in dematerialized form and effecting the transfer in dematerialized mode.
Shares sent for transfer in physical form are registered and returned within a maximum period of 21 days from the date of receipt of documents provided, all documents are valid and complete in all respects.

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9. Distribution of Equity Shares as on 31st March, 2010

SHARE HOLDING OF NOMINAL VALUE OF	NUMBER	% TO TOTAL	IN RS.	% TO TOTAL
UPTO - 5,000	7350	85.92	11735957	19.89
5,001 - 10,000	559	6.53	4857900	8.23
10,001 - 20,000	292	3.41	4720029	8
20,001 - 30,000	116	1.36	2997347	5.08
30,001 - 40,000	53	0.62	1891058	3.21
40,001 - 50,000	58	0.68	2742610	4.65
50,001 - 1,00,000	57	0.67	3984864	6.75
1,00,001 AND ABOVE	69	0.81	26070235	44.19
TOTAL =>	8554	100	59000000	100

10. Shareholding Pattern as on 31st March, 2010

Category	No. of Shares	Percentage (%)
i. Promoters' Holding		
a. Promoters		
Indian Promoters	16,92,510	28.69
Foreign Promoters	NIL	NIL
b. Persons acting in concert	NIL	NIL
Sub - total	1, 69, 25,100	28.69
ii. Non - Promoters' Holding		
c. Institutional Investors		
a. Mutual Fund and UTI	NIL	NIL
b. Banks/FIs/Insurance Companies	NIL	NIL
(Central/State Govt. Institutions/Non Govt Institutions)		
c. FII's	NIL	NIL
Sub - total	NIL	NIL
iii. Others		
i. Private Corporate Bodies	57,59,751	9.76
ii. Indian Public	3,62,48,619	61.44
iii. NRIs/OCBs	66,530	0.11
Sub - total	4,20,74,900	71.31
GRAND TOTAL	5,90,00,000	100

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11. **Dematerialization of shares and liquidity** : The shares of the Company are under compulsory demat trading. The Company has made necessary arrangements with NSDL and CDSL for demat facility. 56.62% of the Company's shares are dematerialized upto 31st March 2010.

12. **Plant Location** : Survey No.208/P, Dadra Village
Near Dadra Check Post
Vapi – Silvassa Road
Dadra & Nagar Haveli (U.T.)

13. **Address for Correspondence** : The Director
Survey No.208/P, Dadra Village
Near Dadra Check Post
Vapi – Silvassa Road
Dadra & Nagar Haveli (U.T.)

Disclosure under clause 43 A (2) of the listing agreement

The Equity Shares of the Company are listed on The Bombay Stock Exchange. Listing fees for the year 2009 – 10 of The Bombay Stock Exchange, Mumbai had been paid.

Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting (In pursuance of clause 49 of the Listing Agreement)

Name of Director	: Mrs. Roshini Pandey
Date of Birth	: 10/06/1975
Date of appointment	: 27/12/2007
Occupation	: Service
Expertise in Specific functional areas	: Experience of Administration and Management
Directorship in other Companies	: NIL
Committee positions held in other Companies	: NIL

JMDE Packaging & Realities Limited

Auditors' Certificate

To
The Members of JMDE Packaging & Realities Ltd

We have examined the compliance of conditions of Corporate Governance by JMDE Packaging & Realities Limited, for the year ended on 31st March, 2010, as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchange.

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

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that, no investor grievance is pending for a period exceeding one month against the Company as per the information furnished by the Company's Registrars, other than those which are a subject matter of litigation.

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 B. M. Gattani & Co
Chartered Accountants



Date: 30th August 2010
Place: Mumbai

JMDE Packaging & Realities Limited

AUDITORS' REPORT

TO
THE MEMBERS OF
JMDE PACKAGING & REALITIES LIMITED

We have audited the attached Balance Sheet of JMDE PACKAGING & REALITIES LIMITED, as at 31st March 2010 and also the Profit and Loss Account for the year ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Auditing Standards Generally Accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on 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.

