

Responsible Growth

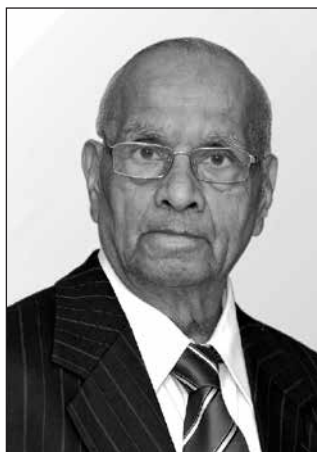


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1. Turmoil continues to rock both the financial and political worlds.
2. Every green shoot has died before the sapling matures.
3. Global political and economic leadership is trying all kind of models to achieve stability and growth, but has not succeeded.
4. Turnaround in US is gathering speed in the last few months, which is good for the global economy.
5. If the momentum is kept on we can hope for a global economic revival in the next three to five years.
6. Japan is also showing signs of waking up from deep slumber.
7. China is trying to achieve a soft landing, which will augur well for the global economy.
8. As India enters election year, we are seeing increased uncertainty.
9. Economic reforms have not kept pace with changing needs.
10. Aspirations of young and increasingly restless Indians have to be met.
11. The emerging India, which is young and vibrant, has to be provided with growth opportunities.
12. At Jai Corp, we realise that responsible growth is the need of the hour.
13. We cannot grow for the sake of growing.
14. We took a breather, consolidated our operations, looked at means of attaining Sustainable Growth and we are now ready with plans that will result in Responsible Growth.
15. We see a tremendous opportunity in the polymer industry.
16. India's low per capita consumption and important role that polymers play in economic growth cannot be disputed.
17. We visualise an exciting phase of growth.
18. Which will lead to increased capacity at competitive costs, offering new products in the market, providing more employment and satisfying millions of consumers.
19. We have a leadership team that can deliver our stated objectives. We are confident of the potential and core strengths of our employees, starting with the talent, dedication and their values.
20. The future of Jai Corp is bright and holds great promise by following the mantra of Responsible Growth.

MESSAGE FROM THE CHAIRMAN-EMERITUS



Dear Fellow Shareowners,

The story of economic recovery from the global financial crisis remains extremely fragile. Continuing risks to economic health include high unemployment, debt and low growth in developed countries and shortage of financing for developing countries. India too has seen policy paralysis which is not good for the long term growth of the economy. We need to infuse dynamism along with quick and radical thinking to bring the economy out of the morass it is stuck in. We have to create millions of jobs and ensure that our youth plays an active role in the growth of our country.

We at Jai Corp are committed to frame our business plans, based on our core competencies that will add more value to our products and services. We always maintain that our performance and growth are intrinsically linked with the sustenance and development of the communities in which we operate. We believe that growth and responsibility go hand-in-hand. We have always given the highest priority to our programmes engaging various sections of the society. We feel that these activities are our humble homage to the society.

We remain committed to safe and efficient operations and to conducting our business in an environmentally sound and socially responsible manner.

I thank all our shareholders who have consistently reinforced their faith and trust in the Company. I am confident that we will strive hard to create sustainable growth for all our stakeholders.

I have served the Board of this Company for 28 years and with my age, I am finding it difficult to play an active role in our Company. Hence I have decided to step down as a member of the Board.

I thank our Board of Directors for their valuable insight, constant support and guidance at every stage. I also thank our stakeholders for their unstinted support.

With best wishes,
Sincerely,

Jai Kumar Jain
Chairman- Emeritus
8th August, 2013

MESSAGE FROM THE CHAIRMAN



Dear Fellow Shareowners,

In the financial year ended 31st March, 2013 your Company's gross turnover increased by about 3.63% from ₹ 653.82 crore to ₹ 677.57 crore, however the net profit decreased by 24.30% from ₹ 98.93 crore to ₹ 74.89 crore.

It was expected that in 2012-13 the Indian economy would be able to continue with its growth. However, a combination of worsening global economy and a difficult domestic environment resulted in a much lower growth rate of around 5%.

The World Bank in its two-yearly Global Economic Prospects Report 2013 has stated that the world economy is set to grow at 2.2 percent, less than the 2.3 percent growth registered last year but it has predicted a higher growth rate for 2014-15. It expects developing countries collectively to expand by 5.1% with India's growth outlook being 5.7%.

