



CORPORATE GOVERNANCE REPORT

I) Corporate Governance

Corporate Governance is the application of best management practices, compliance of laws, rules, regulations and adherence standards to achieve the objects of the Company, enhance shareholders 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 stakeholders 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 adopted in its pursuits of excellence in corporate governance.

The Company has three tiers of the governance pyramid

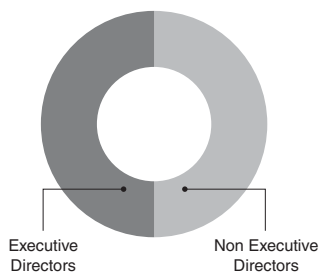
- Shareholders - Board of Directors
- Committees of the Board • Executive Management

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

III) Board of Directors

a) Composition

The Board of Directors comprise of Jain Irrigation comprises of Executive and Non Executive Directors. Since the Chairman is a non executive Director the strength of independent Directors is mandated at 1/3 rd of the size. The Board has 5 independent members in strength of 12 at present. The executive Directors are 6 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. 3 out of the 5 independent directors are 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 13 at present.

The following is the composition of the Board on 31st March, 2008;

As on	Executive Directors	Non Executive Directors	Total No. of Directors
31-March-2008	6	6	12

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, 2008.

Name of Directors	Other Directorship in Ltd. Co.	Other Directorship in Pvt. Ltd. Co.	Membership in Committees (other than JISL)	Membership in Committees JISL
Mr. Bhavarlal H. Jain	Nil	2	Nil	Nil
Mr. Ajit B. Jain	4	4	Nil	3
Mr. Anil B. Jain	14	1	Nil	2
Mr. Anirudha R. Barwe	7	Nil	12	3
Mr. Ashok B. Jain	2	10	Nil	2
Mr. Atul B. Jain	11	12	Nil	1
Mr. D. R. Mehta	2	Nil	Nil	Nil
Mr. R Swaminathan	3	Nil	Nil	1
Mr. Radhika C. Pereira	2	2	6	Nil
Mr. Rajnikant B. Jain	2	1	Nil	1
Mr. Ramesh C. A. Jain	Nil	Nil	Nil	2
Mr. V. V. Warty	Nil	2	1	3

b) The Shareholding of Directors in the Company is as under as on 31.03.2008

Name of Director	No. of Shares	% of total Equity Capital
Mr. Bhavarlal H. Jain	2,956,048	4.10
Mr. Ajit B. Jain	22,18,041	3.08
Mr. Anil B. Jain	9,72,738	1.97
Mr. Anirudha R. Barwe	—	—
Mr. Ashok B. Jain	14,16,497	1.35
Mr. Atul B. Jain	17,69,280	2.46
Mr. D. R. Mehta	—	—
Mr. R Swaminathan	29,952	0.04
Mr. Radhika C. Pereira	—	—
Mr. Rajnikant B. Jain	1,47,371	0.2
Mr. Ramesh C. A. Jain	—	—
Mr. V. V. Warty	—	—
Total	95,09,927	13.20



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 11 times, One EGM was held on 19th October, 2007 and AGM was held on 27th September, 2007 in 2007-08 as per details in the following table:

Name of Directors	Designation	Category	Attendance		
			BOD	EGM	AGM
Mr. Bhavarlal H. Jain	Chairman	Promoter Director and Non Executive Director	3	Yes	Yes
Mr. Ajit B. Jain	Joint Managing Director	Promoter Director, Executive Director and Non Independent Director	10	Yes	Yes
Mr. Anil B. Jain	Managing Director	Promoter Director, Executive Director and Non Independent Director	11	Yes	Yes
Mr. Anirudha R. Barwe	Director	Non Executive Director and Independent Director	11	No	Yes
Mr. Ashok B. Jain	Vice Chairman	Promoter Director, Executive Director and Non Independent Director	10	Yes	Yes
Mr. Atul B. Jain	Director- Marketing	Promoter Director, Executive Director and Non Independent Director	9	Yes	Yes
Mr. D. R. Mehta	Director	Non Executive Director, Independent Director and SBI Nominee Director	1	No	No
Mr R. Swaminathan	Director- Technical	Executive Director and Non-Independent Director	8	No	Yes
Mr. Radhika C. Pereira	Director	Non Executive Director and Independent Director	9	No	No
Mr. Rajnikant B. Jain	Director- Technical	Executive Director and Non-Independent Director	7	No	Yes
Mr. Ramesh C. A. Jain	Director	Executive Director and Non-Independent Director	8	No	Yes
Mr. V. V. Warty	Director	Non Executive Director, Independent Director and SBI Nominee Director	8	No	Yes

