JAIN

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Corporate Directory

Board of Directors

a) Non Executive Directors

Bhavarlal H. Jain	– **Chairman**
Anirudha R. Barwe	– **Director**
Ghansham Dass	– **Director** (w.e.f. 25th August 2009)
Vasant V. Warty	– **Director** (Nominee SBI)
Ramesh C. A. Jain	– **Director**
Radhika C. Pereira	– **Director**
D. R. Mehta	– **Director**

b) Executive Directors

Ashok B. Jain	– **Vice Chairman**
Anil B. Jain	– **Managing Director**
Ajit B. Jain	– **Joint Managing Director**
Atul B. Jain	– **Director – Marketing** (w.e.f. 25th August 2009)
R. Swaminathan	– **Director – Technical [Plastic Park]**

Company Secretary

A.V. Ghodgaonkar

Audit Committee

Anirudha R. Barwe	– **Chairman**
Ramesh C. A. Jain	– **Member**
Vasant V. Warty	– **Member**

Compensation Committee

Anirudha R. Barwe	– **Chairman**
Ramesh C. A. Jain	– **Member**
Ashok B. Jain	– **Member**
Ajit B. Jain	– **Member**
Vasant V. Warty	– **Member**

Shareholders Grievances Committee

Vasant V. Warty	– **Chairman**
Ajit B. Jain	– **Member**
Anirudha R. Barwe	– **Member**

Operations Review Committee

Ashok B. Jain	– **Chairman**
Anil B. Jain	– **Member**
Ajit B. Jain	– **Member**
Atul B. Jain	– **Member** (w.e.f. 25th August 2009)
R. Swaminathan	– **Member**

Bankers

Axis Bank Ltd., Mumbai
Bank of Baroda, Mumbai
Canara Bank, Jalgaon
Dena Bank, Mumbai
Development Credit Bank Ltd., Mumbai
Export Import Bank of India, Mumbai
HDFC Bank Ltd., Mumbai
IDBI Bank Ltd., Jalgaon
Indian Bank, Mumbai
Standard Chartered Bank, Mumbai
State Bank of India, Mumbai
State Bank of Indore; Mumbai
Union Bank of India, Mumbai

Auditors

Dalal & Shah, Chartered Accountants, 252, Veer Savarkar Road, Shivaji Park, Dadar - 400028.

Solicitors

Mulla & Mulla & Craigie & Blunt & Caroe, Mulla House, 51, M.G. Road, Fort, Mumbai - 400 001.
Solomon & Company, Calcot House, 3rd Floor, 8/10, M.P.Shetty Marg, (Tamarind Street), Fort, Mumbai – 400023.

Registered Office

Jain Plastic Park, N.H. No.6, P.O.Box 72, Jalgaon. 425001. (India)

HISTORICAL FINANCIALS (5 YEARS)

	Standalone					Consolidated		
	2005	2006	2007	2008	2009	2007	2008	2009
Financial Performance (April-March) (Rs. in Million)								
Total Income (Including Operating Income)	6,092	8,659	12,291	16,928	21,874	14,152	22,483	28,693
Operating Profit (PBDIT)	983	1,445	2,162	3,519	* 4,663	2,104	3,767	* 4,878
Profit Before Tax	322	691	1,294	2,042	1,842	1,005	1,907	1,995
Net Profit for the year	324	671	991	1,455	1,202	833	1,324	1,294
Equity Dividend (including Dividend Tax)	-	120	155	186	220	155	186	220
Financial Position As At March 31, (Rs. in Million)								
Shareholders Equity / Net Worth (excl. Non Free Reserves)	1,606	1,897	3,527	8,875	10,094	2,722	7,794	8,934
Redeemable Preference Share Capital	935	911	885	885	449	885	885	449
Minority Interest	-	-	-	-	-	104	649	705
Total Debt (Long Term & Short Term)	3,322	6,745	7,397	9,070	13,555	8,590	12,756	18,170
Total Liabilities	**5,863**	**9,553**	**11,809**	**18,831**	**24,097**	**12,301**	**22,084**	**28,257**
Net Fixed Assets (including CWIP)	3,218	4,363	5,934	7,480	10,510	7,257	10,164	14,573
Investment (excl. Liquid Investments)	82	826	1,774	2,758	3,906	200	237	201
Net Current Assets (excl. Cash & Cash Equivalent)	2,451	2,102	3,745	7,460	8,803	4,400	10,247	12,309
Cash & Cash Equivalent (incl. Liquid Investments)	113	2,262	357	1,133	879	443	1,436	1,174
Total Assets	**5,863**	**9,553**	**11,809**	**18,831**	**24,097**	**12,301**	**22,084**	**28,257**
Ratio Analysis								
Current Ratio (Times)	1.29	1.41	1.12	1.45	1.26	1.17	1.41	1.28
Total Debt[1] / Equity (Times)	2.65	4.04	2.35	1.12	1.39	3.48	1.75	2.08
Return on Average Net Worth	24.35%	27.38%	34.99%	23.14%	20.97%	37.76%	25.37%	22.83%
Return on Average Capital Employed[2]	18.29%	22.16%	23.07%	24.14%	22.79%	22.19%	23.17%	20.44%
Per Share Data (Rs.)								
Basic EPS	5.87	10.79	16.19	21.48	16.12	13.48	19.49	17.40
Diluted EPS	5.87	10.78	16.19	21.41	16.03	13.48	19.42	17.31
Basic Cash EPS	9.85	15.28	21.55	27.52	22.66	20.65	27.95	26.86
Equity Dividend	-	1.80	2.00	2.20	2.50	2.00	2.20	2.50
Book Value	27.52	32.50	57.11	123.17	139.46	44.07	108.16	123.44
Shareholding related As At March 31,								
Number of Shareholders	29,729	30,273	26,784	36,335	37,513	26,784	36,335	37,513
Market Capitalization[4] (Rs. in Million)	7,317	14,632	25,784	42,657	24,760	25,785	42,657	24,760
Non-Promoter Shareholding	69.52%	69.54%	67.72%	67.46%	67.53%	67.72%	67.46%	67.53%

[1] Including Redeemable Preference SharesCapital ** Before unrealised foreign exchange loss.*

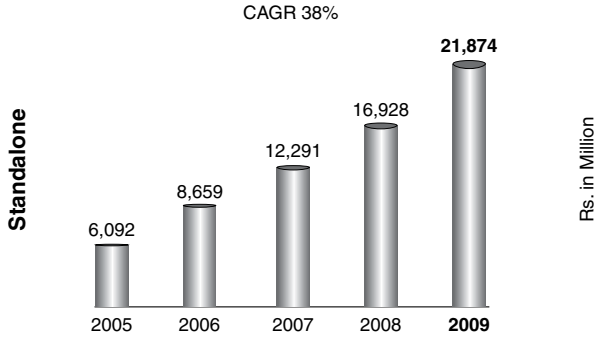
[2] Average Capital Employed (Total Assets less Deferred Tax Assets/Liabilities less Cash & Cash Equivalent)

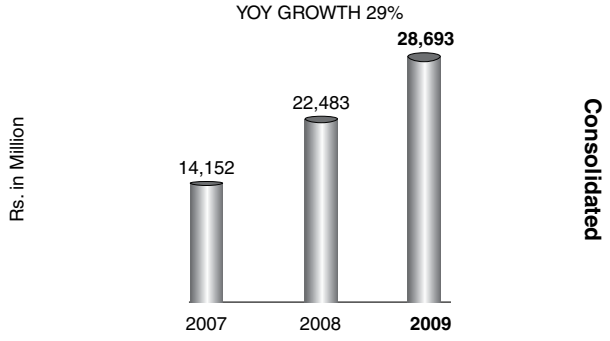
[3] Total Debt less Cash & Cash Equivalent.

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

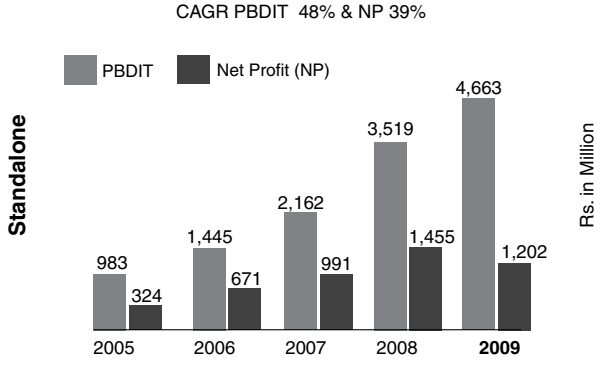
GRAPHICAL FINANCIAL PRESENTATION (5 YEARS)

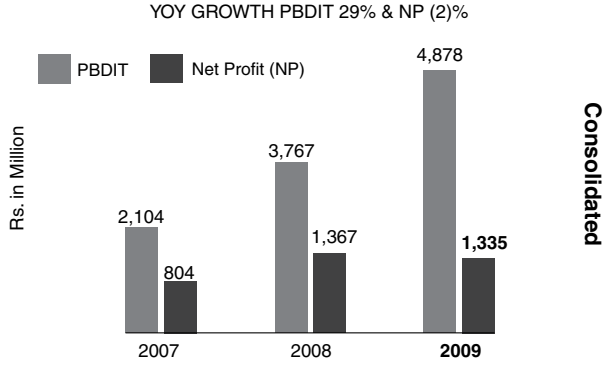
Total Income (Consistent Growth)



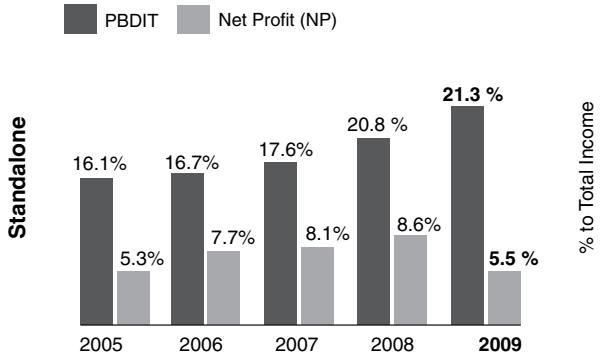


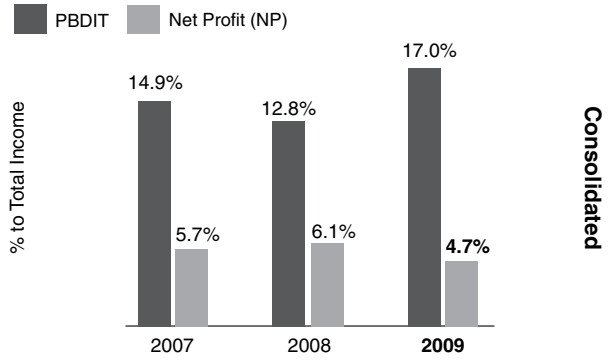
Earnings (Sustained Momentum)



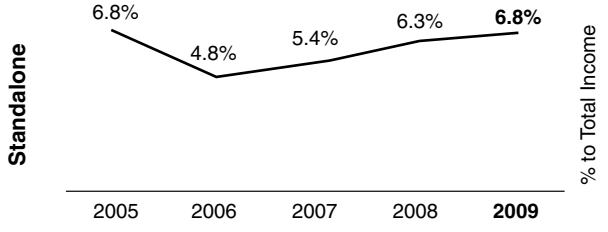


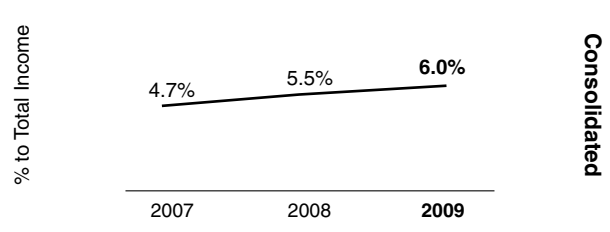
Margins (Steady Growth in Profitability)





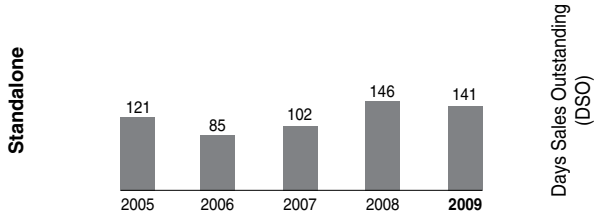
Controlled Interest Cost$

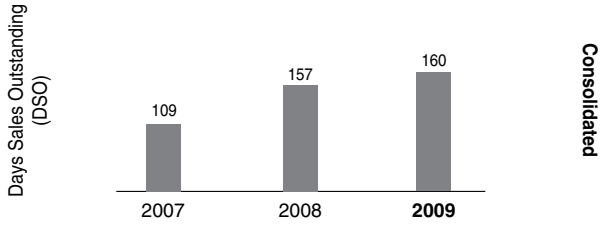




Gross interest excluding interest income & Bank charges$

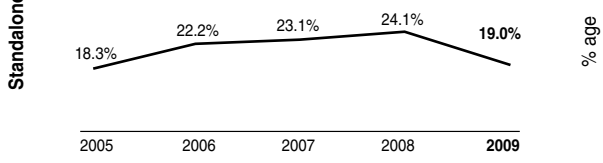
Cash to Cash Cycle (Net@)

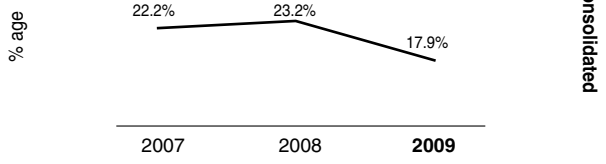




@ *Inventory plus Receivables less Accounts Payable*

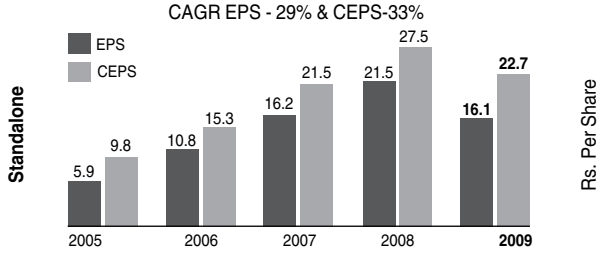
ROCE Trend#

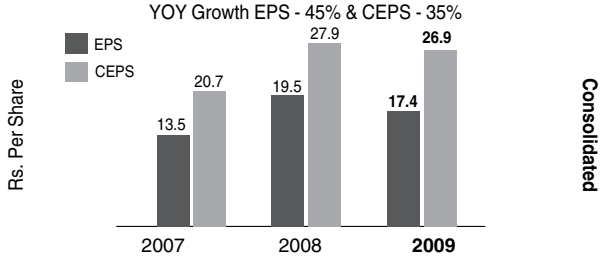




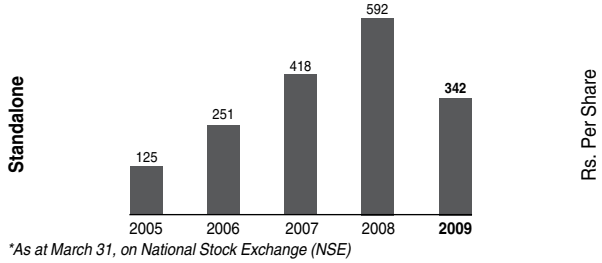
Based on average capital employed

EPS & CEPS^

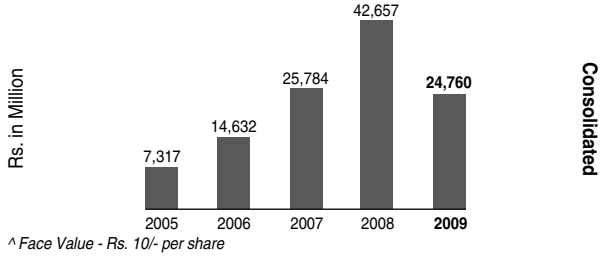




Market Price Per Share* & Market Capitalization

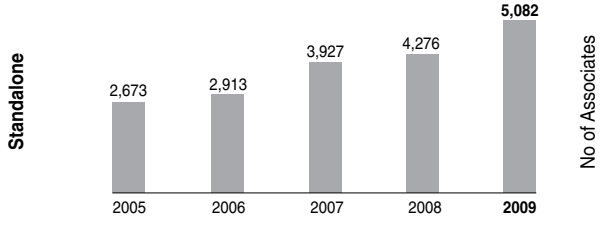


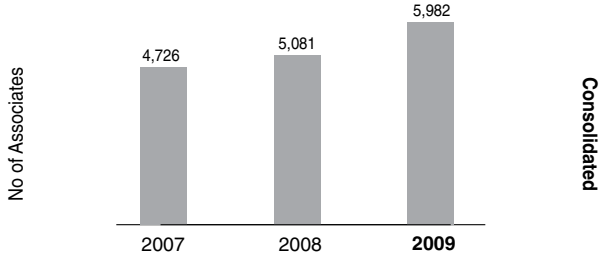
**As at March 31, on National Stock Exchange (NSE)*



^ Face Value - Rs. 10/- per share

Associates Strength





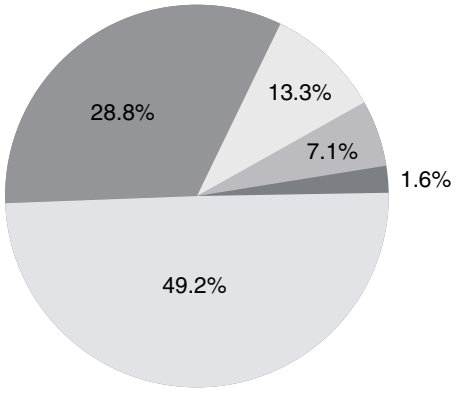
Consolidated Revenue Segmentation

Industry

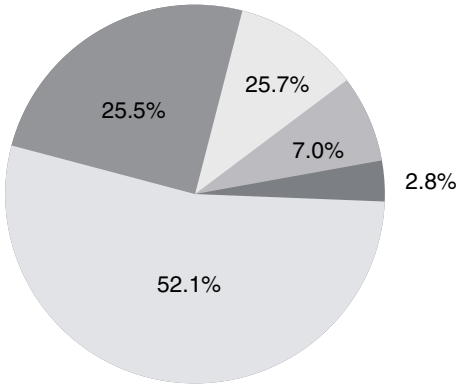
Rs. in Million

Period = April - March	2005	2006	2007	2008	2009	CAGR
Micro Irrigation	1,199	2,138	5,499	11,276	15,186	89%
Piping Products	2,272	3,567	4,250	6,599	7,425	34%
Agro processed Products	1,026	902	2,257	3,037	3,701	38%
Plastic Sheets	1,675	2,031	2,205	1,627	2,030	5%
Other Products	138	269	299	369	825	56%
Total	**6,310**	**8,907**	**14,510**	**22,908**	*** 29,167**	**47%**

Revenue Mix (2008)



Revenue Mix (2009)



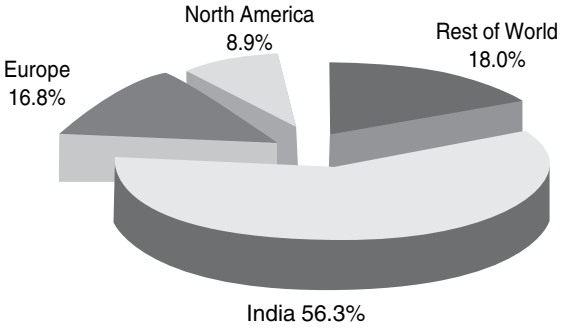
Micro Irrigation | Piping Products | Agro Processed Products | Plastic Sheets | Other Products

Geography

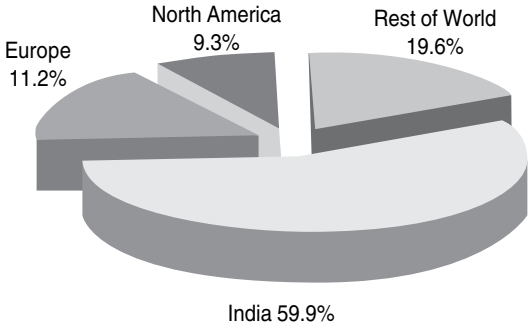
Rs. in Million

Period = April - March	2005	2006	2007	2008	2009	CAGR
India	4,054	6,200	8,613	12,907	17,484	44%
Europe	701	1,299	1,631	3,843	3,258	47%
North America	1,165	952	2,117	2,039	2,715	24%
Rest of World	390	456	2,149	4,119	5,710	96%
Total	**6,310**	**8,907**	**14,510**	**22,908**	*** 29,167**	**47%**

Revenue Mix (2008)



Revenue Mix (2009)



India | Europe | North America | Rest of World

* Revenue includes income from export services and excludes export incentives & assistance.

Board's Report

To the Members,

The Directors' present hereby their report on the business and operations of the Company and the financial statements for the year ended 31st March, 2009.

1. Financial Highlights

Rs. in Million (except EPS)

Particulars	2008-09	2007-08
Domestic Sales	17,487	12,926
Export Sales & Services	4,886	4,534
Other operating Income	280	129
Sales and Operating Income	**22,653**	**17,589**
Operating Profit	**3,923**	**3,595**
Interest and Finance Charges	1,563	1,134
Depreciation and Amortisation	473	398
Amounts written off and provisions	50	7
Profit before taxation and exceptional items	**1,838**	**2,056**
Exceptional items (Service tax disallowed)	–	14
Provision for Tax		
Deferred Tax (Asset)/Liability	615	570
Current Tax – provision	206	227
MAT Credit	(206)	(227)
Fringe Benefit	21	16
Profit for the year	**1,202**	**1,455**
Profit b/f from the previous year	2,463	1,386
Less Loss of Orient Vegetexpo Ltd. FY07	–	(5)
Balance available for appropriation	3,664	2,835
Out of which the Directors have appropriated as under;		
Proposed Dividend	219	194
Dividend Tax	37	33
General Reserve	120	145
Transfer to CRR	437	
Balance to be carried forward	2,851	2,463
Earnings Per Share		
Basic	16.12	21.48
Diluted	16.03	21.41

2. Operations

The net sales grew by 28% on YoY basis while the other operating income has grown at 117% to Rs. 280 mn. Despite a severe global slowdown the growth looks satisfactory. The domestic sales grew at an impressive 35% to Rs. 17,487 mn on the back drop of a robust demand in MIS/SIS, Fruit processing and PVC piping segments. The exports grew at 8% this year at Rs. 4,886 mn despite a major slowdown in the world economy post major bank collapse in US. The notional loss on account of foreign currency fluctuations Rs.777.2 mn (as against gain of Rs.150 mn last year) caused a 383 bps hit to the operating profit. FE loss is book entry and does not have impact on cash flows, especially given the fact that the Company's FC denominated loans are for a 8 year term. Thus, the operating profit at Rs.3,923 mn would have improved by 30.7% had the FC notional loss not arisen, reflecting the continual improvement in resource utilization.

After providing for depreciation and amortization of Rs. 473 mn, the interest and finance charges of Rs. 1,563 mn, the deferred tax liability of Rs.615mn and Rs.21mn of FBT, and the prior year expenses of Rs.4 mn, the profit for the year is lower than the earlier year by about 17% at Rs.1,202 mn.

3. Dividend

An amount of Rs. 30.97 mn is payable on the Redeemable Preference Shares issued by the Company as per predetermined coupon rate and an amount of Rs.5.23 mn is payable as Dividend Distribution Tax on the said preference dividend. The Board of Directors have recommended to the Shareholders for declaration at the ensuing AGM a dividend of Rs.2.50 per share to the eligible Shareholders. The said dividend is expected to result in a cash outgo of Rs. 188.29 mn while the outgo on the Dividend Distribution Tax on the said dividend works out to Rs.32 mn.

4. Warrant Conversion, ZCCB Conversion and use of the proceeds

3,20,900 Equity Shares of Rs. 10 each were issued to the holders of the 2,500 Zero Coupon Convertible Bonds of $1,000 each who opted for the conversion in terms of the Offering Circular dated 24th March 2006 during the year. Hence, an amount of Rs.3.21mn has been added to the Share Capital of the Company while an amount of Rs.107.69 mn has been added to the Securities premium reserve of the Company. However, till date in FY 2010, further 943,446 Equity Shares of Rs. 10 each were issued to the holders of the 7,350 Zero Coupon Convertible Bonds of $1,000 each who opted for the conversion in terms of the Offering Circular dated 24th March 2006. Hence after FY 2009, an amount of Rs.9.43mn has been added to the Share Capital of the Company while an amount of Rs.316.61 mn has been added to the Securities premium account of the Company. Thus far just over 94% of the bondholders have opted for the conversion of ZCCB's into Equity Shares. There was no impact of the conversion of ZCCB's on the cash flows of the Company during the year as money was raised in FY 06 and utilised in FY 07.

On 9th April 2009, as per Shareholders authority in GM dated 26th March 2009, the Board has allotted 19,97,780 Equity

Shares of Rs.10 each for cash at a premium of Rs. 350.40 each to International Finance Corporation, Washington, USA (IFC) on a preferential basis under the applicable provisions of the SEBI (DIP) Guidelines. An amount of Rs.720 mn (approximately) raised has augmented the Equity Share Capital by Rs.19.98 mn while the Share premium account has been accreted with Rs. 7 bn approximately. IFC has been a lender of approximately USD 45 mn to the Company, including USD 15 mn during the FY 2009 and another USD 15 mn in FY 2010 so far.

As you may be aware, pursuant to approval of Shareholders on the 19th October 2007, the Company allotted 8.6 mn Equity Warrants to the Corporate Entities of the Promoters Group on Preferential basis under the applicable SEBI (DIP) Guidelines. The subscribers had paid an amount of 10% (Rs.411 mn approx) at a price of Rs. 478.15 each. Out of the above, the subscribers of Equity Warrants had opted for conversion of 1,102,600 warrants and as a result 1,102,600 Equity Shares of Rs.10 each were issued to the holders of the warrants. However, 74,97,400 warrants lapsed as the holders thereof did not exercise the conversion rights. Hence, as per terms of the issue an amount of Rs. 354.49 mn was forfeited. The proceeds of forfeited warrant deposit appropriated on the conversion option not being exercised has augmented the long term resource base of the Company.

5. Resource mobilization and capacity expansion

During the year under review, the Company has raised from international financial markets / institutional lenders, further External Commercial Borrowings (ECB's) / Foreign Currency Loans based on LIBOR linked rate at competitive pricing. Total amount raised is $55.5 mn and of which US$ 25.5 million have been disbursed during the year under consideration. Out of the balance amount a further sum of $15 mn is disbursed in July 2009 while the last instalment shall be disbursed in September 2009. The loan amounts are being used by the Company for the expansion and modernization activities.

The Company has invested an amount of Rs.1.185 bn to increase the capacity of the MIS/SIS division by 47,730 MTPA. An amount of Rs.922mn has been spent on capital expenditure for the piping segment adding in excess of over 56,400 MTPA in the segment. An amount of Rs 607 mn has been spent on capital expenditure for the Agro processed division for increase in capacity addition of 3,354 MTPA in Dehydration segment and 24,975 MTPA in the processed fruits segment. An amount of Rs. 2mn. has been spent on capital expenditure for Tissue Culture segment to increase the capacity by 8 mn plantlets. An amount of Rs.10 mn was spent on balancing equipment for Plastic Sheet division. An amount of Rs. 520 mn was spent towards strengthening the common corporate service infrastructure.

6. The operations of subsidiaries

The integration activities with investee companies have continued in earnest and there is a very positive effect on the product development activities of the Company as feedback from various geographic areas are now available for such activities. The availability of a wide spectrum of products in the irrigation segment is making it possible for the Company to serve customers in a complete manner which in the pre-acquisition time resulted in loss of business opportunities.

The Mauritius based direct subsidiary of the Company has earned an income of $ 388,889 and made a net loss of $456,017. Summarised Balance Sheet and the Income statement of the said subsidiary is available elsewhere in the Annual Report. The resources of the subsidiary have been further strengthened by infusion of $11 mn as Equity Capital and $22.5 mn as Loan & Redeemable Preference Shares during the year under review. Further, there was a redemption of Redeemable Preference Shares worth $ 4.49 mn from the said subsidiary to the Company.

The Netherlands based subsidiaries have invested monies for incorporation of a new step down subsidiary in Turkey.

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

7. Employee Stock Option Plan (ESOP)

The implementation of Employees Stock Options and Shares Plan, 2005 (ESOP-2005) has continued during the year under review. Thus four lots are now issued to eligible employees including whole time directors, and key management personnel. No employee has been issued options entitling such person to subscribe to more than 1% of Equity Share capital of the Company. Although during the year the Shareholders on 26th March 2009 had authorised re-pricing of the 4 issued lots of the ESOP's in view of the low share prices in 2008, but so far the decision is not acted upon by the Compensation Committee of the Board as the Share prices have rebound since the end of March 2009.

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

	Particulars	Lot No. 1 Lot	Lot No. 2	Lot No. 3	Lot No. 4
A]	Options Granted	5,00,000	5,00,000	5,00,000	5,00,000
B]	Pricing Formula	25% discount on market price on the date preceding the date of grant	10% discount on market price on the date preceding the date the date of grant	10% discount on market price on the date preceding the date the date of grant	10% discount on market price on the date preceding the date the date of grant
C]	Options vested	5,00,000	3,33,333	1,66,667	1,66,667
D]	Options exercised	Nil	Nil	Nil	Nil
E]	The total number of shares arising as a result of exercise of option	Nil	Nil	Nil	Nil
F]	Options lapsed	Nil	Nil	Nil	Nil
G]	Variations in terms of options	None	None	None	None
H]	Money realised by exercise of options	Nil	Nil	Nil	Nil
I]	Total Number of options in force	5,00,000	5,00,000	5,00,000	5,00,000
J]	Employee-wise details of options granted to:				
	i) Senior managerial personnel	60,000	1,20,000	1,20,000	1,20,000
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	0	0	0	0
	iii) Identified employees who were granted option, during any year, equal to or exceeding 1% of the issued capital tal (excluding outstanding warrants and (excluding outstanding warrants and conversions) of the Company at the time of grant	0	0	0	0
K]	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings per Share'	NA	NA	NA	NA
L]	*Where the Company has calculated the employee Compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed (in lakhs)	Please refer note 1 below	Please refer note 1 below	Please refer note 1 below	Please refer note 1 below
M]	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock on the grant date.				
	(a) weighted average exercise price	307.76	413.46	568	428.58
	(b) weighted average fair value	175.11	174.77	277	211.11
N]	A description of the method and significant assumptions used during the year to estimate the fair values Black Scholes Method Black Scholes Method of options, including the following weighted-average information:				
	(1) risk-free interest rate,	7.50%	8%	9%	9%
	(2) expected life, (in years, average)	4	4.5	5	5
	(3) expected volatility, (in months)	6	6	6	6
	(4) expected dividends, and	"21% in first year with 3% increase per year thereafter"		"22% in first year and increase on 2% every year thereafter"	
	(5) the price of the underlying share in market at the time of option grant. Rs. per share	410.35	459.4	630.15	476.2

Note 1: *The impact on profit for the year of the amounts referred to in point L above are Rs. 77.478 mn and the impact on EPS is Rs.1.08 Per Share and Rs. Per 1.07 Share Basic and Fully diluted respectively.*

8. New Directors, Directors retiring and Their background

The Board in its meeting held on 25th August 2009 has decided to increase the strength of the Board to 12 by reappointing Mr Atul B Jain as Director-Marketing and simultaneously co-opting Mr Ghansham Dass as Director (Independent) on the Board. Mr Atul Jain comes back as Director - Marketing, a post he relinquished to enable the Company to comply with the fresh corporate governance provisions introduced by SEBI in May 2008.

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

Retiring Directors

Shri R. C. A. Jain and Mrs Radhika C Pereira are retiring by rotation and being eligible offer themselves for reappointment at the ensuing AGM. In terms of the Corporate Governance requirements, given below are the brief resume of each of the retiring directors:

Mr. Ramesh C.A. Jain [IAS retd.] (Independent)

Shri Jain is a Director of the Company w.e.f. 30th September 2005. He holds a Bachelor of Arts Degree from the University of Rajasthan, a Bachelor of Law Degree from the University of Bombay and a Post-graduate Diploma in Development Administration from the University of Manchester in the United Kingdom. He has 10 years of experience in the industrial development and financial sectors. In 2003 he was Secretary of the Department of Agriculture and Cooperation in the Ministry of Agriculture in New Delhi and was responsible for the formulation and implementation of national policies and programmes for agricultural development. In 2004, before joining the Food and Agriculture Organization of the United Nations as its Country Representative in the Philippines, he held the post of Member Secretary, National Commission on Farmers, established by the Government of India.

Mrs. Radhika C. Pereira (Independent)

Mrs. Pereira is a Director of the Company w.e.f. 29th December, 2005. She is a graduate of Mumbai University concentrating in life sciences and law, and holds an LLM from Cambridge (England) and Harvard (USA). Currently, she is the founding Managing Partner of Dudhat, Pereira and Associates, Advocates, Mumbai. Prior to joining Dudhat, Pereira and Associates, she worked with Mulla & Mulla, Cragie, Blunt & Caroe, Advocates and Solicitors, Mumbai as Articles, and with Arthur Anderson, Mumbai and as a Partner in Udwadia & Udeshi, Advocates, Mumbai until 2005. Mrs Pereira was a part of the core group committee established by the Government of Maharashtra to make recommendations to the State Government on legal issues relating to privatisation. Mrs Pereira is also a Fellow of the Cambridge Commonwealth Society and Member Scholar of the Pegasus Commonwealth Trust. She is the author of "Right to Information" *The Indian Advocate 24 (1992)* and "Legal Risk Management – An Overview" *Asia Law, Volume II, June 2004.*

9. Director's Responsibility Statement

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

i) in the preparation of the annual accounts, the applicable accounting standards have been followed except, to the extent indicated in notes;

ii) the accounting policies are selected and applied consistently and are reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009, and, of the profit of the Company for the year ended 31st March, 2009;

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

10. Material Developments In Human Resource

Training and Development

A major thrust was given to "Training" this year, with an objective to create a virtual pool of trained associates. To start with, a separate cell for Corporate Training and Relationship was established, which identified various technical, behavioural and skill related development requirements of the associates. The requisite training contents are being developed to produce the desired training result. Various In-House trainers were identified and are undergoing training like in a "Train the Trainer" program. Similarly, the process of scrutiny for empanelling the experts from various fields for training function is on. The requisite infrastructure is being created. At Jain Gurukul, our state of the art training centre, an additional capacity of training for 133 associates in 4 training halls is created in addition to the present capacity.

Training & Development details from April 2008 to March 2009 are as under;

Sr. No.	Location	Inhouse Faculties			External Faculties			Total Man hours
		No. of Prog.	No. of Asso-ciates	Duration (hrs.)	No. of Prog.	No. of Asso-ciates	Duration (hrs.)	
1	Agri Park	26	337	648	2	4	38	686
2	Plastic Park	220	2,744	15,272	7	13	152	15,424
3	Food Park	78	2,290	39,001	10	19	384	39,385
	Total	**324**	**5,371**	**54,921**	**19**	**36**	**574**	**55,495**

Associate Involvement

A programme for strengthening the relationship with the associates was undertaken. As a part,

a) 534 nos. of Children of Associates were tested for Intelligence Quotient (IQ) and Aptitude to give them the right direction on educational front.

b) In continuation of that, a special coaching program was undertaken for them.

c) Another measure of strengthening the relationship is seen by way of a special coaching which was undertaken for the Children of the Associates appearing for SSC examination.

d) A visit of all family members of the associates to all the locations and particularly where the associate family member is working was organized.

Welfare

a) During the period under review, 3063 associates from the three major locations underwent Medical Examination, consisting of comprehensive Pathological Tests followed by General Physical Examination by the experts in the field.

b) A dispensary was set in the factory premises with a view to cater requirements of associates at work. The dispensary also helps in creating awareness about the common lifestyle related and other diseases.

c) The initiatives introduced in the previous year like Scholarship for the children of associates on need and merit basis continued during the year and 172 children benefited from such scholarship during period under review, at an expense of Rs.1.4 mn. The Company has started a project with a Jalgaon based local NGO for providing guidance to students studying between VII to X standard on how to prepare for examination and how to improve the marks obtained as well as time management and improvement of writing speed etc.

d) The associates continued to receive support of the Medical Insurance. 1039 Nos. of Associates received an amount of Rs.13.4 mn. towards the settlement of their claims. Also the Personal Accident Group Insurance kept the associates protected round the clock wherein 102 associates received an amount of Rs.5.5 mn. towards settlement of their claims.

Social Involvement

The associates demonstrated their Social Involvement by participating in a Blood Donation Camp organized by the Company on demand of the local Blood Banks wherein 700 units of Blood was donated.

Recruitment

Despite of the current economic slowdown, the performance of the organization demanded a lot of enrolment where HR had to take a lot of efforts to find the right people in the right place since the tally reached 1470 (gross) additions during the year under review.

The permanent Employee Strength of the Company as on 31st March 2009 was 5082.

11. Corporate Social Responsibility/ Corporate Sustainability Report

Sustainability is imbibed in the philosophy of our Company and we had added a chapter of CSR activities last year to provide precise details of our activity. This year we have set up a separate cell to look into these activities and Company is coming with the separate report on "Corporate Sustainability" as per Global Reporting Initiative (GRI- G3) guidelines and it will be third party assured. It will be published on the day of Annual General Meeting. This report shall also contain details of corporate social responsibility initiatives of the Company. It shall cover economic, environment and social impacts caused by our organization through its everyday activities. It is a standard process having global influence of reporting on the non-financial performance of the Company. As a part of CSR activities the Company is supporting following three important projects: 1) Rural Development of village Wakod, (2) Establishment of Gandhi Research Foundation at North Maharashtra University and (3) Setting up of Anubhuti School – An Experimental Residential International Academy.

12. Environment Health & Safety Performance

Environment

During the FY2009, the Company has kept all environmental pollution under control, within the limits of consent issued by the appropriate authorities. Company had introduced in-house air quality checking which continues. The Company has strengthened the Effluent Treatment Plant (ETP) for recycling the treated water. The Company had provided acoustic canopies for DG Sets and Air Compressor to reduce noise levels in its plants. The Company has sold Hazardous waste to authorised land filling agent at Taloja near Mumbai. The Company has continued awareness training programme on ISO-14001 an Environmental Management System, with all its employees.

