

CONSOLIDATED  
**UNAUDITED FINANCIAL  
STATEMENTS**  
(LIMITED REVIEWED)



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**FY 2010-11**  
(1-April-2010 to 31-Dec-2010)

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**JAIN**<sup>®</sup>

**Jain Irrigation Systems Ltd.**

Small Ideas. Big Revolutions.<sup>®</sup>

# CONSOLIDATED BALANCE SHEET AS AT 31-Dec-2010

	<b>31-Dec-2010</b>	<i>₹ in Million</i> <b>31-Mar-2010</b>
<b>SOURCES OF FUNDS :</b>		
<b>Shareholders' Funds :</b>		
Share Capital	762.37	783.44
Reserves and Surplus	13,360.39	11,608.78
Accumulated Translation Reserve arising on consolidation	(104.29)	(224.89)
	<b>14,018.47</b>	<b>12,167.33</b>
<b>Minority Interests</b>	<b>539.74</b>	<b>570.72</b>
<b>Deferred Tax Liability</b>	<b>1,070.55</b>	<b>1,024.42</b>
<b>Loan Funds :</b>		
Secured Loans	26,052.10	20,507.53
Unsecured Loans	2,999.70	3,939.95
	<b>29,051.80</b>	<b>24,447.48</b>
<b>Total</b>	<b>44,680.56</b>	<b>38,209.95</b>
<b>APPLICATION OF FUNDS :</b>		
<b>Fixed Assets :</b>		
Gross Block	23,842.17	21,600.51
Less: Accumulated Depreciation / Amortisation	(7,577.20)	(6,667.42)
	16,264.97	14,933.09
Add: Goodwill on Consolidation	1,660.97	1,665.93
<b>Net Block</b>	<b>17,925.94</b>	<b>16,599.02</b>
<b>Capital Work-in-Progress [including capital advances]</b>	<b>1,897.72</b>	<b>1,324.29</b>
<b>Investments</b>	<b>360.70</b>	<b>210.82</b>
<b>Deferred Tax Assets</b>	<b>521.95</b>	<b>414.29</b>
<b>Current Assets, Loans &amp; Advances :</b>		
a) Inventories	16,031.59	10,637.51
b) Sundry Debtors	14,181.41	10,099.10
c) Cash & Bank Balances	747.31	5,052.59
d) Other Assets	247.51	251.54
e) Loans & Advances	5,407.38	4,739.55
	<b>36,615.20</b>	<b>30,780.29</b>
Less:		
<b>Current Liabilities &amp; Provisions :</b>		
a) Current Liabilities	10,636.77	9,323.18
b) Provisions	2,004.18	1,795.58
	<b>12,640.95</b>	<b>11,118.76</b>
<b>Net Current Assets</b>	<b>23,974.25</b>	<b>19,661.53</b>
<b>Total</b>	<b>44,680.56</b>	<b>38,209.95</b>