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 and Committee Memberships
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 on 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 <i>Padmashree</i> 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 and Committee Memberships
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 our Director and was responsible for Corporate Administration. Corporate Image and Relationships, Events Management, Personnel/ Human Resource Development, Communication, Public Relations, Art and Publicity. At present he also acts as Commercial Chief of the Food Processing Division.	<p>Director of:</p> <ul style="list-style-type: none"> 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 Investment Pvt. Ltd xi) Kantabai Bhavarlal Jain Family Knowledge Institute xii) Gandhi Research Foundation <p>Partner:</p> <ul style="list-style-type: none"> i) Jain Computer & Allied Services ii) Jalgaon Udhdyog iii) Jalgaon Metal & Bricks Manufacturing Co. <p>Proprietor – PVC Trading House</p> <p>Trustee:</p> <ul style="list-style-type: none"> i) Jain Charities ii) Bhavarlal and Kantabai Jain Multipurpose Foundation iii) Anubhuti Scholarship Foundation <p>Committee Membership: None</p>
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.	<p>Director of:</p> <ul style="list-style-type: none"> 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 Inca ix) Jain (Europe) Ltd x) Naandan Jain Irrigation CS Ltd xi) Jain Investment & Finance B V xii) Jain Overseas Investments Ltd xiii) Jain Overseas BV. Netherland xiv) Jain (Israel) BV, Netherland xv) Kantabai Bhavarlal Jain Family Knowledge Institute <p>Proprietor – Drip & Pipe Suppliers</p> <p>Partner</p> <ul style="list-style-type: none"> i) Jalgaon Udhdyog ii) Jalgaon Metal & Bricks Manufacturing Co. <p>Trustee:</p> <ul style="list-style-type: none"> i) Bhavarlal and Kantabai Jain Multipurpose Foundation ii) Anubhuti Scholarship Foundation <p>Committee Membership: None</p>
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.	<p>Director of:</p> <ul style="list-style-type: none"> i) Jain Extrusion & Moulding Pvt. Ltd. ii) Jain Rotfil Heaters Pvt. Ltd iii) Cosmos Investment & Trading Pvt. Ltd. iv) Kantabai Bhavarlal Jain Family Knowledge Institute v) Chapin Watermetics, Inc vi) Naandan Jain Irrigation CS Ltd vii) JISL Switzerland Ltd viii) Thomas Machines Ltd <p>Proprietor – Plastic Enterprises</p> <p>Partner – Jalgaon Metal & Bricks Manufacturing Co.</p> <p>Trustee:</p> <ul style="list-style-type: none"> i) Bhavarlal and Kantabai Jain Multipurpose Foundation ii) Anubhuti Scholarship Foundation <p>Committee Membership: None</p>