The Reserve Bank of India in its First Quarter Review of Monetary Policy 2013-14, *inter alia* mentions that domestic economic activity weakened in the first quarter of 2013-14, lead indicators point to continuing headwinds facing manufacturing and services sector activities. In its May Policy, the Reserve Bank projected GDP growth for 2013-14 of 5.7 per cent, conditional upon a normal monsoon returning agricultural growth to its trend level. The outlook for industrial activity, however, was expected to remain subdued, and growth in services and exports was expected to stay sluggish owing to global growth not improving significantly. Cost of raw material continued to rise whereas sentiments for rise in selling price declined indicating lack of pricing power. The crisis of the last few months has been abetted by falling value of Rupee. It has resulted in making imports costly. More than anything else it has pushed cost of feedstock high and in a low demand scenario, it is difficult to pass the price hike to the reluctant consumer.

The process of reforms in the country has to be accelerated. More investments, faster approvals are the need of the hour. The central government must take the initiative to assuage the sentiments of the investors by having a stable and pragmatic economic policy.

Our traditional business of plastic processing delivered a robust performance. The steel business turned around and posted a profit for the year. The results for the first quarter are also encouraging. The investments in the real estate sector are long-term in nature and are expected to unlock their potential value in the coming years.

Our asset management business showed a good performance. We manage and advise a collective funds of approximately ₹ 3,131 crore. The funds' investments are focused on mix - use development projects including large townships. The funds have collectively distributed approximately ₹ 705 crore to its investors.

Special Economic Zones (SEZs) were envisaged to be engines for rapid economic growth, for increasing India's exports and would have contributed to jump in India's GDP. However global slowdown has put a dampener on this and no SEZs, except a handful in India have been successful. Our SEZs are facing difficult times as approvals and land acquisition are delayed considerably. The future growth of the SEZs will depend on improved business sentiments in the global economy.

While new businesses bring with them a new risk profile and uncertainty, as a prudent strategy, we continued to focus on our core businesses and have gone through a consolidation phase. We are now looking at responsible growth in all our existing businesses.

I strongly believe that your Company's business strategy and operational quality along with the relentless effort of our entire team has helped your Company achieve this performance in a very challenging environment.

Our focus will be to deliver superior performance and achieve sustainable and responsible growth for all our stakeholders.

I am grateful to the Board of Directors for their unwavering support and guidance. I also take this opportunity to express my gratitude to all our stakeholders, who have reposed their trust in us and extended their constant support.

With best wishes,

Sincerely,

Anand Jain

Chairman

8th August, 2013

ABOUT US:

Jai Corp Limited, established in 1985, under the leadership of the Company's Chairman Shri Anand Jain, is fast emerging as a leading urban integrated infrastructure company.

Traditionally, a manufacturing enterprise, the Company produces flexible intermediate bulk containers (FIBC Jumbo bag), woven sacks and fabrics, manmade fibre yarns, Masterbatch and steel coils and sheets.

In 2006, Shri Jain's vision saw Jai Corp expanding its horizons. Jai Corp is metamorphosing from a manufacturing enterprise to a corporate driven by new growth engine such as asset management and urban infrastructure development.

The Company is in the process of building globally relevant centers of excellence in manufacturing and service sector.

Jai Corp is also a leading real estate organization with a significant funding and development portfolio.

The Company is also advisor and manager to some of India's largest real estate funds.

With its Registered Office at Nanded, Maharashtra, the Company has its Corporate Office in India's financial capital, Mumbai.

The Company has a shareholder family of about 86,000. The Company's shares are listed on the BSE and the National Stock Exchange.

LOCATIONS :

- Woven sacks manufacturing division: Khadoli, Athal (Silvassa) and Daman
- Spinning division: Vasona, Masat (Silvassa) and Sarigam (Gujarat)
- Steel division: Nanded (Maharashtra)
- SEZs: Mumbai and Navi Mumbai
- Port SEZ: Rewas (Maharashtra)
- Asset Management business and Venture Capital Fund Offices: Mumbai.

