



ANNUAL REPORT
2006 - 2007

Consolidated Finvest & Holdings Ltd.

Managing Director:

Vasdev Aggarwal up to 30.04.2007

Punit Gupta w.e.f. 30.04.2007

Directors:

Umesh Chand Jain

Sushil Mittal

Rathi Binod Pal up to 31.08.2007

Shiv Kumar Mittal w.e.f. 31.08.2007

Company Secretary:

Anil Kaushal

Bankers:

ABN Amro bank

UTI Bank

Auditors:

Kanodia Sanyal & Associates

Chartered Accountants

New Delhi

Registered Office:

19th K.M. Hapur - Bulandshahr Road

P.O. Gulaothi

Distt-Bulandshahr, Uttar Pradesh

Tel: 05732-2229030,2229143

Head Office:

25-28, Rajendra Bhawan,

Rajendra Place,

New Delhi-110 008

Tel: 011-25767000-02, 25767005-07

Fax: 011-25767029, 25767022, 25767015

Registrar & Share Transfer Agent:

Intime Spectrum Registry Ltd.

(Unit: Consolidated Finvest & Holdings Ltd.)

A-40, 2nd Floor,

Naraina Industrial Area, Phase-II,

New Delhi 110028

Phones: 011-41410591-94

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Consolidated Finvest & Holdings Limited

NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the members of Consolidated Finvest & Holdings Limited will be held on Thursday, 27th September 2007 at 11:00 A.M. at the Registered Office of the Company at 19th K.M. Hapur-Bulandshahr Road, P.O. Gulaothi, Dist. Bulandshahr, Uttar Pradesh – 245408 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended on 31st March, 2007 and the Balance Sheet as at that date together with the reports of the Directors and Auditors thereon and statement in respect of Subsidiary Companies under Section 212 of the Companies Act, 1956.
2. To declare dividend for the year ended 31st March 2007 on equity shares of the company @ 5% i.e. Rs.0.50 per share.
3. To elect a Director in place of Mr. Sushil Mittal who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to authorize Board to fix their remuneration.

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. Punit Gupta, who was appointed by the Board of Directors as an Additional Director pursuant to Article 85 of Articles of Association, and who holds office till the date of ensuing Annual General Meeting pursuant to Section 260 of the Companies Act, 1956, and in respect of whom the company has received a notice in writing under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as Director of the company, liable to retire by rotation."

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

"RESOLVED THAT Mr. Shiv Kumar Mittal, who was appointed by the Board of Directors as an Additional Director pursuant to Article 85 of Articles of Association, and who holds office till the date of ensuing Annual General Meeting pursuant to Section 260 of the Companies Act, 1956, and in respect of

whom the company has received a notice in writing under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as Director of the company, liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 and 316 read with Schedule XIII and all other applicable provisions, if any of the Companies Act, 1956, and subject to such other approvals as may be necessary, the company hereby accords its approval and consent to the appointment of Mr. Punit Gupta as the Managing Director of the company as per the terms and conditions including remuneration as are set out in the explanatory statement.

RESOLVED FURTHER THAT the appointment of Mr. Punit Gupta, Managing Director, is for a period of 5 (Five) years, commencing on and from 30th April, 2007."

By Order of the Board
For **CONSOLIDATED FINVEST & HOLDINGS LIMITED**

Place: New Delhi
Date : 31st August 2007

Anil Kaushal
(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. THE 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.

- 2) The Register of Members of the Company and the Share Transfer Books shall remain closed from **Friday, 14th September 2007 to Tuesday, 18th September 2007**; (both days inclusive).
- 3) Additional information, pursuant to clause 49 of the Listing Agreement with Stock Exchanges, on Directors recommended for appointment/re-appointment at the Annual General Meeting, is annexed hereto.

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4) Members holding shares in physical form are requested to notify/send the following to the Company or Share Transfer Agent to facilitate better services:-

- a) Any change in their address/mandate/bank details.
- b) Particulars of their bank account, in case the same have not been sent earlier, for printing on dividend warrants to prevent fraudulent encashment, and
- c) 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.

5) 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 and inform that their address and bank details, as furnished to the Company by the respective Depositories, viz., NSDL & CDSIL will be printed on the dividend warrants.

6) The unclaimed dividend upto the financial year 1993-94 have already been transferred to the General Reserve Account of the Central Government. Shareholders who have not encashed their warrants for the said years are requested to claim the amount from Registrar of Companies (UP & Uttaranchal) West Cott Building, The Mall, M.G. Marg, Kanpur. The unclaimed dividend for the financial year 1994-95 to 1999-2000 and unclaimed /unpaid share application money have also been transferred to the Investor Education & Protection Fund.

The unpaid/unclaimed dividend for the years 2000-01 and onwards will become transferable at the end of seven years respectively, to the said Investor Education and Protection Fund and no claims shall lie against the fund or the company in respect of individual amounts thereafter. Shareholders are, therefore, requested to check and send their claims, if any, for the relevant years from 2000-01 onwards before the respective amounts become due for transfer to the above fund.

7) Dividend as recommended by the Directors for the year ended 31st March, 2007, 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 13th September, 2007. In respect of shares held in demat form, the dividend will be payable on the basis of the statement of beneficial ownership as at close of business on 13th

September 2007, furnished by NSDL and CDSIL for this purpose.

- 8) Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
- 9) 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 readily available at the meeting.

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

Item no. 5 & 7

Mr. Punit Gupta was appointed as the Additional Director on the Board of the company with effect from 30th April, 2007. He holds office up to the date of the ensuing Annual General Meeting. Notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose the candidature of Mr. Punit Gupta for the office of the Director of the company.

Further Mr. Punit Gupta was appointed as the Managing Director of the company for a period of five years by the Board of Directors in their meeting held on 30th April 2007 subject to approval of the members in general meeting without any remuneration. His appointment needs to be approved in this meeting and in this regard the Board recommends the resolution for your approval. Mr. Punit Gupta is having rich experience in the field of Marketing and Project Development.

None of the Directors except Mr. Punit Gupta is concerned or interested in the said resolution.

Item No. 6

Mr. Shiv Kumar Mittal was appointed as the Additional Director on the Board of the company with effect from 31st August 2007. He holds office up to the date of the ensuing Annual General Meeting. Notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose the candidature of Mr. Shiv Kumar Mittal for the office of the Director of the company. Mr. Shiv Kumar Mittal is having rich experience in the field of Taxation, Accounts and Administration.

The Board of Directors considers the continuance of Mr. Shiv Kumar Mittal on the Board of the company and recommends the resolution for your approval.

None of the Directors except Mr. Shiv Kumar Mittal is concerned or interested in the said resolution.

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DETAILS OF DIRECTOR SEEKING APPOINTMENT/ RETIRING BY ROTATION & SEEKING RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING (IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT)

1. Mr. Sushil Mittal

Name of Director	Mr. Sushil Mittal
Date of Birth	03/01/1955
Date of Appointment	31/08/2006
Expertise in specific functional area	Project Management
Qualification	B.COM, M.B.E.
Directorship in other Companies	Jumbo Finance Limited Jindal Photo Investments Limited
Chairman/Member of the Committee of the Board of Directors of the Company	Audit Committee
Chairman / Member of the Committees of Director of other Companies in which he is a Director	
a) Audit Committee	—
b) Shareholder/Investor Grievance Committee	—
c) Remuneration Committee	—

2. Mr. Punit Gupta

Name of Director	Mr. Punit Gupta
Date of Birth	30/08/1966
Date of Appointment	30/04/2007
Expertise in specific functional area	Marketing, Project Management
Qualification	B.Sc, M.B.A.
Directorship in other Companies	Jindal Poly Films Limited Hindustan Polyster Limited Jupax Barter Pvt. Limited Jindal Meadows Limited Jindal Photo Investment Limited Jesmin Investments Limited
Chairman/Member of the Committee of the Board of Directors of the Company	Audit Committee Shareholders/Investors Grievance and Share Transfer Committee.
Chairman/Member of the Committees of Director of other Companies in which he is a Director	
a) Audit Committee	Jindal Photo Investments Limited
b) Shareholder/Investor Grievance Committee	—
c) Remuneration Committee	—

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3. Mr. Shiv Kumar Mittal

Name of Director	Mr. Shiv Kumar Mittal
Date of Birth	10/08/1944
Date of Appointment	31/08/2007
Expertise in specific functional area	Accounts, Taxation, Administration
Qualification	B.Com, L.L.B., F.C.S.
Directorship in other Companies	Consolidated Photo & Finvest Limited Hindustan Polyster Limited Soyuz Trading Company Limited Indian Software Consultancy Limited Jindal Photo Investment Limited
Chairman/Member of the Committee of the Board of Directors of the Company	Audit Committee Shareholders/ Investors Grievance and Share Transfer Committee.
Chairman / Member of the Committees of Director of other Companies in which he is a Director d) Audit Committee e) Shareholder/Investor Grievance Committee f) Remuneration Committee	Jindal Photo Investments Limited Consolidated Photo & Finvest Limited — —

By order of the Board
For **Consolidated Finvest & Holdings Limited**

Place: New Delhi
Date: 31st August, 2007

Anil Kaushal
(Company Secretary)

Consolidated Finvest & Holdings Limited

DIRECTORS' REPORT

To the members,

Your Directors have pleasure in presenting the 21st Annual Report of your company together with the audited accounts of the company for the year ended 31st March 2007.

FINANCIAL RESULTS

	(Rs. In Lacs)	
	Year ended 31-3-2007	Year ended 31-3-2006
Income	825	1,330
Profit before Interest, Depreciation & Tax	785	—
Less: i) Interest & Financial charges	—	—
ii) Provision for Depreciation	70	48
iii) Provision for Taxation	83	32
iv) Deferred Tax Liability/(Asset) for the year	(34)	5
Profit After Tax	666	1,245
Less : Taxation related to earlier years	—	14
Profit for the Year	666	1,231
Add: Previous year profit brought forward	7,196	6,520
Balance Available for appropriations	7,862	7,751
Appropriations		
Dividend (Proposed)	162	162
Tax on Dividend	27	22
Transfer to Reserve Fund	133	246
Transfer to General Reserves	125	125
Balance Carried to Balance Sheet	7,414	7,196

OPERATIONS

During the year your Company has earned a profit after tax of Rs. 666 lacs as compared to Rs.1,231 lacs in the previous year, mainly from sale/redemption of investments in shares and mutual funds, dividend received and interest earned. The Profit during the year was less as compared to previous year as your Company did not liquidate its' investments.

DIVIDEND

Your directors are pleased to recommend a dividend of 5% on the paid up equity share capital of the company for the year ended 31st March 2007. The total payout of the company in respect of dividend is Rs.189.10 lacs (inclusive of Dividend Tax).

DEPOSITS

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

RBI REGULATIONS

Your Company continues to fulfill all the norms and standards laid down by the Reserve Bank of India (RBI). It is also filing monthly return on important financial parameters on online basis to RBI, introduced by them during the year.

DIRECTORS

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

Shri Punit Gupta was appointed as the Additional Director and Managing Director of the Company with effect from 30th April 2007.

Shri Shiv Kumar Mittal was appointed as the Additional Director of the company with effect from 31st August 2007, is being appointed as director.

Shri Vasdev Aggarwal has resigned from the directorship on 30th April 2007. The Board wishes to place on record

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its sincere appreciation for the valuable services rendered by him during his tenure as Director of the Company.

Shri Rathi Binod Pal has resigned from the directorship on 31st August 2007. The Board wishes to place on record its sincere appreciation for the valuable services rendered by him during his tenure as Director of the Company.

AUDIT COMMITTEE

At present the audit committee comprises of the following Directors:

Mr. Umesh Chand Jain (Chairman)

Mr. Punit Gupta

Mr. Sushil Mittal

CORPORATE GOVERNANCE

The Company has complied with 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.

SUBSIDIARY COMPANIES

Jindal Photo Investments Limited and Jindal Meadows Limited continue to be the wholly owned subsidiaries of your company. Further Jesmin Investments Limited is also a subsidiary of the Company.

During the year Agile Properties Limited, Consolidated Buildwell Limited, Consolidated Relators Limited and Vigil Farms Limited ceased to be the subsidiaries of the Company.

In compliance with the provisions of Section 212 of the Companies Act, 1956, a statement is annexed and forms part of this report. The audited accounts of the subsidiaries, Jindal Photo Investments Limited, Jindal Meadows Limited, and Jesmin Investments Limited for the year ended 31st March, 2007 along with Directors' and Auditors' Reports are annexed to this Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Accounting Standard-21 (Consolidated Financial Statements), the Consolidated Financial Statements form part of this report & accounts. These Financial Statements have been prepared from the audited financial statements received from Subsidiary Companies, as approved by their respective Boards.

LISTING OF COMPANY'S SHARES ON STOCK EXCHANGES

The Company's shares continue to be listed on "The Bombay Stock Exchange Limited" (BSE) and "The National Stock Exchange of India Limited" (NSE), which have nation wide trading terminals.

GROUP

Details of persons constituting under 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 is annexed and forms part of this report.

AUDITORS

M/s Kanodia Sanyal & Associates, Chartered Accountants, New Delhi, the auditors of your Company, retire at the ensuing Annual General Meeting and your directors recommend their re-appointment. They have furnished a certificate to this effect that their re-appointment, if made, will be in accordance with sub-section (1B) of Section 224 of the Companies Act, 1956.

AUDITORS' OBSERVATIONS

The Notes to the Accounts, forming part of the Balance Sheet as at 31st March, 2007 and Profit and Loss Account for the year ended on that date, referred to in the Auditors' Report are self explanatory and, therefore, do not call for any further comment under Section 217(3) of the Companies Act, 1956.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of clause 2(A) (d) of the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, in so far as it relates to conservation of energy and technology absorption are not applicable, as the company does not have any manufacturing activity.

The Company is also not having any foreign exchange earnings and outgo during the period under review.

PERSONNEL

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

There is no employee who has received the remuneration of Rs. 2,00,000 per month and/or above or Rs. 24,00,000 per annum and/or above during the year under review.

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

The Directors confirm:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- That they have selected such accounting policies and applied them consistently and made judgements 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;

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- 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 a 'going concern' basis.

ACKNOWLEDGEMENT

The Directors express their gratitude towards the Banks and various other agencies for the cooperation extended to the company. The Directors also take this opportunity

to thank the shareholders for the confidence reposed by them in the company.

The employees of the company contributed significantly in achieving the results. The Directors take this opportunity to thank them and hope that they will maintain their commitment towards excellence in the years to come.

(PUNIT GUPTA)

Managing Director

Place: : New Delhi

Dated : 31st August, 2007

(UMESH CHAND JAIN)

Director

ANNEXURE TO THE DIRECTORS' REPORT

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

	Name of Subsidiary	Jindal Photo Investments Ltd.	Jindal Meadows Ltd.	Jesmin Investments Ltd.
1.	Financial Year of the subsidiary ended on	31 st March 2007	31 st March 2007	31 st March 2007
2.	Holding company's interest in the equity share capital	100 %	100 %	83.77 %
3.	Profit / (loss) for the current financial year so far as it concerns the members of the holding company, not dealt with or provided for in the accounts of the holding company.	35,204,128	38,011	10,689,004
4.	Net aggregate profits/(losses) for the previous financial years since becoming subsidiary so far as it concerns the members of the holding company, not dealt with or provided for in the accounts of holding company.	375,160,588	336,650	810,192
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

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.

- Jindal Photo Limited
- Jindal Imaging Limited
- Consolidated Finvest & Holdings Limited
- Jindal Photo Investments Limited
- Jesmin Investments Limited
- Consolidated Buildwell Limited
- Consolidated Realtors Limited
- Jindal Meadows Limited
- Vigil Farms Limited
- Agile Properties Limited
- Rishi Trading Company Limited
- Soyuz Trading Company Limited
- Jindal Poly Films Limited
- Hindustan Polyester Limited
- Jindal France SAS, France
- Rexor SAS, France
- Consolidated Photo & Finvest Limited
- Jumbo Finance Limited
- Jupax Barter Private Limited
- Jindal Realtors Limited
- Passion Tea Private Limited
- Jindal India Thermal Power Limited
- AXL Resources Pvt. Ltd.
- Indian Software Consultancy Limited
- Jindal (India) Limited
- Flexstar Sales Private Limited
- Bazaloni Groups Limited
- Mr. Shyam Sunder Jindal
- Mrs. Subhadra Jindal
- Ms. Gunjan Jindal
- Ms. Aakriti Jindal
- Mr. Bhavesh Jindal
- Shyam Sunder Jindal (HUF)
- Mr. Bhavi Chand Jindal
- Mrs. Meena Devi Jindal
- B.C. Jindal and Sons

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REPORT ON CORPORATE GOVERNANCE

I. PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company remains committed to laying strong emphasis on providing highest level of transparency, accountability and integrity towards all its stakeholders. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders value. While practicing good Corporate Governance, your Company strives to communicate in a truthful manner, all the material developments and its financial performance in a timely and meaningful manner.

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

VISION

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

During the financial year ended 31st March 2007 five Board Meetings were held, as follows:

29th April 2006
31st July 2006
31st August 2006
31st October 2006
31st January 2007

For every Board Meeting the agenda papers along with 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, and all other information including those specified under Annexure 1 of clause 49 of the Listing agreement, if any.

Composition of the Board of Directors and other details as on 31st March 2007.

