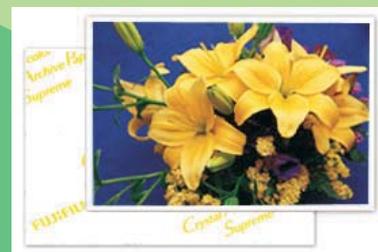
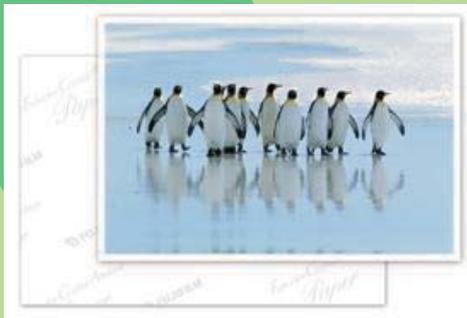


 **JINDAL PHOTO LTD.**



# 8<sup>th</sup> ANNUAL REPORT

**2010 - 2011**



**FUJIFILM**

ANNUAL GENERAL MEETING ON  
TUESDAY, THE 27TH SEPTEMBER 2011  
AT THE REGISTERED OFFICE  
AT 11.30 A.M.

## Contents

	Page
Company Information	2
Notice	3-6
Directors' Report	7-11
Statement pursuant to Section 212 of Co Act	12
Report on Corporate Governance	13-21
Management Discussion and Analysis	22-24
Auditors' Report	25-27
Balance Sheet	28
Profit & Loss Account	29
Cash Flow Statement	30
Schedules forming part of Accounts	31-36
Notes to Accounts and Significant Accounting Policies	37-47
Balance Sheet Abstract and General Profile	48
Auditors' Report on Consolidated Financial Statements of Jindal Photo Ltd. and its subsidiary companies	49
Consolidated Balance Sheet	50
Consolidated Profit & Loss Account	51
Consolidated Cash Flow Statement	52
Schedules forming part of Consolidated Accounts	53-58
Notes to Consolidated Accounts and Significant Accounting Policies	59-67
Financial Information of Subsidiary Companies	68



## NOTICE

**NOTICE** is hereby given that the Eighth Annual General Meeting of the members of Jindal Photo Limited will be held as per schedule given below:-

Day : Tuesday

Date : 27<sup>th</sup> September 2011

Time : 11:30 AM

Place : at the registered office of the Company at 260/23, Sheetal Industrial Estate, Demani Road, Dadra - 396193 ( UT of D N & H) to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended on 31<sup>st</sup> March 2011 and the Balance Sheet as at that date together with the Reports of the Directors' and Auditors' thereon and statement in respect of the subsidiary companies under Section 212 of the Companies Act, 1956.
2. To declare a dividend for the year ended 31st March 2011, @ Re. 1/- per share, i.e. 10%.
3. To elect a Director in place of Mr. Sanjeev Kumar Aggarwal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors to hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board Of Directors to fix their remuneration.

M/s B.K. Shroff & Company, Chartered Accountants are the retiring Statutory Auditors.

### **SPECIAL BUSINESS:**

5. To consider and if thought fit, to pass with or without modification(s) , the following resolution as an **ORDINARY RESOLUTION:-**

**"RESOLVED THAT** Mr. Sunil Kumar Aggarwal, who was appointed as an Additional Director of the Company w.e.f 12.11.2010 under Article 138 of the Articles of Association of the Company and who holds such office upto the date of this Annual General Meeting and in respect of whom the Company has received notice in writing, pursuant to Section 257 of the Companies Act, 1956 proposing his candidature to the office of Director, be and is hereby appointed as a Director of the Company, whose period of office shall be liable to determination by retirement of Directors by rotation."

6. To consider and if thought fit, to pass with or without modification(s) , the following resolution as a **SPECIAL RESOLUTION:-**

**"RESOLVED THAT** pursuant to provisions of Section 372 A and other applicable provisions, if any, of the Companies Act, 1956 consent of the members of the company be and is hereby accorded to the Board of Directors to invest the funds of the Company upto Rs. 500 crores (Rupees Five Hundred crores Only) in one or more trenches, at par or at premium, in the form of acquisition/subsorption of Equity Shares of Jindal India Powertech Limited (JIPL).

**RESOLVED FURTHER THAT** Board of Directors of the Company be and are hereby authorized to invest from time to time within the said limits and to take all necessary steps and to do all such acts, deeds and matters as may be considered necessary, incidental or expedient to give effect to abovesaid resolution."

7. To consider and if thought fit, to pass with or without modification(s) , the following resolution as an **ORDINARY RESOLUTION:-**

**"RESOLVED** that subject to the provisions of Section 198, 269, 309, and other applicable provisions, if any, of the Companies Act, 1956 and limits laid down therein read with Schedule XIII thereof as amended and subject to such other approvals as may be necessary, the approval of the members be and is hereby accorded to the Board of Directors to revise the remuneration payable to Mr. Shammi Gupta, Managing Director of the company, as set out in the explanatory statement annexed hereto.

**RESOLVED FURTHER** that the Board of Directors of the company be and is hereby authorised to further revise the remuneration payable to him as Managing Director, from time to time subject to the ceiling laid down in Section 198, 309 and Schedule XIII of the Companies Act, 1956, without further approval of the members of the Company but with such other approvals, sanctions or permissions, if any, required for such revision in the remuneration.

**"RESOLVED FURTHER** that the Board of Directors of the company be and is hereby authorised to do all such other acts, deeds, matters and things as in its absolute discretion, it may consider necessary to expedient or desirable in order to give effect to the foregoing resolution or otherwise consider it to be in the best interest of the company."

By Order of the Board  
For **JINDAL PHOTO LIMITED**

Place: New Delhi  
Date 25<sup>th</sup> August, 2011

**V.K. Gupta**  
(Company Secretary)

## NOTES:

1. A member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself/herself. Such proxy need not be a member of the company. The proxy form in order to be effective must be lodged at the Registered Office of the company not less than 48 hours before the commencement of the meeting. Proxies shall not have any right to speak at the meeting.
2. The Register of Members of the Company and the Share Transfer Books shall remain closed from Thursday 22nd September 2011 to Tuesday 27th September 2011 (both days inclusive).
3. The relative explanatory statement pursuant of Section 173(2) of the Companies Act, 1956 in respect of special business is annexed hereto.
4. Detail under clause 49 of the Listing Agreement with the Stock Exchanges in respect of Directors proposed to be appointed / re-appointed at the Annual General Meeting is given in the Corporate Governance Report.
5. Members holding shares in physical form are requested to notify / send the following to the Company or Share transfer agent to facilitate better services:-
  - i) Any change in their address/mandate/bank details.
  - ii) Particulars of bank details
    - Name of the Bank
    - Name of Branch
    - Complete address of the Bank with pin Code Number
    - Account type, whether savings (SB) or current account
    - Bank account number allotted by the bankfor printing on dividend warrants to prevent fraudulent encashment, and
  - iii) Share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into one account.
6. Members holding shares in electronic form are advised to notify the changes, if any, in their address /bank details/ mandate to their respective depository participant.
7. Dividend as recommended by the Directors for the year ended 31st March 2011, if declared will be payable to those members whose names appear in the Register of Members as at close of working hours of the company on 27th September 2011. In respect of share held in demat form, the dividend will be payable on the basis of the statement of beneficial ownership as at the close of business hours on 21st September 2011, furnished by NSDL and CDSIL for this purpose.

If payment of dividend is approved by the members at the annual general meeting, the same will be paid to the members on or before 26th October 2011.
8. Members are advised to avail the facility for receipt of dividends through National Electronic Clearing Service (NECS) / Electronic Clearing Services (ECS), which is available at specified locations. Members holding shares in dematerialized form are requested to contact their respective depository participants for availing NECS / ECS facility. Members holding shares in physical form and desirous of availing NECS / ECS facility are requested to write to the Company or RTA for details.
9. Members are requested to note that dividends not encashed/claimed within seven years from the date of declaration of dividend will, as per Section 205 A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claim in this respect shall lie against IEPF or the Company. Members are requested to contact RTA or the Company for encashing the unclaimed dividend standing to the credit of their account for the year 2004-05 and onwards.
10. Corporate Members are requested to send a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting.
11. Members who hold shares in the physical form and wish to make/change in nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, may do so by submitting to the Company the prescribed Form 2B.
12. As required under sub clause IV (E)(v) of clause 49 of Listing Agreement, the detail of shareholding of Non –Executive Directors ( both owned or held

by / for other person on a beneficial basis ) seeking appointment / re-appointment in the forthcoming Annual General Meeting is given below :-

Name of the Non-Executive Director	Number of Shares held
Sanjeev Kumar Aggarwal	NIL
Sunil Kumar Aggarwal	NIL

13. Queries on accounts and operations of the Company, if any, may please be sent to the Company at least seven days in advance of the Meeting so that the answer may be made readily available at the meeting.
14. Recognizing the spirit of the Green Initiative in Corporate Governance initiated by the Ministry of Corporate Affairs, the Company proposes to send Annual Report and other documents/notices to shareholders to the email address provided to the Depository/Company. Shareholders are requested to register and/or update email address with the respective Depository Participant or the Company, to ensure that documents from the Company reach their preferred email address. Even after registering for E-Communication, the Shareholders of the Company are entitled to receive such communication in physical form, upon request.

Notice of AGM and copies of Audited Financial Statements, Directors' Report, Auditors' Report will also be displayed on the company's website [www.jindalphoto.com](http://www.jindalphoto.com).

## EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

### Item No. 5

Mr. Sunil Kumar Aggarwal was appointed by the board of directors as an Additional Director on the Board of the Company effective from 12th November 2010 pursuant to Section 260 of the Companies Act, 1956 and in terms of Articles of Association of your company. He holds office upto the date of this Annual General Meeting.

Mr. Sunil Kumar Aggarwal aged about 51 years is a Batchelor of Technology (Mechanical) and having about 25 years of rich experience in the area of Project Management, Construction, Engineering, Land Procurement, Liaison with Government Authorities at top level for various statutory clearances, HRD, Administration and General Management etc and had travelled worldwide for Business Deals.

Notice under Section 257 of the Companies Act,

1956 has been received from a member signifying his intention to propose the candidature of Mr. Sunil Kumar Aggarwal for the office of the Director of the Company.

The Board of Directors considers that the continuance of Mr. Sunil Kumar Aggarwal on the board shall be beneficial for the Company and recommends the resolution for your approval.

None of the directors except Mr. Sunil Kumar Aggarwal may be considered as concerned or interested in the said resolution.

### Item No. 6

The Board of Directors of your Company was accorded approvals by the Shareholders pursuant to the provisions of Section 372A of the Companies Act, 1956 at their extraordinary general meeting held on 27th March 2008 to invest funds of the Company in the equity shares of JIPL upto Rs. 300 crores in one or more trenches by way of subscription/acquisition of shares. The Board has so far invested Rs. 160.40 crore in the equity share capital of the JIPL by way of subscription/acquisition of fully/partly paid share. In order to enhance Investment Limit in JIPL from Rs. 300 crores to Rs. 500 crores the Board need to obtain approval of the shareholders pursuant to Section 372A of the Companies Act, 1956

The Board shall ensure that adequate safeguards are taken while making investments so as to protect the interest of the company and its members.

**Nature of Investment:** Investments in the equity share capital of Jindal India Powertech Limited by way of subscription or purchase of shares.

**Source of Funds:** Internal accruals as may be generated by the company from time to time and temporary surpluses. However, if necessary, funds may be arranged through borrowings from Banks and other sources.

The Board of Directors of your Company, therefore, recommend the passing of the special resolution as set out above for your approval.

None of the Directors of the Company are concerned or interested in the Special Resolution.

### Item No. 7

In continuation to the resolution passed by the members of the Company in the 6th Annual General Meeting. The Board of Directors of the Company at their meeting held on 25th August, 2011 have decided to revise the remuneration payable to Mr. Shammi Gupta, Managing Director of the Company, w.e.f, 1st September 2011 . The revised terms of remuneration payable to him are

as under:-

**1. BASIC SALARY:** Upto Rs. 1,51,000/- per month, with an annual increment as per the policy of the Company subject to a maximum of Rs 7000/- per month or Rs. 84,000/- in a year.

## 2. PERQUISITES AND ALLOWANCES

(i) **Housing Rent Allowance:-** Upto Rs. 68,600/- per month

(ii) **Extra-Gratia Payment:-**

Ex-Gratia payment for each year as per policy of the company subject to a maximum of twenty percent of the basic salary earned during the preceding year.

(iii) **Medical Reimbursement:-**

Medical Benefits for self, wife and dependant children. Reimbursement of expenses actually incurred. The total cost of such expenses to the company shall not exceed one-month salary in a year.

(iv) Contribution towards provident fund and payment of gratuity and such other perquisites in accordance with the Company's rules.

(v) Company to take Health Insurance policy of self and wife, subject to maximum of Rs 10 lacs per annum.

(vi) Re-imbusement of expenses incurred on holiday trip in India/ Abroad for self along with family once in two years, subject to maximum of Rs. 1.5 lacs.

The perquisites as above shall be evaluated as per Income-Tax Rules, 1962 wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost.

In addition to the above, Mr. Shammi Gupta will also be entitled to the following benefits

- Encashment of un-availed leave as per the rules of the Company.

## Reimbursement of Car & Telephone Expenses:

The reimbursement of expenses by the company on hiring of car for official duties and mobile phone / telephone at residence (including payment of local calls and long distance official calls) shall not be included in the computation of perquisites.

If at any time the appointee ceases to be Director of the Company for any cause whatsoever, he shall cease to be Managing Director as the case may be.

Any further increase or variation in future, in the remuneration payable to Mr. Shammi Gupta, shall be finalized by the Board of Directors and shall also be subject to the overall ceilings prescribed under the Companies Act, 1956.

Where in any financial year, during the tenure of Mr. Shammi Gupta as Managing Director, the Company has no profits or its profits are inadequate, the aforesaid remuneration including perquisites shall be minimum remuneration subject to such approval(s), as may be required.

In compliance with the provisions of Section 269 and 309 of the Companies Act, 1956 in the terms of remuneration specified above are now being placed before the general meeting for your approval.

The above statement may also be treated as an abstract of the terms and Memorandum of interest under Section 302 of the Companies Act, 1956.

The Board recommends the resolution for your approval.

None of the Directors except Mr. Shammi Gupta may be considered as concerned or interested in passing of the proposed resolution.

By Order of the Board  
For **JINDAL PHOTO LIMITED**

Place : New Delhi  
Date : 25th August, 2011

**V.K. Gupta**  
(Company Secretary)

## DIRECTORS' REPORT

To the members,

Your Directors have pleasure in presenting the Eighth Annual Report together with the audited accounts of the company for the year ended 31<sup>st</sup> March 2011.

### FINANCIAL RESULTS

(Rs./Lac)

	Year Ended	
	31/03/2011	31/03/2010
<b>Sales</b>	<b>42490</b>	39,942
<b>Profit before Interest, Depreciation &amp; Tax</b>	<b>2765</b>	2483
<b>Less :</b> i) Interest & Financial charges	<b>59</b>	303
ii) Provision for Depreciation	184	187
iii) Provision for Taxation, including previous year	<b>796</b>	552
iv) Deferred Tax Liability/(Asset) for the year	<b>(87)</b>	(10)
<b>Profit After Tax</b>	<b>1,813</b>	1,451
Balance Brought Forward	<b>12,021</b>	10,834
<b>Profit Available for appropriations</b>	<b>13,834</b>	12,285
<b>Appropriation</b>		
Provision for Dividend	<b>103</b>	103
Tax on Dividend	<b>17</b>	17
Transfer to General Reserves	<b>181</b>	145
Balance Carried to Balance Sheet	<b>13,533</b>	12,020

### OPERATIONS

During the year under review, your company has achieved a total turnover of Rs. 424.90 Crores and earned operational profit of Rs. 27.65 Crores.

### DIVIDEND

The Board has, subject to the approval of the members at the ensuing Annual General Meeting, recommended dividend of Rs 1/- per share, i.e. 10% for the year ended March 31, 2011.

Together with Corporate tax on Dividend, the total outflow on account of Dividend will be Rs. 119.22 lacs.

### ISSUE OF SHARE CAPITAL

There is no further issue of share capital during the year.

### DEPOSITS

The Company has not accepted any deposit and the provisions of Section 58 A of the Companies Act, 1956 are not applicable to the Company.

### DIRECTORS

Mr. Sanjeev Kumar Aggarwal is retiring by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment.

Mr. Sunil Kumar Aggarwal has been appointed as an additional director on the board on 12th November 2010 and shall hold office up to the date of forthcoming Annual General Meeting. Notice under Section 257 of the Companies Act, 1956 has been received from a member indicating his intention to propose the appointment of Mr. Sunil Kumar Aggarwal as Director of the Company.

Mr. Praveen Kumar Bansal, Director and Mr. Rajeev Agarwal, Whole Time Director of the Company ceased to be Director w.e.f. 12th November, 2010 and 15th July 2011 respectively. The Board wishes to place on record its sincere appreciation for the valuable services rendered by Mr. Praveen Kumar Bansal and Mr. Rajeev Agarwal during their tenure as Director and whole time director of the Company.

## **DIRECTORS' RESPONSIBILITY STATEMENT AS PER SECTION 217(2AA) OF THE COMPANIES ACT, 1956.**

The Directors confirm:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanations relating to material departures, if any;
- b) That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for the year under review;
- c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, and for preventing and detecting frauds and other irregularities;
- d) That they have prepared the annual accounts on 'going concern' basis.

## **AUDIT COMMITTEE**

At present, the audit committee comprises of the following directors.

Mr. Suresh Chander Sharma, Chairman  
Mr. Sunil Kumar Aggarwal  
Mr. Sanjeev Kumar Aggarwal  
Mr. Shammi Gupta

## **LISTING OF SHARES**

The equity shares of your company are listed on National Stock Exchange Limited & Bombay Stock Exchange Limited.

The listing fee upto the year 2011-2012 has already been paid to both the stock exchanges.

## **CORPORATE GOVERNANCE**

The Company has complied with all the mandatory provisions of Corporate Governance as prescribed in terms of clause 49 of the Listing Agreement with the Stock Exchanges. A separate report on Corporate Governance is included as a part of the Annual Report along with Auditor's Certificate on its compliance.

## **CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with Accounting Standard 21 – Consolidated Financial Statements, the consolidated accounts form part of this report & accounts. These accounts have been

prepared from the audited financial statements received from Subsidiary Companies, as approved by their Board of Directors.

Consolidated Financial Statements also reflects minority interest in associates as per Accounting Standard – 23 on "Accounting for investments in associates in Consolidated Financial Statements and proportionate share of interest in Joint Venture as per Accounting Standard – 27 on "Financial Reporting of interest in Joint Ventures."

## **SUBSIDIARY COMPANIES AND THEIR FINANCIAL STATEMENTS**

Jindal Imaging Limited, Consolidated Imaging Limited and Jindal India Finvest & Holdings Limited are continuing to be the subsidiary of the Company.

The Company has incorporated a subsidiary Company namely "Jindal Minerais & Metais (Mozambique) Limitada" in Mozambique, African Country dated 17.9.2010 during the period ending on 31st March, 2011.

The Ministry of Corporate Affairs, Government of India has allowed general exemption to Companies from complying with Section 212(8) of the Companies Act, 1956, provided such companies publish audited consolidated financial statements in the Annual report. Your Board has decided to avail the said general exemption from applicability of provisions of Companies Act, 1956 and accordingly, the Annual Accounts of the above Subsidiary Companies for the financial year ended March 31, 2011 are not being attached with the Annual report of the Company and the specified financial highlights of the said Subsidiary Companies are disclosed in the Annual Report, as part of the Consolidated Financial Statements. The audited Annual Accounts and related information of the subsidiary will be made available, upon request and also be open for inspection at the Registered Office, by any Shareholder.

## **INVESTMENT IN JINDAL INDIA POWERTECH LIMITED**

During the year under review, the Company had further acquired another 17.25 crore equity share of Jindal India Powertech Limited by investing Rs. 30 crore.

## **INVESTMENT IN MANDAKINI COAL COMPANY LIMITED**

During the year under review, the Company had further made investment in its joint venture company namely Mandakini Coal Company Limited by acquiring another 2.81 crore equity shares by investing Rs. 28.10 crore.

## SHARE REGISTRY ACTIVITIES

In terms of SEBI circular No. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002, your company has appointed M/s Link Intime India Pvt Limited (formerly Intime Spectrum Registry Limited), a Category I, Registrar and Share Transfer Agent registered with SEBI to handle the work related to share registry.

## AUDITORS

M/s B K Shroff & Company, Chartered Accountants, New Delhi, the statutory auditors of your Company are retiring at the ensuing Annual General Meeting and being eligible, we recommend their re-appointment. They have furnished a certificate to the effect that their re-appointment, if made, will be in accordance with the sub-section (1B) of Section 224 of the Companies Act, 1956.

## AUDITORS' REPORT

The comments / observations of Auditors are explained wherever necessary in the appropriate notes to the accounts which are self-explanatory and do not call for further explanation.

## ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A statement containing necessary information, as required under the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 is annexed and forms part of this report.

## PERSONNEL

Your directors would like to place on record their appreciation of the dedicated and loyal services rendered by the officers, staff and workers of the Company.

The information required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employee) Rules, 1975 are not applicable to the Company as there is no employee who has received the remuneration of Rs. 5,00,000 per month and/or above or Rs. 60,00,000 per annum and/or above during the year under review.

## ISO 9001:2008 ACCREDITATION

Your Company's manufacturing facilities at Dadra & Nagar Haveli continues to maintain ISO Standard and achieved the prestigious ISO 9001:2008 Certification by SGS, a leading international certification company.

## GROUP FOR INTER-SE TRANSFER OF SHARES

Details of persons constituting "group" as required under clause 3(1) (e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 is annexed herewith and forms part of this Annual Report.