COMPANY INFORMATION

BOARD OF DIRECTORS (As on August 08, 2013)

Anand Jain
Chairman

Virendra Jain
Vice Chairman

Gaurav Jain
Managing Director

V.S. Pandit
Director - Works

K. M. Doongaji
S. N. Chaturvedi
S. H. Junnarkar
Anup P. Shah
Directors

CHIEF FINANCIAL OFFICER &
CHIEF ACCOUNTS OFFICER
Pramod Kumar Jaiswal

COMPANY SECRETARY &
COMPLIANCE OFFICER
Ananjan Datta

BOARD COMMITTEES:

Audit Committee
K.M. Doongaji (Chairman)
S.N. Chaturvedi
Virendra Jain
Anup P. Shah

Shareholders/Investors

Grievance Committee
K.M. Doongaji (Chairman)
S.N. Chaturvedi
Virendra Jain
Gaurav Jain

Share Transfer Committee

Virendra Jain (Chairman)
Gaurav Jain
V.S. Pandit

BANKERS

Axis Bank
Bank of Baroda
Canara Bank
Development Credit Bank Limited
HDFC Bank Limited
South Indian Bank Limited
Union Bank of India

REGISTERED OFFICE

A-3, M.I.D.C. Indl. Area,
Nanded- 431 603, Maharashtra
Website: www.jaicorpindia.com
Tel: +91-22-61155300
Fax: +91-22-22875197

CORPORATE OFFICE

12-B, Mittal Tower,
Nariman Point,
Mumbai-400021
Maharashtra, India.

REGISTRAR & SHARE TRANSFER AGENT

Karvy Computershare Private Limited
Plot no. 17-24, Vittal Rao Nagar,
Madhapur, Hyderabad 500 081.
Tel: +91-40-44655000
Fax no: + 91-040-23420814
e-mail: einward.ris@karvy.com
Website : www.karvy.com

AUDITORS

Chaturvedi & Shah
Chartered Accountants

MANUFACTURING FACILITIES

(i) Plastic Processing Division

140/1/1/1 to 140/1/1/9,
Village Khadoli, Silvassa (D & N.H)
(100% EOU Unit)
168/182-191, Dabhel Ind.Co-op.Soc.Ltd.,
Dabhel, Daman (Daman & Diu)
Survey No. 148, 149/1 & 2, 180/2 & 3,
Dabhel Ind. Co-op. Soc. Ltd.,,
Dabhel, Daman (Daman & Diu)
Plot No. F-1 & F-2,
Indore SEZ Phase-1, Sector-III
Pithampur (MP) (SEZ Unit)

(ii) Plastic Processing & Master Batch

Survey No.141,Dabhel Ind.Co-op.Soc.Ltd.,
Dabhel, Daman (Daman & Diu)

(iii) Plastic Processing & PSF

Survey No.326/1,326/2/1
Village Athal, Silvassa, (D&NH)

(iv) Steel Division

A-3, M.I.D.C, Indl. Area
Nanded, Maharashtra.

(v) Textile Division- Twisting

Survey No.45-B, Govt. Ind Estate,
Masat, Silvassa (D & NH)

(vi) Textile Division- Dyeing

Plot No.1620, GIDC Sarigam,
Dist. Valsad, Gujarat

(vii) Textile Division- Spinning

Survey No.246, Khanvel Road,
Vasona, Silvassa (D & NH)

NOTICE

NOTICE is hereby given that the Twenty-eighth Annual General Meeting of the Members of Jai Corp Limited will be held on Saturday the 21st day of September, 2013 at 12.00 noon at the Registered Office of the Company at A-3, M.I.D.C. Industrial Area, Nanded-431603, Maharashtra to transact the following businesses:

AS ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at March 31, 2013, Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Preference Shares.
3. To declare a dividend on Equity Shares.
4. To appoint a Director in place of Shri Sandeep H. Junnarkar, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Virendra Jain, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Shri Anand Jain who retires by rotation and being eligible, offers himself for re-appointment.
7. To appoint Messrs Chaturvedi & Shah, Chartered Accountants, as the Auditor of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and fix their remuneration.