As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

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

- (1) We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
- (2) In our opinion the Company, as required by law, has kept proper books of account, so far as it appears from our examination of such books.
- (3) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
- (4) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- (5) On the basis of written representation received from the directors, as on 31st March 2010 and taken on record by the Board of Directors, we do hereby certify that none of the directors of the company as on 31st March 2010 is disqualified for appointment as director in the aforesaid company in terms of clause (g) of sub - section 274 of the Companies Act, 1956 on the said date.
- (6) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the significant accounting policies and notes on Accounts annexed thereto, give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In the case of the Balance Sheet, of the state of affairs as at 31st March, 2010, and
 - b) in the case of the Profit and Loss Account of the **PROFIT** for the year ended on that date.

AND

JMDE Packaging & Realties Limited

- c) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date

For B. M. Gattani & Co
Chartered Accountants

B. M. Gattani
Proprietor
ICAI Membership No. 046077
Place : Mumbai
Date: 30th August, 2010

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) All the assets have not been physically verified by the management during the year but there is a regular Programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
(c) During the year, the company has disposed off a substantial part of the fixed assets. The Company has disposed off its plant based at Dadra.
2. (a) Since the company has ceased to operate its manufacturing business and had disposed off all of its plant and other materials, reporting for inventory and subsequent requirement of CARO does not apply.
3. (a) The company has not granted any loan to Companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956.
(b) The company has not taken any loan to Companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of Goods and services and Fixed Assets for to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5. (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered into the register required to be maintained under that section; and
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act have been made at prices which are reasonable having regard to prevailing market prices at the relevant time;
6. The company has not accepted any deposits from public.
7. In our opinion, the company has an internal Audit system commensurate with its size and nature of business.

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8. We have broadly reviewed the books of account and other relevant records and are of the opinion that the Central Government has not prescribed any rules for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
9. (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, Excise duty and cess were in arrears, as at 31st March, 2010 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of sale tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute. There is a due of Rs.8.98 Lacs in respect of Income Tax for the Assessment Year 1996 – 97 which has not been deposited on account of dispute; the dispute is pending before The Assistant Commissioner of Income Tax.
10. In our opinion, the company has accumulated losses amounting to Rs.6,04,91,447/- at the end of the financial year covered by our audit. The company has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has defaulted in repayment of dues to a financial institution, bank s due to certain dispute between the company and the banks. Details are as under:

Name of Institution/Bank	2009 – 10	2008 – 09
The South Indian Bank Ltd	NIL	1,60,53,936/-
Dena Bank Ltd	44,18,964/-	44,18,964/-

12. We are of the opinion that the company has maintained adequate records where the company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
14. The Company is dealing in or trading in shares, securities, debentures and other investments and in our opinion and according to the information and explanations given to us, the company has maintained proper records of all transaction and contracts and has made timely entries therein. The stock and investment of the shares held by the company are in its own name or are in the process of transfer in its own name.
15. The company has not given guarantees for loans taken by others from banks or financial institutions.
16. The company has not raised any term loans during the year under consideration.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.

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18. According to the information and explanations given to us, the company has made preferential allotment of shares warrants to parties and companies covered in the register maintained under section 301 of the Act.
19. According to the information and explanations given to us, during the period covered by our audit report, the company had not issued debentures.
20. Company has received Rs.2,13,75,000/- towards application money on issue of Share Warrants on preferential basis.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For B. M. Gattani & Co.
Chartered Accountants

B. M. Gattani
Proprietor
ICAI Membership No. 046007
Place : Mumbai
Date: 30th August 2010



JMDE Packaging & Realities Limited

BALANCE SHEET AS AT 31ST MARCH 2010

PARTICULARS	SCHEDULE	31st March 2010 Rupees	31st March 2009 Rupees
SOURCES OF FUNDS			
Share Holder's Funds			
Share Capital	1	59,000,000	59,000,000
Application/Allotment Money on Share Warrants		29,125,000	7,750,000
Reserves & Surplus	2	922,800	922,800
Borrowed Funds			
Secured Loans	3	6,450,935	47,254,863
Unsecured Loans	4	5,989,700	5,989,700
Deferred Tax Liability		-	1,983,858
TOTAL		101,488,435	122,901,221
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	-	60,942,631
Less:- Depreciation		-	47,856,443
		-	13,086,188
Investments	6	13,362,082	45,760,347
Current Assets, Loans & Advances	7	88,367,609	45,648,947
Less:- Current Liabilities & Provisions	8	60,732,703	93,577,114
Net Current Assets (7-8)		27,634,906	(47,928,167)
Profit & Loss Account		60,491,447	111,982,853
TOTAL		101,488,435	122,901,221
Notes Forming Part of Accounts	12		
Significant Accounting Policies	13		

As per report of even date attached

For B. M. Gattani & Co.