## ACKNOWLEDGEMENT

Your Directors take this opportunity to express their sincere appreciation towards the whole-hearted support and co-operation of M/s Fujifilm Corporation, Japan, M/s Fuji Hunt Photographic Chemicals Pte Ltd., Singapore, Banks and various government authorities. The Directors also thank its Agents, Dealers and Customers for their continued patronage of the Company's products.

### For and on behalf of the Board

(Shammi Gupta)  
Managing Director

(Suresh Chander Sharma)  
Director

Place : New Delhi

Dated : 25th August, 2011

## ANNEXURE TO DIRECTORS' REPORT

Information under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988.

### A. CONSERVATION OF ENERGY

a) Energy conservation measures taken:

Periodical chemical caustic flash cleaning put into practice over cooling coil of Air Conditioning system which would curtail the load on compressors.

In Photographic Color paper slitters winding DC motors inter locking system introduced to avoid continuous supply field current which would extend the life of motors.

The Company maintains priority in line with the National objective of continuing efforts for energy conservation.

According to load variation, the power factor is maintained precisely by using capacitor bank to reduce the power loss.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

Effective measures are being continuously taken for over all technological up gradation of plant and machinery in various units and energy efficient devices has been installed wherever and whenever necessary.

c) Impact of measures as above for reduction of energy consumption and consequent impact on cost of production of goods:

As stated above energy consumption is very low at operational level and by effective measures being taken continuously, the cost of production of goods is also reduced.

DG set's radiator has been substituted by new one and periodical calibration of injectors resulted in lower Diesel consumption.

### B. TECHNOLOGY ABSORPTION:

a) Research & Development (R&D):

i) Specific areas in which R&D carried out by company:

The research and development efforts of the company are mainly towards quality assurance and productivity by modification of machineries.

ii) Benefits derived as a result of the above R&D.

Photographic Color Paper production has been scaled up to meet the market demand by modifying Cine Slitter suitable for CLP manufacturing as additional facility.

Color Roll Film slitter suitably modified for effective utilization for dual products Cine Color Positive and Color Roll Film.

iii) Future plans of action

New systems are developed in machines to produce better quality products, reduction of wastage and trouble free operation.

Continuous developments of new systems in order to get optimum finished products from jumbo rolls.

iv) Expenditure on R&D

Expenditure on R&D is not specific. Expenses are incurred in normal course so the figure of expenditure is not ascertainable.

b) Technology absorption, adaptation and innovation:

i) Efforts, in brief, made towards technology absorption, adaptation and innovation:

By modifying the conversion equipment to handle the eco-friendly photographic films.

Specific technical training in Photographic Industry is being regularly provided with the help of FUJIFILM Corporation, Tokyo, Japan and their technical experts have also been visiting our factory to facilitate technology absorption.

ii) Benefits derived as a result of the above efforts:

It has resulted in a better quality of product, which has been brought to the International Standards, besides improving the productivity and reducing the wastage.

iii) In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year)

Technology imported : NIL  
Year of Import : Not Applicable  
Has technology been : Not Applicable  
fully absorbed :  
If not fully absorbed, : Not Applicable  
areas where this has  
not been taken place  
reasons therefore and  
future  
plans of action

Latest testing and trouble-shooting equipments were imported from time to time from FUJIFILM Corporation, Japan and other countries to have a strict control on quality and to reduce the downtime of machines.

Technical personnel were trained at Fuji's factory at Japan from time to time and have fully absorbed and implemented effectively the various techniques used for film and paper conversion.

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, the Company has an inflow of Foreign Exchange to the value of Rs. 30.44 Lac and had foreign exchange outgo to the value of Rs. 21,179.05 Lac.

### For and on behalf of the Board

(Shammi Gupta)  
Managing Director

(Suresh Chander Sharma)  
Director

Place : New Delhi  
Dated : 25th August, 2011

## ANNEXURE TO THE DIRECTORS' REPORT

**“Group” for inter-se transfer of shares under clause 3(1) (e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.**

1	Jindal Photo Limited	13	Mr. Shyam Sunder Jindal
2	Consolidated Finvest & Holdings Limited	14	Mrs. Subhadara Jindal
3	Jindal Photo Investments Limited	15	Ms. Aakriti Jindal
4	Jesmin Investments Limited	16	Mr. Bhavesh Jindal
5	Rishi Trading Company Limited	17	Aakriti Trust
6	Soyuz Trading Company Limited	18	Gunjan Trust
7	Jindal Poly Films Limited	19	Bhavesh Trust
8	Consolidated Photo & Finvest Limited	20	SSJ Trust
9	Jindal (India) Limited	21	Shyam Sunder Jindal HUF
10	Jindal India Thermal Power Limited	22	Jindal Poly Investments Limited
11	Jindal India Powertech Limited	23	Consolidated Finvest & Investments Limited
12	Lucky Holdings Private Limited		

## ANNEXURE TO THE DIRECTORS' REPORT

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES**

(Rs in Lacs)

S. No.	Name of Subsidiary	Jindal Imaging Limited	Jindal India Finvest & Holdings Limited	Consolidated Imaging Limited	Jindal Minerais & Metais Mozambique) Limitada*
1.	Financial Year of the subsidiary ended on	31 <sup>st</sup> March, 2011	31 <sup>st</sup> March, 2011	31 <sup>st</sup> March, 2011	31 <sup>st</sup> March, 2011
2.	Holding company's interest in the equity share capital	100%	100%	100%	89.65%
3.	Profit or loss for the current financial year so far as concerns the members of the holding company, not dealt with or provided for in the accounts of the holding company.	(1.17)	(0.33)	(0.23)	(2.02)
4.	Net aggregate profits or losses for the previous financial years since becoming subsidiary so far as concern the members of the holding company, not dealt with or provided for in the accounts of holding company.	(46.38)	(5.37)	(0.59)	N.A
5.	Net aggregate amounts received as dividends for previous financial years since becoming subsidiary dealt with in the accounts of the holding company in relevant years.	NIL	NIL	NIL	N.A

\* Incorporated during the financial year 2010-11.

## REPORT ON CORPORATE GOVERNANCE

### I. PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is a dynamic concept thriving under constantly changing environment. Your company is firmly of the view that Corporate Governance is not an end in itself but a facilitator in maximizing the objective of shareholder value. The company would like to be known as an 'excellent' company in terms of the quality of governance, the products manufactured and trades, in customers' services, in fair dealings with its stakeholders, and in the standards of individuals and company performances. The Company aims at achieving this objective by ensuring transparency in its functioning by truthful and complete communication to all its stakeholders and by inculcating a culture of ethical business in all its operations. Beyond merely complying with mandatory requirements, the Board of Directors, management and employees, are committed to preserving trust and interest of all stakeholders including the society at large.

The VISION and VALUES are the main ingredients of the Corporate Philosophy of the Company, which can be summarized as follows:-

#### VISION:

"To be acknowledged leader in terms of maximizing stakeholder value, profitably and growth by being a financially strong, customer friendly, progressive organization."

#### VALUES:

- Mutual trust and Appreciation

- Integrity and Honesty
- Dedication & Commitment
- Creativity and teamwork
- Openness and transparency
- Pursuit of excellence

### II. BOARD OF DIRECTORS

The Board of Directors of the company presently comprises of a Managing Director, a Whole-Time Director and three independent directors. Mr. Sunil Kumar Aggarwal was Appointed additional director by the Board w.e.f 12.11.2010. Mr. Praveen Kumar Bansal, Director and Mr. Rajeev Agarwal, Whole Time Director of the Company ceased to be Director w.e.f. 12th November, 2010 and 15th July 2011 respectively. The board possesses experience in diverse fields and the skills, experience and expertise necessary to guide the company. The Board elects its chairman at its meetings.

During the year under review, the Board of Directors of the company met 9 (Nine) times and the period between any two meetings did not exceed four months.

Board Meetings held during the year ended 31st March 2011:

14th May 2010, 24th June 2010, 13th August, 2010, 3rd September 2010, 25th October 2010, 4th November 2010, 12th November 2010, 30th November 2010 & 10th February 2011.

#### Composition of the Board of Directors and other details as at 31st March 2011.

Name	Category	No of Meetings attended (total meeting held - Nine)	Attendance at Last AGM held on 29.9.2010.	No. of Outside directorships held	No. of membership / chairmanship in other board Committees
Mr. Shammi Gupta	Managing Director	9 (Nine)	No	6 (Six)	NIL
Mr. Krishnasamy Ramaswamy	Whole-Time Director	5 (Five)	Yes	1 (one)	NIL
Mr Rajeev Aggarwal*	Whole-Time Director	9 (Nine)	No	2 (Two)	NIL.
Mr. Sunil Kumar Aggarwal #	Non Executive & Independent	NIL	N.A.	6 (Six)	NIL
Mr. Suresh Chander Sharma	Non Executive & Independent	9 (Nine)	Yes	9 (nine)	1 (one)
Mr. Sanjeev Kumar Aggarwal	Non Executive & Independent	8 (Eight)	No	7 (Seven)	NIL
Mr. Praveen Kumar Bansal (upto 12.11.2010)	Non Executive & Independent	5(five)	No	9 (nine)	NIL

\* : Resigned on 15th July 2011.

# : Appointed as Director w.e.f. 12th November 2010.

For every Board Meeting the agenda papers alongwith explanatory notes are distributed well in advance to the Board members. The company places before the Board the minutes of committees of the Board, annual operating plans, budgets, performance of various units / divisions, and all other information including those specified under annexure 1 of clause 49 of the Listing agreement, if any.

None of the Directors of the Board serve as members of more than 10 committees or are the Chairman of more than 5 committees, as per the requirements of the Listing Agreement.

The company has adopted a Code of Conduct for its Board of Directors and all directors have affirmed compliance with the said code.

The Company has not entered into any pecuniary relationship or transaction with Non-Executive Directors. Also the company has not made any payment to Non-Executive Directors during the year.

The board periodically reviews the compliance reports of all laws applicable to the company, prepared by the General Manager ( Accts) and Company Secretary on the basis of information(s) received from the respective departments and the steps taken by the company to rectify instances of non-compliances.

### III AUDIT COMMITTEE

As on 31st March 2011, the audit committee comprises of three independent directors. During the year, the Audit Committee has been re-constituted with the induction of Mr. Sunil Kumar Aggarwal as member of the Committee w.e.f 12.11.2010 in place of Mr. Praveen Kumar Bansal who ceases to be director of the Company w.e.f 12.11.2010. All the committee members have sound knowledge of finance and accounting. The members are:-

- i) Mr. Suresh Chander Sharma, Chairman of the Committee
- ii) Mr. Sunil Kumar Aggarwal
- iii) Mr. Shammi Gupta
- iv) Mr. Sanjeev Kumar Aggarwal

Mr. Suresh Chander Sharma is a M.Com degree holder coupled with LLB and has expertise in the area of commercial, legal, auditing and related financial management.

The representative(s) of the statutory auditors and the Internal auditors, the head of accounts & finance department are the permanent invitee to the audit Committee meetings. The internal auditors directly submit their reports to the audit committee. The

Quorum of the committee is two members.

Mr. V.K. Gupta, Company Secretary acts as the Secretary to the committee.

During the year under review, the Audit Committee met 5 (Five) times on 14th May 2010, 13th August 2010, 3rd September 2010, 12th November 2010 and 10th February 2011.

The details of the meetings attended by the members of the committee are as under: -

Name	Designation	Meetings attended
Mr. Suresh Chander Sharma	Chairman	5 (Five)
Mr. Sunil Kumar Aggarwal #	Member	NIL
Mr. Shammi Gupta	Member	5 (Five)
Mr. Sanjeev Kumar Aggarwal	Member	5 (Five)
Mr. Praveen Kumar Bansal*	Member	4 (Four)

# : Appointed w.e.f. 12th November 2010.

\* : Resigned on 12th November 2010.

The Audit Committee is empowered, pursuant to its terms of reference, inter alia:

- To Investigate any activity within its terms of reference
- To seek any information it required from any employee;
- To obtain legal or other independent professional advice
- To secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

The role of the committee includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be

- included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
- b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report, if any
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
  6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

8. Discussion with internal auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To 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.
12. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee as per the Listing Agreement, Companies Act, 1956 and other statutes, as amended from time to time.

The Audit Committee has reviewed the information placed before it as required under sub clause II (E) of clause 49 of listing agreement.

#### IV. REMUNERATION OF DIRECTORS FOR THE YEAR 2010-2011

The remuneration of Managing Director, Two Whole-time Directors was approved at the meeting of Board of Directors and shareholders of the Company.

Details of Remuneration paid to all the Directors for the period from 1st April 2010 to 31st March 2011.

Amount (Rs.)

Name	Designation	Salary	Perquisites , Allowance & benefit (s)	Performance linked incentives	Total
Mr. Shammi Gupta	Managing Director	2280000	501000	NIL	2781000
Mr. Krishnasamy Ramaswamy	Whole-Time Director	645965	217889	NIL	863854
Mr. Rajeev Aggarwal @	Whole-Time Director	1119390	530195	Nil	1649585

@ : Resigned from the office of the Director and Whole-Time Director w.e.f. 15th July 2011.

1. In case of Mr. Shammi Gupta, salary is the Basic salary & House Rent Allowance. The monetary value of perquisites includes, leave encashment, ex-gratia payment, reimbursement of medical expenses incurred for self and family subject to maximum of one month salary, company contribution to provident fund, reimbursement of car expenses etc.
2. In case of Mr. Krishnasamy Ramaswamy, salary is the Basic salary & Special Allowance. The monetary value

of perquisites includes, leave encashment, ex-gratia payment and company contribution to provident fund.

3. In case of Mr. Rajeev Aggarwal, salary is the Basic salary & House Rent Allowance. The monetary value of perquisites includes, leave encashment, ex-gratia payment, reimbursement of medical expenses incurred for self and family subject to maximum of one month salary, company contribution to provident fund, reimbursement of car expenses etc.

As on 31st March 2011, none of the Non-executive directors are holding any shares in the company.

## V. SHAREHOLDERS / INVESTORS GRIEVANCE / SHARE TRANSFER COMMITTEE

The company has a board committee namely 'Shareholders / investors grievance / Share Transfer Committee' to look into various issues relating to shareholders including the redressal of complaints, and also monitors share transfer, transmission, splits, consolidation, issue of duplicate shares etc.

The meeting of this committee is held frequently to ensure completion of share transfer work within the stipulated period, i.e. on fortnightly basis.

During the year, the Committee has been re-constituted with the induction of Mr. Sunil Kumar Aggarwal as member of the Committee w.e.f 12.11.2010 in place of Mr. Praveen Kumar Bansal who ceases to be director of the Company w.e.f 12.11.2010. At present the committee comprises of the following directors:

- i) Mr. Suresh Chander Sharma, Chairman
- ii) Mr. Shammi Gupta
- iii) Mr. Sunil Kumar Aggarwal
- iv) Mr. Sanjeev Kumar Aggarwal

The chairman of the committee is an Independent Director.

Mr. V.K. Gupta, Company Secretary, is the Compliance Officer.

During the year 2010-2011, 84 complaints were received directly from shareholders / investors and through Stock Exchanges, SEBI, and DCA etc., out of that 81 were resolved and three are pending. All the complaints have generally been solved to the satisfaction of the complainants, except for disputed cases and sub-judice matters, which would be solved on final disposal by the Courts.

All valid requests for transfer have acted upon and no transfer received during the year 2010-2011 is pending as on 31st March 2011.

## VI. GENERAL BODY MEETING

Last three Annual General Meetings were held as per details given below:-

Date & Time	Venue
29 <sup>th</sup> September 2010 11.30 A.M.	Registered Office : 260/23, Sheetal Industrial Area, Demani Road, Dadra UT of DN & H
30 <sup>th</sup> September 2009 2:30 PM.	Registered Office : 260/23, Sheetal Industrial Area, Demani Road, Dadra UT of DN & H

Date & Time	Venue
25 <sup>th</sup> September 2008 2:30 PM.	Registered Office : 260/23, Sheetal Industrial Area, Demani Road, Dadra UT of DN & H

The following special resolutions were passed in previous three Annual General Meetings

### Year 2009-2010 (7th AGM)

- Withdrawal of pending application of voluntary De-listing of the Equity shares of the Company from Bombay Stock Exchange Limited

### Year 2008-2009 (6th AGM)

No special resolution was passed

### Year 2007-2008 (5th AGM)

- Voluntary De-listing of the Equity shares of the Company from Bombay Stock Exchange Limited
- Investment in the units of various Mutual Funds Scheme upto Rs. 175 crore.

No special resolution was put through postal ballot in the last AGM and there is no such proposal for this year as there is no such business, which statutorily requires voting through postal ballot in the ensuing Annual General Meeting

## VII. DISCLOSURES

### Materially significant related party transactions

No transaction of a material nature has been entered into by the company with its promoters, Directors or the Management and their relative's etc, which may have potential conflict with the interest of the company. All the relevant information as required under sub clause IV (A) of the clause 49 of the Listing Agreement has been placed before the audit committee. Transactions with the related parties are disclosed in the note no. 23B of Schedule 'T' to the Accounts in the annual report.

### Details of non compliance by the Company & penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on the matter related to capital markets, during the last three years

The Company has complied with all the applicable requirements of regulatory authorities like Stock Exchanges, SEBI and other Statutory Authorities during the preceding three years and on the matter related to capital market. No penalties / strictures have been imposed on the Company.

## Whistle Blower Policy

The Company has not adopted the whistle blower policy mechanism. However no person has been denied to access the Audit committee.

## Details of compliance with mandatory requirements and adoption of the non mandatory requirements of this clause

The company has complied with all applicable mandatory requirements on the report of corporate governance. The Company has not adopted the non-mandatory requirements as specified in annexure ID of the Listing Agreement.

## Code of Conduct for Director and Senior Management

The company has adopted code of conduct for its Directors and Senior Management Personnel. The code has also been posted on the Company's website. The Managing Director of the company has given a declaration that all the Directors and Senior Management personnel have affirmed the compliance with the Code of Conduct.

## Code of conduct for Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading for its management, staff and Directors. The Code lays down guidelines and procedure to be followed and disclosures to be made by directors, top level executives and staff whilst dealing in shares.

## Subsidiary Companies

The Company does not have any material non-listed subsidiary company as defined in clause 49 of the Listing agreement. The audit Committee reviews the financial statements of the Company's unlisted subsidiary companies. The minutes of the board meetings of the subsidiary companies are periodically placed before and reviewed by the Board of directors of the Company.

## Accounting Treatment

The Company has followed the guidelines of Accounting Standards laid down by the Institute of Chartered Accountant of India (ICAI) in the preparation of its financial statements.

## Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk and mitigation plans through means of properly defined framework from time to time.

## Public, Rights and other Issues

During the year 2010-2011, the company did not make any public, rights or any other issue of securities.

## Management

Management Discussion and Analysis forms part of this Annual Report.

## Shareholders

### a) Disclosure regarding re-appointment of Director liable to retire by rotation

#### Mr. Sanjeev Kumar Aggarwal

Date of Birth	15th July 1967
Date of Appointment	28th October 2009
Expertise in specific functional area	Financial planning, Treasury Management, MIS, Project Finance, Resource Mobilization, Accounts, Secretarial, Strategic Planning, Administration and General Management.
Qualification	B. Com ( Hons), FCA
Directorship in other Companies	Jindal Buildmart Limited Jindal Meadows Limited Rishi Trading Co Limited Hanuman Coke Plant Private Limited Shekhawati Vanijya Private Limited Twinkle Traders Private Limited Jindal India Powertech Limited
Chairman/Member of the Committee of the Board of Directors of the Company	Audit Committee - member Shareholders Investor Grievance and Share transfer committee - member
Chairman / Member of the Committees of Director of other Companies in which he is a director	
a) Audit Committee	NIL
b) Shareholder/Investor Grievance Committee	NIL
c) Remuneration Committee	NIL
No of shares held in Jindal Photo Ltd	NIL

## b) Disclosure regarding appointment as Director

### Mr. Sunil Kumar Aggarwal

Date of Birth	25 <sup>th</sup> June 1960
Date of Appointment	12 <sup>th</sup> November 2010
Expertise in specific functional area	Project Management, Construction, Engineering, Land Procurement, Liasion with Government Authorities at top level for various statutory clearances, HRD, Travelled worldwide for Business Deals, Administration and General Management etc.
Qualification	Batchelor of Technology (Mechanical)
Directorship in other Companies	Jindal India Finvest & Holdings Limited Jindal India Thermal Power Limited Jindal Realtors Limited Consolidated Green Finvest Private Limited Consolidated Realtors Limited Jupax Barter Private Limited
Chairman/Member of the Committee of the Board of Directors of the Company	Audit Committee - member Shareholders Investor Grievance and Share transfer committee - member
Chairman / Member of the Committees of Director of other Companies in which he is a director	
a) Audit Committee	NIL
b) Shareholder/Investor Grievance Committee	NIL
c) Remuneration Committee	NIL
No of shares held in Jindal Photo Ltd	NIL

No material financial and commercial transaction(s) has been entered into by the senior management personnel with the company, which may have potential conflict with the interest of the Company.

## c) Investor grievances & share transfer

As mentioned before the company has constituted shareholders'/investor grievance committee to look into and redress shareholders and investor complaints like transfer of shares, non receipt of dividend, annual report etc.

The company has outsourced its share transfer functions to M/s Link Intime India Private Limited, which is a registered with SEBI as a Category I Registrar.

### CEO / CFO Certification

The Managing Director and the General Manager (Accounts) have certified to the Board in accordance with clause 49(V) of the Listing Agreement pertaining to CEO / CFO certification for the financial year ended 31st March 2011.

### Auditors' Certificate on Corporate governance

As stipulated in clause 49 of the Listing agreement,

the auditors' certificate regarding compliance of conditions of corporate governance is annexed to this Annual Report.

## VIII. MEANS OF COMMUNICATION

This is being done through submission of quarterly results to the stock exchanges in accordance with the listing agreement and publication in the leading newspaper like Financial Express or Business Standard (English) and Sandesh & Financial Express (Gujarati). The Company has also developed a section dedicated for Investors on Jindal Photo web site ([www.jindalphoto.com](http://www.jindalphoto.com)) to display latest annual, half-yearly & quarterly results. All other price sensitive and any other information are sent to The National Stock exchange of India Limited (NSE) & Bombay Stock Exchnage Limited (BSE) where shares of the Company are listed.