Name of the Director	Category	No of Meetings attended	Attendance at Last Annual General Meeting	No. of Outside Directorships held	No. of membership/ chairmanship in Board Committees
Mr. Vasdev Aggarwal *	Managing Director	5(Five)	Yes	2 (Two)	
Mr. Rathi Binod Pal **	Director (Non Executive & Non Independent)	5(Five)	No	6 (Six)	1 (One)
Mr. Umesh Chand Jain	Director (Non Executive & Independent)	5(Five)	Yes	6 (Six)	4 (Four)
Mr. Sushil Mittal #	Director (Non Executive & Independent)	1(One)	No.	2 (Two)	
Mr. Shammi Gupta @	Director (Non Executive & Independent)	2(Two)	No.	1(One)	

* Resigned from the post of Director on 30th April 2007
Appointed as Additional Director on 31st August 2006.

** Resigned from the post of Director on 31st August 2007.
@ Resigned from the post of Director on 31st August 2006.

VALUES

- Mutual Trust and Appreciation
- Integrity and Honesty
- Dedication & commitment
- Creativity and teamwork
- Openness and transparency
- Pursuit of excellence

II. BOARD OF DIRECTORS

The composition of the Board of Directors is governed by the Companies Act, 1956, the Listing Agreement and the Articles of Association of the Company. Board of Directors comprises of a Managing Director and three independent Directors. The Board elects its chairman at its meetings.

Changes after F.Y. 2006-2007

Mr. Punit Gupta was appointed as Additional Director and Managing Director with effect from 30.04.2007 in place of Shri Vasdev Aggarwal who resigned on 30.04.2007. Mr. Shiv Kumar Mittal was appointed as Additional Director of the Company with effect from 31.08.2007 in place of Mr. Rathi Binod Pal who resigned from the Board on 31.08.2007.

III AUDIT COMMITTEE

The Audit Committee comprises of three independent Directors and one Executive Director. Mr. Vasdev Aggarwal, having sufficient experience in the field of accounts, finance, taxation and related areas was appointed as Chairman of the Audit Committee on 11th April 2006 in place of Mr. Sanjeev Kumar Aggarwal. Vasdev

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Aggarwal also resigned as Chairman of the Committee on 31.08.2006. Mr. Umesh Chand Jain, having sufficient experience in the field of accounts, finance and related areas was appointed as Chairman of the Audit Committee on 31.08.2006. The present composition of the Audit Committee is as under:

- i) Mr. Umesh Chand Jain (Chairman)
- ii) Mr. Sushil Mittal
- iii) Mr. Punit Gupta
- iv) Mr. Shiv Kumar Mittal

The representative of M/s Kanodia Sanyal & Associates, Chartered Accountants, the statutory auditors is the permanent invitee to the Audit Committee meetings. The quorum of the committee is two members. The minutes of the Audit Committee are placed before the board. Mr. Anil Kaushal, Secretary of the Company is the Secretary of the Audit Committee.

Chairman of the audit committee will be present at the Annual General Meeting of the Company to answer the shareholders queries.

During the financial year ended 31st March 2007 five meetings of the Audit Committee were held, as follows:

- 29th April 2006
- 31st July 2006
- 31st August 2006
- 31st October 2006
- 31st January 2007

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

Name	Designation	Meetings attended
Mr. Vasdev Aggarwal *	Chairman	3(Three)
	Member	2(Two)
Mr. Umesh Chand Jain **	Chairman	2(Two)
	Member	3(Three)
Mr. Shammi Gupta #	Member	3(Three)
Mr. Sushil Mittal @	Member	2 (Two)

* Appointed as Chairman of the Committee w.e.f. 11th April 2006 and resigned from the Chairmanship of the Committee on 31.08.2006.

** Appointed as Chairman of the Committee on 31.08.2006 in place of Mr. Vasdev Aggarwal and w.e.f. 31st October 2006 attended as Chairman of the Committee.

Ceased to be a member of the Committee on 31.08.2006.

@ Appointed as a member of the Committee on 31.08.2006 in place of Mr. Shammi Gupta who resigned from the Board on 31.08.2006.

The broad terms of reference of Audit Committee are as under:

- Review of Quarterly/Half Yearly Unaudited Results.
- Review of quarterly Internal Audit Report and internal Control System.

- Review of adequacy of Internal audit function and discuss any significant finding with them, assessing and evaluating the risk and taking measures for mitigating the same.
- Review with Internal Auditors on significant findings and follow up thereon.
- Recommending the appointment/re-appointment of Auditors, fixation of Audit Fees and approval of payment of fees for any other services rendered by them.
- Review of Audited Annual Financial Statements.
- Reviewing the findings of any internal investigations by the internal auditors and the executive Management's response on matters where is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- Reviewing the Company's financial and risk management policies.
- Considering such other matters as may be required by the Board.
- Reviewing any other areas which may be specified as role of the Audit Committee under the Listing Agreement, Companies Act and other statutes, as amended from time to time.

IV. REMUNERATION OF DIRECTORS FOR YEAR 2006-2007

No remuneration was paid to any of the Directors of the Company during the financial year 2006-2007.

V. SHAREHOLDERS/INVESTORS GRIEVANCE AND SHARE TRANSFER COMMITTEE

The Board has constituted a 'Shareholders/Investors Grievance And Share Transfer Committee' which monitors share transfer, transmission, splits, consolidation and also redressal of shareholders and investors grievances. Investors' grievances are resolved to the extent possible within one week. Committee meets on fortnightly basis to solve the shareholders queries.

At present the committee comprises of the following members:

- i) Mr. Umesh Chand Jain (Chairman)
- ii) Mr. Punit Gupta
- iii) Mr. Shiv Kumar Mittal

During the year under review, 24 meetings of the committee were held. During the year 427 complaints were received directly from shareholders/investors and through Stock Exchanges, SEBI, DCA etc. 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.

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All valid requests for transfer have been acted upon and no transfer received during the year 2006-2007 is pending.

VI. GENERAL BODY MEETING

Location and time of the last three Annual General Meetings are as under: -

Year	Venue	Date	Time
2006	Regd. Off: 19 th K.M. Hapur - Bulandshahr Road, P.O. Gulaothi, Dist. Bulandshahr, Uttar Pradesh	26 th September, 2006	11:00 AM
2005	Regd. Off: UPSIDC Industrial Area, Bhimtal, Dist.-Nainital (Uttaranchal)	30 th September, 2005	11:00 AM
2004	Regd. Off: UPSIDC Industrial Area, Bhimtal, Dist.-Nainital (Uttaranchal)	30 th September, 2004	10:00 AM

No special resolution was passed in last Annual General Meeting i.e. in 2006.

VII. DISCLOSURES

- I. There have been no materially significant transactions with the related parties, pecuniary transactions or relationship other than in the financial statements for the year ended 31.03.2007 (Refer Note no. 11 of Notes to Accounts - Schedule 'M' forming part of the Balance Sheet & Profit & Loss Account). Accordingly the same have not been reproduced here.
- II. The Company has complied with the requirements of Stock Exchanges, SEBI and other Statutory Authorities during the preceding three years on all matters related to capital markets and no penalties/strictures have been imposed on the Company.
- III. The Company has adopted a Code of Conduct applicable to all Directors and Senior Management personnel of the Company. For the year under review, all directors and senior management personnel have confirmed their adherence to the provisions of said code. A declaration to this effect from Managing Director of the Company is also given to this effect at the end of this report.
- IV. Risk Assessment and Minimization procedures are in existence and reviewed periodically.
- V. Jindal Photo Investments Limited is only 'Material Non Listed Subsidiary' Company in terms of revised Clause 49 of the Listing Agreement. However, the financial results and the investments (as and when

made) are placed before the Audit Committee of the Company for review. Mr. Umesh Chand Jain, Independent Director of the Parent Company i.e. Consolidated Finvest & Holdings Limited, is also on the Board of the Jindal Photo Investments Limited.

- VI. The Managing Director and Company Secretary have, as required under clause 49 of the Listing agreement, given their certificate on the review of financial statements, including cash flow, for the year ended 31.03.2007 to the Board of Directors.
- VII. The Company has not adopted Whistle Blower Policy being a Non Mandatory requirement. However no person has been denied to access to the Audit Committee.
- VIII. All the mandatory requirements of Corporate Governance under clause 49 of Listing Agreement are being adhered to/complied with.

VIII. MEANS OF COMMUNICATION

This is being done through submission of quarterly results and Annual 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 Jansatta (Hindi). All other price sensitive and any other information are sent to The National Stock exchange of India Limited (NSE) and The Bombay Stock Exchange Limited. (BSE) where shares of the Company are listed.

The Company is also filing the requisite reports under the Electronic Data Information Filing and Retrieval System (EDIFAR) website maintained by National Informatics Centre (NIC) pursuant to Securities & Exchange Board of India (SEBI) regulations. The information can be accessed in the EDIFAR website viz., www.sebiedifar.nic.in.

Management Discussion and Analysis forms part of this Annual Report.

IX. GENERAL SHAREHOLDER INFORMATION

a. Annual General meeting

Date and time : 27th September 2007 at 11:00 A.M.

Venue : 19th K.M. Hapur-Bulandshahr Road, P.O. Gulaothi, Dist. Bulandshahr, Uttar Pradesh - 245408

Consolidated Finvest & Holdings Limited

b. Financial Calendar (tentative)

Financial Year.	1 st April 2007 to 31 st March 2008
Unaudited Financial Results for the first quarter ending June 30, 2007.	End July 2007
Unaudited Financial Results for the second quarter ending September 30, 2007.	End October, 2007
Unaudited Financial Results for the third quarter ending December 31, 2007.	End January, 2008
Unaudited Financial Results for the fourth quarter ending March 31, 2008.	End April, 2008
Annual Accounts 2007-2008.	July/August 2008
Annual General Meeting for the year ending March 31, 2008.	August/September 2008

c. Date of Book Closure

Friday, 14th September 2007 to Tuesday, 18th September 2007 (both days inclusive).

d. Dividend payment date

Dividend warrants will be dispatched before 26th October 2007, upon approval of the dividend by the shareholders in the Annual General Meeting.

e. Listing on Stock Exchanges

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

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

The Listing fee for the year 2007-2008 has been paid to the above Stock Exchanges in time.

f. Stock Code

BSE : 500226

NSE : CONSOFINVT

ISIN : INE025A01027

g. Market Price Data

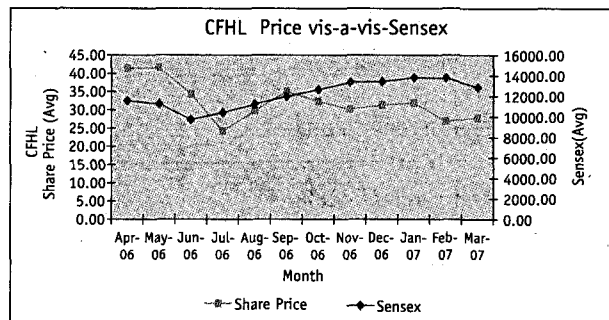
High Low during each month in the last financial year from 1st April 2006 to 31st March 2007 on

i) The Bombay Stock Exchange Ltd.

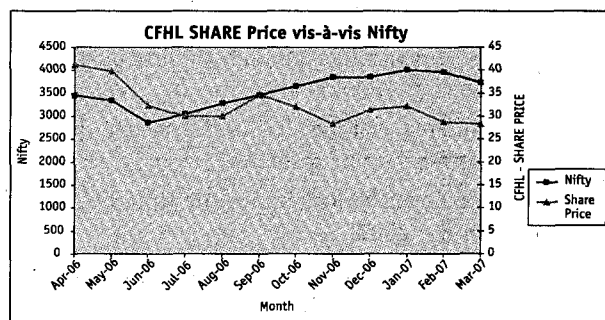
Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
April, 2006	44.50	38.20	October, 2006	34.95	29.75
May, 2006	50.00	33.00	November, 2006	33.75	26.55
June, 2006	45.50	23.20	December, 2006	35.25	27.50
July, 2006	28.35	20.05	January, 2007	35.00	28.90
August, 2006	37.00	22.50	February, 2007	31.80	22.05
Sept, 2006	39.00	31.00	March, 2007	31.50	24.20

Consolidated Finvest & Holdings Limited

Performance in comparison to BSE Sensex



Performance in comparison of NSE Nifty



(ii) National Stock Exchange of India Limited

Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
April, 2006	45.00	37.30	October, 2006	34.95	29.05
May, 2006	48.45	31.00	November, 2006	33.70	23.00
June, 2006	42.00	22.60	December, 2006	35.10	27.65
July, 2006	28.45	20.00	January, 2007	35.30	29.00
August, 2006	37.00	23.00	February, 2007	32.00	25.50
Sept, 2006	38.50	30.85	March, 2007	31.50	25.00

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

M/s Intime Spectrum Registry Limited
 (Unit: Consolidated Finvest & Holdings Limited)
 A-40, 2nd Floor, Naraina Industrial Area,
 Phase - II, New Delhi - 110 028
 Phone: 011- 41410592-94
 Fax: 011-41410591
 E-mail: delhi@intimespectrum.com

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 shares are processed and confirmation/rejection is given to respective depository i.e. NSDL & CDSIL through the Registrar on weekly basis.

j. Distribution of Shareholding as on 31st March 2007

Shareholding of Nominal Value of Rs. 10 /- each	No. of shareholders	% of shareholders	Value of Shares	% of shareholding
Up to 2500	28607	85.325	26177340	8.098
2501 to 5000	2933	8.748	11683160	3.614
5001 to 10000	1027	3.063	8160260	2.524
10001 to 20000	461	1.375	6958010	2.152
20001 to 30000	184	0.549	4671780	1.445
30001 to 40000	68	0.203	2452400	0.759
40001 to 50000	62	0.185	2923140	0.904
50001 to 100000	93	0.277	6805370	2.105
100001 and above	92	0.274	253432200	78.398
TOTAL	33527	100.00%	323263660	100.00%

k. Shareholding Pattern as on 31st March, 2007

Category	No. of shares held	Percentage of shareholding
A. Promoter's Holding		
Promoters		
- Individual	172520	0.53%
- Body Corporate	21390856	66.17%
Sub-Total	21563376	66.70 %
B. Public Shareholding		
1. Institutional Investors		
- Mutual Funds and UTI	3724	0.01 %
- Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-government Institutions) FIIs	37142	0.12%
	NIL	NIL
Sub-Total	40942	0.13%
2. Non Institutional Investors		
Private Corporate Bodies	1875407	5.80%
Indian Public	8098179	25.06%
NRI's / OCBs	748462	2.31%
Sub-Total	10721972	33.17 %
GRAND TOTAL	32326366	100.00 %

l. Dematerialization of shares and liquidity

As on 31st March, 2007, 1,76,95,742 number of shares representing 54.74 % of total paid-up equity share capital are held in dematerialized form with NSDL & CDSIL.

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.

Consolidated Finvest & Holdings Limited

n. Address for Correspondence

Registered Office:

Consolidated Finvest & Holdings Limited
19th K.M. Hapur – Bulandshahr Road
P.O. Gulaothi, Distt-Bulandshahr, Uttar Pradesh

Head Office & Share department:

The Company Secretary
Consolidated Finvest & Holdings Limited
25-28, Rajendra Bhawan,
Rajendra Place, New Delhi – 110 008
Tel: 011-25767000-02,25767005-07
Fax: 011-2576729, 25767022, 25767015
e-mail : secretarial_photo @jindalgroup.com /
igr_cfhl@jindalgroup.com

X. Managing Director's Declaration

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and senior management. I confirm that the Company has in respect of the financial year ended March 31, 2007, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For and on behalf of the Board

Place: New Delhi
Date: 31st August 2007

Punit Gupta
(Managing Director)

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

The financial Year 2006-2007 has witnessed a healthy economic growth in terms of GDP and other economic parameters. In the stock market, the up trends continued in 2006-07 with BSE Sensex and NSE Nifty indices closing above 14,000 (14,015) and 4,000 marks (4,024) for the first time during the year. The growth in the stock indices could be attributed to impressive growth in the profitability of Indian corporates, overall higher growth in the economy, and other global factors such as continuation of relatively soft interest rates and fall in crude oil prices in international markets. In order to strengthen, stability and transparency in the stock market SEBI had taken new measures during the year e.g. the 'Know Your Client' norms and to have sound audit trail of the transactions in the securities market, 'Permanent Account Number (PAN)' has been made mandatory for operating a beneficiary owner account and for trading in the cash segment.

The company has invested its resources in the various capital market instruments. The management is upbeat and optimistic about reaping the benefits of good industrial performance and of the capital market by investing its financial reserves in various financial instruments.

The Management continues to carry the vision of the Company forward by imbibing the values of Integrity and transparency in its operations. Being an investment company, greater emphasis is being given on effective corporate governance and ensuring that the commitment of the management is transformed into higher stakeholder value. The company is keeping up its efforts to improve transparency in its operations and disclosure practices.

In keeping view of the positive market scenario and the experience of the management team, the future prospects of the company are looking up.

OPPORTUNITIES, THREATS & RISKS

India's economy is on the track of an ever increasing growth curve. With positive indicators such as a stable 8-9 per cent annual growth, rising foreign exchange reserves of over US\$ 222 billion, a booming capital market with the popular "Sensex" index topping the majestic 15,000 mark, the Government estimating FDI flow of US\$ 15.5 billion in this fiscal, and a more than 20 per cent surge in exports, it is easy to understand why India is a leading destination for foreign investment. The economy has grown at an impressive growth rate of 9.4 per cent during 2006-07 as against 9 per cent in 2005-06.