Chartered Accountants

B. M. Gattani

Proprietor

ICAI Mem No.:47066

For and on behalf of board of directors

Roshini Pandey

Director

Devendra Nath Dubey

Director

Place :- Mumbai

Date :- August 30, 2010

JMDE Packaging & Realities Limited

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010


PARTICULARS	SCHEDULE	31st March 2010 Rupees	31st March 2009 Rupees
<u>INCOME</u>			
Sales & Other Income	9	51,882,340	11,223,417
		<u>51,882,340</u>	<u>11,223,417</u>
<u>EXPENDITURE</u>			
Opening Stock		-	1,151,963
Salaries, Wages & Other Benefits	10	469,971	233,573
Administrative & Selling Expenses	11	433,989	392,903
Financial Expenses		649,089	236,182
Depreciation		821,743	821,743
		<u>2,374,792</u>	<u>2,836,364</u>
PROFIT /(LOSS) BEFORE TAX		49,507,548	8,387,053
Less: Current Tax		-	1,064
Deferred Tax		(1,983,858)	(79,040)
PROFIT/(LOSS) AFTER TAX		51,491,406	8,465,029
Add:- Balance Brought Forward		(111,982,853)	(120,447,882)
AVAILABLE FOR APPROPRIATION		<u>(60,491,447)</u>	<u>(111,982,853)</u>
<u>APPROPRIATION</u>			
Balance Carried to Balance Sheet		(60,491,447)	(111,982,853)
TOTAL		<u>(60,491,447)</u>	<u>(111,982,853)</u>
Earning Per Share (Rs.)		0.87	1.43
Notes Forming Part of Accounts	12		
Significant Accounting Policies	13		

As per report of even date attached
For B. M. Gattani & Co.
Chartered Accountants

B. M. Gattani
Proprietor
ICAI Mem No.: 47066

For and on behalf of board of directors


Roshini Pandey
Director


Devendra Nath Dubey
Director

Place :- Mumbai
Date :- August 30, 2010

JMDE Packaging & Realities Limited

SCHEDULES '1' TO '11' ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT
AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010

PARTICULARS	31st March 2010 Rupees	31st March 2009 Rupees
-------------	---------------------------	---------------------------

SCHEDULE : 1 SHARE CAPITAL

AUTHORISED CAPITAL

9,00,00,000 (90,00,000) Equity Shares of Rs.1/- (10/-) each	90,000,000	90,000,000
---	------------	------------

ISSUED,SUBSCRIBED & PAID UP CAPITAL

5,90,00,000 (59,00,000) Equity Shares of Rs.1/- (10/-) each	59,000,000	59,000,000
---	------------	------------

TOTAL	59,000,000	59,000,000
-------	------------	------------

SCHEDULE : 2 RESERVES & SURPLUS

Investment Allowances Reserve	737,800	737,800
Subsidy	185,000	185,000
TOTAL	922,800	922,800

SCHEDULE : 3 SECURED LOANS

From Bank	4,418,964	20,472,900
(Secured against Book Debts)		
Interest Accrued & Due	2,031,971	26,781,963
TOTAL	6,450,935	47,254,863