The Company has planted more than 5,000 plants during the FY2009 in its premises.

Health & safety

The Company has trained and experienced persons on industrial safety and has two safety officers. The Company has a Multipurpose Fire Tender with water Co2, DCP and Foam facilities to deal with fire related incidents. The Company has a medical Doctor and male nurses for its Medical Inspection room for 24 hours service. Drinking water checks were conducted periodically and ensured safe drinking water to employees. Corrective actions are in place to control the minor accidents / incidents. The Company is now certified under OHSAS - 18001 for some locations.

13. Internal controls for adequacy and Management Information Systems

The Company believes that a formal strong control framework is prerequisite for establishing an effective governance framework. It is also equally important to inculcate a culture that fosters the control environment in the organization. Therefore, the Company has established both formal and informal processes to assess and strengthen the internal controls across the businesses.

The Company is committed to establish an internal control

framework that ensures prevention and detection of control failures, ensures efficiency and effectiveness of processes to strengthen the delivery capabilities of the organization. Formal processes include management control framework, internal audits, independent review of control system by Statutory Auditors, review mechanism by the Audit Committee and periodic review by the Management. To ensure independence and to incorporate leading control practices, internal audit function has been outsourced to Ernst & Young Private Limited, a renowned professional firm. Significant deviations in the internal control framework and remedial action plan are discussed with the Audit Committee of the Board.

Your organization has grown at a very rapid pace and, therefore, along with the formal control mechanism, the Management has placed equal emphasis on building a culture that drives value and control consciousness. The management information system is the main source of the control and decision making mechanism in the Company. The Company operates under decentralized operating controls exercised at various Segment Business Unit levels. The budgetary mechanism is already in place and annual & rolling budgets are approved by the Board. The actual performance versus budgets is measured for the deviations and timely corrective actions taken.

The Company has also embarked on implementing an ERP application which along with facilitating business transactions, will also establishes a robust automated preventive control framework.

14. Fixed Deposits:

The Company, during the year under review, has not accepted nor renewed any deposits from public, under the Companies (Acceptance of Deposits) Rules, 1975. The Company had no unclaimed / overdue deposits as on 31st March, 2009.

15. Auditors

The Auditors, M/s. Dalal & Shah, Chartered Accountants, Mumbai have furnished a Certificate under Section 224(1B) of the Companies Act, 1956 that their proposed re-appointment, if made, will be in accordance with the said provision of the Companies Act, 1956.

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

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

A. Individuals

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

B. Corporate Entities

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

17 Particulars of Employees

As per provisions of Section 217 (2A) of the Companies Act, 1956 only eight of the persons in employment of the Company have drawn remuneration in excess of Rs.200,000/- per month, during the year under review of part thereof as per details in the annexure to this report.

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

A) ENERGY CONSERVATION

Plastic Park- energy conservation

- Application of AC drives along with introduction of PLC controls is extended to PVC Pipe & other areas, resulting in further energy saving.
- The PVC Pipe division and EOU divisions maintained a power factor of unity and all the other divisions together maintained a power factor of 0.98, which has resulted in a gain of power factor incentive of Rs. 12.8 mn.
- Energy saving efforts in Injection molding division through

AC drives, mould optimization etc. has resulted in a gain of Rs. 1.41 mn.

- Wind driven ventilators and heat insulation roof top covering are installed on all newly constructed buildings. This system has saved nearly 0.32 mn units of energy during FY 2009 worth Rs. 1.1 mn.

Agri Park- energy conservation

Jain Tissue Culture Banana plants have increasing demand from the farmers end because of uniformity in age and genetic purity of the plants that gives two and half times more yield than the conventional planting material. Earlier Company was selling banana plants in few states of the country, where the planting season were restricted to June to October only. Because of limited planting season the tissue culture laboratory required more Man, Machine and Space. To utilize the facility cent per cent, the Company has extended the area of marketing in those states where planting seasons are different than above. Team of Agronomist have also achieved big success by developing methods to plant banana round the year that actually saved at least 30% energy because of continuous production in the laboratory.

The pilot scale production of tissue culture Pomegranate plants last year led the company in commercializing this plant after banana. Jain Irrigation is the only Company that made available tissue culture Pomegranate plants first time in India. The planting season of Pomegranate and Banana are different hence it also helped in utilizing the laboratory and hardening facilities that saved the cost of energy in maintaining the facilities.

In order to fulfil the farmer's demand of other states; management has decided to establish primary and secondary hardening facilities in these states to reduce the cost of transporting the secondary hardened plants. This development benefited Company in reaching each and every corner of the state along with increased sale. In this connection the primary and secondary hardening facilities have been expanded at Udumalpet, near Coimbatore, Tamilnadu and new secondary hardening facilities have been established at Baroda, Gujarat. In future similar facilities are under consideration for Andhra Pradesh, Madhya Pradesh, Uttar Pradesh, Karnataka etc.

Tissue culture laboratory requires huge amount of water for glassware washing in the laboratory, plant washing and maintenance of microclimatic conditions in the green house. Team of mechanical engineers & automation engineers have developed semi automated glassware washing system for laboratory that helped to save more than 40% water and energy. Similarly, automation has also been done in the green houses for maintaining microclimatic conditions that saved more than 30% water and energy.

The efforts are still going on to conserve water and energy by making full automation of operating in laboratory, Green House and Shade House.

The bio-gas plant produced 40,000 m^3 of bio-gas which was used for conservation of energy equivalent to 50,000 KWH (Rs. 0.22 mn).

Food Park- energy conservation

- The Fruit Division has completed installation of bio-mass based boilers at the Chittoor fruit processing plants. The boilers will use the bio-waste generated by the plant, which will not only solve the problem of disposal of waste, but also generate steam required for the plant.
- The Fruit Division has completed installation of coal based hot air generator at Baroda dehydration plant.
- The Fruit Division has completed installation of condensate recovery system at Jalgaon. The hot condensate will be fed to boilers which means, lower energy requirement to convert the water to steam.
- The Fruit Division has initiated a water conservation program to reduce water consumption and also to recycle and reuse water, which is going to be the most scarce resource.

B) TECHNOLOGY ABSORPTION

Plastic Park-Technology Absorption NA

Food Park-Technology Absorption NA

Agri Park-Technology Absorption NA

C) RESEARCH AND DEVELOPMENT

Plastic Park- Research and Development

- In sprinkler Irrigation System “Jain Single Metal Clamps” are developed replacing complex Double Clamps for sizes 90mm, 110mm, 125 & 140mm.
- “All plastic sprinkler system” is developed and established thereby eliminating costly metal sprinkler unit including the riser pipe.
- “Jain Quick Connect plus Pipe” system is developed. This has totally avoided Butt Welding operations and made the production process more environment friendly. Patent is applied for this innovation.
- The existing SWR range is extended from Dia 110 mm to 160mm
- The PVC Fitting range is extended from Dia 160 to 200mm.

  Special couplers for corrugated PE Pipes are developed making the application of product user friendly.
- New spray heads in the range Dia 6mm to 8mm are developed under the brand name “Jain Quick Spray Heads”.

  Existing Sure Lock is further improved with built in key and keyway provisions. This feature has enhanced the locking of PVC Column Pipe in Bore Well application.
- The Company has developed the largest size pipe in HDPE range with Dia 1600 mm for Sewerage & Water Transmission Application. This product has opened gates for mass de-salination plants installation in India, benefiting the society at large.
- Product development efforts in various segments such as Pipes, Fittings, Drip lines, and Sprinkler lines, Filters, SWR etc have extended the existing product range by nearly 120 new products.

- During the Financial Year 2008-09 the Company has registered 12 designs, with controller General of Patents and Design.
- In PVC Sheets a new product namely "Extra Bright White Foam Sheet" is developed, which has opened wide range of digital printing applications.
- Besides this another new product "Extra Low Density Free Foam Sheet" is introduced which has high potential in domestic market.
- New generation pipes in HDPE material Viz. "Corrugated PE pipes" were developed by the Company for the application of sewerage & cable transmission. The main advantage of this product is, they consume nearly 35% - 40% less material compared to a conventional PE pipe with higher wall thickness.
- On line "Belling Operation" is developed in sprinkler pipes which facilitated elimination of Moulded components for joining, besides substantial time saving.
- In the field of drip irrigation, the new product "Jain Turbo Tape" is introduced which eliminated costly and complex moulded components.
- Introduction of Laser Punching Technique in "Jain Turbo Line" (with moulded drippers) has facilitated higher productivity levels.

Agri Park- Research and Development

- Jain Irrigation Systems Limited is one of the biggest and oldest tissue culture production laboratories in India that also have developed its unique facility for research and development work. Apart from continual improvements made in banana and newly commercialized Pomegranate tissue culture, the team of scientists is now engaged in developing tissue culture protocol to regenerate Citrus plants. The system will help in producing disease free, high yielding Citrus clones on large scale that will benefit Company in meeting the demand of desired raw material for fruit processing unit in future, while farmer will be benefited by getting an assured price of their produce.
- Solar Division has developed anti corrosion coating for application inside the tanks, which improved the life of product substantially.
- Developed LED based Solar street light system which consumes nearly 50% of power compared to conventional solar light, and supplied to Railways for their level cross lighting.
- Developed Solar Fencing System and is used in Company's own premises.

Food Park- Research and Development

- The Fruit Division has completed installation of new type of peeling and pulping equipment and has made certain modification to the process to increase the yield of Mango pulp and reduction in labour requirement by 65%.
- The Fruit Division has completed installation and commercialization of hot water system at Jalgaon to improve quality of the Mango pulp, reduce wastage and eliminate use of external agents to initiate ripening process.
- The Fruit Division has completed developed processes for making blended products.
- The Fruit Division has completed Undertaken trials to eliminate chlorine with other sanitizers and improve the quality of the products.
- The dehydration Division has completed Undertaken trials to produce premium onion powder.

R & D Expenditure Rs. Million

Sr No.	Particulars	2008-09	2007-08
a.	Capital Expenditure	69.71	13.35
b.	Revenue Expenditure	34.99	18.89
c.	**Total**	**104.70**	**32.24**
d.	% of Revenue	0.48%	0.19%

D) FOREIGN EXCHANGE EARNING AND OUTGO

Rs. Million

Sr. No.	C.I.F. Value of Imports, Expenditure and Earnings of Foreign Currency	2008-09	2007-08
a)	**C.I.F. Value of Imports**		
	Raw Materials, Components and Stores and Spares	3,064.62	2,243.61
	Capital Goods	839.18	332.55
	Total	**3,903.80**	**2,576.16**
b)	**Expenditure in Foreign Currency (on Cash basis)**		
	Interest and Finance Charges	201.99	130.59
	Discount/Commission on Export Sales	11.42	2.89
	Export Selling / Market Development Expenses	16.31	2.55
	Travelling Expenses	9.44	9.49
	Law & Legal/Professional Consultancy Expenses	14.99	44.61
	Others	9.18	32.03
	Total	**263.33**	**222.16**
c)	**Earnings in Foreign Currency**		
	FOB Value of Exports (on the basis of bill of lading)	4,449.82	4,082.57
	Interest and Other Income	45.86	36.06
	Total	**4,495.68**	**4,118.63**

19. Acknowledgement

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

by order of the Board

Anil B. Jain
Managing Director

Jalgaon, 25th August, 2009

Annexure of Directors' Report - 2008-09

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

Sr. No.	Name of Employees	Total Experience (Year)	Designation	Remuneration Gross (Rs.)	Quali-fication	Commencement of Employment with Company	Particular of last Employment	Last Post	Last Employer	No. of Years (Previous Employ-ment)	Covered Under 200000/ Category w.e.f.
1	Shri Ashok B Jain	26	Vice Chairman	22,003,267	B.Com	12.01.87	Own Business	Partner	Jain Brothers Industries	4	30.09.02
2	Shri Anil B Jain	24	Managing Director	29,657,761	B.Com., LLB	12.01.87	Own Business	Partner	Jain Brothers Industries	2	20.08.02
3	Shri Ajit B Jain	24	Jt. Managing Director	25,876,028	B.E.	11.01.85 (Erstwhile JPCL)	-	-	-	-	30.09.02
4	Shri Atul B Jain	17	Chief Marketing Officer	19,671,670	B.Com	01.01.91	-	-	-	-	01.10.05
5	Shri Rajnikant B Jain	31	Chief Technical Officer	4,170,542	B Tech	12.01.87	-	-	-	-	01.10.05
6	Shri R Swaminathan	36	Director - Technical	5,357,480	B Tech (Chem)	15.06.82 (Erstwhile JPCL)	Service	Plant Manager	Flavours & Essence P. Ltd.	2.5	01.10.05
7	Shri Abhay K Jain	18	President-Marketing	2,780,966	B Com	01.01.91	-	-	-	-	01.05.08
8	Shri Manoj L Lodha	11	President - Banking & Finance	4,125,847	CA	05.11.98	-	-	-	-	01.05.06

Management discussion and analysis

The unprecedented changes in global macroeconomic environment in mid FY09, triggered by sub-prime crises in United States, has made the year unforgettable and had its adverse impact on the Indian economy. During the second half of FY09, the economy experienced a sharp slowdown in activity, liquidity squeeze and a dip in confidence levels, in line with the global conditions. With a weak second half, when industrial production nearly stagnated and exports declined, India's GDP growth in FY09 declined to 6.7%, as per the latest CSO estimates. Weak demand conditions were also reflected in the wholesale-level inflation approaching closer to zero by the end of the year.

However, there have been some positive factors. International energy prices have eased considerably. Prompt counter-cyclical measures from policy makers, in the form of interest rate cuts and fiscal stimuli, moderated the effect of global factors on demand.

Relative to other emerging economies, the inherent strengths of India helped it better withstand the adverse effects of the global financial crisis. With a fairly young population, skilled manpower, a tradition of saving, a vibrant service sector, a potentially large source of domestic demand (particularly rural) and the emergence of globally competitive firms, India has held out the promise of stable and sustained future growth. These strengths will get further augmented by the planned investments in infrastructure development envisaged in the Twelfth Five Year Plan.

The first monsoon (between June and September) of FY 09 was 98% of the long period average, resulting in a good kharif crop. However, during the second half of the year, the country experienced a deficient north east rainfall by 31% in 30 of the 36 metrological districts. In spite of overall lower rainfall and lower reservoir levels in FY09, the total food grain production during the year was 228 million tones (based on RBI's report "Macroeconomic and Monetary Developments in 2008-09" (MMD09) in April 2009).

Substantial increase in the minimum support prices for various crops announced by the government have positively impacted rural disposal incomes. In addition, credit allocation to agriculture, in Union Budget 2008, saw an increase of Rs 50,000 crores to reach Rs 280,000 crores. There were increases in other outlays as well for supporting development of rural economy. As per RBI's report (MMD09) India's agriculture GDP grew by 2.9% in FY 09 and was 17.1% of the India's GDP.

Despite adverse global & local economic conditions and subdued agri growth in the country in Rabi season, JISL could continue it's growth momentum and grew by 28% in revenue and 39% in EBIDTA terms.

Leadership position across the businesses, improving financials, key ratios and promising business outlook have helped the Company to get improved credit rating. The improved credit rating has helped the Company to borrow funds at low cost compared to the historical borrowing cost and has also helped the Company to negotiate and reduce interest cost on the long term loans.

The strong and stable government at centre post recently concluded election augurs well for the country. The Government now has the mandate and the opportunity to boldly move forward with its reforms agenda, creating in the process, an enabling climate for a faster and wider economic recovery. This augurs well for the Company to maintain it's growth momentum.

(1) Overview of Business

Your Company (JISL) is leading agri-business Company, operating in diverse but integrated segments of the agri-business value chain. It is the second largest micro irrigation Company globally and is largest manufacturers of irrigation systems in India. Globally It's leadership position is not restricted to irrigation alone, it is the largest manufacturer of Mango pulp, puree and concentrate in the world and also third largest manufacturer of dehydrated onions.

JISL is also India's largest manufacturers of polyethylene pipes, one of large 3 PVC pipe manufacturer and is the largest manufacturer of Tissue Culture Banana Plants in India. JISL is also into hybrid & grafted plants; greenhouses, poly and shade houses; bio-fertilizers; solar water heating systems and bio-energy sources. JISL also renders consultancy for complete or partial project planning and implementation e.g. Watershed or Wasteland and / or Crop Selection and Rotation.

(2) The Strategy

(a) Growing the business organically and through select strategic partnerships and mergers and acquisitions

The aim of the Company is to be among the top three global players in each of its major business segments such as Micro Irrigation Systems and Agro-Processed Products. In addition to organic growth, the Company will evaluate on a case-by-case basis potential acquisition targets, that offer an opportunity to grow the business, offer new technology, production capacity and/or expand its capabilities or geographic reach. The Company intends to pursue those acquisitions that are related to its key strengths, are synergistic and in its assessment, have manageable integration risks. Your Company may also enter into strategic partnerships with leading overseas manufacturers and distributors of similar products with coverage in markets where the Company is presently under-represented.

(b) Focusing on the agri-supply chain

We plan to sell products and services at various levels of the agri-supply chain, leveraging the existing strong brand in India and established domestic and international distribution networks. For example, for the domestic farming customers, the Company plans to provide an integrated "full service" product offering assistance to them at every step of their crop growing cycle with products and services which are synergistic with the current products of the Company. The Company plans to help its customers to improve their crop yield through Micro Irrigation Systems and higher quality planting material like the selected high yielding and hybrid onion varieties presently supplied to its contract farmers.

The Company also plans to work with its customers to take their agricultural projects from conception to completion on a turnkey basis, providing services such as engineering, soil and water analysis, water resource estimation, crop planning, irrigation and fertigation scheduling, marketing assistance and other agronomical support. The Company believes that these activities are also complimentary to and synergistic with the vegetable and fruit dehydration and processing activities downstream in the agri-supply chain. The Company intends to achieve further vertical integration of its activities in the agri-supply chain such as through expanded upstream contract farming arrangements to support the downstream Agro-Processed Products business.

(c) Expanding into new growth products and markets

Your Company also plans to further penetrate the urban and commercial applications for its PVC Piping Systems, focusing on India's increasing need for housing, sewerage, water supply, telecommunications and other infrastructure. The Company plans to enhance its distribution reach by adding new dealers and distributors to penetrate into new domestic and international markets, particularly in Africa, the Middle East and the East and West coasts of the US. Furthermore, there are plans to foster strategic alliances with global players so as to have access to their distribution reach for marketing the Company's products.

In case of fruit & vegetable processing Company plans to add vegetables other than onion to it's portfolio. It also will increase capacities in IQF fruits.

(d) Maintaining cost competitiveness

Your Company seeks to be a cost-competitive high-quality producer and is focused on maintaining its cost competitiveness in the domestic and international markets. There are plans to further increase productivity and production while reducing costs by continuing to invest in new equipment, improving the material management system to minimize wastage and production losses, improving the working capital cycle to reduce the interest costs, refinancing the higher cost debt with lower interest debt and exploring ways to use the solid waste produced by our food processing facilities to generate electricity etc. Since 2004, The Company has engaged in contract farming, whereby it sources the raw materials for its onion dehydration business by buying-back onions at pre-determined prices from over 2,000 farmers, covering approximately 3,000 acres of farm land. The Company provides such farmers with various agricultural inputs and services.

(e) Positive contribution towards prosperity of rural India

In line with your Company's philosophy, we are spreading and pushing concept of Micro Irrigation into newer states and we are also increasing our penetration level in our existing states. We are educating farmers in deep rural areas and giving them comprehensive guidance on making the farming more remunerative, along with teaching them techniques of conserving water, labour, fertilizer and power. Your Company is also running a training centre for farmers, agri students, Govt. officials etc. where annually more than 30,000 people benefit by visiting the same.

(f) Creating Jains as an international icon in Agri Value Chain

Your Company and all its associates are working hard to make Jain a respected icon in agriculture value chain globally. As of now we have 13 manufacturing facilities in countries like USA, Israel, Switzerland, Peru, Chile, Brazil, Spain etc. Your Company has 23 offices outside India and your Company is exporting its products to more than 160 countries.

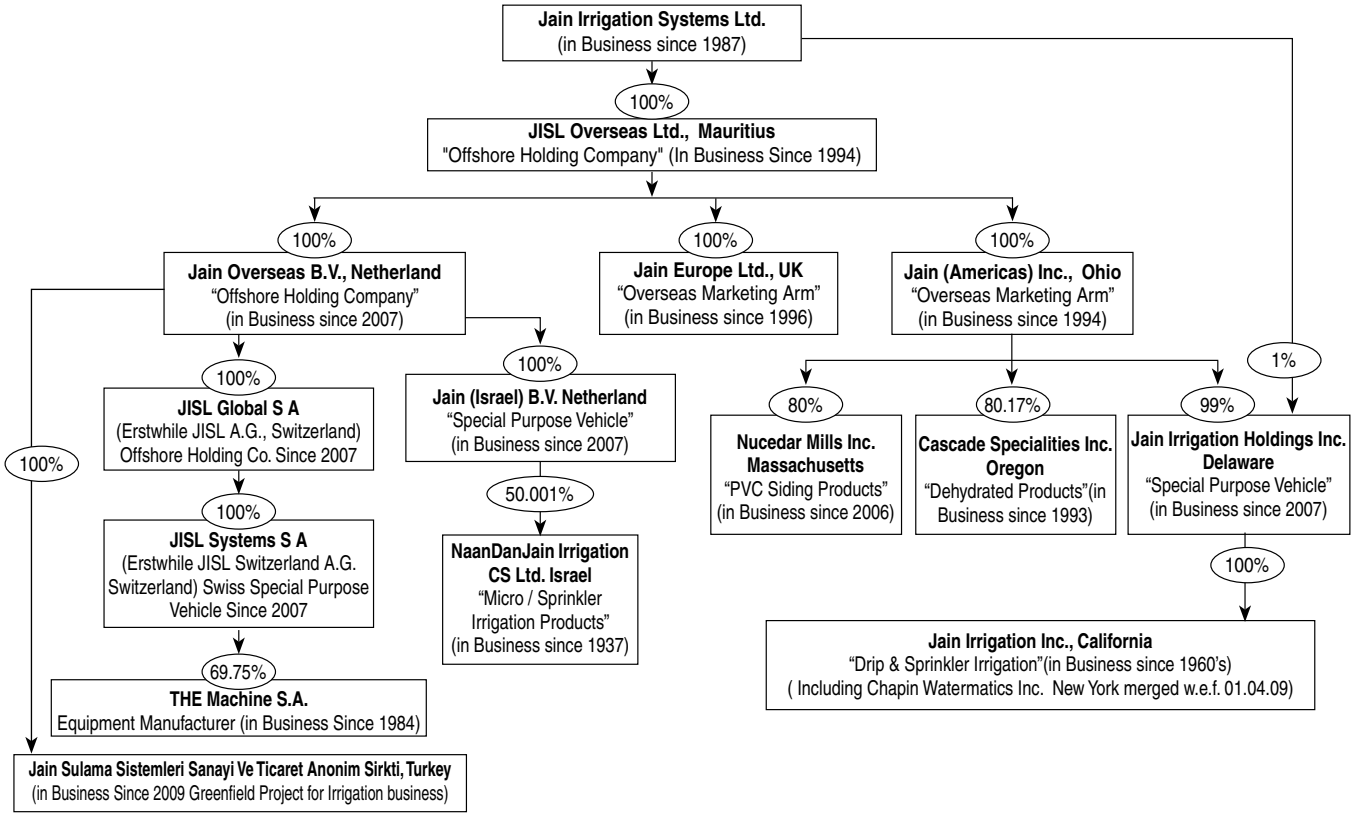
(g) Focus on liquidity and reduction of finance cost.

With growing businesses, not only in value and volume terms, but also geographically, managing finance is becoming more and more critical. On a continuous basis your Company is focused on having the limits and facilities available to fund our future growth plan. We are equally focused on bringing our interest cost down by changing the borrowing mix in line with change in the market dynamics.

International Finance Corporation (IFC) has become an equity stake holder in your Company in April 2009. IFC is a member of World Bank group. They bought around 2.69% stake in the Company. Your Company has also borrowed USD 45 million (including USD 15 million borrowed in July-2009), so far, from IFC at competitive rates and has sanction of another USD 15million for Company's expansion project. Our association with IFC will be very beneficial to the Company on long term basis.

(3) Corporate Structure

The below table sets forth the current corporate structure of the Company.



(4) [1] Operating Subsidiary Companies

a) **JISL Overseas Ltd.** is a wholly owned subsidiary of the Company and was incorporated in 1994 under the laws of Mauritius. JISL Overseas Ltd. acts as a holding Company for the overseas subsidiaries and all of the overseas subsidiaries are directly held by JISL Overseas Ltd. For the year ended 31st March, 2009, JISL Overseas had share capital of approximately US$ 88.25 million out of which $ 24.01 million was infused in the year FY 2009. The said Company had a loss of US$ 456,017 for the year ended 31st March, 2009. Mainly due to premium paid on redemption of preference shares of the parent.

b) **Jain (Americas) Inc.** is a wholly owned subsidiary of the Company and was incorporated in 1994, under the laws of Ohio, USA. It is our key marketing, distribution investment arm in the United States. For the year ended 31st March, 2009, Jain (Americas) Inc. had sales of US$23.36 million.

c) **Jain (Europe) Ltd.** is a wholly owned subsidiary of the Company and was incorporated in 1996, under English laws. Jain (Europe) Ltd. is our key marketing and distribution arm in the UK and other European countries. For the year ended 31st March, 2009, Jain (Europe) Ltd. had sales of GBP 15.20 million(Equivalent to US$25.89).

d) **Jain Irrigation Inc., USA** is a wholly owned subsidiary of the Company thru the Jain Americas Inc. JII is engaged in drip tape manufacturing and distribution business based in California. The Company has reported revenue of US$46.75 million in the 12 months to March 2009.

e) **Cascade Specialities Inc. USA** is owned to the extent of 80.17% by the Company thru the Jain (Americas) Inc. It is engaged in onion and garlic dehydration business with specialization in natural low bacteria and organic dehydrated products. The revenues for 12 months ended in March 2009 were US$15.41 million. The Company has definite agreement to acquire over the next 2 years remaining ownership from other shareholders at an agreed EBIDTA multiple each year.

f) **NuCedar Mills Inc. USA** is a start-up venture engaged in the manufacture of PVC sidings thru a patentable product for the home building market in USA. The Company has continued to develop it's products. It has received revenue of US$ 0.74 millions from sale of products to prove the concept.

g) **NaanDan Jain Irrigation C.S. Ltd. Israel** is owned to the extent of 50.001% by the Company thru Jain (Israel) B.V. It is engaged in the manufacturing of drip / sprinkler irrigation. NaanDan also has manufacturing facilities in USA, Chile, Brazil, Spain & Australia. The Company has reported revenue of NIS 369.76 million (Equivalent

to US$100.58 million) in the 12 months to March 2009. The Company has a call option to acquire remaining ownership over the next 8 years from other shareholders at an agreed fixed price.

h) **THE Machines S.A.** is a Switzerland based manufacturer of plastic extrusion equipments with laser technology. The Company owns 69.75% of Thomas Machines thru JISL. The Revenue for 12 months is CHF 21.53 million (Equivalent to US$19.57million). The Company has a call option to acquire remaining ownership over the next 1 year from other shareholders at an agreed fixed price.

[2] Overseas Holding Companies

These Companies are investment holding vehicles.

1) JISL Overseas Ltd., Mauritius
2) Jain Overseas B.V., Netherland
3) JISL Global S A, Switzerland
4) Jain (Israel) B.V. Netherland
5) JISL Systems S A, Switzerland
6) Jain Irrigation Holdings Inc. Delaware, USA

(5) Competitive Strengths

The Company believes that the following are its principal competitive strengths to successfully execute the earlier mentioned strategy.

(a) Strong brand in India

Jain Irrigation is one of India's leading manufacturers of Micro Irrigation Systems, Piping Systems, Plastic Sheets and Agro-Processed Products. Since the Company commenced operations in 1986, it has built an extensive distribution network throughout semi-urban and rural India, selling flagship brands such as Jain Pipe and Jain Drip, which are well-known in the domestic markets. Company's MIS products are customized to assist in meeting the special requirements of its domestic customers. Management believes that the Company's strong brand, leading market position and understanding of the customers' needs, makes it well-placed to capitalize on growth opportunities in the fast growing domestic markets for its products. Formation of Jain Irrigation was preceded with other group companies that dealt with agriculture since 1963. Thus, there is 46 years of a strong relationship and mutual warmth with the larger agricultural community.

(b) Unparalleled soft Infrastructure

Your Company has the splendid pool of agriculture professional, probably the largest employed by any private sector organization in the country. Your Company has around 1800 dealers on pan India basis selling exclusively Jains irrigation products. Most of these dealers come from farming background and are influential personality in their respective region. Unmatched knowledge pool sourced from the ongoing agriculture R & D activities coupled with vast farming experience has enabled your Company to built an unparallel strong soft infrastructure which is the helping the Company to continue its journey on the growth path especially in rural India.

(c) Flexible and Scalable Production Facilities

Management believes that the flexibility and scalability of the Company's existing production facilities will help it meet increased demand for its products. The scalability of the Company's existing facilities enables it to increase its production capacity through the installation of new equipment and production lines. For example, the Company can increase the capacity to produce our PVC/PE pipes and Plastic Sheets by upgrading critical equipment such as screws/barrels and gear boxes, or if greater capacity enhancement is required, by adding new extruders. The Company's flexible manufacturing facilities enable it to produce a wide range of products with different specifications, such as PVC / PE pipes with different diameters and working pressure ranges and processed and dehydrated fruits and vegetables using different organic feedstock. This flexibility assists the Company in meeting the specific demands of its customers and reducing the impact of seasonal changes in production volumes for specific products such as the Agro-Processed Products and Piping Systems. The ability to expand production across product streams is demonstrated by the achievements in the past 5 years in which Company has increased its plastic piping systems capacity, 4.6 times to 2,05,420 tons as of 31st March, 2009 from 44,276 tons as of 31st March, 2003 and It increased the PVC sheet capacity by almost 4 ½ times to 36,300 tons as of 31st March, 2009 from 7,735 tons as of 31st March, 2003 Your Company plans to continue this aggressive capacity build up in current and coming year so as to maintain substantial organic growth across most of the divisions.

(d) Backward Technical Integration

Last year, your Company acquired THE Machines S.A., a Switzerland based manufacturer of Plastic Extrusion equipment. This Company has more than 15 years of expertise in developing and manufacturing of machineries with focus on automation and laser technology. With this, your Company's ability to get quality equipment in timely manner and also at competitive cost, has become stronger. This will also ensure that supply of equipment and machineries would not be a barrier for the fastest growing business i.e. micro irrigation of your Company.

(e) Cost competitive high quality producer

The Company's modern, large-scale production facilities, the de-centralization of its plastics manufacturing facilities in Jalgaon, Hyderabad and Udumalpeth near Coimbatore in India, the increasing de-centralization of the food processing and dehydration facilities throughout India, closer to the growing regions for the raw material and efficient working capital management, make your Company a cost competitive manufacturer of various products. While the Company is committed to maintaining international quality standards for all its products, the success in meeting the quality requirements of the international customers is demonstrated by your Company's increasing export sales. The overall export sales increased by 8% to Rs. 489 crores in FY 2009.

The Company's Food plant are certified of ISO 22000-2005 Food Safety Management systems accredited by ISA-Cert, The Netherland & Fruit Plant also certified for SGF, Germany. Onion dehydration Plant is certified for British Retail Consortium (BRC issue:5) Global Standard For Food Safety, The Netherlands. Tissue Culture activities and solar division had achieved ISO 9001-1987 certification. The Company's plastics processing was certified under ISO 14001-2004 Environment Management System and BS OHSAS 18001-2007 by TUV NORD Germany in 2005-06.

(f) Experienced Management & Sales Teams

With significant experience in the plastics manufacturing, fruit and vegetable dehydration and/or fruit processing industries, the Company's senior management team has wealth of experience in the industries in which it operates.

The Chairman, Mr. B. H. Jain is the Founder and is acknowledged as one of the pioneers of micro irrigation in India. He was recently confirmed highest civilion award by Government of India for his contribution to Science and technology. The experience of the Company's management team in international markets will help it increase the penetration of strategically selected countries and expand the range of its product offerings in existing export markets. Company has also acquired large and talented manegerial pool through various acquisitions. The management team also has long-standing relationships with many of the major customers, distributors/dealers and suppliers. Further, the Company has a strong local sales force, which together with the management team give the Company a excellent understanding of the needs of the domestic customers.

(g) Diverse Revenue Streams

Although the Company's business and its prospects are significantly integrated with the Indian agricultural sector, your Company also derives a significant portion of its revenue from non-agricultural sources, such as from sales of piping systems to commercial, industrial and government customers, sale of fruit pulp & onion to large global food Companies and sales of PVC sheets to the home building construction industry. In fiscal 2009, the Company derived a little over 50% of its revenues from non-agricultural sources. The revenues are further diversified across the wide range of products sold. This diversification can help insulate the overall sales and operations from adverse conditions affecting any one of the business segments or products.

(6) Overview of Segments

A) High-Tech Agri Input Products

The segment comprises of Micro and Sprinkler irrigation systems, PVC Pipes, biotech tissue culture and other agri inputs. The segment has grown at almost 52% over the previous year at Rs. 13,249 million. The main growth engine was the MIS/SIS business at a robust 54% growth. PVC pipes also grew at significantly high growth rate of 43 %. The segment profit has grown by an impressive 47% over the earlier year's level, while the capital employed grew at a little over 20% reflecting the creation of additional capacities during the year.

a) Micro and sprinkler irrigation

i) Industry

The industry is broadly divided into the organized and unorganized segments in the country. The Company is the largest player in the organized sector. In view of the involvement of a large number of components in a system, all of which are not available with a single manufacturer, it is difficult to hazard a guess about the exact size of the industry as most of the figures are derived on the basis of information available from different sources. While the Company controls 55% of the Micro Irrigation business in the country, it has a market share of 35% in the Sprinkler irrigation business in the country. The current estimate of industry size is Rs. 17 bn. and it is growing rapidly. Currently about 3.0 to 3.5 million Ha of possible 70 million Ha area is covered under the micro and sprinkler irrigation in the country. However, as per Government task force 17million Ha of land can be easily brought under micro irrigation coverage in the country in the near future, say in next 5 years or so.

The world over the MIS/SIS industry is undergoing a consolidation phase with M & A activity at its highest in the last 30 years or so. The Company has secured a firm foothold in the mature North American market with two significant acquisitions to gain a 10% market share. The JV with Naandan gives it strategic access to markets the world over, specially in Europe, South America & Australia while it faces a demand explosion in the fastest growing Indian market.

ii) Performance

The business contributes a little over 43% of the Company's turnover. The division has been growing at a CAGR of 60% plus on the back of projects in the States of Andhra Pradesh, Gujarat, Tamil Nadu and consistant growth in Maharashtra continues. The business added 47,730 MT of capacity during the year under review, while Fixed Assets addition was to the tune of Rs. 1185 million.

iii) Opportunity & Outlook

Almost 50% of the arable land in the country is still rain fed. The Government (Central and State) provide 50% capital subsidy for promoting the use of Micro Irrigation by farmers. While targeting an agriculture growth of 4% per annum the government had also placed higher targets for farm credit and agriculture investments at 2% plus of the GDP for the XI plan period.

State governments have also started work on new concept of 'On Demand Irrigation' which will help farmers to do more productive farming. Another initiative called 'No Lift without Drip' will encourage wide spread use of Micro Irrigation Systems even in crops such as cereal and pulses. Adoption of Micro Irrigation System is becoming more prevalent even

in crops such as Cotton, Chillies, Onions, Potatos and other vegetable crops. States from Northen parts of India are picking up speed especially with Horticulture crops. All in all, outlook for this industry in very positive and opportunity is immense.

With current year's deficient rainfall in most of the states, till mid august, Micro irrigation could be the key water conservation tool for the central government and state governments. Recently AP government had announced that by 2014, approximately 6.2 million acres (around 2.5 Mn Ha) would be brought under micro irrigation and lift irrigation scheme. Haryana has inc reased the subsidy for micro irrigation from 50% to 90% to popularize micro irrigation in the State.

Your Company is making significant investment in production capacity and in network building so that it can maintain the growth momentum in this division going forward as well.

iv) Risks & Challenges

The growth in markets is dependent on Government policies and release of capital subsidy etc in the short term. The growth in industry will need a large pool of trained sales people and a dedicated dealer network in the far flung areas of the country. The uneven distribution of rainfall in the country, consecutive drought like situation for 2/3 years and fluctuations in the polymer prices are constant threats faced by the industry. Low cost quality competition is another threat.

b) PVC Piping

i) Industry Indian Scenario:

During the year 2007-08 the Indian industry used 1373 KT of PVC Resin, achieving a growth of 13% over previous year. Out of this about 70% i.e. 972 KT was consumed for pipes & fittings. For the year 2008-09 Indian PVC industry in general looks forward to consume 11% more and looks forward to a CAGR of 10% up to the year 2012-13, matching the Global pace. Jain Irrigation, with a 15% share, is one of the handful major players in the organized market. Rest of the industry, being small and medium scale in nature, is unorganized, fragmented and scattered near the user belts in the country. However, there are 3 major players in the organized sector. Increased micro irrigation spends, push for urban infrastructure by government agencies and Command Area Development Programme will improve the demand situation for the industry.

ii) Performance

During the FY 2009, this business contributed 18% revenue for the Company. The business has grown at a steady 43% in revenues. The business added 36,540 MT of capacity during the year under review, while the Fixed Assets addition was to the tune of Rs.349 million.

iii) Opportunity & Outlook

While the expansion of capacity undertaken last fiscal year is complete, in view of increased budgetary allocation from government, demand is expected to continue to increase. Hence the Company has again decided to enhance the capacity by 33,323 MT, the full effect of which will be observed in FY 2011. In a full year's operation the investment would generate Rs.1939 million of incremental revenues.

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

v) Risks & Challenges

Delays in government decision/spending and limited availability of PVC resin in India are, the potential threats to the otherwise rosy picture for the future of the industry. Low cost low quality manufacturers continue to twist the healthy markets. volatility in price of raw material PVC resin is another dampening factor on demand.

c) Biotech Tissue Culture

i) Industry The industry is broadly divided into two segments-

(1) Fruits and vegetables and

(2) Leafy Plants and flowering Ornamental Plants.