The improved performance of the capital markets along with robust and stable economic growth has created a vast pool of opportunities that the management wishes to tap. The year under review also witnessed successful IPOs (Initial Public Offering) and Rights Offering by many corporates and a healthy growth of retail investors as also FIIs is an indicator of the successful transformation of the matured Indian Stock Market.

Though the time is opportune for investment purposes, the sheer unpredictable nature of the markets makes investments a risky proposition. Any investment company has to live with a fear of falling markets and movement of the sensex. The threat can be thwarted by designing a portfolio that can absorb the short-term rise and fall of the markets without affecting the value of the investments. In the Long term though, the risk of fall in the investment values is always looming large.

It is only the prudent judgement coupled with intuitive approach of the management that can mitigate the risks of depreciating investments in the long run. Your management has got ample exposure of the capital markets, which provides us an opportunity to make safer and profitable investments with minimum risks.

Consolidated Finvest & Holdings Limited

PERFORMANCE

During the year, the company has earned a profit after tax of Rs.666 Lacs mainly from sale/redemption of Investments, dividend received and interest earned as compared to Rs. 1245 lacs earned by the Company in the last year.

OUTLOOK

With the growth of Indian Capital market, there is ample scope for investment opportunities in Indian Financial sector. Company's expense management is guided by investment philosophy that continually balances long-term investments with short term profitability. The company is planning to carry on the business as an investment company and for that purpose it plans to invest in, acquire, subscribe for and hold shares, bonds, units, stocks, securities, debentures and/or mutual funds. The Indian Stock Market is expected to maintain the current buoyancy in the medium to long term and offers an excellent growth potential. The Company with its inherent strength in stock market operations is leveraged to encash the emerging opportunity.

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 and checks to ensure that the responsibilities are executed effectively and that adequate systems are in place. The

audit findings are reported on a quarterly basis to the Audit committee of the Board headed by a non-executive independent Director.

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.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.

The company is having sufficient industry professionals to carry out its operations and follows good management practices. These are basically its human resources assets and integral to the Company's ongoing success. They have played a significant role and enabled the Company to deliver superior performance year after year. As on 31st March 2007, Company has two employees. However Board of Directors of the Company are also actively involved in the day-to-day functions of the Company.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be a forward looking statement within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

For and on behalf of the Board

(PUNIT GUPTA)

Managing Director

(UMESH CHAND JAIN)

Director

Place : New Delhi

Date : 31st August 2007

AUDITORS' CERTIFICATE

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the members of Consolidated Finvest & Holdings Limited

We have examined the compliance of conditions of corporate governance by Consolidated Finvest & Holdings Limited, for the year ended on 31st March, 2007, as stipulated in clause 49 of the listing agreement of the said company with stock exchange(s) in India.

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

In our opinion and to the best of our information and explanations given to us, we certify that the Company has

complied with the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement.

As required by the guidance note issued by the Institute of Chartered Accountants of India, we have to state that in respect of investor grievances received during the year ended 31st March 2007, no investor grievance is pending for a period of exceeding one month against the company as per the records maintained by the shareholders/investors grievance committee.

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 Kanodia Sanyal & Associates
Chartered Accountants

Place: New Delhi

Dated : 31st August 2007

R.K. Kanodia
Partner

M. No. 16121

Consolidated Finvest & Holdings Limited

AUDITORS' REPORT

To The Members of Consolidated Finvest & Holdings Limited

We have audited the attached Balance Sheet of **M/S CONSOLIDATED FINVEST & HOLDINGS LIMITED** as at 31st March 2007 and also the annexed Profit and Loss Account and the Cash Flow Statement for the year ended on that date (together referred to as 'financial statements'). 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.

We conducted our audit in accordance with the 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 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 the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A), of the Companies Act 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.

Further to our comments in the Annexure referred to 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 purposes 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, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash flow Statement dealt with by this report have been prepared in compliance with 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 and taken on record by the Board of Directors, we report that none of the said directors are disqualified as on 31st March 2007 from being

appointed as directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with other notes in Schedule "M" of 'Significant Accounting Policies and Notes on Accounts', 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 Balance Sheet, of the state of affairs of the Company as at 31st March, 2007 and,
- ii. In the case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date.
- iii. In case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For KANODIA SANYAL & ASSOCIATES
CHARTERED ACCOUNTANTS**

(R.K KANODIA)

PARTNER

Place: New Delhi

Dated: 31st August, 2007 Membership No. 16121

ANNEXURE TO AUDITORS' REPORT OF CONSOLIDATED FINVEST & HOLDINGS LIMITED

(Annexure referred to in our report of even date)

1. (a) The company has maintained proper records of its fixed assets showing the full particulars, including quantitative details and situation of fixed assets.
- (b) As per information given to us, the management of the company has physically verified the fixed assets during the year. Discrepancies noticed on such verification, which were not material, have been properly adjusted in the books of account.
- (c) During the year, the Company has not disposed off a major part of the Fixed assets and therefore, paragraph 4(i) (c) of the Companies (Auditor's Report) Order 2003 (hereinafter referred to as Order) is not applicable.
2. (a) The stocks of finished goods, WIP, stores, spare parts and raw materials have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.

Consolidated Finvest & Holdings Limited

- (b) The procedure of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining the proper records of inventory. The discrepancies noticed on physical verification were not material and have been properly dealt with in the books of accounts.
3. (a) The company has granted loans, to three companies covered in the register maintained under section 301 of the Act. The maximum amount involved during the year and the year-end balance of such loans aggregates to Rs. 430.50 lacs and 327 lacs respectively.
- (b) In our opinion, the rate of interest and other terms and conditions of the above mentioned loans are prima facie not prejudicial to the interest of the company.
- (c) In respect of the aforesaid loans, the parties are repaying the principal amounts as stipulated and are also regular in payment of interest.
- (d) In respect of the aforesaid loans, there is no overdue amount as at Balance Sheet date.
- (e) The Company has taken loan from one company covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year end balance of such loans aggregates to Rs. 30 lacs and Rs. NIL respectively.
4. In our opinion, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of stores, raw material including components, plant and machinery, equipment and other assets, and for the sale of goods. Further, on the basis of our examination of the books and records of the company in accordance with the generally accepted auditing practices, we have neither come across, nor have we been informed the existence of major weakness in the internal control procedures and systems. However, the corrective actions were taken against the minor weaknesses as noticed and informed to them.
5. (a) As per the audit procedures applied by us, and according to the information and explanations given to us by the management, there were no transactions required to be entered in the register maintained under section 301 of the Companies Act, 1956
- (b) Since there are no transactions required to be entered into the register maintained under section 301 of the Act, paragraph 4(v) (b) of the Order is not applicable.
6. According to the information and explanations given to us, the company has not accepted deposits from the public within the provisions of Sec 58A & 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) rules, 197.
7. In our opinion the company has an internal audit system commensurate with the nature and size of its business.
8. 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.
9. (a) The company has been regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-Tax, Sales Tax, Wealth-tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities during the year. *According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding for a period of more than six months from the date they became payable*
- (b) According to the information and explanation given to us and as per the books and records examined by us, there are no dues of sales tax, income tax, custom tax, wealth tax and cess which have not been deposited on account of any dispute, except as stated below in respect of Sales Tax demands which are shown as contingent liabilities in the Financial Statements:

Name of the statute	Nature of the Dues	Amount (Rs.lacs)	Period to which amount relates	Forum where dispute is pending
Central Sales Tax Act	Sales Tax demand against stock transfer rejected	7.69	2001-02 and 2002-03	Jt. Commissioner, Bulandshahr
Central Excise Act	Excise Duty	38.15	2002-03	Commissioner of Appeals
Income Tax Act, 1961	Income Tax	403.12	2003-04	Commissioner of Appeals

Consolidated Finvest & Holdings Limited

10. There are no accumulated losses as at the end of the year. There are no cash losses during the financial year and the immediately preceding financial year.
11. According to the information and explanations given to us and as per the books of accounts examined by us, the company has not defaulted in the repayment of dues to the financial institutions or to the banks.
12. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company does not fall within the category of Chit Fund/Nidhi/Mutual Fund/ Society and hence the related reporting requirements are not applicable.
14. According to the information and explanations given to us, the company is not dealing or trading in shares, securities debentures and other investments, hence, paragraph 4(xiv) of the Order is not applicable.
15. According to the information and explanations given to us, the Company has not given any guarantees against loans taken by others from banks & financial institutions.
16. The company has not raised any term loans during the year. Hence the paragraph 4(xvi) of the Order is not applicable.
17. According to the information and explanations given to us and as per the books and records examined by us, as on the date of balance sheet, the funds raised by the company on short term basis have not been applied for long term investments and vice versa.
18. 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.
19. The company does not have any debentures outstanding as on the Balance Sheet date, hence, the paragraph 4(xix) of the Order is not applicable.
20. The company has not raised any money through the public issue during the year. Accordingly, paragraph 4(xx) of the Order is not applicable.
21. According to the information and explanations given to us, and on the basis of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practices in India, we have not come across any such instance of fraud on or by the company, noticed and reported during the year.

For **KANODIA SANYAL & ASSOCIATES**
Chartered Accountants

(R. K. KANODIA)
PARTNER
M.NO.16121

Place: New Delhi
Date: 31st August 2007

AUDITOR'S REPORT

To The Directors of Consolidated Finvest & Holdings Limited

We have audited the attached Balance Sheet of **M/S CONSOLIDATED FINVEST & HOLDINGS LIMITED** as at 31st March 2007 and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date (together referred to as 'financial statements'). 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.

As required by the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Direction, 1998, we further state that we have submitted a report to the Board of Directors of the Company containing a statement on the matters of supervisory concern to the Reserve Bank of India as specified in the said directions, namely the following:

- i. The Company has registered as per required in Sec 45IA of the Reserve Bank of India Act, 1934 (2 of 1934) and has got certificate of Registration.
- ii. The Board of Directors' of the Company has passed a resolution for non-acceptance of any public deposit.
- iii. The Company has not accepted any public deposits during the year under reference.
- iv. The Company has complied with the prudential norms relating to income recognition Accounting Standards, asset classification and provisioning of bad and doubtful debts as applicable to it.

For **KANODIA SANYAL & ASSOCIATES**
CHARTERED ACCOUNTANTS

(R.K.KANODIA)
Partner
M.No. 016121

Place: New Delhi
Dated: 31st August 2007

Consolidated Finvest & Holdings Limited

BALANCE SHEET AS AT 31ST MARCH 2007

PARTICULARS	SCH	AS AT 31.03.2007 Rs.	AS AT 31.03.2006 Rs.
SOURCES OF FUNDS			
SHARE HOLDERS' FUNDS			
Share Capital	'A'	323,263,660	323,263,660
Reserves & Surplus	'B'	2,854,949,090	2,807,252,554
TOTAL		3,178,212,750	3,130,516,214
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	'C'	140,946,383	140,946,383
Less : Depreciation		82,589,330	78,158,040
NET BLOCK		58,357,053	62,788,343
CAPITAL WORK IN PROGRESS	'C'	402,800	2,931,338
INVESTMENTS	'D'	2,971,811,999	2,954,076,800
DEFERRED TAX ASSETS(Net)		53,474,185	50,077,580
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	'E'	1,037,081	1,252,775
Sundry Debtors	'F'	-	-
Cash & Bank Balances	'G'	14,751,422	13,389,984
Loans & Advances	'H'	129,618,070	88,602,049
		145,406,573	103,244,808
LESS:CURRENT LIABILITIES & PROVISIONS	'I'	51,239,860	42,602,655
NET CURRENT ASSETS		94,166,713	60,642,153
TOTAL		3,178,212,750	3,130,516,214
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	'M'		

For and on behalf of the Board

As per our report of even date attached
For Kanodia Sanyal & Associates
Chartered Accountants

PUNIT GUPTA
Managing Director

R.K. KANODIA
Partner
M. No. 16121

ANIL KAUSHAL
Company Secretary

UMESH CHAND JAIN
Director

Place : New Delhi
Date : 31st August, 2007

Consolidated Finvest & Holdings Limited

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007

PARTICULARS	SCH	YEAR ENDED 31.03.2007 Rs.	YEAR ENDED 31.03.2006 Rs.
INCOME			
Interest Received (including tax deducted at source Rs. 14,30,484 (Previous Year Rs.11,47,967)		7,991,802	7,055,252
Income on sale of Investments		60,643,936	97,384,999
Dividend received		13,372,955	33,853,077
Misc. Receipts (including tax deducted at source Rs. 72,930 (Previous Year Rs.Nil)		325,000	142,375
Other Income-Sales (Net of Returns)	'J'	-	88,034
Excess Provison Written Back		144,809	-
		<u>82,478,502</u>	<u>138,523,737</u>
EXPENDITURE			
Excise Duty on (Increase/Decrease)in Stock		-	12,014
Personnel Expenses	'K'	798,180	838,368
Administrative, Interest and Other Expenses	'L'	3,218,171	4,085,819
Depreciation	'C'	6,959,828	4,813,883
Loss on Sale of Fixed Assets		-	578,752
		<u>10,976,179</u>	<u>10,328,836</u>
PROFIT FOR THE YEAR		<u>71,502,323</u>	<u>128,194,901</u>
Less:-Taxation for the year		8,270,000	3,200,000
- Current Tax		-	-
- Deferred Tax		(3,396,605)	483,350
- Fringe Benefit Tax		43,800	6,500
PROFIT AFTER TAXATION		<u>66,585,128</u>	<u>124,505,051</u>
Taxation /Deferred Tax Related to Earlier Years		-	(1,325,146)
Prior Period Adjustments		21,524	(32,700)
NET PROFIT FOR THE YEAR		<u>66,606,652</u>	<u>123,147,205</u>
Balance Brought Forward		719,612,717	652,025,585
BALANCE AVAILABLE FOR APPROPRIATION		<u>786,219,369</u>	<u>775,172,790</u>
Proposed Dividend		16,163,183	16,163,183
Tax on Proposed Dividend		2,746,933	2,266,890
Transfer to Reserve Fund		13,330,000	24,630,000
Transfer to General Reserve		12,500,000	12,500,000
BALANCE CARRIED TO BALANCE SHEET		<u>741,479,253</u>	<u>719,612,717</u>
		<u>786,219,369</u>	<u>775,172,790</u>
Earning Per Share(Basic/Diluted)		2.06	3.81
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	'M'		

For and on behalf of the Board

As per our report of even date attached
For Kanodia Sanyal & Associates
Chartered Accountants

R.K. KANODIA
 Partner
M. No. 16121

Place : New Delhi
 Date : 31st August, 2007

ANIL KAUSHAL
 Company Secretary

PUNIT GUPTA
 Managing Director
UMESH CHAND JAIN
 Director

Consolidated Finvest & Holdings Limited

CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31st MARCH, 2007

	2006-2007 Rs.	2005-2006 Rs.
A. Cash Flow Before Tax from Operating Activities:		
Net Profit Before Tax & Extraordinary Items	71,502,324	128,194,901
Adjustments for:		
Depreciation	6,959,828	4,813,883
Loss/(Profit) on Sale of Investments	(60,643,936)	(97,384,999)
Excess Provision Written back	(115,000)	-
Loss on sale of Fixed assets	-	578,752
Provision for Doubtful Loan & advances & Debtors	-	1,094,579
Interest Received	(20,734)	-
Dividend Received	(13,372,955)	(33,853,077)
Operating Profit Before Working Capital Changes	4,309,527	3,444,039
Adjustments for:		
Trade & Other Receivables	(34,490,985)	143,582,408
Inventories	215,694	130,000
Trade Payables	(156,638)	(1,368,681)
Cash Generated from Operations	(30,122,402)	145,787,766
Direct Taxes Paid	(9,019,914)	(3,931,324)
Interest Received on Income Tax Refund	20,734	-
Income Tax Refund	2,494,877	-
Cash Flow before Extraordinary Items	(36,626,705)	141,856,442
Prior Period Adjustments	21,524	(32,700)
Net Cash from Operating Activities	(36,605,181)	141,823,742
B. Cash flow from Investing Activities:		
Purchase of Investments	(1,010,750,256)	(1,743,077,371)
Sale of Fixed Assets	-	168,152
Sale of Investments	1,053,773,993	1,582,007,520
Dividend Received	13,372,955	33,853,077
Net Cash flow from/(Used in) Investing Activities	56,396,692	(127,048,622)
C. Cash Flow from Financing Activities:		
Dividend paid including tax thereon	(18,430,073)	(18,430,073)
Net Cash flow from/(Used in) Financing Activities	(18,430,073)	(18,430,073)
Net Change in Cash and Cash Equivalents (A+B+C)	1,361,438	(3,654,953)
Cash and Cash Equivalents As At 1st April (Opening Balance)	13,389,984	17,044,937
Cash and Cash Equivalents As At 31st March (Closing Balance)	14,751,422	13,389,984

For and on behalf of the Board

As per our report of even date attached
For Kanodia Sanyal & Associates
Chartered Accountants