## IX. GENERAL SHAREHOLDER INFORMATION

### a. Annual General meeting

Date and time : 27th September, 2011 at 11:30 A. M.

Venue : 260/23, Sheetal Industrial Estate, Demani Road, Dadra (UT of DNH)

## b. Financial Calendar (tentative)

Financial Year : 1st April 2011 to 31st March 2012

Unaudited Results for the first quarter ending June 30, 2011	by 11 <sup>th</sup> August 2011
Unaudited Results for the second quarter ending Sept 30, 2011	by 14 <sup>th</sup> November 2011
Unaudited Results for the third quarter ending December 31, 2011	by 14 <sup>th</sup> February 2012
Unaudited Results for the fourth quarter ending March 31, 2012	by 15 <sup>th</sup> May 2012
Annual Accounts 2011-2012	July / August 2012
Annual General Meeting for the year ending March 31, 2012	Aug /September, 2012

## c. Date of Book Closure

Thursday 22nd September 2011 to Tuesday 27th September 2011 (both days inclusive).

## d. Dividend payment date

Dividend of Re. 1.00 per share, i.e. 10% will be paid by 26th October 2011, if approved by the members in the ensuing Annual General Meeting.

## e. Listing on Stock Exchanges

The shares of the Company are listed on the following stock exchanges:

1. The National Stock Exchange of India Ltd (NSE) Exchange Plaza, Plot C-1, Block – G Bandra – Kurla Complex, Bandra (East) Mumbai.
2. The Bombay Stock Exchange Limited (BSE) Ist Floor, Rotunda Building, Phiroze Jeejeebhoy Towers, B S Marg, Fort, Mumbai.

The Listing fee for the year 2011-2012 has been paid to the National Stock Exchange of India Ltd and Bombay Stock Exchange Limited.

The custodial fees for the year 2011-2012 have been paid to both the depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited in time.

## f. Stock Code

BSE : 532624      NSE : JINDALPHOT  
ISIN: INE796G01012

## g. Market Price Data

High, Low during each month in the last financial year from 1st April 2010 to 31st March 2011.

Month	High (Rs.)	Low (Rs.)	NSE nifty	
			High	Low
April, 2010	252.30	198.00	5399.65	5160.9
May, 2010	242.90	186.85	5278.7	4786.45
June, 2010	227.35	166.75	5366.75	4961.05
July, 2010	212.50	193.15	5477.5	5225.6
August 2010	306.90	192.55	5549.8	5348.9
Sept 2010	294.00	231.55	6073.5	5403.05
October 2010	264.00	227.20	6284.1	5937.1
Nov' 2010	268.85	165.00	6338.5	5690.35
Dec 2010	266.95	153.00	6147.3	5721.15
January 2011	255.20	166.20	6181.05	5416.65
February 2011	183.60	135.10	5599.25	5177.7
March 2011	191.35	148.05	5872	5348.2

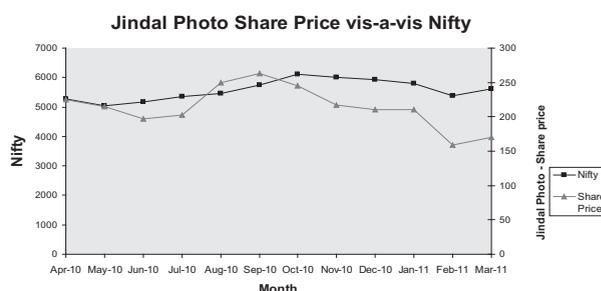
Source : www.nseindia.com

## Bombay Stock Exchange Limited

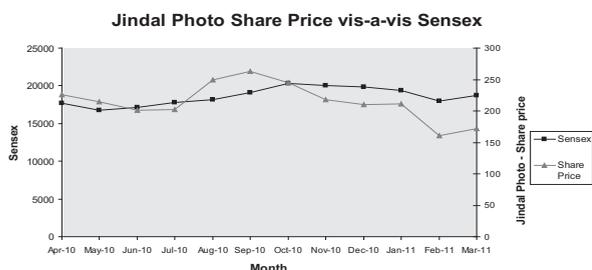
Month	High (Rs.)	Low (Rs.)	BSE Sensex	
			High	Low
April, 2010	251.45	200.00	18047.86	17276.80
May, 2010	243.00	187.00	17536.86	15960.15
June, 2010	228.65	173.85	17919.62	16318.39
July, 2010	212.90	191.70	18237.56	17395.58
August 2010	306.45	193.30	18475.27	17819.99
Sept 2010	294.00	231.25	20267.98	18027.12
October 2010	264.00	226.80	20854.55	19768.96
Nov' 2010	269.00	166.00	21108.64	18954.82
Dec 2010	267.25	152.15	20552.03	19074.57
January 2011	255.00	167.25	20664.80	18038.48
February 2011	183.15	138.00	18690.97	17295.62
March 2011	191.40	152.00	19575.16	17792.17

Source : www.bseindia.com

## Performance in comparison of NSE Nifty



## Performance in comparison of BSE Sensex



## h. Registrar and Share Transfer Agent (for both physical & Electronic)

M/s Link Intime India Pvt Ltd  
(Unit: Jindal Photo Limited)  
2nd Floor, A- 40  
Naraina Industrial Area, Phase – II  
New Delhi – 110 028  
Phone: 011- 41410592-94 Fax: 011-41410591  
e-mail : delhi@linkintime.co.in

## i. Share Transfer System

The Registrar & Share Transfer Agent processes transfers in physical form within 30 days of the receipt of completed documents. Invalid share transfers are returned within 15 days of receipt. The Share transfer committee meets on fortnightly basis.

All requests for dematerialization of share are processed and confirmation / rejection are given to respective depository i.e. NSDL & CDSL through the Registrar on weekly basis.

## j. Distribution of Shareholding as on 31st March 2011

Shareholding of Nominal Value of Rs. 10 /- each Rs.	No. of shareholders	% to total number of shareholders	Share Amount (in Rs.)	% of Total Share amount
Up to 2500	27947	94.91 %	12527380	12.21%
2501 to 5000	801	2.72%	3104570	3.03 %
5001 to 10000	391	1.33 %	3026140	2.95 %
10001 to 20000	177	0.60 %	2551400	2.49 %
20001 to 30000	54	0.18 %	1357180	1.32%
30001 to 40000	25	0.08 %	867250	0.85 %
40001 to 50000	11	0.04 %	507360	0.49 %
50001 to 100000	19	0.07 %	1364630	1.33 %
100001 and above	20	0.07 %	77277350	75.33 %
<b>TOTAL</b>	<b>29445</b>	<b>100.00 %</b>	<b>102583260</b>	<b>100.00 %</b>

## k. Shareholding Pattern as on 31st March 2011

Category	No. of shares held	Percentage of shareholding
<b>A Promoter &amp; Promoter Group</b>		
1 <b>Indian</b>		
- Individuals	341735	3.33%
- Bodies Corporate	7166834	69.86%
2 <b>Foreign</b>	NIL	NIL
<b>Sub-Total</b>	<b>7508569</b>	<b>73.19%</b>
<b>B. Public Shareholding</b>		
3 <b>Institutions</b>	3680	0.13%
4 <b>Non-Institutions</b>		
- Bodies Corporate	506950	4.94%
- Individuals	2086856	20.35%
- Others	152271	1.39%
<b>Sub-Total</b>	<b>2749757</b>	<b>26.81%</b>
<b>GRAND TOTAL</b>	<b>10258326</b>	<b>100.00 %</b>

## i. Dematerialization of shares and liquidity

The shares of the company are compulsory traded in dematerialized form and are available for trading on both the depository systems in India, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on 31st March, 2011, 99,52,667 numbers of shares representing 97.02 % of total paid-up equity capital is held in dematerialized form with NSDL & CDSL.

## m. Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity

The Company does not have any outstanding GDR/ADR/Warrants or any other convertible instruments.

## n. Plant Locations

1. Sheetal Industrial Estate, Demani Road, Dadra – 396 230, Dadra & Nagar Haveli(U.T)
2. Roll Film Unit No. II, Sheetal Industrial Estate, Demani Road, Dadra – 396 230, Dadra & Nagar Haveli (U.T)
3. PPD Unit, Sheetal Industrial Estate, Demani Road, Dadra- 396 230, Dadra & Nagar Haveli (U.T)
4. Samba Unit, J & K SIDCO, IGC, Samba (Jammu) J & K.

**o. Address for Correspondence**

**Registered Office**

260/23, Sheetal Industrial Estate,  
Demani Road, Dadra (UT of D &NH)  
Tel : 0260-2668371, 2668372, 2668308  
Fax : 0260-2668354

**Head Office & Share department**

Secretarial Department Jindal Photo Limited

11/5-B, Basement, Param Towers

Opp. Telephone Exchange,

Pusa Road, New Delhi – 110 005.

Telephone: 011- 25767000. Extn. 115

Fax: 91-11-25767029

e-mail: secretarial\_photo@jindalgroup.com

Website: www.jindalphoto.com

**Designated exclusive e-mail id**

igr\_photo@jindalgroup.com

---

**DECLARATION BY THE MANAGING DIRECTOR**

I, Shammi Gupta, Managing Director of Jindal Photo Limited, pursuant to clause 49(1) (D) of the Listing Agreement hereby confirm, that:

- The Board of Directors of Jindal Photo Limited has laid down a code of conduct for all board members and senior management personnel of the company. The said code of conduct has also been posted in the investor page in the company's website, viz. www.jindalphoto.com
- All the Board members and senior management personnel have affirmed their compliance with the said code of conduct for the year ended March 31, 2011.

New Delhi

25th August, 2011

**(Shammi Gupta)**

**Managing Director**

## MANAGEMENT DISCUSSION & ANALYSIS

### (a) INDUSTRY STRUCTURE AND DEVELOPMENTS

The economic well-being of any country and the speeding power if its people play an important role in defining the characteristics of its consumable sector

Today, photography has become such an integral part of modern life that it has become difficult to imagine a world without it. With the substantial increase in the disposable income, the usage of digital photography technology has replaced the conventional photographic products to a great extent. The accessibility and affordability of digital cameras and films have been the key demand drivers.

Fujifilm takes pride in being seen as a high end, technologically superior product that the consumer has come to rely upon. The finest quality is offered at affordable prices, to both amateur and professional photographers. Its position as an imaging innovator is unchallenged in terms of technology. Its range of digital processing equipments, photographic color paper and other media products are revolutionizing the field of image recording and reproduction. Shaping up an aggressive marketing strategy, our company is giving utmost importance to consumers.

In respect of the medical imaging business, the company is marketing Fuji Computed Radiography systems (CRs) and Dry Imagers (Drypix) in India thereby securing an accumulated growth in sales of its consumables i.e. dry imaging films being its close loop system. The Company is also bringing Fuji film's various other medical imaging solutions and fulfilling the needs of today and tomorrow's healthcare facilities. The Company commands more than 45% market share in Medical Imaging business (MXR films, Computed Radiography systems & Dry Imagers) and achieved more than 50% growth on year to year basis and continue to upgrading sales and service network all over the country.

Jindal Photo continues to carry forward the legacy of FUJIFILM brand with its commitment

towards the Indian consumer. It has been our constant effort to bring to the discerning Indian photographic industry, the best of technology and the latest equipment and products for achieving superb results at affordable prices. We value our brand identity, its value and its association with the consumers in India.

Keeping in line with the global marketing strategy, today Fujifilm has established itself as a market leader in the photography and imaging industry in India having over 50% market share.

### (b) OPPORTUNITIES, THREATS & RISKS

The emerging urban and semi-urban consumers from the middle class socio-economic groups now have more disposable income and are turning towards photography in the process of creating a vast amateur market. The availability of digital cameras in an area near them has also helped in widening the spectrum for the photography industry. Being no consumables for taking images by digital cameras, the number of prints has been increased drastically resulting increase in demand of color paper. Your company has been quick to identify and capitalize on these new marketing opportunities.

Attaining technological advances in the field of digital radiography (Computed Radiography System) and building the brand 'FUJIFILM' have helped the company in becoming one of the foremost vendors to the fast-growing healthcare sector in India. With growing economy and increased awareness towards health, more people now afford X-rays, resulting an increase in X-ray consumables demand with Govt of India focusing more on healthcare sector, the sales of medical products has increased significantly and has big potential in future.

The Key materials required for the manufacture of photographic products are import-based and therefore the business is susceptible to the volatility of the exchange rate and government policies. Fierce competition continues to have an impact on the sales prices and the margins are under pressure. Moreover digitalization in photographic segment is

happening very rapidly which is affecting the sale of roll films. However, by creating higher brand equity, this threat has been neutralized to some extent and the substantial growth in sales of medical products has helped to increase the turnover despite of recession through out financial year.

Our Company's manufacturing facilities at Dadra & Nagar Haveli continues to maintain ISO Standard and achieved the prestigious ISO 9001:2008 Certification by SGS, a leading international certification company.

Risk is an inherent aspect of any business. Your Company is conscious of the need to have an effective monitoring mechanism and has put in place appropriate measures for minimizing and mitigating such risks.

## **(c) PERFORMANCE**

The company is aggressively pursuing its marketing strategy of increasing market share which is showing results in enhanced sales volume. The company is also pursuing aggressive cost reduction initiatives thus adding to the bottom-line growth.

In its constant effort to provide an impetus to the photography lovers and bridge the existing gap in formal photographic education, Jindal Photo Limited launched Academy for Photographic Excellence, a photography institute dedicated to the pursuit of imparting photo-education in India. The objective of the School of Photography is to develop technically and aesthetically sound photographers, capable of successfully entering and competing in the open marketplace.

## **(d) OUTLOOK**

The Photographic industry is perched for significant growth due to constructive and favorable new advances in technological products, the tourism trends and evolving socio-economic conditions in the vast middle class.

Your company is well geared up to meet the increasing demands – by using strategically planned communications and sales promotion activities for the trade as well as the consumers.

As a part of diversification, the company has included more products viz. Graphic Art Image Setting Film, Fuji Color paper Supreme and storage media in our products mix.

## **(e) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The company has a proper and adequate system of internal controls that all assets are safeguarded and protected against loss from unauthorized use or disposition, and all the transactions are authorised, recorded and reported correctly. Management continuously reviews the internal control systems and procedures to ensure orderly efficient conduct of business. The review included adherence to the management policies and safeguarding the assets of the company.

The company regularly conducts internal audits, using external and internal resources to monitor the effectiveness of internal controls of the company. The Audit committee of the board of director's deals with significant control issues rose by the internal and external auditors and instructs further areas to be covered.

## **(f) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

Financial performance, which has been given in the Directors' report, needs to be viewed in the above backdrop.

## **(g) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.**

The industrial relations climate of the Company has been cordial during the year and is geared towards improving productivity, quality and safety.

The company recognizes the importance of human resource development and several initiatives are taken aimed at motivating the employees. Training and development of employees continues to be an important focus area of increasing the competency levels in the organization.

The Company also believes in nurturing young talents through its people interventions and management-training schemes, which strives to develop business managers of tomorrow. These youngsters are equipped with professional degrees and ethics.

The concerned technical and marketing personnel of the company also being regularly attending training programme abroad, which were conducted by the M/s Fujifilm Corporation, Japan and by its subsidiaries from time to time.

The employee strength of the company as on 31st March 2011 was 191.

## (h) CAUTIONARY STATEMENT

Investors are cautioned that this discussion & analysis, relating to Company's objectives, expectations, estimates projections, etc may be considered as forward looking statements. Actual results may differ from such estimates, projections etc, whether expressed or implied. Factors which could make a significant difference to the Company's operations include digitalization, foreign Exchange fluctuation, changes in Government regulations and tax laws, economic conditions affecting demand / supply and other factors over which the company does not have any control.

## AUDITORS' CERTIFICATE

### TO THE MEMBERS OF JINDAL PHOTO LIMITED

We have examined the compliance of conditions of corporate governance by **JINDAL PHOTO LIMITED** for the year ended on 31st March 2011, as stipulated in clause 49 of the listing agreement of the said company with stock exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us we certify that the company has complied with the conditions of Corporate Governance as mentioned in the above mentioned listing agreement.

As per records maintained by the company which are presented to the share transfer cum shareholders/investors grievance committee, there were no investor grievances pending for a period exceeding one month against the company.

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

**For B. K. SHROFF & CO.,**  
**Chartered Accountants**  
Firm Registration No: 302166E

**(Anil Gupta)**  
PARTNER  
Membership No. 80074

Place : 3/7B, Asaf Ali Road, New Delhi – 110002  
Dated : 25<sup>TH</sup> August, 2011

## TO THE MEMBERS OF JINDAL PHOTO LIMITED

1. We have audited the attached Balance Sheet of JINDAL PHOTO LIMITED as at 31<sup>st</sup> March, 2011, and also the Profit & Loss Account for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 and the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section(4A) of Section 227 of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that :
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books;
  - (iii) The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of accounts;
  - (iv) In our opinion, the Balance sheet and the Profit & Loss Account and the Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (v) On the basis of written representations received from the directors and taken on record by the board of directors, we report that as on 31.03.2011 none of the directors is disqualified on the said date from being

appointed as a director in terms of clause (g) of sub section(1) of section 274 of the Companies Act, 1956.

- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner of required and give a true and fair view in conformity with the accounting principles generally accepted in India.
  - (a) In the case of the Balance Sheet of the State of affairs of the company as at 31<sup>st</sup> March, 2011.
  - (b) In the case of the Profit & Loss Account of the profit for the year ended on that date and
  - (c) In the case of Cash Flow Statement of the cash flow for the year ended on that date.

**For B.K. SHROFF & CO**

Chartered Accountants

Firm Registration No: 302166E

**Anil Gupta**

Partner

Place : New Delhi

Dated : 25th August, 2011

Membership No.80074

## ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the fixed assets have been physically verified by the management according to a regular programme which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification.
- (c) During the year the company has not disposed off any substantial part of fixed assets. Therefore, it has not affected the going concern concept of the company.
- (ii) (a) Physical verification of inventory (except material in transit) has been conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.

- (c) The company is maintaining proper records of inventory. Discrepancies noticed on verification of inventory as compared to book records were not material.
- (iii) In respect of the loans, secured or unsecured granted or taken by the company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- The Company has given interest free loans to three subsidiaries, in respect of the said loans, the maximum amount outstanding at any time during the year was Rs.23,41,338 and the yearend balance is Rs.23,41,338.
  - In our opinion and according to the information and explanations given to us the terms and conditions of the loans given by the Company are not prima facie prejudicial to the interest of the Company.
  - Except for loans of Rs.17,94,705 previous year (Rs.10,94,705) which have been considered doubtful of recovery and have been fully provided, the other principal amounts are repayable on demand and there is no repayment schedule.
  - In respect of the said loans, the same are repayable on demand and therefore the question of overdue amounts does not arise.
  - The Company has not taken any loan during year from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, Consequently, the requirements of the Clauses, (iii) (f) and (iii) g or paragraph 4 of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, no major weakness has been noticed in internal control system.
- (v) (a) According to the information and explanations given to us during the year there were no contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, no transactions were made during the year in pursuance of such contracts or arrangements which exceeded the value of five lakh rupees in respect of any party at prices which were unreasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information given to us, the company has not accepted any deposits from the public within the meaning of sections 58A and 58AA or any other relevant provisions of the Act.
- (vii) In our opinion, the company has an adequate Internal audit system commensurate with the size and the nature of its business.
- (viii) The maintenance of cost records has not been prescribed by the Central Government u/s 209 (1)(d) of the Companies Act, 1956 in respect of the company's products.
- (ix) (a) The company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees state insurance investor education and protection fund, income tax, sales tax, service tax, wealth tax, custom duty, excise duty and cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amount payable in respect of income tax, sales tax, service tax, wealth tax, custom duty, excise duty and cess were outstanding as at 31.3.2011 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, dues of income tax, sales tax, service tax, wealth tax, custom duty, excise duty and cess which have not been deposited on account of any dispute are as under:-

<b>DETAILS OF DISPUTED CASES - 31.03.2011</b>				
<b>Name of Statue</b>	<b>Nature of dues</b>	<b>Amount (Rs.)</b>	<b>Period to which amount relates</b>	<b>Forum where pending</b>
Assam Vat Act	Defective of Form C	626218	2003-04	Assam Revenue Board
Delhi Sales Tax Act	Ex-Party Assessment (Rejected export sales)	3,699,918	1992-93	Additional Commissioner Trade Tax, Delhi
Delhi Sales Tax Act	Tax difference on medical product	276330	1993-94 and 2002-03	Deputy Commissioner Trade Tax, Delhi

DETAILS OF DISPUTED CASES - 31.03.2011				
Name of Statute	Nature of dues	Amount (Rs.)	Period to which amount relates	Forum where pending
Jammu Vat Act	Rate of Entry Tax	455343	2007-08 and 2008-09	Appellate Authority
Kerala Value Added Tax Act	Tax rate difference and price difference on minilab, roll film & camera	2657471	2005-06	Appellate Tribunal, Cochin
Kerala Value Added Tax Act	Tax rate difference minilab,	2,111,808	2004-05	Appellate Tribunal, Cochin
Kerala Value Added Tax	Penalty	15882442	2005-06	Intelligency Inspector Cochin
Kerala Value Added Tax	Tax rate difference	40551	2007-08	Appellate Authority, Cochin
Kerala Value Added Tax	Tax rate difference	470181	2008-09	Appellate Authority, Cochin
Maharashtra Vat Act	Seizure of forms	19201857	2003-04 and 2004-05	Joint Commissioner Appeal, Ahmedabad
Rajasthan Sales Tax Act	Tax difference on medical product	932008	2000-01 to 2002-03	Appellate Tribunal, Ajmer

- (x) The company does not have any accumulated losses at the end of the financial year nor has it incurred any cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us the company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (xii) According to the information and explanations given to us the company has not granted any loan and advance on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion the company is neither a chit fund nor nidhi / mutual benefit fund/society and hence clause (xiii) of the Order is not applicable to the company.
- (xiv) Based on our examination of records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transaction and contracts and timely entries have been made in those records in respect of dealing or trading in shares, securities, debentures and other investments. We also report that the company has held the shares, securities, debentures and other investments in its own name except to the extent of the exemption granted under section 49 of the Companies Act, 1956.
- (xv) In our opinion except for a corporate guarantee of Rs 20.26 crores given to the Axis Bank Ltd on behalf of its Joint Venture Company, the company has not given guarantee for loans taken by others from banks or financial institutions.
- (xvi) The company has not availed any term loans during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company we report that no funds raised on short-term basis have been used for long term investment.
- (xviii) During the year the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us during the year the company had not issued any debentures.
- (xx) According to the information and explanations given to us, during the year the company has not raised any money by public issue.
- (xxi) According to the information and explanations given to us no fraud on or by the company has been noticed or reported during the course of our audit.