SCHEDULE : 4 UNSECURED LOANS

From Other Company	5,989,700	5,989,700
TOTAL	5,989,700	5,989,700



JMDE Packaging & Realities Limited

SCHEDULE : 5 FIXED ASSETS

SR. ASSETS NO.	GROSS BLOCK		DEPRECIATION			NET BLOCK	
	AS AT 01/04/2009	ADDITION/ (Deduction) 31/03/2010	UP TO 01/04/2009	FOR THE YEAR	ADJUSTMENT UP TO 31/03/2010	AS AT 31/03/2010	AS AT 31/03/2009
1	Land	2,686,995	-	-	-	-	2,686,995
2	Factory Building	9,047,636	3,787,795	302,192	(4,089,987)	-	5,259,841
3	Plant & Machinery	37,089,844	36,585,472	-	(36,585,472)	-	504,372
4	Electrification	4,636,483	2,881,556	244,808	(3,126,364)	-	1,754,927
5	Vehicles	924,218	913,821	-	(913,821)	-	10,397
6	Furniture & Fixtures	883,316	742,029	55,914	(797,943)	-	141,287
7	Tools & Equipment	3,524,241	1,906,161	188,080	(2,092,241)	-	1,618,080
8	Computer & Printer	556,985	551,036	-	(551,036)	-	5,949
9	Office Building	1,388,744	373,902	22,636	(396,538)	-	1,014,842
10	Scale	78,339	48,239	4,136	(52,375)	-	30,100
11	Fax Machine	43,480	27,841	2,064	(29,905)	-	15,639
12	Refrigerator	25,600	12,436	1,216	(13,652)	-	13,164
13	Epbax System	46,700	24,247	2,220	(26,467)	-	22,453
14	Air Conditioner	10,050	1,908	477	(2,385)	-	8,142
	TOTAL	60,942,631	47,856,443	821,743	(48,678,186)	-	13,086,188
	PREVIOUS YEAR	60,942,631	47,034,700	821,743	47,856,443	13,086,188	13,907,931



JMDE Packaging & Realities Limited

SCHEDULE : 6 INVESTMENT

LONG TERM

(1) Unquoted, Equity Shares-Fully Paid up		
Mangalmurti Association Ltd.		
Aspirant	7,082	7,082
Avocadd Trading	-	5,000,000
Frolic Reality	-	5,000,000
Frugal Trading Co.	-	2,500,000
Hema Dying & Printing Mills	-	5,000,000
ISS International	-	1,060,000
P Reality P Ltd	-	1,000,000
Raj Market Limited	-	2,500,000
Sana Textile Pvt Ltd	-	5,900,000
Shyam Ferro Pvt Limited	-	500,000
Veenapani Invest Pvt Limited	-	1,000,000
Vivek Electroplast Pvt Limited	5,000,000	5,000,000
Others	-	900,000
Caplinvan India Pvt Ltd	-	9,000,000
Infracare Systems Pvt Ltd	330,000	-
Pratham Corporation	2,800,000	-
SCB Ltd.	5,225,000	-
	-	50,000
	13,362,082	44,417,082
(2) Quoted, Equity Shares		
G Tech Ltd.	-	29,000
Kailash Ficom Ltd. -(90109)	-	1,314,265
	-	1,343,265
Total Value of the Investments >>>>>	13,362,082	45,760,347
Market Value of Quoted Equity Shares >>>>>	-	2,430,405

SCHEDULE : 7 CURRENT ASSETS, LOAN & ADVANCES

A) Current Assets

Inventories (at lower of cost and realisable value and certified by the management)

Stock in Trade (shares)	45,017,177	2,144,612
	45,017,177	2,144,612
<u>Sundry Debtors</u> (Unsecured Considered Good)		
Outstanding for a period exceeding Six Months	9,002,076	23,511,874
Other Debts	1,124,926	4,913,380
	10,127,002	28,425,254

Cash & Bank Balances

(As certified by the Management)

Cash on Hand	12,494	42,250
Balance With Schedule Banks	300,294	485,670
Fixed Deposits		
	574,333	9,527,920
TOTAL 'A'	55,718,512	40,097,786



JMDE Packaging & Realities Limited

B) Loans & Advances

(Recoverable in Cash or in Kind or
for value to be received)

(Unsecured, considered good)

Deposits	161,850	236,850
Advances Given	30,872,921	3,741,565
Tax Deducted at Source	1,254,399	1,212,819
Interest Receivable	259,927	259,927
Other Current Assets	100,000	100,000
TOTAL 'B'	32,649,097	5,551,161
TOTAL 'A+B'	88,367,609	45,648,947