PUNIT GUPTA
Managing Director

R.K. KANODIA
Partner
M. No. 16121

ANIL KAUSHAL
Company Secretary

UMESH CHAND JAIN
Director

Place : New Delhi
Date : 31st August, 2007

Consolidated Finvest & Holdings Limited

SCHEDULES FORMING PART OF BALANCE SHEET

	AS AT 31.03.2007 Rs.	AS AT 31.03.2006 Rs.
SCHEDULE 'A' SHARE CAPITAL		
AUTHORISED		
32,500,000 (Previous year 32,500,000) Equity Shares of Rs. 10 each	325,000,000	325,000,000
26,000,000 (Previous year 26,000,000) Redeemable Preference Shares of Rs.10 each	260,000,000	260,000,000
	<u>585,000,000</u>	<u>585,000,000</u>
ISSUED,SUBSCRIBED AND PAID UP		
32,326,366 (Previous year 32,326,366) Equity Shares of Rs. 10 each fully paid up	323,263,660	323,263,660
	<u>323,263,660</u>	<u>323,263,660</u>
SCHEDULE 'B' RESERVES AND SURPLUS		
CAPITAL RESERVE		
Capital Investment Subsidy	4,653,000	4,653,000
Amalgamation Surplus	6,322,340	6,322,340
Amount recd.on forfeited shares		
- on Equity Shares	1,090,500	1,090,500
- on Cumulative Convertible Preference Shares	683,000	683,000
Share Premium on Forfeited Shares		
- on Equity Shares	10,750,500	10,750,500
- on Cumulative Convertible Preference Shares	6,837,000	6,837,000
	<u>30,336,340</u>	<u>30,336,340</u>
INVESTMENT ALLOWANCE RESERVE	-	2,000,000
Less:- Transferred to General Reserve	-	(2,000,000)
	<u>-</u>	<u>-</u>
SHARE PREMIUM ACCOUNT	<u>1,830,904,500</u>	<u>1,830,904,500</u>
RESERVE FUND (In terms of Sec.45-1C of RBI Act,1934)		
As per last year	24,630,000	-
Add:- Transferred from Profit & loss Account during the year	13,330,000	24,630,000
	<u>37,960,000</u>	<u>24,630,000</u>
GENERAL RESERVE		
As per last year	201,768,997	187,268,997
Add:- Transferred from Investment Allowance Reserve	-	2,000,000
Add:- Transferred from Profit & loss Account during the year	12,500,000	12,500,000
	<u>214,268,997</u>	<u>201,768,997</u>
PROFIT & LOSS ACCOUNT	741,479,253	719,612,717
(As per Profit & Loss Account)		
GRAND TOTAL	<u>2,854,949,090</u>	<u>2,807,252,554</u>

Consolidated Finvest & Holdings Limited

SCHEDULES FORMING PART OF BALANCE SHEET

SCHEDULE 'C' FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2006	ADDITIONS	DEDUCTIONS/ ADJUSTMENT #	AS AT 31.03.2007	UPTO 31.03.2006	DEDUCTION/ ADJUSTMENTS #	FOR THE YEAR*	UP TO 31.03.2007	AS AT 31.03.2007	AS AT 31.03.2006
LAND	10,902,549	-	-	10,902,549	-	-	-	-	10,902,549	10,902,549
FACTORY SHED & BUILDING	31,629,945	-	-	31,629,945	15,556,716	-	1,056,440	16,613,156	15,016,789	16,073,229
FLATS	33,661,099	-	-	33,661,099	5,627,362	-	548,676	6,176,038	27,485,061	28,033,737
PLANT & MACHINERY	59,042,863	-	-	59,042,863	52,466,887	-	2,524,739	54,991,626	4,051,237	6,575,976
TUBEWELL	262,745	-	-	262,745	203,858	-	12,480	216,338	46,407	58,887
OFFICE EQUIPMENTS	2,282,378	-	-	2,282,378	1,551,787	-	108,413	1,660,200	622,178	730,591
FURNITURE & FIXTURES	2,852,172	-	-	2,852,172	2,454,429	-	180,542	2,634,971	217,201	397,743
VEHICLES	312,632	-	-	312,632	297,001	-	-	297,001	15,631	15,631
TOTAL	140,946,383	-	-	140,946,383	78,158,040	-	4,431,290	82,589,330	58,357,053	62,788,343
PREVIOUS YEAR	147,901,505	0	6,955,122	140,946,383	79,552,375	(6,208,220)	4,813,883	78,158,040	62,788,343	
CAPITAL WORK IN PROGRESS Plant & Machinery*	8,056,000	-	-	8,056,000	5,124,662	-	2,528,538 **	7,653,200	402,800	2,931,338
TOTAL	8,056,000	-	-	8,056,000	5,124,662	-	2,528,538	7,653,200	402,800	2,931,338
PREVIOUS YEAR	8,056,000	-	-	8,056,000	5,124,662	-	-	5,124,662	2,931,338	
GRAND TOTAL	149,002,383	-	-	149,002,383	83,282,702	-	6,959,828	90,242,530	58,759,853	65,719,681
PREVIOUS YEAR	155,957,505	-	6,955,122	149,002,383	84,677,037	(6,208,220)	4,813,883	83,282,702	65,719,681	

*Note:- The Capital Work in Progress represents dismantled plant & machinery costing transferred from one unit to another in earlier year.

**Represents amount towards impairment of assets as referred in note no. 14 of Schedule 'M'.

*** Including Rs. 160,62,794 towards impairment of Assets.

SCHEDULE 'D' INVESTMENTS

LONG TERM :

NON-TRADE (AT COST)

EQUITY SHARES- QUOTED-FULLY PAID UP

	FACE VALUE Rs.	SHARES/UNITS 31.03.2007 NOS.	SHARES/UNITS 31.03.2006 NOS.	AS AT 31.03.2007 Rs.	AS AT 31.03.2006 Rs.
ASIAN HOTELS LTD.	10	312,110	569,777	128,125,032	233,900,537
ESTER INDUSTRIES LTD.	5	422,329	-	2,896,987	-
INDO COUNT INDUSTRIES LTD.	10	900	900	6,852	6,852
JINDAL PHOTO LTD.	10	50,000	50,000	500,000	500,000
JINDAL POLYFILMS LIMITED	10	1,290,800	-	368,680,151	-
OIL & NATURAL GAS CORPORATION LTD.*	10	3,000	2,000	1,465,145	1,465,145
PNB GILTS LIMITED	10	16,400	16,400	490,770	490,770
PRAKASH INDUSTRIES LTD.	10	244,765	203,684	6,235,456	4,805,986
PUNJAB NATIONAL BANK	10	9,431	9,431	3,678,090	3,678,090
Sub Total (A)				512,078,483	244,847,380

* includes 1000 Bonus Shares received during the year

Market Value of quoted investment Rs 4500.34 Lacs
(Previous Year Rs 3700.72 Lacs)

EQUITY SHARES-UNQUOTED-FULLY PAID UP

JINDAL INDIA THERMAL POWER LTD.	10	679,700	679,700	7,098,000	7,098,000
Sub Total (B)				7,098,000	7,098,000

Consolidated Finvest & Holdings Limited

SCHEDULES FORMING PART OF BALANCE SHEET

EQUITY SHARES-UNQUOTED-FULLY PAID UP

IN SUBSIDIARIES-

JINDAL MEADOWS LTD.	10	559,000	559,000	51,400,000	51,400,000
CONSOLIDATED REALTORS LTD.	10	-	160,000	-	11,500,000
CONSOLIDATED BUILDWELL LTD.	10	-	305,000	-	26,000,000
JINDAL PHOTO INVESTMENTS LTD.	10	8,610,000	8,610,000	1,009,055,600	1,009,055,600
VIGIL FARMS LTD.	10	-	50,000	-	500,000
AGILE PROPERTIES LTD.	10	-	50,000	-	500,000
JESMIN INVESTMENTS LTD.	10	8,000,000	8,000,000	320,000,000	320,000,000
Sub Total (C)				1,380,455,600	1,418,955,600

IN ASSOCIATE-

VIGIL FARMS LTD.		850,000	-	88,500,000	-
Sub Total (D)		-	-	88,500,000	-

PREFERENCE SHARES-(UNQUOTED)-FULLY PAID UP

8% Optionally Convertible Cumulative Preference Shares of JINDAL (INDIA) LTD.	10	1,250,000	1,500,000	500,000,000	600,000,000
Sub Total (E)				500,000,000	600,000,000

IN MUTUAL FUNDS :-

Templeton Floating Rate Income Fund Long Term- Plan Growth	10	-	8,224,563	-	100,000,000
Templeton India Short Term Income Plan Institutional-Growth	1,000	40,245	-	43,082,565	-
HDFC Floating Rate Income Fund Long Term Growth	10	-	4,468,036	-	50,000,000
Birla Floating Rate Fund- Long Term Growth	10	-	7,216,179	-	80,000,000
Fidelity Equity Fund-Growth Option	10	2,976,013	-	50,000,000	-
Prudential ICICI - Blended Plan-A	10	15,000,000	15,000,000	150,000,000	150,000,000
UTI Floating Rate Fund- STP-Growth	10	-	8,181,338	-	92,682,407
Deutsche Floating Rate Fund-Regular Plan- Growth	10	-	4,614,352	-	51,102,103
LICMF Floating Rate Fund-Short Term Plan-Growth Plan	10	6,495,654	-	73,894,526	-
Prudential ICICI -Floating Rate Plan C-Daily Dividend Reinvestments	10	-	6,501,842	-	65,031,421
Principal Income Fund Short Term-Instl. Plan-Growth Plan	10	3,672,450	-	45,002,825	-
HSBC Floating Rate Fund- LTP-Institutional option	10	-	4,078,680	-	42,603,889
Net Asset Value Of Investments In Mutual Funds Rs.4016.81 Lacs (Previous Year Rs.6518.33 Lacs)					
Sub Total (F)				361,979,916	631,419,820

IN BONDS (FULLY PAID UP)-

NATIONAL BANK OF AGRICULTURE AND RURAL DEVELOPMENT	10,000	1,100	1,100	11,000,000	11,000,000
NATIONAL HOUSING BANK	10,000	2,000	2,000	20,000,000	20,000,000
Sub Total (G)				31,000,000	31,000,000

SHARE APPLICATION MONEY (PENDING ALLOTMENT)

JESMIN INVESTMENTS LIMITED*		-	-	90,700,000	-
VIGIL FARMS LTD.		-	-	-	11,000,000
AGILE PROPERTIES LTD.		-	-	-	9,871,000

*allotment is pending till date.

Sub Total (H)				90,700,000	20,871,000
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Less: Provision for Diminution in Value of Investments

Sub Total (I)				-	115,000
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Grand Total (A+B+C+D+E+F+G+H-I)				2,971,811,999	2,954,076,800
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Consolidated Finvest & Holdings Limited

SCHEDULES FORMING PART OF BALANCE SHEET

	AS AT 31.03.2007 Rs.	AS AT 31.03.2006 Rs
SCHEDULE 'E' INVENTORIES		
(As taken, valued and certified by the Management)		
Stores & spare parts	<u>813,907</u>	<u>985,210</u>
Packing Materials	<u>223,174</u>	<u>267,565</u>
	1,037,081	1,252,775
SCHEDULE 'F' SUNDRY DEBTORS (Unsecured)		
Debts due over six months		
Considered Good	-	-
Considered Doubtful	<u>919,579</u>	<u>919,579</u>
Less:- Provision for doubtful debts	<u>919,579</u>	<u>919,579</u>
	-	-
SCHEDULE 'G' CASH AND BANK BALANCES		
Cash in hand	96,767	42,896
Bank balances with scheduled banks:		
In Current Accounts	5,765,585	4,290,204
In Dividend Accounts	8,606,390	9,006,884
IN Fixed Deposit Account*	50,000	50,000
Cheques in hand	232,680	-
*Lying with Government Authorities as security deposit		
	<u>14,751,422</u>	<u>13,389,984</u>
SCHEDULE 'H' LOANS & ADVANCES		
(Unsecured, considered good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
Advance to Subsidiary-considered good	350,000	-
Advance to others-		
Considered Good	102,600,609	68,459,625
Considered Doubtful	<u>6,158,663</u>	<u>6,158,663</u>
	108,759,272	74,618,287
Less:- Provision for doubtful Advances	<u>6,158,663</u>	<u>6,158,663</u>
	102,600,609	68,459,625
Balance with Excise Department	199,285	199,285
Security & Trade Deposits	2,078,167	2,078,167
Income Tax Payments (including income tax deducted at source)	24,390,009	17,864,972
	<u>129,618,070</u>	<u>88,602,049</u>
SCHEDULE 'I' CURRENT LIABILITIES & PROVISIONS		
A. CURRENT LIABILITIES		
Sundry Creditors		
- For Goods & Services	234,020	222,533
Due to Customers & others	586,409	359,041
Liability towards Investor Education & Protection Fund Under Sec 205C of the Companies Act, 1956 not Due -Unpaid Dividend	<u>8,589,015</u>	<u>8,984,508</u>
	9,409,444	9,566,082
B. PROVISIONS		
Income Tax	22,920,300	14,606,500
Proposed Dividend	16,163,183	16,163,183
Tax on Proposed Dividend	2,746,933	2,266,890
	<u>41,830,416</u>	<u>33,036,573</u>
TOTAL : (A + B)	<u>51,239,860</u>	<u>42,602,655</u>

Consolidated Finvest & Holdings Limited

SCHEDULES FORMING PART OF BALANCE SHEET

	YEAR ENDED 31.03.2007 Rs.	YEAR ENDED 31.03.2006 Rs.
SCHEDULE 'J' OTHER INCOME -SALES (NET OF RETURNS)		
Manufactured Goods	-	88,034
Other Miscellaneous	-	88,034
	-	88,034
SCHEDULE 'K' PERSONNEL EXPENSES		
Salary, Wages & other benefits	699,810	746,083
Staff Welfare Expenses	66,797	56,627
Contribution to Provident & other Funds	31,573	35,658
	798,180	838,368
SCHEDULE 'L'-ADMINISTRATIVE ,INTEREST AND OTHER EXPENSES		
Rents, Rates & Taxes	15,700	32,802
Travelling & Conveyance	122,669	17,214
Electricity & Water Charges	40,107	48,108
Postage, Telegram & Telephones	666,115	556,993
Printing & Stationery	445,078	948,211
Legal & Professional Charges	826,198	513,843
Repairs & maintenance - Others	180,311	182,393
Filing Fees	92,806	87,750
Auditors Remuneration	176,218	150,045
Miscellaneous Expenses	247,191	330,481
Provision for doubtful debts & advances	-	1,094,579
Balance written off (Net)	3,064	(6,600)
Obsolete & dead stocks written off	215,694	130,000
Interest-others	187,020	-
	3,218,171	4,085,819

SCHEDULE 'M' - SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1 Accounting Policies:

i) Basis of Accounting

The financial statements are prepared under the historical cost convention and in accordance with the requirement of the Companies Act, 1956 and Accounting Standards referred to in Section 211(3C) of the Act.

ii) Fixed Assets

Fixed assets are stated at cost less depreciation. Cost of acquisition and fabrication or construction are inclusive of freight, duties and other incidental expenses during construction period. Incidental expenses includes establishment expenses, interest on fund used for Capital expenditure and other Administrative expenses.

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

Consolidated Finvest & Holdings Limited

amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

iii) Depreciation

Depreciation on assets other than leased assets has been provided on Straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956. In respect of leased out assets, the cost of the same is being amortized fully during the primary period of lease.

iv) Treatment of expenditure during construction period

Incidental Expenditure during construction period is included under capital work in progress and the same is allocated to the respective fixed assets on completion of construction.

v) Revenue Recognition

- a) All revenues, costs, duties, assets & liabilities are accounted for on accrual basis.
- b) Dividend on Equity & Preference shares of corporate bodies are taken into account on accrual basis when such dividend has been declared by the corporate body in its annual general meeting and the right to receive payment is established.

vi) Sales & Services

- a) Sales, net of returns and trade discount, is inclusive of excise duty but excludes sales tax.
- b) Sales are accounted when the sale of goods is completed on accrual basis.

vii) Research & Development Expenses

Research & development costs of revenue nature are charged to revenue when incurred. Expenditure of Capital nature is capitalised and depreciation is provided thereon as per applicable accounting standards.

viii) Borrowing Costs

Borrowing costs attributable to the acquisition and construction of asset are capitalised as part of the cost of such asset upto the date when such asset is ready for its intended use. Other borrowing costs are treated as revenue/deferred revenue expenditure as considered appropriate by the Management.

ix) Investments

Investments are classified as long term or current based on the Management intention at the time of purchase. Long term investments are valued at their acquisition cost. Current investments are stated at lower of cost or net realisable value. The 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. Investment in the units of Mutual funds are valued at cost or market value whichever is lower, depreciation, if any is fully provided for and appreciation if any is ignored.

x) Retirement Benefits

Gratuity provision is made on actuarial basis and encashment of leave done on yearly basis.

xi) Foreign Currency Transaction

Transactions in foreign currencies not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rates ruling at the date of transaction as increased or decreased by the proportionate difference based on life of the contract between the forward rate and exchange rate on the date of transaction.

Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the profit or loss account except in cases where they relate to the acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

Consolidated Finvest & Holdings Limited

xii) Inventories

The Method of Inventories valuation has been adopted as follows:

Raw Material	: At cost (FIFO Basis)
Finished Goods	: At Cost or Net Realisable Value whichever is lower.
Work-in-Process	: At estimated cost
Trading Goods	: At Cost or Net Realisable Value whichever is lower.
Stores & Spares	: At Cost (FIFO Basis)
Packing Material	: At Cost (FIFO Basis)

xiii) Taxation

The Current tax payable in respect of taxable income for the year has been charged to revenue.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent previous periods. Deferred tax assets are recognised on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Fringe Benefit Tax has been provided for as per the applicable provisions of the Income Tax Act, 1961.

2. Contingent Liabilities:

	As at 31.03.2007 (Rs.)	As at 31.03.2006 (Rs.)
Various Sales Tax/Income Tax/Excise Demand, against which appeals are pending	44,897,019	4,584,239
	Year Ended 31.03.2007 (Rs.)	Year Ended 31.03.2006 (Rs.)

3. The Auditors' Remuneration includes the following

Audit Fee	112,240	112,240
Other Services	63,978	30,305
Reimbursement of Expenses	-	7,500
	176,218	150,045

- Balance with Sundry debtors and advances from customers are subject to confirmation and reconciliation.
- In the opinion of the Board of Directors, current assets, loan & advances have a value on realisation atleast equal to the amount at which they are stated unless stated otherwise.
- As per information available with the management, there is no liability outstanding as on 31.03.2007 due to Small Scale Industrial Undertakings.

Consolidated Finvest & Holdings Limited

	Year Ended 31.03.2007 (Rs.)	Year Ended 31.03.2006 (Rs.)
7 Earning Per Share		
Profit After Taxation	66,606,653	123,147,205
Number of Equity Shares outstanding	32,326,366	32,326,366
Face value of per Equity Share	10.00	10.00
Earning per Share (Basic/Diluted)	2.06	3.81

- 8** As per Accounting Standard-22 "Accounting for Taxes on Income" and measured at the tax rates that have been enacted or substantially enacted by the balance sheet date. The Deferred Tax Liability/(Asset) comprises of tax effect of timing difference on account of:

	As at 01.04.2006 (Rs.)	For the year (Rs.)	As at 31.03.2007 (Rs.)
a) Deferred Tax Liability			
For Depreciation difference as per books and I.Tax Act	6,089,069	(2,848,576)	3,240,493
	6,089,069	(2,848,576)	3,240,493
b) Deferred Tax Assets			
Carry forward Long Term Capital Loss	56,100,000	550,000	56,650,000
Disallowance under Section 43-B of I.Tax Act	66,649	(1,971)	64,678
	56,166,649	548,029	56,714,678
Net Deferred Tax Liability/(Assets) (a-b)	(50,077,580)	(3,396,605)	(53,474,185)

- 9** The company is engaged mainly in investments activities and is treating all its investments as long term investment, hence the income derived thereon has been shown accordingly.
- 10** The Company is mainly engaged in the investments activities and do not qualify for separate reporting as required by AS-17 on "Segment Reporting".
- 11** Disclosures as required by Accounting Standard-18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are as follows :

List of Related Parties

a) Controlling Companies / Individuals

Consolidated Photo & Finvest Ltd.	Vigil Farms Ltd.	Soyuz Trading Co. Ltd.
Jindal (India) Ltd.	Rishi Trading Co. Ltd.	Passion Tea Pvt Ltd.
Jindal Poly Films Ltd.	Jindal Realtors Ltd.	Jumbo Finance Ltd.
Jindal India Thermal Power Ltd.	Jupax Barter Pvt. Ltd.	Hindustan Polyester Ltd.
Jindal Imaging Ltd.	Jindal Photo Ltd.	Consolidated Buildwell Ltd.
Mr Shyam Sunder Jindal	Consolidated Realtors Ltd.	Rexor SAS, France
Bazaloni Groups Limited	Indian Software Consultancy Limited	Jindal France SAS, France
Agile Properties Ltd.		

b) Subsidiaries

Jindal Photo Investments Ltd.
Jindal Meadows Ltd.
Jesmin Investments Ltd.

Consolidated Finvest & Holdings Limited

c) Key Management Personnel

Mr. Shammi Gupta*

Mr. Vasudev Aggarwal**

* Ceased to be director w.e.f 31.08.2006

** appointed as director w.e.f. 11.04.2006

Details of Transactions with related parties are as follows :

Controlling Companies/Individuals	Current Year (Rs.)	Previous Year (Rs.)
Rent Received	325,000	135,000
Interest Received	274,941	859,797
Interest Paid	187,020	-
Dividend Received	8,969,984	-
Expenses Reimbursed	-	780,295
Share application money given	128,129,000	-
Share application money received back	3,500,000	-
Loan received	58,000,000	-
Loan Repaid	58,000,000	-
Loan Given During the Year	42,700,000	163,500,000
Loan received back	10,000,000	200,096,430
Sale of Fixed Assets	-	114,750
Investment in Shares	145,500,000	600,000
Redemption Proceeds	-	500,000,000
Sale of Investment in shares	108,820,000	-
Controlled Companies		
Loan received	3,000,000	800,000
Loan Repaid	3,000,000	-
Share application money given	175,000,000	442,171,000
Share application money received back	84,300,000	12,900,000
Loan Given During the Year	350,000	130,500,000
Loan received back	-	207,499,269
Dividend Received	-	-
Investment in Shares	-	408,400,000
Key Management Personnel Remuneration	-	-
Outstanding as at year end		
Controlling Companies		
Loans & Advances given	32,904,957	478,373
Other Liabilities	6,610	-
Investments	964,778,151	607,598,000
Subsidiary Companies		
Loans & Advances given	350,000	-
Investments	1,471,155,600	1,418,955,600

12 During the year Agile Properties Limited, Consolidated Buildwell Limited, Consolidated Realtors Limited and Vigil Farms Limited ceased to be the subsidiaries of the Company.

Consolidated Finvest & Holdings Limited

- 13 The profit on sale of Investments in Mutual fund/shares includes profit on sale of current investment amounting to Rs.14.70Lacs (Previous Year Rs.11.82 lacs) which were purchased & sold during the year, the cost being Rs. 2470.64 lacs (Previous Year Rs.3974 lacs)

The following mutual funds/Shares have been purchased and sold during the year:-

	No. / Units	Purchase cost in (Rs.)
Templeton India Short term Income Plan Institutional	6,462	6,917,435
Fidelity S.T. Income Non Inst-Growth	982,666	10,000,000
Prudential ICICI (Dividend Reinvest)	4,294	42,953
UTI- Floating Rate	42,501	49,000,000
Principal PNB ST Inst.-Growth	2,724,586	33,497,175
LIC Floating Rate S.T.	7,920,668	90,105,474
Agile Properties Limited	575,000	57,500,000
Ester Industries Limited	100	695

14 Impairment of assets

In accordance with the Accounting Standard (AS-28) on 'Impairment of Assets' issued by the Institute of Chartered Accountants of India, the Company during the year carried out an exercise of identifying the assets that may have been impaired in respect of each cash generating unit in accordance with the said Accounting Standard. The Company has identified Fixed Assets of one unit as impaired, mainly on account of economic performance and alternatively viability of such assets, and accordingly, an impairment loss of Rs.25,28,538 has been charged to the Profit and Loss Account at the year end.

15 Particulars in respect of Loans/Advances/Investments as required by the Listing Agreement.

	Outstanding Balance (Rs.)	Maximum Balance (Rs.)
a) Loans & advances in the nature of loans to Subsidiaries		
Jindal Meadows Limited	350,000	350,000
b) Loans & advances in the nature of loans to Group Companies		
Consolidated Realtors Limited	32,904,957	32,904,957
Jindal Realtors Limited	-	10,000,000
c) Loans & advances in the nature of loans where repayment schedule is not specified/is beyond 7 years		NIL
d) There is no loan/advances except to Wholly Owned Subsidiary as mentioned above in the nature of loans where interest is or below the rate specified U/S 372A of the Companies Act, 1956		NIL
e) Investments by the Loanee in the shares of the Company		NIL

- 16 Figures for the previous year have been regrouped/ re-arranged/ reclassified/ recasted wherever considered necessary to confirm to this year's classification.

- 17 All the figures have been rounded off to the nearest rupee.

- 18 Schedule 'A' to 'M' are annexed to and form part of Statement of Accounts.

Consolidated Finvest & Holdings Limited

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

I. Registration Details :

Registration No :	15474	State Code :	20
Balance Sheet Date	Date	Month	Year
	31	3	2007

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
3,178,213	3,178,213

Sources of Funds (Amount in Rs. '000)

Paid Up Capital	Reserves & Surplus
323,264	2,854,949
Secured Loans	Unsecured loans
NIL	NIL
Deffered Tax Liability	
NIL	

Application of Funds (Amount in Rs. '000)

Net Fixed Assets	Investments
58,760	2,971,812
Net Current Assets	Misc. Expenditure
94,167	NIL
Deffered Tax Assets	
53,474	

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

Turnover	Total Expenditure
82,479	10,976
Profit Before Tax	Profit After Tax
71,503	66,607
Earning Per Share	Dividend Rate
(Rs.)	(Equity)
2.06	5%

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

Item Code No. (ITC Code)	NA
Product Description	Investments

For and on behalf of the Board

As per our report of even date attached
For Kanodia Sanyal & Associates
 Chartered Accountants

PUNIT GUPTA
 Managing Director

R.K. KANODIA
 Partner
M. No. 16121

ANIL KAUSHAL
 Company Secretary

UMESH CHAND JAIN
 Director

Place : New Delhi
 Date : 31st August, 2007

Consolidated Finvest & Holdings Limited

Schedule to the Balance Sheet of a Non-Banking Financial Company as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007

Particulars	(Rs.in Lacs)	
	Amount Outstanding	Amount Overdue
Liabilities side :		
1 Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid	-	-
(a) Debentures :		
Secured	-	-
Unsecured	-	-
(other than falling within the meaning of public deposits*)	-	-
(b) Deferred Credits	-	-
(c) Term Loans	-	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Public deposits	-	-
(g) Other Loans	-	-
		Amount Outstanding (Rs./Lacs)
2 Assets side :		
Break-up of Loans and Advances including Bills receivables (other than those included in (4) below :		
(a) Secured	-	-
(b) Unsecured	-	1296
3 Break-up of Leased Assets and stock on hire and hypothecation loans counting towards AFS activities		
(i) Lease Assets including lease rentals under sundry debtors:		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFS activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
4 Break-up of Investments :		
Current Investments :		
1. Quoted :		
(i) Shares (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

2. Unquoted :

(i) Shares (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others	-

Long Term Investments :

1. Quoted :

(i) Shares (a) Equity	5121
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	500
(iv) Government Securities	-
(v) Others (please specify)	-

2. Unquoted :

(i) Shares (a) Equity	14761
(b) Preference	5000
(ii) Debentures and Bonds	310
(iii) Units of mutual funds	3120
(iv) Government Securities	-
(v) Others (Share Application given)	907

5 Borrower group-wise classification of all leased assets, stock on hire and loans and advances : Category

1. Related Parties	
(a) Subsidiaries	4
(b) Companies in the same group	329
(c) Other related parties	-
2. Other than related parties	963
Total	1296

6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

1. Related Parties	Market Value/ Breakup or fair Value or NAV	Book Value (net of Provision)
(a) Subsidiaries	20,204	14,712
(b) Companies in the same group	2,987	4,577
(c) Other related parties	5,076	5,071
2. Other than related parties	6,449	5,359
Total	34,717	29,718

7 Other Information

Particulars	
(i) Gross Non-Performing Assets	-
(a) Related parties	-
(b) Other than related parties	-
(ii) Net Non-Performing Assets	-
(a) Related parties	-
(b) Other than related parties	-
(iii) Assets acquired in satisfaction of debt	-

As per our report of even date attached
For Kanodia Sanyal & Associates
Chartered Accountants

For and on behalf of the Board

R.K. KANODIA
Partner
M. No. 16121

ANIL KAUSHAL
Company Secretary

PUNIT GUPTA
Managing Director

UMESH CHAND JAIN
Director

Place : New Delhi
Date : 31st August 2007

Consolidated Financial Statements

Auditors' Report

To The Board of Directors of Consolidated Finvest & Holdings Limited and its subsidiaries

We have audited the attached consolidated Balance Sheet of CONSOLIDATED FINVEST & HOLDINGS LIMITED and its subsidiaries as at 31st March, 2007 and the consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date (both annexed thereto) (together referred to as 'Consolidated Financial Statements'). These consolidated 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.

1. We conducted our audit in accordance with the 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 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. We did not audit the financial statement of certain subsidiaries, whose financial statement reflects total assets of Rs. 10107.24 lacs as at 31st March 2007, and total revenues of Rs. 128.06 lacs and the total cash flow Rs. (7.45) lacs for the period ended 31st March 2007. These financial statements have been audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of the subsidiary, is based solely on the report of the other auditors.
3. We report that consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard 21,

"Consolidated Financial Statements", Accounting Standard 23, accounting for investment in Associates in Consolidated Financial Statements issued by the Institute of Chartered Accountants of India and on the basis of the separate financial statements of the Consolidated Finvest & Holdings Limited and its subsidiaries, included in the consolidated financial statements.

4. On the basis of information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of Consolidated Finvest & Holdings Limited and its subsidiaries, we are of the opinion that the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In the case of the consolidated balance sheet, the consolidated state of affairs of Consolidated Finvest & Holdings Limited and its subsidiaries as at 31st March, 2007;
 - ii) In the case of the consolidated Profit & Loss Account, the consolidated results of operations of Consolidated Finvest & Holdings Limited and its subsidiaries for the year ended on that date; and
 - iii) In the case of the consolidated Cash Flow Statement, of the consolidated cash flow of Consolidated Finvest & Holdings Limited and its subsidiaries for the year ended on that date.

For **KANODIA SANYAL & ASSOCIATES**
Chartered Accountants

Place : New Delhi
Date : 31st August, 2007

R.K. KANODIA
(PARTNER)
M. No. 16121

Consolidated Financial Statements

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2007

PARTICULARS	SCH	AS AT	AS AT
		31.03.2007	31.03.2006
		Rs.	Rs.
SOURCES OF FUNDS			
SHARE HOLDERS' FUNDS			
Share Capital	'A'	323,263,660	323,263,660
Reserves & Surplus	'B'	5,753,952,047	5,313,313,327
Minority Interest		129,592,235	127,501,141
TOTAL		6,206,807,942	5,764,078,128
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	'C'	538,371,036	552,780,748
Less : Depreciation		82,729,057	78,227,588
NET BLOCK		455,641,979	474,553,160
CAPITAL WORK IN PROGRESS	'C'	402,800	2,931,338
INVESTMENTS	'D'	5,414,950,141	5,141,995,821
DEFERRED TAX ASSETS (Net)		232,655,565	50,107,023
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	'E'	1,037,081	1,252,775
Sundry Debtors	'F'	-	-
Cash & Bank Balances	'G'	17,884,249	35,912,967
Loans & Advances	'H'	145,165,513	110,163,821
		164,086,843	147,329,563
LESS: CURRENT LIABILITIES & PROVISIONS	'I'	61,087,778	53,124,694
NET CURRENT ASSETS		102,999,065	94,204,869
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	'J'	158,392	285,917
TOTAL		6,206,807,942	5,764,078,128
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	'N'		

For and on behalf of the Board

As per our report of even date attached
For Kanodia Sanyal & Associates
Chartered Accountants

PUNIT GUPTA
Managing Director

R.K. KANODIA
Partner
M. No. 16121

ANIL KAUSHAL
Company Secretary

UMESH CHAND JAIN
Director

Place : New Delhi
Date : 31st August, 2007

Consolidated Financial Statements

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2007

PARTICULARS	SCH	YEAR ENDED 31.03.2007 Rs.	YEAR ENDED 31.03.2006 Rs.
INCOME			
Dividend received		42,571,486	84,029,287
Interest Received		14,528,131	7,055,252
Income on sale of Investments (Net)		75,638,120	-
Premium on Redemption of Preference Shares		-	-
Excess Provision Written back		144,809	-
Rent Received		565,500	960,000
Misc. Receipts		325,000	142,375
Other Income-Sales (Net of Returns)	'K'	-	88,033
		<u>133,773,046</u>	<u>92,274,947</u>
EXPENDITURE			
Loss on sale of Investments		-	79,149,850
Excise Duty		-	12,014
Personnel Expenses	'L'	815,451	901,864
Administrative, Interest and Other Expenses	'M'	5,290,754	5,536,680
Depreciation	'C'	7,030,006	4,872,859
Loss on Sale of Fixed Assets		-	578,752
		<u>13,136,211</u>	<u>91,052,019</u>
PROFIT FOR THE YEAR		<u>120,636,835</u>	<u>1,222,928</u>
Less:-Taxation for the year		10,619,800	8,757,000
- Current Tax		(4,436,996)	453,907
- Deferred Tax		50,600	15,000
- Fringe Benefit Tax		(183,779)	(2,481,189)
- MAT Credit		-	-
Excess Provision Written back		-	-
PROFIT/(LOSS) AFTER TAXATION		<u>114,587,210</u>	<u>(5,521,790)</u>
Taxation Related to Earlier Years		98,987	(1,325,390)
MAT Credit related to earlier years		(155,416)	-
Prior Period Adjustments		21,524	(32,700)
NET PROFIT/(LOSS) FOR THE YEAR		<u>114,665,163</u>	<u>(6,879,880)</u>
Add:-Share of Profits in Associates		168,545,457	146,308,521
Less: Minority Interest in Income		2,091,094	-
		<u>281,119,526</u>	<u>139,428,641</u>
Add :- Balance of Profit & Loss A/c Brought Forward from previous year		723,471,337	707,802,769
Less:- Balance of Profit & Loss A/c Brought forward from previous year related to companies ceased to be subsidiary during the year		(242,118)	-
BALANCE AVAILABLE FOR APPROPRIATION		<u>1,004,832,980</u>	<u>847,231,410</u>
Proposed Dividend		16,163,183	16,163,183
Tax on Dividend		2,746,933	2,266,890
Transfer to Reserve Fund		23,371,000	95,330,000
Transfer to General Reserve		22,500,000	10,000,000
BALANCE CARRIED TO BALANCE SHEET		<u>940,051,865</u>	<u>723,471,337</u>
		<u>1,004,832,980</u>	<u>847,231,410</u>
Earning Per Share (Basic/Diluted)		8.70	4.36
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	'N'		