**For B.K. SHROFF & CO**  
Chartered Accountants  
Firm Registration No: 302166E

**Anil Gupta**  
Partner

Place : New Delhi  
Dated : 25th August, 2011

Membership No.80074

## BALANCE SHEET AS AT 31st MARCH 2011

PARTICULARS	Schedules	AS AT	
		31.03.2011 Rs.	AS AT 31.03.2010 Rs.
<b>SOURCES OF FUNDS</b>			
<b>SHARE HOLDERS' FUNDS</b>			
Share Capital	'A'	102,583,260	102,583,260
Reserves & Surplus	'B'	2,249,954,919	2,352,538,179
<b>LOANS' FUNDS</b>			
Secured Loans	'C'	-	18,524,959
<b>DEFERRED TAX LIABILITY(Net)</b>		<b>23,892,465</b>	<b>32,612,447</b>
		<b>2,376,430,644</b>	<b>2,234,255,669</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	'D'	566,692,021	567,181,956
Less : Depreciation		299,700,087	281,793,258
Net Block		266,991,934	285,388,698
Add:-Capital work in progress		5,331,642	272,323,576
<b>INVESTMENTS</b>	'E'	<b>1,600,856,751</b>	<b>1,096,516,420</b>
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Inventories	'F'	598,695,348	602,915,018
Sundry Debtors	'G'	50,687,500	56,101,380
Cash & Bank Balances	'H'	103,082,674	167,956,820
Loans & Advances	'I'	462,954,639	420,716,911
		<b>1,215,420,161</b>	<b>1,247,690,129</b>
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>			
Current Liabilities	'J'	613,548,893	247,816,162
Provisions	'K'	98,620,951	153,171,392
		<b>712,169,844</b>	<b>400,987,554</b>
<b>NET CURRENT ASSETS</b>		<b>503,250,317</b>	<b>846,702,575</b>
		<b>2,376,430,644</b>	<b>2,234,255,669</b>
<b>NOTES ON ACCOUNTS</b>	'T'		

For and on behalf of the Board

As per our report of even date attached

**For B.K. Shroff & Co.**  
Chartered Accountants  
Firm Registration No. 302166E

**V.K. GUPTA**  
Company Secretary

**SHAMMI GUPTA**  
Managing Director

**Anil Gupta**  
Partner  
Membership No. 80074

**R.K. JAIN**  
GM (Accounts)

**S.C. SHARMA**  
Director

Place : New Delhi  
Date : 25th August, 2011

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2011

PARTICULARS	Schedules	YEAR ENDED	YEAR ENDED
		31.03.2011	31.03.2010
		Rs.	Rs.
<b>INCOME</b>			
Sales (Gross)	'L'	4,248,963,336	3,994,202,522
Less:- Excise Duty		253,466,568	201,878,052
<b>Sales (Net)</b>		<b>3,995,496,768</b>	<b>3,792,324,470</b>
Income from Services rendered		3,785,002	2,439,915
Other Income	'M'	28,529,020	79,719,870
Increase in Stocks	'N'	68,109,370	4,669,340
		<b>4,095,920,160</b>	<b>3,879,153,595</b>
<b>EXPENDITURE</b>			
Material consumed, Manufacturing & Other Operating expenses	'O'	2,185,756,277	2,080,911,595
Purchase of Traded goods		1,262,828,235	1,170,474,860
Excise Duty on Decrease in Stocks		1,052,694	1,085,012
Personnel expenses	'P'	59,076,210	58,304,821
Administrative expenses	'Q'	96,854,167	97,199,346
Interest & Financial charges	'R'	5,861,224	30,263,796
Selling & Distribution expenses	'S'	213,858,026	222,863,544
Depreciation	'D'	18,446,754	18,745,729
		<b>3,843,733,587</b>	<b>3,679,848,703</b>
<b>Profit before Taxation</b>		<b>252,186,573</b>	<b>199,304,892</b>
Provision/payment for			
- Current Tax		82,459,400	54,933,500
- Previous Years (Net)		(2,951,344)	-
- Deferred Tax		(8,719,982)	(965,292)
- Wealth Tax		56,100	233,000
		<b>181,342,399</b>	<b>145,103,684</b>
<b>Profit after Tax</b>		<b>181,342,399</b>	<b>145,103,684</b>
Balance brought forward		1,202,047,335	1,083,416,757
<b>Profit Available For Appropriation</b>		<b>1,383,389,734</b>	<b>1,228,520,441</b>
<b>APPROPRIATION</b>			
Transfer to General Reserve		18,135,000	14,511,000
Proposed Dividend		10,258,326	10,258,326
Corporate Tax on Dividend		1,664,157	1,703,780
<b>Balance Carried To Balance Sheet</b>		<b>1,353,332,251</b>	<b>1,202,047,335</b>
		<b>1,383,389,734</b>	<b>1,228,520,441</b>
Basic/Diluted Earning Per Share (note 19, Schedule T)		17.68	14.14
<b>NOTES ON ACCOUNTS</b>	'T'		

For and on behalf of the Board

As per our report of even date attached

**For B.K. Shroff & Co.**  
Chartered Accountants  
Firm Registration No. 302166E

**V.K. GUPTA**  
Company Secretary

**SHAMMI GUPTA**  
Managing Director

**Anil Gupta**  
Partner  
Membership No. 80074

**R.K. JAIN**  
GM (Accounts)

**S.C. SHARMA**  
Director

Place : New Delhi  
Date : 25th August, 2011

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	YEAR ENDED 31.03.2011 Rs.	YEAR ENDED 31.03.2010 Rs.
<b>A. Cash Flow from Operating Activities:</b>		
Net Profit Before Tax	252,186,573	199,304,892
Adjustments for:		
Depreciation	18,446,754	18,745,729
Profit on Sale of Investments	(5,724,348)	(29,299,730)
Loss on sale of Fixed assets	378,968	610,245
Diminution in the value of Investments	447,000	510,000
Interest income	(4,861,769)	(20,903,511)
Interest charges	788,596	15,107,499
Dividend income	(2,664,137)	(15,566,611)
Operating Profit Before Working Capital Changes	258,997,637	168,508,513
Adjustments for:		
Trade & Other Receivables	(99,927,777)	(134,577,868)
Inventories	4,219,669	23,826,379
Trade Payables	364,458,713	37,969,959
Cash generated from Operations	527,748,243	95,726,983
Direct Taxes paid	(69,697,027)	(61,367,582)
<b>Net Cash from Operating Activities</b>	<b>458,051,216</b>	<b>34,359,401</b>
<b>B. Cash flow from Investing Activities:</b>		
Purchase of Fixed Assets	(150,794)	(10,772,606)
Purchase of Investments	(786,028,490)	(192,158,170)
Proceeds from sale of Fixed Assets	38,170	424,417
Sale of Investments	286,965,507	302,456,589
Interest income	4,861,769	20,903,511
Dividend income	2,664,137	15,566,611
<b>Net Cash flow from/(Used in) Investing Activities</b>	<b>(491,649,701)</b>	<b>136,420,352</b>
<b>C. Cash Flow from Financing Activities:</b>		
Proceeds from Bank Borrowings	(18,524,960)	(435,499,468)
Dividend paid (including taxes thereon)	(11,962,106)	(12,001,729)
Interest charges	(788,596)	(15,107,499)
<b>Net Cash flow from/(Used in) Financing Activities</b>	<b>(31,275,662)</b>	<b>(462,608,696)</b>
Net Increase in Cash and Cash Equivalents(A+B+C)	(64,874,147)	(291,828,943)
Cash and Cash Equivalents as at beginning of the year	167,956,820	459,785,763
Cash and Cash Equivalents as at close of the year	103,082,674	167,956,820

For and on behalf of the Board

As per our report of even date attached

**For B.K. Shroff & Co.**  
Chartered Accountants  
Firm Registration No. 302166E

**Anil Gupta**  
Partner  
Membership No. 80074

Place : New Delhi  
Date : 25th August, 2011

**V.K. GUPTA**  
Company Secretary

**R.K. JAIN**  
GM (Accounts)

**SHAMMI GUPTA**  
Managing Director

**S.C. SHARMA**  
Director

## SCHEDULE 'A' SHARE CAPITAL

	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
<b>AUTHORISED</b>		
10,550,000 Equity Shares of Rs. 10 each	<b>105,500,000</b>	105,500,000
	<b>105,500,000</b>	105,500,000
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
10,258,326 Equity Shares of Rs. 10 each	<b>102,583,260</b>	102,583,260
	<b>102,583,260</b>	102,583,260

## SCHEDULE 'B' RESERVES AND SURPLUS

### CAPITAL RESERVE

Capital investment subsidy

Balance as per last balancesheet	3,000,000	3,000,000
----------------------------------	-----------	-----------

### GENERAL RESERVE

Balance as per last balance sheet	875,487,668	860,976,668
Add:- Transferred from Profit & loss Account	18,135,000	14,511,000
	<b>893,622,668</b>	875,487,668

PROFIT & LOSS ACCOUNT	<b>1,353,332,251</b>	1,202,047,335
	<b>2,249,954,919</b>	2,080,535,003

## SCHEDULE 'C' SECURED LOANS

From Banks

Buyers' import credit	-	18,524,959
	-	<b>18,524,959</b>

## SCHEDULE 'D' - FIXED ASSETS

(Amount in Rs.)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2010	ADDITIONS	SALE/ ADJUSTMENT	AS AT 31.03.2011	UP TO 01.04.2010	DEDUCTION/ ADJUSTMENTS	FOR THE YEAR	UP TO 31.03.2011	AS AT 31.03.2011	AS AT 31.03.2010
LAND -Free hold	8,197,833	-	-	8,197,833	-	-	-	-	8,197,833	8,197,833
-Leasehold	7,815,200	-	-	7,815,200	490,741	-	86,833	577,574	7,237,626	7,324,459
BUILDINGS *	161,878,940	-	-	161,878,940	50,856,487	-	5,344,604	56,201,091	105,677,849	111,022,453
RESIDENTIAL BUILDING	43,489,180	-	-	43,489,180	7,400,157	-	708,874	8,109,031	35,380,149	36,089,023
PLANT & MACHINERY	315,790,737	236,255	337,200	315,689,792	210,393,144	253,260	10,290,167	220,430,051	95,259,741	105,397,593
OFFICE EQUIPMENT	7,573,428	198,740	619,860	7,152,308	3,190,789	286,665	328,825	3,232,949	3,919,359	4,382,639
FURNITURE & FIXTURES	9,537,339	32,130	-	9,569,469	6,124,676	-	535,525	6,660,201	2,909,268	3,412,663
VEHICLES	12,899,299	-	-	12,899,299	3,337,264	-	1,151,926	4,489,190	8,410,109	9,562,035
<b>TOTAL-A</b>	<b>567,181,956</b>	<b>467,125</b>	<b>957,060</b>	<b>566,692,021</b>	<b>281,793,258</b>	<b>539,925</b>	<b>18,446,754#</b>	<b>299,700,087</b>	<b>266,991,934</b>	<b>285,388,698</b>
CAPITAL WORK IN PROGRESS	6,971,192	46,666	363,000	6,654,858	1,323,216	-	-	1,323,216	5,331,642	5,647,976
<b>TOTAL-B</b>	<b>6,971,192</b>	<b>46,666</b>	<b>363,000</b>	<b>6,654,858</b>	<b>1,323,216</b>	<b>-</b>	<b>-</b>	<b>1,323,216</b>	<b>5,331,642</b>	<b>5,647,976</b>
<b>TOTAL- A+B</b>	<b>574,153,148</b>	<b>513,791</b>	<b>1,320,060</b>	<b>573,346,879</b>	<b>283,116,474</b>	<b>539,925</b>	<b>18,446,754#</b>	<b>301,023,303</b>	<b>272,323,576</b>	<b>291,036,674</b>
PREVIOUS YEAR	565,267,208	10,772,605	1,886,665	574,153,148	265,222,746	852,004	18,745,729#	283,116,474	291,036,674	

\* Includes Rs.2500 being cost of shares in a co-operative society.

# Net of excess provision of depreciation of earlier year Rs. 15,839 (previous year Nil)

## SCHEDULE 'E' INVESTMENTS

### LONG TERM :

NON-TRADE (AT COST)	FACE VALUE Rs.	SHARES/ UNITS 31.03.2011	SHARES/ UNITS 31.03.2010	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
<b>EQUITY SHARES-(QUOTED)-FULLY PAID</b>					
Coal India Limited	10	14,402	-	3,528,490	-
<b>EQUITY SHARES-(UNQUOTED)-FULLY PAID</b>					
<b>In Subsidiary Companies-</b>					
Consolidated Imaging Limited	10	50000	50,000	500,000	500,000
Jindal imaging Limited	10	100000	100,000	1,000,000	1,000,000
Jindal India Finvest & Holdings Limited	10	271500	50,000	111,250,000	500,000
<b>Others-</b>					
Hindustan Powergen Ltd. (Refer Note No. 23 C) (From Merger of India Fincap Limited)	10	30000	35,000	428,571	500,000
Jindal India Powertech Limited	10	100000	100,000	1,000,000	1,000,000
Jindal India Thermal Power Limited	10	1866250	1,866,250	18,709,190	18,709,190
Jindal Buildmart Limited	10	-	490,000	-	44,500,000
Mandakini Coal Company Limited	10	33300000	5,200,000	333,000,000	52,000,000
<b>EQUITY SHARES-(UNQUOTED)-PARTLY PAID UP</b>					
Jindal India Powertech Limited (Rs. 4/- paid up previous year Rupee 4 paid up)	10	185500000	208,000,000	742,637,500	832,637,500
Jindal India Powertech Limited (Rs. 2/- paid up previous year Rupee Nil paid up)	10	195000000	-	390,750,000	-
Sub Total (A)				<u>1,602,803,751</u>	<u>951,346,690</u>
<b>UNITS-(UNQUOTED)</b>					
<b>In Mutual Funds-</b>					
Reliance Medium Term Fund -Weekly Dividend Plan	10	-	8,575,674	-	146,669,730
Sub Total (B)				<u>-</u>	<u>146,669,730</u>
Less:- Provision for Diminution in value of Investments				<u>1,947,000</u>	<u>1,500,000</u>
Sub Total (C)				<u>1,947,000</u>	<u>1,500,000</u>
<b>Grand Total (A+B-C)</b>				<u><b>1,600,856,751</b></u>	<u><b>1,096,516,420</b></u>
Aggregate Book value of Quoted Investments				3,528,490	-
Aggregate Book value of Unquoted Investments				1,599,275,261	951,346,690
				<u><b>1,602,803,751</b></u>	<u><b>951,346,690</b></u>
Aggregated Market vaule of Quoted Investments				4,990,293	-
Net asset value of Investment in mutual funds				-	1,466,316,315

The following Mutual Fund units were acquired and sold during the year :-

	FACE VALUE	UNITS	PURCHASE COST Rs.
B332WD Birla Sunlife Liquid Plus-Insti-Weekly dividend -Reinvestment	10	17,641,849	176,542,483
28 ICICI Prudential Flexible Income Premium- Weekly Dividend	10	9,599,546	101,218,236
1526 ICICI Prudential Flexible Income Plan Premium- Weekly Dividend	100	1,379,446	145,440,359
Reliance Medium Fund-Weekly Dividend Plan	10	6,574,577	112,443,633
Templeton India Ultra Short Bond Fund Super Institutional Plan-Weekly Dividend -Reinvestment	10	4,978,773	50,261,202
TFLW TATA Floator Fund-Weekly Dividend	10	426,434,489	430,145,349
TLSG01 -TATA Liquid Super High Inv Fund Appreciation	1,000	78,901	131,484,518
		<u><b>466687581</b></u>	<u><b>1,147,535,780</b></u>

	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
<b>SCHEDULE 'F' INVENTORIES</b>		
(As taken, valued and certified by the management)		
Raw Materials (includes in transit Rs.18,474,575 Previous year Rs.34,386,951)	111,645,501	181,301,873
Finished Goods -Manufactured(includes in transit Rs.1,528,337 Previous year Rs 3,323,177)	92,311,560	95,112,931
-Traded	365,211,860	294,301,119
Work in Progress	5,039,058	9,920,512
Packing Material,Stores & spare parts	24,487,369	22,278,581
(includes in transit Rs.749,892 previous year Rs 540,636)	<u>598,695,348</u>	<u>602,915,018</u>
<b>SCHEDULE 'G' SUNDRY DEBTORS</b>		
Unsecured		
Debts outstanding for a period exceeding six months		
Considered good	8,408,279	2,933,114
Other debts-Considered good	42,279,221	53,168,266
	<u>50,687,500</u>	<u>56,101,380</u>
<b>SCHEDULE 'H' CASH AND BANK BALANCES</b>		
Cash in hand	700,803	924,663
Bank balances with scheduled banks:		
In Current Accounts	48,810,756	83,785,089
In Cash Credit Accounts	49,451,253	79,155,517
In Fixed Deposit Accounts*	4,119,862	4,091,551
	<u>103,082,674</u>	<u>167,956,820</u>
*(Includes Rs.1,024,240 (previous year Rs 1,782,587) pledged with banks towards Margin Money for bank guarantee/letter of credit Rs. 668,264 (previous year Rs.1,018,064) lodged with government authorities)		
<b>SCHEDULE 'I' LOANS &amp; ADVANCES</b>		
(Unsecured, considered good, unless otherwise stated)		
Loans		
- to others	56,438,192	1,016,978
Advances to Subsidiary companies		
Considered good	546,633	100,000
Considered doubtful	1,794,705	1,094,705
	<u>2,341,338</u>	<u>1,194,705</u>
Less:- Provision for doubtful advances	1,794,705	1,094,705
Advances (recoverable in cash or in kind or for value to be received)	546,633	100,000
Considered good	141,005,935	144,925,884
Interest receivable on loans and deposits	395,227	564,297
Balance with excise authorities	173,606,600	119,763,639
Security deposits	10,423,767	10,703,897
Income tax payments (including income tax deducted at source)	80,538,285	143,642,214
	<u>462,954,639</u>	<u>420,716,911</u>

	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
<b>SCHEDULE 'J' CURRENT LIABILITIES</b>		
Sundry Creditors		
- Total outstanding dues of creditors other than micro enterprises and small enterprises (see refer note no 5, Schedule T)	<u>47,980,772</u>	<u>29,333,476</u>
Other Liabilities	429,691,507	50,833,180
Advances from Customers	121,934,801	154,034,436
Dealers' Security Deposits	<u>13,941,813</u>	<u>13,615,070</u>
	<u>613,548,893</u>	<u>247,816,162</u>
<b>SCHEDULE 'K' PROVISIONS</b>		
for Leave encashment	1,013,887	1,284,158
for Warranties	3,169,081	4,172,828
for Income Tax	82,459,400	134,133,500
for Fringe Benefit Tax	-	1,359,000
for Wealth Tax	56,100	259,800
for Dividend	10,258,326	10,258,326
for Tax on Dividend	<u>1,664,157</u>	<u>1,703,780</u>
	<u>98,620,951</u>	<u>153,171,392</u>
	<b>YEAR ENDED 31.03.2011</b>	<b>YEAR ENDED 31.03.2010</b>
<b>SCHEDULE 'L' SALES</b>		
<b>A. MANUFACTURED GOODS</b>		
Photosensitised goods	2,660,007,045	2,545,600,865
Others	<u>12,755,146</u>	<u>9,522,999</u>
	<u>2,672,762,191</u>	<u>2,555,123,864</u>
<b>B. TRADED GOODS</b>		
Photo Equipment & Others	1,576,201,145	1,439,078,658
	<u>1,576,201,145</u>	<u>1,439,078,658</u>
	<u>4,248,963,336</u>	<u>3,994,202,522</u>

	YEAR ENDED 31.03.2011 Rs.	YEAR ENDED 31.03.2010 Rs.
<b>SCHEDULE 'M' OTHER INCOME</b>		
Interest received		
- from banks (Gross of Tax Deducted at Source of Rs.25,810 Previous year Rs.35,45,503)	342,773	20,776,097
- from others (Gross of Tax Deducted at Source of Rs. Nil (Previous year Rs.5,667)	4,518,996	127,414
Dividend received (Including Rs.2,664,136 Previous year Rs 15,566,611 from Current Investments )	2,664,136	15,566,611
Income from sale of Investments(Net) (Including Rs 5,724,348 Previous year Rs.29,299,730 from Current Investments)	5,724,348	29,299,730
Claim received	13,832,627	812,879
Miscellaneous Receipts	134,393	2,564,194
Rent Received	308,000	-
Provision no longer required	1,003,747	-
Gain on foreign currency fluctuation	-	10,572,945
	<u>28,529,020</u>	<u>79,719,870</u>
<b>SCHEDULE 'N' -INCREASE IN STOCKS</b>		
OPENING STOCK :		
Finished Goods - Manufactured	95,112,931	99,956,598
- Traded	294,301,119	284,788,112
	<u>389,414,050</u>	<u>384,744,710</u>
CLOSING STOCK :		
Finished Goods - Manufactured	92,311,560	95,112,931
- Traded	365,211,860	294,301,119
	<u>457,523,420</u>	<u>389,414,050</u>
INCREASE IN STOCKS	<u>68,109,370</u>	<u>4,669,340</u>
<b>SCHEDULE 'O' MATERIALS CONSUMED, MANUFACTURING &amp; OTHER OPERATING EXPENSES</b>		
Raw Material consumed		
Opening Stock	181,301,873	210,842,073
Add : Purchases	1,975,604,365	1,945,060,204
	<u>2,156,906,238</u>	<u>2,155,902,277</u>
Less : Closing Stock	111,645,501	181,301,873
	<u>2,045,260,737</u>	<u>1,974,600,404</u>
Add:- Opening work in progress	9,920,512	5,386,926
Less :- Closing work in progress	5,039,058	9,920,512
Raw Material consumed	2,050,142,191	1,970,066,818
Stores,Spare Parts & Chemicals consumed	1,084,562	2,176,649
Packing Material consumed	126,900,254	99,024,755
Power & Fuel	7,629,270	9,643,373
	<u>2,185,756,277</u>	<u>2,080,911,595</u>