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

ii) Performance

The sales in business crossed Rs. 148 million during the year, reflecting a 26% growth over the previous year. The quantity increase at 12.18 million plantlets contributed 30% of the growth while 1% increase in price realization was achieved during the year. Keeping quality of plants as the top priority Company had implemented four stage disease testing program. Unit has also undergone BCIL Certification, certification standard for commercial tissue culture laboratories by Department of Biotechnology, Govt. of India. The Unit has also received "Rajeev Gandhi National Quality Award, 2007" for efforts and

commitment to quality in the field of Biotechnology industry.

Your Company has developed Pomegranate Tissue Culture for the 1st time and has distributed around 3 lacs Pomegranate Tissue Culture plants free of cost in FY 2009 among farmers.

iii) Opportunity & Outlook

The outlook continues to be excellent and demand shows improved offtake in the coming season. Now, many State Governments are evincing keen interest in promoting tissue culture. The Company has opportunity to diversify the business & produce fruit & ornamental plants & other fruit plants. To begin with in last year Company has started production of tissue cultured pomegranate plants. There is also an export potential to other Asian countries which can be tapped.

iv) Risks & Challenges

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

B) Industrial Products

The segment business includes the varied business lines like PVC Sheets, Polycarbonate Sheets, PE pipes for industrial applications, Fruit processing, and onion and vegetable dehydration. Business in this segment has grown at 7% over the earlier year's level at Rs. 8,541 million. The major growth came from the Onion Dehydration business at a 48%. The segment profit has grown by 42% over the earlier year's level, while the capital employed grew at a little over 43% reflecting the creation of additional capacities during the year.

a) PVC & PC Sheets

i) **Industry**

The market is divided into two segment; Graphics Market (GM) and Building Materials Market (BMI)

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

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

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

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

Polycarbonate Sheets have been traditionally used in Glazings, Roofing, Security windows, some Sign and Display applications in the general purpose segment. At the high end, Aeronautical applications, Eyeware, Compact Discs have been its niche markets.

ii) Performance

Since other businesses are growing faster and this business has seen some de-growth in last two years, revenue mix of this business has come down substantially. In FY 2009 it accounted for around 8% of the revenue.

The adverse effect of continued slowdown of American Housing Industry has led to decline in PVC Sheet business revenue by about 12% over the previous year, however it is a decline 20% in terms of volume.

iii) Opportunity & Outlook

The economic downturn has resulted into some players exiting the market and others redefining their basket of offerings. We are expecting some consolidation in the industry globally, which ultimately will benefit both the manufacturer and the end user. US housing market has started showing sign of recovery and is expected to comeback on growth track.

The JAIN name has been fore front in publications in Plasticas and Irrigation industry magazines due to the recent acquisitions. This gives the companies a greater exposure for growth.

iv) Risks & Challenges

A lot will depend on the price of resin. The fluctuating oil prices do not provide any comfort. The industry as a whole has put through price increases and the reaction of these will be felt in the coming months.

The pace of recovery of the housing industry and the credit situation could have major impact on demand for this business.

b) PE Piping

i) Industry

The applications of PE pipes are growing at a fast pace and yet new applications are being developed for the product. In applications like Sewage & Effluent disposal the tougher environmental laws and stricter application of the same by the Govt. departments, the replacement of cement/metal pipes by PE pipes is becoming very relevant. Such possibilities are huge, especially since the larger diameter PE pipes are now indigenously available within the country itself. The Company's presence in gas and cable duct

segments of the PE pipe business is commanding and hence the overall market share is 30%. The Company is operating in all segments of the industry like cable duct, sprinklers, gas distribution, water conveyance, house service connection, Sewage conveyance, Effluent disposal, sand stowing, dust suppression etc.

ii) Performance

This business has witnessed de-growth in FY 2009. Revenue was down by 11% and volumes were down by 16% reflecting sluggish and subdued capital expenditure by the infrastructure sector in general and telecom sector in particular amid prevailing tight liquidity and poor sentiment during major period of FY 2009. However, with all user industries like telecom, gas, water and sewerage having good plans for growth and capital expenditure, the future is very bright for this business. The business added 19860 MT of capacity during the year under review, while Fixed Assets addition was to the tune of Rs. 573 million.

iii) Opportunity & Outlook

The Company has successfully continued to get large supply contracts with multinational companies for supply all over the world as a preferred supplier with very encouraging revenues. The massive infrastructure projects undertaken under the *Bharat Nirman Yojana,* increased investments by telecommunication industry and plans for piped gas in cities, continue to be the potential demand drivers for the industry. All the Gas Distribution companies are continuing their growth plans. The telecom sector in India, in view of the ever expanding market, the government has started releasing additional spectrum for normal as well as 3G and 4G applications. The demand for next 18 months is expected to be around 250,000 kms of duct pipes. In water transmission and distribution business there are around 200 firms registered with BIS, but the national players are only 5 and Jain Irrigation is the only player to manufacture 1000 mm and above dia pipes up to 1600 mm dia. Recently Jain irrigation has become the first Company in India to successfully install indigenously manufactured 1600mm dia. PE Pipe under sea water in one of the prestigious infrastructure project in Chennai. With this added strength, Jain Irrigation now has developed the capability to provide a complete solution to Water Management, Waste-water Treatment and judicious use of treated water.

iv) Risks & Challenges

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

c) Onion and vegetable dehydration

i) Industry

Dehydrated Onion industry is lead by USA who accounts for around 65% of world's total production. USA is also the biggest consumer of dehydrated onion in the world followed by EU, Latin America, etc. Total capacity of Indian onion dehydrators is today second to USA. The Company is a large player and accounts for upwards of 50% of share in export of dehydrated vegetables from the country. Most of the domestic industry is unorganized. Unorganized producers supply semi-finished products in crude form, that many buyers in the EU and USA further process to make the finished products. The Company has an edge over unorganized producers because of backward linkages in seed production / distribution, contract farming, and its ability to supply processed finished products, ready to be used in the finished products of customers. Almost all big users of dehydrated onion in the world are the customers of the Company either directly or through distributors, resellers or blenders.

With the acquisition of controlling stake in Cascade Specialities Inc, the Company has also established its manufacturing presence in the USA, the world's biggest market for dehydrated onion. As the US market is protected by tariff barriers, having a production base in the country allows the Company to have access to that market as a local producer. The Company is also the only producer in the world that has manufacturing base in two different countries and as a result is able to produce dehydrated onions throughout the year. Due to the location advantage, Cascade Specialities also specializes in production of naturally produced low microbiology laden products, which are in great demand from flavor and seasoning companies. Ability to produce large quantity of low micro products gives the Company an edge over all other competitors in USA and outside, who are unable to produce large quantities of natural low micro products. Cascade Specialities is also the only producer of organic dehydrated onions in the USA.

ii) Performance

During the year under review, Company's sale grew by approximately 48% in terms of value and approximately 31% in terms of volume. The realization Increased by 13% .The Company achieved this sales growth under the adverse scenario of bad onion crop, increased raw material cost, volatile rupee, etc.

Company's US Operation continued to perform well with increase production of low micro products, increase in sales and realization.

To maintain very important food specific certifications, the Company continues to have ISO 9001, ISO 22000, FSMS, BRC Global Standard and GMA food certifications. To continue our thrust to offer value added products, the Company has added fresh fried onion and dried fried onion to its product basket.

iii) Opportunity & Outlook

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

Worldwide Onion dehydration industry is estimated to be around 180,000MTPA. The industry is growing globally at 6-8% per annum. The Company now has capacity to produce approximately 25,000 MT per annum of finished products between its three plants in two countries. This makes the Company the third largest dehydrated onion producer in the world. The acquisition of controlling stake in Cascade Specialities Inc, USA has further opened up the global customer base for the Company's products. The Company has also made improvements in its plant in the USA by capacity expansion, addition of cold storages for fresh onion storages to increase the season of production and other operational improvements. Demand for naturally produced low micro products and organic dehydrated vegetables continues to grow. The Company estimates that with growing demand of its finished products and general upward movement of food prices globally, the Company will be able to achieve further growth in sale and better realization in the coming year. The Company is also looking at increasing production of value added products like fried onion, frozen onion and other vegetables in the coming year.

iv) Risks & Challenges

As the Company experienced in the onion season of 2006-07, uncertain crop patterns continued to be the major risk for such businesses. Company also faces stiff challenge from low cost / low quality producers who can adversely affect the overall market. Rising energy costs and strengthening of the Rupee also pose challenges. Growing interest in bio-fuels have further added pressure on food industry as more and more farm land is now getting used for bio-fuel crops. Other risk is slow markets in Europe and USA where customers are delaying their off takes and seeking lower prices.

A poor monsoon can adversely affect the availability, pricing and quality of the onion and other vegetables. This can have significant impact on the profitability of Agro Processing business.

d) Fruit processing

i) Industry

India is the world's second largest producer of fruits next only to China and has the potential of becoming the largest producer. India also ranks second in the world in the production of fruits and vegetables. Despite the large production of fruits and vegetables, fruit and vegetable processing was limited to only 2% of the produce till 2001-02.

This sector has been accorded a very high priority by the Government of India and fruit & vegetable processing industry has been encouraged. Further, with the economic developments taking place in India, increasing health consciousness and with the coming of organized retail trade, the food industry is poised to grow rapidly. The Indian fruit processing industry is growing currently at the rate of 20% p.a. The demand for fruit juices and fruit drinks and other processed fruit products is growing rapidly in India. Further, Indian mango and other processed fruit products are getting popular in developed markets overseas. There are 4,000 fruit processing units in the country with an aggregate capacity of 1.2 million tonnes per annum. It is estimated that 20% of the output is exported and the rest caters to domestic consumption.

Realizing the opportunity and potential of fruit and vegetable processing, the Company established modern plants a decade ago for processing fruits and vegetables. The Company has also added new capacities, acquired a number of plants and also increased the product portfolio. Jain Irrigation is now the largest processor of fruits and vegetables from India. Apart from growth in mango pulp and the concentrate business, the Company has set-up the most modern and largest Pomegranate processing facility at Jalgaon.

The rationalization of manufacturing locations was completed by the Company in the year under review by deciding to process the mangoes in season only at two locations. The IQF and BF fruit products have further diversified the basket of fruits being processed by the Company.

ii) Performance

This division forms an important part of the Company's approach to integrated farming model, wherein the Company supplies the farmer with high-tech agri inputs, and is ready to buy back the surplus output to add value and offer the same locally and in International markets, thereby completing the agri value chain. The division clocked yearly revenues of Rs. 2,014 Mn. during the year under review. The

business grew at 26% in value terms. The division processed 82,107 MT of fruits during the year. The division added new capacities in Aseptic, Frozen and IQF part of the business.

The division continues to retain its accredition under various quality standards such as ISO 22000, SGF, Kosher etc. The division is now actively working towards achieving accreditation under ISO 14000 and OSHAS 18000 standards.

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

The Company produced 30,214 MT of Mango products, 2,996 MT of Banana products, 2,413 MT of Tomato products, and 2,518 MT of other products like Guava, Amla, Papaya, Pomogranate etc during the year under review.

Your Company is supplying Mango Pulp and Puree to Coca Cola for last 7 years. The *Maaza* brand of Coca Cola Company is growing very fast at the rate of around 40-50%. Recently your Company has bagged large orders worth Rs. 158 crores from various Coca Cola bottlers in India and Overseas for supply of mango for the 2009-10 season. This is increase of more than 85% compared to last season.

iii) Opportunity & Outlook

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

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

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

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

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

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

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

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

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

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

iv) Risks & Challenges

The main risk that the Company perceives in this business is that of securing raw material and to mitigate this risk the Company is pro-actively working to expand its sourcing base and is promoting the concept of integrated development of agriculture and establishing backward linkages. The successful model of contract farming in Onion and integrated development in case of Banana is being extended to other fruit crops such as Mango, Pomegranate and Tomato. However many states still have to amend the laws to permit contract farming and direct supply to the factories.

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

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

At farm level, low yields and mismatch in quality produced and that required by the processing industry are two critical issues hampering the development of the fruit and vegetable processing industry.

Changing weather patterns is also a cause of worry as this is resulting in peak and trough's in production. Concern with use of pesticides and excess fertilizer is also mounting and it is a challenge to convince the farmers to desist from using these.

Processing agro products, requires procurement of good quality fruits, a poor monsoon can adversely affect the availability, pricing and quality of the fruits. This can have significant impact on the profitability of Agro Processing business.

(7) Human Resource

The long-term objective of all HR is to create a culture of sustained business outperformance accompanied by extreme care for all stakeholders, while sustaining and strengthening the core values of the Group.

Given the business imperatives in the current economic slowdown, the focus during the year was on aligning all HR levels to support the initiatives for cost control and conservation of cash, while creating the required capabilities in the workforce and ensuring organizational confidence and employee motivation that would enable the Company to face current challenges and seize future opportunities.

A major challenge was to find a sense of balance between the short and the long term and to honour the Triple Bottom Line of profit, people and planet.

The focus on cost control from the HR perspective resulted in changes in the organization structure and work design, a review of the number of employees along with salary levels and incentive schemes, and the right level and mix of skills.

Performance Management continued to be the backbone of all HR activities and goal-setting received a lot of focus in the year under review.

The Talent Management process has grown in strength during the year. Succession planning for critical positions, use of development centres continued to be high on the priority list along with cross-business rotation of employees.

Various training programs were organized at all plants for developing personal, interpersonal and technical skills of the workmen. These training programs covered a wide range of topics including Positive Attitude, Stress Management, Creativity, Team Effectiveness, Safety and Environment, Quality Tools, TPM, Dexterity and Technical training. The workmen wholeheartedly participated in all training programs and in many cases on a holiday or after working hours.

The permanent Employee strength of the Company as on 31st March, 2009 was 5082.

(8) Risks and concerns at corporate level

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

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

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

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

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

Currency fluctuations: Adverse changes in the exchange rates leading to erosion in export income, however, in most cases the adverse exchange rate movement cannot be passed on to the customers.

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

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

The Company has scheduled the development of plan for mitigation of risks in FY 2010, and on completion of the exercise, the Risk Management Plan shall be in place in full.

(9) Analysis of the Standalone Financial Performance

a) Net sales Rs. in Million

	2008-09	2007-08	Change	Change %
Micro Irrigation Systems	9,509	6,179	3,330	53.90%
Piping Systems	7,445	6,601	844	12.79%
Agro processed Products	3,217	2,417	800	33.12%
Plastic Sheets	1,717	1,891	(175)	(9.24)%
Other Products	485	373	112	30.17%
Total Gross Sales	22,373	17,460	4,912	28.13%
Less: Excise Duty	(863)	(879)	16	(1.77)%
Net sales	21,509	16,582	4,928	29.72%
Domestic	16,623	12,048	4,576	37.98%
Export	4,886	4,534	352	7.76%
Export to Total	22.72%	27.3%	–	–

- Sales excludes export incentives

Net Sales on corporate basis increased by 29.72% to Rs. 21,509 million as compared to Rs. 16,582 million in previous year. This increase in revenues primarily reflected increased domestic sales of Micro Irrigation Systems, and Agro Processed products,

Our total domestic revenue increased by 37.98% in fiscal 2009 to Rs. 16,623 million from Rs 12,048 million in fiscal 2008. The revenues from exports increased by 7.76% in fiscal 2009 to Rs.4,889 million from Rs 4,534 million in fiscal 2008. Export sales accounted for 22.72% corporate sales in fiscal 2009 as compared to 27.30% in fiscal 2008.

i) **Micro Irrigation Systems:** Revenues from domestic sales of our Micro Irrigation Systems increased by 48% in fiscal 2009 to Rs.8.847 million from Rs. 5,967 million in fiscal 2008, primarily due to increased retail sales in States like Maharashtra, Andhra Pradesh, Karnataka, Madhya Pradesh, and Uttar Pradesh and project sales in Andhra Pradesh, Tamil Nadu & Gujarat States. During the same period, exports of Micro Irrigation Systems increased by 213% to Rs.662 million from Rs.211 million mainly due to sales to overseas subsidiaries.

ii) **Piping Products:** Revenues from domestic sales of our Piping Systems increased by 26% in fiscal 2009 to Rs.6798 million from Rs5,394 million in fiscal 2008. The retail business in Maharashtra & Madhya Pradesh contributed to the increased domestic sales of PVC pipes while slowdown in demand from telecom duct segment led to a marginal increase in domestic sales of our PE pipes. The revenues from export of Piping Products decreased by 46% in fiscal 2009 to Rs.647 million from Rs.1,206 million in fiscal 2008, mainly on account of slowdown in exports of PE pipes to an MNC of telecom ducting exports to the African continent.

iii) **Agro-Processed Products:** Revenue from exports of Agro-Processed Products increased by an impressive 49% in fiscal 2009 to Rs.2,353 million from Rs.1579 million in fiscal 2008 mainly on account of higher exports of mango puree and dehydrated onions in our European & US markets. Revenues from domestic sales of our Agro-Processed Products increased marginally by 3.22% in fiscal 2009 to Rs.865 million from Rs.838 million in fiscal 2008.

iv) **Plastic Sheets:** Revenues from our Plastic Sheet products de-accelerated by 9.2% in fiscal 2009 to Rs. 1,717 million from Rs.1,891 million in fiscal 2008, mainly due to slowdown in housing market in United States of America. One of the applications of Plastic sheets is in trim boards and siding products as a replacement of cedar wood in housing segment in USA, which segment is not performing well. The other application of plastic sheet is in signage and advertisement segment, which is growing at 5-8% in Europe & USA.

v) **Other products:** Other product includes Solar Water Heating systems, Solar Photovoltaic Systems, Tissue Culture Plants and Agricultural products. Revenues from other products increased by 30.20% in fiscal 2009 to Rs. 485 million from Rs.373 million in the fiscal 2008, mainly due to higher sales of tissue culture plants & solar products.

b) Operating Income: Rs. in Million

	2008-09	2007-08	Change	Change%
Export Incentives & Assistance	280	129	151	117

Operating income includes accrued export incentives & assistance under VKYU Scheme & Transport Assistance Scheme of GOI for our agro processed products division.

c) Raw materials consumption Rs. in Million

	2008-09	2007-08	Change	Change%
Polymers, Chemicals & additives, Fruits & Vegetables, Consumables, packing material, etc	12,898	10,808	2,090	19.34%

Raw materials consumption increased by 19.34% to Rs. 12,898 million as compared to Rs. 10,808 million in the previous year, as against revenue increase of over 27.5%. The growth in major segments was offset partly by lower raw material prices (specially plastics) during the year. During the same period, polymer consumption increased to 146,882 MT from 133, 916 MT representing an increase of 9.68%; however in value terms the increase is 15.26%. Similarly, the consumption of fruits and vegetables increased to 198,032 MT from 166,907 MT representing an increase of 18.64%, however in value terms, the increase is 22.19% reflecting marginal price increase.

d) Stores Consumed and Repairs to Machinery

Rs. in Million

	2008-09	2007-08	Change	Change%
Stores Consumed and Repairs to Machinery	419	371	48	12.94%

Stores consumed and repairs & maintenance costs increased by 12.94% to Rs. 419 million as compared to Rs.371 million in the previous year, mainly due to the increased scale of operations and expenses towards relocation to a bigger facility in major plastic products divisions.

e) Power and Fuel Rs. in Million

	2008-09	2007-08	Change	Change%
Power & Fuel Cost	678	664	14	2.11%

Power & Fuel cost increased merely by 2.11% to Rs. 678 million as compared to Rs 664 million in the previous year. Despite the increased level of production in all major divisions, fuel cost was offset by replacement of furnace oil used as fuel in agro processed products division with coal.

f) Other Manufacturing Expenses: Rs. in Million

	2008-09	2007-08	Change	Change%
Other Manufacturing Expenses including operating lease rent	440	360	80	22.22%

Other Manufacturing Cost increased by 22.22% to Rs. 440 million as compared to Rs 360 million in the previous year, mainly due to the increased level of production in all major divisions.

g) Payments and Provisions to Employees Rs. in Million

	2008-09	2007-08	Change	Change%
Payments to and provisions for Employees	810	658	152	23.1%

Employee costs increased by 23.10% to Rs.810 million as compared to Rs.658 million in the previous year. The increase is mainly due to higher employee compensation expenses, commission to directors and new employment. During the year a total of 806 new associates joined the Company. Employee Cost as % of Net Sales is 3.77% in current year, as against 3.97% in previous year reflecting better fixed cost absorption.

h) Selling & Distribution Expenses Rs. in Million

	2008-09	2007-08	Change	Change%
Selling & Distribution Expenses	1,446	1,185	262	22.11%

The Selling & Distribution Expenses increased by 22.11% to Rs. 1,447 million as compared to Rs 1,185 million in the previous year mainly due to increase in cash discount and commission and brokerage on sales. S&D Expenses as % of Net Sales are 6.72% in current year as against 7.15% in previous year reflecting better cost management & higher sales.

i) Interest & Finance Charges: Rs. in Million

	2008-09	2007-08	Change	Change%
Interest Expense	1,483	1,071	412	38.47%
Bank charges	128	94	34	36.17%
Total	**1,611**	**1,165**	**446**	**38.28%**
Less: Interest Income	(48)	(30)	(18)	60%
Interest & Finance Charges (Net)	1,563	1,135	428	37.71%

The net interest charges increased by 37.71% to Rs. 1,563 million as compared to Rs. 1,135 million in the previous year, mainly due to long term loans raised for growth capex, increase in working capital utilization for growth.

J) Fixed Assets Rs. in Million

	2008-09	2007-08	Change	Change%
Gross Block (net of disposal)	13,149	9,790	3,359	34.31%
Less: Depreciation	(3,637)	(3,157)	(480)	15.24%
Net Block	9,511	6,633	2,878	43.39%

Gross block increased by Rs.3,359 million during the year, mainly due to expansion & modernization plan implemented across all divisions. In current year we have increased installed capacities in plastic processing to 362,880 MT as compared to 258,750 MT in previous year increase of 3,354 MT in DHO, increase of 24,975 MT in fruit processing division, and substantial increase of 8 million plantlets in Tissue Culture. New Capex has been financed out of long term loans and internal accruals during the current year.

k) Investments Rs. in Million

	2008-09	2007-08	Change	Change%
Investment in wholly owned subsidiary (WoS)	3,892	2,745	1,147	41.79%
Other Investment	13	413	(400)	-69.61%

The increase of Rs. 1,147 million in investments is on account of capital infused in the WoS based in Mauritius. The WoS has in turn invested in second generation subsidiaries in the USA, Israel and Switzerland and Turkey. The funds have been ultimately utilized towards funding the capex growth and working capital needs of the acquired companies during the year. Others investments of Rs. 400 million in Mutual Fund Units (Liquidity Fund – Growth Option) as a part of treasury management was divested during the year.

l) Inventories Rs. in Million

	2008-09	2007-08	Change	Change%
Inventories	5,195	4,844	351	7.25%

The increase in inventory by Rs. 351 million during the current year compared to previous year is mainly on account of increased in meterial in transit by 465 million. However raw material inventory decreased by Rs. 241 million due to deflation in prices of various polymers for plastic processing divisions.

m) Sundry Debtors Rs. in Million

	2008-09	2007-08	Change	Change%
Gross Debtors	7,861	5,987	1,874	31.30%
Less: Provision Doubtful Debts	(45)	(31)	(14)	45.16%
Net Debtors	7,816	5,956	1,860	31.23%

The increase in debtors is commensurate to increase in sales. Net sales in last quarter were about 32% of total sales for the year.

n) Loans and Advances Rs. in Million

	2008-09	2007-08	Change	Change%
Loans & Advances	3,236	2,254	982	43.57%

Loans & Advances increased by Rs.982 million to Rs. 3,236 million in current year from Rs.2,254 million in previous years mainly due to increase in loan to WoS subsidiary (Rs. 328 million), increase in MAT credit receivable (Rs. 206 million), increase in advance tax (Rs.178 million), increase in incentives & assistance from GoI (Rs. 160 million).

o) Current Liabilities & Provisions Rs. in Million

	2008-09	2007-08	Change	Change%
Current Liabilities	6,879	5,251	1,628	31.00%
Provisions	786	516	270	52.33%

Current Liabilities & Provisions increased by Rs.1,628 million to Rs. 6,879 million in current year from Rs5,767 million in previous year mainly due to increase in sundry creditors for purchases (Rs. 645 million), unrealized derivatives liability (Rs.399 million), increase in customer advances (Rs.263 million), increase in outstanding liabilities for expenses (Rs.235 million), increase in provision for income taxes (Rs. 206 million) etc.

p) Secured & Unsecured Loan **Rs. in Million**

	2008-09	2007-08	Change	Change%
Secured Term Loan	6,950	4,373	2,577	58.93%
Secured working Capital Loan	6,052	4,164	1,888	45.34%
Unsecured Loan	553	534	19	3.56%

Company has raised new secured term loan of Rs. 2,263 million towards (excluding forex loss of Rs. 901 million on foreign currency loss) (1) Foreign currency loan for funding Capex of US$ 25.50 million and CHF 1.84 million (equivalent to US$ 1.64 million) aggregating equivalent to Rs. 1,219 million. (2) Rupee term loan taken for improving the long term working capital margin of Rs. 1,014 million and (3) Term loan of Rs. 30 million for financing commercial & agriculture vehicles.

Further, during the current year Company has repaid secured term loan of Rs. 673 million.

Working capital loan increased by Rs. 1,888 million for higher scale of operation during the year mainly for MIS and Agro processing divisions.

Unsecured loan increased by Rs.19 million during the current year due to revaluation by Rs. 111 million and conversion into equity by Rs. 130 million of FCCB.

q) Shareholders Funds Rs. in Million

	Equity Capital	Preference Capital	Share Premium	Other Reserves	Retained Earnings	Share Warrants	Total
Balance as on 31-March-2008	**721**	**885**	**4,367**	**857**	**2,463**	**358**	**9,651**
Changes during the year							
• Conversion of FCCB^	3		108				111
• Adjustment for unrealized gain/ loss due to hedging derivatives^				(402)			(402)
• Premium on Redemption of Preference Shares & Debentures		(437)	(34)				(471)
• Profit for the Year					1,202		1,202
• Profit transferred to General Reserve				120	(120)		–
• Profit transferred to Capital Redemption Reserve				437	(437)		–
• Dividend (incl. Dividend Tax)					(257)		(257)
• Sub Total	**3**	**(437)**	**74**	**155**	**388**	**0**	**184**
Balance as on 31-March-2009	**724**	**449**	**4,441**	**1,012**	**2,851**	**358**	**9,835**

^Refer Note No. (3), (4), & (14b) of Notes to Accounts Schedule 21 (Part-B)

r) Appropriation Rs. in Million

	2008-09	2007-08	Change	Change%
Transfer to CRR	437	-	437	100.0%
Transfer to Reserves	120	146	-26	-17.81%

An amount of Rs.120 million has been transferred to the General Reserve during the year. An amount of Rs. 437 million is transfered to Capital Redemption Reserve in view of Redemption of preference shares during the year.

s) Dividend: Rs. in Million

	2008-09	2007-08	Change	Change%
Preference Dividend	31	35	-4	-11.43%
Equity Dividend	188	156	29	18.24%

The Board has proposed to pay dividend on 4.00% and 1.00% Redeemable Preference Shares at fixed rates, while it is proposed to pay dividend on Equity Shares @ Rs.2.5 per share (25%) to all eligible Shareholders, subject to approval of Shareholders at the ensuing AGM. The dividend cash-outgo (including dividend tax) would be Rs. 256 million as against Rs.227 million in previous year. The dividend payout (including current year dividend on Preference Shares) as % of Net Profit works out to 21.31% as compared to 16% in previous year.

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

Report of the Auditors to the Members

We have audited the attached Balance Sheet of Jain Irrigation Systems Limited as at 31st March, 2009, the annexed Profit and Loss Account for the year ended on that date, and also the Cash Flow Statement 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.

1) We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from any material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
2) As required by the Companies (Auditor's Report) Order, 2003 and the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government 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.
3) Further to our comments in the Annexure referred to in paragraph 2 above, we report that:
   a) We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books of the Company;
   c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company;
   d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act,1956;
   e) Based on the representations made by the Directors as on 31st March, 2009 and taken on record by the Board of Directors of the Company and the information and explanations given to us, none of the Directors is, as at 31st March, 2009, prima-facie disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
   f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India:
      i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
      ii) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
      iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For and on behalf of
Dalal & Shah
Chartered Accountants

Shishir Dalal
Partner
Membership No: 37310

Jalgaon, 25th August, 2009

ANNEXURE REFERRED TO IN PARAGRAPH 2 OF OUR AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2009 OF JAIN IRRIGATION SYSTEMS LIMITED

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

1) a) The Company has generally maintained proper records showing particulars, including quantitative details and situation of fixed assets;

   b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals, according to a phased verification programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its assets. According to the information and explanations given to us, discrepancies noticed on physical verification have been properly dealt with in the books of account;

   c) During the year, the Company has not disposed off any substantial part of its fixed assets so as to affect its going concern;

2) a) As explained to us, inventories have been physically verified during the year by the management. Inventories lying with outside parties have been confirmed by them at the close of the year;

   b) The procedures explained to us, which are followed by the management for physical verification of inventories, are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business;

   c) On the basis of our examination of the inventory records of the Company, we are of the opinion that, the Company is maintaining proper records of its inventory. Discrepancies which were noticed on physical verification of inventory as compared to book records, have been properly dealt with in the books of account;

3) According to the information and explanations given to us, the Company has not granted / taken any loan, secured or unsecured, to / from companies, firms or other parties covered 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 generally adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control;

5) (a) On the basis of the audit procedures performed by us, and according to the information, explanations and representations given to us, the particulars of all transactions in which directors were interested, as contemplated under Section 297 and Section 299 of the Companies Act, 1956, and which were required to be entered in the register maintained under Section 301 of the said Act, have been so entered;

   (b) According to the information and explanations given to us, there were no transactions exceeding the value of rupees five lacs in respect of any party during the year, which need to be entered in the register maintained under Section 301 of the Companies Act, 1956;

6) The Company has not accepted any deposits from the public;

7) On the basis of the internal audit reports broadly reviewed by us, we are of the opinion that, the coverage of internal audit functions is commensurate with the size of the Company and the nature of its business;

8) (a) According to the records of the Company, it has generally been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues with the appropriate authorities;

   (b) On the basis of our examination of the documents and records, and explanations and information given to us, there were no disputed dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax and Cess. The following disputed dues on account of Custom Duty and Excise Duty have not been deposited with the appropriate authorities:

(Rs.in Million)

Particulars	Forum before whom pending			
	Commissioner Appeals	Tribunal	High Court	Total
Custom & Excise Duty	3.49	9.80	55.19	68.49

9) The Company has neither accumulated losses at the end of the financial year nor has it incurred cash losses, both, in the financial year under report and the immediately preceding financial year;

10) On the basis of the records examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to Financial Institutions, Banks and Debenture holders;

11) As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities;

12) In respect of shares, securities, debentures and other investments dealt or traded by the Company, proper records have been maintained in respect of the transactions and contracts and timely entries have been made therein. All the investments are held by the Company in its own name;

13) According to the information and explanations given to us, and the representations made by the management, the Company has given guarantees for loans taken by its subsidiaries from Banks. The terms and conditions of such guarantees are, prima-facie, not prejudicial to the interests of the Company;

14) On the basis of the records examined by us, we have to state that, the Company has, prima facie, applied the term loans for the purposes for which they were obtained.

15) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we are of the opinion that, prima facie, short term funds have not been used for long term investment;

16) The Company has, during the year, not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956;

17) According to the information and explanations given to us, the Company has not issued any debenture during the period covered under this report;

18) The Company has not raised any money by way of public issue during the year;

19) According to the information and explanations given to us, and to the best of our knowledge and belief, no significant fraud on or by the Company, has been noticed or reported by the Company during the year;

Looking to the nature of activities being carried on, at present, by the Company and also considering the nature of the matters referred to in the various clauses of the Companies (Auditors' Report) Order, 2003, and the Companies (Auditor's Report) (Amendment) Order, 2004, Clauses (iii)(b), (iii)(c), (iii)(d), (iii)(f), (iii)(g), (viii) and (xiii) of paragraph 4 of the aforesaid Order, are, in our opinion, not applicable to the Company.

For and on behalf of
Dalal & Shah
Chartered Accountants

Shishir Dalal
Partner
Membership No: 37310

Jalgaon, 25th August, 2009

CEO AND CFO CERTIFICATION
(As per sub clause V of Clause 49 Corporate Governance of Listing Agreement)

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

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

Dear Sir / Madam,

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

(a) We have reviewed financial statements and the cash flow statement of the Company for the year ended 31st March, 2009 and that to the best of our knowledge and belief.

  (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (ii) These statements together with the schedules and notes thereon present a true and fair view of the company's affairs for the year ended 31st March, 2009 and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company and we have disclosed to the auditors and we and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take action to rectify these deficiencies.