AS SPECIAL BUSINESS:

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification or re-enactment thereof, for the time being in any force, the Company hereby approves of the appointment of Shri Gaurav Jain as the Managing Director of the Company for a further period of 5(five) years with effect from 4th June, 2013 on the terms and conditions, including remuneration and minimum remuneration as set out in the Agreement to be entered into between the Company and Shri Gaurav Jain, a draft whereof is placed before this meeting and is hereby approved with the authority to the Board of Directors to alter and vary the terms and conditions of the said appointment and

/ or Agreement so long as the same is within the limits specified under Sections 198, 269, 309, 310 and Schedule XIII to the Companies Act, 1956 or any statutory modification or re-enactment thereof, for the time being in any force, as may be agreed between the Board of Directors and Shri Gaurav Jain;

RESOLVED FURTHER THAT the amount of remuneration to Shri Gaurav Jain in a financial year shall not exceed the ceiling of 5% of the net profits of that financial year and 10% of the net profits to all managerial personnel taken together in that financial year as laid down in Schedule XIII to the Companies Act, 1956 or any statutory modification or re-enactment thereof, for the time being in any force;

RESOLVED FURTHER THAT in the event of any statutory amendment, modification, relaxation and / or variation by the Central Government to Schedule XIII or to any of the Sections of the Companies Act, 1956 for the time being in any force, the Board of Directors be and are hereby authorized to vary or increase the remuneration within such prescribed limits and the aforesaid Agreement between the Company and Shri Gaurav Jain may be suitably amended to give effect to such amendments, modifications, relaxations and / or variations without any further reference to the members in a general meeting;

RESOLVED FURTHER THAT till such time Shri Gaurav Jain continues to remain the Managing Director he shall not be liable to retire by rotation;

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts and take such steps as may be necessary, proper or expedient to give effect to this resolution.”

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Shri Anup P. Shah who was appointed as an Additional Director by the Board of Directors pursuant to the provisions of Article 135 of the Articles of Association and Section 260 of the Companies Act, 1956 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 be and is hereby appointed a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.”

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with the provisions of Section 80 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification or re-enactment thereof, for the time being in any force, and Article 8 and all other enabling provisions of the Articles of Association of the Company and the applicable laws, rules, regulations, guidelines, clarifications and approvals issued by any statutory body or regulatory authority and subject to such approvals / consents / permissions / sanctions as may be required in accordance with applicable laws, rules, regulations and guidelines and subject to such conditions which such body or authority may impose at the time of granting their approvals / consents / permissions / sanctions and which may be agreed to by the Board of Directors of the Company (the ‘Board’ which term shall include any Committee which the Board of Directors may have constituted or may hereafter constitute for the time being for exercising the powers conferred on the Board of Directors by this Resolution), consent of the members be and is hereby accorded to the Board to roll over for a period up to (two) years 83,49,900 (eighty-three lakh forty-nine thousand and nine hundred) 1% non-cumulative non-participating redeemable preference shares of face value ₹ 1/- (Rupee one only) each of the Company issued at a price of ₹ 1,000/- (Rupees one thousand only) each i.e. at a nominal value of ₹ 1/- (Rupee one only) and a premium of ₹ 999/- (Rupees nine hundred and ninety- nine only) per share allotted on 26.11.2007 to certain members of the promoter group and which are presently held by certain members of the promoter group / relative of the promoters, which are due for redemption on 25.11.2013 to the intent that the said 83,49,900 preference shares will be redeemed at a later date as hereafter stated;

RESOLVED FURTHER THAT the said preference shares shall continue to carry a preferential right to dividend of 1% (one per cent) per annum;

RESOLVED FURTHER THAT, as per the terms of issue, the said preference shares shall in respect of capital, on a winding-up or repayment of capital, carry a preferential right for repayment in priority to the equity shares to the Company but shall not carry any further or other right to participate either in the profits or assets of the Company;

RESOLVED FURTHER THAT the said preference shares shall be redeemable on the expiry of 2 (two) years from the date of roll over (i.e. two years from 26.11.2013) with an option to the Company / preference shareholders to redeem the same any time earlier;

RESOLVED FURTHER THAT the redemption of the said preference shares shall be at a premium of 6 percent (six per cent) per annum from the date of allotment over and above the total issue price of ₹1,000/- (Rupees one thousand only) per share and the premium will be proportionate to the period of holding of the said preference shares;

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized to take all actions and steps and do all acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper, desirable or expedient to the roll-over of the said shares and to resolve and settle all questions, difficulties or doubts that may arise in regard to such roll over, as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

By Order of the Board of Directors

Mumbai
8th August, 2013

A. Datta
Company Secretary

NOTES:

1. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing a proxy or Power of Attorney, if any, under which it is signed should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the aforesaid meeting. Corporate Members are requested to send a certified copy of Board Resolution authorizing their representatives to attend and vote at the Meeting.