	YEAR ENDED 31.03.2011 Rs.	YEAR ENDED 31.03.2010 Rs.
<b>SCHEDULE 'P' PERSONNEL EXPENSES</b>		
Salary, Wages, Allowances and Bonus	52,062,885	51,585,366
Gratuity	582,873	621,614
Contribution towards Provident and other Funds	2,024,333	2,150,242
Staff Welfare	4,315,550	3,762,237
Staff training and recruitment expenses	90,569	185,362
	<u>59,076,210</u>	<u>58,304,821</u>
<b>SCHEDULE 'Q'-ADMINISTRATIVE EXPENSES</b>		
Rent (including Lease Rent)	9,274,192	9,855,173
Rates, Taxes & Fees	804,917	1,283,445
Insurance	2,913,093	1,890,684
Electricity & Water charges	2,507,016	2,084,480
Travelling & Conveyance	11,985,524	12,070,795
Postage, Telegram & Telephone	5,454,264	6,546,867
Printing & Stationery	1,550,231	2,160,163
Legal & Professional charges	46,239,993	45,556,039
Repairs & maintenance - Others	5,617,345	5,596,214
Directors' Remuneration	5,294,439	4,127,438
Auditors Remuneration	527,500	440,000
Charity & Donation	624,425	3,112,000
Miscellaneous expenses	1,023,705	1,355,803
Provision for doubtful Advances	700,000	-
Claim written off	1,148,515	-
Loss on Assets discarded	363,040	-
Loss on sale of fixed assets	378,968	610,245
Diminution in value of Investments	447,000	510,000
	<u>96,854,167</u>	<u>97,199,346</u>
<b>SCHEDULE 'R' INTEREST AND FINANCIAL CHARGES</b>		
<b>INTEREST</b>		
-On Working Capital Loans	47,279	13,656,030
-On Others	741,317	1,451,469
Bank Charges & Commission	5,072,628	15,156,297
	<u>5,861,224</u>	<u>30,263,796</u>
<b>SCHEDULE 'S'-SELLING AND DISTRIBUTION EXPENSES</b>		
Commission, discount, advertisement and business promotion	183,120,546	190,882,798
Installation and Service Charges	844,832	1,477,581
Carriage Outward	26,675,895	25,717,336
Turnover /Entry /Sales Tax payments	2,203,149	4,023,519
Bad debts written off	60,490	8,125
Other selling expenses	953,114	754,185
	<u>213,858,026</u>	<u>222,863,544</u>

## SCHEDULE 'T'-NOTES ON ACCOUNTS

### 1 Significant accounting policies:-

#### a) Method of Accounting

- i) The accounts of the company are prepared under the historical cost convention using the accrual method of accounting unless otherwise stated hereinafter.
- ii) Accounting policies not significantly referred to are in consistence with the generally accepted accounting principles.

#### b) Fixed Assets

Fixed Assets are stated at cost of acquisition, inclusive of inward freight, duties, taxes and incidental expenses related to acquisition and are net of modvat/cenvat wherever applicable. In respect of projects involving construction, related pre-operational expenses are capitalised and form part of the value of the assets capitalised.

Fixed assets other than leasehold land acquired on lease are not reflected in the accounts and the lease rent is charged to profit & loss account as and when accrued.

The company capitalises software where it is reasonably estimated that the software has an enduring useful life. Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of the net selling price and value in use. Value in use is the present value of its estimated future cash flows expected to arise from the continuing use of an asset from its disposal at the end of its useful life.

#### c) Investments

Long term investments are stated at cost of acquisition. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.

#### d) Inventories

Inventories are valued at cost or net realisable value, whichever is lower, Cost is determined on first in first out (FIFO) basis/Weighted Average basis. Finished goods and work in process include cost of convention and other costs incurred in bringing the inventories to their present location and conditions.

#### e) Foreign currency transactions

All foreign currency liabilities relating to acquisition of fixed assets are restated at the rates ruling at the year end and exchange differences arising on such transactions are dealt with in the profit & loss account.

Investments in foreign currency are reported using the exchange rate at the date of transaction. Other foreign currency assets and liabilities outstanding at the close of the year are valued at the year end exchange rates. The fluctuations are reflected under the appropriate revenue head.

#### f) Depreciation

Depreciation is calculated on fixed assets (other than leased out assets) on straight line method in accordance with Schedule XIV of Companies Act, 1956. In respect of leased assets, the cost of the same is being amortized fully during the primary period of the lease.

Software is depreciated on straight line method at the rates specified in schedule XIV of the Companies Act.

#### g) Research & Development

Revenue expenditure on research and development is charged against the profit of the year in which it is incurred. Capital expenditure on research and development is shown as an addition to fixed assets.

#### h) Retirement benefits

##### i) Short term Employee Benefits

All employee benefits payable only within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages etc. and the expected cost of bonus, exgratia, incentives are recognised in the period during which the employee renders the related service.

##### ii) Post employment Benefits

###### a) Defined Contribution Plans

State Government Provident Fund Scheme is a defined contribution plan. The contribution paid/payable under the scheme is recognised in the profit & loss account during the period during which the employee renders the related service.

**b) Defined Benefit Plans**

The employee Gratuity Fund Scheme managed by a trust is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation under the projected unit credit method which recognises each period of service as giving rise to additional unit of employees benefits entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on government securities as at balance sheet date, having maturity periods approximated to the returns of related obligations.

Actuarial gains and losses are recognised immediately in the profit & loss account.

In case of funded plans the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on net basis.

**c) The obligation for leave encashment is provided for and paid on yearly basis.**

**i) Accounting for interest in Joint ventures :-**

Interest in Joint ventures are accounted as follows

<b>Type of Joint Venture</b>	<b>Accounting Treatment</b>
Jointly Controlled Entities	<p>i) Integrated Joint Ventures :</p> <p>a) Company's share in profits or losses of integrated ventures is accounted on determination of profit and losses by Joint Ventures.</p> <p>b) Investments in integrated Joint Ventures are carried at net of company's share in recognised profit or loss.</p> <p>ii) Incorporated jointly controlled entities</p> <p>a) Income on investments in incorporated jointly controlled entities recognised when the right to receive the same is established.</p> <p>b) Investment in such joint ventures is carried at original cost providing for any permanent diminution in value.</p>

**j) Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense, in the period in which they are incurred. Capitalisation of borrowing costs ceases when substantially all activities necessary to prepare the qualifying asset for its intended use or sale are complete.

**k) Excise & Other Duties**

Whereas excise duty in respect of finished goods lying in factory premises is provided and included in the valuation of inventory. Custom duty on goods lying in custom bonded warehouse is accounted on clearance thereof. Modvat benefit is accounted for by reducing the purchase cost of the materials/fixed assets.

**l) Claims and benefits**

Claims receivable is accounted on accrual basis to the extent considered receivable.

**m) Revenue recognition**

Other sales are accounted for ex-factory on despatch. Sales are net of returns.

**n) Income from Investments/Deposits**

Income from Investments is credited to revenue in the year in which it accrues. Income is stated in full with the tax thereon being accounted for under Income tax deducted at source.

**o) Revenue from Maintenance contracts**

Revenue from maintenance contracts are recognised pro-rata over the period of the contract as and when services are rendered.

**p) Product warranties**

The company gives warranties on certain products and services undertaking to repair or replace the items that fails to perform satisfactorily during the warranty period. Provisions are made towards expected cost of meeting such obligations of rectification/replacement.

Warranty provisions are made for expected future cash outflows and computed on total sales made during the year, based on past experience. Provision has been computed on the total sales made during the year, based on past experience.

**q) Leases**

Lease agreements represent agreements entered into prior to 31st March, 2001. Assets under lease agreements are transferred in favour of the lessee on receipt of the final instalment as per agreement. Lease rents are recognised on accrual basis over the period of lease agreement. The initial direct cost relating to lease transactions is recognised in the profit & loss account in the year such cost is incurred.

**r) Grant & Subsidies**

Grants received from Government agencies against specific assets are adjusted to the cost of the assets and capital grants for the Project Capital Subsidy are credited to Capital Reserve. Revenue Grants for the expenses incurred are reduced from the respective expenses.

**t) Taxation**

Provision for taxation is based on assessable profits of the company as determined under Income Tax Act, 1961. Deferred taxation is provided using the liability method in respect of taxation effect arising from all material timing difference between accounting and tax treatment of income and expenditure which are expected with reasonable probability to crystallize in the foreseeable future. Deferred tax benefits are recognized in the financial statements only to extent of any deferred tax liability or when such benefits are reasonably expected to be realizable in the near future.

**u) Earnings per share**

Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders (after deducting the preference share dividend, if any) by the weighted average number of equity shares outstanding during the year. Diluted earning per share is calculated by dividing the net profits attributable to equity shareholders (after deducting dividend on redeemable preference shares) by the weighted average number of equity shares outstanding during the year (adjusted for the effects of dilutive options).

**v) Contingent Liabilities**

Contingent Liabilities as defined in Accounting Standard-29 are disclosed by way of notes to accounts. Provision is made if it becomes probable that an outflow of future economic benefit will be required for an item previously dealt with as a contingent liability.

**2. Contingent Liabilities :**

	As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)
a) Outstanding Bank Guarantee	8,694,719	8,714,729
b) Foreign letters of credit outstanding	267,820,450	288,553,275
c) Sales Tax demands disputed in appeals	35,498,529	56,228,407
d) Uncalled/Unpaid liability of Partly Paid shares	2,673,000,000	1,248,000,000
e) Corporate Guarantee given on behalf of joint venture company Mandakini Coal Company Ltd.	202,600,000	202,600,000

**3. Operating Leases**

**a Lessee**

The company has taken certain premises on cancelable/non cancelable operation lease arrangements:

- a) Major term of agreement are as under  
Particulars

	As at 31st March 2011	As at 31st March 2010
Annual lease rent	9274192	7964028
Tenure of lease	11 month, three year & five year	11 month, three year & five year
Lease Deposit	2,757,938	1,912,538
<b>b) The Total of Future Minimum lease payment under non-cancellable operationing lease for each of the following period are as under</b>	<b>As at 31st March 2011</b>	<b>As at 31st March 2010</b>
A) Not later than 1Year	526,292	-
B) Later Than 1Year and not later than 5 Years	-	3,684,044
C) Later Than 5 years	-	-

## b Lessor

The company has given certain premises on cancelable/non cancelable operation lease arrangements:

- a) Major term of agreement are as under

Particulars	As at 31st March 2011	As at 31st March 2010
Annual lease rent	308,000	-
Tenure of lease	One to Two Years	
Lease Deposit	-	-

- b) **The Total of Future Minimum lease payment under non-cancellable operationing lease for each of the following period are as under**

A) Not later than 1 Year	-	-
B) Later Than 1 Year and not later than 5 Years	-	-
C) Later Than 5 years	-	-

4. Amounts to be credited to Investor Education and Protection Fund- NIL (Previous Year NIL)
5. The company has not received intimation from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act,2006 and therefore ,disclosure under this act has not been given. The managment does not envisage any material impact on the finanancials in this regard.
6. Balances of Sundry debtors,Sundry creditors and advances from customers are subject to confirmation and reconciliation. Differences if any shall be accounted for on such reconciliation.
7. In the opinion of the Board of Directors subject to note 6 above, the current assets, loans and advances are expected to realise atleast the amount at which they are stated, if realised in the ordinary course of business and provision for all known liabilities has been adequately made in the accounts.
8. Sundry Debtors include Rs.22,83,367 (previous year Rs.14,45,915) under litigation, against which legal cases are pending in various Courts for recovery. The same are considered good and realisable in the opinion of the management.
9. **Impairment of assets**

In accordance with the Accounting Standard (AS-28) on 'Impairment of Assets" impairment analysis of assets by evaluation of the company's cash generating units, was carried out in the year 2008-09 and since recoverable amount was more than the carrying amount thereof, no impairment loss has been recognized in the current year as there is no indication of impairment which requires re-estimating the recoverable amount of the assets.

	Year ended 31.03.2011 (Rs.)	Year ended 31.03.2010 (Rs.)
<b>10. Auditors' Remuneration</b>		
As Audit Fees	280,000	280,000
As Limited Review Fees	60,000	20,000
As Tax Audit Fees	60,000	60,000
As Certification Fees	127,500	80,000
	527,500	440,000

## 11. a) Disclosure in Respect of Joint Venture

Name of the Joint Venture	Description of interest	Percentage of Ownership interest	Country of	
			Incorporation	Residence
Mandakini Coal Company Limited	Jointly Controlled entity	33.33%	India	India

<b>b) Financial interest in Jointly controlled entity</b>	Rs.	Rs.
	<b>31.03.11</b>	<b>31.03.10</b>
Assets	330,785,255	51,545,058
Liabilities	1,003,204	889,234
Income	359,551	215,027
Expenses	2,129,971	1,483,533
Share of Loss	3,217,949	1,344,176
<b>c) There is no contingent liability except corporate guarantee given (Refer note 2e)</b>	-	-
<b>d) Capital Commitments</b>	61,069,958	137,682,578

12. Working Capital limits from banks are secured by first charge by way of hypothecation of stocks of raw material, semi finished and finished goods and consumable stores, spares and book debts and receivables both present and future, ranking paripassu with working capital loans sanctioned by other participating banks.

**13. a) Managerial Remuneration**

Profit & Loss Account includes remuneration of managing director and whole time directors :

	<b>Year ended 31.03.2011 (Rs.)</b>	Year ended 31.03.2010 (Rs.)
Salary	3,433,955	2,362,975
Perquisites/Allowances	1,860,484	1,764,463
Contribution towards Provident Funds	28,080	24,180

**Note :** The above figure does not include contribution to Gratuity Fund as separate figures are not available for the managerial personnel.

b) Computation of net profit in accordance with Section 349 of the Companies Act,1956 has not been enumerated, as no commission is payable and remuneration has been paid as per the provisions of Schedule XIII of the Companies Act, 1956.

**14. Advance recoverable in cash or in kind include**

a) due from a director of the company	Nil	Nil
b) i. maximum amount due from a director at any time during the year	598,143	394,925
ii. maximum amount due from company secretary at any time during the year	30,000	30,000

15. Other Liabilities includes Rs.30000 (previous year Rs.29950) due to the company secretary of the company.

16. a) It is management's perception that since the company is exclusively engaged in the activity of manufacture of photographic paper and films which are governed by the same set of risks and returns the same are considered to constitute a single reportable segment in the context of Accounting Standard on "Segment Reporting" issued by the Institute of Chartered Accountants of India.

b) The company operates only in Indian market as such there is no separate geographics section.

17. a) During the year, the following contributions have been made under defined contribution plans.

	<b>2010-11 Rs.</b>	2009-10 Rs.
Employer's Contribution to provident Fund	557612	590502
Employer's Contribution to Employees Pension Scheme	1217773	1293106
b) Liability for leave encashment (Non-funded)	1013887	1284158

	2010-11 Rs.	2009-10 Rs.
c) i) Reconciliation of opening and Closing balances of defined benefit obligation for Gratuity (funded)		
Defined benefit obligation at the beginning of the year	12,717,896	12,610,522
Current service cost	1,226,861	1,329,647
Interest cost	1,017,432	1,008,842
Actuarial (gain)/Loss on obligation	1,179,296	(975,881)
Benefits Paid	(1,760,025)	(1,255,234)
Defined benefit obligation at the end of the year	14,381,460	12,717,896
ii) Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at the beginning of the year	12,580,911	10,444,417
Expected return on plan assets	1,179,068	1,062,892
Employers' Contributions	1,363,943	2,328,836
Benefits paid	(1,760,025)	(1,255,234)
Actuarial gain/(loss) on plan assets	-	-
Fair value of plan assets at the end of the year	13,363,897	12,580,911
Actual return on plan asset	1,179,068	1,062,892
iii) Reconciliation of Fair value of assets and obligations		
	<b>as at</b> <b>31.03.2011</b> Rs.	as at 31.03.2010 Rs.
Fair value of plan assets	13,363,897	12,580,911
Present value of obligation	14,381,460	12,717,896
Amount recognised in Balance Sheet	(1,017,563)	(136,985)
iv) Expense recognised during the year		
	2010-11 Rs.	2009-10 Rs.
Current service cost	1,226,861	1,329,647
Interest cost	1,017,432	1,008,842
Expected Return on Plan Assets	(1,179,068)	(1,062,892)
Actuarial (gain)/loss recognised in the period	1,179,296	(975,881)
Net Cost	2,244,521	299,716
v) Actuarial assumptions		
Mortality Table (LIC)	1994-96 (duly modified)	1994-96 (duly modified)
Discount rate (per annum)	8.00%	8.00%
Rate of Increase in Salaries	6.00%	6.00%
Expected rate of return on plan assets	8.90%	8.90%

18. The Net Deferred Tax Liability recognised in the Profit & Loss Account, as recommended under Accounting Standard (AS)-22 on "Deferred Taxation" issued by The Institute of Chartered Accountants of India is as under :-

(Amount in Rupees)

	As at 01.04.2010	For the year 2010-11	As at 31.03.2011
<b>Deferred Tax Assets being tax impact thereon</b>			
(i) Expenses charged in the books, but allowance thereof deferred under Income tax laws	103,019	10,964	113,983
(ii) Long term capital losses carried forward	-	6,189,249	6,189,249
	<u>103,019</u>	<u>6,200,213</u>	<u>6,303,232</u>
<b>Deferred Tax Liabilities being tax impact thereon</b>			
(i) Difference between written down value of block of assets as per Income tax laws and written down value of the fixed assets as per books of accounts	32,715,467	(2,519,770)	30,195,697
	<u>32,715,467</u>	<u>(2,519,770)</u>	<u>30,195,697</u>
<b>Net Deferred Tax Liability</b>	<u>(32,612,448)</u>	<u>8,719,983</u>	<u>(23,892,465)</u>
<b>19. Earnings per share (EPS)</b>	<b>31.03.2011</b>		31.03.2010
Basic/Dilluted Earning Per Share			
Net Profit/(Loss) for the year (Rs.)	181,342,399		145,103,684
No. of equity shares at the beginning of year	10,258,326		10,258,326
Basic/Dilluted Earning Per Share (Rs.)	17.68		14.14
<b>20. Warranty Provisions</b>	<b>Year ended 31.03.2011 (Rs.)</b>		Year ended 31.03.2010 (Rs.)
Opening balance	4,172,828		3,108,847
Additions during the year	-		1,398,269
Amount used during the year	-		334,288
Amount written off	1,003,747		-
Closing Balance	3,169,081		4,172,828
<b>21. Excise Duty on Decrease in Stock has been computed as under :-</b>			
Excise Duty on Opening Stock	6,383,276		5,298,264
Less:- Excise Duty on Closing Stock	7,435,970		6,383,276
	<u>(1,052,694)</u>		<u>(1,085,012)</u>

22. Expenses under the head commission, discount, advertisement and business promotion are shown net of subsidy received/receivable.

23. Disclosures as required by Accounting Standard-18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are as under:-

**A) Relationship**

**a) Associate Companies**

Jindal Buildmart Limited (upto 31.12.2010)  
Jindal India Powertech Limited

**b) Joint Venture Company**

Mandakini Coal Co. Limited

**c) Controlling Companies/Individuals**

Consolidated Photo & Finvest Limited  
Consolidated Finvest & Holdings Limited  
Soyuz Trading Co. Limited

**d) Subsidiaries**

Consolidated Imaging Limited  
Jindal India Finvest & Holdings Limited  
Jindal Minerals & Metais (Mozambique)Limitada  
Jindal Imaging Limited

**e) Key Management Personnel**

Shri Shammi Gupta, Managing Director  
Shri Krishnasamy Ramaswamy, Whole Time Director  
Shri Rajeev Aggarwal, Whole Time Director\*

(\*Shri Rajeev Aggarwal ceased to be director of the company w.e.f. 15.7.2011)

**23. B)** The following transactions were carried out with related parties in the ordinary course of business :

(Amount in Rs.)