(d) We have indicated to the Statutory Auditors and the Audit Committee;

  i. Significant changes in internal control during the year under review;

  ii. Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and

  iii. There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Anil B. Jain
Managing Director

Manoj L. Lodha,
President Finance and Banking

Jalgaon, 25th August, 2009

BALANCE SHEET AS AT 31-March-2009

	Schedule	31-Mar-2009 Rs.	31-Mar-2008 Rs.
SOURCES OF FUNDS :			
Shareholders' Funds :			
Share Capital	1	1,172,276,060	1,605,869,460
Share Warrants	2	358,488,181	358,488,181
Reserves and Surplus	3	8,304,129,100	7,686,729,021
		9,834,893,341	9,651,086,662
Deferred Tax Liability (Net)		**707,303,188**	**109,587,062**
Loan Funds :			
Secured Loans	4	13,002,263,062	8,536,891,627
Unsecured Loans	5	552,807,500	533,599,500
		13,555,070,562	**9,070,491,127**
	Total	**24,097,267,091**	**18,831,164,851**
APPLICATION OF FUNDS :			
Fixed Assets :			
Gross Block	6	13,148,715,418	9,789,967,713
Less: Accumulated Depreciation / Amortisation		(3,637,524,606)	(3,157,021,440)
Net Block		**9,511,190,812**	**6,632,946,273**
Capital Work-in-Progress [including capital advances]	**7**	**998,343,770**	**846,976,714**
Investments	**8**	**3,905,679,220**	**3,158,229,570**
Current Assets, Loans & Advances :	**9**		
a] Inventories		5,195,171,822	4,843,838,405
b] Sundry Debtors		7,816,005,903	5,956,300,039
c] Cash & Bank Balances		879,144,887	732,735,465
d] Other Assets		220,578,273	173,682,223
e] Loans & Advances		3,235,546,396	2,253,554,667
		17,346,447,281	**13,960,110,799**
Less:			
Current Liabilities & Provisions :	**10**		
a] Current Liabilities		6,878,565,522	5,250,846,534
b] Provisions		**785,828,470**	**516,251,971**
		7,664,393,992	**5,767,098,505**
Net Current Assets		**9,682,053,289**	**8,193,012,294**
	Total	**24,097,267,091**	**18,831,164,851**
Notes forming part of the Accounts	22		

Signatures to the Schedule 1 to 22
As per our report of even date
For and on behalf of

For and on behalf of the Board of Directors

DALAL & SHAH
Chartered Accountants

Shishir Dalal
Partner
Jalgaon, 25th August, 2009

A. V. Ghodgaonkar
Company Secretary

Anil B. Jain
Managing Director

A. R. Barwe
Director

Jalgaon, 25th August, 2009

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-MARCH-2009

	Schedule	Rs.	2008-09 Rs.	2007-08 Rs.
Income :				
Sales and Operating Income	11	22,652,600,757		17,589,286,783
Less: Excise Duty / Service Tax Recovered		(863,152,416)		(878,736,623)
			21,789,448,341	16,710,550,160
Other Income	12		121,675,466	293,047,931
Increase / (Decrease) in Stock	13		17,554,365	1,028,144,041
			21,928,678,172	**18,031,742,132**
Expenditure :				
Cost of Materials Consumed, Purchases, etc.	14		12,897,936,493	10,808,377,843
Manufacturing Expenses	15		1,536,932,686	1,395,138,541
Payments To and Provisions for Employees	16		809,590,740	657,989,124
Selling & Distribution Expenses	17		1,446,576,334	1,184,554,657
Administrative & Other Expenses	18		1,314,409,760	390,715,133
			18,005,446,013	**14,436,775,298**
Operating Profit			**3,923,232,159**	**3,594,966,834**
Less: Interest & Finance Charges	19		1,562,641,921	1,134,050,482
Profit before Depreciation, Exceptional Items and Prior Year Expenses			**2,360,590,238**	**2,460,916,352**
Less: Amounts Written Off and Provisions	20		45,918,677	7,048,206
Less: Depreciation / Amortisation			472,849,054	398,348,740
Profit before Exceptional Items and Taxation			**1,841,822,507**	**2,055,519,406**
Less: Exceptional Expenses / (Income)			-	13,896,663
Profit for the year before Taxation			**1,841,822,507**	**2,041,622,743**
Less: Deferred Tax (Ref. Note No.12 of Sch.21: Part B.)			(615,120,083)	(569,849,107)
Less: Provision for Current Tax			(205,855,114)	(226,759,088)
Add: MAT Credit			205,855,114	226,759,088
Less: Provision for Wealth Tax			(53,612)	(67,460)
Less: Provision for Fringe Benefit Tax			(20,700,000)	(16,300,000)
Profit for the year before Prior Period Expenses	21		**1,205,948,812**	**1,455,406,176**
Less: Prior Period Expenses			(4,165,863)	-
Profit for the year			**1,201,782,949**	**1,455,406,176**
Balance in Profit & Loss Account brought forward			2,462,629,161	1,385,190,332
Debit Balance in Profit & Loss Account of Orient Vegetexpo Ltd of FY 2006-07.			-	(5,187,197)
Balance available for Appropriation			**3,664,412,110**	**2,835,409,311**
Appropriation				
Transferred to General Reserve			(120,200,000)	(145,500,000)
Transferred to Capital Redemption Reserve			(436,802,400)	-
Proposed Preference Dividend for the year			(30,962,186)	(35,037,760)
Provision for Dividend Tax on Preference Dividend for the year			(5,262,024)	(5,954,667)
Proposed Equity Dividend			(188,292,930)	(159,227,081)
Provision for Dividend Tax on Equity Dividend			(32,000,383)	(27,060,642)
Balance Carried to Balance Sheet			(2,850,892,187)	(2,462,629,161)
			(3,664,412,110)	**(2,835,409,311)**
Earning Per Share (Face value of Rs. 10/- each) (Ref. Note No. 10 of Sch.22: Part B.)				
Basic EPS (Rs.)			**16.12**	**21.48**
Diluted EPS (Rs.)			**16.03**	**21.41**
Notes forming part of the Accounts	22			

Signatures to the Schedule 1 to 22
As per our report of even date
For and on behalf of
DALAL & SHAH
Chartered Accountants

For and on behalf of the Board of Directors

Shishir Dalal
Partner
Jalgaon, 25th August, 2009

A. V. Ghodgaonkar
Company Secretary

Anil B. Jain
Managing Director
Jalgaon, 25th August, 2009

A. R. Barwe
Director

Cash Flow Statement for the Year Ended 31-March-2009

	Rs.	2008-09 Rs.	Rs.	2007-08 Rs.
A] Cash Flow From Operating Activities :				
Net Profit / (Loss) Before Tax and Extraordinary Items		**1,841,822,507**		**2,055,519,406**
Adjustment for :				
Depreciation / Amortisation of Lease Land	472,872,830		398,380,016	
Amounts Written off & Provisions	45,918,677		7,048,206	
Prior Period Items	(4,165,863)		-	
Loss / (Surplus) on Assets Sale/Discarded	12,871,110		(4,019,023)	
Loss / (Surplus) on Sale of Investments	(299,411)		-	
Interest and Finance Charges	1,562,641,921		1,134,050,482	
Provision for doubtful debts & Advances Written back	-		(63,379,871)	
ESOP Cost	-		16,809,534	
Sundry Credit balances appropriated	(11,536,774)		(12,227,416)	
Premium on Redemption of Investment in Preference Shares in Subsidiary	(25,672,177)		-	
Dividend Income	(4,508)		(31,387)	
		2,052,625,805		1,476,630,541
Operating Profit before Working Capital Changes		**3,894,448,312**		**3,532,149,947**
Adjustment for :				
Sundry Debtors	(1,874,529,473)		(1,552,814,106)	
Loans & Advances	(528,990,303)		(1,020,275,752)	
Inventories	(351,333,417)		(2,100,740,824)	
Trade Payables	1,459,460,428		1,077,840,427	
		(1,295,392,765)		(3,595,990,255)
Cash Generated from Operations		**2,599,055,547**		**(63,840,308)**
Direct Taxes paid		(198,516,957)		(171,511,743)
Net Cash From Operating Activities		**2,400,538,590**		**(235,352,051)**
B] Cash Flow From Investing Activities :				
Purchase of Fixed Assets	(3,524,283,496)		(1,960,781,589)	
Sale of Fixed Assets	8,927,961		20,117,000	
Other Current Assets - Orchards	(49,987,324)		(75,266,606)	
Sale/(Purchase) of Investment [net]	(721,478,062)		(1,383,818,555)	
Loan to Subsidiaries	(328,107,186)		(207,171,830)	
Interest Received	42,582,602		30,494,868	
Dividend Income	4,508		31,387	
Net Cash Flow from Investing Activities	**(4,572,340,997)**		**(3,576,395,325)**	
		(2,171,802,407)		**(3,811,747,376)**
C] Cash Flow From Financing Activities				
Total Proceeds by way of issue/redemption of Shares (Net)	(433,593,400)		361,902,291	
Redemption Premium on Preference Shares & NCD	(33,799,211)		(51,203,168)	
Adjustments to Reserves (Net)	90,287,038		3,533,705,320	
Proceeds from Term Loan Borrowings	3,262,636,700		4,080,423,349	
Repayments towards Term Loan Borrowings	(666,155,136)		(3,408,601,616)	
Proceeds from Working Capital Borrowings	1,888,097,871		1,001,352,916	
Dividend Paid	(193,663,367)		(168,078,552)	
Dividend Distribution Tax Paid	(33,015,309)		(28,640,863)	
Interest and Finance Charges paid	(1,610,636,870)		(1,164,585,121)	
Net cashflow from Financing Activities	**2,270,158,316**		**4,156,274,556**	
Net Increase in Cash & Cash Equivalents		**98,355,909**		**344,527,180**
Cash & Cash Equivalents (excl. margins) as at the beginning of the year		667,419,839		322,892,659
Cash & Cash Equivalents (excl. margins) as at end of the year.		765,775,748		667,419,839
Net Increase / (Decrease) in Cash and Cash Equivalents		**98,355,909**		**344,527,180**
Note: Cash and Cash Equivalents includes :				
a) Cash in hand & Current Account Bank Balances		765,775,748		365,424,589
b) Deposit Account Balances		–		301,995,250
c) Margin Account Balances		113,369,139		65,315,626
		879,144,887		**732,735,465**

As per our report of even date
For and on behalf of

DALAL & SHAH
Chartered Accountants

Shishir Dalal
Partner
Jalgaon, 25th August, 2009

For and on behalf of the Board of Directors

A. V. Ghodgaonkar
Company Secretary

Anil B. Jain
Managing Director
Jalgaon, 25th August, 2009

A. R. Barwe
Director

Schedules forming part of the Balance Sheet

			31-Mar-2009 Rs.	31-Mar-2008 Rs.
Schedule 1 – Share Capital				
Authorised				
96,500,000	(96,500,000)	Equity Shares of Rs. 10/- each	965,000,000	965,000,000
19,630,000	(19,630,000)	Redeemable Preference Shares of Rs. 100/- each	1,963,000,000	1,963,000,000
4,500,000	(4,500,000)	Unclassified Shares of Rs. 10/- each	45,000,000	45,000,000
			2,973,000,000	**2,973,000,000**
Issued, Subscribed and Paid up:				
a] Equity Shares:		Face value of Rs. 10/- each		
71,885,820	(61,307,683)	Equity Shares of Rs. 10/- each fully paid up	718,858,200	613,076,830
–	(270,615)	On Merger of Eurissko Agro Ltd.	–	2,706,150
–	(713,316)	On Merger of Orient Vegetexpo Ltd.	–	7,133,160
–	(3,602,600)	On conversion of Equity Warrants	–	36,026,000
320,900	(5,987,995)	On conversion of Zero Coupon Convertible Bonds	3,209,000	59,879,950
169,226	(172,837)	Equity Shares representing underlying European Depository Receipts 338452 (PY 345,674)	1,692,260	1,728,370
		Sub Total [a]	**723,759,460**	**720,550,460**
b] Equity Shares Suspense Account				
		Balance at the beginning of the year	–	2,706,150
		Add: Addition of Equity Share Capital of Orient Vegetexpo Ltd.	–	70,082,000
		Less: Reduction in Face Value of Shares from Rs. 10/- to Rs. 1/- as per BIFR order.	–	(63,073,800)
		Add: Balance Transfer from Unsecured Loan of Orient Vegetexpo Ltd.	–	47,000,000
		Less: Amount transferred to Amalgamation Adjustment Account on issue of Shares as per Scheme.	–	(46,875,040)
		Less: Allotted & transferred during the year	–	(9,839,310)
		Sub Total [b]	–	–
c] Cumulative Redeemable Preference Shares:				
3,104,990	**4% Preference Shares**		310,499,000	310,499,000
(297,500)	Less: Redeemed (Fully) during the year		(29,750,000)	–
–	Less: Redeemed (Partly) during the year		(117,242,400)	–
2,807,490	2,344,848 Preference Shares of Rs. 50/- each due for redemption on 30th June, 2009, at premium of Rs. 16.00 per share And 462,642 Preference Shares of Rs. 100/- each due for redemption in 2 equal installments on 30th June, 2009 & on 30th June, 2010, at premium of Rs. 16.00 per share		163,506,600	310,499,000
5,623,200	**4% Preference Shares**		562,320,000	562,320,000
(48,000)	Less: Redeemed (Fully) during the year		(4,800,000)	–
–	Less: Redeemed (Partly) during the year		(278,760,000)	–
5,575,200	[Due for redemption on 31st March, 2010 at Rs. 50/- each, at premium of Rs. 16.00 per share]		278,760,000	562,320,000
125,000	**1% Preference Shares**		12,500,000	12,500,000
–	Less: Redeemed (Partly) during the year		(6,250,000)	–
125,000	[Due for redemption on 31st March, 2010 at Rs. 50/- each, at premium of Rs. 4.00 per share]		6,250,000	12,500,000
		Sub Total [c]	**448,516,600**	**885,319,000**
		Total [a to c]	**1,172,276,060**	**1,605,869,460**

			31-Mar-2009 Rs.	31-Mar-2008 Rs.
Schedule 2 – Equity Share Warrants				
7,497,400	2,500,000	Balance at the beginning of the year	358,488,181	99,625,000
–	8,600,000	Add: Addition During the year	–	411,209,000
–	(3,602,600)	Less: Converted in to Equity Shares during the year	–	(152,345,819)
10% Deposit of 7497400 (PY 7497400) Equity Share Warrants of Rs. 478.15 (PY Rs. 478.15)			**358,488,181**	**358,488,181**
each convertable into Equity Shares of Rs. 10/- each.				
Schedule 3 – Reserves and Surplus				
a] General Reserve				
Balance at the beginning of the year			1,055,147,023	908,228,103
Add: Transferred from Profit & Loss Account			120,200,000	145,500,000
Add: Transferred from Debenture Redemption Reserve			1,418,920	1,418,920
		Sub Total [a]	**1,176,765,943**	**1,055,147,023**
b] Securities Premium Account				
Balance at the beginning of the year			4,367,238,376	904,091,347
Add: On Conversion of 3602600 Equity Warrants into 3602600 Eq.shares			–	1,487,432,190
Add: On Conversion of 2500 ZCCB into 320900 Eq.shares @335.59/- each			107,690,995	2,009,514,050
Less: Premium on Redemption of Non Convertible Debentures (Net of Taxes)			(1,142,686)	(1,142,686)
Less: Premium on Redemption of Preference Shares (Net of Taxes)			(32,656,525)	(32,656,525)
		Sub Total [b]	**4,441,130,160**	**4,367,238,376**
c] Amalgamation Adjustment Account / Capital Reserve Account				
Balance at the beginning of the year			37,485,475	–
Add: Balance in Capital Reserve A/c of Orient Vegetexpo Ltd.			–	88,573,021
Add: Reduction in Equity Share Capital of Orient Vegetexpo Ltd.			–	63,073,800
Add: Amount on issue of Equity Shares to Orient Vegetexpo Ltd.			–	46,875,040
Less: Debit Balance in Profit & Loss Account of Orient Vegetexpo Ltd.			–	(161,036,386)
		Sub Total [c]	**37,485,475**	**37,485,475**
d] Debenture Redemption Reserve				
Balance at the beginning of the year			4,256,700	5,675,620
Less: Transferred to General Reserve			(1,418,920)	(1,418,920)
		Sub Total [d]	**2,837,780**	**4,256,700**
e] Capital Redemption Reserve				
Balance at the beginning of the year			50,000,000	50,000,000
Transferred from Profit & Loss Account			436,802,400	–
		Sub Total [e]	**486,802,400**	**50,000,000**
f] Employee Stock Option (Ref. Note No. 4 of Sch.22: Part B.)				
Employee Stock Option (Outstanding)			20,520,000	20,520,000
		Sub Total [f]	**20,520,000**	**20,520,000**
g] Hedging Reserve (Ref. Note No. 14 [b] of Sch.22: Part B.)			**(712,304,845)**	**(310,547,714)**
Unrealised Gain / Loss on Cash Flow Hedging derivatives (Net)				
h] Balance of Profit & Loss Account			**2,850,892,187**	**2,462,629,161**
		Total [a to h]	**8,304,129,100**	**7,686,729,021**

	Rs.	31-Mar-2009 Rs.	31-Mar-2008 Rs.
Schedule 4 - Secured Loans			
a] Debentures			
Zero Coupon Non Convertible Redeemable Debentures of Rs 100/- each			
113,513 Balance at the beginning of the year		4,256,700	5,675,620
Less: Redeemed (Partly) during the year		(1,418,920)	(1,418,920)
Sub Total [a]		**2,837,780**	**4,256,700**
113,513 debentures redeemed Rs.12.50 (PY Rs.12.50) & balance outstanding Rs. 25.00 (PY Rs. 37.50) per debenture which are due for Redemption over a period of 8 years commencing from 15th June, 2003 and ending on 15th March, 2011 including an aggregate balance of premium of Rs. 30.50 per debenture			
Amounts due within one year Rs. 1.42 Million			
b] Term Loans *			
i) Term Loan From Financial Institutions (Including ECB in USD)			
Balance at the beginning of the year	3,736,473,433		673,675,605
Add: Addition/revalorisation during the year	2,035,304,896		3,744,501,686
Less: Repaid during the year	(174,114,757)		(681,703,858)
		5,597,663,572	3,736,473,433
ii) Term Loan From Banks			
Balance at the beginning of the year	485,152,448		383,492,267
Add: Addition during the year	1,143,254,991		335,921,663
Less: Repaid during the year	(427,455,751)		(234,261,482)
		1,200,951,688	485,152,448
iii) Working Capital Term Loan from Banks			
Balance at the beginning of the year	126,044,432		196,676,958
Less: Repaid during the year	(72,006,348)		(70,632,526)
		54,038,084	126,044,432
iv) Foreign Currency Term Loan			
Balance at the beginning of the year	–		330,561,511
Add/(Less): On account of revalorisation of loan	–		(26,845,773)
Less: Repaid during the year	–		(303,715,738)
		–	–
v) Deferred Credit from Supplier (ECB in EURO)			
Balance at the beginning of the year	21,450,600		29,713,190
Add: Addition during the year	84,076,813		–
Add/(Less): On account of revalorisation of loan	856,634		1,885,550
Less: Repaid during the year	(11,223,994)		(10,148,140)
		95,160,053	21,450,600
* Amounts due within one year Rs. 686.60 Million **Sub Total [b]**		**6,947,813,397**	**4,369,120,913**
c] Working Capital Loans :			
Consortium of Banks			
Working Capital Demand Loan		458,200,000	188,200,000
Foreign Currency Demand Loan		679,441,340	665,483,242
Cash Credit Account		2,398,625,540	1,518,736,143
Export Packing Credit (EPC / PCFC)		2,515,345,005	1,791,094,629
Sub Total [c]		**6,051,611,885**	**4,163,514,014**
Total [a to c]		**13,002,263,062**	**8,536,891,627**

Notes To Schedule No. 4 (Secured Loan):

1. C.Y. 1,13,513 (P.Y. 1,13,513) Zero Coupon Secured Redeemable Non Convertible Debentures of Rs.100 each:

Rs. C.Y.2.84 Million (PY Rs. 4.26 Million)

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

Note:

6,86,712 NCDs have been fully redeemed on 15th March 2007. The satisfaction of charge will be filed after redemption of 1,13,513 NCDs (Redemption starting from 15th June 2003 upto 15th March 2011 with redemption premium of Rs.122.00 each, as per ballooning repayment plan).

2. Export Import Bank of India: Foreign Currency Term Loan:

i) Lending Programme for EOU units : C.Y. Rs.24.73 Million (PY Rs.38.81 Million)

ii) Production Equipment Finance Programme : C.Y. Rs.24.19 Million (PY Rs. 37.95 Million)

iii) Production Equipment Finance Programme : C.Y. Rs. 146.66 Million (PY Rs. 141.61 Million)

iv) Production Equipment Finance Programme : C.Y. Rs. 326.08 Million (PY Rs. 319.76 Million)

v) Production Equipment Finance Programme : C.Y. Rs. 229.28 Million (PY Rs. 199.85 Million)

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

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

(b) Other Loans:

i) Rupee Term Loan of Rs. 52.0 Million;- relates to 1996 **: C.Y. NIL (PY-NIL)**

ii) Foreign Currency Loan of US$ 5 Million WMB Guarantee-3 charges- relates to 1998; **: C.Y. NIL (PY-NIL)**

iii) Guarantee Facility of Rs. 53.8 Million **: C.Y. NIL (PY-NIL)**

iv) Foreign Currency Loan of US$ 1.3 Million (equivalent to Rs. 46.7 Million) sanctioned to erstwhile Jain Plastics & Chemicals Ltd **: C.Y. NIL (PY-NIL)**

v) Foreign Currency Loan of US$ 1.48 Million (equivalent to Rs. 53.3 Million) sanctioned to erstwhile Jain Processed Foods Pvt. Ltd **: C.Y. NIL (PY-NIL)**

The above loans have been fully satisfied and filing of memorandum of complete satisfaction of charge with the Registrar of Companies, Maharashtra, Mumbai is in process.

3. Exim Bank (assigned by Axis Bank Ltd. formerly known as UTI Bank Ltd) :

Rupee Term Loan: C.Y. Rs. 27.95 Million (PY Rs. 87.95 Million)

The Rupee Term Loan payable to Exim Bank (assigned by Axis Bank Ltd. formerly known as UTI Bank Ltd.) is secured by a first charge on the whole of movable fixed assets of Company both present and future, including its movable plant and machinery, equipments, furniture and other movable fixed assets installed at Company's plant at Jalgaon. The loan is further secured by First charge ranking Pari-Passu by way of equitable mortgage by deposits of title deeds of selected immovable properties of the Company situated at Village Bambhori & Shirsoli, Dist. Jalgaon in State of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth however excluding assets charged exclusively as mentioned in these notes.

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

The balance of above term loan has been assigned by Axis Bank Ltd. to Exim Bank as per Deed of Assignment of Debt dated 23rd March 2006 executed between Axis Bank Ltd. and Export-Import Bank of India. The modification for the said assignment has been filed with the Registrar of Companies, Maharashtra, Mumbai.

4. a)Working Capital Loans: (Including WCTL-I & II, FCTL and FCNRB): C.Y. Rs. 6077.70 Million (PY Rs.4201.60 Million)

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

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

The working capital loans are also secured by personal guarantee given by four Directors including Managing Director of the Company.

b) State Bank of India: Corporate Loan : C.Y. Rs. 60.00 Million (PY Rs. 120.00 Million)

The Corporate Loan is secured by second charge ranking pari-passu on all present and future goods, book-debts and all other movable assets including documents of title to the goods, outstanding moneys, receivables including receivables by way of cash assistance and/or cash incentives under the cash incentives scheme or any other scheme, claims including claim by way of refund of custom/excise duties under the Duty Drawback Credit, insurance policies and machinery of the company. The loan is further secured by First charge ranking Pari-Passu by way of equitable mortgage by deposits of title deeds of selected immovable properties of the Company situated at Village Bambhori & Shirsoli, Dist.. Jalgaon in State of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth however excluding the assets charged exclusively as mentioned in these notes.

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

c) HDFC Bank Ltd : Rupee Term Loan: C.Y. Nil (PY Rs. 16.67 Million)

Rupee Term Loan is secured by present and future goods, book-debts and all movable assets of the Company including documents of title to the goods, outstanding monies, receivables etc of the Company. The loan is further secured by First charge ranking Pari-Passu by way of equitable mortgage by deposit of title deeds of selected immovable properties of the Company situated at Village Bambhori & Shirsoli, Dist. Jalgaon in State of Maharashtra together with all buildings, structures thereon and all plant and machinery attached to earth however excluding the assets charged exclusively as mentioned in these notes.

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

d) Dena Bank : Rupee Term Loan: C.Y. Rs. 75.00 Million (PY Rs. 105 Million)

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

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

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

5. Cincinnati Extrusion GES.MBH : ECB Loan: C.Y. Rs 11.47 Million (PY Rs. 21.45 Million)

Exclusive charge over Extrusion Line ARGOS 132-PL including other machines, accessories and equipments.

6. Yes Bank Ltd : Corporate Loan: C.Y. Nil (PY Rs. 200.00 Million)

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

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

7. Canara Bank : **Term Loan: C.Y. Rs. 3.64 Million (PY. 4.48 Million)**

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

8. Canara Bank : **Term Loan: C.Y. Rs.13.60 Million (PY. Nil)**

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

9. ECB Loan (Lehman Bros & SBI Etc) of $45.50 Million:

C.Y. Rs. 2318.23 Million [US$ 45.50 Million] (PY Rs. Rs. 1398.95 Million) (US$ 35 Million).

ECB Loan is secured by hypothecation of movable properties and assets of the Company purchased out of ECB proceeds and further secured by exclusive charge on immovable properties of the Company being Non-Agriculture Lands at Gut No. 215/1 and 220 admeasuring in aggregate 2 Hectares 73 Ares all situate at village Bambhori Tal. Dharangaon, Dist. Jalgaon,

10. ECB Loan – International Finance Corporation (IFC) of $30 Million:

C.Y. Rs. 1528.50 Million (PY US$ 15 Million equivalent to Rs. 599.55 Million)

a) ECB Loan of US$ 15 Million of IFC

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

b) ECB Loan of US$ 15 Million of IFC

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

11. IDFC Ltd: Term Loan: **C.Y. Rs. 1000.00 Million (PY Rs. 1000.00 Million)**

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

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

12. State Bank of India: Term Loan: **C.Y. Rs. 1000.00 Million (PY Nil)**

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

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

			31-March-2009 Rs.	31-March-2008 Rs.
Schedule 5 - Unsecured Loans :				
a] Zero Coupon Convertible Bonds -2011 (ZCCB) of US$ 1,000 each (Ref. Note No.3 of Sch.22: Part B.)				
13350	Balance at the beginning of the year		533,599,500	2,615,400,000
(2500)	Less: Conversion during the period		(110,900,000)	(2,069,394,000)
–	Add/(Less): On account of revalorisation of loan		130,108,000	(12,406,500)
10850		**Sub Total [a]**	**552,807,500**	**533,599,500**
b] Unsecured Loan on Amalgamation / Acquisition				
	Addition on Amalgamation / Acquisition		-	3,804,076
	Less: Balance transferred to Other Liabilities		-	(3,804,076)
		Sub Total [b]	**-**	**-**
		Total [a to b]	**552,807,500**	**533,599,500**

Schedule 6: Fixed Assets & Depreciation

a] Tangible Assets	Gross Block				Depreciation				Net Block	
	As at 01-Apr-08	Addition (1)	Adjusted/ Disposal	As at 31-Mar-09	As at 01-Apr-08	Adjusted/ Written Back	For the Year	As at 31-Mar-09	As at 31-Mar-09	As on 31-Mar-08
Free Hold Land	623,518,982	158,116,110	18,464,380	763,170,712	-	-	-	-	763,170,712	623,518,982
Lease Hold Land	2,185,951	-	23,776	2,162,175	-	-	-	-	2,162,175	2,185,951
Factory Buildings & Godowns (2)	1,607,493,646	889,284,412	-	2,496,778,058	357,445,548	-	53,652,596	411,098,144	2,085,679,914	1,250,048,098
Green/Poly/Shed Houses	59,339,074	110,770,779	-	170,109,853	38,039,846	-	8,746,271	46,786,117	123,323,736	21,299,228
Plant & Machinery and Equipments (3)	6,953,278,842	2,128,975,551	1,333,755	9,080,920,638	2,473,675,463	90,084	380,780,002	2,854,365,381	6,226,555,257	4,479,603,379
Furniture, Fixtures & Office Equipments	163,630,035	38,520,646	-	202,150,681	89,849,817	-	11,916,864	101,766,681	100,384,000	73,780,218
Vehicles (4)	162,366,900	57,331,837	4,497,484	215,201,253	58,949,531	2,406,464	16,987,587	73,530,654	141,670,599	103,417,369
Live Stock	106,270	67,765	-	174,035	-	-	-	-	174,035	106,270
TOTAL	**9,571,919,700**	**3,383,067,100**	**24,319,395**	**12,930,667,405**	**3,017,960,205**	**2,496,548**	**472,083,320**	**3,487,546,977**	**9,443,120,428**	**6,553,959,495**

b] Intangible Assets	Gross Block				Amortisation				Net Block	
	As at 01-Apr-08	Recognised/ Acquired during the year	Adjusted/ Disposal	As at 31-Mar-09	As at 01-Apr-08	Adjusted/ Written Back	For the Year	As at 31-Mar-09	As at 31-Mar-09	As on 31-Mar-08
Goodwill	3,540,000	-	-	3,540,000	3,540,000	-	-	3,540,000	-	-
Trade Mark & Development	196,338,013	-	-	196,338,013	117,351,235	-	10,916,394	128,267,629	68,070,384	78,986,778
Computer Software	18,170,000	-	-	18,170,000	18,170,000	-	-	18,170,000	-	-
TOTAL	**218,048,013**	**-**	**-**	**218,048,013**	**139,061,235**	**-**	**10,916,394**	**149,977,629**	**68,070,384**	**78,986,778**
Grand Total >>	**9,789,967,713**	**3,383,067,100**	**24,319,395**	**13,148,715,418**	**3,157,021,440**	**2,496,548**	**482,999,714**	**3,637,524,606**	**9,511,190,812**	**6,632,946,273**
Previous Year	7,991,237,254	1,826,372,044	27,641,585	9,789,967,713	2,770,185,032	11,512,332	398,348,740	3,157,021,440	6,632,946,273	

Note:

(1) Gross Block is reduced by Capital Subisidy of Rs. 10.75 Million (PY Rs. 6.57 Million) & increased by Interest of Rs. 121.01 Million (PY Rs. 75.67 Million)

(2) Building includes Tenancy Rights gross value Rs. 42.55 million (PY Rs. 42.55 million)

(3)Additions to Plant & Machinery and Equipments includes assets for research & development Rs. 25.22 Million (PY Rs. 12.09 million) for Bio-Tech laboratories.

(4)Depreciation of Rs. 10.15 Million on Heavy Vehicles being used for Site Development during the year is Capitalised.

Schedule 7 – Capital Work in Progress

Assets	As at 01-Apr-08	Addition / Adjustment	Capitalised during the year	As at 31-Mar-09
Free Hold Land & Site Development	19,859,601	62,222,081	82,081,682	-
Factory Buildings & Godowns	261,058,682	512,928,941	623,746,231	150,241,393
Plant & Machinery and Equipments	208,592,231	1,855,487,289	1,850,398,955	213,680,565
Furniture, Fixtures & Office Equipment	91,648	18,354,387	18,362,035	84,000
Vehicles	12,099,552	41,360,130	51,658,785	1,800,897
Pre-Operative Expenses	114,955,256	32,138,333	136,759,812	10,333,777
Capital Goods Advances	230,319,744	391,883,392	-	622,203,136
Total	**846,976,715**	**2,914,374,555**	**2,763,007,500**	**998,343,770**

Schedule 8 – Investments [at cost]

			31-March-2009 Rs.	31-March-2008 Rs.
I] Long Term Investments – Unquoted				
a] Government Securities (Pledged):				
		National Saving Certificates	2,944,500	2,944,000
		Indira Vikas Patra	1,000	1,000
		Sub Total [a]	**2,945,500**	**2,945,000**
b] Other than Trade Investments :				
25	25	Shares of Astitwa Co-Op. Housing Society Ltd.	250	250
5	5	Shares of Rs.100 each of Sarjan Members Association	500	500
15	15	Shares of Rs.50 each of Rajdeep Vrundavan Co-Op. Housing Society	750	750
200	200	Shares of Edlabad Sut Girni Co-Operative Society Ltd.	2,000	2,000
20	20	Shares of Rs. 250 each of Shrinathjee Co-Op. Housing Society Ltd. 5,000	5,000	5,000
1,849	1,849	Linking Shares of Rs. 25 each of Jalgaon Janta Co-Op. Bank Ltd	46,225	46,225
		Sub Total [b]	**54,725**	**54,725**
c] Investments in Wholly Owned Subsidiary Companies:				
		Investment in JISL Overseas Ltd. Mauritius.		
41,655,891	30,655,891	Ordinary / Equity Shares of US$1 each (Refer Note 1 below)	1,804,270,061	1,363,686,236
6,000,000	11,000,000	Add: Addition during the year	301,731,820	440,583,825
47,655,891	41,655,891		2,106,001,881	1,804,270,061
11,600,000	9,000,000	Non Cum. Red. Pref. Shares of US$1 each (Refer Note 2 below)	506,589,540	400,352,940
–	2,600,000	Add: Addition during the year	–	106,236,600
(4,491,313)	–	Less: Redeemed during the year	(195,967,046)	–
7,108,687	11,600,000		310,622,494	506,589,540
10,981,000	–	Non Cum. Red. Pref. Shares of US$1 each (Refer Note 3 below)	434,063,130	–
18,000,000	10,981,000	Add: Addition during the year	840,493,126	434,063,130
28,981,000	10,981,000		1,274,556,256	434,063,130
4,500,000	–	Non Cum. Red. Pref. Shares of US$1 each (Refer Note 4 below)	201,191,250	–
		Note 1: Includes 1,978,113 Shares Pledged with Financial Institution as collateral Security, however loan is since repaid.		
		Note 2: with non cumulative coupon rate of 2%, if dividend were not paid in arrears on redemption, a redemption premium of 50% payable at the end of 10 years		
		Note 3: with non cumulative coupon rate of 6% bullet redemption after 8 years		
		Note 4: with non cumulative coupon rate of 2% bullet redemption after 8 years		
Investment in Jain Irrigation Inc. USA.				
1	1	Equity Shares of US$0.001 each of	42	42
			3,892,371,923	**2,744,922,773**
d) Unsecured (Cumulative) Bonds:				
252	252	Industrial Investment Bank of India (Pledged with IIBI)	**10,200,000**	**10,200,000**
		Sub Total [a to d]	**3,905,572,148**	**2,758,122,498**
		Sub Total [I]	**3,905,572,148**	**2,758,122,498**
II] Long Term Investments - Quoted :				
Other than Trade Investment : Equity Shares of Rs.10 each of				
45	45	Reliance Industries Ltd.	1,485	1,485
45	45	Reliance Communication Ltd.	743	743
3	3	Reliance Infrastructure Ltd (formarly Reliance Energy Ltd.)	1,296	1,296
2	2	Reliance Capital Ventures Ltd.	1,351	1,351
45	45	Reliance Natural Resources Ltd.	742	742
75	75	Finolex Industries Ltd.	1,575	1,575
908	908	Union Bank of India	99,880	99,880
		Sub Total [II]	**107,072**	**107,072**
III] Short Term Investments in Units - Un-quoted :				
	32,902,313	Units of Reliance Liquidity Fund - Growth Option (NAV Rs. 12.1603)	–	400,000,000
		Total [I+II+III]	**3,905,679,220**	**3,158,229,570**

Aggregate market value of Investment	**Book Value (Rupees) As At**		**Market Value (Rupees) As At**	
	31-Mar-2009	**31-Mar-2008**	**31-Mar-2009**	**31-Mar-2008**
Quoted - Equity Shares	107,072	107,072	216,479	268,441
Unquoted	3,905,572,148	2,758,122,498	–	–
Unquoted - Units	–	400,000,000	–	400,101,997
Total	**3,905,679,220**	**3,158,229,570**	**216,479**	**400,370,438**

	Rs.	31-March-2009 Rs.	31-March-2008 Rs.
Schedule 9 – Current Assets, Loans and Advances			
a] Inventories: [As valued and certified by the Management]			
Raw Materials		2,004,958,089	2,245,098,161
Stores and Spares		329,363,836	278,571,523
Stock-in-Process		5,425,218	6,016,708
Finished Goods		2,151,457,493	2,068,676,127
Materials in Transit		703,967,186	245,475,886
Sub Total [a]		**5,195,171,822**	**4,843,838,405**
b] Sundry Debtors - Unsecured [1] & [2]			
[As Certified by the Management]			
Over Six Months			
- Good		1,068,144,484	1,941,113,418
Considered Doubtful	45,060,571		30,546,949
Less: Provision for Doubtful Debts	(45,060,571)		(30,546,949)
		–	–
Others Debtors - Considered Good		6,747,861,419	4,015,186,621
Sub Total [b]		**7,816,005,903**	**5,956,300,039**

[1] includes receivable from Second Generation Subsidiaries: Rs. in Million

	31-Mar-2009	31-Mar-2008
Over Six Month - Good	615.56	644.54
Others Debtors - Considered Good	822.96	818.49

[2] Includes Rs. 52.88 Million (PY Rs. 40.03 Million) where legal action has been initiated for recovery.

c] Cash & Bank Balances :			
Cash in Hand		9,547,522	14,404,741
Balances with Scheduled Banks			
- In Current Accounts		727,301,568	297,228,898
- In Fixed Deposit Accounts [3]		270,250	301,995,250
- In Margin Accounts		113,098,889	65,315,626
Balances with Non -Scheduled Banks [4]			
- In Current Accounts		28,926,658	53,790,950
Sub Total [c]		**879,144,887**	**732,735,465**

[4] Non -Scheduled Banks	Closing balance	
- Shri Mahavir Sahakari Bank Ltd. (Max. Balance Rs. 53.49 Million (PY Rs. 62.68 Million) [5]	28,882,891	53,752,337
- Jalgaon Peoples Co-Op. Bank Ltd.(Max. Balance Rs. 0.03 Million (PY Rs. 0.03 Million)	34,310	34,382
- Jalgaon District Central Co-Op Bank Ltd.(Max. Balance Rs. 0.31 Million (PY Rs. 0.01 Million)	9,457	4,231
	28,926,658	53,790,950

[5] One of the director is a director in the bank.