For and on behalf of the Board

As per our report of even date attached
For Kanodia Sanyal & Associates
Chartered Accountants

R.K. KANODIA
Partner
M. No. 16121

Place : New Delhi
Date : 31st August, 2007

ANIL KAUSHAL
Company Secretary

PUNIT GUPTA
Managing Director
UMESH CHAND JAIN
Director

Consolidated Financial Statements

CONSOLIDATED CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2007

	2006-2007 Rs.	2005-2006 Rs.
A. Cash Flow Before Tax from Operating Activities:		
Net Profit Before Tax & Extraordinary Items	120,636,835	1,222,928
Adjustments for:		
Depreciation	7,030,006	4,872,859
Loss/(Profit) on Sale of Investments	(75,638,120)	79,149,850
Public Issue/Preliminary Expenses Written off	56,587	31,609
Loss on sale of Fixed assets	-	578,752
Provision for diminution in value of Investments	(115,000)	-
Interest Received	(20,734)	(7,055,252)
Provision for doubtful advances/debts	-	1,094,579
Dividend Received	(42,571,485)	(84,029,287)
Operating Profit Before Working Capital Changes	<u>9,378,089</u>	<u>(4,133,963)</u>
Adjustments for:		
Trade & Other Receivables	(34,620,885)	56,444,843
Inventories	215,694	130,000
Trade Payables	(279,126)	126,611,166
Cash Generated from Operations	(25,306,228)	179,052,046
Direct Taxes Paid	(16,135,475)	(7,850,987)
Interest Received on Income Tax Refund	20,734	-
Income Tax Refund	2,494,877	-
Cash Flow before Extraordinary Items	(38,926,091)	171,201,059
Prior Period Adjustments	21,524	(32,700)
Excess Provision written back	-	-
Net Cash from Operating Activities	<u>(38,904,568)</u>	<u>171,168,359</u>
B. Cash flow from Investing Activities:		
Purchase of Fixed Assets & Other Capital Expenditure	-	(78,983,103)
Preliminary expenses incurred	-	(231,972)
Share application money given	(50,000,000)	-
Purchase of Investments	(1,580,001,587)	(2,815,945,936)
Sale of Fixed Assets	-	168,150
Sale of Investments	1,629,686,193	2,665,597,014
Interest Received	-	7,055,252
Dividend Received	42,571,485	84,029,287
Net Cash flow from/(Used in) Investing Activities	<u>42,256,091</u>	<u>(138,311,308)</u>
C. Cash Flow from Financing Activities:		
Dividend paid including tax thereon	(18,430,073)	(18,430,073)
Share application money received	-	-
Loan received	-	-
Net Cash flow from/(Used in) Financing Activities	<u>(18,430,073)</u>	<u>(18,430,073)</u>
Net Change in Cash and Cash Equivalents (A+B+C)	(15,078,550)	14,426,978
Cash and Cash Equivalents As At 1st April (Opening Balance)	35,912,967	21,485,989
Less : opening balance of cash and cash Equivalents of the companies ceased to be subsidiaries during the year	(2,950,169)	-
Cash and Cash Equivalents As At 31st March (Closing Balance)	<u>17,884,249</u>	<u>35,912,967</u>

For and on behalf of the Board

As per our report of even date attached
For Kanodia Sanyal & Associates
Chartered Accountants

R.K. KANODIA
Partner
M. No. 16121

Place : New Delhi
Date : 31st August, 2007

ANIL KAUSHAL
Company Secretary

PUNIT GUPTA
Managing Director
UMESH CHAND JAIN
Director

Consolidated Financial Statements

SCHEDULES FORMING PART OF BALANCE SHEET

	AS AT 31.03.2007 Rs.	AS AT 31.03.2006 Rs.
SCHEDULE 'A' SHARE CAPITAL		
AUTHORISED		
32,500,000 (32,500,000) Equity Shares of Rs. 10 each	325,000,000	325,000,000
26,000,000 (26,000,000) Redeemable Preference Shares of Rs.10 each	260,000,000	260,000,000
	<u>585,000,000</u>	<u>585,000,000</u>
ISSUED SUBSCRIBED AND PAID UP		
32,326,366 (32,326,366) Equity Shares of Rs. 10 each	323,263,660	323,263,660
Share Application Money	-	-
	<u>323,263,660</u>	<u>323,263,660</u>
SCHEDULE 'B' RESERVES AND SURPLUS		
CAPITAL RESERVE		
Capital Investment Subsidy	4,653,000	4,653,000
Amalgamation Surplus	6,322,340	6,322,340
Amount recd.on forfeited shares		
- on Equity Shares	1,090,500	1,090,500
- on Cumulative Convertible Preference Shares	683,000	683,000
Share Premium On Forfeited Shares		
- on Equity Shares	10,750,500	10,750,500
- on Cumulative Convertible Preference Shares	6,837,000	6,837,000
Capital Reserve due to consolidation of Associates		
As per last year	<u>2,924,902</u>	-
Less: Deduction during the year	<u>2,300,466</u>	-
Add: Addition during the year	624,436	-
	<u>2,376,112</u>	2,924,902
	<u>3,000,548</u>	2,924,902
	<u>33,336,888</u>	<u>33,261,242</u>
INVESTMENT ALLOWANCE RESERVE	-	2,000,000
Less:- Transferred to General Reserve	-	(2,000,000)
	-	-
SHARE PREMIUM ACCOUNT	<u>1,830,904,500</u>	<u>1,830,904,500</u>
	<u>1,830,904,500</u>	<u>1,830,904,500</u>
RESERVE FUND (In terms of Sec.45-1C of RBI Act,1934)		
Opening Balance	128,360,000	33,030,000
Add:- Transferred during the year	23,371,000	95,330,000
	<u>151,731,000</u>	<u>128,360,000</u>
GENERAL RESERVE		
As per last year	2,237,064,111	2,225,064,111
Add; Defferred Tax asset refer note no.8 of schedule N)	178,111,546	
Add:- Transferred from Investment Allowence Reserve	-	2,000,000
Add:- Transferred from Profit & loss Account	22,500,000	10,000,000
	<u>2,437,675,657</u>	<u>2,237,064,111</u>

Consolidated Financial Statements

SCHEDULES FORMING PART OF BALANCE SHEET

	AS AT 31.03.2007 Rs.	AS AT 31.03.2006 Rs.
PROFIT & LOSS ACCOUNT	940,051,865	723,471,337
(As per Profit & Loss Account)		
INCOME FROM ASSOCIATES		
Accumulated share of profit in Associates upto 31.03.2004	360,252,137	360,252,137
	360,252,137	360,252,137
GRAND TOTAL	5,753,952,047	5,313,313,327

SCHEDULE 'C' FIXED ASSETS

(Amount in Rupees)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 01.04.2006	Additions	Deductions/ Adjustment #	As At 31.03.2007	Upto 31.03.2006**	Deduction/ Adjustments #	For The Year	Up To 31.03.2007	As At 31.03.2007	As At 31.03.2006
GOODWILL @	315,026,261	31,106,298	-	346,132,559	-	-	-	-	346,132,559	315,026,261
LAND	103,400,869	-	45,516,010	57,884,859	-	-	-	-	57,884,859	103,400,869
FACTORY SHED & BUILDING	35,935,339	-	-	35,935,339	15,615,692	-	1,126,618	16,742,310	19,193,029	20,319,647
FLATS	33,661,099	-	-	33,661,099	5,633,545	-	548,676	6,182,221	27,478,878	28,027,554
PLANT & MACHINERY	59,042,863	-	-	59,042,863	52,466,887	-	2,524,739	54,991,626	4,051,237	6,575,977
TUBEWELL	262,745	-	-	262,745	203,858	-	12,480	216,338	46,407	58,887
OFFICE EQUIPMENTS	2,286,768	-	-	2,286,768	1,556,177	-	108,413	1,664,590	622,178	730,591
FURNITURE & FIXTURES	2,852,172	-	-	2,852,172	2,454,429	-	180,542	2,634,971	217,201	397,743
VEHICLES	312,632	-	-	312,632	297,001	-	-	297,001	15,631	15,631
TOTAL	552,780,748	31,106,298	45,516,010	538,371,036	78,227,589	-	4,501,468	82,729,057	455,641,979	474,553,160
PREVIOUS YEAR	801,880,588	79,365,095	328,464,935	552,780,748	79,562,948	(6,208,220)	4,872,859	78,227,588	474,553,160	
CAPITAL WORK IN PROGRESS*										
PLANT & MACHINERY	8,056,000	-	-	8,056,000	5,124,662	-	2,528,538 \$	7,653,200	402,800	2,931,338
TOTAL	8,056,000	-	-	8,056,000	5,124,662	-	2,528,538	7,653,200	402,800	2,931,338
PREVIOUS YEAR	9,130,398	884,198	1,958,596	8,056,000	5,124,663	-	-	5,124,663	2,931,338	
GRAND TOTAL	560,836,748	31,106,298	45,516,010	546,427,036	83,352,251	-	7,030,006	90,382,257	456,044,779	477,484,498
PREVIOUS YEAR	811,010,986	80,249,293	330,423,531	560,836,748	84,687,611	(6,208,220)	4,872,859	83,352,251	477,484,498	

Note:- * The Capital Work in Progress represents dismantled plant & machinery transferred from one unit to another in earlier year.

\$ represents amount towards impairment of assets as referred in note 13 of schedule 'M'

** Includes Rs. 16,062,794 towards impairment of assets

@ Represents amount arising on acquisition of shares in Associates calculated as per As-23 (refer note no.10 b of Schedule 'M')

represents the value of assets of companies ceased to be subsidiary during the year.

SCHEDULE 'D' INVESTMENTS

	FACE VALUE Rs.	SHARES/UNITS 31.03.2007 NOS.	SHARES/UNITS 31.03.2006 NOS.	AS AT 31.03.2007 Rs.	As At 31.03.2006 Rs.
LONG TERM :					
NON-TRADE (AT COST)					
EQUITY SHARES-(QUOTED)-FULLY PAID UP					
ASIAN HOTELS LTD.	10	1,974,999	1,896,961	1,086,433,213	1,011,187,674
BRITANNIA INDUSTRIES LTD.	10	1	1	508	508
ESTER INDUSTRIES LTD.	5	422,329	-	2,896,987	-

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SCHEDULES FORMING PART OF BALANCE SHEET

	FACE VALUE Rs.	SHARES/UNITS 31.03.2007 NOS.	SHARES/UNITS 31.03.2006 NOS.	AS AT 31.03.2007 Rs.	As At 31.03.2006 Rs.
GILLETTE INDIA LTD.	10	1	1	2,278	2,278
GODREJ CONSUMER PRODUCTS LTD.*	1	23500*	5,875	549,784	549,784
HINDUSTAN UNILEVER LTD.	1	2,010	2,010	377,577	377,577
INDIAN HOTELS CO. LTD.**	1	10**	1	266	266
INDO COUNT INDUSTRIES LTD.	10	900	900	6,852	6,852
ITC LTD	1	15	15	626	626
JINDAL PHOTO LTD	10	316,141	316,141	42,905,661	42,905,661
NESTLE INDIA LTD.	10	1	1	429	429
OIL & NATURAL GAS CORPORATION LTD.***	10	3,000	2,000	1,465,145	1,465,145
PNB GILTS LIMITED	10	16,400	16,400	490,770	490,770
PRAKASH INDUSTRIES LTD.	10	244,765	203,684	6,235,456	4,805,986
PROCTER & GAMBLE HYGEINE AND HEALTH CARE LTD.	10	1	1	700	700
PUNJAB NATIONAL BANK	10	18,862	18,862	7,356,180	7,356,180
TATA COFFEE LTD.	10	100	100	9,204	9,204
TATA TEA LTD.	10	1	1	562	562
				1,148,732,198	1,069,160,202

Sub Total (A)

* Face value of shares reduced from Rs 4/- to Rs 1/-per share

** Face value of shares reduced from Rs 10/- to Rs 1/-per share

***includes 1000 Bonus Shares received during the year Market Value of quoted investment Rs 13,834.27 Lacs
(Previous Year Rs 20527.34 Lacs)

IN ASSOCIATES (at carrying cost)

EQUITY SHARES-(QUOTED) FULLY PAID UP

JINDAL POLY FILMS LTD.	10	7,015,951	5,725,151		
Original Cost (Net of Goodwill of Rs.3,11,06,298 (Previous year Rs. 32,10,01,722 arising on acquisition of share of associates)				1,446,185,003	787,609,428
Add: Adjustment due to change in Net worth except income for the year				-	323,302,188
Original Cost (Net of Goodwill of Rs.3,11,06,298 (Previous year including capital reserve of Rs. 23,00,466 arising on acquisition of share of associates)				1,446,185,003	1,110,911,616
Add: Income from Associates at the beginning of year				374,046,341	278,825,041
Add: Income from Associates for the year				146,214,560	95,221,300
Carrying Cost				1,966,445,904	1,484,957,957
				1,966,445,904	1,484,957,957

Sub Total (B)

Consolidated Financial Statements

SCHEDULES FORMING PART OF BALANCE SHEET

	FACE VALUE Rs.	SHARES/UNITS 31.03.2007 NOS.	SHARES/UNITS 31.03.2006 NOS.	AS AT 31.03.2007 Rs.	As At 31.03.2006 Rs.
EQUITY SHARES-(UN QUOTED) FULLY PAID UP					
JINDAL INDIA THERMAL POWER LTD.	10	679,700	679,700		
Original Cost (Including capital Reserve of Rs.6,24,436 (previous year net of goodwill of Rs. 2,38,230) arising on acquisition of share of associates)				7,722,436	6,859,770
Add: Adjustment due to change in Net worth except income for the year					862,666
Original Cost (Net of capital Reserve of Rs.6,24,436 arising on acquisition of share of associates)				7,722,436	7,722,436
Add: Income from Associates at the beginning of year				122,489	-
Add: Income from Associates for the year					122,489
Carrying Cost				7,844,925	7,844,925
VIGIL FARMS LTD.*	10	850,000			
Original Cost (Including capital Reserve of Rs.23,76,112 arising on acquisition of share of associates)				90,876,112	
Add: Income from Associates at the beginning of year				-	-
Add: Income from Associates for the year				(133,619)	-
Carrying Cost				90,742,493	-
* in previous year 50000 shares of Rs. 5,00,000 held by holding company					
RISHI TRADING CO. LTD.	10	5,385,833	5,385,833		
Original Cost (Net of Goodwill of Rs.13,63,53,734 arising on acquisition of share of associates)				262,150,972	262,150,972
Add: Income from Associates at the beginning of year				115,786,450	100,829,504
Add: Income from Associates for the year				16,392,273	14,956,946
Carrying Cost				394,329,695	377,937,422
SOYUZ TRADING CO. LTD.	10	1,705,769	1,705,769		
Original Cost (Net of Goodwill of Rs.12,91,88,550 arising on acquisition of share of associates)				244,349,860	244,349,860
Add: Income from Associates at the beginning of year				135,128,233	98,997,958
Add: Income from Associates 2006-07				6,072,244	36,130,275
Carrying Cost				385,550,337	379,478,093
Sub Total (C)				878,467,449	379,478,093

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SCHEDULES FORMING PART OF BALANCE SHEET