SCHEDULE : 8 CURRENT LIABILITIES & PROVISIONS

A) Current Liabilities

Sundry Creditors

For Goods	38,834,852	86,884,231
For Expenses	232,792	232,792
Bank Overdraft	3,103,603	3,103,603
Other Liabilities	17,313,693	2,108,725
TOTAL 'A'	59,484,940	92,329,351

B) Provisions

For Taxation

	1,247,763	1,247,763
TOTAL 'B'	1,247,763	1,247,763
TOTAL 'A+B'	60,732,703	93,577,114

SCHEDULE : 9 SALES & OTHER INCOME

A) Sales

Sales & Job Work	-	1,420,425
Income from Real Estate Business	-	9,263,430
TOTAL 'A'	-	10,683,855

B) Other Income

Share Trading Income	20,770,594	464,150
Bank Interest	225,299	75,412
Gain on Reversal of Liabilities	19,803,928	-
Profit on Sale of Assets	8,735,555	-
Capital Gain	2,346,364	-
Miscellaneous Income	600	-
TOTAL 'B'	51,882,340	539,562
TOTAL 'A+B'	51,882,340	11,223,417

SCHEDULE : 10 SALARIES, WAGES & OTHER BENEFITS

Salaries	469,971	233,573
	469,971	233,573



JMDE Packaging & Realties Limited

SCHEDULE : 11 ADMINISTRATIVE & SELLING EXPENSES

Advertisement Expenses	-	9,122
Auditors Remuneration	20,000	20,000
Consulting & Professional Fees	-	6,500
Conveyance Expenses	-	8,130
Electricity Expenses	-	129,480
Filing & Listing Fees	14,841	72,805
Miscellaneous Expenses	86,487	1,284
Depository Charges	22,937	30,900
Postage & Telegrams Expenses	-	1,101
Professional Fees	6,137	30,500
Security Charges	-	18,000
Share Transfer Expenses	74,754	34,823
Share Trading Expenses	208,833	-
Stationery & Printing Expenses	-	7,032
Travelling Exp	-	18,846
Telephone Expenses	-	4,380
	433,989	392,903



JMDE Packaging & Realities Limited

Schedule 12

NOTES FORMING PART OF ACCOUNTS

1. Possession of factory premise was obtained from Gujarat State Financial Corporation (GSFC) on 10th January 2003 Pursuant to the order of Honorable DTR – I Mumbai. Due to prolonged closure of unit the major part required heavy maintenance and overhauling to restart the manufacturing activities at normal level. As a consequence the company overall performance was affected. Further, all efforts to revive the unit has not yielded satisfactory result.
2. Most of the debits/credits are subject to confirmation.
3. Debit/credit notes received up to the date of signing of the Annual are accounted for.
4. Since the company has filed petition under BIFR, the interest on secured loans for the year has not been provided for. The same shall be provided as per the directives of BIFR in the year of its award.
5. Sale of Plant at Dadra and settlement of South Indian Bank Debt:
The company's plant based at Dadra had been sold off during the year after taking approval of the shareholders. The proceeds of the same had been utilized for settling the loan of South Indian Bank Ltd, who had advanced the loan against the mortgage of the said plant. The said Debt of bank had been settled under One Time Settlement (OTS) scheme and a no due certificate has been obtained from the bankers.
6. The major of the dues towards the suppliers are old dues. The company has no information as to whether any of its suppliers constitute small-scale industrial undertaking and therefor, the amount due to such suppliers has not been identified.

No remuneration has been paid to Directors during the year or in previous year.

7. Payment to Auditors

	2009 – 2010	2008 – 2009
Audit Fee	20000 -	20000
Total	20000	20000

8. (a) Licensed capacity Not Applicable
(b) installed Capacity 12 lacs bags a day
(As Certified by the management)

9. Quantitative information regarding raw material consume

Particulars	2009 - 2010	2008 – 2009
Poly Granules	Nil	Nil
Mater Batch	Nil	Nil
Inks Chemicals & Others	Nil	Nil