[3] Includes Rs. 0.25 Million (PY Rs. 0.25 Million) pledged with bank

d] Other Assets :			
Orchard Activities:			
Balance at the beginning of the year		173,682,223	101,034,268
Add: Addition During the year	50,816,777		76,726,897
Less: Mortality during the year	(829,453)		(1,460,291)
Less: Orchard Amortisation Expenses	(3,091,274)		(2,618,651)
		46,896,050	72,647,955
Sub Total [d]		**220,578,273**	**173,682,223**

	Rs.	31-March-2009 Rs.	31-March-2008 Rs
Schedule 9 – Current Assets, Loans and Advances (Contd...)			
e] Loans & Advances			
[Unsecured, considered good unless otherwise stated]			
Loan to Subsidiaries [6]		535,279,016	207,171,830
Advances Recoverable in Cash or Kind or for value to be received:			
a) For Purchases	480,473,975		279,407,256
b) For Others [7] & [8]	503,737,107		598,837,851
	984,211,082		878,245,107
Less:- Provision for Doubtful Advances	(10,797,737)		(10,797,737)
		973,413,345	867,447,370
Claims Receivables		244,552,981	244,201,593
Sundry Deposits		308,391,232	301,267,775
Advance Tax (Including FBT)		417,617,732	239,854,387
MAT Credit		432,614,202	226,759,088
Derivatives Assets		4,216,928	7,345,047
Balance with Collectorate of Central Excise and Customs		294,513	149,292
Incentives and Assistance receivable From Government		319,166,447	159,358,285
[7] Includes Bad & Doubtful Rs. 10.80 Million **Sub Total [e]**		**3,235,546,396**	**2,253,554,667**
[PY Rs. 10.80 Million]			
Total [a to e]		**17,346,447,281**	**13,960,110,799**
[8] Includes Inter Corporate Deposits of Rs. 39.53 Million [PY Rs. 48.49 Million])			
[6] JISL Overseas Ltd. Mauritius (Max. balance Rs. 535.28 Million [PY Rs. 769.21 Million])			
Schedule 10 – Current Liabilities and Provisions			
a] Liabilities			
Sundry Creditors			
- For Supplies [9]	4,568,930,484		4,131,743,690
- For Expenses	294,978,915		101,813,446
- Due to Micro, Small and Medium Enterprises (Ref. Note No 15 of Sch.22: Part B.)	20,284,087		5,431,233
		4,884,193,486	4,238,988,369
Advances from Customers		447,232,080	183,681,618
Unclaimed Dividend		1,410,240	808,766
Outstanding Liabilities for Expenses [10]		358,483,419	122,705,980
Provision for Excise Duty on Year End Inventory of Finished Goods		20,481,245	14,195,343
Security and Dealers Deposits		117,683,234	86,908,933
Derivative Liability		716,521,773	317,892,761
Other Liabilities		332,560,045	285,664,764
[9] Includes Rs.182.71 Million (PY Rs. 123.28 Million) due to Second Generation Subsidiaries (WOS) out of the same Rs. 69.41 Million (PY Rs. 54.45 Million) due, for which permission for set-off against export receivables is under process. **Sub Total [a]**		**6,878,565,522**	**5,250,846,534**
[10] Includes Interest accrued but not due Rs.70.69 Million (PY Rs.17.88 Million)			
b] Provisions			
Gratuity		7,686,211	4,066,075
Leave Entitlement		25,007,570	14,827,825
Income Tax - Current Tax		441,027,360	235,172,246
Wealth Tax		50,996	66,865
Fringe Benefit Tax		55,538,810	34,838,810
Proposed Preference Dividend		30,962,186	35,037,760
Dividend Tax on Proposed Preference Dividend		5,262,024	5,954,667
Proposed Equity Dividend		188,292,930	159,227,081
Dividend Tax on Proposed Equity Dividend		32,000,383	27,060,642
Sub Total [b]		**785,828,470**	**516,251,971**
		7,664,393,992	**5,767,098,505**

Schedules forming part of the Profit & Loss Account

	Rs.	2008-09 Rs.	2007-08 Rs.
Schedule 11 – Sales and Operating Income			
a] Sales			
Domestic Sales	20,210,005,335		15,095,702,609
Export Sales	4,784,989,766		4,532,585,023
		24,994,995,101	19,628,287,632
Less: Sales Return [11]		(350,724,212)	(217,012,492)
		24,644,270,889	19,411,275,140
Less: Trade, Other Discounts and Allowances [12]		(2,376,655,983)	(1,955,982,859)
		22,267,614,906	**17,455,292,281**
b] Operating Income			
Export Services	105,011,825		5,096,388
Export Incentives & Assistance	279,974,026		128,898,114
[11] Includes Export Sales Return of Rs. 0.79 Million (PY Rs. 0.69 Million)		384,985,851	133,994,502
[12] Includes Discount on Export Sales of Rs. 3.26 Million (PY Rs. 3.13 Million)		**22,652,600,757**	**17,589,286,783**
Schedule 12 – Other Income			
Dividend		4,508	31,387
Premium on Redemption of Investment [13]		25,672,177	-
Sundry Credit balances appropriated		11,536,774	12,227,416
Provisions no longer required		-	63,379,871
Difference in Foreign Exchange Rate (Net)		-	150,104,853
Profit on sale of Fixed Assets (Net)		-	4,019,023
Profit on sale of Current Investments (Net)		299,411	-
Income from Services		22,159,617	27,562,431
Miscellaneous Income		62,002,979	35,722,950
[13] Investment in Preference Shares of Wholly Owned Subsidiary		**121,675,466**	**293,047,931**
Schedule 13 – Increase/ [Decrease] in Stock			
Closing Stock			
- Finished Goods	2,151,457,493		2,068,676,127
- Stock in Process	5,425,218		6,016,708
		2,156,882,711	2,074,692,835
Less: Opening Stock			
- Finished Goods	(2,068,676,127)		(1,031,776,664)
- Stock in Process	(6,016,708)		(1,880,163)
		(2,074,692,835)	(1,033,656,827)
Add: Increase /(Decrease) in Excise Duty Finished Goods		(64,635,511)	(12,891,967)
		17,554,365	**1,028,144,041**
Schedule 14 - Cost of Materials Consumed, Purchases, etc. :			
Raw Materials			
Opening Stock		2,245,098,161	1,260,891,858
Add: Purchases		12,657,796,421	11,792,584,146
Less- Closing Stock		(2,004,958,089)	(2,245,098,161)
		12,897,936,493	**10,808,377,843**
Schedule 15 - Manufacturing Expenses :			
Stores and Spares Parts Consumed		244,218,795	238,680,897
Repairs & Maintenance			
- Plant & Machinery [14]	20,265,823		18,731,385
- Buildings	92,619,553		35,729,997
- Others	61,665,065		77,871,993
		174,550,441	132,333,375
Power & Fuel	678,273,634		664,105,274
Lease Rent (Operating)	5,250,000		7,250,000
Other Manufacturing Expenses	434,639,816		352,768,995
		1,118,163,450	1,024,124,269
[14] excluding stores consumed for Repairs and Maintenance.		**1,536,932,686**	**1,395,138,541**

	Rs.	2008-09 Rs.	2007-08 Rs.
Schedule 16 - Payments to and provisions for employees :			
Salaries, Wages, Bonus, Gratuity etc. (including contractual employment)		645,499,474	493,688,589
Commission /Performance Bonus to Directors (Ref. Note No 6 of Sch.22: Part B.)		50,893,667	67,900,734
Contribution to Provident and Other Funds		59,604,511	40,625,298
Welfare Expenses		53,593,088	38,964,969
Employee Compensation Expenses (ESOP Cost)		-	16,809,534
		809,590,740	**657,989,124**
Schedule 17 - Selling & Distribution Expenses :			
Commission & Brokerage		162,137,130	97,773,289
Goods Outward Expenses		437,655,348	328,334,359
Export Selling Expenses		446,890,081	538,003,664
Cash Discount		73,936,384	45,014,748
Sales Tax Expenses		8,168,527	2,189,493
Excise Duty on Finished Goods Inventory		6,285,902	14,195,343
Other Selling and Distribution Expenses		311,502,962	159,043,761
		1,446,576,334	**1,184,554,657**
Schedule 18 - Administrative & Other Expenses :			
Postage, Telephone & Telex		30,428,035	25,827,898
Travelling & Conveyance Expenses		169,036,450	131,074,349
Vehicle Expenses		35,157,382	34,270,367
Legal Charges and Professional Fees		60,617,659	44,536,199
Auditors' Remuneration [15]		5,222,846	2,865,750
Rent		34,431,658	29,548,961
Rates & Taxes		4,768,847	2,432,766
Insurance Expenses		36,363,029	27,482,777
Directors' Sitting Fees		550,000	730,000
Difference in Foreign Exchange Rate (Net)		777,230,245	-
Loss on sale of Fixed Assets (Net)		12,871,110	-
Amalgamation Expenses		-	1,050,000
Other Administrative Expenses		147,732,499	90,896,066
[includes Rs. 0.02 Million [PY Rs.0.03 Million] on amortisation of leasehold land & Rs. 0.51 Million Donation given to Bhartiya Janata Party]		**1,314,409,760**	**390,715,133**

[15] Auditors' Remuneration	2008-09	2007-08
Audit Fee	4,000,000	2,100,000
Tax Audit Fee	300,000	300,000
Certification & other matters	823,020	441,264
Out of Pocket Expenses	99,826	24,486
	5,222,846	2,865,750
Management Services	1,100,000	850,000
	6,322,846	3,715,750

Schedule 19 - Interest and Finance Charges :			
Interest on Term Loans	333,505,188		124,620,234
Interest on Working Capital Loans	896,164,302		692,353,721
Interest on Others	56,074,473		51,269,282
		1,285,743,963	868,243,237
Less: Interest Recovered [Includes TDS Rs.0.56 Million (PY Rs. 0.54 Million)]		(47,994,949)	(30,494,868)
		1,237,749,014	837,748,369
Discounting Charges	197,126,828		202,501,733
Bank Commission and Charges	127,766,079		93,800,380
		324,892,907	296,302,113
		1,562,641,921	**1,134,050,482**
Schedule 20 - Amounts Written off and Provisions :			
Amounts Written off and Provisions:			
Irrecoverable Claims		28,003,794	2,780,967
Bad Debts & Bad Advances		309,987	1,648,588
Orchard Amortisation Expenses		3,091,274	2,618,651
Provisions for Bad & Doubtful Debts		14,513,622	-
		45,918,677	**7,048,206**
Schedule 21 - Prior Period Expenses :			
Professional & Consultancy Fees		2,770,790	-
Rent Expenses		1,097,452	-
Service Tax Set-off Disallowed		297,621	-
		4,165,863	**-**

SCHEDULE 22 - NOTES FORMING PART OF THE ACCOUNTS

PART [A]: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1) **Basis of preparation of financial statements:**
   a) The Financial Statement have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and the provisions of Companies Act, 1956, as adopted and consistently followed by the Company.
   b) The Company follows the mercantile systems of accounting and recognizes income and expenditure on an accrual basis except stated otherwise.
2) **Revenue Recognition:**
   a) Export sales are accounted based on the dates of Bill of Lading**.**
   b) Export incentives and assistance is recognised in the year of exports.
3) **Use of Estimates:** In preparation of financial statements requires estimates and assumptions to be made which affect the reported amounts of assets / liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. The differences between estimates and actual are recognized in the period in which results are crystallized
4) **Fixed Assets and Depreciation / Amortization:**
   a) Fixed assets are carried at cost of acquisition / construction, except Leasehold Land which is carried at book value.
   b) Leasehold Land is amortised over the period of lease.
   c) Depreciation:
      i) Depreciation on all the assets has been provided at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 on Straight Line Method except Green Houses, Shade and Poly-houses depreciated at 10%.
      ii) Depreciation on additions to assets or on sale / disposal of assets is calculated from the beginning of the month of such addition or up to the month of such sale / scrapped, as the case may be.
      iii) Trade Mark and Development costs are amortised over a period of 18 years beginning from the date of commercial use.
      iv) Computer Software are amortised over a period of 5 years from the date of acquisition.
5) **Capital Work in Progress:** Expenditure during construction period including development cost incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets, and are included under "Capital Work in Progress". These expenses are apportioned to fixed assets on commencement of commercial production. Capital Work in Progress is stated at the amount expended up to the date of balance sheet.
6) **Borrowing Cost:** Borrowing cost attributable to acquisitions and construction of assets are capitalized as a part of cost of such assets up to the date when such assets are ready for its intended use and other borrowing cost are charged to Profit & Loss Account.
7) **Investments:** Long-term investments are carried at 'cost' less provision for permanent diminution in the value of such investment. Current investments are carried at lower of cost and fair value.
8) **Inventory Valuation:**
   a) Raw Materials and Components, Stock in Process, Finished goods are valued at cost or net realisable value whichever is lower. Finished goods at factory premises & depots are valued at inclusive of excise duty.
   b) Stores, Spares and Consumables are valued at cost except certain spares are valued at cost or its fair value which ever is lower.
   c) Goods / Materials in Transit are valued at cost to date.
   d) Cost comprises cost of purchase, cost of conversion and other cost incurred in bringing the inventory to present location and condition. Cost is arrived at on weighted average basis.
   e) Stock for Demonstration lying with third parties at sites are valued at the estimated value of its useful life in relation to its original cost at the time of transfer to the third party.
9) **Foreign Currency Transactions:** All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

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

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

In absence of any specific accounting treatment prescribed in the applicable accounting standards to such derivative contracts, other than forward contracts, the Company is applying the principles as set out in Accounting Standard 30 – Financial Instruments - Recognition and Measurement issued by The Institute of Chartered Accountants of India for such instruments, to the extent they do not conflict with existing accounting standards and other authoritative pronouncements of Company Law and other regulatory requirements.
Accordingly, the Company records the gain or loss on effective hedges in the Hedging Reserve until the transactions are complete. On completion, the gain or loss is transferred to the profit and loss account of that period. To designate a contract as an effective hedge, management objectively evaluates at the inception of each contract whether the contract is effective in achieving off setting cash flows attributable to the hedged risk. In the absence of a designation as effective hedge, the gain or loss is immediately recognized in the profit and loss account.

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

12) **Employee Benefits:**

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

Post employment benefits:

i) Defined contribution plans: Company's contribution to the provident fund scheme, Superannuation, etc are recognised during the year in which the related service is rendered.

ii) Defined benefit plans: The present value of the obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses on such valuation are recognised immediately in the Profit and Loss Account. The fair value of the plan assets of the trust administered by the Company, is reduced from the gross obligation under the defined benefit plan, to recognise the obligation on a net basis.

Long Term compensated absences are provided on the basis of an actuarial valuation.

Termination Benefits are charged to Profit and Loss Account in the year in which they are incurred.

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

14) **Tax Provision:** Income-tax expense comprises Current Tax, Fringe Benefit tax (FBT) and Deferred tax charge or credit. Provision for current tax is made on the assessable Income at the tax rate applicable to the relevant assessment year. Provision for FBT is made on the basis of the fringe benefits provided/deemed to have been provided during the year at the rates and values applicable to the relevant assessment year.
Minimum Alternate Tax (MAT) paid in accordance with the Tax Laws, which gives rise to future economic benefits in the form of adjustment of future Income tax liabilities, is considered as an assets, when there is convincing evidence that the company will pay normal income tax.
The deferred tax asset and/or deferred tax liability; is calculated by applying the applicable tax rate as at Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation is recognised in view of the managements' assessment of virtual certainty of its realisation, deferred tax adjustment on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. At each balance sheet date, carrying amount of deferred asset/liability is reviewed and the necessary adjustment to asset or liability is made.

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

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

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

PART [B]: OTHER NOTES TO ACCOUNTS

1) A) Contingent Liabilities not provided for in respect of: [Rs. in Million]

	Particulars	31-March-2009	31-March-2008
i)	Claims not acknowledged as Debts in respect of:		
	- Customs and Excise Duty	68.49	71.74
	- Power Charges	-	126.52
	- Others (Legal)	25.61	27.94
ii)	Guarantees given by the Company's Bankers in the normal course of business	861.27	428.28
iii)	Bills Discounted with the banks.	614.49	389.17
iv)	Export obligation towards duty saved amount under EPCG Scheme	3,381.48	1,703.97
v)	Corporate Guarantees given for repayment of indebtedness of Overseas Subsidiaries	1,781.58	919.31
	B) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advances)	**65.02**	**216.25**

2) Pursuant to the approval of Shareholders dated 31-January-2006, the Board of the Directors have been empowered to contribute towards rural development in general and in particularly to improve the knowledge, skill, efficiency and self-dependence of community. The amount of such contribution shall not exceed in aggregate 5.00% (till PY 3.00%) of the annual net profits of the Company as reflected in the respective profit & loss account adopted by shareholders. Accordingly, an aggregate sum of Rs. 153.63 Million (till PY Rs. 93.54 Million) has been accumulated for this purpose and the same will be accounted as expenses in the year of actual contribution.

3) On 29-March -2006, Company had issued 60,000 Zero Coupon Currency Convertible Bonds (ZCCBs) (due on 30-March-2011) at face value of US$ 1,000.00 each aggregating to US$ 60.00 Million at a redemption price of 139.37%. The bondholder has the option to convert the bonds into fully paid Equity Shares of Rs. 10/- each (at a premium of Rs. 335.59 per share) in the ratio of 1:1.283602 on or before 28 February-2011 (with fixed rate of exchange on conversion at Rs. 44.36 to US$=1). These bonds may be redeemed, in whole but not in part at the option of the Company on or at any time after 29-March-2009 subject to satisfaction of certain conditions. Upon conversion of all ZCCB's into Equity, this will result in increase of Equity Shares capital by 7,701,606 shares and increase in net worth of the Company by Rs. 2661.60 Million. As of the Balance Sheet date, bondholders representing 49,150 (81.92%) bonds have opted for conversion into Equity Shares and 6,308,895 Equity Shares of face value of Rs. 10/- have been allotted (with a premium of Rs. 335.59 per share).

4) Employees Stock Options and Shares Plan 2005 (ESOP) – Out of 30,71,200 Stock Options, Compensation Committee of the Company has approved/allotted following stock options to the eligible Indian & Foreign employees including working & non executive Directors.

Particulars	Lot No. 1	Lot No. 2	Lot No. 3	Lot No. 4
Number of ESOP's Allotted	5,00,000	5,00,000	5,00,000	5,00,000
Date of Issue	27-Jan-2007	4-Jun-2007	14-Feb-2008	27-Jun-2008
Market Price per share (NSE, Mumbai)	410.35	459.40	630.15	476.20
Discount Offered as per Terms	25%	10%	10%	10%
Vesting Period	1 Year	3 Years	3 Years	3 Years
Options Exercised	Nil	Nil	Nil	Nil
Options Lapsed	Nil	Nil	Nil	Nil

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

5) Disclosures in terms of Accounting Standard 15 "Employees Benefits"

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

Actuarial Assumptions	**2008-09**	**2007-08**
Rate of Interest ……(P. A.)	8%	8%
Salary Growth……(P. A.)	4%	4%
Withdrawal Rate ……(P.A.)	1%	1%
Mortality rate Table ……	LIC (1994-96)	Utility rates
A] Change in present value of the defined benefit obligation		Rs. in Million
Opening Balance	38.63	33.25
Current service cost	6.17	4.49
Interest cost	2.99	2.66
Actuarial loss / (gain) on obligation	8.18	(1.03)
Benefits paid	(2.00)	(0.74)
Closing balance	**53.97**	**38.63**

	2008-09	2007-08
B] Change in fair value of plan assets		
Opening fair value of plan assets	34.57	10.42
Expected return on plan assets	2.75	1.63
Actuarial gain / (loss) on plan assets	(1.54)	1.18
Contributions	12.50	22.08
Benefits paid	(2.00)	(0.74)
Closing fair value of plan assets #	**46.28**	**34.57**
# Planed Assets are with ICICI Prudential Group Gratuity Plan in Balanced Fund which allocates the assets in ratio of 80% Debt & 20% Equity.		
C] Movement in the net liability recognised in the Balance Sheet		
Opening net liability	4.07	22.83
Expenses as above	16.12	3.32
Contributions paid	(12.50)	(22.08)
Closing net liability	**7.69**	**4.07**
D] Expenses recognised in Profit and Loss statement		
Current service cost	6.17	4.49
Interest cost	2.99	2.66
Expected return on plan assets	(2.76)	(1.63)
Net actuarial (gain) loss recognised in year	9.72	(2.20)
Expenses recognised in profit and loss statement	**16.12**	**3.32**

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

a) Employers Contribution to Provident Fund Rs. 15.43 Million (PY Rs. 10.36 Million) deposited with concern authority.
b) Employers Contribution to Pension Scheme Rs. 19.61 Million (PY Rs. 14.80 Million) deposited with concern authority.
c) Employers Contribution to Superannuation Fund Rs. 10.94 Million (PY Rs. 5.57 Million) managed by a Trust.

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

6) Managerial Remuneration:

a) The details of managerial remuneration paid during the year: [Rs.in Million]

	Managing Director		Jt. Managing Director		Whole time Directors		Total	
	CY	PY	CY	PY	CY	PY	CY	PY
Salary	11.20	8.22	8.47	6.37	11.46	11.97	31.13	26.56
Gratuity	0.54	0.39	0.41	0.30	0.55	0.58	1.50	1.27
Provident Fund	1.34	0.99	1.02	0.76	1.37	1.44	3.73	3.19
Perquisites	2.58	1.71	2.01	1.51	2.96	3.14	7.55	6.36
Commission	13.77	16.10	13.77	16.10	18.36	32.20	45.89	64.40
Total	29.43	27.41	25.68	25.04	34.70	49.33	89.80	101.78

CY: Current Year *PY: Previous Year*

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

		Rs. in Million
Profit for the year as per Profit & Loss Account	1,201.78	
Add / (Less): Permissible adjustments U/s 349	640.87	
Profit as per Section 349		1,842.66
Add: Directors Remuneration		
1) Remuneration	31.13	
2) Commission	45.89	
3) Sitting Fees	0.55	
		77.57
Profit Under Section 198		**1,765.09**

Rs. in Million

Actual Payments made during the year 2008-09	Remuneration		Commission		Total	
	CY	PY	CY	PY	CY	PY
Managing Director	15.66	11.31	13.77	16.10	29.43	27.41
Joint Managing Director	11.91	8.94	13.77	16.10	25.68	25.04
Whole Time Director	16.34	17.13	18.36	32.20	34.70	49.33
Total	43.91	37.38	45.89	64.40	89.80	101.78
Remuneration and commission as Percentage of Net profits U/s Section 198					5.09%	4.95%

c) During the year Company has given commission to Non Executive Directors of Rs. 5.00 million (PY Rs. 3.50 Million), which is around 0.28% (PY 0.17%) of profit U/s 198.

7) Research and Development expenditure:

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

Rs. in Million

Particulars	2008-09	2007-08
a. Revenue Expenditure (charged out through the natural heads of account):		
Bio-technology Activities	25.31	8.30
Others R&D Activities	9.68	10.59
Sub total	**34.99**	**18.88**
b. Capital Expenditure:		
Bio-technology Activities	25.22	12.09
Others R&D Activities	44.49	1.26
Sub total	**69.71**	**13.35**
Total (a+b)	**104.70**	**32.24**

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

A] Related parties and their relation:

1) Wholly Owned Subsidiary Companies:

JISL Overseas Ltd., Mauritius.

2) Fellow Subsidiary Companies:

Jain (Europe) Ltd. UK
Jain Overseas BV. Netherland
Nucedar Mills Inc. USA,
Jain Irrigation Holding Corporation Inc. USA
JISL Global SA, Switzerland
Thomas Machines S.A.,
Naandan Jain Irrigations CS Ltd. Israël
Naan Dan Agro-Pro (Israel Company for Agricultural Applications) Ltd, Israel
NaanDan Jain France Sarl, France
NaanDan Jain Australia Pty Ltd, Australia
NaanDan Do Brasil Participacoes Ltda., Brazil
NaanDan Jain Industria E Comercio de Equipmentos Ltd., Brasil
Dansystems S.A., Chile
Point Source Irrigation, Inc.(US), USA

Jain (Americas) Inc. USA,
Chapin Watermatics Inc. USA
Cascade Specialties Inc. USA
Jain Irrigation Inc (Earstwhile Aquarius Brands Inc.) USA
JISL Systems SA. Switzerland
Jain (Israel) BV. Netherland
Jain Sulama Sistemleri Sanayi Ve Ticaret Anonim Sirkti.
NaanDanJain Mexico, S.A. De C.V. Mexico
NaanDan Jain S.R.L. (Italy), Italy
NaanDan Jain Iberica S.C., Spain
NaanDan Jain Peru S.A.C, Peru
Dansystems S.A , Chile

3) Companies / Firms in which Director, Director's Relatives are Directors/Partners:

Jain Extrusion & Molding Pvt. Ltd.,
Jain Vanguard Polybutelyne Ltd.,
Atlaz Technology Pvt. Ltd,
JAF Products Pvt. Ltd,
Jalgaon Investment Pvt. Ltd
Jain Rotfil Heaters Pvt. Ltd.,
Timbron India Pvt. Ltd.
Jain Investments & Finance BV. Netherland
Jain Sons Investments Corporation,
PVC Trading House,
Jain Computer & Allied Services,
Jalgaon Metal & Bricks Manufacturing Co.,
Bhavarlal & Kantabai Jain Multipurpose Foundation,
Bahinabai Chaudhari Memorial Trust.

Pixel Point Pvt. Ltd.,
Labh Subh Securities International Ltd.,
Jain Brothers Industries Pvt. Ltd.,
Cosmos Investment & Trading Pvt. Ltd.,
Stock & Securities (India) Pvt. Ltd.,
Gandhi Research Foundation,
Jain e-agro.com India Pvt. Ltd.
Jain Overseas Investments Ltd. Mauritius
Drip & Pipe Suppliers,
Plastic Enterprises,
Jalgaon Udyog,
Anubhuti Scholarship Foundation,
Jain Charities, Jalgaon.

4) Key Management Personnel & Designation:

Bhavarlal H. Jain (Chairman), Ashok B. Jain (Vice Chairman),
Anil B. Jain (Managing Director), Ajit B. Jain (Joint Managing Director),
Atul B. Jain (Whole Time Director),(Resigned from 28-07-2008)
R. B. Jain (Whole Time Director), (Resigned from 28-07-2008)
R. Swaminathan (Whole Time Director), A. R. Barwe (Director)
Ramesh C A Jain (Director) V. V. Warty (Director – SBI Nominee)
Radhika C Pereira (Director) D. R. Mehta (Director)

5) Relatives of Key Management Personnel & Designation:

Atul B. Jain (Chief Marketing Officer)

B] Transactions with related parties:(2008-09) [Rs in Million]

Nature of Transactions	[1]*	[2]*	[3]*	[4]*	[5]*	Total
Purchase of Goods	-	389.92	-	-	0.05	389.96
Purchase of Capital Goods	-	316.78	-	-	-	316.78
Sale of Goods	-	2,386.94	-	-	-	2,386.94
Payment for Rent, Lease Rent	-	-	0.44	5.86	-	6.30
Discount & Sales Promotion Expenses	-	9.45	-	-	-	9.45
Payment towards Remuneration / Salary, Sitting Fees	-	-	-	31.66	4.57	36.23
Performance Bonus / Commission	-	-	-	50.89	6.91	57.80
Investment during the year	1,343.42	-	-	-	-	1,343.42
Redemption of Investment in Subsidiary	195.97	-	-	-	-	195.97
Premium on Redemption of Investment	25.67	-	-	-	-	25.67
Loans & Other Advances Given	-	-	-	8.40	2.58	10.98
Interest & Forex Loss on Loans Given	72.48	-	-	-	-	72.48
Corporate Guarantees to subsidiary	-	332.57	-	-	-	332.57
Balances carried to Balance Sheet as at 31.03.2009						
Receivable	4,427.65	2,402.39	8.00	76.68	-	6,914.73
Payable	-	(191.17)	-	(52.27)	(6.91)	(250.35)

Note: Personal Guarantees of Promoters given to Consortium Bank and FI's for various credit facilities provided to the Company and counter guaranteed by the Company is amounting to Rs.15,422.70 Million.

Transactions with related parties: (2007-08) [Rs in Million]

Nature of Transactions	[1] *	[2] *	[3] *	[4] *	Total
Purchase of Goods.	-	538.69	-	-	538.69
Sale of Goods.	-	1,936.19	0.82	0.00	1,937.02
Payment for Rent, Lease Rent	-	-	0.47	5.03	5.49
Discount & Sales Promotion Expenses	-	0.66	-	-	0.66
Payment towards Sitting Fees and Travelling.	-	-	-	1.31	1.31
Performance Bonus / Commission	-	-	-	64.40	64.40
Investment during the year	980.88	-	-	-	980.88
Deposit Given	-	-	-	28.50	28.50
Loans & Advances Given	159.84	-	5.57	10.80	176.21
Interest & Expenses charged on Loan Given	47.33	-	-	-	47.33
Subscription to Equity Share Warrants	-	-	1,782.32	-	1,782.32
Balances carried to Balance Sheet as at 31.03.2008					
Receivable/Payable(net)	2,952.09	1,365.34	13.63	18.02	4,349.09

Note: Personal Guarantees of Promoters given to Consortium Bank and FI's for various credit facilities provided to the Company and counter guaranteed by the Company is amounting to Rs.11,535.47 Million.

[1] * Wholly Owned Subsidiary Companies;
[2] * Fellow Subsidiary Companies
[3] * Companies / Firms in which Director, Directors Relatives are Directors / Partners;
[4] * Key Management Personnel
[5] * Relatives of Key Management Personnel & Designation

9) Leases:

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

a) No transfer of ownership on termination of lease,
b) No compensation for transfer on termination of lease.
c) No renewal of lease on expiry of the lease period.

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

Particulars	2008-09	2007-08
Not later than one year	19.11	15.74
Later than one year and not later than five years	19.03	17.33
Later than five years	4.88	4.48

Aggregate amount of operating lease rent debited to Profit and Loss account during the year is Rs. 38.41 (PY Rs 33.63)

10) Earnings per Share (EPS): [Rs. in Million]

	Particulars	2008-09	2007-08
i)	Profit for the year	1,201.78	1,455.41
	Less: Proposed dividend on preference capital (Including Dividend Tax)	36.22	40.99
	Amount Available for Equity Share Holders	1,165.56	1,414.41
ii)	Weighted average Number of Equity Shares for Basic EPS [Nos.]	72,311,062	65,839,303
	Add: Number of Potential Equity Shares under ESOP	263,082	172,678
	Add: Number of Shares against Deposit of Equity Share Warrants	124,682	51,440
iii)	Weighted average Number of Equity Shares including potential Equity	72,698,826	66,063,421
	Basic EPS [Rs.]	16.12	21.48
	Diluted EPS [Rs.]	16.03	21.41

11) a) Primary Segment Accounting:

Reporting of Segment wise Revenue, Result and Capital Employed: [Rs. in Million]

	Particulars	Year Ended 31-Mar-2009	Year Ended 31-Mar-2008
1)	Segment Revenue		
	a] Hi-tech Agri Input Products	13,248.70	8,706.90
	b] Industrial Products	8,540.75	8,003.65
	Net Sales Income From Operations	**21,789.45**	**16,710.55**
2)	Segment Results: Profit before Tax.		
	a] Hi-tech Agri Input Products	3,449.21	2,340.48
	b] Industrial Products	1,784.36	1,252.50
	Sub Total	**5,233.56**	**3,592.98**
	Un-allocable expenditure (Net):		
	Less: I) Interest (Net)	1,562.60	1,134.05
	Exceptional Items	–	13.90
	Others (Net off Income)	1,829.14	403.41
	Total Profit / (Loss) Before Tax	**1,841.82**	**2,041.62**

3) Other Information (Capital Employed): 2008-09	Hi-tech Agri Input Products	Industrial Products	Others Un-allocable	Total
Capital Assets (Net) Including CWIP & Investments	4,255.86	4,599.37	4,937.78	13,793.01
Current Assets (Net)	7,424.11	6,215.56	2,769.22	16,408.89
Current Liabilities (Net)	(1,995.56)	(2,442.86)	(1,666.22)	(6,104.64)
	9,684.41	**8,372.08**	**6,040.78**	**24,097.27**

3) Other Information (Capital Employed): 2008-09	Hi-tech Agri Input Products	Industrial Products	Others Un-allocable	Total
Other Information (Capital Employed): 2007-08				
Capital Assets (Net) Including CWIP & Investments	2,847.89	3,458.70	4,101.25	10,407.84
Current Assets (Net)	7,581.98	4,060.10	1,820.37	13,462.45
Current Liabilities (Net)	2,392.38	1,655.72	991.03	5,039.13
	8,037.49	**5,863.08**	**4,930.59**	**18,831.16**
Depreciation/ Amortization	250.40	222.44	-	472.85
Capital Expenditure	1,677.45	1,363.12	836.53	3,877.10
Non Cash items	3.09	-	14.51	17.60

b) Secondary Segment Accounting (Geographical) :

Segment Revenue	India	Europe	USA	Rest of the World	Total
a] Hi-tech Agri Input Products	12,881.00	119.00	153.00	95.70	13,248.70
b] Industrial Products	4,603.00	2,263.00	797.00	877.79	8,540.79
	17,484.00	**2,382.00**	**950.00**	**973.49**	**21,789.49**

Notes:

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

12) Deferred Tax: [Rs. in Million]

Particulars	As at 31.03.2008	For the Year 2008-09	As at 31.03.2009
Depreciation	(710.52)	(119.89)	(830.41)
Carried Forward Operating Losses	535.11	(485.27)	49.84
Carried Forward Capital Losses	50.41	(4.11)	46.30
Disallowance Under Section 43B of the IT Act, 1961	1.20	21.37	22.57
Other Current Assets/ Liabilities (Net)	14.22	(9.81)	4.41
Net Deferred Tax Assets / (Liability) $	**(109.59)**	**(597.72)**	**(707.30)**

Negative figures represents deferred tax liability as at year end & deferred tax expenses for the year.
$ Deferred tax charge for the year is excluding tax on expenses adjusted with Securities Premium A/c for Rs.17.40 Million (PY Rs 17.40 Million).

13) Remittance in foreign currency for dividend:

The Company has remitted Rs. 81.38 Million (PY Rs. 73.16 Million) on account of dividend payable pertaining to year 2007-08 to the non-resident shareholders on 36992200 (PY 36,579,289) number of ordinary shares held by them.

14) Disclosure of Derivatives:

a) Total Foreign Currency (FC) Exposure (net of forward cover) [FC in Million]

Particulars	USD		Euro		GBP		Others	
	CY	PY	CY	PY	CY	PY	CY	PY
Liabilities								
1. Loans and ZCCB taken	118.87	133.36	3.49	4.26	1.31	1.21	1.64	-
2. Import Liabilities and LC Commitments	6.14	9.94	1.94	2.31	-	0.04	2.76	(0.10)
3.Contingent Liability- Corporate Guarantee	47.00	23.00	2.50	-	-	-	-	-
Sub Total	172.01	166.30	7.93	6.57	1.31	1.25	4.40	(0.10)
Assets								
1. Export Receivables	24.41	30.88	9.25	9.51	4.32	5.04	-	-
2. Balances with Banks	0.01	7.56	0.01	-	-	-	-	-
3. Loans & Advances	5.58	-	0.02	-	-	-	0.12	-
4. Investment	93.25	-	-	-	-	-	-	-
Sub Total	123.25	38.44	9.28	9.51	4.32	5.04	0.12	-
Net Liability/(Asset)	48.76	127.86	(1.35)	(2.94)	(3.01)	(3.79)	4.28	(0.10)
Rupee Conversion Rate	50.95	39.97	67.48	63.09	72.86	79.53		

Note: *Other FC amount shown in US$ denomination, converted as of 31-March-2009 & 31-March-2008.*

Derivative instruments outstanding:

Option (USD / INR) – Long Term	USD 43.77 Million (PY Rs. 65.35 Million)
Loan Interest Rate Swap (USD / INR) – Long Term	USD 30.00 Million (PY Rs. Nil)

b) The net un-realised loss aggregating Rs.712.30 Million (PY Rs. 310.55 Million) in respect of derivative instruments which qualify for hedge accounting have been accounted for as a Hedging Reserve to be ultimately recognized in the profit and loss account when the underlying transactions will be matured.

15) Sundry Creditors : Sundry Creditors in Schedule 10 (a) include;

a) i) Rs. 20.28 Million (PY 5.43 Million) Balance to Micro, Small and Medium Enterprises.

ii) Rs. 4,548.65 Million (PY 4233.56 Million) balance to others.

The disclosure in (i) above is based on the information available with the Company regarding the status of supplier under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME).

b) Enterprises to whom the Company owes a sum, which is outstanding for more than 30 days is Rs. Nil (PY Rs. Nil) and the interest on the same is Rs. Nil (PY Rs. Nil).

16) The Company has decided not to exercise the option provided under the notification No. GSR 225E dated 31st March, 2009, issued by the Ministry of Corporate Affairs, relating to Accounting Standard 11-(AS-11)- "The effect of changes in Foreign Exchange rates".

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

18) The previous year's (PY) figures are not comparable, due to the merger impact of the "Orient Vegetexpo Limited".

19) Additional information pursuant to the provision of paragraph in 3 and 4 of Part-II of "Schedule VI" to the Companies Act, 1956, is given in the Annexure "A" to "E"

20) The previous financial year's figures have been reworked, regrouped and reclassified to the extent possible, wherever necessary. CY : Current Year & PY : Previous Year

Additional Information Pursuant to the part II of schedule VI of the Companies Act, 1956 (As per Note No. 19 of Sch. No. 22, Part B.)

Annexure- A

A) Details of Licensed and Installed capacity and Production

Sr.	Products		Installed Capacity [1]		Production	
		Unit	31-Mar-09	31-Mar-08	2008-09	2007-08
A]	**Micro Irrigation Systems [2&3]**	MT	121,160	73,430	57,887	44,915
B]	**Plastic Piping Systems [2&3]**	MT	205,420	149,020	97,459	83,439
C]	**Plastic Sheets [4]**	MT	36,300	36,300	14,181	17,480
D]	**Agro Processing**					
	Dehydrated Onions & Vegetables	MT	18,214	14,860	12,346	10,280
	Fruit Puree & Concentrate	MT	109,575	84,600	38,142	41,059
E]	**Solar Systems**					
	Solar Water Heating Systems	LTR	1,200,000	1,200,000	755,735	680,425
	Solar Photo voltaic Systems	Watts	500,000	500,000	411,832	207,965
F]	**Tissue Culture Plants**	No's	20,000,000	12,000,000	14,101,527	10,467,185
G]	**Slabs / Tiles**	Sq Mtr	45,000	45,000	5645	-
H]	**Monuments**	C.Ft	15,000	15,000	755	-

Note: [1] As certified by Management and accepted by the auditors.
[2] Capacity in MTs has been regrouped in Plastic Products.
[3] Optimum capacity utilization is only 70% to 80% of installed capacity due to seasonality factor.
[4] Production of 2993MT (Previous Year 3003MT) is on leased assets.

Additional Information Pursuant to the part II of schedule VI of the companies Act, 1956 (As per Note No. 19 of Sch. No. 22, Part B.)

Annexure-B

Stocks and Turnover :

Class of Goods	Unit	Opening Stock				Closing Stock				Turnover			
		1-Apr-08		1-Apr-07		31-Mar-09		31-Mar-08		2008-09		2007-08	
		Quantity	Value in Rs.	Quantity	Value in Rs.	Quantity	Value in Rs.	Quantity	Value in Rs.	Quantity	Value in Rs.	Quantity	Value in Rs.
Goods Manufactured :													
Micro Irrigation Systems [1,3&4]	MT	6,794	1,179,728,173	3,458	578,641,836	3,720	974,679,739	6,794	1,179,728,173	61,912	10,533,797,119	42,678	6,848,782,799
Plastic Piping Systems [4]	MT	3,626	230,250,358	2,960	194,467,972	4,723	324,368,764	3,626	230,250,358	96,744	8,995,764,216	83,073	8,062,934,981
Plastic Sheet Products	MT	59	4,895,269	16	2,119,455	2	186,517	59	4,895,269	14,238	1,740,172,435	17,437	1,897,348,211
Dehydrated Onions & Vegetables	MT	2,311	184,732,853	834	75,580,746	3,143	265,634,389	2,311	184,732,853	11,514	1,204,002,881	8,803	811,708,943
Fruit Puree & Concentrate	MT	5,665	432,804,802	3,628	152,681,302	8,135	536,196,157	5,665	432,804,802	35,672	2,017,310,479	39,021	1,607,522,691
Tissue Culture Plants	Nos.	3,862,236	35,165,071	2,800,404	17,430,381	5,780,053	39,235,604	3,862,236	35,165,071	12,183,710	153,935,237	9,405,353	122,148,650
Solar Water Heating Systems [2&4]	LTR	37,775	4,464,639	46,100	5,372,836	105,030	14,316,308	37,775	4,464,639	722,680	274,802,986	690,680	120,772,879
Solar Photo voltaic Systems	Watts									411,832	13,454,571	207,965	84,236,777
Others [5]			2,651,670		7,362,299		2,265,232		2,651,670		61,755,177		72,831,701
Total			**2,074,692,835**		**1,033,656,827**		**2,156,882,711**		**2,074,692,835**		**24,994,995,101**		**19,628,287,632**

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

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

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

[3] The stocks of MIS Components is including Stock of Material in Process Rs. 54,69,240 [39.03MT] [Previous Year Rs.59,87,745 [46.32MT]

[4] Turnover is gross and excludes sales return quantity for Micro Irrigation Systems 951 MT,Pipes Plastic Pipes 380 MT & Solar 34200 liter(Previous year Micro Irrigation Systems 1071Plastic Pipes 343 MT & Solar 1930 liter)

[5] Slabs/ Tiles of 5645 sq. mtr. & monuments of 755 C.ft. are consume inhouse building construction.

Additional Information pursuent to the Part II of Schedule VI of the Companies Act, 1956 (As per Note No. 19 of Sch. No. 22, Part B.)

Annexure-C

Cost of Materials Consumed, Purchases etc.

Major materials	Unit	2008-09		2007-08	
		Quantity	Value in Rs.	Quantity	Value in Rs.
Raw Materials [including Components] Consumed					
- Resins	MT	146,882	8,874,028,446	133,916	7,699,088,619
Chemicals and additives	MT	17,714	1,140,050,115	14,663	980,561,714
Vegetables	MT	99,043	505,236,606	71,651	347,474,641
Fruits	MT	98,989	1,026,182,721	95,256	905,751,529
Packing Material & Others		-	1,352,438,605	-	875,501,340
Total			**12,897,936,493**		**10,808,377,843**

Additional Information pursuent to the Part II of Schedule VI of the Companies Act, 1956 (As per Note No. 19 of Sch. No. 22, Part B.)