	FACE VALUE Rs.	SHARES/UNITS 31.03.2007 NOS.	SHARES/UNITS 31.03.2006 NOS.	AS AT 31.03.2007 Rs.	As At 31.03.2006 Rs.
IN OTHERS					
EQUITY SHARES-(UN QUOTED) FULLY PAID UP					
JINDAL (INDIA) LTD.	100	178,300	178,300	18,024,040	18,024,040
	Sub Total (D)			18,024,040	18,024,040
PREFERENCE SHARES-(UNQUOTED)					
8% Optionally Convertible Cumulative Preference Shares of					
JINDAL (INDIA) LTD. of Rs. 100 each fully paid up	10	1,250,000	1,500,000	500,000,000	600,000,000
9% Non cumulative preference shares of					
AQUA HOLDING PRIVATE LTD.	10	1,000,000	1,000,000	10,000,000	10,000,000
	Sub Total (E)			510,000,000	610,000,000
IN MUTUAL FUNDS :-					
ABN AMRO Floating Rate Fund-Inst. Growth	10	1,008,086		10,800,634	
Birla Floating Rate Fund- Long Term Growth	10	-	7,216,179	-	80,000,000
Deutsche Floating rate Fund Regular Plan-Growth	10	990,589		11,000,000	
Deutsche Floating Rate Fund-Regular Plan- Growth	10	-	4,614,352	-	51,102,103
DWS Fixed Term Fund Series 24 -Institutional Plan	10	2,500,000		25,000,000	
DWS Fixed Term Fund Series 27 -Dividend Option	10	500,000		5,000,000	
Fidelity Equity Fund (Growth)	10	2,976,013		50,000,000	
Fidelity Equity Fund-Growth Option	10	2,976,013		50,000,000	
Fidelity India Special Situation Fund (Growth)	10	10,056,315		100,000,000	
Fidelity Short Term Income-Non Inst-GR	10	1,570,737		16,000,000	
HDFC Floating Rate Income Fund Long Term Growth	10	-	4,468,036	-	50,000,000
HSBC Floating Rate Fund- LTP -Institutional option	10	-	4,078,680	-	42,603,889
HSBC Floating Rate Fund-Short Term -Institutional Growth	10	1,670,979		17,500,000	
LIC MF Floating Rate fund-STP-Growth Plan	10	8,456,016		100,000,000	
LICMF Floating Rate Fund-Short Term Plan -Growth Plan	10	6,495,654		73,894,526	
Principal Income Fund Short Term-Instl. Plan-Growth Plan	10	3,672,450		45,002,825	
Principal Income Fund-Short Term-Instl. Plan-Growth Plan	10	1,650,478		20,000,000	
Principal Income Fund-Short Term-Instl. Plan-Growth Plan	10	3,290,962		40,000,000	
Principal Income Fund-Short Term-Instl. Plan-Growth Plan	10	1,640,797		20,000,000	
Prudential ICICI - Blended Plan-A	10	15,000,000	15,000,000	150,000,000	150,000,000
Prudential ICICI -Floating Rate Plan C-Daily dividend Reinvestments	10	-	6,501,842	-	65,031,421
Templeton Floating Rate Income Fund Long Term- Plan Growth	10	-	8,224,563	-	100,000,000
Templeton India Short Term Income Plan Institutional-Growth	1,000	40,245		43,082,565	

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SCHEDULES FORMING PART OF BALANCE SHEET

	FACE VALUE Rs.	SHARES/UNITS 31.03.2007 NOS.	SHARES/UNITS 31.03.2006 NOS.	AS AT 31.03.2007 Rs.	As At 31.03.2006 Rs.
UTI Fixed Maturity plan Quaterly Series QFMP/0207/II-Dividend	10	3,500,000		35,000,000	
UTI Floating Rate Fund- STP-Growth	10	-	8,181,338	-	92,682,407
G45 Grindlays Floating Rate Fund- LT -Institutional Plan-B	10		1,861,818		19,288,362
G44 Grindlays Floating Rate Fund- LT -Institutional Plan-B	10		14,332,945		150,000,000
B512G Birla Floating Rate fund LTP -Growth	10		4,510,112		50,000,000
HSBC Floating Rate-Long Term -Institutional Growth	10		2,789,347		29,000,000
OFLIG HSBC Floating rate fund -Long Term-Institutional	10		1,531,643		16,000,000
OFLIG HSBC Floating rate fund -Long Term-Institutional	10		382,259		4,000,000
HSBC Floating Rate Fund-Short Term -Institutional Growth	10		1,670,979		17,500,000
Deutsche Floating rate Fund Regular Plan-Growth	10		990,589		11,000,000
ABN AMRO Floating Rate Fund-Inst. Growth	10		1,680,045		18,000,000
UTI Mutual Fund -Floating rate Fund -Short Term Plan-Institutional-Div.daily	10		2,967,066		30,000,000
LICMF Floating Rate Fund-STP-Dividend Plan-Reinvestment-ST (I)	10		4,936,419		50,000,000
M33 ABN AMRO -Floating Rate Fund- Growth	10		2,080,444		22,500,000
HDFC Floating Rate Income Fund-STP -Div Reinvestment	10		6,923,701		70,000,000
Principal Floating Rate Fund -Short Maturity Plan (Institutional Plan) Dividend-Weekly-Reinvestment	10		4,499,685		45,000,000
Net Asset Value Of Investments In Mutual Funds Rs.8914.66 Lacs (Previous Year Rs.11943.21 Lacs)					
Sub Total (F)				812,280,550	1,163,708,182
IN BONDS (FULLY PAID UP) :-					
NATIONAL BANK OF AGRICULTURE AND RURAL DEVELOPMENT	10,000	1,100	1,100	11,000,000	11,000,000
NATIONAL HOUSING BANK	10,000	2,000	2,000	20,000,000	20,000,000
Sub Total (G)				31,000,000	31,000,000
SHARE APPLICATION MONEY (PENDING ALLOTMENT)					
JASMINE MERCANTILE P.LTD.*				25,000,000	-
UNIVERSAL FOILS LTD.**				25,000,000	-
* allotment is pending till date **10,00,000 equity shares of Rs. 10 each at a premium of Rs. 15 per share have been allotted on 17.07.2007					
Sub Total (H)				50,000,000	-
Less: Provision for Diminution in Value of Investments				-	115,000
Sub Total (I)				-	115,000
Grand Total (A+B+C+D+E+F+G+H-I)				5,414,950,141	5,141,995,821

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SCHEDULES FORMING PART OF BALANCE SHEET

	AS AT 31.03.2007 Rs.	AS AT 31.03.2006 Rs.
SCHEDULE 'E' INVENTORIES		
(As taken, valued and certified by the Management)		
Stores & spare parts	813,907	985,210
Packing Materials	223,174	267,565
	<u>1,037,081</u>	<u>1,252,775</u>
SCHEDULE 'F' SUNDRY DEBTORS (Unsecured)		
<u>Debts due over six months</u>		
Considered Good	-	-
Considered Doubtful	919,579	919,579
Less:- Provision for doubtful debts	919,579	919,579
	<u>-</u>	<u>-</u>
Other Debts-Considered Good	-	-
	<u>-</u>	<u>-</u>
SCHEDULE 'G' CASH AND BANK BALANCES		
Cash in hand	138,167	194,803
Bank balances with scheduled banks:	-	
In Current Accounts	8,857,012	25,534,880
In Dividend Accounts	8,606,390	9,006,884
IN Fixed Deposit Account*	50,000	50,000
Cheques in hand	232,680	
Stamps in hand	-	1,126,400
*Lying with Government Authorities as security deposit		
	<u>17,884,249</u>	<u>35,912,967</u>
SCHEDULE 'H' LOAN & ADVANCES		
(Unsecured, considered Good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
Advance to Subsidiary-considered good	-	-
Advance to others	-	-
Considered Good	103,193,817	79,572,933
Considered Doubtful	6,158,663	6,158,663
	<u>109,352,480</u>	<u>85,731,595</u>
Less:- Provision for doubtful Advances	6,158,663	6,158,663
	<u>103,193,817</u>	<u>79,572,933</u>
Advance Recoverable against not pledged with Bank	-	-
Balance with Excise Department	199,285	199,285
MAT Credit Entitlement	2,820,385	2,481,189
Security & Trade Deposits	2,078,167	2,078,167
Income Tax Payments (including income tax deducted at source)	36,873,859	25,832,248
	<u>145,165,513</u>	<u>110,163,821</u>

Consolidated Financial Statements

SCHEDULES FORMING PART OF BALANCE SHEET

	AS AT 31.03.2007 Rs.	AS AT 31.03.2006 Rs.
SCHEDULE 'I' CURRENT LIABILITIES & PROVISIONS		
A. CURRENT LIABILITIES		
<u>Sundry Creditors</u>		
- For Goods & Services	694,049	597,093
Due to Customers & others	631,198	1,020,020
Liability towards Investor Education & Protection Fund under Sec205C of the Companies Act,1956 not Due -Unpaid Dividend	-	-
	<u>8,589,015</u>	<u>8,984,508</u>
	<u>9,914,262</u>	<u>10,601,621</u>
B. PROVISIONS		
Income Tax	32,263,400	24,093,000
Provision for Dividend	16,163,183	16,163,183
Provision for Tax on Dividend	2,746,933	2,266,890
	<u>51,173,516</u>	<u>42,523,073</u>
TOTAL : (A + B)	<u>61,087,778</u>	<u>53,124,694</u>

SCHEDULE 'J' MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

<u>Preliminary Expenses</u>		
As per last year *	214,979	85,556
Add: During the year	-	231,972
Less: Written off during the year	56,587	31,609
	<u>158,392</u>	<u>285,919</u>

* net of Rs.70,940 related to companies ceased to be subsidiary during the year

SCHEDULE 'K' OTHER INCOME -SALES (NET OF RETURNS)

MANUFACTURED GOODS

Other Miscellaneous	-	88,033
	<u>-</u>	<u>88,033</u>

YEAR ENDED AS AT 31.03.2007 Rs.	YEAR ENDED AS AT 31.03.2006 Rs.
---------------------------------------	---------------------------------------

SCHEDULE 'L' PERSONNEL EXPENSES

Salary, Wages & other benefits	717,081	791,763
Staff Welfare Expenses	66,797	74,443
Contribution to Provident & other Funds	31,573	35,658
	<u>815,451</u>	<u>901,864</u>

SCHEDULE 'M'-ADMINISTRATIVE EXPENSES, INTEREST AND OTHER EXPENSES

Rents, Rates & Taxes	281,351	81,475
Travelling & Conveyance	124,750	18,220
Electricity & Water Charges	425,815	595,868

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SCHEDULES FORMING PART OF BALANCE SHEET

	YEAR ENDED AS AT 31.03.2007 Rs.	YEAR ENDED AS AT 31.03.2006 Rs.
Postage, Telegram & Telephones	767,537	662,483
Printing & Stationery	516,784	1,079,071
Legal & Professional Charges	906,700	552,207
Repairs & maintenance - Others	244,192	308,994
Insurance Expenses	-	116,240
Filing Fees	1,038,606	182,150
Auditors Remuneration	254,496	239,480
Miscellaneous Expenses	268,157	450,905
Provision for doubtful debts & advances	-	1,094,579
Balance written off (Net)	3,064	(6,600)
Obsolete & dead stocks written off	215,694	130,000
Preliminary Expenses written off	56,587	31,609
Interest-others	187,020	
	5,290,753	5,536,680

SCHEDULE 'N' SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1. Accounting Policies:

i) Basis of Accounting

The financial statements are prepared under the historical cost convention and in accordance with the requirement of the Companies Act, 1956 and Accounting Standards referred to in Section 211(3C) of the Act.

ii) Fixed Assets

Fixed assets are stated at cost less depreciation. Cost of acquisition and fabrication or construction are inclusive of freight, duties and other incidental expenses during construction period. Incidental expenses includes establishment expenses, interest on fund used for Capital expenditure and other Administrative expenses.

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.

iii) Depreciation

Depreciation on assets other than leased assets has been provided on Straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956. In respect of leased out assets, the cost of the same is being amortized fully during the primary period of lease.

iv) Treatment of expenditure during construction period

Incidental Expenditure during construction period is included under capital work in progress and the same is allocated to the respective fixed assets on completion of construction.

v) Revenue Recognition

- a) All revenues, costs, duties, assets & liabilities are accounted for on accrual basis.
- b) Dividend on Equity & Preference shares of corporate bodies are taken into account on accrual basis when such dividend has been declared by the corporate body in its annual general meeting and the right to receive payment is established.

Consolidated Financial Statements

SCHEDULES FORMING PART OF BALANCE SHEET

vi) Sales & Services

- a) Sales, net of returns and trade discount, is inclusive of excise duty but excludes sales tax.
- b) Sales are accounted when the sale of goods is completed on accrual basis.

vii) Research & Development Expenses

Research & development costs of revenue nature are charged to revenue when incurred. Expenditure of Capital nature is capitalised and depreciation is provided thereon as per applicable accounting standards.

viii) Borrowing Costs

Borrowing costs attributable to the acquisition and construction of asset are capitalised as part of the cost of such asset upto the date when such asset is ready for its intended use. Other borrowing costs are treated as revenue/deferred revenue expenditure as considered appropriate by the Management.

ix) Investments

Investments are classified as long term or current based on the Management intention at the time of purchase. Long term investments are valued at their acquisition cost. Current investments are stated at lower of cost or fair market value. The 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. Investments in the units of Mutual funds are valued at cost or market value whichever is lower, depreciation, if any is fully provided for and appreciation if any is ignored.

x) Retirement Benefits

Gratuity provision is made on actuarial basis and encashment of leave done on yearly basis.

xi) Foreign Currency Transaction

Transactions in foreign currencies not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rates ruling at the date of transaction as increased or decreased by the proportionate difference based on life of the contract between the forward rate and exchange rate on the date of transaction.

Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the profit or loss account except in cases where they relate to the acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

xii) Inventories

The Method of Inventories valuation has been adopted as follows:

Raw Material	:	At cost (FIFO Basis)
Finished Goods	:	At Cost or Net Realisable Value whichever is lower.
Work-in-Process	:	At estimated cost
Trading Goods	:	At Cost or Net Realisable Value whichever is lower.
Stores & Spares	:	At Cost (FIFO Basis)
Packing Material	:	At Cost (FIFO Basis)

xiii) Taxation

The Current tax payable in respect of taxable income for the year has been charged to revenue.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent previous periods. Deferred tax assets are recognised on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

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SCHEDULES FORMING PART OF BALANCE SHEET

2. Contingent Liabilities:

	As at 31.03.2007 (Rs.)	As at 31.03.2006 (Rs.)
a) Various Sales Tax/Excise Demand, against which appeals are pending	44,897,019	4,584,239
b) Capital Commitments in respect of Plant & Machinery	-	15,843,000
	Year Ended 31.03.2007 (Rs.)	Year Ended 31.03.2006 (Rs.)

3. The Auditors' Remuneration includes the following

Audit Fee	154,600	195,063
Other Services	99,896	36,917
Reimbursement of Expenses	-	7,500
	254,496	239,480

4. Balance with Sundry debtors and advances from customers are subject to confirmation and reconciliation.
5. In the opinion of the Board of Directors, current assets, loan & advances have a value on realisation atleast equal to the amount at which they are stated unless stated otherwise.
6. As per information available with the management, there is no liability outstanding as on 31.03.2007 due to Small Scale Undertakings.

	Year Ended 31.03.2007 (Rs.)	Year Ended 31.03.2006 (Rs.)
7. Earning Per Share		
Profit After Taxation	281,119,526	139,428,641
Adjustment of Extra Ordinary Items	281,119,526	139,428,641
Number of Equity Shares outstanding	32,326,366	32,326,366
Face value of per Equity Share	10.00	10.00
Earning per Share (Basic/Diluted)	8.70	4.31

8. As per Accounting Standard-22 "Accounting for Taxes on Income" and measured at the tax rates that have been enacted or substantially enacted by the balance sheet date.

During the year the Jindal Photo Investment limited has recognised Deffered tax Asset/liability first time and hence deffered tax asset till 31.3.2006 amounting to Rs. 178,111,546 has been added to General Reserve.

current year deffered tax asset amounting to Rs.10,47,535 has been added to the profits of the current year

The Deffered Tax Liability/(Asset) comprises of tax effect of timing difference on account of:

	As at 01.04.2006	For the year	As at 31.03.2007
a) Deferred Tax Liability			
For Depreciation difference as per books and I.Tax Act	6,089,069	(2,848,576)	3,240,493
	6,089,069	(2,848,576)	3,240,493
b) Deferred Tax Assets			
Carry forward Long Term Capital Loss	233,915,468	1,893,613	235,809,081
Carry forward Business Loss	296,078	(296,078)	-
Disallowance under Section 43-B of I.Tax Act	66,650	(1,971)	64,679
Expenses charged in the books, but allowance thereof deffered under Income tax Laws	29,443	(7,144)	22,299
	56,196,093	1,588,420	235,896,059
Net Deffered Tax Liability/(Assets) (a-b)	(50,107,023)	(4,436,996)	(232,655,565)

Consolidated Financial Statements

SCHEDULES FORMING PART OF BALANCE SHEET

9. Loss on sale of Investments is net of loss amounting to Rs.Nil (Previous Year Rs.43,85,57,539/-) arises on sale of share to associate companies.

10. Basis of Consolidation

a) The Consolidated Financial Statements relates to The Consolidated Finvest and Holdings Ltd.('the Company') its Subsidiary Companies, Associate Companies as at 31st March, 2007. The Company and its Subsidiaries constitute 'the Group'. The Consolidated Financial Statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like item of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra- group transaction and unrealised profits or losses as per Accounting Standard 21 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India, (ICAI).

- Investment in Associate companies have been accounted for under the equity method as per Accounting Standard 23 'Accounting for Investments in Associates in Consolidated Financial Staements' issued by the ICAI.

- The excess of cost to the company of its investments in the subsidiary companies and Associate over the Company's portion of equity is recognised in the financial statements of Goodwill.

- The excess of Company's portion of equity of the Subsidiaries and associate as at the date of its investments is treated as Capital Reserve.

- Goodwill/Capital Reserve arising on investments in Associate Companies are retained/adjusted under the head "Investments in Associates Companies" and are disclosed separately.

- Goodwill arising out of consolidation is not amortised.