JMDE Packaging & Realities Limited

10. Quantitative information regarding opening stock, closing stock and sales of Finished Goods

	2009 - 2010		2008 - 2009	
	Quantity/ Numbers	Amount (Rs/lacs)	Quantity/ Numbers	Amount (Rs/lacs)
A) Opening Stock				
Tubing (in MTs.)				
Polyethylene Bags (Nos. in lacs)	----	----	----	----
Poly Films (in MTs)	----	----	----	----
Working Progress (in MTs)	----	----	----	----
Scrap (in MTs)	----	----	----	----
Trading Items	----	----	----	----
BOPP Films (in MTs)	----	----	----	----
B) Sales				
Tubing (in MTs.)	----	----	----	----
Polyethylene Bags (Nos. in lacs)	----	----	----	----
Pol Films (in MTs)	----	----	----	----
Working Progress (in MTs)	----	----	----	----
Scrap (in MTs)	----	----	----	----
Trading Items	----	----	----	----
BOPP Films (in MTs)	----	----	----	----
C) Closing Stock				
Tubing (in MTs.)	----	----	----	----
Polyethylene Bags (Nos. in lacs)	----	----	----	----
Pol Films (in MTs)	----	----	----	----
Working Progress (in MTs)				
Scrap (in MTs)				
Trading Items				
BOPP Films (in MTs)				

11. Earnings in Foreign Currency

	2009 - 10	2008 - 09
a) Expenditure In foreign currency	NIL	NIL
b) remittances in foreign currency	NIL	NIL
c) Earnings in foreign currency	NIL	NIL

12. Related parties Transactions: As per Accounting Standard - 18 during the year: NIL

13. Earning per Shares

Particulars	31-03-2010	31-03-2009
Net profit attributable to shareholders (In Lacs)	514.91	84.65
Weighted average number of equity shares (Number in '000)	59000	5900
Basic/ Diluted earning per share of Rs. 1/- (Rs.10/-) each (In Rs.)	1.43	1.43

14. In accordance with Accounting Standard 22 "Accounting for Taxes on Income" the Company has accounted for Deferred Tax Asset of Rs.19,83,858/- (Previous Year - Rs.79,040/-) and Deferred Tax Liability of Rs. NIL/- (Previous Year - NIL) has been added to the profit & Loss Account.



JMDE Packaging & Realities Limited

15. Estimated amount of contract remaining to be executed on capital account & not provided for - NIL.
16. Contingent Liabilities
 - a) The Income Tax Department has raised demands in respect of regular assessment proceedings amounting to Rs.8.98 lacs for Assessment Year 1996-97.
 - b) There is a dispute of Rs.3.37 lacs in respect of telephone bill and the company has taken up the matter with higher authorities of the telephone department.
17. Additional information relating to Balance Sheet Abstract and company's General Business profiles as per Part IV of Schedule VI to the Companies Act, 1956 - Annexed.
18. Figures for the previous year have been regrouped wherever necessary to make them comparable with those of current year.

As per report of even date attached
For B. M. Gattani & Co.
Chartered Accountants

B. M. Gattani
Proprietor
Mem. No. 47066
Place :- Mumbai
Date :- 30th August 2010



For & behalf of Board of Directors



JMDE Packaging & Realties Limited

SCHEDULE 13

SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the normally accepted Accounting Standards in India. A summary of significant Accounting Policies, which have been applied consistently, are set out below:

1. Accounting Concept

- I. The company follows the mercantile systems of accounting recognizing income expenditure on accrual basis except in case of Debit/Credit received from the parties. The Debit/Credit notes received upto the date of signing of the Balance Sheet is accounted for. In case of sales commission it is accounted on accrued and due basis.
- II. The accounts of the Company are prepared under the historical cost convention using the accrual method of accounting and on the basis of the concept of going concern.

2. Revenue Recognition

All items of Income & Expenditures are accounted for on accrual basis. There are no export sales.

3. Fixed Assets

Fixed assets include other expenses related to their installation and procurement & stated at cost less accumulated depreciation.

4. Depreciation

Depreciation on fixed assets including addition during the year is provided on Continuous Process Plant basis on straight - Line Method in the manner specified in Schedule XIV of the Companies Act 1956.

5. Investment

Investments are stated at cost No provision for temporary diminution in the value of investments has been made.

6. Inventories

Stock in trade has been valued on cost or market value whichever is less.