Annexure-D

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

	Product	2008-09		2007-08	
		%	Amount in Rs.	%	Amount in Rs.
a]	**Raw Materials [including components] :**				
	- Imported	25%	3,170,416,526	22%	2,415,819,661
	- Indigenous	75%	9,727,519,967	78%	8,392,558,182
		100%	12,897,936,493	100%	10,808,377,843
b]	**Stores & Spares**				
	- Imported	47%	113,716,642	40%	95,729,656
	- Indigenous	53%	130,502,153	60%	142,951,241
		100%	244,218,795	100%	238,680,897

Additional Information pursuent to the Part II of Schedule VI of the Companies Act, 1956 (As per Note No. 19 of Sch. No. 22, Part B.)

Annexure-E

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

		2008-09 Rs.	2007-08 Rs.
a)	**C.I.F. Value of Imports :**		
	Raw Materials, Components and Stores and Spares	3,064,621,655	2,243,613,814
	Capital Goods	839,179,636	332,551,227
		3,903,801,291	**2,576,165,041**
b)	**Expenditure in Foreign Currency (on accrual basis):**		
	Interest and Finance Charges	253,151,578	161,431,964
	Discount/Commission on Export Sales	11,418,394	3,549,789
	Export Selling / Market Development Expenses	24,887,021	2,549,702
	Travelling Expenses	9,440,206	9,493,562
	Law & Legal/Professional Consultancy Expenses	14,992,187	46,071,661
	Testing, Quality & Others Charges	11,721,408	382,693
		325,610,794	**223,479,371**
c)	**Earnings in Foreign Currency :**		
	FOB Value of Exports (on the basis of bill of lading)	4,449,817,986	4,082,565,723
		4,449,817,986	**4,082,565,723**

STATUTORY INFORMATION

Part 4 of Schedule 6 of Companies Act,1956 (As Amended)
Balance Sheet Abstract and Company's General Business Profile

1) Registration Details:

Registration No.	State Code	Balance Sheet Date
42028	11	31-Mar-09

2) Capital Raised during the year (Rs.in thousand)

Public Issue	Right Issue	Bonus Issue	Private Placement
Nil	Nil	Nil	126,761

3) Position of Mobilisation and Deployment of Funds (Rs.in thousand)

Total Liabilities	Total Assets
23,389,964	23,389,964

Sources of Funds:

Paid-Up Capital	Reserve & Surplus	Secured Loans	Unsecured Loans
1,530,764	8,304,129	13,002,263	552,808

Application of Funds:

Net Fixed Assets	Investment	Net Current Assets	Deferred Tax Asset /(Liab)
10,509,535	3,905,679	9,682,053	(707,303)

Misc. Expenditure	Accumulated Losses
Nil	Nil

4) Performance of Company (Rs.in thousand)

Turnover	Total Expenditure	Profit/(Loss) Before Tax	Profit/(Loss) After Tax
22,652,601	20,810,778	1,841,823	1,205,949

Earning Per Share in Rs.		Dividend Rate (%)
Basic :	16.12	25.00%

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

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

For and on behalf of the Board of Directors

A. V. Ghodgaonkar
Company Secretary

Anil B. Jain
Managing Director

A. R. Barwe
Director

Jalgaon, 25th August 2009

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF JAIN IRRIGATION SYSTEMS LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JAIN IRRIGATION SYSTEMS LIMITED

1. We have examined the attached Consolidated Balance Sheet of Jain Irrigation Systems Limited, its subsidiaries and its joint venture as at 31st March, 2009, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year then ended.
2. These consolidated financial statements are the responsibility of the management of Jain Irrigation Systems Limited. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the generally accepted auditing standards in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting frame work and are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiaries and the joint venture. These financial statements have been audited / reviewed by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries and the joint venture, is based solely on the reports of the other auditors. The financial statements of some of these subsidiaries which have been audited / reviewed for the year ended as on 31st December 2008. The financial statements of these subsidiaries have been redrawn by the management of the Company, to give effect to significant transactions that have occurred between 31st December 2008 and 31st March 2009. The aggregate value of assets as at 31st March, 2009 and the aggregate revenue for the year then ended, in respect of these subsidiaries and joint venture, included in these consolidated financial statements is Rs.116130.06 lacs and Rs.102630.11 respectively.
4. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21 – 'Consolidated Financial Statements' and Accounting Standard (AS) 27 – 'Financial Reporting of Interests in Joint Ventures', and on the basis of the financial statements of Jain Irrigation Systems Limited, its subsidiaries and the joint venture.
5. On the basis of the information and explanations given to us, and the read together with the notes to the consolidated financial statements, we are of the opinion that:
   (a) the Consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of Jain Irrigation Systems Limited, its subsidiaries and joint venture as at 31st March, 2009;
   (b) the Consolidated Profit and Loss Account gives a true and fair view of the consolidated results of operations of Jain Irrigation Systems Limited, its subsidiaries and joint venture for the year then ended, and
   (c) the Consolidated Cash Flow Statement gives a true and fair view of the consolidated cash flows of Jain Irrigation Systems Limited, its subsidiaries and joint venture for the year ended on that date.

For and on behalf of
DALAL & SHAH
Chartered Accountants

Shishir Dalal
Partner
Membership No.37310

Jalgaon: 25th August, 2009

CONSOLIDATED BALANCE SHEET AS AT 31-MARCH-2009

	Schedule	31-March-2009 Rs.	31-March-2008 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	1,172,276,060	1,605,869,460
Share Warrants	2	358,488,181	358,488,181
Reserves and Surplus	3	7,503,350,935	6,793,290,322
Accumulated Translation Reserve arising on consolidation		(63,452,764)	(25,655,131)
		8,970,662,411	**8,731,992,832**
Minority Interests		704,836,445	649,100,780
Deferred Tax Liability (Ref. Note No. 11 of Sch.22: Part B.)		707,303,188	109,587,063
Loan Funds			
Secured Loans	4	17,546,365,416	12,146,273,068
Unsecured Loans	5	623,189,327	609,881,852
		18,169,554,744	**12,756,154,920**
	Total	**28,552,356,788**	**22,246,835,594**
APPLICATION OF FUNDS :			
Fixed Assets :			
Gross Block	6	17,500,844,102	12,616,506,423
Less: Accumulated Depreciation		(5,805,634,689)	(4,856,165,141)
		11,695,209,413	7,760,341,282
Add: Goodwill on Consolidation		1,669,491,382	1,201,115,046
Net Block		**13,364,700,795**	**8,961,456,328**
Capital Work-in-Progress [including capital advances]	7	**1,207,963,451**	**1,202,346,958**
Investments	8	**200,774,846**	**603,014,644**
Deferred Tax Assets (Ref. Note No. 11 of Sch.22: Part B.)		**295,699,048**	**162,592,430**
Current Assets, Loans & Advances :	9		
a] Inventories		9,858,602,460	8,099,424,530
b] Sundry Debtors		8,663,239,387	6,556,492,439
c] Cash & Bank Balances		1,174,130,793	1,036,239,113
d] Other Assets		220,578,273	173,682,223
e] Loans & Advances		3,202,925,217	2,865,304,034
		23,119,476,130	**18,731,142,339**
Less:			
Current Liabilities & Provisions :	10		
a] Current Liabilities		8,787,131,245	6,793,486,657
b] Provisions		849,126,236	620,230,448
		9,636,257,481	**7,413,717,105**
Net Current Assets		**13,483,218,649**	**11,317,425,234**
	Total	**28,552,356,788**	**22,246,835,594**
Notes forming part of the Accounts	22		

Signatures to the Schedule 1 to 22
As per our report of even date
For and on behalf of

For and on behalf of the Board of Directors

DALAL & SHAH
Chartered Accountants

Shishir Dalal
Partner

A.V. Ghodgaonkar
Company Secretary

Anil B. Jain
Managing Director

A. R. Barwe
Director

Jalgaon, 25th August, 2009

Jalgaon, 25th August, 2009

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-MARCH-2009

	Schedule	Rs.	2008-09 Rs.	2007-08 Rs.
Income :				
Sales and Operating Income	11	29,446,998,654		23,037,458,584
Less: Excise Duty / Service Tax Recovered		(863,152,416)		(878,736,623)
			28,583,846,238	22,158,721,961
Other Income	12		123,238,425	370,459,331
Increase / (Decrease) in Stock	13		196,613,122	2,150,355,631
			28,903,697,785	**24,679,536,923**
Expenditure :				
Cost of Materials Consumed, Purchases, etc.	14		15,702,922,109	13,922,871,246
Manufacturing Expenses	15		2,249,942,148	1,922,738,591
Payments To and Provisions for Employees	16		2,927,186,729	2,450,142,848
Selling & Distribution Expenses	17		2,289,164,010	1,758,170,584
Administrative & Other Expenses	18		1,725,963,571	782,416,918
Cost of Self Generated Capital Equipments			(533,048,045)	-
			24,362,130,522	**20,836,340,187**
Operating Profit			**4,541,567,263**	**3,843,196,736**
Less: Interest & Finance Charges	19		1,809,382,487	1,326,946,994
Profit before Depreciation, Extra Ordinary Items and Prior Year Expenses			**2,732,184,777**	**2,516,249,742**
Less:				
a] Amounts Written Off and Provisions	20		(53,465,921)	(17,329,206)
b] Depreciation / Amortisation			(684,026,114)	(557,588,129)
Profit before Exceptional Items and Taxation			**1,994,692,741**	**1,941,332,407**
Less:				
Exceptional Items (Net)			-	34,038,163
Profit for the year before Taxation			**1,994,692,741**	**1,907,294,244**
Add /(Less): Deferred Tax			(596,607,753)	(461,637,656)
Less: Provision for Current Tax			(247,902,977)	(288,847,299)
Add: MAT Credit			205,855,114	226,759,088
Less: Provision for Wealth Tax			(53,612)	(67,460)
Less: Provision for Fringe Benefit Tax			(20,700,000)	(16,300,000)
Profit for the year before Prior Period Expenses			**1,335,283,513**	**1,367,200,918**
Add / (Less): Prior Period Items	21		(4,165,863)	23,059,319
Profit for the year			**1,331,117,650**	**1,390,260,237**
Less: Pre acquisition Profit / (Loss)			-	(40,867,532)
Less: Minority Interest			(36,674,167)	(25,394,435)
Profit for the year after Minority interest			**1,294,443,483**	**1,323,998,270**
Balance in Profit & Loss Account brought forward			1,819,465,447	873,434,524
Debit Balance in Profit & Loss Account of Orient Vegetexpo Ltd of FY 2006-07.			-	(5,187,197)
Balance available for Appropriation			**3,113,908,930**	**2,192,245,597**
Appropriation				
Transferred to General Reserve			(120,200,000)	(145,500,000)
Transferred to Capital Redemption Reserve			(436,802,400)	-
Proposed Preference Dividend for the year			(30,962,186)	(35,037,760)
Provision for Dividend Tax on Preference Dividend for the year			(5,262,024)	(5,954,667)
Proposed Equity Dividend			(188,292,930)	(159,227,081)
Provision for Dividend Tax on Equity Dividend			(32,000,383)	(27,060,642)
Balance Carried to Balance Sheet			(2,300,389,007)	(1,819,465,447)
			(3,113,908,930)	**(2,192,245,597)**
Earning Per Share (Face value of Rs. 10/- each) (Ref. Note No. 8 of Sch.22: Part B.)				
Basic EPS (Rs.)			**17.40**	**19.49**
Diluted EPS (Rs.)			**17.31**	**19.42**
Notes forming part of the Accounts	22			

Signatures to the Schedule 1 to 22
As per our report of even date
For and on behalf of

DALAL & SHAH
Chartered Accountants

Shishir Dalal
Partner
Jalgaon, 25th August, 2009

A. V. Ghodgaonkar
Company Secretary

For and on behalf of the Board of Directors

Anil B. Jain
Managing Director

A. R. Barwe
Director

Jalgaon, 25th August, 2009

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31-MARCH-2009

[PURSUANT TO LISTING AGREEMENT WITH STOCK EXCHANGES]

	Rs.	2008-09 Rs.	Rs.	2007-08 Rs.
A] Cash Flow From Operating Activities :				
Net Profit / (Loss) Before Tax and Extraordinary Items		**1,994,692,741**		**1,941,332,407**
Adjustment for :				
Prior Period Items	(4,165,863)		23,059,319	
Pre-acquisition Profit	-		(40,867,532)	
Share of Minority in Profit	-		(25,394,435)	
Depreciation / Amortisation of Lease Land	684,026,114		557,588,129	
Amounts Written off & Provisions	53,465,921		17,329,206	
Loss / (Surplus) on Assets Sale/Discarded	12,555,152		(5,151,289)	
Loss / (Surplus) on Investments	(299,411)		-	
Interest and Finance Charges	1,809,382,487		1,326,946,994	
Provision for doubtful debts & Advances Written back	-		(64,380,451)	
ESOP Cost	-		16,809,534	
Sundry Credit balances appropriated	(11,536,774)		(12,227,416)	
Dividend Income	(4,508)		(31,387)	
		2,543,423,118		1,793,680,672
Operating Profit before Working Capital Changes		**4,538,115,858**		**3,735,013,079**
Adjustment for :				
Sundry Debtors	(2,129,117,801)		(1,454,013,145)	
Loans & Advances	292,639,297		(1,325,521,089)	
Inventories	(1,759,177,930)		(2,228,981,101)	
Trade Payables	1,552,775,581		(1,063,674,378)	
		(2,042,880,854)		(6,072,189,713)
Cash Generated from Operations		**2,495,235,005**		**(2,337,176,634)**
Exceptional Items		-		(34,038,163)
Debit Balance in Profit & Loss Account of Orient Vegetexpo Ltd. of FY 2006-07		-		(5,187,197)
Direct Taxes paid		(224,706,808)		(233,434,502)
Net Cash From Operating Activities		**2,270,528,197**		**(2,609,836,497)**
B] Cash Flow From Investing Activities :				
Purchase of Fixed Assets	(4,644,331,980)		(2,655,225,200)	
Sale of Fixed Assets	7,266,090		226,073,997	
Other Current Assets - Orchards	(49,987,324)		(75,266,606)	
Acqusition of Strategic Investment	(449,314,838)		(439,598,701)	
Sale/(Purchase) of Current Investment [net]	402,539,210		-	
Acquisition of Businesses	-		(485,066,185)	
Interest Received	35,686,313		1,358,180	
Dividend Income	4,508		31,387	
Net Cash Flow from Investing Activities	**(4,698,138,021)**		**(3,427,693,128)**	
		(2,427,609,824)		**(6,037,529,625)**
C] Cash Flow From Financing Activities				
Proceeds from issue of Shares	-		1,782,460,330	
Adjustments to Reserves (Net)	50,727,219		37,485,475	
Total Proceeds from Borrowings	5,302,499,829		5,964,567,733	
Dividend Paid (Including Dividend Tax)	(227,280,150)		(197,166,095)	
Premium paid on Redemption of NCD & Pref Shares adjusted against Share Premium	(431,527,086)		(39,211,511)	
Interest and Finance Charges paid	(1,845,068,800)		(1,328,305,174)	
Net cash used in Financing Activities		**2,849,351,012**		**6,219,830,757**
D] Changes in Translation Reserve arising on consolidation		**(37,797,633)**		**(71,002,691)**
Net Increase in Cash & Cash Equivalents		**383,943,555**		**111,298,442**
Cash and Cash Equivalents as at the beginning of the year		668,928,237		443,136,626
Add: Cash and Cash Equivalents on acquisition of Businesses		-		114,493,168
Cash and Cash Equivalents as at end of the year.		1,052,871,792		668,928,237
Net Increase / (Decrease) in Cash and Cash Equivalents		**383,943,555**		**111,298,442**
Note: Cash and Cash Equivalents includes:				
a) Cash in hand & Current Account Bank Balances		1,052,871,792		668,928,237
b) Deposits Account Balances		8,160,112		301,995,250
c) Margin Account Balances		113,098,889		65,315,626
		1,174,130,793		**1,036,239,113**

As per our report of even date
For and on behalf of

DALAL & SHAH (Chartered Accountants)

Shishir Dalal
Partner
Jalgaon, 25th August, 2009

For and on behalf of the Board of Directors

A. V. Ghodgaonkar
Company Secretary

Anil B. Jain
Managing Director
Mumbai, 25th August, 2009

A. R. Barwe
Director

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

			31-March-2009 Rs.	31-March-2008 Rs.
Schedule 1 - Share Capital :				
Authorised				
96,500,000	(96,500,000)	Equity Shares of Rs. 10/- each	965,000,000	965,000,000
19,630,000	(19,630,000)	Redeemable Preference Shares of Rs. 100/- each	1,963,000,000	1,963,000,000
4,500,000	(4,500,000)	Unclassified Shares of Rs. 10/- each	45,000,000	45,000,000
			2,973,000,000	**2,973,000,000**
Issued, Subscribed and Paid up:				
a] Equity Shares:				
71,885,820	(61,307,683)	Equity Shares of Rs. 10/- each fully paid up	718,858,200	613,076,830
-	(270,615)	On Merger of Eurissko Agro Ltd.	-	2,706,150
-	(713,316)	On Merger of Orient Vegetexpo Ltd.	-	7,133,160
-	(3,602,600)	On conversion of Equity Warrants	-	36,026,000
320,900	(5,987,995)	On conversion of Zero Coupon Convertible Bonds	3,209,000	59,879,950
169,226	(172,837)	Equity Shares representing underlying European Depository Receipts 338452 (previous year 345,674)	1,692,260	1,728,370
		Sub Total [a]	**723,759,460**	**720,550,460**
b] Equity Shares Suspense Account				
Balance at the beginning of the year			-	2,706,150
Add: Addition of Equity Share Capital of Orient Vegetexpo Ltd.			-	70,082,000
Less: Reduction in Face Value of Shares from Rs. 10/- to Rs. 1/- as per BIFR order.			-	(63,073,800)
Add: Balance Transfer from Unsecured Loan of Orient Vegetexpo Ltd.			-	47,000,000
Less: Amount transferred to Amalgamation Adjustment Account on issue of Shares as per Scheme.			-	(46,875,040)
Less: Allotted & transferred during the year			-	(9,839,310)
			-	-
c] Cumulative Redeemable Preference Shares:				
3,104,990	**4% Preference Shares**		310,499,000	310,499,000
(297,500)	Less: Redeemed (Fully) during the year		(29,750,000)	-
–	Less: Redeemed (Partly) during the year		(117,242,400)	-
2,807,490	[2,344,848 Preference Shares of Rs. 50/- each due for redemption on 30-June-2009, at premium of Rs. 16.00 per share And 462,642 Preference Shares of Rs. 100/- each due for redemption in 2 equal installments on 30-June-2009 & on 30-June-2010, at premium of Rs. 16.00 per share]		163,506,600	310,499,000
5,623,200	**4% Preference Shares**		562,320,000	562,320,000
(48,000)	Less: Redeemed (Fully) during the year		(4,800,000)	-
–	Less: Redeemed (Partly) during the year		(278,760,000)	-
5,575,200	[Due for redemption on 31-March-2010 of Rs. 50/- each, at premium of Rs. 16.00 per share]		278,760,000	562,320,000
125,000	**1% Preference Shares**		12,500,000	12,500,000
–	Less: Redeemed (Partly) during the year		(6,250,000)	-
125,000	[Due for redemption on 31-March-2010 of Rs. 50/- each, at premium of Rs. 4.00 per share]		6,250,000	12,500,000
		Sub Total [c]	**448,516,600**	**885,319,000**
		Total [a to c]	**1,172,276,060**	**1,605,869,460**

			31-March-2009 Rs.	31-March-2008 Rs.
Schedule 2 - : Equity Share Warrants				
7,497,400	2500000	Balance at the beginning of the year	358,488,181	99,625,000
-	8600000	Add: Addition During the year	-	411,209,000
-	(3602600)	Less: Converted in to Equity Shares during the year	-	(152,345,819)
10% Deposit of 7497400 (Previous year 7497400) Equity Share Warrants of Rs. 478.15 (Previous year Rs. 478.15) each convertable into Equity Shares of Rs. 10/- each.			**358,488,181**	**358,488,181**
Schedule 3 - Reserves and Surplus:				
a] General Reserve				
Balance at the beginning of the year			804,872,038	657,953,118
Add: Transferred from Profit & Loss Account			120,200,000	145,500,000
Add: Transferred from Debenture Redemption Reserve			1,418,920	1,418,920
Sub Total [a]			**926,490,958**	**804,872,038**
b] Securities Premium Account				
Balance at the beginning of the year			4,367,238,376	904,091,347
Add: On Conversion of 3602600 Equity Warrants into 3602600 Eq.shares			-	1,487,432,190
Add: On Conversion of 2500 ZCCB into 320900 Eq.shares @335.59/- each			107,690,995	2,009,514,050
Less: Premium on Redemption of Non Convertible Debentures (Net of Taxes)			(1,142,686)	(1,142,686)
Less: Premium on Redemption of Preference Shares (Net of Taxes)			(32,656,525)	(32,656,525)
Sub Total [b]			**4,441,130,160**	**4,367,238,376**
c] Amalgamation Adjustment Account / Capital Reserve Account				
Balance at the beginning of the year			37,485,475	-
Add: Balance in Capital Reserve A/c of Orient Vegetexpo Ltd.			-	88,573,021
Add: Reduction in Equity Share Capital of Orient Vegetexpo Ltd.			-	63,073,800
Add: Amount on issue of Equity Shares to Orient Vegetexpo Ltd.			-	46,875,040
Less: Debit Balance in Profit & Loss Account of Orient Vegetexpo Ltd.			-	(161,036,386)
Sub Total [c]			**37,485,475**	**37,485,475**
d] Debenture Redemption Reserve				
Balance at the beginning of the year			4,256,700	5,675,620
Less: Transferred to General Reserve			(1,418,920)	(1,418,920)
Sub Total [d]			**2,837,780**	**4,256,700**
e] Capital Redemption Reserve				
Balance at the beginning of the year			50,000,000	50,000,000
Transferred from Profit & Loss Account			436,802,400	-
Sub Total [e]			**486,802,400**	**50,000,000**
f] Employee Stock Option (Ref. Note No. 4 of Sch.22: Part B)				
Employee Stock Option (Outstanding)			20,520,000	20,520,000
Sub Total [f]			**20,520,000**	**20,520,000**
g] Hedging Reserve (Ref. Note No. 14 [b] of Sch.22: Part B)				
Unrealised Gain / Loss on Cash Flow Hedging derivatives (Net)			(712,304,845)	(310,547,714)
h] Balance of Profit & Loss Account			2,300,389,007	1,819,465,447
Total [a to h]			**7,503,350,935**	**6,793,290,322**
Schedule 4 - Secured Loans				
a] Debentures				
Zero Coupon Non Convertible Redeemable Debentures of Rs 100/- each			2,837,780	4,256,700
b] Term Loans			8,995,974,524	5,975,141,274
c] Deferred Credit from Supplier			95,160,053	21,450,600
d] Working Capital Loans			8,452,393,059	6,145,424,494
Total [a to d]			**17,546,365,416**	**12,146,273,068**

	31-March-2009 Rs.	31-March-2008 Rs.
Schedule 5 - Unsecured Loans		
a] **Zero Coupon Convertible Bonds -2011 (ZCCB) of US$ 1,000 each** (Ref. Note No.3 of Sch.22: Part B)	552,807,500	533,599,500
b] **Other Unsecured Loan**	70,381,827	76,282,352
Total [a to b]	**623,189,327**	**609,881,852**

Schedules 6 – Fixed Assets & Depreciation

Assets	As at 31-Mar-09			As at 31-Mar-08		
	Gross FA	Gross Acc Dep	Net Block	Gross FA	Gross Acc Dep	Net Block
a] Tangible Assets						
Free Hold Land	766,557,206	-	766,557,206	626,175,668	-	626,175,668
Lease Hold Land	2,162,175	-	2,162,175	2,185,951	-	2,185,951
Factory Buildings & Godowns	2,809,385,541	433,274,086	2,376,111,455	1,742,591,437	368,397,295	1,374,194,142
Green/Poly/Shed Houses	170,109,853	46,786,117	123,323,736	59,339,074	38,039,846	21,299,228
Plant & Machinery and Equipments	12,297,246,946	4,613,473,180	7,683,773,766	9,099,520,619	3,890,840,716	5,208,679,903
Furniture, Fixtures & Office Equipments	493,224,869	330,264,838	162,960,031	395,440,249	273,141,247	122,299,002
Vehicles	291,602,353	107,432,001	184,170,352	227,343,483	91,734,765	135,608,718
Live Stock	174,035	-	174,035	106,270	-	106,270
Lease Hold Improvements	246,396,959	62,306,041	184,090,918	137,075,776	34,911,637	102,164,139
Total	**17,076,859,936**	**5,593,536,263**	**11,483,323,674**	**12,289,778,528**	**4,697,065,506**	**7,592,713,022**
b] Intangible Assets						
Goodwill	3,540,000	3,540,000	-	3,540,000	3,540,000	-
Trade Mark & Development	227,796,380	140,830,765	86,965,615	211,305,299	122,702,499	88,602,801
Computer Software	21,750,985	18,916,025	2,834,960	19,458,019	18,215,806	1,242,213
Licencing Agreement	44,581,250	16,656,268	27,924,982	33,030,762	6,606,162	26,424,600
Non Compete Fees	50,160,275	22,183,834	27,976,441	33,720,055	8,035,169	25,684,886
Product Development	64,523,883	9,476,055	55,047,828	20,115,640	-	20,115,640
Patents	11,631,393	495,480	11,135,913	5,558,120	-	5,558,120
Total	**423,984,166**	**212,098,427**	**211,885,739**	**326,727,895**	**159,099,635**	**167,628,261**
Grand Total	**17,500,844,102**	**5,805,634,689**	**11,695,209,413**	**12,616,506,423**	**4,856,165,141**	**7,760,341,282**

Schedules 7 – Capital Work in Progress

Assets	As at 31-Mar-09	As at 31-Mar-08
Free Hold Land & Site Development	-	19,859,601
Factory Buildings & Godowns	150,241,393	152,359,700
Plant & Machinery & Equipments	244,980,933	271,948,121
Furniture, Fixtures & Office Equipment	84,000	91,647
Vehicles	1,800,898	12,099,551
Pre Operative Expenses	10,333,777	229,743,245
Capital Goods Advances	455,056,562	333,970,582
Development Costs	345,465,887	182,274,510
Total	**1,207,963,451**	**1,202,346,958**

			31-March-2009 Rs.	31-March-2008 Rs.
Schedule 8 - Investments [at cost]				
I] Long Term Investments - Unquoted				
a] Government Securities (pledged):				
National Saving Certificates			2,944,500	2,944,000
Indira Vikas Patra			1,000	1,000
		Sub Total [a]	**2,945,500**	**2,945,000**
b] Other than Trade Investments				
25	25	Shares of Astitwa Co-Op. Housing Society Ltd.	250	250
5	5	Shares of Rs.100 each of Sarjan Members Association	500	500
15	15	Shares of Rs.50 each of Rajdeep Vrundavan Co-Op. Housing Society	750	750
200	200	Shares of Edlabad Sut Girni Co-Operative Society Ltd.	2,000	2,000
20	20	Shares of Rs. 250 each of Shrinathjee Co-Op. Housing Society Ltd.	5,000	5,000
1,849	1,849	Linking Shares of Rs. 25 each of Jalgaon Janta Co-Op. Bank Ltd	46,225	46,225
		Sub Total [b]	**54,725**	**54,725**
c] Investments in Companies other than Wholly Owned Subsidiary Companies				
3,269,250	3,269,250	Equity Shares of Euro 0.60 each of Euro Drip SA	187,467,549	189,707,847
d) Unsecured (Cumulative) Bonds				
252	252	Industrial Investment Bank of India (Pledged with IIBI)	10,200,000	10,200,000
		Sub Total [a to d]	**200,667,774**	**202,907,572**
		Sub Total [I]	**200,667,774**	**202,907,572**
II] Long Term Investments - Quoted				
Other than Trade Investment : Equity Shares of Rs.10 each of				
45	45	Reliance Industries Ltd.	1,485	1,485
45	45	Reliance Communication Ventures Ltd.	743	743
3	45	Reliance Energy Ventures Ltd.	1,296	1,296
2	45	Reliance Capital Ventures Ltd.	1,351	1,351
45	45	Reliance Natural Resources Ltd.	742	742
75	75	Finolex Industries Ltd.	1,575	1,575
908	908	Union Bank of India	99,880	99,880
		Sub Total [II]	**107,072**	**107,072**
III] Short Term Investments in Units - Un-quoted				
-	32902313	Units of Reliance Liquidity Fund - Growth Option (NAV Rs. 12.1603)	-	400,000,000
		Total [I+II+III]	**200,774,846**	**603,014,644**
Schedule 9 - Current Assets, Loans and Advances				
a] Inventories: [As valued and certified by the Management]				
Raw Materials			2,511,521,470	2,548,035,995
Stores and Spares			365,439,850	311,983,479
Stock-in-Process			298,645,300	299,922,937
Finished Goods			5,427,532,743	4,732,643,133
Materials in Transit			1,255,463,098	206,838,986
		Sub Total [a]	**9,858,602,460**	**8,099,424,530**
b] Sundry Debtors - Unsecured				
- Good			8,663,239,387	6,556,492,439
- Considered Doubtful			60,367,362	35,153,184
Less: Provision for Doubtful Debts			(60,367,362)	(35,153,184)
		Sub Total [b]	**8,663,239,387**	**6,556,492,439**
c] Cash & Bank Balances :				
Cash in Hand			42,497,053	15,920,159
Balances with Banks				
- In Current Accounts			1,010,374,738	653,008,078
- In Fixed Deposit Accounts			8,160,112	301,995,250
- In Margin Accounts			113,098,889	65,315,626
		Sub Total [c]	**1,174,130,793**	**1,036,239,113**

	31-March-2009 Rs.	31-March-2008 Rs.
Schedule 9 - Current Assets, Loans and Advances : Contd...		
d] Other Assets		
Orchard Activities		
Balance at the beginning of the year	173,682,223	101,034,268
Add: Addition During the year	50,816,777	76,726,897
Less: Mortality during the year	(829,453)	(1,460,291)
Less: Orchard Amortisation Expenses	(3,091,274)	(2,618,651)
	46,896,050	72,647,955
Sub Total [d]	**220,578,273**	**173,682,223**
e] Loans & Advances		
[Unsecured, considered good unless otherwise stated]		
Advances Recoverable in Cash or Kind or for value to be received		
a) For Purchases	498,476,963	279,407,217
b) For Others @	808,407,804	1,323,546,568
	1,306,884,766	1,602,953,785
Less:- Provision for Doubtful Advances & Claims	(10,797,737)	(10,797,737)
	1,296,087,029	1,592,156,048
Claims Receivables	273,697,381	284,943,810
Sundry Deposits	311,278,987	306,698,574
Advance Tax (Including FBT)	497,379,294	287,893,890
MAT Credit	432,614,202	226,759,088
Derivatives Assets	4,216,928	7,345,047
Balance with Collectorate of Central Excise and Customs	294,513	149,292
Incentives and Assistance receivable From Government	387,356,882	159,358,285
@ (Includes Bad & Doubtful Rs. 10.80 Million **Sub Total [e]**	**3,202,925,217**	**2,865,304,034**
[PY Rs. 10.80 Million]) **Total [a to e]**	**23,119,476,130**	**18,731,142,339**
Schedule 10 - Current Liabilities and Provisions		
a] Liabilities :		
Sundry Creditors	5,981,545,404	5,134,346,642
Advances from Customers	540,327,938	311,231,094
Unclaimed Dividend	1,410,240	808,766
Outstanding Liabilities for Expenses	831,723,985	306,611,194
Provision for Excise Duty on Year End Inventory of Finished Goods	20,481,245	14,195,343
Security and Dealers Deposits	119,843,514	89,898,689
Derivatives Liability	716,521,773	317,892,761
Other Liabilities	575,277,145	618,502,168
Sub Total [a]	**8,787,131,245**	**6,793,486,657**
b] Provisions :		
Employee Benefits	34,315,672	53,222,214
Income Tax - Current Tax	502,703,235	269,952,181
Wealth Tax	50,996	66,865
Fringe Benefit Tax	55,538,810	34,838,810
Proposed Preference Dividend	30,962,186	35,664,987
Dividend Tax on Proposed Preference Dividend	5,262,024	5,954,667
Proposed Equity Dividend	188,292,930	193,470,081
Dividend Tax on Proposed Equity Dividend	32,000,383	27,060,642
Sub Total [b]	**849,126,236**	**620,230,448**
Total [a+b]	**9,636,257,481**	**7,413,717,105**

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT & LOSS ACCOUNT

	[Rs]	2008-09 Rs.	2007-08 Rs.
Schedule 11 - Sales and Operating Income			
a] Sales			
Sales		31,793,349,788	25,104,332,314
Less: Sales Return		(354,681,002)	(218,229,975)
		31,438,668,786	24,886,102,339
Less: Trade, Other Discounts and Allowances		(2,376,655,983)	(1,982,638,257)
		29,062,012,803	22,903,464,082
b] Operating Income:			
Export Services, Incentives & Assistance		384,985,851	133,994,502
		29,446,998,654	**23,037,458,584**
Schedule 12 - Other Income			
Dividend		4,508	31,387
Sundry Credit balances appropriated		11,536,774	12,227,416
Provisions no longer required		–	64,380,451
Difference in Foreign Exchange Rate (Net)		–	184,624,455
Profit on sale of Fixed Assets (Net)		–	5,151,289
Profit on sale of Current Investments (Net)		299,411	–
Income from Services		22,159,616	31,537,993
Miscellaneous Income		89,238,115	72,506,340
		123,238,425	**370,459,331**
Schedule 13 - Increase/ [Decrease] in Stock			
Closing Stock			
- On acqusition of business	–		117,067,242
- Finished Goods	5,427,532,743		4,711,179,468
- Stock in Process	298,645,300		204,319,360
		5,726,178,043	5,032,566,070
Less: Opening Stock			
- On acqusition of business	(117,067,242)		(683,378,495)
- Finished Goods	(4,711,179,468)		(2,295,888,882)
- Stock in Process	(204,319,360)		(11,587,551)
		(5,032,566,070)	(2,990,854,928)
Add: Increase /(Decrease) in Excise Duty Finished Goods		(64,635,511)	(12,891,967)
Add: Foreign Exchange Movement		(432,363,339)	121,536,457
		196,613,122	**2,150,355,631**
Schedule 14 - Cost of Materials Consumed, Purchases, etc.			
Raw Materials			
Opening Stock		2,548,035,995	1,405,535,184
Add: On acqusition of business		-	118,058,747
Add: Purchases		15,613,236,424	14,856,583,790
Add: Foreign Exchange Movement		53,171,160	90,729,520
		18,214,443,579	16,470,907,241
Less- Closing Stock		(2,511,521,470)	(2,548,035,995)
		15,702,922,109	**13,922,871,246**
Schedule 15 - Manufacturing Expenses			
Stores and Spares Parts Consumed		249,959,392	328,699,970
Repairs & Maintenance		195,633,931	160,446,708
Power & Fuel		803,627,761	763,735,013
Lease Rent (Operating)		25,761,986	62,268,287
Other Manufacturing Expenses		974,959,078	607,588,613
		2,249,942,148	**1,922,738,591**

	2008-09 Rs.	2007-08 Rs.
Schedule 16 - Payments to and provisions for employees :		
Salaries, Wages, Bonus, Gratuity etc. (including contractual employment)	2,617,732,552	2,200,801,301
Commission /Performance Bonus to Directors	50,893,667	67,900,734
Contribution to Provident and Other Funds	59,731,286	46,552,869
Welfare Expenses	198,829,224	118,078,409
Employee Compensation Expenses (ESOP Cost)	-	16,809,534
	2,927,186,729	**2,450,142,848**
Schedule 17 - Selling & Distribution Expenses :		
Commission & Brokerage	357,395,382	203,917,234
Goods Outward Expenses	1,300,417,742	1,116,890,949
Cash Discount	80,035,441	51,143,027
Sales Tax Expenses	8,168,527	2,189,493
Excise Duty on Finished Goods Inventory	6,285,902	14,195,343
Other Selling and Distribution Expenses	536,861,016	369,834,538
	2,289,164,010	**1,758,170,584**
Schedule 18 - Administrative & Other Expenses :		
Postage, Telephone & Telex	54,486,403	44,397,636
Travelling & Conveyance Expenses	284,841,463	205,493,186
Vehicle Expenses	85,041,948	74,453,203
Legal Charges and Professional Fees	168,052,735	110,348,194
Rent, Rates & Taxes	233,825,494	92,246,443
Insurance Expenses	64,513,175	52,448,979
Directors' Sitting Fees	550,000	931,417
Difference in Foreign Exchange Rate (Net)	597,695,217	-
Loss on sale of Fixed Assets (Net)	12,555,152	-
Amalgamation Expenses	-	1,050,000
Other Administrative Expenses	224,401,985	201,047,861
	1,725,963,571	**782,416,918**
Schedule 19 - Interest and Finance Charges :		
Interest on Term Loans	418,332,155	237,687,521
Interest on Working Capital Loans	986,276,584	711,335,508
Interest on Others	104,677,364	76,354,810
	1,509,286,103	1,025,377,838
Less: Interest Recovered	(35,686,313)	(1,358,180)
	1,473,599,790	1,024,019,658
Discounting Charges	201,308,074	202,501,733
Bank Commission and Charges	134,474,623	100,425,603
	335,782,697	302,927,336
	1,809,382,487	**1,326,946,994**
Schedule 20 - Amounts Written off and Provisions		
Amounts Written off and Provisions		
Irrecoverable Claims	28,003,794	2,780,967
Bad Debts	543,106	1,648,588
Orchard Amortisation Expenses	3,091,274	2,618,651
Assets Discarded	-	9,790,390
Provisions for Doubtful Debts & Advances	21,827,747	490,611
	53,465,921	**17,329,206**
Schedule 21 - Prior Period Expenses / (Income)		
Professional & Consultancy Fees	2,770,790	-
Rent Expenses	1,097,452	-
Service Tax Set-off Disallowed	297,621	-
Other Expenses / (Income)	-	(23,059,319)
	4,165,863	**(23,059,319)**

SCHEDULE 22 - NOTES FORMING PART OF THE ACCOUNTS

PART [A]: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Consolidated Financial Statements relate to **Jain Irrigation Systems Limited** ("the Company") and it's Subsidiary & the Joint Venture Company.