For and on behalf of Board of Directors

Mumbai, 28<sup>th</sup> March, 2011

Sd/-  
A. V. Ghodgaonkar  
Company Secretary

Sd/-  
Director

Sd/-  
Director



# CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE PERIOD 01-APR-10 TO 31-DEC-2010

	For the Period ended 31-Dec-2010	₹ in Million For the Period ended 31-Dec-2009
<b>Income :</b>		
Sales and Operating Income	26,803.36	22,583.50
Less: Excise Duty / Service Tax Recovered	(549.66)	(442.39)
	26,253.70	22,141.11
Other Income	117.69	150.69
	<b>26,371.39</b>	<b>22,291.80</b>
<b>Expenditure :</b>		
Cost of Materials Consumed, Purchases, etc.	18,089.95	14,042.64
Increase in Stock	(4,537.49)	(2,399.40)
Manufacturing Expenses	2,355.21	1,943.99
Payments To and Provisions for Employees	2,984.68	2,643.57
Selling & Distribution Expenses	1,949.72	1,754.87
Administrative & Other Expenses	1,044.61	926.10
Difference in Foreign Exchange Rate (Net)	(108.25)	(631.34)
Cost of Self Generated Capital Equipments	(717.77)	(605.95)
	<b>21,060.66</b>	<b>17,674.48</b>
<b>Operating Profit</b>	<b>5,310.73</b>	<b>4,617.32</b>
Less: Interest & Finance Charges	1,882.97	1,610.56
<b>Profit before Depreciation, Exceptional Items and Prior Year Expenses</b>	<b>3,427.76</b>	<b>3,006.76</b>
Less: Amounts Written Off and Provisions	77.02	6.20
Less: Depreciation / Amortisation	878.49	680.68
<b>Profit before Exceptional Items and Taxation</b>	<b>2,472.25</b>	<b>2,319.88</b>
Less: Exceptional Expenses / (Income)	-	-
<b>Profit for the year before Taxation</b>	<b>2,472.25</b>	<b>2,319.88</b>
Less: Deferred Tax	29.53	(195.20)
Less: Provision for Current Tax	(586.59)	(526.94)
Add: MAT Credit Utilised	(201.00)	-
Less: Provision for Wealth Tax	-	(0.03)
<b>Profit for the year before Prior Period Expenses</b>	<b>1,714.19</b>	<b>1,597.71</b>
Less: Prior Period Items - Income / (Expenses) - Net	(12.44)	9.21
<b>Profit for the year</b>	<b>1,701.75</b>	<b>1,606.92</b>
Less: Minority Interest	(44.67)	(27.84)
<b>Profit for the year after Minority interest</b>	<b>1,657.08</b>	<b>1,579.08</b>
Balance in Profit & Loss Account brought forward	3,662.17	2,300.40
<b>Balance available for Appropriation</b>	<b>5,319.25</b>	<b>3,879.48</b>
<b>Appropriation</b>		
Transferred to Debenture Redemption Reserve	-	-
Transferred to General Reserve	-	-
Transferred to Capital Redemption Reserve	-	-
Proposed Preference Dividend for the year	0.00	-
Provision for Dividend Tax on Preference Dividend for the year	0.00	-
Proposed Equity Dividend	(0.06)	(0.31)
Provision for Dividend Tax on Equity Dividend	(0.01)	(0.07)
Balance Carried to Balance Sheet	(5,319.18)	(3,879.10)
<b>Earning Per Share (Face value of ₹ 2/- each) (Ref. Note Nos. 2 &amp; 4.)</b>		
<b>Basic EPS ( ₹ )</b>	<b>4.35</b>	<b>4.21</b>
<b>Diluted EPS ( ₹ )</b>	<b>4.34</b>	<b>4.19</b>

For and on behalf of Board of Directors

Mumbai, 28<sup>th</sup> March, 2011

Sd/-  
A. V. Ghodgaonkar  
Company Secretary

Sd/-  
Director

Sd/-  
Director



# NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS

## [1] Subsidiaries:

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

Sr. No.	Name of the subsidiary	Ownership in % Either directly or through Subsidiaries		Country of incorporation	Controlling Stake in the Subsidiaries (Sr. No)	Primary Activity
		Dec-2010	Mar-2010			
1.	JISL Overseas Limited ^	100.00%	100.00%	Mauritius	3, 9 & 11	Investment
2.	Jain International Trading BV ^	100.00%	100.00%	Netherland	3	Investment
3.	Jain ( Americas) Inc.	100.00%	100.00%	U.S.A.	4, 5 & 6	Marketing
4.	Jain Irrigation Holding Inc. (Erstwhile Jain Irrigation Inc.)	100.00%	100.00%	U.S.A.	7£	Investment
5.	Cascade Specialties Inc. #	88.10%	80.17%	U.S.A.	-	Operating
6.	Nu Cedar Mills Inc. #	89.23%	89.23%	U.S.A.	-	Operating
7.	Jain Irrigation Inc. (Erstwhile Aquarius Brands Inc.) (including Chapin Watermatics Inc. merged w.e.f. 1st April 2009)	100.00%	100.00%	U.S.A.	8	Operating
8.	Point Source Irrigation Inc.	100.00%	100.00%	U.S.A.	-	Operating
9.	Jain ( Europe ) Ltd.	100.00%	100.00%	U.K.	10	Marketing
10.	SQF 2009 Limited #*	80.00%	-	U.K.	-	Operating
11.	Jain Overseas B.V. Netherland^	100.00%	100.00%	Netherland	12,14 & 17	Investment
12.	Jain (Israel) B.V. Netherland^	100.00%	100.00%	Netherland	13	Investment
13.	Naandan Jain Irrigation CS Ltd#@	50.0001%	50.0001%	Israel	-	Operating
14.	JISL Global SA^	100.00%	100.00%	Switzerland	15	Investment
15.	JISL Systems SA^	100.00%	100.00%	Switzerland	16	Investment
16.	THE Machines S.A. #	69.75%	69.75%	Switzerland	-	Operating
17.	Jain Sulama Sistemleri Sanayi ve Ticaret A.S.	100.00%	100.00%	Turkey	-	Operating