Sr. No.	Nature of transaction	Referred to in A (a), (b) & (c) above		Referred to in A (d) above		Referred to in A (e) above		Total	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010
1	Sale of Investments	44,500,000	300,000	-	-	-	-	44,500,000	300,000
2	Remuneration	-	-	-	-	5294439	4,127,438	5,294,439	4,127,438
3	Interest earned	48	-	-	-	-	-	48	-
4	Rent received	84,000	-	-	-	-	-	84,000	-
5	Purchase of Investments	-	110,500,000	110,750,000	-	-	-	110,750,000	110,500,000
6	Investments made	581,750,000	-	-	-	-	-	581,750,000	-
7	Rent paid	900,000	900,000	-	-	-	-	900,000	900,000
8	Expenses reimbursed	540,995	644,106	46,633	-	-	-	587,628	644,106
9	Loan granted	-	300,000	1,100,000	100,000	-	-	1,100,000	400,000
10	Loan received back	-	300,000	-	-	-	-	-	300,000
11	Advance granted	7,550,000	-	-	-	-	-	7,550,000	-
12	Advance received	7,550,000	-	-	-	-	-	7,550,000	-
13	Balance outstanding:-	-	-	-	-	-	-	-	-
	-Investments	1,467,387,500	930,137,500	112,750,000	2,000,000	-	-	1,580,137,500	932,137,500
	-Advances recoverable	-	-	2,341,338	1,194,705	-	-	2,341,338	1,194,705
	-Sundry Creditors	256,175	259,209	-	-	-	-	256,175	259,209
	-Other Liabilities	150,000,000	-	-	-	-	-	150,000,000	-

Note : Related party relationship is as identified by the company and relied upon by the auditors

23. C) A scheme of amalgamation of Jindal Packaging Films Ltd., Jindal India Hydro Ltd., Jindal Realmart Pvt. Ltd, Indian Software Consultancy Ltd. and India Fincap Ltd. with Hindustan Powergen Ltd. (HPL) was approved by the Honourable Delhi High Court, whereby the aforesaid companies have been amalgamated with HPL with effect from the appointed date i.e. 01.04.2009 and shall become effective from the effective date which shall be the last date on which all the conditions referred in High Court order are fulfilled. Upon amalgamation, HPL was to issue share to the shareholders of the erstwhile amalgamating companies in the ratio specified in the High court order. Allotment of shares by HPL to the shareholders of the amalgamating companies has been made on 27.04.2010. On allotment the company has received 35000 equity shares of HPL.
24. Disclosure of loans / advances and investment in its own shares by the company, its subsidiaries, associates etc. as per requirement of clause 32 of the listing agreement:

Name of Company	Balance as at		Maximum outstanding amount during (Rs.)	
	31.03.2011	31.03.2010	2010-11	2009-10
<b>A</b> Loans and advances in the nature of loans given to subsidiaries				
Jindal Imaging Ltd.	1,794,705	1,094,705	1,794,705	1,094,705
Jindal India Finvest & Holdings Ltd.	500,000	100,000	500,000	100,000
Jindal Minerais & Metais (Mozambique)Limitada	46,633	-	46,633	-
<b>B</b> Loans and advances in the nature of loans where repayment schedule is not specified /is beyond 7 years				
Jindal Imaging Limited	1,794,705	1,094,705	1,794,705	1094705
Jindal India Finvest & Holdings Ltd.	500,000	100,000	500,000	100,000
Jindal Minerais & Metais (Mozambique)Limitada	46,633	-	46,633	-
<b>C</b> Loans and advances in the nature of loans where interest is not charged or charged below bank rate				
Jindal Imaging Ltd.*	1,794,705	1,094,705	1,794,705	1094705
Jindal India Finvest & Holdings Ltd.	500,000	100,000	500,000	100,000
Jindal Minerais & Metais (Mozambique)Limitada	46,633	-	46,633	-
Note: Loans and advances shown above to subsidiaries are in the nature of advances where there is no repayment schedule and are repayable on demand. *The amount has been considered as doubtful and necessary provision was also been made in earlier years.				
<b>D</b> Investments made in equity share of the company by a loanee are Nil (Previous Year Nil)				

25. The Ministry of Corporate Affairs, Government of India vide its General Notification No. S.O. 301(E) dated 8th February, 2011 issued under section 211(3) of The Companies Act 1956 has excluded certain classes of Companies from disclosing certain information in their profit and loss account. The Company being a manufacturing and trading company is entitle to the exemption. Accordingly, disclosures mandated by paragraphs 3(i)(a), 3(ii)(a) and 3(ii)(b) of Part II, Sechedule VI to the Companies Act,1956 have not been provided.

26. Additional information required under Paras 3 & 4 of Part - II of Schedule VI of the Companies Act, 1956

a) Capacities and production

	Unit	Licensed Capacity Qty.	Installed Capacity Qty.	Production Quantity
<b>CLASS OF GOODS</b>				
<b>a) MANUFACTURED GOODS</b>				
PHOTOGRAPHIC PAPER	SQ.MTRS	75,600,000	22,420,000	23,518,747
		(75,600,000)	(22,420,000)	(18,506,836)
FILMS	SQ. MTRS	41,909,148	8,313,006	4,540,494
		(41,909,148)	(8,313,006)	(4,559,310)

**NOTES :**

- No industrial licence is required for manufacture of any of the products, however production capacity is covered by industrial entrepreneurs' memorandum (IEMs) in terms of press note no.6 dated 29.07.1993 and press note no.17 dated 28.11.1997 of the Ministry of Commerce and Industry, Secretariate for Industrial Assistance of Governments of India
- Installed capacity has been certified by the management and relied upon by the auditors being a technical matter.

	Year ended 31.3.2011			Year ended 31.3.2010	
	Unit	Quantity	Amount (Rs.)	Quantity	Amount (Rs.)
<b>b) Raw Material Consumed</b>					
Photographic Papers	Sq.Mtrs.	23,743,028	1,375,257,398	18,682,339	1,174,653,107
Films	Sq.Mtrs.	4,527,291	628,841,292	4,551,221	726,252,745
Others			46,043,501		69,160,966
			<u>2,050,142,191</u>		<u>1,970,066,818</u>
<b>c) Purchase of Traded Goods</b>					
Photo Equipment & Others			1,262,828,235		1,170,474,860
			<u>1,262,828,235</u>		<u>1,170,474,860</u>
<b>d) Value of Imported and Indigenous Material consumed and Percentage thereof</b>					
		%	Amount(Rs.)	%	Amount(Rs.)
<b>i) RAW MATERIAL</b>					
Indigenous		0.91	18,665,175	0.20	3,872,210
Imported		99.09	2,031,477,016	99.80	1,966,194,608
		<u>100.00</u>	<u>2,050,142,191</u>	<u>100.00</u>	<u>1,970,066,818</u>
<b>ii) STORES &amp; SPARE PARTS</b>					
Indigenous		84.66	953,758	94.99	2,067,601
Imported		15.34	130,804	5.01	109,048
		<u>100.00</u>	<u>1,084,562</u>	<u>100.00</u>	<u>2,176,649</u>

	Year ended 31.3.2011			Year ended 31.3.2010	
	Unit	Quantity	Amount (Rs.)	Quantity	Amount (Rs.)
<b>e) Expenditure in foreign Currency</b>					
Travelling			357,609		589,346
<b>f) CIF Value of Imports</b>					
Raw Material			1,756,693,784		1,741,256,162
Packing Material & Spare Parts			109,291		636,353
Finished Goods			360,743,969		564,437,560
<b>g) Earning in Foreign Currency</b>					
Advertisement Subsidy			324,414		2,135,289
Export Sales (FOB basis)			2,228,385		1,440,295
Discount received			490,749		8,816,000
<b>h) Income from services rendered</b>					
Annual Maintenance Contract			2,022,679		1,323,413
Service Charges			1,473,114		1,288,776
<b>i) remittance in Foreign Currency on account of dividend to non resident shareholders</b>					

Current year			Previous year		
No. of Shareholders	Shares held	Net Amount of Dividend(Rs.)	No. of Shareholders	Shares held	Net Amount of Dividend(Rs.)
143	30856	Nil	79	38262	Nil

27. Previous year's figures have been regrouped /re-arranged /recast wherever considered necessary.

28. Figures have been rounded off to the nearest rupee.

29. Schedules 'A' to 'T' are annexed to and form part of Statement of Accounts.

**31. Balance Sheet abstract and company's general business profile as required by**  
Part IV Schedule VI of the Companies Act, 1956.

**I. Registration Details :**

<b>Registration No :</b>	L33209DN2004PLC000198		
Balance Sheet Date	Date	Month	Year
	31	3	2011

**II Capital raised during the year (Amount in Rs. '000)**

Public Issue	Right Issue
NIL	NIL
Bonus Shares	Private Placement
NIL	NIL

**III. Position of Mobilisation and Deployment of Funds (Amount in Rs. '000)**

Total Liabilities	Total Assets
2,376,431	2,376,431

**Sources of Funds (Amount in Rs. '000)**

Paid Up Capital	Reserves & Surplus
102,583	2,249,955
Secured Loans	Unsecured loans
NIL	NIL
Deffered Tax Liability	
23,892	

**Application of Funds ( Amount in Rs. '000)**

Net Fixed Assets	Investments
272,324	1,600,857
Net Current Assets	Misc. Expenditure
503,250	-

**IV. Performance of Company(Amount in Rs. '000)**

Turnover	Total Expenditure
4,095,920	3,843,734
Profit Before Tax after extra ordinary items	Profit After Tax
252,187	181,342
Basic/Diluted Earning per Share before extra ordinary items (Rs.)	Dividend Rate (Equity)
17.68	10%

**V. Generic names of three principal products/ services of Company**

Item Code No. (ITC Code)	3703.10
Product Description	Photographic Color Paper
Item Code No. (ITC Code)	3702.90
Product Description	Amateur Roll Film
Item Code No. (ITC Code)	3702.51
Product Description	Cinematographic Color Film

Signatures to the Schedule 'A' - 'T'

As per our report of even date attached

**For and on behalf Of the Board**

**For B.K. Shroff & Co.**  
**Chartered Accountants**

**V.K.GUPTA**  
Company Secretary

**SHAMMI GUPTA**  
Managing Director

**Anil Gupta**  
Partner

**R.K.JAIN**  
GM (Accounts)

**S.C. SHARMA**  
Director

Place : New Delhi  
Date : 25th August, 2011

## AUDITORS REPORT TO THE BOARD OF DIRECTORS OF JINDAL PHOTO LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS.

We have examined the attached consolidated Balance Sheet of Jindal Photo Limited and its subsidiaries and its associate as at 31st March, 2011 and the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date.

These financial statements are the responsibility of the management of the Jindal Photo Limited. Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance that whether the financial statements are prepared in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

The financial statements of subsidiaries associates and joint ventures have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the subsidiaries and associate is based solely on the reports of other auditors. The details of assets and revenues in respect of the subsidiaries and the net carrying cost of investment and current year share of loss in respect of the associate to the extent to which they are reflected in the consolidated financial statements are given below :-

### Audited by other auditors

Name of Indian Subsidiaries	Total Assets Rs	Total Revenue Rs
a) Jindal Imaging Limited	10,00,000	
b) Jindal India Finvest & Holdings Ltd	27,15,000	NIL
c) Consolidated Imaging Limited	5,00,000	NIL
Name of Joint Venture		
Mandakini Coal Company Ltd.	99,90,00,000	(56,21,320)

We further report that in respect of certain subsidiaries and associates, we did not carry out the audit. These financial statements have been certified by management and have been furnished to us, and in our opinion, in so far as it relates to the amounts included in respect of the subsidiaries and associates, are based solely on these certified financial statements.

Since the financial statements for the financial year ended March 31, 2011, which were compiled by management of these companies, were not audited, any adjustments to their balance could have consequential effects on the attached consolidated

financial statements. The details of assets and revenues in respect of these associates, to the extent to which they are reflected in consolidated financial statements are given below:

### Certified by management

Name of Foreign Subsidiary	Total Assets Rs.	Total Revenue Rs
Jindal Minerais & Metais (Mozambique), Limitada	NIL	(2,02,532)
Name of Associate	Net Carrying Cost of Investment Rs	Current Year Share of loss/ (profit) RS
Jindal India Powertech Ltd	1,13,00,62,985	2,39,139

We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, Accounting Standard (AS) 23 Accounting for investment in associates in consolidated financial statements and Accounting Standard (AS) 27 "Financial Reporting of Interest in joint ventures/ issued by the Institute of Chartered Accounts of India, and on the basis of the separate audited financial statements of Jindal Photo Limited, its subsidiary and associate included in the Consolidated Financial Statements.

We report that on the basis of the information and explanation given to us and on the consideration of separate audit reports on individual audited financial statements of Jindal Photo Limited, its subsidiaries, joint venture and associate, we are of the opinion that the said financial statement read together with significant accounting policies in Schedule T and notes appearing thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of consolidated Balance Sheet the state of affairs of Jindal Photo Ltd., its subsidiaries and associate as at 31st March, 2011.
- In the case of the consolidated Profit & Loss Account, the consolidated result of operations of Jindal Photo Limited, its subsidiaries and associate for the year ended on that date, and
- in case of the Consolidated Cash Flow statement, of the Consolidated Cash Flow of Jindal Photo Limited, its subsidiaries and associate for the year ended on that date,

**For B.K. SHROFF & CO**  
Chartered Accountants  
Firm Registration No: 302166E

Place : 3/7-B, Asaf Ali Road,  
New Delhi - 110002  
Dated : 25<sup>th</sup> August 2011

**Anil Gupta**  
Partner  
Membership No.80074

## CONSOLIDATED BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2011

PARTICULARS	Schedules	AS AT	
		31.03.2011	AS AT 31.03.2010
		Rs.	Rs.
<b>SOURCES OF FUNDS</b>			
<b>SHARE HOLDERS' FUNDS</b>			
Share Capital	'A'	102,583,260	102,583,260
Reserves & Surplus	'B'	2,244,165,200	2,346,748,460
<b>LOANS' FUNDS</b>			
Secured Loans	'C'	-	18,524,959
<b>DEFERRED TAX LIABILITY(Net)</b>		<b>23,892,465</b>	<b>32,612,447</b>
		<b><u>2,370,640,925</u></b>	<b><u>2,230,876,103</u></b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	'D'	568,663,195	610,839,316
Less : Depreciation		299,700,086	281,793,257
Net Block		<u>268,963,109</u>	<u>329,046,059</u>
Add:-Capital work in progress		5,331,642	5,647,976
		<b>274,294,751</b>	<b>334,694,035</b>
<b>INVESTMENTS</b>	'E'	<b>1,593,080,687</b>	<b>1,049,688,740</b>
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Inventories	'F'	598,695,348	602,915,016
Sundry Debtors	'G'	50,687,500	56,101,380
Cash & Bank Balances	'H'	103,891,168	168,514,523
Loans & Advances	'I'	462,433,005	420,641,909
		<u>1,215,707,021</u>	<u>1,248,172,828</u>
<b>LESS:CURRENT LIABILITIES &amp; PROVISIONS</b>			
Current Liabilities	'J'	613,840,852	248,542,632
Provisions	'K'	98,620,951	153,171,392
		<u>712,461,803</u>	<u>401,714,024</u>
<b>NET CURRENT ASSETS</b>		<b>503,245,217</b>	<b>846,458,803</b>
<b>MISCELLANEOUS EXPENDITURE</b>			
(To the extent not written off or adjusted)	'L'	20,270	34,524
		<b><u>2,370,640,925</u></b>	<b><u>2,230,876,103</u></b>

As per our report of even date attached

For and on behalf of the Board

**For B.K. Shroff & Co.**  
Chartered Accountants  
Firm Registration No. 302166E

**V.K. GUPTA**  
Company Secretary

**SHAMMI GUPTA**  
Managing Director

**ANIL GUPTA**  
Partner  
Membership No. 80074

**R.K. JAIN**  
G.M. (Accounts)

**S.C. SHARMA**  
Director

Place : New Delhi  
Date : 25.8.2011

## CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2011

PARTICULARS	Schedules	YEAR ENDED	YEAR ENDED
		31.03.2011	31.03.2010
		Rs.	Rs.
<b>INCOME</b>			
Sales (Gross)	'M'	4,248,963,336	3,994,202,521
Less:- Excise Duty		<u>253,466,568</u>	<u>201,878,052</u>
<b>Sales(Net)</b>		<b>3,995,496,768</b>	<b>3,792,324,469</b>
Income from Services rendered		3,785,002	2,439,915
Other Income	'N'	28,529,020	79,748,025
Increase in Stocks	'O'	<u>68,109,370</u>	<u>4,669,340</u>
		<b>4,095,920,160</b>	<b>3,879,181,749</b>
<b>EXPENDITURE</b>			
Material consumed, Manufacturing & Other Operating expenses	'P'	2,185,756,277	2,080,911,595
Purchase of Traded goods		1,262,828,235	1,170,474,860
Excise Duty on (Increase)/Decrease in Stocks		1,052,694	1,085,012
Personnel expenses	'Q'	59,076,210	58,304,821
Administrative expenses	'R'	96,361,859	97,060,770
Interest & Financial charges	'S'	5,862,714	30,265,346
Selling & Distribution expenses	'T'	213,858,026	222,863,544
Depreciation	'D'	<u>18,446,754</u>	<u>18,745,729</u>
		<b>3,843,242,769</b>	<b>3,679,711,677</b>
<b>Profit before Taxation</b>		<b>252,677,391</b>	<b>199,470,072</b>
Provision/payment for			
- Current Tax		82,459,400	54,933,500
- Previous Years (Net)		(2,951,344)	-
- Deferred Tax		(8,719,982)	(965,292)
- Wealth Tax		<u>56,100</u>	<u>233,000</u>
<b>Profit after Tax</b>		<b>181,833,217</b>	<b>145,268,864</b>
Add/(Less): Share of Profit/(Loss) in Associates		<u>(1,634,634)</u>	<u>1,101,959</u>
		<b>180,198,583</b>	<b>146,370,823</b>
Balance brought forward		<u>1,198,667,769</u>	<u>1,081,808,582</u>
		<b>1,378,866,352</b>	<b>1,228,179,405</b>
Add: Balance of profit & loss Account brought forward from previous year relating to companies ceasing to be associate/subsidiary during the year		(1,266,337)	(2,685,042)
Add : Share in loss of subsidiary for pre acquisition period		-	(504,489)
<b>Profit Available For Appropriation</b>		<b>1,377,600,015</b>	<b>1,224,989,875</b>
<b>APPROPRIATION</b>			
Transfer to General Reserve		18,135,000	14,360,000
Proposed Dividend		10,258,326	10,258,326
Corporate Tax on Dividend		1,664,157	1,703,780
<b>Balance Carried To Balance Sheet</b>		<u>1,347,542,532</u>	<u>1,198,667,769</u>
		<b>1,377,600,015</b>	<b>1,224,989,875</b>
Basic/Diluted Earning Per Share(note 20, Schedule U)	'U'	<b>17.57</b>	<b>14.27</b>

As per our report of even date attached

For and on behalf of the Board

**For B.K. Shroff & Co.**  
Chartered Accountants  
Firm Registration No. 302166E

**V.K. GUPTA**  
Company Secretary

**SHAMMI GUPTA**  
Managing Director

**ANIL GUPTA**  
Partner  
Membership No. 80074

**R.K. JAIN**  
G.M. (Accounts)

**S.C. SHARMA**  
Director

Place : New Delhi  
Date : 25.8.2011

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	YEAR ENDED 31.03.2011 Rs.	YEAR ENDED 31.03.2010 Rs.
<b>A. Cash Flow from Operating Activities:</b>		
Net Profit Before Tax & Extraordinary Items	252,677,391	199,470,072
Adjustments for:		
Depreciation	18,446,754	18,745,729
Profit on Sale of Investments	(5,724,348)	(29,299,730)
Preliminary expenses written off	393,222	21,272
Diminution in the value of Investments	280,500	-
Loss on sale of Fixed assets	-	610,245
Interest income	(4,861,769)	(20,903,511)
Interest charges	788,596	15,107,499
Dividend income	(2,664,136)	(15,566,611)
Operating Profit Before Working Capital Changes	<u>259,336,210</u>	<u>168,184,965</u>
Adjustments for:		
Trade & Other Receivables	(99,881,141)	(134,577,868)
Inventories	4,219,667	23,826,379
Trade Payables	<u>364,424,200</u>	<u>38,241,803</u>
Cash generated from Operations	<u>528,098,936</u>	<u>95,675,279</u>
Direct Taxes paid	<u>(69,697,027)</u>	<u>(61,367,582)</u>
<b>Net Cash from Operating Activities</b>	<b>458,401,909</b>	<b>34,307,697</b>
<b>B. Cash flow from Investing Activities:</b>		
Purchase of Fixed Assets & Other Capital expenditure	(150,795)	(10,772,609)
Purchase of Investments	(786,128,390)	(191,158,170)
Sale of Fixed Assets	38,170	424,417
Sale of Investments	286,965,507	302,456,589
Interest income	4,861,769	20,903,511
Dividend income	2,664,136	15,566,611
<b>Net Cash flow from/(Used in) Investing Activities</b>	<b>(491,749,603)</b>	<b>137,420,349</b>
<b>C. Cash Flow from Financing Activities:</b>		
Proceeds from issuance of Share Capital	-	(1,000,000)
Proceeds from bank credits	(18,524,959)	(435,499,468)
Dividend paid including taxes thereon	(11,962,106)	(12,001,729)
Interest charges	(788,596)	(15,107,498)
<b>Net Cash flow from/(Used in) Financing Activities</b>	<b>(31,275,661)</b>	<b>(463,608,695)</b>
Net Increase in Cash and Cash Equivalents(A+B+C)	<b>(64,623,355)</b>	<b>(291,880,649)</b>
Cash and Cash Equivalents as at beginning of the year	<b>168,514,523</b>	<b>460,972,880</b>
Cash and Cash Equivalents as at beginning of the year of subsidiaries acquired during the year	-	79,615
Cash and Cash Equivalents as at beginning of the year of subsidiaries ceased during the year	-	(657,322)
Cash and Cash Equivalents as at close of the year	<b>103,891,168</b>	<b>168,514,523</b>