1) Basis of preparation of financial statements:

a) The Financial Statements have been prepared under the historical cost convention, in accordance with the Generally Accepted Accounting Principles (GAAP) and the provisions of the Companies Act, 1956, as adopted and consistently followed by the Company.

b) The Company follows the mercantile systems of accounting and recognizes income and expenditure on an accrual basis except stated otherwise.

2) Principles of consolidation

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

a) The consolidated financial statements have been prepared in accordance with the principles and procedures required for the preparation of Consolidated Financial Statements as laid down under the Accounting Standard (AS-21) Consolidated Financial Statements & Accounting Standard (AS-27) Financial Reporting of Interests in Joint Ventures as per The Companies (Accounting Standard) Rules, 2006

b) The financial statements of the subsidiaries and the Joint Venture forming part of the consolidated financial statements are drawn up to the same reporting date as that of the Company, i.e. year ended 31st March 2009.

c) The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of similar items of assets, liabilities, income and expenses, after eliminating intra -group balances, intra-group transactions and resulting unrealised gains/losses.

d) The consolidated financial statements have been prepared by applying uniform accounting policies for similar transactions except otherwise stated.

e) The difference between the cost of investment in subsidiaries, over the net assets at the time of acquisition is recognized in the financial statements as Goodwill / Capital Reserve as the case may be.

f) Minority interest in the net assets of consolidated subsidiaries consists of:

i) The amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and

ii) The minorities' share of movements in equity since the date the parent subsidiary relationship came into existence

g) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified, wherever applicable, and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company. Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

h) Subsidiaries:

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

Name of the subsidiary	Ownership in % either directly or through subsidiaries		Country of incorporation
	2008- 09	2007-08	
JISL Overseas Limited	100.00%	100.00%	Mauritius
Jain (Europe) Ltd.	100.00%	100.00%	UK
Jain (Americas) Inc.	100.00%	100.00%	USA
Jain Irrigation Holding Inc. (Erstwhile Jain Irrigation Inc.)	100.00%	100.00%	USA
Chapin Watermatics Inc.	100.00%	100.00%	USA
Cascade Specialties Inc. #	80.17%	65.00%	USA
Nu Cedar Inc. #*	80.00%	80.00%	USA
Jain Irrigation Inc. (Erstwhile Aquarius Brands Inc.)	100.00%	100.00%	USA
Jain Overseas B.V. Netherland	100.00%	100.00%	Netherland
Jain (Israel) B.V. Netherland	100.00%	100.00%	Netherland
Naandan Jain Irrigation CS Ltd. #@	50.001%	50.001%	Israel
JISL Global S.A.	100.00%	100.00%	Switzerland
JISL Systems SA	100.00%	100.00%	Switzerland
The Thomas Machines S.A. #	69.75%	69.75%	Switzerland
Jain Sulama Sistemleri Sanayi ve Ticaret A.S.	100.00%	-	Turkey

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

* In respect of NuCedar Inc., there is an outstanding employee stock distribution to the extent of 2.79% which will be allocated by the Company in future.

@ Subsidiaries & Joint Venture of Naandan Jain Irrigation CS Ltd

Name of the subsidiary & Joint Venture	Ownership in % either directly or through subsidiaries		Country of Incorporation
Subsidiary	**2008- 09**	**2007-08**	
Naan Dan Agro-Pro (Israel Company for Agricultural Applications) Ltd	100.00%	100.00%	Israel
NaanDan Jain France Sarl	100.00%	100.00%	France
NaanDanJain Mexico, S.A. De C.V.	100.00%	100.00%	Mexico
NaanDan Jain Australia Pty Ltd	100.00%	95.00%	Australia
NaanDan Jain S.R.L. (Italy)	75.00%	75.00%	Italy
NaanDan Do Brasil Participacoes Ltd. (holding company)	100.00%	100.00%	Brasil
NaanDan Jain Industria E Comercio de Equipmentos Ltd. (Brasil)	100.00%	100.00%	Brasil

Name of the subsidiary & Joint Venture	Ownership in % either directly or through subsidiaries		Country of Incorporation
Subsidiary	**2008- 09**	**2007-08**	
Dansystems S.A. (Chile)	100.00%	100.00%	Chile
NaanDan Jain Iberica S.C. (Spain)	100.00%	100.00%	Spain
NaanDan Jain Peru S.A.C	100.00%	100.00%	Peru
Point Source Irrigation, Inc.(US)	100.00%	70.90%	United States of America
Joint Venture			
Dansystems S.A (Chile)	50.00%	50.00%	Chile

Note: In view of the agreement to sell the shares in a Joint Venture Naan Sprinklers and Irrigation System, Inc. USA (50%), and the closure of operations of an associate Harbin HCAA Gardening Co. China (25%), both these companies have not been consolidated.

3) Revenue Recognition:

a) Export sales are accounted based on the dates of Bill of Lading.

b) Export incentives and assistance are recognised in the year of exports.

4) Use of Estimates:

The preparation of financial statements in conformity with GAAP requires the management to make certain estimates and assumptions that affect the reported amounts of assets / liabilities and disclosures relating to contingent assets and liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. The differences between estimates and actual, are recognized in the period in which results are crystallized.

5) Fixed Assets and Depreciation / Amortisation:

a) Fixed assets are stated at cost of acquisition / construction less accumulated depreciation except Leasehold Land which is carried at book value.

b) Leasehold Land is amortised over the period of lease.

c) Depreciation:

i) Depreciation on fixed assets is provided by using straight line method based on the useful life of the assets as estimated by the management of respective subsidiaries included in consolidation.

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

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

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

v) Computer Software are amortised over a period of 5 years.

vi) Trade Mark and Development Cost is amortised over a period of 18 years. Such cost includes substantial cost towards developing the technical process which is an integral part of 'Extrusion equipment'. The management is of the view that on account of such cost being an integral part of the Extrusion equipment and the life of such equipment being 18 years, such cost should be amortised over the useful life of Extrusion equipment.

6) a) Capital Work In Progress:

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

b) Development Costs:

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

7) Borrowing Cost:

Borrowing cost attributable to acquisitions and construction of assets are capitalized as a part of cost of such assets up to the date when such assets are ready for its intended use and other borrowing cost are charged to Profit & Loss Account.

8) Investments:

Long term Investments are carried at 'cost' less provision for permanent diminution in the value of investment. Current investments are carried at lower of cost and fair value.

9) Inventory Valuation:

a. Raw Materials and Components, Stock in Process, Finished goods are valued at cost or net realisable value whichever is lower. Finished goods at factory premises & depots are valued at inclusive of excise duty.

b. Stores, Spares and Consumables are valued at cost except certain spares are valued at cost or its fair value whichever is lower.

c. Goods / Materials in Transit are valued at cost to date.

d. Cost comprises cost of purchase, cost of conversion and other cost incurred in bringing the inventory to present location and condition. Cost formula used is weighted average cost. For determining the cost of inventories, all subsidiaries have adopted the weighted average cost formula except for the following subsidiaries:

i. Chapin Watermatics Inc., Naandan Jain Irrigation C.S. Ltd., Cascade Specialties Inc. & Nu Cedar Inc which have adopted first-in-first-out (FIFO) method.

ii. Jain Irrigation Inc. which has adopted the Standard cost method.

e. Stocks for Demonstration lying with third parties at sites are valued at the estimated value of its useful life in relation to its original cost at the time of transfer to the third party.

10) Foreign Currency Transactions:

a) All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

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

c) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are translated at the average exchange rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. The exchange difference arising on consolidation is recognised in the exchange fluctuation reserve.

d) In case of foreign subsidiaries that have been identified as integral foreign operations, monetary items are reported using the closing rate. Non-monetary items are reported using the exchange rate at the date of transaction. The exchange difference arising on consolidation is recognised in the statement of profit and loss account.

11) Foreign Currency Derivative contracts:

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

In absence of any specific accounting treatment prescribed in the applicable accounting standards to such derivative contracts, other than forward contracts, the Company is applying the principles as set out in Accounting Standard 30 – Financial Instruments - Recognition and Measurement issued by The Institute of Chartered Accountants of India for such instruments, to the extent they do not conflict with existing accounting standards and other authoritative pronouncements of Company Law and other regulatory requirements.

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

12) Amortisation / Write off of Other Assets:

Orchard expenditure is amortised over a period of 15 years commencing from the 6th year from the date of planting. Orchard mortality during first two years of planting up to 10% is considered normal and any mortality after second year is charged to Profit & Loss Account.

13) Employee Benefits:

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

Post employment benefits:

i) Defined contribution plans: Company's contribution to the provident fund scheme, Superannuation, etc are recognised during the year in which the related service is rendered.

ii) Defined benefit plans: The present value of the obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses on such valuation are recognised immediately in the Profit and Loss Account. The fair value of the plan assets of the trust administered by the Company, is reduced from the gross obligation under the defined benefit plan, to recognise the obligation on a net basis.

Long Term compensated absences are provided on the basis of an actuarial valuation.

Termination Benefits are charged to Profit and Loss Account in the year in which they are incurred.

14) Shares/ Bonds/Debentures Issue Expenses and Premium on Redemption:

Shares/ bonds/ debenture issue expenses and premium on redemption of debentures, preference shares and bonds are adjusted against the balance in "Securities Premium Account" in accordance with provision of Section 78 of the Companies Act, 1956.

15) Tax Provision:

Income-tax expense comprises Current Tax, Fringe Benefit tax (FBT) and Deferred tax charge or credit. Provision for current tax is made on the assessable Income at the tax rate applicable to the relevant assessment year. Provision for FBT is made on the basis of the fringe benefits provided/deemed to have been provided during the year at the rates and values applicable to the relevant assessment year.

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

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

16) Impairment of Assets:

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

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

17) Employees Stock Options and Shares Plan (ESOP):

In accordance with SEBI guidelines, the excess of the market price of the shares, at the date of grant of options under the ESOP, over the exercise price, is treated as Employee Compensation Expense and amortized on a straight-line basis over the vesting period of options.

PART [B]: OTHER NOTES TO ACCOUNTS

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

(Rs. in Million)

Particulars	31-March-2009	31-March-2008
i) Claims not acknowledged as Debts in respect of:		
- Customs and Excise Duty	68.49	71.74
- Power Charges	-	126.52
- Others (Legal)	35.80	140.97
ii) Guarantees given by the Company's Bankers in the normal course of business.	1014.42	446.58
iii) Guarantees given by the Company's bankers to shareholders of NaandanJain towards put option for balance 49.999% stake in the ownership	853.41	399.70
iv) Corporate guarantee given for repayment of indebtedness to lenders	655.40	199.85
v) Bills Discounted with the banks	614.49	204.27
vi) Export obligation towards duty saved amount under EPCG Scheme	3381.48	1703.97
B) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advances)	**161.83**	**284.75**

2) Pursuant to the approval of Shareholders dated 31-January-2006, the Board of Directors has been empowered to contribute towards rural development in general and in particularly the knowledge, skill, efficiency and self-dependence of community. The amount of such contribution shall not exceed in aggregate 3.00% of the annual net profits of the company as reflected in the respective Profit & Loss account adopted by shareholders. Accordingly, an aggregate sum of Rs. 154.50 million (till PY Rs. 93.54 million) has been accumulated for this purpose and the same will be accounted as expenses in the year of actual contribution.

3) On 29-March -2006, Company has issued 60,000 Zero Coupon Currency Convertible Bonds (ZCCBs) (due on 30-March-2011) at face value of US$ 1,000.00 each aggregating to US$ 60.00 Million at a redemption price of 139.37%. The bondholders has the option to convert the bonds in to fully paid Equity Shares of Rs. 10/- each (at a premium of Rs. 335.59 per share) in the ratio of 1:1.283602 on or before 28-February-2011 (with fixed rate of exchange on conversion at Rs. 44.36 to US$=1). These bonds may be redeemed, in whole but not in part at the option of the Company on or at any time after 29-March-2009 subject to satisfaction of certain conditions. Upon conversion of all ZCCB's into equity, this will result in increase of equity shares capital by 7,701,606 shares and increase in net worth of the company by 2661.60 Million. As of the Balance Sheet date, bondholders representing 49,150 (81.92%) bonds have opted for conversion in to equity shares and 6,308,995 Equity Shares of face value of Rs. 10/- have been allotted (with a premium of Rs. 335.59 per share).

4) Employees Stock Options and Shares Plan 2005 (ESOP) – Out of 30,71,200 Stock Options, Compensation Committee of the Company has approved/allotted following stock options to the eligible Indian & Foreign employees including Working and Non-Executive Directors.

	Particulars	Lot No. 1	Lot No. 2	Lot No. 3
a)	Number of ESOP's Allotted	5,00,000	5,00,000	5,00,000
b)	Date of Issue	27-Jan-2007	4-June-2007	14-Feb-2008
c)	Market Price per share (NSE, Mumbai)	410.35	459.40	630.15
d)	Discount Offered as per Terms	25%	10%	10%
e)	Vesting Period	1 Year	3 Years	3 Years
f)	Options Exercised	Nil	Nil	Nil
g)	Options Lapsed	Nil	Nil	Nil

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

5) Research and Development expenditure:

A) Research Expenditure:

Expenditure incurred on in-house research facility by the company

(Rs. In Million)

Particulars	2008-09	2007-08
a. Revenue Expenditure (charged out through the natural heads of account):		
Bio-technology Activities	25.31	8.30
Others R&D Activities	24.87	38.38
Sub total (a)	**50.18**	**46.68**
b. Capital Expenditure:		
Bio-technology Activities	25.22	12.09
Others R&D Activities	44.49	1.26
Sub total (b)	**69.71**	**13.35**
Total (a+b)	**119.89**	**60.03**

B) Development Expenditure

Development expenditure amounting to USD 2.28 Million (P.Y. USD 2.63 Million) has been capitalised and will be amortised over a period on achieving commercial level of production. These expenses are primarily revenue in nature incurred during development phase.

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

A] Related parties and their relation:

1. Companies / Firms in which Director, Director's Relatives are Directors/Partners:

Jain Extrusion & Molding Pvt. Ltd.,
Jain Vanguard Polybutelyne Ltd.,
Atlaz Technology Pvt. Ltd,
JAF Products Pvt. Ltd,
Jalgaon Investment Pvt. Ltd
Jain Rotfil Heaters Pvt. Ltd.,
Timbron India Pvt. Ltd.
Jain Investments & Finance BV. Netherland
Jain Sons Investments Corporation,
Pixel Point Pvt. Ltd.,
Labh Subh Securities International Ltd.,
Jain Brothers Industries Pvt. Ltd.,
Cosmos Investment & Trading Pvt. Ltd.,
Stock & Securities (India) Pvt. Ltd.,
Gandhi Research Foundation,
Jain e-agro.com India Pvt. Ltd.
Jain Overseas Investments Ltd. Mauritius
Drip & Pipe Suppliers,

PVC Trading House,
Jain Computer & Allied Services,
Jalgaon Metal & Bricks Manufacturing Co.,
Bhavarlal & Kantabai Jain Multipurpose Foundation
Bahinabai Chaudhari Memorial Trust.
Plastic Enterprises,
Jalgaon Udyog,
Anubhuti Scholarship Foundation,
Jain Charities, Jalgaon.

2. Key Management Personnel & Designation:

Bhavarlal H. Jain (Chairman),
Anil B. Jain (Managing Director),
Atul B. Jain (Whole Time Director),(Resigned from 28-07-2008)
R. B. Jain (Whole Time Director),(Resigned from 28-07-2008)
R. Swaminathan (Whole Time Director),
Ramesh C A Jain (Director)
Radhika C Pereira (Director)
Ashok B. Jain (Vice Chairman),
Ajit B. Jain (Joint Managing Director),
A. R. Barwe (Director)
V. V. Warty (Director – SBI Nominee)
D. R. Mehta (Director)

3. Relatives of Key Management Personnel & Designation

Atul B. Jain (Chief Marketing Officer)

B] Transactions with related parties

	Transactions	Year Ended 2009				Year Ended 2008		
		[1] *	[2] *	[3] *	Total	[1] *	[2] *	Total
1	Purchase of Goods	–	–	0.05	0.05	–	–	–
2	Sale of Goods	–	–	–	–	0.82	–	0.82
3	Payment for Rent, Lease Rent	0.44	5.86	–	6.30	0.47	5.03	5.50
4	Payment towards remuneration/salary, Sitting Fees	–	31.66	3.37	35.03	–	1.31	1.31
5	Performance Bonus / Commission	–	50.89	6.91	57.80	–	64.40	64.40
6	Deposit given	–	–	–	–	–	28.50	28.50
7	Loans and Advances given	–	8.40	2.58	10.98	5.57	10.80	16.37
8	Subscription to Equity Share Warrants	–	–	–	–	1782.32	–	1782.32
Net outstanding balances carried to Balance Sheet:								
1	Receivable	8.00	76.68		84.68	13.63	18.02	31.65
2	Payable	–	(52.27)	(6.91)	(59.18)	–	–	–

Note: Personal Guarantees of Promoters given to Consortium Bank and FI's for various credit facilities provided to the Company and counter guaranteed by the Company is amounting to Rs.15422.70 million.
[1] *Companies / Firms in which Director, Directors Relatives are Directors / Partners.
[2] * Key Management Personnel.
[3]* Relatives of Key Management Personnel.

7) Leases:

The company has entered into "Operating Lease" as defined in the Accounting Standard 19 (AS-19) “Leases”. Significant terms of the Lease Agreements are:

a) No transfer of ownership on termination of lease,
b) No compensation for transfer on termination of lease
c) No renewal of lease on expiry of the lease period

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

Particulars	2008-09	2007-08
Not later than one year	122.12	73.61
Later than one year and not later than five years	207.74	137.12
Later than five years	478.29	163.51

8. Earnings per Share (EPS):

	Particulars	2008-09	2007-08
i)	Profit/(Loss) after tax & prior period item [Rs. In Million]	1,294.44	1,324.00
	Less: proposed dividend on preference capital (Incluidng Dividend Tax)	36.22	41.00
	Amount available for Equity Share Holders	1,258.22	1,283.00
ii)	Weighted average number of Equity Shares for Basic EPS [Nos.]	72,311,062	65,839,303
	Add: Number of Potential Equity Shares under ESOP	263,082	172,678
	Add: Number of Shares against Deposit of Equity Share Warrants	124,682	51,440
iii)	Weighted average number of Equity Shares including potential Equity [Nos.]		
	Shares for Diluted EPS	72,698,826	66,063,421
	Basic EPS [Rs.]	17.40	19.49
	Diluted EPS [Rs.]	17.31	19.42

9) Disclosure of Derivatives:

The net un-realised loss aggregating Rs.712.30 Million in respect of derivative instruments which qualify for hedge accounting have been accounted for as a Hedging Reserve to be ultimately recognized in the profit and loss account when the underlying transactions will be matured.

10) a) Primary segment accounting:

Reporting of Segment wise Revenue, Result and Capital Employed: - [Rs. in Million]

	Particulars			Year Ended 31-March-2009	Year Ended 31-March-2008
1	**Segment Revenue**				
	A] Hi-tech Agri Input Products			18946.81	13,535.11
	B] Industrial Products			9637.04	8,623.61
	Net Sales Income From Operations:			28583.85	22,158.72
2	**Segment Result [Profit / (Loss)] before Tax and Interest**				
	A] Hi-tech Agri Input Products			3520.96	2,432.20
	B] Industrial Products			2111.85	1,351.74
	Sub Total			5632.81	3,783.94
	Un-allocable expenditure (Net)				
	Less: i) Interest (Net)			1809.38	1,326.95
	ii) Exceptional Items			-	34.04
	iii) Other (Net off income)			1828.74	515.66
	Total Profit / (Loss) Before Tax:			1994.69	1,907.29
3.	**Other Information: 2008-09**	**Hi-tech Agri Input Products**	**Industrial Products**	**Others Un-allocable**	**Total**
	Capital Assets (Net) Including CWIP & Investments	5903.28	5974.82	3,466.66	15,344.76
	Current Assets (Net)	12501.05	9428.81	1,394.37	23,324.33
	Current Liabilities (Net)	4104.09	4758.45	1,548.89	10,412.33
	Total	**14299.34**	**10645.18**	**3,312.14**	**28,256.66**
	Previous Year 2007-2008	11,909.87	7,640.74	2,533.57	22,084.18

b) Secondary Segment Accounting (Geographical):

Segment Revenue	India	Europe	North America	Rest of the World	Total
a] Hi-tech Agri Input Products	12,955.55	1,637.35	3,506.70	852.81	18,952.40
b] Industrial Products	6,409.53	1,186.53	1,695.33	339.85	9,631.44
Total	**19,635.08**	**2,823.87**	**5,202.23**	**1,192.66**	**28,583.85**

Notes: 1) The revenue and results figure given above are directly identifiable to respective segments and expenditure on common services incurred at the corporate level are not directly identifiable to respective segments have been shown as "Other Un-allocable Expenditure". 2).The other information figures given above are directly identifiable to respective segments and information for corporate services for head office and investments related to acquisitions have been shown as "Others Unallocable".

11) Deferred Tax : [Rs. in Million]

	Particulars	As at 31.03.2009	As at 31.03.2008
a.	**Deferred Tax Liability**		
	Depreciation	(826.17)	(745.67)
b.	**Deferred Tax Assets**		
	Carried Forward Operating Losses	299.59	674.44
	Carried Forward Capital Losses	46.30	50.41
	Inventory Reserve	6.33	4.97
	Disallowance Under Sec. 43B of the IT Act, 1961	31.07	7.87
	Other Current Assets / (Liabilities)	31.28	60.99
	Sub Total (b)	**414.57**	**798.67**
c.	**Net Deferred Tax Assets / (Liabilities) (a+b) $**	**(411.60)**	**53.01**

Negative figures represent deferred tax liability as at year end & deferred tax expense for the year.

$ Deferred tax for the year is excluding tax on expenses adjusted against securities premium account for Rs.17.40 Million (PY Rs 17.40 Million).

12) Exceptional item includes service tax disallowed and settlement expenses towards acquiring distribution rights.

13) Comparative Figures: Previous year's figures have been reworked, regrouped and reclassified wherever necessary, to conform to current year's classification & presentation.

SUBSIDIARY STATEMENT

Statement Pursuant To Section 212 of the Companies Act, 1956 relating to Company's interest in the Subsidiary Companies

Sr No.	Details	JISL Overseas Ltd. Mauritius
1	The financial year of the subsidiary company ended on	31st March, 2009
2	Date from which it became subsidiary	3rd November, 1995
3	a) No. of shares held by Holding Company with its nominees in the subsidiary at the end of the financial year of the subsidiary	i) 47,655,891 Ordinary Shares of US$ 1 each fully paid up. ii) 45,00,000 2% preference shares of US$ 1 each fully paid up. iii) 28,981,000 6% preference shares of US$ 1 each fully paid up. iv) 7,108,687 Preference shares of US$ 1 each fully paid up.
	b) Extent of interest of holding company at the end of the financial year of the subsidiary	100%
4	The net aggregate amount of the subsidiary's profit / (loss) so far as it concerns the members	
	a) Not dealt with in holding company's accounts	
	i) For the financial year of the subsidiary	US$ (456,017)
	ii) For the previous financial year of the subsidiary since it became the subsidiary of the company	US$ 97,457
	b) Dealt with in holding company accounts (In consolidated accounts)	Fully
	i) For the financial year of the subsidiary	Nil*
	ii) For the previous financial year of the subsidiary	Nil*
5	Changes in the holding Company's interest in the subsidiary between the end of the financial year of the subsidiary and the end of the holding Company's financial year.	Not Applicable
6	Material changes between the end of the financial year of the subsidiary and the end of holding Company's financial year in respect of: a) Subsidiary's fixed assets b) Its investments c) The monies lent by it d) The monies borrowed but for any purpose other than meeting current liabilities.	Not Applicable

*** Consolidated accounts reflect the effect fully.**

For and on Behalf of Board of Directors

Jalgaon, 25th August, 2009

A.V. Ghodgaonkar
Company Secretary

Anil B. Jain
Managing Director

A. R. Barwe
Director

JAIN

JISL OVERSEAS LTD., MAURITIUS

BALANCE SHEET

As at 31st March, 2009

	2009 USD	2008 USD
Assets		
Non-current assets		
Investments in subsidiary companies	82,418,446	62,434,408
Current assets		
Trade and other receivables	16,102,071	7,221,270
Cash at bank	46,802	24,397
	16,148,873	7,245,667
Total assets	**98,567,319**	**69,680,075**
Equity And Liabilities		
Capital and reserves		
Share capital	54,764,578	53,255,891
Retained earnings	(212,289)	243,728
Shareholders' interests	54,552,289	53,499,619
Non-current liabilities		
Redeemable preference shares	33,481,000	10,981,000
Current liabilities		
Trade and other payable	10,534,030	5,196,377
Taxation	–	3,079
Total Current liabilities	**10,534,030**	**5,199,456**
Total Liabilities	**44,015,030**	**16,180,456**
Total equity and liabilities	**98,567,319**	**69,680,075**

INCOME STATEMENT

For the Year Ended 31st March, 2009

	2009 USD	2008 USD
Income		
Dividend income	4,187	10,193
Interest received	379,460	845,869
Other income	1,050	–
Gain on exchange	4,192	2,378
	388,889	858,440
Expenses		
Premium on redemption of shares	508,687	–
Licence fees	1,740	1,730
Secretarial fees	1,500	1,500
Professional fees	3,200	2,100
Disbursements	350	400
Accountancy fees	2,000	2,000
Audit fees	2,000	2,000
Interest on loan	322,784	743,795
Bank charges	2,645	3,265
	844,906	756,790
Profit Before Taxation	**(456,017)**	101,650
Taxation	**–**	(4,193)
(Loss) / profit For The Year	**(456,017)**	97,457

CORPORATE GOVERNANCE REPORT

I) Corporate Governance:

Corporate Governance is the application of best management practices, compliance of laws, rules, regulations and adherence to standards to achieve the objects of the Company, enhance shareholder value and discharge of social responsibility. The Corporate Governance Structure in the Company assigns responsibility and authority to Board of Directors, its committees and the executive management, senior management employees etc.

II) Company's Philosophy on code of Corporate Governance:

The Company acknowledges its responsibilities to its Stakeholders. The Company believes that Corporate Governance helps to achieve commitment and goals to enhance stakeholder value by focusing towards all stakeholders. Any good corporate governance provides an appropriate framework for the Board, its committees and the executive Management to carry out the objectives that are in the interest of the Company and the Stakeholders. The Company maintains highest levels of transparency, accountability and good management practices through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities.

The Company is in compliance with the requirements of the revised guidelines on corporate governance stipulated under clause 49 of the Listing Agreement with the Stock Exchanges. A code of conduct is framed and adopted in and the pursuit of excellence in corporate governance.

The Company has three tiers of the governance pyramid:

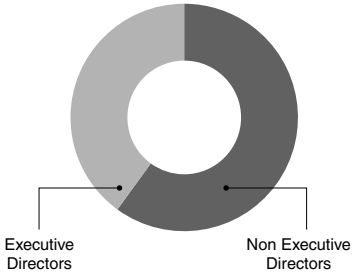
- Shareholders - Board of Directors
- Committees of the Board
- Executive Management

Each of the tier operates within the given parameters as per prevailing laws and regulations or the practices prevalent in the industry.

III) Board of Directors:

a) Composition:

The Board of Directors of Jain Irrigation comprises of Executive and Non Executive Directors. Since the Chairman is from the Promoters Group, the strength of independent Directors is mandated at 1/2 of the strength of the Board. The Board has 5 independent members in total strength of 10 at present. The executive Directors are 4 in view of the diverse nature of business of the Company. The independent Directors are professionals in their field and possess background of financial, legal and agriculture fields. 1 out of the 5 independent directors is with the Company Board for less than 3 years at present. In terms of the Articles of Association the strength of the Board shall not be less than 3 and not more than 14 at present.



The following is the composition of the Board on 31st March, 2009;

As on	Executive Directors	Non Executive Directors	Total No. of Directors
31-March-2009	4	6	10

Shri Bhavarlal H Jain, the founder is also the Chairman (non-executive) of the Board.

The table below gives the composition of Jain Irrigation's Board and the number of other Directorships and Committee Memberships as on 31st March, 2009.

Name of Directors	Other Directorship in Ltd. Co.	Other Directorship in Pvt. Ltd. Co.	Membership in Committees (other than JISL)	Membership in Committees at JISL
Mr. Bhavarlal H. Jain	Nil	2	Nil	Nil
Mr. Ashok B. Jain	2	10	Nil	2
Mr. Anil B. Jain	14*	Nil	Nil	1
Mr. Ajit B. Jain	4*	3	Nil	3
Mr. Anirudha R. Barwe	4	Nil	4	3
Mr. D. R. Mehta	2	Nil	Nil	Nil
Mr. R. Swaminathan	3*	Nil	Nil	1
Mrs. Radhika C. Pereira	1	2	Nil	Nil
Mr. Ramesh C. A. Jain	Nil	Nil	Nil	2
Mr. V. V. Warty	Nil	2	Nil	3

* Including foreign Subsidiary Companies in group.

b) The Shareholding of Directors in the Company is as under as on 31.03.2009

Name of Director	No. of Shares	% of Total Equity Capital
Mr. Bhavarlal H. Jain	556,048	0.77
Mr. Ashok B. Jain	371,497	0.51
Mr. Anil B. Jain	22,738	0.03
Mr. Ajit B. Jain	1,868,041	2.58
Mr. Anirudha R. Barwe	–	–
Mr. D. R. Mehta	–	–
Mr. R. Swaminathan	29,952	0.04
Mr. Radhika C. Pereira	–	–
Mr. Ramesh C. A. Jain	–	–
Mr. V. V. Warty	–	–
Total	**2,848,276**	**3.93**

c) Meetings of Board and its Committees:

Meetings of Board and its Committees are held as and when required. The meetings of the Board and Audit Committee normally last for a day and in some cases are held over two days. The Board of Directors met 5 times, One EGM was held on 26th March, 2009 and AGM was held on 30th September, 2008 as per attendance details in the following table:

Name of Directors	Designation	Category	BOD	EGM	AGM
Mr. Bhavarlal H. Jain	Chairman	Promoter Director	3	Yes	Yes
Mr. Ashok B. Jain	Vice Chairman	Promoter Director	4	Yes	Yes
Mr. Anil B. Jain	Managing Director	Promoter Director	5	Yes	Yes
Mr. Ajit B. Jain	Joint Managing Director	Promoter Director	4	Yes	Yes
Mr. Atul B. Jain*	Director Marketing	Promoter Director	2	NA	NA
Mr. Anirudha R. Barwe	Director	Independent Director	5	No	Yes
Mr. D. R. Mehta	Director	Independent Director	4	No	No
Mr. R. Swaminathan	Director Technical	Executive Director	3	Yes	Yes
Mrs. Radhika C. Pereira	Director	Independent Director	4	No	Yes
Mr. Rajnikant B. Jain*	Director Technical	Executive Director	2	NA	NA
Mr. Ramesh C. A. Jain	Director	Independent Director	4	No	Yes
Mr. V. V. Warty	Director	Independent Director SBI Nominee Director	5	No	Yes

*Resigned on 28.07.2008

d) Disclosure regarding appointment or re-appointment of Directors

Sr. No.	Name, Designation and Qualification	Experience and Expertise in specific functional areas	Other Company Directorships, Committee Memberships, Trustee, Proprietor, Partner etc.
1	Shri Bhavarlal H. Jain Chairman B.Com., LLB	Founder of the Jain group of Companies and Chairman of the Company. He began his business in 1963 by trading in agricultural inputs and equipments. In 1978, he acquired a sick unit which he used to manufacture Papain. In 1980, he commenced PVC Pipe manufacturing operations. Post 1986, he pioneered the concept of micro irrigation in India. He has received many awards and accolades for outstanding work in agriculture including the prestigious Crawford Reid Memorial Award instituted by Irrigation Association, U.S.A. for "Significant Contribution to the Irrigation Industry outside the United States".4 honorary doctorates have been conferred to him from different universities Acknowledging path breaking work he has done for improvement of agriculture in India. On 5th May 2008 he was conferred by Padmashree by the Govt. of India at the hands of Hon'ble President of India.	Director of: i) Kantabai Bhavarlal Jain Family Knowledge Institute ii) Gandhi Research Foundation Committee Membership: None Trustee: i) Bhavarlal and Kantabai Jain Multipurpose Foundation ii) Anubhuti Scholarship Foundation iii) Bahinabai Chaudhari Memorial Trust

Sr. No.	Name, Designation and Qualification	Experience and Expertise in specific functional areas	Other Company Directorships, Committee Memberships, Trustee, Proprietor, Partner etc.
2	Shri Ashok B. Jain Vice Chairman B.Com.	Joined the management team in 1982 and was in charge of marketing and extension services in Maharashtra and other States. In 1993 he became Director and was responsible for Corporate Administration. Corporate Image and Relationships, Events Management, Personnel/Human Resource Development, Communication, Public Relations, Art and Publicity. At present he also acts as Commercial Chief of the Food Processing Division.	Director of: i) Atlaz Technology Pvt. Ltd. ii) Labh Subh Securities International Ltd. iii) Timbron India Pvt. Ltd. iv) Jain Vanguard Polybutylene Ltd. v) JAF Products Pvt. Ltd. vi) Jain Brothers Industries Pvt. Ltd. vii) Pixel Point Pvt. Ltd. viii) Cosmos Investment & Trading Pvt. Ltd. ix) Jain Eagro.Com India Pvt. Ltd. x) Jalgaon Investments Pvt. Ltd. xi) Kantabai Bhavarlal Jain Family Knowledge Institute xii) Gandhi Research Foundation Partner: i) Jain Computer & Allied Services ii) Jalgaon Udhyog iii) Jalgaon Metal & Bricks Mfg. Co. Proprietor: i) PVC Trading House Trustee: i) Jain Charities ii) Anubhuti Scholarship Foundation Committee Membership: None
3	Shri Anil B. Jain Managing Director B.Com., LLB	Managing Director of the Company since 1992. He joined management team in 1984 and was in charge of US based marketing operations. He has an extensive background and experience in Finance, Banking, Mergers & Acquisitions, Strategic Planning, Restructuring Operations. Export Marketing, International Business Relations, Collaborations and Joint Ventures.	Director of: i) JISL Overseas Ltd. ii) Jain(Americas) Inc. iii) Cascade Specialties Inc. iv) Nucedar Mills, Inc v) Chapin Watermetics, Inc. vi) Jain Irrigation Holding Corporation (formerly Jain Irrigation Inc.) vii) Jain Irrigation Inc. (formerly Aquarius Brands, Inc.) viii) Central Valley Manufacturing Inc. ix) Jain (Europe) Ltd. x) Naandan Jain Irrigation CS Ltd. xi) Jain Investment & Finance B V xii) Jain Overseas Investments Ltd. xiii) Jain Overseas BV. Netherland xiv) Jain (Israel) BV, Netherland Proprietor i) Drip & Pipe Suppliers Partner i) Jalgaon Udhyog ii) Jalgaon Metal & Bricks Mfg. Co. Trustee: i) Anubhuti Scholarship Foundation Committee Membership: None

Sr. No.	Name, Designation and Qualification	Experience and Expertise in specific functional areas	Other Company Directorships, Committee Memberships, Trustee, Proprietor, Partner etc.
4	Shri Ajit B. Jain Joint Managing Director BE.(Mech.)	Joint Managing Director of the Company since 1994 and is responsible for the pipe division as well as marketing all plastic products, including drip irrigation, guidance for extension service and development of new applications and products. He joined in 1984 and started his training in production and maintenance in the pipe division. During the period from 1985-1990, he was in charge of establishing our new pipe production plant at Sendhwa (in the state of Madhya Pradesh in India). In 1991 he was appointed Director with the overall responsibility of the pipe manufacturing plant at Jalgaon, including production, maintenance and marketing.	Director of: i) Jain Extrusion & Moulding Pvt. Ltd. ii) Jain Rotfil Heaters Pvt. Ltd. iii) Cosmos Investment & Trading Pvt. Ltd. iv) Chapin Watermetics, Inc. v) Naandan Jain Irrigation CS Ltd. vi) JISL Switzerland Ltd. vii) Thomas Machines Ltd. Proprietor: i) Plastic Enterprises Partner: i) Jalgaon Metal & Bricks Manufacturing Co. Trustee: i) Anubhuti Scholarship Foundation Committee Membership: None
5	Shri A. R. Barwe Director M.Sc. (Mathematics)	He is a Director and Chairman of the Audit Committee. He holds a graduate degree in Mathematics and is an associate of the Indian Institute of Bankers in Mumbai. He started his career as a lecturer in Northern Maharashtra in 1960 and was a Probationary Officer of State Bank of India (SBI) in 1961. He held several important positions within State Bank of India and in 1996 was named Managing Director of SBI Capital Markets Limited. He is currently advising a number of entities including foreign bodies in the financial field and is a member of Government economic committees and other listed company boards.	Director of: i) Kotak Mahindra Trustee Co. Ltd. ii) MSPL Limited iii) Zenith Birla (India) Ltd. iv) Sigma Laboratories Ltd. Committee Membership: i) National Securities Clearing Corporation Ltd. ii) National Stock Exchange of India Ltd. iii) Yen Consultants Pvt. Ltd. iv) National Commodity & Derivatives Exchange Ltd.
6	Shri D. R. Mehta	Shri D. R. Mehta was appointed on 26.12.2007. He joined Indian Administrative Service in 1961 and held important positions in the Govt. of Rajasthan and later in Govt. of India. He was the Chairman of Securities and Exchange Board of India (SEBI), an apex regulatory body that deals with the regulation and development of the capital market in India. He has been credited with transforming the Capital Market in India into a modern, efficient, safe, vibrant and a very investor friendly one. His prior prestigious postings include the Deputy Governor of Reserve Bank of India, Director General of Foreign Trade, Ministry of Commerce, and Additional Secretary, Banking, Ministry of Finance. Born in 1937, he is graduate of Arts and Law from Rajasthan University. He also studied at Royal Institute of Public Administration, London and Alfred Sloan School of Management, MIT, Boston. There is another side to this sterling personality-humane side. A man of compassion, he set up the Bhagwan Mahavir Viklang Sahayata Samiti in 1975,	Director of: i) Polymedicure Ltd, New Delhi ii) Spice Communications Ltd. Committee Membership: None