As per report of even date attached

For B. M. Gattani & Co.
Chartered Accountants

B. M. Gattani
Proprietor

Mem. No. 47866

Place :- Mumbai

Date :- 30th August 2010



For & behalf of Board of Directors



JMDE Packaging & Realities Limited

Additional Information as required under Part IV of Schedule VI to the Company Act, 1956
Balance Sheet Abstract and Company's General Business Profile;

000 Omitted

1 Registration Details

Registration No.	166035
State Code	11
Balance Sheet Date	31/03/2010

2 Capital raised during the year

Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	Nil

3 Position of Mobilisation & Deployment of funds

Total Liabilities	162221
Total Assets	162221
Sources of Funds	
Paid-Up Capital	59000
Application Money	29125
Reserves & Surplus	923
Secured Loans	6451
Unsecured Loans	5990
Deferred Tax Liabilities	0
Application of Funds	
Net Fixed Assets	0
Investments	13362
Net Current Assets	27635
Miscellaneous Expenditure	
Accumulated Losses	60491

4 Performance of the Company

Total Income	51882
Total Expenditure	2375
Profit before Tax	49508
Profit after Tax	51491
Earnings per Share	0.87
Dividend Rate	0

5 Generic Names of Principle Products/Services of the Company

(as per monetary terms)

Item Code No.

Product Description

39206909
Flexible Multilaminated Packaging Polyester/ BOPP Film of Manufacture Printing & Lamination LDPE Printed Bags.
Real Estate

As per report of even date attached

For B. M. Gattani & Co.
Chartered Accountants

B. M. Gattani
Proprietor
ICAI Mem No. 47966
Place : Mumbai
Date : August 30, 2010

For and on behalf of board of directors

Roshini Pandey
Director

Devendra Nath Dubey
Director

JMDE Packaging & Realities Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	FOR THE YEAR ENDED 31/03/2010	FOR THE YEAR ENDED 31/03/2009
[A] Cash Flow From Operating Activities		
Net Profit/(Loss) before tax	49,507,548	8,387,053
Adjustment for:		
Depreciation	821,743	821,743
Preliminary, Public Issue Expenses written off	-	-
Interest Paid	649,089	236,182
Interest/Dividend Received	-	-
Loss on sale of Fixed Assets	-	-
Prior Period Depreciation	-	-
Profit on sale of Investments	-	-
	<u>1,470,832</u>	<u>1,057,925</u>
Operating Profit before Working Capital Changes	50,978,380	9,444,978
Adjustment for:		
Decrease / (Increase) in Sundry Debtors	18,298,252	(3,595,680)
Decrease / (Increase) in Inventories	(42,872,565)	(992,649)
Decrease / (Increase) in Loans and Advances	(27,097,936)	(25,570)
Increase / (Decrease) in Current Liabilities	(32,844,411)	3,557,410
	<u>(84,516,660)</u>	<u>(1,056,489)</u>
Cash Generated from Operations	(33,538,280)	8,388,489
Interest Paid	(649,089)	(236,182)
Tax Paid	(649,089)	(1,064)
Net Cash From Operating Activities	<u>(34,187,369)</u>	<u>8,151,243</u>
[B] Cash flow From Investing Activities		
Purchase of Fixed Assets	-	-
Sale of Fixed Assets	12,264,445	-
Purchase of Investments	(8,355,000)	(9,000,000)
Sale of Investments	40,753,265	-
Interest/Dividend Received	-	-
Net Cash used in Investing Activities	<u>44,662,710</u>	<u>(9,000,000)</u>
[C] Cash Flow From Financing Activities		
Share Capital and issue expenses	21,375,000	8,541,500
Borrowings (Net of repayments)	(40,803,928)	-
Net Cash From Financing Activities	<u>(19,428,928)</u>	<u>8,541,500</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [A+B+C]	<u>(8,953,587)</u>	<u>7,692,743</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	9,527,920	1,835,177
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>574,333</u>	<u>9,527,920</u>

Note:- All Figures in brackets are outflows.

For B. M. Gattani & Co.
Chartered Accountants

B. M. Gattani
Proprietor
ICAI Mem No. 47066

Place :- Mumbai
Date :- August 30, 2010

For and on behalf of board of directors

Roshini Pandey
Director

Devendra Nath Dubey
Director