Sr. No.	Name, Designation and Qualification	Experience and Expertise in specific functional areas	Other Company Directorships and Committee Memberships
5	Shri Atul B. Jain Director – Marketing B. Com	He joined the management team in 1992. During the period from 1994-2000, he was in charge of our Europe-based marketing operations and was responsible for developing and maintaining the market for PVC products in India and abroad. Presently, he focuses on marketing products of the Company on a global basis in addition to maintaining the profitability of our piping division.	Director of: i) JISL Overseas Ltd ii) Jain (Americas) Inc iii) Cascade Specialties Inc iv) Nucedar Mills, Inc v) Chapin Watermetics, Inc vi) Jain (Europe) Ltd vii) Naandan Jain Irrigation CS Ltd viii) Jain Investment & Finance B V ix) Jain Overseas Investments Ltd x) Atlaz Technology Pvt. Ltd xi) Labh Subh Securities International Ltd xii) Timbron India Pvt. Ltd xiii) Jain Vanguard Polybutylene Ltd xiv) JAF Products Pvt. Ltd xv) Jain Brothers Industries Pvt. Ltd xvi) Pixel Point Pvt. Ltd xvii) Cosmos Investment & Trading Pvt. Ltd xviii) Jain Eagro.Com India Pvt. Ltd xix) Jalgaon Investments Pvt. Ltd xx) Jain Rotfil Heaters Pvt. Ltd xxi) Jain Extrusion & Moulding Pvt. Ltd xxii) Space Tech Plastics Pvt. Ltd xxiii) Kantabai Bhavarlal Jain Family Knowledge Institute Partner: i) Jain Computer & Allied Services ii) Jalgaon Udhyog iii) Jalgaon Metal & Bricks Manufacturing Co. Proprietor – Jain Sons Investments Corporation Trustee: i) Bhavarlal and Kantabai Jain Multipurpose Foundation ii) Anubhuti Scholarship Foundation iii) Bahinabai Chaudhari Memorial Trust Committee Membership: None
6.	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 Government economic committees and other listed company boards.	Director of: i) ILFS Investsmart Ltd. ii) ILFS Investsmart Securities Ltd iii) IFCI Financial Services Ltd iv) Kotak Mahindra Trustee Co. Ltd v) MSPL Limited vi) Zenith Birla (India) Ltd vii) Sigma Laboratories Ltd Committee Membership: i) ILFS Investsmart Ltd – Chairman of Audit Committee – Chairman of Public Grievance Committee – Chairman of Remuneration Committee ii) ILFS Investsmart Securities Ltd. – Chairman of Audit Committee – Chairman of Public Grievance Committee – Chairman of Remuneration Committee iii) Kotak Mahindra Trustee Co. Ltd. – Member of Audit Committee iv) IFCI Financial Services Ltd. – Member of Audit Committee – Member of Investment Committee v) Kotak Mahindra Trustee Co. Ltd. – Member of Audit Committee vi) MSPL Limited – Chairman of Audit Committee – Chairman of Remuneration Committee vii) Zenith Birla (India) Ltd. – Member of Audit Committee



Sr. No.	Name, Designation and Qualification	Experience and Expertise in specific functional areas	Other Company Directorships and Committee Memberships
7	Shri D R Mehta	<p>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.</p> <p>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.</p> <p>There is another side to this sterling personality-humane side. A man of compassion, he set up the Bhagwan Mahavir Viklang Sahayata Samiti in 1975,</p>	<p>Director of:</p> <ul style="list-style-type: none"> i) Polymedicure Ltd, New Delhi ii) Spice Communications Ltd <p>Committee Membership: None</p>
8.	Shri Rajnikant B. Jain Director – Technical B. Tech (Chemical)	<p>He is in charge of the technical area of the food processing plants. He graduated with a B.Tech (Hons.) from IIT in Chemical Engineering in 1978 and since then he has been associated with the Jain Group. He has been the key person for major technical developments in almost all the industrial ventures. In 1978-1979, he was associated with Papain manufacturing and was responsible for developing the refining process. In 1981, he was in charge of the development of PVC pipes. During the period from 1987 to 1990, he was Managing Director. Since 1994, he has been in charge of Agro Processing Activities.</p>	<p>Director of:</p> <ul style="list-style-type: none"> i) Jain Vanguard Polybutylene Ltd ii) Jain Eagro.Com (India) Pvt. Ltd iii) Cascade Specialties Inc <p>Committee Membership: None</p>
9	Shri R Swaminathan Director – Technical B. Tech (Chemical)	<p>He is Chemical Engineer responsible for manufacturing operations in our Poly-tube, Sprinkler, PVC & PC Sheets and PVC & PE Pipe units. He has 30 years of experience in operation and maintenance activities of plants handling such things as Solvent Extraction, Plastics Extrusion and Injection Moulding. He joined the Jain Group in 1982 and was appointed a full-time Director in 1996.</p>	<p>Director of:</p> <ul style="list-style-type: none"> i) Nucedar Mills, Inc ii) JISL Switzerland Ltd iii) Thomas Machines Ltd <p>Committee Membership: None</p>
10	Shri Ramesh C. A. Jain Director B. A. LLB	<p>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.</p>	<p>Directorship – None</p> <p>Committee Membership: None</p>



Sr. No.	Name, Designation and Qualification	Experience and Expertise in specific functional areas	Other Company Directorships and Committee Memberships
11	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, Pereira 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 Udwardia & Udeshi, Advocates, Mumbai.	Director of: i) Tips Industries Ltd ii) Sethi Funds Management Pvt. Ltd iii) Ascent HR Solutions Pvt. Ltd. iv) India Co Ventures Ltd Committee Membership: i) Tips Industries Ltd – Member of Audit Committee – Member of Remuneration Committee Member of Shareholders Grievance Committee ii) India Co. Ventures Ltd – Member of Audit Committee – Member of Compensation Committee – Member of Shareholders Grievance Committee
12	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) Lanco Kondapalli Power Pvt. Ltd ii) Ratnagiri Gas Power (P) Ltd Committee Membership: Member of LNG Committee of Ratnagiri Gas Power Pvt. Ltd.

