



JAIN ENERGY LTD.

39, SHAKESPEARE SARANI, PREMLATA, 5TH FLOOR, KOLKATA - 700 017
 TELE FAX : (033) 2283 3684/85/86 Email : jainenergy@yahoo.com

DIRECTORS' REPORT

TO THE MEMBERS OF THE COMPANY

Your Directors are pleased to present the First Director's Report and Audited Accounts for the period ended as on 31st March 2005.

1. **Performance of the Company**

Your Company was formed with the intention of generation of energy from conventional/ unconventional sources. However, no business could be commenced during the year.

2. **Dividends**

Your directors are unable to recommend any dividend for the year.

3. **Auditors**

The auditors Dalmia Mohta & Associates retires and being eligible offers themselves for re-appointment.

4. **Directors**

No change in Directorship is proposed.

5. **Personnel**

The employees of the Company are not covered under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particular of employees) Rule 1975 as amended.

6. **Conservation of energy, Technology absorption and foreign exchange earnings / outgo : Particulars prescribed by the companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988**

Not Applicable

7. **Directors' Responsibility Statement u/s 217 (2AA) :**

In terms of the provisions of Section 217 (2AA) of the Companies Act, 1956 the Directors state that :

- i. the applicable accounting standards have been followed in the preparation of the Annual Accounts and proper explanations have been furnished, relating to material departures.

JAIN ENERGY LIMITED

Uday K. Jain



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- ii. Accounting policies have been selected and applied consistently and reasonably, and prudent judgements and estimates have been made so as to give a true and fair value of the state of affairs of the Company for the financial year ended on 31st March 2005.
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. the annual accounts have been prepared on a going concern basis.

8. **Secretarial Compliance Certificate**

In accordance with Section 383A of the Companies Act, 1956, and (Companies Certificate) Rules, 2001, the Company has obtained a Secretarial Compliance Certificate from Company Secretaries to that effect and a copy of such certificate is annexed to this Report.

Place : Kolkata
Dated : August 27, 2005

By order of the Board

Chairman

JAIN ENERGY LIMITED

DIRECTOR

AUDITORS' REPORT

**TO THE MEMBERS OF
M/S. JAIN ENERGY LIMITED**

1. We have audited the attached Balance Sheet of M/s. Jain Energy Limited as at 31st March, 2005. 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 conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 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 paragraph (3) above, we report that :

- a) 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.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of such books.
- c) The Balance sheet dealt with by this report is in agreement with the books of account.
- d) In our opinion, the Balance Sheet dealt with by this report comply with the requirements of the Accounting Standards referred to in Sub section (3C) of section 211 of the Companies Act, 1956.
- e) On the basis of the written representations received from the directors of the Company as on 31st March, 2005, and taken on record by the Board of Directors of the Company, we report that none of the directors is disqualified as on 31st March, 2005 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2005;
- ii) As the company has not commenced any business, so no Profit & Loss Account has been prepared.

**For DALMIA MOHTA & ASSOCIATES
Chartered Accountants**

Place : Kolkata
Dated : The 27th day of August, 2005

A. K. Sharma
A. K. SHARMA
Partner
Membership No. 57329



JAIN ENERGY LIMITED

Alamy K. Jha
DIRECTOR

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in our Report of even date to the members of Jain Energy Limited on the Balance Sheet as on 31st March,2005)

- (i) There was no Fixed Assets during the year under audit, so the clause is not applicable to the Company.
- (ii) There was no Inventory during the year under audit, so the said clause is not applicable to the Company.
- (iii) According to the information and explanations given to us, the company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.

In view of what has been stated above, clause (iii)(b) regarding terms and conditions of such loans, clause(ii)(c) regarding payment of principal amount and interest and clause(iii)(d) regarding steps for recovery of overdue amount of Para 4 of the Order are not applicable to the Company for the year.

- (iv) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956.

In view of what has been stated above, clause (v)(b) regarding reasonability of price of such transactions is not applicable.

- (v) During the year under review, the Company has not accepted any deposits from the public.
- (vi) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current financial year and immediately preceding financial year.
- (vii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other securities.
- (viii) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund /societies.
- (ix) The nature of Company/s business/ activities during the year does not include dealing in shares, securities, debentures or other investment, hence the requirement of offering comments on this clause is not applicable.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) 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 by the Company.

JAIN ENERGY LIMITED

Munir K Jain

DIRECTOR



DALMIA MOHTA & ASSOCIATES

Chartered Accountants

39, Tara Chand Dutta Street,
3rd Floor, Kolkata-700 073
Phone : 2268-6070 (O), 2574- 9047 (R)
Mobile : 9331000512
E-mail : arunkumarsharma@isalcai.org

- (xii) The Company has not made any preferential allotment of shares to parties or Companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xiii) The Company did not have any outstanding debentures during the year.
- (xiv) The company has not raised any money by way public issue during the year and hence the question of disclosure and verification of end use of such moneys does not arise.
- (xv) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Clause No. (iv), (vii), (viii), (ix), (xi), (xvi) of the said order are not applicable to the Company during the year under audit.