Sr. No.	Name, Designation and Qualification	Experience and Expertise in specific functional areas	Other Company Directorships, Committee Memberships, Trustee, Proprietor, Partner etc.
7	Shri R. Swaminathan Director - Technical B.Tech. (Chemical)	He is Chemical Engineer responsible for manufacturing operations in our Poly-tube, Sprinkler, PVC & PC Sheets and PVC & PE Pipe units. He has 31 years of experience in operation and maintenance activities of plants handling such things as Solvent Extraction, Plastics Extrusion and Injection Moulding. He joined the Jain Group in 1982 and was appointed a full-time Director in 1996.	Director of: i) Nucedar Mills, Inc. ii) JISL Switzerland Ltd. iii) Thomas Machines Ltd. Committee Membership: None
8	Shri Ramesh C. A. Jain Director B.A., LLB	He holds a Bachelor of Arts Degree from the University of Rajasthan, a Bachelor of Law Degree from the University of Bombay and a Post-graduate Diploma in Development Administration from the University of Manchester in the United Kingdom. He has 10 years of experience in the industrial development and financial sectors. In 2003 he was Secretary of the Department of Agriculture and Cooperation in the Ministry of Agriculture in New Delhi and was responsible for the formulation and implementation of national policies and programmes for agricultural development. In 2004, before joining the Food and Agriculture Organization of the United Nations as its Country Representative in the Philippines, he held the post of Member Secretary, National Commission on Farmers, established by the Government of India.	Directorship: None Committee Membership: None
9	Smt. Radhika C. Pereira Director B.Sc., LLB, LLM(Cambridge) LLM(Harvard)	She is a graduate of Mumbai University concentrating in science and law, and holds an LLM from Cambridge (England) and Harvard (USA). Currently, she is a Proprietor of Dudhat, Periera and Associates, Advocates, Mumbai. Over the years she worked with Mulla & Mulla, Cragie, Blunt & Caroe, Advocates and Solicitors, Mumbai, Arthur Anderson & Co, Mumbai, and as a Partner in Udwadia & Udeshi, Advocates, Mumbai.	Director of: i) Tips Industries Ltd. ii) Sethi Funds Management Pvt. Ltd. iii) Ascent HR Solutions Pvt. Ltd. Committee Membership: None
10	Shri Vasant V. Warty Director Nominee – SBI B.A., LLB	He was appointed on May 13, 2004 by State Bank of India, the lead bank for our consortium of working capital bankers. He is a graduate in arts and law and holds a diploma in Managerial Accounting from Jamnalal Bajaj Institute, in addition to having passed CAIIB. Mr. Warty joined State Bank of India as a Probationary Officer in October 1966 and has held various positions within the field of Branch Management, including International Banking faculty member of State Bank staff college, Zonal Office in Mumbai, GM Commercial Banking and CGM Orissa State.	Director of: i) Lance Kondapalli Power Pvt. Ltd. ii) Ratnagiri Gas Power (P) Ltd. Committee Membership: None

e) Information provided to Board Members:

The structured agenda for the Board Meetings together with appropriate supporting documents is circulated in advance of the meetings. Some bulky documents are placed at the meeting and Power Point presentations are made to explain the details to all the Directors. The Board of Directors decide certain urgent matters by circulation as is permitted under the Companies Act, 1956. The circular resolutions are then confirmed at the next Board Meeting. As a part of Agenda, the Company has circulated notices, circulars, and orders on material development, legal and regulatory environment affecting the Company including the following:

i) Quarterly/annual divisional performance vis a vis the Budget for the financial quarter/year adopted by Board and reasons and details for variations, if any.

ii) Treasury decisions both Domestic and Foreign exchange related as and when movement takes place but otherwise on a semi-annual basis.

iii) Internal Audit findings and Statutory Auditors reports (thru the Audit Committee).

iv) Show cause, demand, prosecution notices, if any from revenue authorities which are materially important and that exceed financial threshold set by the Board.

v) Default, if any, in payment of interest and redemption of principal on Debentures issued by Company and the dues to major creditors of the Company or Financial Institution, Bank.

vi) Terms of reference of the Committees appointed by the Board.

vii) Significant write off's/disposals or incidents of fraud/ theft etc.

viii) Information related to strike, lock outs, retrenchments and fatal accidents etc.

ix) Any information which could potentially alter/impact the business seriously or which could negatively impact the Company's image in general.

f) Compensation to Directors:

The remuneration paid or payable to the Directors for services rendered during 2008-2009 is given hereunder:

i) Executive Directors:

Sr. No.	Name of Director	Position	Gross Remuneration (Rs.)		
			Remuneration	Commission	Total
1	Mr. Anil B Jain	Managing Director	15,677,419	13,768,100	29,445,519
2	Mr. Ajit B Jain	Joint Managing Director	11,895,686	13,768,100	25,663,786
3	Mr. Ashok B Jain	Vice Chairman	8,022,926	13,768,100	21,791,026
4	Mr. Atul B Jain*	Director- Marketing	1,562,072	4,589,367	6,151,439
5	Mr. Rajnikant B Jain*	Director- Technical	1,356,620	-	1,356,620
6	Mr R Swaminathan	Director- Technical	5,357,480	-	5,357,480
Total			43,872,203	45,893,667	89,765,870

* Resigned on 28.07.2008, hence for part of year only as Director.

ii) Non Executive Directors:

Sr. No.	Name of Director	Commission (Rs.)	Sitting Fees (Rs.)			Total (Rs.)
			Board Meeting	Committee Meetings	Total	
1	Mr. Anirudha R Barwe	1,000,000*	50,000	130,000	180,000	1,180,000
2	Shri Ramesh CA Jain	1,000,000*	40,000	70,000	110,000	1,110,000
3	Mr. V V Warty	1,000,000*	50,000	130,000	180,000	1,180,000
4	Mrs Radhika C Pereira	1,000,000*	40,000	0	40,000	1,040,000
5	Mr. D R Mehta	1,000,000*	40,000	0	40,000	1,040,000
Total		5,000,000	220,000	330,000	550,000	5,550,000

* Subject to Shareholders approval before payment

The Company is in process for implementation of a stock option plan.

IV) Related Party Transactions:

The details of related party transactions are given in detail in Note No 8 of part (B) of Schedule 22 of the Audited Accounts of the Company for the year ended 31st March, 2009.

V) Committees of the Board:

The Committees appointed by the Board carry out functions in specific areas and make recommendations to the Board on various matters from time to time or take decisions as are deligated by the Board.

The decisions and recommendations of the Committees are placed before the Board for information or approval as the case may be.

Jain Irrigation has following regular Board level committees:

a) Audit Committee,
b) Compensation Committee,
c) Investors Relation and Grievances Committee, and
d) Operations Review Committee

A) Audit Committee:

The Audit Committee meetings are generally organized just before the Board Meeting. The agenda for Audit Committee meeting includes following items:

a) Detailed presentation on matters within the purview of the Committee.
b) Action taken reports.
c) Internal Audit Reports
d) Matters regarding appointment of Statutory Auditors, Internal Auditors etc.
e) Financial reporting to all Stakeholders

The management is responsible for financial reporting and internal control in the Company. The Statutory Auditors are responsible for performing audit of the Company's financial statements in accordance with the generally accepted audit practices and issue reports based on such audits. The Audit Committee is responsible for supervising the financial reports, Statutory Audit and Internal Audit to ensure accurate and appropriate disclosures that maintain and enhance quality of financial reporting. The following are the members of the Audit Committee as on 31st March 2009:

a) Mr. Anirudha R. Barwe — Chairman
b) Mr. Ramesh C A Jain — Member
c) Mr. V V Warty — Member

The Company Secretary is the Secretary and Convener of the Committee.

The Statutory Auditors were present in all 4 Audit Committee Meetings held during the year- 2008-09.

b) Presence at Audit Committee Meetings:

Name of Directors	Desig-nation	Category	Total meetings	Meeting Attended
Mr. Anil B. Jain	Managing Director	Executive Director	4	2*
Mr. Anirudha R. Barwe	Director	Independent Director	4	4
Mr. Ramesh C. A Jain	Director	Independent Director	4	4
Mr. V. V. Warty	Director	Independent Director	4	4

* Resigned w.e.f. 28th July, 2008

Scope of Audit Committee is as under:

* Supervise the financial reporting numbers, comments.
* Review the quarterly and annual financial results before placing them before the Board with particular reference to.

a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
b. Changes, if any, in accounting policies and practices and reasons for the same.
c. Major accounting entries involving estimates based on the exercise of judgement by management.
d. Significant adjustments made in the financial statements arising out of audit findings.
e. Compliance with listing and other legal requirements relating to financial statements.
f. Disclosure of any related party transactions.
g. Qualifications in the draft audit report.

* Review the adequacy of internal control in the Company including a plan, scope and performance of the internal Audit functions.
* Hold discussions with Statutory Auditors on the nature and scope of audit and any views that they have about the financial control and reporting process.
* Ensure compliance with accounting standards and listing requirements with respect to financial statements.
* Recommend the appointment and removal of external Auditors and their fees.
* Ensure that adequate safeguards have been taken for legal compliance both for the Company and its other domestic as well as foreign subsidiaries.
* Review related party transactions.
* Review the financial statements, in particular, the investments made by the unlisted subsidiary company.
* The minutes of the Board meeting of the unlisted subsidiary company shall be placed at the Board meeting of the listed holding company. The management periodically brings to the attention of the Board of Directors of the listed holding company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary company.
* 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.
* Review the functioning of the Whistle Blower mechanism, in case the same is existing.

The Audit Committee has recommended to the Board to accept the audited financial statements prepared in accordance with Indian GAAP as true and fair statements of the financial health of the Company.

B) Compensation Committee:

Committee consists of following persons as on 31st March, 2009:

a) Shri. A R Barwe — Chairman
b) Shri. Ramesh C A Jain — Member
c) Shri. Ashok B. Jain — Member
d) Shri. Ajit B. Jain — Member
e) Shri V V Warty — Member

The Company Secretary is the Convener of the Committee.

The Compensation Committee considers and recommends the compensation of Executive Directors and selected Executives at the senior level in the Company as also the allotment/devolution of ESOP's under approved ESOP 2005. Four meetings were held on 20.04.2008, 27.06.2008, 27.08.2008 and 30.01.2009 in 2008-09.

C) Share holders Grievances Committee:

The Shareholders Grievances Committee (SGC) is chaired by the Independent and Non-Executive Director and comprises of following as on 31 March, 2009:

a) Shri. V V Warty — Chairman
b) Shri. Ajit B. Jain — Member
c) Shri. A R Barwe. — Member

The Company Secretary is the Secretary and convenor of this Committee.

The scope of the committee is as follows:

* To review Investor complaints,
* To review Corporate action related work,
* Out source investor services like Registrar and Transfer Agents, etc.

Four meetings of SGC were held on 21.04.2008, 28.07.2008, 24.10.2008, and 30.01.2009 during the year 2008-09. However, the transfer sub committee has met 47 number of times to approve the requests for transfer, transmission, duplicate, split, demat etc.

D) Operations Review Committee:

The Board on 30th September, 2005 had formed an Operations Review Committee which undertakes work of approving (within the borrowing powers approved by Board) the individual sanction letters and delegates authority for completing documentation related to such borrowing. The Committee also approves opening and closing of Bank accounts and delegates' authority for security creation or related action for documentation. The Committee consists of the following persons as on 31st March, 2009.

a) Shri Ashok B. Jain — Chairman
b) Shri Anil B. Jain — Member
c) Shri Ajit B. Jain — Member
d) Shri R. Swaminathan — Member

The Operations Review Committee has met 18 times during the FY 2008-09.

VI) Management analysis and discussion details:

The Annual Report includes a detailed management discussion and analysis.

VII) Information to Shareholders:

A) General Information:

1	Annual General Meeting Day, Date, Time & Venue	Wednesday, 30th September, 2009 at 11.00 AM at Registered Office of the Company i.e.Jain Plastic Park, N H No. 6, Bambhori, Jalgaon – 425001
2	Book Closure Dates	14.09.2009 to 30.09.2009 (both days inclusive)
3	Financial calendar 2008-2009 Audited results of 2007-2008 First quarter results declared Second quarter results declared Third quarter results declared Fourth quarter, and Audited results of 2008-2009	 on 28th July, 2008 on 28th July, 2008 on 24th October, 2008 on 30th January, 2009 on 30th April, 2009 on 25th August 2009
4	Financial calendar 2009-2010 First quarter results Second quarter results Third quarter results Fourth quarter and audited Annual Accounts	 On 30th July, 2009 Third Friday of month followed by end of the quarter
5	Registered Office	Jain Plastic Park, N H No. 6, Bambhori, Jalgaon - 425001
6	Listing of Shares on Stock Exchanges	The Stock Exchange, Mumbai National Stock Exchange of India Ltd., Mumbai Bourse De Luxembourg (for EDRs) Singapore Exchange Securities Trading Ltd (for FCCB's)
7	De-listing of shares on Stock Exchanges	Not Applicable
8	Listing Fees	Paid to BSE and NSE Stock Exchanges up to the year 2009-2010.
9	Stock Codes The Stock Exchange, Mumbai National Stock Exchange of India Ltd., Mumbai	500219 (Demat & Physical) JISLJALEQS
10	ISIN No.	INE175A01020
11	Depositories	National Securities Depository Ltd. Central Depository Services (India) Ltd.
12	Depository Charges	Paid to NSDL and CDSL up to the year 2009-10

B) General Body Meetings

The details of the location, date and time for last three Annual Meetings are given as below:

Year	Location	Date	Time
2005-2006	Jain Plastic Park, N H No. 6, Bambhori, Jalgaon – 425001	29.09.2006	11.00 AM
2006-2007	Jain Plastic Park, N H No. 6, Bambhori, Jalgaon – 425001	27.09.2007	11.00 AM
2007-2008	Jain Plastic Park, N H No. 6, Bambhori, Jalgaon – 425001	30.09.2008	11.00 AM

C) Postal Ballot

There were no ordinary or special resolutions passed by the Shareholders of the Company through postal ballot during the year ended 31.03.2009.

D) Registrar and Transfer Agents

The Company has appointed Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate, Sakivihar Road,Sakinaka, Andheri East, Mumbai 400 072 as Registrar and Transfer Agent and delegated authority to deal with physical transfers as well as dematerialisation/ rematerialisation of Equity Shares of the Company with effect from 30.01.2003.

E) Distribution of Shareholding: As at 31.03.2009

Shareholding of nominal value of	No. of Shareholders	% of total Nos.	Number of shares	Value (Rs. In Lacs)	% to Total Rs.
Upto 5000	36,702	97.87	1,706,792	17,067,920	2.36
5,001 - 10,000	329	0.88	248,309	2,483,090	0.34
10,001 - 20,000	138	0.37	203,922	2,039,220	0.28
20,001 - 30,000	47	0.13	119,912	1,199,120	0.17
30,001 - 40,000	28	0.07	99,192	991,920	0.14
40,001 - 50,000	16	0.04	74,134	741,340	0.10
50,001 - 1,00,000	48	0.13	354,059	3,540,590	0.49
1,00,001 & Above	194	0.51	69,569,626	695,696,260	96.12
**** TOTAL ****	**37,502**	**100.00**	**72,375,946**	**723,759,460**	**100.00**

F) Shareholding pattern as on 31.03.2009

Category code	Category of Shareholders	Number of Share-holders	Total Number of Shares	Number of Shares held in dematerialised form	Total Shareholding as a % of total number of Shares		Shares Pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	No. of Shares	As a % of
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)=(VIII) / (IV)*100
[A]	Shareholding of promoter and promoter Group							
(1)	Indian							
(a)	Individuals/Hindu Undivided Family	25	4,127,649	4,127,649	5.72	5.70	3,375,321	81.77
(b)	Central/State Governments	–	–	–	–	–	–	–
(c)	Bodies Corporate	1	19,321,000	19,321,000	26.76	26.70	–	–
(d)	Financial Institutions/Banks	–	–	–	–	–	–	–
(e)	Any Other	–	–	–	–	–	–	–
	Sub Total (A)(1)	**26**	**23,448,649**	**23,448,649**	**32.47**	**32.40**	**3,375,321**	**14.39**
(2)	Foreign							
(a)	Individuals(NRI/Foreign Individual).	–	–	–	–	–	–	–
(b)	Bodies Corporate	–	–	–	–	–	–	–
(c)	Institutions	–	–	–	–	–	–	–
(d)	Any others	–	–	–	–	–	–	–
	Sub Total (A)(2)	–	–	–	–	–	–	–
	Total Shareholding of Promoters and Promoters Group (A)=(A)(1)+(A)(2)	**26**	**23,448,649**	**23,448,649**	**32.47**	**32.40**	**3,375,321**	**14.39**
[B]	Public Shareholding							
(1)	Institutions						NA	NA
(a)	Mutual Funds/UTI	53	4,160,344	4,153,488	5.76	5.75		
(b)	Financial Institutions/Banks	9	13,171	2,581	0.02	0.02	–	–
(c)	Central Govt./State Govt.	–	–	–	–	–	–	–
(d)	Venture Capital Funds	–	–	–	–	–	–	–
(e)	Insurance Companies	1	50	50	0.00	0.00	–	–
(d)	Foreign Institutional Investors	136	31,115,788	31,113,938	43.09	42.99	–	–
(e)	Foreign Venture Capital Investors	–	–	–	–	–	–	–
(f)	Any other	–	–	–	–	–	–	–
	Sub Total (B)(1)	**199**	**35,289,353**	**35,270,057**	**48.87**	**48.76**	**–**	**–**
(2)	Non Institutions						NA	NA
(a)	Bodies Corporate	593	7,062,153	7,043,269	9.78	9.76		
(b)	i. Individuals-shareholders holding nominal Share Capital up to Rs. 1 Lakh	36,121	2,240,484	1,538,686	3.10	3.10	–	–
	ii. Individuals-shareholders holding nominal Share Capitalin excess of Rs. 1 Lakh	33	861,344	820,736	1.19	1.19	–	–
(c)	Any other							
	i) NRI	467	115,535	105,576	0.16	0.16	–	–
	ii) Non Domestic Company	7	3,129,715	3,129,005	4.33	4.32	–	–
	iii) Clearing Members	54	59,487	59,487	0.08	0.08	–	–
	Sub Total B(2)	**37,275**	**13,468,718**	**12,696,759**	**18.65**	**18.61**	**NA**	**NA**
	Total Public Shareholding B(1)+ B(2)	37,474	48,758,071	47,966,816	67.53	67.37	NA	NA
	Total (A) + (B)	37,500	72,206,720	71,415,465	100.00	99.77	–	–
[C]	Shares held by Custodians and against which Depository Receipts have been issued	2	169,226	168,676	xxx	0.23	NA	NA
	Grand Total (A) + (B) +(C)	**37,502**	**72,375,946**	**71,584,141**	**xxx**	**100.00**	**3,375,321**	**4.66**

G) Share Transfer/ Demat data as on 31.03.2009

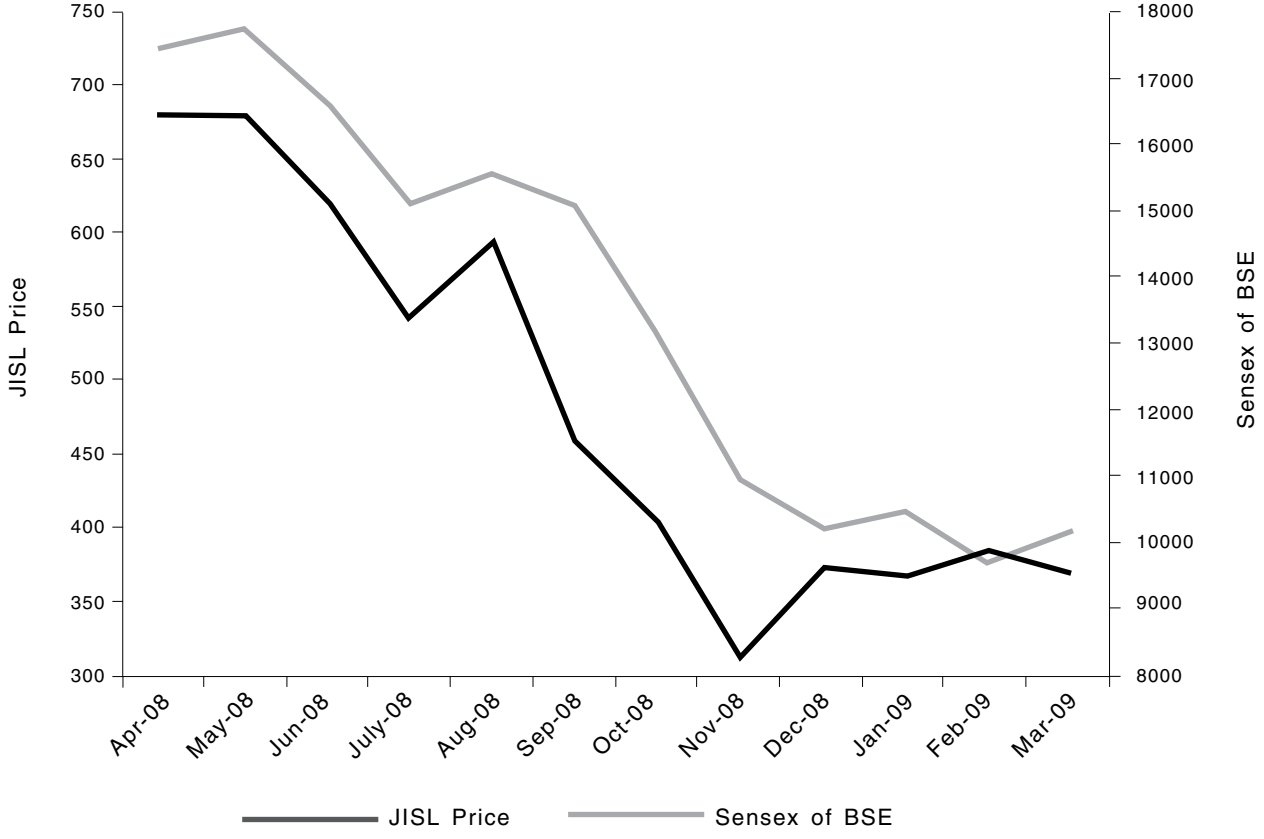
Month	Physical		Demat (NSDL)		Demat (CDSL)	
	No.of Transfer	No.of Shares	No.of Requests	No.of Shares	No.of Requests	No.of Shares
Apr-08	102	3,797	136	70,706	78	2,908
May-08	56	2,410	149	4,292	62	1,936
Jun-08	70	1,151	87	868,527	44	2,002
Jul-08	36	2,167	60	3,610	44	1,185
Aug-08	35	1,008	50	2,810	36	1,062
Sep-08	45	2,342	58	1,729	33	1,164
Oct-08	15	910	47	1,607	20	826
Nov-08	27	298	38	2,802	8	745
Dec-08	14	1,269	31	1,464	11	370
Jan-09	12	229	26	1,739	7	370
Feb-09	20	339	21	1,154	17	701
Mar-09	7	322	20	2,412	16	4,172
Total	439	16,242	723	962,852	376	17,441

H) Physical & Dematerialisation of Shares as on 31.03.2009

Particulars	No. of Shares	%
Physical	**791,805**	**1.09**
Demat		
NSDL	66,172,513	91.43
CDSL	5,411,628	7.48
Total Demat	**71,584,141**	**98.91**
Total Equity	72,375,946	100.00

I) Market Price Data

a) Stock Price Data (in Rs.)



Month	Stock Exchange, Mumbai		National Stock Exchange	
	High	Low	High	Low
April, 2008	679.50	587.00	678.80	581.05
May, 2008	679.70	601.00	680.00	610.10
June,2008	623.25	439.00	626.15	410.05
July, 2008	544.00	421.25	536.00	420.00
August, 2008	594.75	406.10	593.00	403.10
September, 2008	459.00	376.00	458.50	355.65
October, 2008	405.95	245.00	407.90	236.00
November, 2008	311.90	251.00	343.00	250.10
December, 2008	374.00	229.00	379.00	227.00
January, 2009	366.30	301.20	370.00	299.10
February, 2009	397.80	312.00	396.90	313.00
March, 2009	370.00	320.30	370.00	322.05

b) Sensex of BSE

Month	High	Low
April, 2008	17,480.74	15,297.96
May, 2008	17,735.70	16,196.02
June,2008	16,632.72	13,405.54
July, 2008	15,130.09	12,514.02
August, 2008	15,579.78	14,002.43
September, 2008	15,107.01	12,153.55
October, 2008	13,203.86	7,697.39
November, 2008	10,945.41	8,316.39
December, 2008	10,188.54	8,467.43
January, 2009	10,469.72	8,631.60
February, 2009	9,724.87	8,619.22
March, 2009	10,127.09	8,047.17

c) Trading of Shares (Rs. in Lacs)

Month	Stock Exchange, Mumbai			National Stock Exchange		
	No.of Transactions	No.of Shares	Rs.in Lacs	No.of Transactions	No.of Shares	Rs.in Lacs
April, 2008	6,222	1,219,769	7,636.04	19,957	1,460,417	9,078.04
May, 2008	5,227	969,082	6,261.69	16,294	1,370,224	8,853.21
June,2008	8,025	3,045,611	14,879.20	23,768	2,422,809	12,616.30
July, 2008	6,600	3,627,527	16,278.80	17,111	1,231,219	5,733.56
August, 2008	9,069	660,567	3,099.57	24,884	2,059,540	9,688.06
September, 2008	7,922	2,156,146	9,075.35	23,817	3,593,479	15,002.40
October, 2008	6,605	2,475,459	7,506.49	19,937	1,964,098	5,765.03
November, 2008	7,705	1,417,796	4,168.98	25,891	2,588,684	7,501.50
December, 2008	13,134	644,838	1,887.16	30,946	1,811,859	5,345.28
January, 2009	8,367	166,076	555.01	21,266	1,309,070	4,508.97
February, 2009	12,226	428,125	1,532.46	28,443	2,166,580	7,411.78
March, 2009	9,025	604,771	2,049.24	29,568	1,683,421	5,683.62
Total	**100,127**	**17,415,767**	**74,929.99**	**281,882**	**23,661,400**	**97,187.75**

J) Outstanding GDR's/ADR's/Convertible instruments, conversion date and impact on Equity:

a) Out of a total of 13,48,300 European Depositary Receipts (EDR's) issued by the Company in 1994, represented by underlying Equity Shares all except 169,226 EDR's, represented by underlying Equity Shares have been cancelled and converted into underlying Equity Shares of Rs.10 each as on 31.03.2009. However, the conversion into underlying Equity Shares does not impact the Share capital in any manner whatsoever.

The ratio is 2 EDRs = 1 Equity Share.

b) In terms of EGM resolution dated 19th October, 2007 u/s 81(1A) of the Companies Act, 1956 the Company has allotted 86,00,000 Equity Warrants of Rs. 10 each to certain corporate entities of Promoters group at a premium of Rs. 468.15 per Equity Warrant on preferential basis aggregating to Rs. 4,112,090,000/- on 2nd November, 2007. The Equity Warrants shall be convertible at the option of the holder of such Equity Warrants at any time within 18 months from the date of allotment. The Company has issued and allotted 11,02,600 Equity Shares in conversion of 11,02,600 Equity Warrants (out of 86,00,000 Equity warrants) on 29.03.2008 as per terms of issue of the said warrants.

c) In terms of EGM resolution dated 31.01.2006 u/s 81(1A) of the Companies Act, 1956 the Company has issued US$ 60 million Zero Coupon Convertible Bonds due 2011. The Bonds are convertible at any time and after April 28, 2006 up to the close of business on February 28, 2011 by holders into fully paid Equity Shares at par value of Rs. 10 each at an initial conversion price of Rs. 345.59 per Share.

The Company issued and allotted 6,308,895 Equity Shares of Rs. 10 each at a premium of Rs. 335.59 per share in conversion of 49,150 ZCCB as per Notifications received up to 31st March, 2009.

d) In terms of EGM resolution dated 26.03.2009 u/s 81(1A) of the Companies Act, 1956 the Company has issued 19,97,780 Equity Shares of Rs. 10 each at premium of Rs. 350.40 per Share to International Finance Corporation, Washington on 09.04.2009 on preferential basis.

K) Shareholders queries received and replied during the year ended 31st March, 2009

Sr. No.	Nature of Complaints	Op. Balance	Received	Resolved	Balance
1	Transfer/Transmission of Shares related	–	33	33	–
2	Non payment of dividend	–	36	36	–
	Non payment of Interest/ Redemption amount	–	2	2	–
	Non receipt of Annual Report	–	2	2	–
3	Demat/Remat of Shares	–	23	23	–
4	Issue of Duplicate Shares	–	2	2	–
5	Non receipt of new Shares	–	30	30	–
6	Others	–	2	2	–
	Total	–	130	130	–

L) Compliance:

a) Capital Market Compliance: There were no cases of non-compliance during the year with Stock Exchange where the Shares of the Company are listed, SEBI regulations or any other statutory bodies nor any cases of penalties imposed by them for any non compliance related to the capital market compliances during the last three years.

b) Compliance under Companies Act: There were no cases of non-compliance of applicable provisions of Companies Act, 1956 nor any cases of penalties imposed by Department of Company Affairs or the Registrar of Companies or any other Statutory Bodies for any non compliance related to the Company Law provisions during the last three years.

c) Insider Trading Rules: In terms of provisions of SEBI (Prevention of Insider Trading) Regulations, 2002, as amended, the Company has formulated a 'Code of internal procedure & conduct for prevention of insider trading' in shares of the Company. The code of conduct has been explained and circulated to the employees and is implemented by compliance officer who reports to the Managing Director.

M) Means of Communication:

a) Financial Results: All financial results of your Company are forthwith communicated to stock exchanges (where Company's equity shares are listed) as soon as they are approved and taken on record by the Board of Directors of the Company. Further the results are published in leading Marathi newspaper circulated over Jalgaon District and leading financial newspaper published on an all India basis. These results are simultaneously posted on the website of Company and on Electronic Data Information Filing and Retrieval (EDIFAR). The website address of Company is http://www.jains.com.

b) Website: The website of the Company www.jains.com is regularly updated with the financial results, shareholding patterns and other information.

c) Electronic data information filing and retrieval (EDIFAR)

The Company has been regularly filing the requisite information, statement and report on the EDIFAR website maintained by National Informatics Centre, on line, in the manner and format and within such time as specified by the SEBI.

N) Additional Information:

i) Review of business of EGM held on 26th March, 2009

Sr. No.	Resolution No.	Particulars of Resolution	Review
1	1	Issue of Equity Shares to International Finance Corporation, Washington under Preferential basis	Resolution passed as special resolution
2	2	Mortgage of immovable properties of the Company	Resolution passed as Ordinary resolution
3	3	Amendment in ESOP pricing	Resolution passed as Ordinary resolution

Review of business of 21st Annual General Meeting held on 30th September, 2008:

a) Ordinary Business:

Sr. No.	Resolution No.	Particulars of Resolution	Review
1	1	Adoption of Audited Accounts for the year ended 31st March, 2008	Resolution passed unanimously
2	2	Declare dividend on various Preference Shares and Equity Shares of the Company	Adopted and Approved
3	3	Appoint a Director in place of Mr. D R Mehta who retire by rotation	Reappointed
4	4	Appoint a Director in place of Shri R Swaminathan who retire by rotation	Reappointed
5	5	Re-appointment of M/S Dalal & Shah as Statutory Auditors of the Company.	Reappointed

b) Special Business:

Sr. No.	Resolution No.	Particulars of Resolution	Review
1	6	Mortgage of immovable properties of the Company	Resolution passed as ordinary resolution
2	7	Re-appointment of Shri Anil B Jain as Managing Director	Resolution passed as special resolution
3	8	Reappointment of Shri Ajit B Jain as Joint Managing Director	Resolution passed as special resolution
4	9	Reappointment of Shri Ashok B Jain as Vice Chairman	Resolution passed as special resolution
5	10	Reappointment of Shri R Swaminathan, Director - Technical	Resolution passed as special resolution
6	11	Appointment of Shri Atul B Jain as Chief Marketing Officer	Resolution passed as special resolution
7	12	Amendment in Articles of Association Increase number of Directors Contribution of profits to rural development	Resolution passed as special resolution
8	13	Amendment in object clause of Memorandum of Association of the Company	Resolution passed as special resolution

O) Nomination facility:

The Shareholder of the Company who wants to make a nomination may do so by submitting duly filled form No.2B for nomination .The nomination can be made by individuals only applying/holding Shares on their own behalf singly or jointly. A holder of Shares can nominate a minor and in that event the name and address of the guardian shall be given by the holder. The nomination stand cancelled upon transfer of shares.

The intimation regarding nomination/nomination form shall be filed with Company or R & T Agent of the Company i.e. Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East) Mumbai – 400072.

P) Unclaimed Dividend and Interest amount:

a) Unclaimed Dividend: The details of unclaimed dividend are as follows.

Sr. No.	Year	Date of declaration	Unclaimed amount as on 31.03.2009 (Rs.)	Due date for transfer to IE&PF
1	2005-06	29.09.2006	290,313	30.09.2013
2	2006-07	27.09.2007	471,538	28.09.2014
3	2007-08	30.09.2008	647,412	01.10.2015

b) Unclaimed additional interest amount on PCD's for delayed period:

Sr. No.	Due on	Amount due on 31.03.2009 (Rs.)	Due date for transfer into IE&PF	Date of transfer into IE&PF
1	20.08.2002	4,559,107.79	21.08.2009	Applied for

VIII) Auditors' Certificate on Corporate Governance:

As required by Clause 49 of the Listing Agreement, the Auditors' Certificate is given as an annexure to the this Report.

IX) Plant Locations in India

Jalgaon Jain Plastic Park, N.H.No. 6,
P.O.Box: 72,
Village – Bambhori
Taluka – Dharangaon,
District – Jalgaon - 425001
Maharashtra.

Jain Agri Park, Jain Hills, Jain Agri Park,
Jain Hills, Shirsoli Road,
District- Jalgaon- 425001,
Maharashtra.

Jain Food Park, Jain Valley, Jain Food Park,
Jain Valley, Shirsoli Road,
District- Jalgaon 425001, Maharashtra.

Bhavnagar Survey No. 215, JIDC4, At Post Ghangali,
Taluka Sihor,
Dist. Bhavnagar - 364 240.

Chittoor **Food Plant - Unit No.01**
100,Gollapali, Gangadhara Village,
Nellore (Mandal)
Dist. Chittoor- 517 125.

Food Plant - Unit No.02
Avalkonda Road, Gangadhara Village,
Nellore (Mandal),
Dist. Chittoor- 517 125.

Kondamadgu S.No.587 & 588, Kondamadgu (Village),
Bibi Nagar (Mandal), Nalgonda Dist.
(A.P)- 508 126.

Udumalpet	Site No. 258-90, Ellaymuthur Village, Udumalpet - 642 154, Coimbatore Dist., Tamilnadu.
Vadodara	Jain Food Park, Village - Dhobikuva, Post: Muvad, Tal. Padra, Dist.: Vadodra.

X) Demo and Research & Development Farms

Jain Agri Park,	Jain Hills, P.O.Box: 72, Jalgaon- 425 001.
Jain River Bank,	At. Takarkheda, Post. Kadholi, Tal. Erandol, Dist.Jalgaon- 425001
Kulu	Angora Breeding Farm, Village Pirdi, Tal. Mahol, Dist. Kulu (H.P.)
Udumalpet	Site No. 258-90, Ellaymuthur Village, Udumalpet-642 154, Dist. Coimbatore, Tamilnadu.
Wardha	"Aarogyadham"Kasturba Nisarga Upchar Kendra, Varud Road, Kasturba Health Society, Sevagram, Wardha.

XI) Plants in Overseas

Jain Irrigation Inc. (Micro Irrigation)	2851, East, Florence Avenue, Fresno, California CA.93721
Chapin Watermatics, Inc. (Micro Irrigation)	740, Water street, Water town, NY 13601.
Cascade Specialities Inc. (Onion Dehydration Plant)	1 Cascade Way, Boardman, Oregon 97818, USA
NuCedar Mills, Inc. (Building Products-Siding & Trim)	Tom Lopar,President & CEO, 1000 Sheridan Street,Chicopee, Massachusetts.01022

NaanDanJain Irrigation System Ltd. [Israel]

Post Naan 76829, (Drip and Sprinkler Irrigation) Israel.

NaanDanJain Irrigation System Ltd. [Australia]

214-216 Hammond Road Dandenong, Victoria 3175

NaanDanJain Irrigation System Ltd. [Brazil]

Rua Biazo Vicentin No. 260, Bairro Cidade Jardim, P.O.Box 175Leme SP - CEP 13614-330.

NaanDanJain Irrigation System Ltd. [Spain]

P.I. La Redonda, c/XIV nº 26 04710 Santa Maria del Águila – El Ejido Almería – ESPAÑA

XII) Address for correspondence

Jain Plastic Park, N H No. 6,
Bambhori, P.O.Box No. 72
Taluka- Dharangaon,
District- Jalgaon-425001.
(Maharashtra)

DECLARATION FROM THE MANAGING DIRECTOR (UNDER CLAUSE 49(D) (II) OF THE LISTING AGREEMENT)

To,

The Members of Jain Irrigation Systems Ltd.

As provided under clause 49 of the listing agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have affirmed compliance with the Company's code of conduct for the year ended 31st March, 2009.

For Jain Irrigation Systems Ltd.

sd/-
Anil B. jain
Managing Director

Jalgaon, 25th August, 2009

AUDITORS' CERTIFICATE ON CLAUSE 49 COMPLIANCE

The Members of
JAIN IRRIGATION SYSTEMS LIMITED

We have reviewed the records concerning the Company's compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchanges of India, for the financial year ended 31st March, 2009.

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

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review and to the best of our information and according to the explanations given to us, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in clause 49 of the said Listing Agreements.

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

For and on behalf of
DALAL & SHAH
Chartered Accountants

Shishir Dalal
Partner
Membership No. 37310

Jalgaon, 25th August, 2009

Jain Irrigation Systems Ltd.

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PLANTS

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Jain Food Park, Jain Valley (Jalgaon)
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E-mail: foodpark@jains.com

Bhavnagar : Tel: 09428820461;
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