As per our report of even date attached

For and on behalf of the Board

**For B.K. Shroff & Co.**  
Chartered Accountants  
Firm Registration No. 302166E

**V.K. GUPTA**  
Company Secretary

**SHAMMI GUPTA**  
Managing Director

**ANIL GUPTA**  
Partner  
Membership No. 80074

**R.K. JAIN**  
G.M. (Accounts)

**S.C. SHARMA**  
Director

Place : New Delhi  
Date : 25.8.2011

# Consolidated Financial Statements



	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
<b>SCHEDULE 'A' SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
10,550,000 Equity Shares of Rs. 10 each	<u>105,500,000</u>	<u>105,500,000</u>
	<u>105,500,000</u>	<u>105,500,000</u>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
10,258,326 Equity Shares of Rs. 10 each	<u>102,583,260</u>	<u>102,583,260</u>
	<u>102,583,260</u>	<u>102,583,260</u>
<b>SCHEDULE 'B' RESERVES AND SURPLUS</b>		
<b>CAPITAL RESERVE</b>		
Capital investment subsidy		
Balance as per last balancesheet	3,000,000	3,000,000
Add:- Received during the year	<u>-</u>	<u>-</u>
	<b>3,000,000</b>	<b>3,000,000</b>
<b>GENERAL RESERVE</b>		
Balance as per last balance sheet	<b>875,487,668</b>	861,127,668
Add:- Transferred from Profit & loss Account	<u>18,135,000</u>	<u>14,360,000</u>
	<b>893,622,668</b>	875,487,668
<b>PROFIT &amp; LOSS ACCOUNT</b>	<u>1,347,542,532</u>	<u>1,198,667,769</u>
	<u><b>2,244,165,200</b></u>	<u><b>2,077,155,437</b></u>
<b>SCHEDULE 'C' SECURED LOANS</b>		
From Banks		
Buyers' import credit	-	<b>18,524,959</b>
(Refer Note No.12, Schdule U)	-	<u><b>18,524,959</b></u>

<b>SCHEDULE 'D' - FIXED ASSETS</b>										
(Amount in Rs.)										
PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01/04/2010	ADDITIONS	SALE/ ADJUSTMENT	AS AT 31/03/2011	UPTO 01/04/2011	DEDUCTION/ ADJUSTMENTS	FOR THE YEAR	UP TO 31/03/2011	AS AT 31/03/2011	AS AT 31/03/2010
GOODWILL ON CONSOLIDATION \$	43,657,361	-	41,686,186	1,971,175	-	-	-	-	1,971,175	43,657,361
LAND -Free hold	8,197,833	-	-	8,197,833	-	-	-	-	8,197,833	8,197,833
-Leasehold	7,815,200	-	-	7,815,200	490,741	-	86,833	577,574	7,237,626	7,324,459
BUILDINGS #	161,878,939	-	-	161,878,939	55,439,548	-	5,344,604	60,784,152	101,094,787	106,439,391
RESIDENTIAL BUILDING	43,489,180	-	-	43,489,180	2,817,096	-	708,874	3,525,970	39,963,210	40,672,084
PLANT & MACHINERY	315,790,737	236,255	337,200	315,689,792	210,393,146	253,260	10,290,167	220,430,053	95,259,739	105,397,591
OFFICE EQUIPMENT	7,573,428	198,740	619,860	7,152,308	3,190,788	286,665	328,825	3,232,948	3,919,360	4,382,640
FURNITURE & FIXTURES	9,537,339	32,130	-	9,569,469	6,124,676	-	535,525	6,660,201	2,909,268	3,412,663
VEHICLES	12,899,299	-	-	12,899,299	3,337,262	-	1,151,926	4,489,188	8,410,111	9,562,037
<b>TOTAL (A)</b>	<b>610,839,316</b>	<b>467,125</b>	<b>42,643,246</b>	<b>568,663,195</b>	<b>281,793,257</b>	<b>539,925</b>	<b>18,446,754</b>	<b>299,700,086</b>	<b>268,963,109</b>	<b>329,046,059</b>
CAPITAL WORK IN PROGRESS	6,971,192	46,666	363,000	6,654,858	1,323,216	-	-	1,323,216	5,331,642	5,647,976
<b>TOTAL (B)</b>	<b>6,971,192</b>	<b>46,666</b>	<b>363,000</b>	<b>6,654,858</b>	<b>1,323,216</b>	<b>-</b>	<b>-</b>	<b>1,323,216</b>	<b>5,331,642</b>	<b>5,647,976</b>
<b>TOTAL (A+B)</b>	<b>617,810,508</b>	<b>513,791</b>	<b>43,006,246</b>	<b>575,318,053</b>	<b>283,116,473</b>	<b>539,925</b>	<b>18,446,754</b>	<b>301,023,302</b>	<b>274,294,751</b>	<b>334,694,035</b>
<b>PREVIOUS YEAR</b>	<b>609,542,957</b>	<b>13,044,551</b>	<b>4,777,000</b>	<b>617,810,508</b>	<b>265,222,747</b>	<b>852,004</b>	<b>18,745,729</b>	<b>283,116,473</b>	<b>334,694,035</b>	

# Includes Rs.2500 being cost of shares in a co-operative society.

\$ represents goodwill arising on acquisition of shares in subsidiary companies/associates.

## SCHEDULE 'E' INVESTMENTS

### LONG TERM :

	FACE VALUE	SHARES/ UNITS	SHARES/ UNITS	AS AT 31.03.2011	AS AT 31.03.2010
	Rs.	31.03.2011	31.03.2010	Rs.	Rs.
<b>NON-TRADE (AT COST)</b>					
<b>EQUITY SHARES-(QUOTED)-FULLY PAID</b>					
Coal India Limited	10	14,402	-	3,528,490	-
<b>EQUITY SHARES-(UNQUOTED)-FULLY PAID</b>					
<b>In Associates-</b>					
Jindal India Powertech Limited	10	100000	100000		
Original Cost(Including capital reserve/Goodwill of Rs.Nil)				1,000,000	1,000,000
Less: Loss from Associate up to last year				2,118	2,118
				997,882	997,882
Jindal Buildmart Limited	10	-	490000		
Original Cost(Including capital reserve/Goodwill of Rs.Nil last year Rs. 39669871)				-	4,830,129
Add/(Less): Profit/(Loss) from Associate at the beginning of the year				-	(1,081,276)
Add/(Less): Profit/(Loss) from Associate for the year				-	2,347,612
				-	6,096,465
<b>In Joint Venture</b>					
Mandakini Coal Company Limited	10	33300000	5200000		
Original Cost(Including capital reserve/Goodwill of Rs.Nil)				333,000,000	52,000,000
Less: Loss from Associate at the beginning of the year				1,344,176	-
Less: Loss from Joint Venture for the year				1,873,773	1,344,176
				329,782,051	50,655,824
<b>In Others</b>					
Jindal India Thermal Power Limited	10	1866250	1866250	18,709,190	18,709,190
Consolidated Green Finvest Private Limited	10	231490	-	110,849,900	-
Hindustan Powergen Limited (received on merger of India Fincap Limited)	10	30000	35000	428,571	500,000
<b>In Associates-</b>					
<b>EQUITY SHARES-(UNQUOTED)-PARTLY PAID UP</b>					
Jindal India Powertech Limited ( Rs. 4 paid up (last year Rs.4 paid up)	10	185500000	208000000	740,817,568	828,650,010
Jindal India Powertech Limited ( Rs. 2 paid up (last year Rs.Nil paid up)	10	195000000	-	390,598,757	-
Original Cost(Including capital reserve/Goodwill of Rs.1971175 last year Rs. 3987490)					
Add/(Less): Profit/(Loss) from Associate at the beginning of the year				(2,590,361)	(2,688,884)
Add/(Less): Profit/(Loss) from Associate for the year				239,139	98,523
				1,129,065,103	826,059,649
Sub Total (A)				1,593,361,187	903,019,010
<b>UNITS-(UNQUOTED)</b>					
<b>In Mutual Funds-</b>					
Reliance Medium Term Fund -Weekly Dividend Plan	10	-	8,575,674	-	146,669,730
Sub Total (B)				-	146,669,730
Less: Provision for Diminution in value of Investments				280,500	-
				280,500	-
<b>Grand Total (A+B-C)</b>				1,593,080,687	1,049,688,740
(Net Asset Value of investments in Mutual Funds Rs.Nil Previous year Rs. 146,636,315)					

The following Mutual Fund units were acquired and sold during the year :-

	FACE VALUE	UNITS	PURCHASE COST
B332WD Birla Sunlife Liquid Plus-Insti-Weekly dividend -Reinvestment	10	17641849	176542483
28 ICICI Prudential Flexible Income Premium- Weekly Dividend	10	9599546	101,218,236
1526 ICICI Prudential Flexible Income Plan Premium- Weekly Dividend	100	1379446	145,440,359
Reliance Medium Fund-Weekly Dividend Plan	10	6574577	112,443,633
Templeton India Ultra Short Bond Fund Super Institutional Plan-Weekly Dividend -Reinvestment	10	4978773	50,261,202
TFLW TATA Floator Fund-Weekly Dividend	10	426434489	430,145,349
TLSG01 -TATA Liquid Super High Inv Fund Appreciation	1,000	78901	131,484,518

# Consolidated Financial Statements

<b>SCHEDULE 'F' INVENTORIES</b> (As taken, valued and certified by the management)	AS AT <b>31.03.2011</b> Rs.	AS AT 31.03.2010 Rs.
Raw Materials (includes in transit Rs 18,474,575 Previous year Rs. 34,386,951)	<b>111,645,501</b>	81,301,873
Finished Goods -Manufactured(includes in transit Rs 1,528,337 Previous year Rs.3,323,177)	<b>92,311,560</b>	95,112,931
-Traded	<b>365,211,860</b>	294,301,119
Work in Progress	<b>5,039,058</b>	9,920,512
Packing Material, Stores & spare parts	<b>24,487,369</b>	22,278,581
(includes in transit Rs 749,892 previous year Rs. 540,636)	<b>598,695,348</b>	602,915,016

## SCHEDULE 'G' SUNDRY DEBTORS

Unsecured		
Debts outstanding for a period exceeding six months		
Considered good	<b>8,408,279</b>	2,933,114
Other debts-Considered good	<b>42,279,221</b>	53,168,266
	<b>50,687,500</b>	56,101,380

## SCHEDULE 'H' CASH AND BANK BALANCES

Cash in hand	<b>717,871</b>	941,041
Bank balances with scheduled banks:		
In Current Accounts	<b>49,602,182</b>	84,326,414
In Cash Credit Accounts	<b>49,451,253</b>	79,155,517
In Fixed Deposit Accounts *	<b>4,119,862</b>	4,091,551
	<b>103,891,168</b>	168,514,523

\*(Includes Rs. 1,024,240 (previous year Rs.1,782,587) pledged with bank towards Margin Money for bank guarantee/ letter of credit and Rs.668,264. ( previous year Rs.1,018,064) lodged with government authorities)

## SCHEDULE 'I' LOANS & ADVANCES

(Unsecured, considered good, unless otherwise stated)		
Loans to Others		
-to others	<b>56,776,121</b>	1,016,978
Advances (recoverable in cash or in kind or for value to be received)	<b>140,532,036</b>	144,925,884
Interest receivable on loans and deposits	<b>395,227</b>	564,297
Balance with excise authorities	<b>173,742,569</b>	119,763,639
Security deposits	<b>10,448,767</b>	10,728,897
Income tax payments (including income tax deducted at source)	<b>80,538,285</b>	143,642,214
	<b>462,433,005</b>	420,641,909

	AS AT 31.03.2011 Rs.		AS AT 31.03.2010 Rs.	
<b>SCHEDULE 'J' CURRENT LIABILITIES</b>				
Sundry Creditors				
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
- Total outstanding dues of other creditors (see refer note no.5 , Schedule U)	<b>48,087,851</b>	<b>48,087,851</b>	30,033,476	30,033,476
Other Liabilities	<b>429,876,387</b>			50,859,650
Advances from Customers	<b>121,934,801</b>			154,034,436
Dealers' Security Deposits	<b>13,941,813</b>			13,615,070
	<b>613,840,852</b>			<b>248,542,632</b>
<b>SCHEDULE 'K' PROVISIONS</b>				
for Leave encashment	<b>1,013,887</b>			1,284,158
for Warranties	<b>3,169,081</b>			4,172,828
for Income Tax	<b>82,459,400</b>			134,133,500
for Fringe Benefit Tax	-			1,359,000
for Wealth Tax	<b>56,100</b>			259,800
for Dividend	<b>10,258,326</b>			10,258,326
for Tax on Dividend	<b>1,664,157</b>			1,703,780
	<b>98,620,951</b>			<b>153,171,392</b>

## Consolidated Financial Statements

### SCHEDULE 'L' MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

Preliminary Expenses				
As per last year	<b>34,524</b>		287,208	
Add: Incurred during the year	- *		24,720 *	
	<b>34,524</b>		311,928	
Less: Amount related to company ceased to be subsidiary	-		256,136	
Less: Written off during the year	<b>14,254</b>	<b>20,270</b>	21,268	34,524
		<b>20,270</b>		<b>34,524</b>

\*Includes Rs. nil (previous year Rs.24720) acquired on consolidation.

### SCHEDULE ' M ' SALES

	YEAR ENDED 31.03.2011		YEAR ENDED 31.03.2010	
<b>A. MANUFACTURED GOODS</b>				
Photosensitised goods	<b>2,660,007,045</b>		2,545,600,865	
Others	<b>12,755,146</b>		9,522,999	
	<b>2,672,762,191</b>		<b>2,555,123,864</b>	
<b>B. TRADED GOODS</b>				
Photo Equipment & Others	<b>1,576,201,145</b>		1,439,078,658	
	<b>1,576,201,145</b>		1,439,078,658	
	<b>4,248,963,336</b>		<b>3,994,202,521</b>	

	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
<b>SCHEDULE 'N' OTHER INCOME</b>		
Interest received		
-from banks	342,773	20,776,097
(Gross of Tax Deducted at Source of Rs.25,810 Previous year Rs.35,45,503)		
-from others	4,518,996	127,414
(Gross of Tax Deducted at Source of Rs. Nil (Previous year Rs.5,667)		
Dividend received	2,664,136	15,566,611
(Including Rs.26,64,136 Previous year Rs 15,566,611 from Current Investments )		
Income from sale of Investments(Net)	5,724,348	9,299,730
(Including Rs 57,24,348 Previous year Rs.29,299,730 from Current Investments)		
Claim received	13,832,627	812,879
Miscellaneous Receipts	134,393	2,564,194
Rent Received	308,000	-
Provision no longer required	1,003,747	28,156
Exchange fluctuation income	-	10,572,945
	<u>28,529,020</u>	<u>79,748,025</u>

## Consolidated Financial Statements

### SCHEDULE 'O' -INCREASE IN STOCKS

OPENING STOCK :		
Finished Goods - Manufactured	95,112,931	99,956,598
- Traded	294,301,119	284,788,112
	<u>389,414,050</u>	<u>384,744,710</u>
CLOSING STOCK :		
Finished Goods - Manufactured	92,311,560	95,112,931
- Traded	365,211,860	294,301,119
	<u>457,523,420</u>	<u>389,414,050</u>
INCREASE IN STOCKS	<u>68,109,370</u>	<u>4,669,340</u>

### SCHEDULE 'P' MATERIALS CONSUMED, MANUFACTURING & OTHER OPERATING EXPENSES

Raw Material consumed		
Opening Stock	181,301,873	210,842,073
Add : Purchases	1,975,604,365	1,945,060,204
	<u>2,156,906,238</u>	<u>2,155,902,277</u>
Less : Closing Stock	111,645,501	181,301,873
	<u>2,045,260,737</u>	<u>1,974,600,404</u>
Add:- Opening work in progress	9,920,512	5,386,926
Less :- Closing work in progress	5,039,058	9,920,512
Raw Material consumed	2,050,142,191	1,970,066,818
Stores,Spare Parts & Chemicals consumed	1,084,562	2,176,649
Packing Material consumed	126,900,254	99,024,755
Power & Fuel	7,629,270	9,643,373
	<u>2,185,756,277</u>	<u>2,080,911,595</u>

	YEAR ENDED 31.03.2011 Rs.	YEAR ENDED 31.03.2010 Rs.
<b>SCHEDULE 'Q' PERSONNEL EXPENSES</b>		
Salary, Wages, Allowances and Bonus	52,062,885	51,585,366
Gratuity	582,873	621,614
Contribution towards Provident and other Funds	2,024,333	2,150,242
Staff Welfare	4,315,550	3,762,237
Staff training and recruitment expenses	90,569	185,362
	<u>59,076,210</u>	<u>58,304,821</u>
<b>Consolidated Financial Statements</b>		
<b>SCHEDULE 'R'-ADMINISTRATIVE EXPENSES</b>		
Rent (including Lease Rent)	9,419,613	9,955,173
Rates, Taxes & Fees	804,917	1,267,796
Insurance	2,913,093	1,890,684
Electricity & Water charges	2,507,016	2,084,480
Travelling & Conveyance	11,985,574	12,070,795
Postage, Telegram & Telephone	5,454,262	6,546,867
Printing & Stationery	1,550,231	2,161,393
Legal & Professional charges	46,259,655	45,573,983
Repairs & maintenance - Others	5,617,345	5,596,214
Directors' Remuneration	5,294,439	4,127,438
Auditors Remuneration	5,58,384	482,121
Charity & Donation	624,425	3,112,000
Miscellaneous expenses	1,187,628	1,360,313
Claim written off	1,148,515	-
Loss on Assets discarded	363,040	-
Loss on sale of fixed assets	378,968	610,245
Diminution in value of Investments	280,500	-
Prior period expenses	-	200,000
Preliminary expenses written off	14,254	21,268
	<u>96,361,859</u>	<u>97,060,770</u>
<b>SCHEDULE 'S' INTEREST AND FINANCIAL CHARGES</b>		
<b>INTEREST</b>		
-On Working Capital Loans	47,279	13,656,030
-On Others	741,317	1,452,580
Bank Charges & Commission	5,074,118	15,156,736
	<u>5,862,714</u>	<u>30,265,346</u>
<b>SCHEDULE 'T'-SELLING AND DISTRIBUTION EXPENSES</b>		
Commission, discount, advertisement and business promotion	183,120,546	190,882,798
Installation & Service Charges	844,832	1,477,581
Carriage Outward	26,675,895	25,717,336
Turnover /Entry /Sales Tax payments	2,203,149	4,023,519
Bad debts written off	60,490	8,125
Other selling expenses	953,114	754,185
	<u>213,858,026</u>	<u>222,863,544</u>

## SCHEDULE 'U'-NOTES ON ACCOUNTS

### 1 Basis of Consolidation

#### A. Subsidiary

- i) The Accounts have been prepared to comply with all material aspects applicable to accounting policies of Jindal Photo Limited. Goodwill arising on investments made in subsidiary companies has been treated as intangible asset and capital reserve arising on investments made in subsidiary companies has been treated as Reserves and Surplus.
- ii) The consolidated Accounts have been prepared based on a line by line consolidation of the profit & loss account and balance sheet of Jindal Photo limited and its' subsidiary companies. For the purpose of consolidation, adjustments have been made in respect of intra group transactions.
- iii) For the purpose of consolidation, adjustments have been made in respect of shareholdings in subsidiary companies and amounts owned from/to Company within the group.
- iv) The subsidiary companies which have been considered for the purposes of Consolidated Results are given below:

Name of the company	Main Activity	Country of Incorporation	% Equity Capital held by Jindal Photo Limited	
			as on 31.03.2011	as on 31.03.2010
Jindal Imaging Limited	Photographic Business	India	100	100
Consolidated Imaging Limited	Photographic Business	India	100	100
Jindal Minerais & Metais (Mozambique) Limitada	Mining	Mozambique	89.65	Nil
Jindal India Finvest & Holdings Limited	Investment	India	100	100

- v) Comparative figures do not include the figures of newly incorporated subsidiary namely Jindal Minerais & Metais (Mozambique) Limitada,

#### B. Associates

- i) Investment in Associate has been accounted for under the equity method from the date on which the investee fall within the definition of an associate. On acquisition, as the case may be, the difference between the cost of acquisition and the share of Jindal Photo Limited in the equity of the associate has been described as goodwill or capital reserve and included in the carrying amount of the investment in the associates. The carrying amount in investment is adjusted thereafter for the post acquisition change in the investor share of net assets of the investee. An associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a joint venture
- ii) The details of investment in associate made by Jindal Photo Limited is as given below:

Name of Company	Main Activities	Country of Incorporation	Ownership Interest & Voting Power	Original cost of investment Rs. lacs	Amount of capital reserve/ (-) goodwill included in original cost Rs. lacs	Accumulated Profit/(-) loss at the year end Rs. lacs	Carrying amount of investment at the year end Rs. lacs
Jindal India Powertech Limited	Holding Shres in power/ mining Companies	India	24.33%	11,343.85	(19.71)	(23.53)	11,300.61
			(-34.56%)	(8,336.37)	(-39.76)	(-26.89)	(8,269.72)
Jindal Buildmart Limited	Real Estate Business	India	-	-	-	-	-
			(-42.61%)	(445.00)	(-396.70)	(-10.81)	(37.49)

Note: Previous year figure are given in brackets.

#### C. Joint Venture

Name of Company	Country of Residence	Status	Proportion if ownership interest	
			31.03.2011	31.03.2010
Mandakini Coal Company Limited	India	Audited	33.33%	33.33%

## 2 Significant accounting policies:-

### a) Method of Accounting

- i) The accounts of the company are prepared under the historical cost convention using the accrual method of accounting unless otherwise stated hereinafter.
- ii) Accounting policies not significantly referred to are in consistence with the generally accepted accounting principles.

### b) Fixed Assets

Fixed Assets are stated at cost of acquisition, inclusive of inward freight, duties, taxes and incidental expenses related to acquisition and are net of modvat/cenvat wherever applicable. In respect of projects involving construction, related pre-operational expenses are capitalised and form part of the value of the assets capitalised. Fixed assets other than leasehold land acquired on lease are not reflected in the accounts and the lease rent is charged to profit & loss account as and when accrued. The company capitalises software where it is reasonably estimated that the software has an enduring useful life. Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of the net selling price and value in use. Value in use is the present value of its estimated future cash flows expected to arise from the continuing use of an asset from its disposal at the end of its useful life.

### c) Investments

Long term investments are stated at cost of acquisition. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.

### d) Inventories

Inventories are valued at cost or net realisable value, whichever is lower, Cost is determined on first in first out (FIFO) basis/Weighted Average basis. Finished goods and work in process include cost of convention and other costs incurred in bringing the inventories to their present location and conditions.

