

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/Debtures 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	1703.97
v) Corporate Guarantees given for repayment of indebtedness of Overseas Subsidiaries	2576.80	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

	2008-09	2007-08
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
# Planned 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:

- Employers Contribution to Provident Fund Rs. 15.43 Million (PY Rs. 10.36 Million) deposited with concern authority.
- Employers Contribution to Pension Scheme Rs. 19.61 Million (PY Rs. 14.80 Million) deposited with concern authority.
- 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:

- 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

- 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
	<u>77.57</u>
Profit Under Section 198	<u>1,765.09</u>



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 (Americas) Inc. USA,
Jain Overseas BV. Netherland	Chapin Watermatics Inc. USA
Nucedar Mills Inc. USA,	Cascade Specialties Inc. USA
Jain Irrigation Holding Corporation Inc. USA	Jain Irrigation Inc (Earstwhile Aquarius Brands Inc.) USA
JISL Global SA, Switzerland	JISL Systems SA. Switzerland
Thomas Machines S.A.,	Jain (Israel) BV. Netherland
Naandan Jain Irrigations CS Ltd. Israël	Jain Sulama Sistemleri Sanayi Ve Ticaret Anonim Sirkti.
Naan Dan Agro-Pro (Israel Company for Agricultural Applications) Ltd, Israel	
NaanDan Jain France Sarl, France	NaanDanJain Mexico, S.A. De C.V. Mexico
NaanDan Jain Australia Pty Ltd, Australia	NaanDan Jain S.R.L. (Italy), Italy
NaanDan Do Brasil Participacoes Ltda., Brazil	NaanDan Jain Iberica S.C., Spain
NaanDan Jain Industria E Comercio de Equipmentos Ltd., Brasil	
Dansystems S.A., Chile	NaanDan Jain Peru S.A.C, Peru
Point Source Irrigation, Inc.(US), USA	Dansystems S.A , Chile

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

Jain Extrusion & Molding Pvt. Ltd.,	Pixel Point Pvt. Ltd.,
Jain Vanguard Polybutelyne Ltd.,	Labh Subh Securities International Ltd.,
Atlaz Technology Pvt. Ltd.,	Jain Brothers Industries Pvt. Ltd.,
JAF Products Pvt. Ltd.,	Cosmos Investment & Trading Pvt. Ltd.,
Jalgaon Investment Pvt. Ltd	Stock & Securities (India) Pvt. Ltd.,
Jain Rotfil Heaters Pvt. Ltd.,	Gandhi Research Foundation,
Timbron India Pvt. Ltd.	Jain e-agro.com India Pvt. Ltd.
Jain Investments & Finance BV. Netherland	Jain Overseas Investments Ltd. Mauritius
Jain Sons Investments Corporation,	Drip & Pipe Suppliers,
PVC Trading House,	Plastic Enterprises,
Jain Computer & Allied Services,	Jalgaon Udyog,
Jalgaon Metal & Bricks Manufacturing Co.,	
Bhavarlal & Kantabai Jain Multipurpose Foundation,	Anubhuti Scholarship Foundation,
Bahinabai Chaudhari Memorial Trust.	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	-	509.50	-	-	-	509.50
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:

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

The future Minimum Lease Payments (MLP) under non-cancelable operating lease in the aggregate and for each of the following periods are as under: [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-2009
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	Unit	Installed Capacity ^[1]		Production	
			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.

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]					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.5987745 [46.32MT] [Previous Year 1820329 [14.92MT]

[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 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-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 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-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 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-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