# 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.

£ 1% Stake hold by Jain Irrigation Systems Ltd., India

\* The Company has acquired SQF 2009 Limited, in UK in November 2010 through it's subsidiaries Jain (Europe) Ltd., UK. Financial Statements of SQF 2009 Limited has not been consolidated in the Interim financial Statement of December 2010. The total revenue and total assets excluded in respect of the said company amounts to ₹ 353.52 million and ₹ 684.63 million respectively.

^ Represents companies who's accounts have been included on the basis of management accounts.

## NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS CONTD..

### @ Subsidiaries & Joint Venture of Naandan Jain Irrigation CS Ltd. is as under.

Name of the subsidiary & Joint Venture	Ownership in % either directly or through subsidiaries		Country of Incorporation
	Dec-2010	Mar-2010	
<b>Subsidiary</b>			
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%	100.00%	Australia
NaanDan Jain S.R.L.	100.00%	100.00%	Italy
NaanDan Do Brasil Participacoes Ltda.	100.00%	100.00%	Brazil
NaanDan Jain Industria E Comercio de Equipmentos Ltd	100.00%	100.00%	Brazil
Dansystems S.A.	100.00%	100.00%	Chile
NaanDan Jain Iberica S.C.	100.00%	100.00%	Spain
NaanDan Jain Peru S.A.C	100.00%	100.00%	Peru
NaanDanJain Irrigation Projects S.R.L.	100.00%	-	Romania
<b>Joint Venture</b>			
Dansystems S.A	50.00%	50.00%	Chile

### [2] Earnings per Share (EPS):

₹ in Million

Particulars	31-Dec-10	31-Dec-09
i) Profit for the period	1,657.08	1,579.08
Less: Proposed dividend on preference capital (Including Dividend Tax )	-	-
Amount Available for Equity Share Holders	1,657.08	1,579.08
ii) Weighted average Number of Equity Shares for Basic EPS [Nos.]	381,006,155	375,131,055
Add: Number of Potential Equity Shares under ESOP	786,425	1,375,000
Add: Number of Shares against Deposit of Equity Share Warrants	-	-
iii) Weighted average Number of Equity Shares including potential Equity Shares for Diluted EPS [Nos.]	381,792,580	376,506,055
<b>Basic EPS [ ₹ ]</b>	<b>4.35</b>	<b>4.21</b>
<b>Diluted EPS [ ₹ ]</b>	<b>4.34</b>	<b>4.19</b>

### [3] a) Primary segment accounting:

Reporting of Segment wise Revenue, Result and Capital Employed: -

₹ in Million

Sr. No.	Particulars	For the Period ended 31-Dec-2010	For the Period ended 31-Dec-2009
1	<b>Segment Revenue</b>		
	a) Hi-tech Agri Input Products	19,149.10	15,040.48
	b) Industrial Products	7,104.60	7,100.63
	Net Sales Income From Operations:	<b>26,253.70</b>	<b>22,141.11</b>
2.	<b>Segment Results: Profit / (Loss) before Tax and Interest</b>		
	a) Hi-tech Agri Input Products	3,887.51	2,987.20
	b) Industrial Products	725.61	1,152.80
	Sub Total	<b>4,613.12</b>	<b>4,140.00</b>
	<b>Un-allocable expenditure (Net):</b>		
	Less: i) Interest	1,882.97	1,610.56
	ii) Others (Net of Income)	315.01	228.19
	iii) Taxes	758.06	722.17
	Total Profit for the Year:	<b>1,657.08</b>	<b>1,579.08</b>

## NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS CONTD..

### 3. Other Information

₹ in Million

Other Information (Capital Employed): Dec-10	Hi-tech Agri Input Products	Industrial Products	Others Un-allocable	Total
Capital Assets (Net) Including CWIP & Investments	10,337.04	8,475.99	1,371.33	20,184.36
Current Assets (Net)	21,574.02	12,138.82	2,902.36	36,615.20
Current Liabilities (Net)	(4,219.93)	(5,756.41)	(2,664.61)	(12,640.95)
	<b>27,691.13</b>	<b>14,858.40</b>	<b>1,609.08</b>	<b>44,158.61</b>
<b>Other Information: 2010-11 (9 Months)</b>				
Depreciation/Amortization	431.24	396.67	50.58	878.49
Capital Expenditure	1,132.45	741.54	176.23	2,050.22
Non Cash items	42.22	39.64	-	81.86
<b>Other Information (Capital Employed) : 2009-10</b>				
Capital Assets (Net) Including CWIP & Investments	9,204.59	7,734.45	1,195.09	18,134.13
Current Assets(Net)	14,788.34	9,599.58	6,392.37	30,780.29
Current Liabilities(Net)	(5,384.82)	(3,658.46)	(2,075.48)	(11,118.76)
	<b>18,608.11</b>	<b>13,675.57</b>	<b>5,511.98</b>	<b>37,795.66</b>
<b>Other Information: 2009-10 (9 Months)</b>				
Depreciation/Amortization	439.22	241.46	-	680.68
Capital Expenditure <sup>^</sup>	1,569.52	1,189.70	601.42	3,360.64
Non Cash items	5.36	2.17	-	7.53

<sup>^</sup> for the period ended 31-March-2010

### [3] b) Secondary Segment Accounting (Geographical) :

₹ in Million

Segment Revenue : Dec-2010 (9 Months)	India	Europe	USA	Rest of the World	Total
a) Hi-tech Agri Input Products	14,179.84	1,222.31	1,671.66	2,075.29	19,149.10
b) Industrial Products	3,374.49	1,267.70	1,385.30	1,077.11	7,104.60
	<b>17,554.33</b>	<b>2,490.01</b>	<b>3,056.96</b>	<b>3,152.40</b>	<b>26,253.70</b>

Segment Revenue : Dec-2009 (9 Months)	India	Europe	USA	Rest of the World	Total
a) Hi-tech Agri Input Products	11,083.94	940.58	1,353.21	1,662.75	15,040.48
b) Industrial Products	3,205.20	1,778.33	1,255.80	861.30	7,100.63
	<b>14,289.14</b>	<b>2,718.91</b>	<b>2,609.01</b>	<b>2,524.05</b>	<b>22,141.11</b>

#### Notes:

- 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.
- 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.
- 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".
- 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".

## NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS CONTD..

- [4] Pursuant to the Board decision dated 9<sup>th</sup> August 2010 and Shareholders decision dated 29<sup>th</sup> September 2010, the Company decided to split Equity Shares of ₹ 10/- each into Equity Shares of ₹ 2/- each. The Company fixed a Record Date of 1st November 2010 to make split effective the split of shares as above.
- [5] In terms of MOU dated 15<sup>th</sup> May 2008 entered by Company with Govt. of Maharashtra, (GoM), the Company has received an Eligibility Certificate (EC) under the Industrial Promotion Scheme (IPS) from DIC, GoM for ₹ 3,804.71 million valid upto 7 years from date of commercial production (30<sup>th</sup> September 2009). The Company has taken credit for ₹ 142.39 million relating to period October 2009 to March 2010 and ₹ 263.80 million relating to period April to December 2010 in nine months period ended 31<sup>st</sup> December 2010.
- [6] The Figures in the Balance Sheet for 31<sup>st</sup> December 2010 & 31<sup>st</sup> March 2010 are not comparable as they represent different period.
- [7] The previous period's / year's figures have been reworked, regrouped and reclassified to the extent possible, wherever necessary.

For and on behalf of Board of Directors

**Mumbai, 28<sup>th</sup> March, 2011**

Sd/-  
A. V. Ghodgaonkar  
**Company Secretary**

Sd/-  
**Director**

Sd/-  
**Director**