### e) Foreign currency transactions

All foreign currency liabilities relating to acquisition of fixed assets are restated at the rates ruling at the year end and exchange differences arising on such transactions are dealt with in the profit & loss account. Investments in foreign currency are reported using the exchange rate at the date of transaction. Other foreign currency assets and liabilities outstanding at the close of the year are valued at the year end exchange rates. The fluctuations are reflected under the appropriate revenue head.

### f) Depreciation

Depreciation is calculated on fixed assets (other than leased out assets) on straight line method in accordance with Schedule XIV of Companies Act, 1956. In respect of leased assets, the cost of the same is being amortized fully during the primary period of the lease. Software is depreciated on straight line method at the rates specified in schedule XIV of the companies Act.

### g) Research & Development

Revenue expenditure on research and development is charged against the profit of the year in which it is incurred. Capital expenditure on research and development is shown as an addition to fixed assets.

### h) Retirement benefits

#### i) Short term Employee Benefits

All employee benefits payable only within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages etc. and the expected cost of bonus, ex gratia, incentives are recognised in the period during which the employee renders the related service.

#### ii) Post employment Benefits

##### a) Defined Contribution Plans

State Government Provident Fund Scheme is a defined contribution plan. The contribution paid/payable under the scheme is recognised in the profit & loss account during the period during which the employee renders the related service.

##### b) Defined Benefit Plans

The employee Gratuity Fund Scheme managed by a trust is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation under the projected

unit credit method which recognises each period of service as giving rise to additional unit of employees benefits entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on government securities as at balancesheet date, having maturity periods approximated to the returns of related obligations. Actuarial gains and losses are recognised immediately in the profit & loss account. In case of funded plans the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on net basis.

c) The obligation for leave encashment is provided for and paid on yearly basis.

**i) Miscellaneous expenditure**

Preliminary expenses are being proportionately written off over a period of five to ten years.

**j) Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense, in the period in which they are incurred. Capitalisation of borrowing costs ceases when substantially all activities necessary to prepare the qualifying asset for its intended use or sale are complete.

**k) Excise & Other Duties**

Whereas Excise duty in respect of finished goods lying in factory premises is provided and included in the valuation of inventory Custom duty on goods lying in custom bonded warehouse is accounted on clearance thereof. Modvat benefit is accounted for by reducing the purchase cost of the materials/fixed assets.

**l) Claims and benefits**

Claims receivable is accounted on accrual basis to the extent considered receivable.

**m) Revenue recognition**

Export sales are accounted on the basis of the date of bill of lading / airway bill. Other sales are accounted for ex-factory on despatch. Sales are net of returns.

**n) Income from Investments/Deposits**

Investments/Deposits Income from Investments is credited to revenue in the year in which it accrues. Income is stated in full with the tax thereon being accounted for under Income tax deducted at source.

**o) Revenue from Maintenance contracts**

Revenue from maintenance contracts are recognised pro-rata over the period of the contract as and when services are rendered.

**p) Product warranties**

The company gives warranties on certain products and services undertaking to repair or replace the items that fails to perform satisfactorily during the warranty period. Provisions are made towards expected cost of meeting such obligations of rectification/replacement. Warranty provisions are made for expected future cash outflows and computed on total sales made during the year, based on past experience. Provision has been computed on the total sales made during the year, based on past experience.

**q) Leases**

Lease agreements represent agreements entered into prior to 31st March, 2001. Assets under lease agreements are transferred in favour of the lessee on receipt of the final instalment as per agreement. Lease rents are recognised on accrual basis over the period of lease agreement. The initial direct cost related to lease transactions is recognised in the profit & loss account in the year such cost is incurred.

**r) Grant & Subsidies**

Grants received from Government agencies against specific assets are adjusted to the cost of the assets and capital grants for the Project Capital Subsidy are credited to Capital Reserve. Revenue Grants for the expenses incurred are reduced from the respective expenses.

**s) Taxation**

Provision for taxation is based on assessable profits of the company as determined under Income Tax Act, 1961. Deferred taxation is provided using the liability method in respect of taxation effect arising from all material timing difference between accounting and tax treatment of income and expenditure which are expected with reasonable probability to crystallize in the foreseeable future. Deferred tax benefits are recognized in the financial statements only to extent of any deferred tax liability or when such benefits are reasonably expected to be realizable in the near future.

**t) Earnings per share**

Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders (after deducting the preference share dividend, if any) by the weighted average number of equity shares outstanding during the year. Diluted earning per share is calculated by dividing the net profits attributable to equity shareholders (after deducting dividend on redeemable preference shares) by the weighted average number of equity shares outstanding during the year (adjusted for the effects of dilutive options).

**u) Contingent Liabilities**

Contingent Liabilities as defined in Accounting Standard-29 are disclosed by way of notes to accounts. Provision is made if it becomes probable that an outflow of future economic benefit will be required for an item previously dealt with as a contingent liability.

**3. Contingent Liabilities :**

	<b>As at 31.03.2011 (Rs.)</b>	<b>As at 31.03.2010 (Rs.)</b>
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-
b) Outstanding Bank Guarantee	8,694,719	8,714,729
c) Foreign letters of credit outstanding	267,820,450	288,553,275
d) Sales Tax/Income tax demands disputed in appeals	35,498,529	56,228,407
e) Uncalled liability of Partly Paid shares in associate	2,673,000,000	1,248,000,000
f) Corporate Guarantee given on behalf of Joint Venture Company Mandakini Coal Company Limited	202,600,000	202,600,000

**4. Operating Leases**

**Lessee**

The company has taken certain premises on cancelable/non cancelable operation lease arrangements:

a) Major term of agreement are as under

Particulars	<b>As at 31st March 2011</b>	<b>As at 31st March 2010</b>
Annual lease rent	9419612	8064028
Tenure of lease	11month , three year & five year	11month , three year & five year
Lease Deposit	2,757,938	1,912,538

b) **The Total of Future Minimum lease payment under non-cancellable operationing lease for each of the following period are as under**

	<b>As at 31st March 2011</b>	<b>As at 31 st March 2010</b>
A) Not later than 1Year	526,292	-
B) Later Than 1Year and not later than 5 Years	-	3,684,044
C) Later Than 5 years	-	-

**Lessor**

The company has given certain premises on cancelable/non cancelable operation lease arrangements:

a) Major term of agreement are as under

Particulars	<b>As at 31st March 2011</b>	<b>As at 31st March 2010</b>
Annual lease rent	308,000	-
Tenure of lease	One to Two Years	-
Lease Deposit	-	-

b) The Total of Future Minimum lease payment under non-cancellable operating lease for each of the following period are as under	As at 31st March 2011	As at 31st March 2010
A) Not later than 1Year	-	-
B) Later Than 1Year and not later than 5 Years	-	-
C) Later Than 5 years	-	-

5. Amounts to be credited to Investor Education and Protection Fund- NIL (Previous Year NIL)
6. The company has not received intimation from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and therefore, disclosure under this act have not been given. The management does not envisage any material impact on the financials in this regard.
7. Balances of Sundry debtors, Sundry creditors and advances from customers are subject to confirmation and reconciliation. Differences if any shall be accounted for on such reconciliation.
8. In the opinion of the Board of Directors subject to note 7 above, the current assets, loans and advances are expected to realise atleast the amount at which they are stated, if realised in the ordinary course of business and provision for all known liabilities has been adequately made in the accounts.
9. Sundry Debtors include Rs.22,83,367 (previous year Rs.14,45,915) under litigation, against which legal cases are pending in various Courts for recovery. The same are considered good and realisable in the opinion of the management.

## 10. Impairment of assets

In accordance with the Accounting Standard (AS-28) on 'Impairment of Assets' impairment analysis of assets by evaluation of the company's cash generating units, was carried out in the year 2008-09 and since recoverable amount was more than the carrying amount thereof, no impairment loss has been recognized in the current year as there is no indication of impairment which requires re-estimating the recoverable amount of the assets.

	Year ended 31.03.2011 (Rs.)	Year ended 31.03.2010 (Rs.)
<b>11. Auditors' Remuneration</b>		
As Audit Fees	308,000	304,000
As Limited Review Fees	60,000	20,000
As Tax Audit Fees	60,000	60,000
As Income tax matters	-	-
As Certification Fees	127,500	80,000
	<b>555,500</b>	<b>464,000</b>

12. a) Working Capital limits from banks are secured by first charge by way of hypothecation of stocks of raw material semi finished and finished goods and consumable stores, spares and book debts and receivables both present and future, ranking paripassu with working capital loans sanctioned by other participating banks.

b) Buyers Import Credit is secured against hypothecation of specified goods imported against foreign letter of credit.

## 13. a) Managerial Remuneration

Profit & Loss Account includes remuneration of managing director and whole time directors as under :

	Year ended 31.03.2011 (Rs.)	Year ended 31.03.2010 (Rs.)
Salary	3,433,955	2,362,975
Perquisites/Allowances	1,860,484	1,764,463
Contribution towards Provident Funds	28,080	24,180

**Note :** The above figure does not include contribution to Gratuity Fund as separate figures are not available for the Managerial personnel

- b) Computation of net profit in accordance with section 349 of the Companies Act, 1956 has not been enumerated, as no commission is payable and remuneration has been paid as per the provisions of schedule XIII of the Companies Act, 1956.

**14. Advance recoverable in cash or in kind include**

a) due from a director of the company	Nil	Nil
b) i. maximum amount due from a director at any time during the year	598,143	394,925
ii. maximum amount due from company secretary at any time during the year	30,000	30,000

**15. Other Liabilities includes Rs.30000 (previous year Rs.29950 ) due to the company secretary of the company.**

**16. (a)** It is management's perception that since the company is exclusively engaged in the activity of manufacture of photographic paper and films which are governed by the same set of risks and returns the same are considered to constitute a single reportable segment in the context of Accounting Standard on "Segment Reporting" issued by the Institute of Chartered Accountants of India.

(b) The company operates only in Indian market as such there is no separate geographics section.

**17. a)** During the year, the following contributions have been made under defined contribution plans.

	<b>2010-11</b>	2009-10
	<u>Rs.</u>	<u>Rs.</u>
Employer's Contribution to provident Fund	557612	590502
Employer's Contribution to Employees Pension Scheme	1217773	1293106
<b>b) Liability for leave encashment (Non-funded)</b>	<b>1013887</b>	<b>1284158</b>
<b>c) i) Reconciliation of opening and Closing balances of defined benefit obligation for Gratuity (funded)</b>		
Defined benefit obligation at the beginning of the year	12,717,896	12,610,522
Current service cost	1,226,861	1,329,647
Interest cost	1,017,432	1,008,842
Actuarial (gain)/Loss on obligation	1,179,296	(975,881)
Benefits Paid	(1,760,025)	(1,255,234)
Defined benefit obligation at the end of the year	14,381,460	12,717,896
<b>ii) Reconciliation of opening and closing balances of fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	12,580,911	10444417
Expected return on plan assets	1,179,068	1,062,892
Employers' Contributions	1,363,943	2,328,836
Benefits paid	(1,760,025)	(1,255,234)
Actuarial gain/(loss) on plan assets	-	-
Fair value of plan assets at the end of the year	13,363,897	12,580,911
Actual return on plan asset	1,179,068	1,062,892
<b>iii) Reconciliation of Fair value of assets and obligations</b>		
	as at 31.03.2011	as at 31.03.2010
	<u>Rs.</u>	<u>Rs.</u>
Fair value of plan assets	13,363,897	12580911
Present value of obligation	14,381,460	12717896
Amount recognised in Balance Sheet	(1,017,563)	(136,985)
<b>iv) Expense recognised during the year</b>		
	<b>2010-11</b>	2009-10
	<u>Rs.</u>	<u>Rs.</u>
Current service cost	1,226,861	1329647
Interest cost	1,017,432	1008842
Expected Return on Plan Assets	(1,179,068)	(1,062,892)
Actuarial (gain)/loss recognised in the period	1,179,296	(975,881)
Net Cost	2,244,521	299716

v) Actuarial assumptions			
Mortality Table (LIC)		1994-96 (duly modified)	1994-96 (duly modified)
Discount rate (per annum)		8.00%	8.00%
Rate of Increase in Salaries		6.00%	6.00%
Expected rate of return on plan assets		8.90%	8.90%

18. Disclosures as required by Accounting Standard-18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are as under:-

**A) Relationship**

**a) Associate companies**

Jindal India Powertech Limited

**b) Joint Venture Company**

Mandakini Coal Company Limited

**c) Controlling companies/Individuals**

Consolidated Photo & Finvest Ltd.

Consolidated Finvest & Holdings Limited

Soyuz Trading Co. Ltd.

**d) Key Management Personnel**

Shri Shammi Gupta, Managing Director

Shri Krishnasamy Ramaswamy, Wholetime Director

Shri Rajeev Aggarwal, Wholetime Director

Shri Rajeev Aggarwal ceased to be a director of the company w. e f. 15.7.2011

18. B) The following transactions were carried out with related parties in the ordinary course of business:

(Amount in Rs.)

Sr. No.	Nature of transaction	Referred to in A (a) (b) & (c) above		Referred to in A (d) above		Total	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010
1	Purchase of goods	-	-	-	-	-	-
2	Purchase of fixed assets	-	-	-	-	-	-
3	Sale of Investments	44,500,000	300,000	-	-	44,500,000	300,000
4	Remuneration	-	-	5,294,439	4,127,438	5,294,439	4,127,438
5	Interest paid	-	-	-	-	-	-
6	Interest earned	48	-	-	-	48	-
7	Rent received	84,000	-	-	-	84,000	-
8	Purchase of Investments	-	110,500,000	-	-	-	110,500,000
9	Investments made	581,750,000	-	-	-	581,750,000	-
10	Rent paid	900,000	900,000	-	-	900,000	900,000
11	Expenses reimbursed	540,995	644,106	-	-	540,995	644,106
12	Donation	-	-	-	-	-	-
13	Loan received	-	-	-	-	-	-
14	Loan given back	-	-	-	-	-	-
15	Loan granted	-	300,000	-	-	-	300,000

(Amount in Rs.)

Sr. No.	Nature of transaction	Referred to in A (a) (b) & (c) above		Referred to in A (d) above		Total	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010
16	Loan received back	-	300,000	-	-	-	300,000
17	Advances granted	7,550,000	-	-	-	7,550,000	-
18	Advances received	7,550,000	-	-	-	7,550,000	-
19	Transfer of Fixed Assets	-	-	-	-	-	-
20	Transfer of Preoperative Expenses	-	-	-	-	-	-
21	Advance granted	-	-	-	-	-	-
22	Balance outstanding:-	-	-	-	-	-	-
	- Investments	1,467,387,500	930,137,500	-	-	1,467,387,500	930,137,500
	- Loans recoverable	-	-	-	-	-	-
	- Advances recoverable	-	-	-	-	-	-
	- Sundry debtors	-	-	-	-	-	-
	- Sundry Creditors	256,175	259,209	-	-	256,175	259,209
	- Other Liabilities	150,000,000	-	-	-	150,000,000	-

Note : Related party relationship is as identified by the company and relied upon by the auditors

- 18.C)** i) A scheme of amalgamation of Jindal Packaging Films Ltd., Jindal India Hydro Ltd., Jindal Realmart Pvt. Ltd, Indian Software Consultancy Ltd., India Fincap Ltd. With Hindustan Powergen Ltd. (HPL) was approved by the Honorable Delhi High Court, whereby the aforesaid companies have been amalgamated with HPL with effect from the appointed date i.e. 01.04.2009 and shall become effective from the effective date which shall be the last date on which all the conditions referred in High Court order are fulfilled. Upon amalgamation, HPL will issue share to the shareholders of the erstwhile amalgamating companies in the ratio specified in the High court order. Allotment of shares by HPL to the shareholders of the amalgamating companies has been made on 27.04.2010. On allotment the company has received 35000 equity shares of HPL.
- ii) The company has acquired 89.65% shareholding of Jindal Minerais & Metais (Mozambique), Limitada w.e.f. 17.09.2010 as subscribers to the Articles of Association of Jindal Minerais & Metais (Mozambique), Limitada, the amount of share capital amounting to Rs 80,062 is yet to be remitted and accordingly not reflected in these accounts.

- 19.** The Net Deferred Tax Liability recognised in the Profit & Loss Account, as recommended under Accounting Standard (AS)-22 on "Deferred Taxation" issued by The Institute of Chartered Accountants of India is as under :-

(Amount in Rupees)

	As at 01.04.2010	For the year 2010-2011	As at 31.03.2011
<u>Deferred Tax Assets being tax impact thereon</u>			
(i) Expenses charged in the books, but allowance thereof deferred under Income tax laws	103,019	10,964	113,982
<u>Deferred Tax Liabilities being tax impact thereon</u>			
(ii) Long term capital losses carried forward	-	6,189,249	6,189,249
	103,019	6,200,213	6,303,232
(i) Difference between written down value of block of assets as per Income tax laws and written down value of the fixed assets as per books of accounts	32,715,467	(2,519,771)	30,195,697
	32,715,467	(2,519,771)	30,195,697
<b>Net Deferred Tax Liability</b>	<b>(32,612,448)</b>	<b>2,519,771</b>	<b>(23,892,465)</b>

## 20. Earnings per share (EPS)

	<u>31.03.2011</u>	<u>31.03.2010</u>
Basic/Dilluted Earning Per Share		
Net Profit/(Loss) for the year (Rs.)	180,219,545	14,63,70,823
No. of equity shares at the beginning of year	10,258,326	10,258,326
Basic/Dilluted Earning Per Share (Rs.)	17.57	14.27
	<b>Year ended</b>	<b>Year ended</b>
	<b>31.03.2011</b>	<b>31.03.2010</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>

## 21. Warranty Provisions

Opening balance	4,172,828	3,108,847
Additions during the year	-	1,398,269
Amount used during the year	-	334,288.00
Amount written off	1,003,747	-
Closing Balance	3,169,081	4172828

## 22. Excise Duty on (Increase)/Decrease in Stock has been computed as under :-

Excise Duty on Opening Stock	6,383,276	5,298,264
Less:- Excise Duty on Closing Stock	7,435,970	6,383,276
	<u>1,052,694</u>	<u>1,085,012</u>

23. Expenses under the head commission, discount, advertisement and business promotion are shown net of subsidy received/receivable.

24. Previous year's figures have been regrouped /re-arranged wherever considered necessary.

25. Since companies (Ref. Note no I -A) have become/ceased subsidiary of Jindal Photo Limited during the year, previous year figures with current year are not comparable.

26. Figures have been rounded off to the nearest rupee.

27. Schedules 'A' to 'U' are annexed to and form part of Statement of Accounts.

As per our report of even date attached

**For and on behalf of the Board**

**For B.K. Shroff & Co.**  
Chartered Accountants  
Firm Registration No. 302166E

**V.K. GUPTA**  
Company Secretary

**SHAMMI GUPTA**  
Managing Director

**ANIL GUPTA**  
Partner  
Membership No. 80074

**R.K. JAIN**  
G.M. (Accounts)

**S.C. SHARMA**  
Director

Place : New Delhi

Date : 25.8.2011

**FINANCIAL INFORMATION OF THE SUBSIDIARY COMPANIES AS REQUIRED BY GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS, VIDE CIRCULAR NO. 2/2011 DATED 8<sup>th</sup> FEBRUARY 2011.**

(Rs in Lacs)

S. No.	Name of Subsidiary	Jindal Imaging Limited	Jindal India Finvest & Holdings Limited	Consolidated Imaging Limited	Jindal Minerals & Metals (Mozambique) Limitada*
(a)	Share Capital	10.00	27.15	5.00	NIL
(b)	Reserves	NIL	1085.35	NIL	NIL
(c)	Total Assets	0.71	1111.95	4.18	NIL
(d)	Total Liabilities	50.07	11117.66	5.11	2.02
(e)	Details of Investment (Except investment in the subsidiaries)	NIL	1108.50	NIL	NIL
(f)	Turnover	NIL	NIL	NIL	NIL
(g)	Profit / (Loss) Before Taxation	(1.17)	(0.33)	(0.23)	2.02
(h)	Provision for taxation	NIL	NIL	NIL	NIL
(i)	Profit / (Loss) After taxation	(1.17)	(0.33)	(0.23)	2.02
(j)	Proposed Dividend	NIL	NIL	NIL	NIL

\* Incorporated during the financial year 2010-11.

# JINDAL PHOTO LIMITED

(Registered Office : 260/23, Sheetal Industrial Estate, Demani Road, Dadra - 396193, Dadra & Nagar Haveli (U.T.))

## PROXY FORM

I/We.....of.....  
..... in the District of  
..... being a member/members of JINDAL PHOTO LIMITED hereby appoint  
Mr./Ms .....of.....  
..... in the District of  
..... or failing  
him/her Mr./Ms.....  
.....in the District of.....  
as my/our proxy to vote for me/us on my/our behalf at the **8th ANNUAL GENERAL MEETING** of the Company to be held on **Tuesday the 27th day of September, 2011 at 11.30 A.M.** and at any adjournment thereof.

Signed this ..... Day of ..... 2011

Folio No. .... DP-ID: .....
Client ID: ..... No. of Shares .....

Affix a Rs. 1 Revenue Stamp
--------------------------------------

NOTE : The Proxy form duly executed should be deposited at the Registered Office of the Company at 260/23, Sheetal Industrial Estate, Demani Road, Dadra D & NH at least forty eight hours of prior meeting.

----- TEAR FROM HERE -----

# JINDAL PHOTO LIMITED

(Registered Office : 260/23, Sheetal Industrial Estate, Demani Road, Dadra - 396193, Dadra & Nagar Haveli (U.T.))

## ATTENDANCE SLIP

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting Hall.

I hereby record my presence at the **8th ANNUAL GENERAL MEETING** of the Company at the Registered Office of the Company on **Tuesday the 27th day of September, 2011 at 11.30 A.M.**

Folio No. .... DP-ID: .....
Client ID: ..... No. of Shares .....

.....  
**Full name of the shareholder  
(In block letters)**

.....  
**Signature**

**BOOK-POST**

*If undelivered please return to :*



**JINDAL PHOTO LTD.**

11/5-B, Basement, Opp. Telephone Exchange,  
Pusa Road, New Delhi -110 005