For DALMIA MOHTA & ASSOCIATES
Chartered Accountants

Place : Kolkata
Dated : The 27th day of August, 2005

A.K. Sharma
A. K. SHARMA
Partner
Membership No. 57329



JAIN ENERGY LIMITED
Manoj Kumar
DIRECTOR

JAIN ENERGY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2005

	Schedule	As at 31st March, 2005
SOURCES OF FUNDS		
Shareholders' Funds :		
Share Capital	1	1900000.00
Reserves & Surplus	2	5600000.00
Loan Funds :		
Secured Loans		0.00
Unsecured Loans		0.00
Total Funds Employed		7500000.00
APPLICATION OF FUNDS		
Fixed Assets :		
Gross Block		0.00
Less : Depreciation		0.00
Net Block		0.00
Investment	3	2500000.00
Current Assets, Loans & Advances :		
Cash & Bank Balances	4	820445.00
Loans & Advances	5	4800000.00
		5620445.00
Less : Current Liabilities & Provisions :	6	852204.00
Net Current Assets		4768241.00
Miscellaneous Expenses (to the extent not written off)		117275.00
Preliminary Expenses		114484.00
Pre-operative expenses	7	114484.00
Total Funds Utilised		7500000.00
Notes on Accounts	8	

THE SCHEDULES ANNEXED TO ABOVE
FORM PART OF THE BALANCE SHEET.

For JAIN ENERGY LIMITED

For JAIN ENERGY LIMITED

Honey K Jain
DIRECTOR

Rakha Jain
DIRECTOR

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

Place : Kolkata
Date : August 27, 2005

For DALMIA MOHTA & ASSOCIATES
Chartered Accountants

A.K. Sharma
A. K. SHARMA
Partner



JAIN ENERGY LIMITED

Honey K Jain
DIRECTOR

JAIN ENERGY LIMITED

SCHEDULES TO AND FORMING PART OF THE BALANCE SHEET AS ON 31-03.2005

	As at 31st March, 2005
SCHEDULE '1'	
SHARE CAPITAL	
Authorised :	
5,00,000 Equity Shares of Rs 10 each	5000000.00
	5000000.00
Issued, subscribed & Paid-up :	
1,90,000 Equity Shares of Rs 10 each, fully paid up	1900000.00
	1900000.00
SCHEDULE '2'	
RESERVES & SURPLUS	
Share Premium	5600000.00
	5600000.00
SCHEDULE '3'	
INVESTMENT	
Smiti Food Park Pvt. Ltd.	2500000.00
	2500000.00
SCHEDULE '4'	
CASH & BANK BALANCES	
Cash in Hand	56465.00
Balances with Scheduled Banks :	763980.00
Current Accounts	
	820445.00
SCHEDULE '5'	
LOANS & ADVANCES	
Advance Recoverable in Cash or in Kind or to be Value to be received	3300000.00
Share Application	1500000.00
	4800000.00
SCHEDULE '6'	
CURRENT LIABILITIES & PROVISION	
Audit Fees Payable	2204.00
Jain Sponge Pvt. Ltd	800000.00
Nishith Desai Associates	50000.00
	852204.00
SCHEDULE '7'	
PREOPERATIVE EXPENSES	
Legal & Professional Fees	111020.00
Printing & Stationery	1260.00
Audit Fees	2204.00
	114484.00



JAIN ENERGY LIMITED

Ami K Jain
DIRECTOR

SCHEDULE - '8'

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNT

1. **General** : The accounts of the Company are prepared under the Historical Cost Convention using the accrual method of accounting.
2. **Valuation of Assets** : Not Applicable
3. **Depreciation Accounting** : Not Applicable
4. **Valuation of Closing Stock** : Not Applicable
5. **Accounts** : The accounts of the Company are prepared for the period since incorporation i.e. from 05-11-2004 to 31-03-2005. Previous years figures are not shown as this is the first year of operation.

Schedule 1 to 8 are annexed to and forming part of Account for the year ended 31st March, 2005

For JAIN ENERGY LIMITED

Harey K Jain
DIRECTOR

For JAIN ENERGY LIMITED

Rekha Jain
DIRECTOR

For DALMIA MOHTA & ASSOCIATES
Chartered Accountants

A.K. Sharma

Place : Kolkata
Dated : The 27th day of August 2005

A. K. SHARMA
Partner
Membership No. 57329



JAIN ENERGY LIMITED

Harey K Jain
DIRECTOR

JAIN ENERGY LIMITED

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
AS PER PART (IV) OF SCHEDULE - VI TO THE COMPANIES ACT, 1956**

I) REGISTRATION DETAILS :

Registration No. : U 40101 WB 2004 PLC 100325
State Code : 21
Balance Sheet Dated : 31.03.2005

II) CAPITAL RAISED DURING THE YEAR : (RS IN '000)

Public Issue : NIL Right Issue : NIL
Bonus Issue : NIL Private Placement/Others : 1900

III) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS : (RS IN '000)

Total Liabilities - 7500 Total Assets - 7500

SOURCES OF FUNDS :

Paid up Capital : 1900 Reserves & Surplus : 5600
Secured Loan : NIL Unsecured Loan : NIL
Share Application : NIL

APPLICATION OF FUNDS :

Net Fixed Assets : NIL Investment : 2500
Net Current Assets : 4768 Miscellaneous Expenses : 231
Accumulated Losses : NIL

IV) PERFORMANCE OF COMPANY : (RS IN '000)

Turnover : NIL Total Expenditure : NIL
(Misc. Income)
P/L before tax : NIL P/L after tax : NIL
Earning / Share in Rs : NIL Dividend Rate : NIL

**V) GENERIC NAME OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY :
(AS PER MONETARY TERMS)**

Item Code No. :
Product Description :

For JAIN ENERGY LIMITED

Manoj K. Jain
DIRECTOR

For JAIN ENERGY LIMITED

Rekha Jain
DIRECTOR

For DALMIA MOHTA & ASSOCIATES
Chartered Accountants

A. K. Sharma

A. K. SHARMA
Partner

Membership No. 57329

Place : Kolkata
Dated : The 27th day of August 2005



JAIN ENERGY LIMITED

Manoj K. Jain
DIRECTOR