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, 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 2007-2008 is given hereunder:

i) Executive Directors:

Sr. No.	Name of Director	Position	Gross Remuneration (Rs.)		
			Remuneration	Commission	Total
1	Mr. Ajit B. Jain	Joint Managing Director	89,42,228.00	1,61,00,183.50	2,50,42,411.50
2	Mr. Anil B. Jain	Managing Director	1,13,14,092.00	1,61,00,183.50	2,74,14,275.50
3	Mr. Ashok B. Jain	Vice Chairman	60,51,766.00	1,61,00,183.50	2,21,51,949.50
4	Mr. Atul B. Jain	Director- Marketing	46,18,923.00	1,61,00,183.50	2,07,19,106.50
5	Mr. R. Swaminathan	Director- Technical	40,53,218.00	–	40,53,218.00
6	Mr. Rajnikant B. Jain	Director- Technical	24,02,229.00	–	24,02,229.00
Total			3,73,82,456.00	6,44,00,734.00	10,17,83,190.00



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	10,00,000	110,000	130,000	240,000	12,40,000
2	Mr. D R Mehta	–	10,000	–	10,000	10,000
3	Mrs Radhika C Pereira	500,000	90,000	30,000	120,000	620,000
4	Mr. V V Warty	10,00,000*	80,000	150,000	230,000	12,30,000
5	Mr. Ramesh CA Jain	10,00,000	80,000	50,000	130,000	11,30,000
	Total	35,00,000	370,000	360,000	730,000	42,30,000

* Subject to SBI approval.

IV) Related Party Transactions:

The details of related party transactions are given in detail in Note No 10 of part (B) of Schedule 21 of the Audited Accounts of the company for the year ended 31st March, 2008.

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.

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

Jain Irrigation has following regular Board level committees:

- Audit Committee,
- Compensation Committee,
- Investors Relation and Grievances Committee, and
- Operations Review Committee

A) Audit Committee

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

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

The management is responsible for financial reporting 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 2008:

- Mr. Anirudha R. Barwe Chairman
- Mr. Anil B Jain Member
- Mr. Ramesh C A Jain Member
- Mr. V V Warty Member

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

The Statutory Auditors were present in all 6 Audit Committee Meetings held during the year.

b) Presence at Audit Committee Meetings:

Name of Directors	Designation	Category	Total meetings
Mr. Anil B. Jain	Managing Director	Promoter Director Executive Director / Non Independent Director	6
Mr. Anirudha R Barwe	Director	Non Executive Director Independent Director	6
Mr. Ramesh C A Jain	Director	Non Executive Director Independent Director	4
Mr. V V Warty	Director	Non Executive Director Independent Director	6

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.
 - 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.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgement by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - 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, 2008:

- | | |
|----------------------------|----------|
| a) Shri. A. R. Barwe | Chairman |
| b) Shri. Ajit B. Jain | Member |
| c) Shri. Ashok B. Jain | Member |
| d) Shri. Ramesh C. A. 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. Two meetings were held on 04.06.07 and 14.02.08 in 2007-08.

D) Shareholders Grievances Committee

The Shareholders Grievances Committee (SGC) is chaired by the Independent and Non-Executive Director and comprises of following as on 31 March, 2008:

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

The Company Secretary is the Secretary and convener 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 registrars and Transfer Agents, etc.

Four meetings of SGC were held on 30.04.07, 20.07.07, 23.10.07 and 24.01.08 during the year 2007-08. However, the transfer sub committee has met 41 number of times to approve the requests for transfer, transmission, duplicate, split, demat etc.

E) 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:

- | | |
|---------------------------|----------|
| a) Shri Ajit B. Jain | Member |
| b) Shri Anil B. Jain | Member |
| c) Shri Ashok B. Jain | Chairman |
| d) Shri Atul B. Jain | Member |
| e) Shri R. Swaminathan | Member |
| f) Shri Rajnikant B. Jain | Member |

The Operations Review Committee has met 20 times during the FY 2007-08.

VI) Management analysis and discussion details:

The Annual Report includes a detailed management discussion and analysis.