- Minority Interest in the net assets of Subsidiaries consists of:

- i) the amount of equity attributable to the minorities at the date on which investment in a Subsidiary is made; and
- ii) the minorities' share of movements in equity since the date of parent-subsidiary relationship came into existence.

b) The list of Subsidiary and Associate Companies which are included in the Consolidation and the Group's holdings therein are as given below:-

Name of the Company	Holding (%)	
	2006-07	2005-06
i) Subsidiary :-		
Jindal Photo Investments Ltd.	100.00%	100.00%
Jindal Meadows Limited	100.00%	100.00%
Jesmin Investments Ltd.**	83.61%	83.61%
Consolidated Realtors Limited	N.A.*	100.00%
Consolidated Buildwell Limited	N.A.*	100.00%
Vigil Farms Limited	N.A.*	100.00%
Agile Properties Ltd.	N.A.*	100.00%
ii) Associate :-		
Rishi Trading Company Ltd	39.78%	39.78%
Soyuz Trading Company Ltd	39.90%	39.90%
Jindal Poly Films Ltd	20.38%	20.38%
Jindal India Thermal Power Ltd	36.42%	36.42%
Vigil Farms Limited	49.71%	N.A.*

* ceased to be subsidiaries during the year

** by virtue of holding of the company and its wholly owned subsidiary.

c) The company has applied AS-23, Accounting for Investments in Associates in Consolidated Financial Statements issued by ICAI. In accordance with the disclosure requirement of AS-23 relating to associate companies are given below:-

Consolidated Financial Statements

SCHEDULES FORMING PART OF BALANCE SHEET

The company recognise those investee entities as associates which are not considered as subsidiaries, but in which it hold directly or indirectly (through subsidiaries) 20% or more voting power.

Name of the Associate	% of Voting Power	% of Shareholding	Share in C.Y.Profit
Rishi Trading Company Ltd	20.39%	39.78%	16,392,273
Soyuz Trading Company Ltd	20.69%	39.90%	6,072,244
Jindal Poly Films Ltd*	24.97%	24.97%	146,214,560
Jindal India Thermal Power Ltd	36.42%	36.42%	-
Vigil Farms Limited	49.71%	49.71%	(133,619)
			168,545,457

* Share in current year profit have been calculated on the basis of Unaudited Financial results published by the investee.

- The Company is mainly engaged in the investments activities and do not qualify for separate reporting as required by AS-17 on "Segment Reporting".
- Disclosures as required by Accounting Standard-18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are as follows :

List of Related Parties

a) Controlling Companies / Individuals

Consolidated Photo & Finvest Ltd.	Vigil Farms Ltd.
Soyuz Trading Co. Ltd.	Jindal (India) Ltd.
Rishi Trading Co. Ltd.	Passion Tea Pvt Ltd.
Jindal Poly Films Ltd.	Jindal Realtors Ltd.
Jumbo Finance Ltd.	Jindal India Thermal Power Ltd.
Jupax Barter Pvt. Ltd.	Hindustan Polyester Ltd.
Jindal Imaging Ltd.	Jindal Photo Ltd.
Consolidated Buildwell Ltd.	
Vigil Farms Limited	Mr Shyam Sunder Jindal
Consolidated Realtors Ltd.	
Rexor SAS, France	
Bazaloni Groups Limited	
Indian Software Consultancy Limited	
Jindal France SAS, France	
Agile Properties Ltd.	

b) Key Management Personnel

Mr. Shammi Gupta*
 Mr. Vasdev Aggarwal**
 * Ceased to be director w.e.f 31.08.2006
 ** appointed as director w.e.f. 11.04.2006

Details of Transactions with related parties are as follows :

Controlling Companies/Individuals

	Current Year (Rs.)	Previous Year (Rs.)
Rent Received	325,000	135,000
Interest Received	6,811,270	859,797
Interest Paid	187,020	-
Dividend Received	22,587,943	-
Expenses Reimbursed	-	780,295
Share application money given	62,429,000	-
Share application money received back	3,500,000	-
Misc. Exp. Paid	58,000,000	-
Loan Repaid	58,000,000	-
Loan Given During the Year	223,200,000	163,500,000
Loan received back	190,500,000	200,096,430
Sale of Fixed Assets	-	114,750

Consolidated Financial Statements

SCHEDULES FORMING PART OF BALANCE SHEET

	Current Year (Rs.)	Previous Year (Rs.)
Investment in Shares	145,500,000	600,000
Redemption Proceeds	-	500,000,000
Sale of Investment in shares	108,820,000	-
Key Management Personnel		
Remuneration		
Outstanding as at year end Controlling Companies		
Loans & Advances given	32,904,957	478,373
Other Liabilities	6,610	-
Investments	964,778,151	607,598,000

13. The profit on sale of Investments in Mutual fund includes profit on sale of current investment amounting to Rs.17.11Lacs (P.Y. Rs.55.87) which were purchased & sold during the year, the cost being Rs.2549.94 lacs (P.Y. Rs.7096.58 lacs)

The following mutual funds have been purchased and sold during the year:-

	No.of Units	Purchase cost in (Rs.)
Templeton India Short term Income Plan Institutional	6462	6,917,435
Fidelity S.T. Income Non Inst-Growth	982666	10,000,000
Prudential ICICI (Dividend Reinvest)	4294	42,953
UTI- Floating Rate	42501	49,000,000
Principal PNB ST Inst.-Growth	2724586	33,497,175
LIC Floating Rate S.T.	7920668	90,105,474
Agile Properties Limited	575000	57,500,000
Ester Industries Ltd.	100	695
UTI - Floating rate Fund-STP- Dividend option	29901	206,670
LICMF Floating Rate Fund-STP-Divided Plan	33059	335,249
HDFC Floating Rate Income Fund-STP-Dividend Reinvest	42678	431,565
Principal Mutual Fund	37635	376,379
HDFC Floating Rate Income Fund-STP-Dividend Reinvest	1639292	16,580,425
LICMF Floating Rate Fund-STP-Growth Plan	4428659	50,000,000

14. Impairment of assets

In accordance with the Accounting Standard (AS-28) on 'Impairment of Assets' issued by the Institute of Chartered Accountants of India, the Company during the year carried out an exercise of identifying the assets that may have been impaired in respect of each cash generating unit in accordance with the said Accounting Standard. The Company has identified Fixed Assets of one unit as impaired, mainly on account of economic performance and alternatively viability of such assets, and accordingly, an impairment loss of Rs.25,28,538 has been charged to the Profit and Loss Account at the year end.

15. Figures for the previous year have been regrouped/re-arranged/ reclassified/recasted wherever considered necessary to conform to this year's classification.

16. All the figures have been rounded off to the nearest rupee.

17. Schedule 'A' to 'N' are annexed to and form part of Statement of Accounts.

As per our report of even date attached
For Kanodia Sanyal & Associates
Chartered Accountants

R.K. KANODIA
Partner
M. No. 16121

Place : New Delhi
Date : 31st August, 2007

ANIL KAUSHAL
Company Secretary

For and on behalf of the Board

PUNIT GUPTA
Managing Director
UMESH CHAND JAIN
Director

Jindal Photo Investments Limited

DIRECTORS' REPORT

To the members,

Your Directors are pleased to present the Eighth Annual Report together with the Audited Accounts of the Company for the period ended 31st March 2007.

FINANCIAL RESULTS

Particulars	(Rs. in Lacs)	
	Year ended 31/03/2007	Year ended 31/03/2006
Income	369.33	3571.99
Profit before tax	363.27	3564.76
Less: Prov. for tax	11.23	55.08
Add: Mat Credit Entitlement	--	24.81
Profit for the year	352.04	3534.49
Less: Income Tax/MAT Credit for earlier years	0.56	--
Add: Balance of P & L a/c brought forward	2944.61	217.11
Balance available for appropriation	3297.21	3751.60
Transfer to Reserve Fund (as per Sec 45-IC of RBI Act)	70.41	707.00
Transfer to General Reserve	100.00	100.00
Balance carried to balance sheet	3126.80	2944.60

OPERATIONS

During the year under review, the company has earned total revenue of Rs. 369.33 lacs which includes mainly the profit on sale & redemption of investments in mutual funds, Interest and dividend received.

ISSUE OF SHARE CAPITAL

During the year under review, there was no further issue of share capital and the company continues to be 100% wholly owned subsidiary of Consolidated Finvest & Holdings Limited.

DIVIDEND

Your directors do not deem it fit to recommend any dividend for the year under review.

DEPOSITS & REGULATORY GUIDELINES

Your Company does not accept / hold public deposits. The Board of Directors has passed necessary resolution(s) in terms of the guidelines issued by the Reserve Bank of India (RBI) whereby certain provisions of the RBI directions and the prudential norms are not applicable to the company.

In compliance with Section 45-IC of the Reserve Bank of India Act, 1934, your directors have appropriated adequate amount to the "Reserve Fund". Appropriation from this reserve fund can be made only for purposes as may be specified by the RBI from time to time.

DIRECTORS

Shri Shiv Kumar, Mittal retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Shri Umesh Chand Jain, Director of the Company has been appointed as Managing Director of the Company for five years w.e.f. 30th April 2007.

Shri Punit Gupta has been appointed as an additional director on the board on 30th April 2007 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 indicting his intention to propose the appointment of Shri Punit Gupta as Director of the Company liable to retire by rotation.

Shri Sushil Mittal has been appointed as an additional director on the board on 24th August 2007 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 indicting his intention to propose the appointment of Shri Sushil Mittal as Director of the Company liable to retire by rotation.

Shri Shammi Gupta has resigned from the Managing Directorship and Directorship of the Company with effect from 30th April 2007. The Board wishes to place on record its sincere appreciation for the valuable services rendered by Shri Shammi Gupta during his tenure as Managing Director of the Company.

Shri Praveen Kumar Bansal has resigned from the Board and ceased to be Director w.e.f. 24th August 2007. The Board wishes to place on record its sincere appreciation for the valuable services rendered by Shri Praveen Kumar Bansal during his tenure as Director of the Company.

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

The Directors confirm:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanations relating to material departure, if any;
- That they have selected such accounting policies and applied them consistently and made judgements 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;
- 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, for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities;
- That they have prepared the annual accounts on a 'going concern' basis.

AUDIT COMMITTEE

The Audit Committee of the Board comprises of the following:-

Shri Punit Gupta, Chairman of the audit committee
Shri Shiv Kumar Mittal
Shri Umesh Chand Jain

AUDITORS

M/s Kanodia Sanyal & Associates, Chartered Accountants, New Delhi, the auditors of your Company, retire at the ensuing Annual General Meeting and we recommend their reappointment. They have furnished a certificate to the effect that this re-appointment, if made, will be in accordance with the sub-section (IB) of Section 224 of the Companies Act, 1956.

AUDITORS REPORT

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

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of clause 2(A) (d) of the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, in so far as it relates to conservation of energy, and technology absorption are not applicable, as the company does not have any manufacturing activity.

The company also does not have any foreign exchange earnings and outgo during the year under review.

Jindal Photo Investments Limited

PERSONNEL

None of the Employees was in receipt of remuneration exceeding the limit as prescribed in the Companies (Particulars of Employee) Rules, 1975, during the year or part of the year. Thus no statement under section 217(2A) of the Companies Act, 1956 and the Companies (particulars of employee) Rules, 1975 as amended is necessary.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their sincere appreciation for the support and co-operation of all concerned.

For and on behalf of the Board

(Shiv Kumar Mittal)
Director

(Umesh Chand Jain)
Managing Director

Place: New Delhi

Dated: 24th August 2007

AUDITORS' REPORT

To The Members of Jindal Photo Investments Limited

We have audited the attached Balance Sheet of **M/S JINDAL PHOTO INVESTMENTS LIMITED** as at 31st March 2007 and also the annexed Profit and Loss Account and Cash Flow Statement for the year ended on that date (together referred to as 'financial statements'). 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.

We conducted our audit in accordance with the 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 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 the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A), of the Companies Act 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.

Further to our comments in the Annexure referred to 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 purposes 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, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report have been prepared in compliance with 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 and taken on record by the Board of Directors, we report that none of the said directors are disqualified as on 31st March, 2007 from being appointed as directors 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 financial statements read together with significant accounting policies and notes thereon in Schedule 'J' 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 Balance Sheet, of the state of affairs of the Company as at 31st March, 2007 and,
- ii. In the case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date.
- iii. In the case of Cash Flow Statement, of the cash flows of the Company for the period ended on that date.

For **KANODIA SANYAL & ASSOCIATES**
CHARTERED ACCOUNTANTS

(R.K KANODIA)

PARTNER

Place: New Delhi

Dated: 24/08/2007

Membership No. 16121

ANNEXURE TO AUDITORS' REPORT OF JINDAL PHOTO INVESTMENTS LIMITED

(Annexure referred to in our report of even date)

1. The company does not have any fixed assets. Hence the provisions of paragraph 4(i) of the Companies (Auditor's Report) Order, 2003 (hereinafter referred to as 'Order') are not applicable.
2. The nature of the company's operations does not require it to hold inventories and as such, the provisions of paragraph 4(ii) of the Order are not applicable.
3. (a) The company has granted unsecured loan, to one company covered in the register maintained under section 301 of the Act. The maximum amount involved during the year and end of the year balance of such loan aggregates to Rs. 260 lacs and Rs. Nil respectively.
(b) The company has taken unsecured loan from one company covered in the register maintained under section 301 of the Act. The maximum balance involved during the year and end of the year balance of such loan aggregates to Rs. 1201 lacs and Rs. Nil respectively relating to holding company.
(c) In our opinion, the rate of interest and other terms and conditions of the above mentioned loans are prima facie not prejudicial to the interest of the Company.
(d) In respect of the aforesaid loans, the party is repaying/received the principal amounts as stipulated and are also regular in payment/received of interest.
(e) In respect of the aforesaid loans, there is no over due amount as at Balance Sheet date.
4. In our opinion, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of stores, raw material including components, plant and machinery, equipment and other assets, and for the sale of goods. Further, on the basis of our examination of the books and records of the company in accordance with the generally accepted auditing practices, we have neither come across, nor have we been informed the existence of major weakness in the internal control procedures and systems. However, the corrective actions were taken against the minor weaknesses as noticed and informed to them.
5. (a) As per the audit procedures applied by us, and according to the information and explanations given to us by the management, there were no transactions required to be entered in the register maintained under section 301 of the Companies Act, 1956

Jindal Photo Investments Limited

- (b) Since there are no transactions required to be entered into the register maintained under section 301 of the Act, paragraph 4(v) (b) of the Order is not applicable.
6. According to the information and explanations given to us, the company has not accepted deposits from the public within the provisions of Sec 58A & 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) rules, 197.
 7. In our opinion the company has an internal audit system commensurate with the nature and size of its business.
 8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956.
 9. (a) The company has been regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-Tax, Wealth-tax, and other statutory dues with the appropriate authorities during the year.
(b) According to the information and explanation given to us and as per the books and records examined by us, there are no dues of sales tax, income tax, custom tax, wealth tax and cess which have not been deposited on account of any dispute.
 10. There are no accumulated losses as at the end of the year. There are no cash losses during the financial year and the immediately preceding financial year.
 11. The company has not taken any loan from any banks, financial institutions or the debenture holders. Hence the paragraph 4(xi) of the Order is not applicable.
 12. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. The company does not fall within the category of Chit Fund/ Nidhi/Mutual Fund/ Society and hence the related reporting requirements are not applicable.
 14. According to the information and explanations given to us, the company is not dealing or trading in shares, securities debentures and other investments, hence, paragraph 4(xiv) of the Order is not applicable.
 15. According to the information and explanations given to us, the Company has not given any guarantees against loans taken by others from banks & financial institutions.
 16. The company has not raised any term loans during the year. Hence the paragraph 4(xvi) of the Order is not applicable.
 17. According to the information and explanations given to us and as per the books and records examined by us, as on the date of balance sheet, the funds raised by the company on short-term basis have not been applied for long term investments and vice versa.
 18. 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.
 19. The company does not have any debentures outstanding as on the Balance Sheet date, hence, the paragraph 4(xix) of the Order is not applicable.
 20. The company has not raised any money through the public issue during the year. Accordingly, paragraph 4(xx) of the order is not applicable.
 21. According to the information and explanations given to us, and on the basis of our examination of the books and records of the

company carried out in accordance with the generally accepted auditing practices in India, we have not come across any such instance of fraud on or by the company, noticed and reported during the year.

For **KANODIA SANYAL & ASSOCIATES**
CHARTERED ACCOUNTANTS

(**R.K KANODIA**)
PARTNER

Membership No. 16121

Place: New Delhi
Dated: 24/08/2007

AUDITOR'S REPORT

To The Board of Directors of **Jindal Photo Investment Limited**

We have audited the attached Balance Sheet of **M/S JINDAL PHOTO INVESTMENT LIMITED** as at 31st March 2007 and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date (together referred to as 'financial statements'). 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.

As required by the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Direction, 1998, we further state that we have submitted a report to the Board of Directors of the Company containing a statement on the matters of supervisory concern to the Reserve Bank of India as specified in the said directions, namely the following:

- i. The Company has registered as per required in sec 45IA of the Reserve Bank of India Act, 1934 (2 of 1934) and has got certificate of Registration.
- ii. The Board of Directors' of the Company has passed a resolution for non-acceptance of any public deposit.
- iii. The Company has not accepted any public deposits during the year under reference.
- iv. The Company has complied with the prudential norms relating to income recognition Accounting Standards, asset classification and provisioning of bad and doubtful debts as applicable to it.

For **KANODIA SANYAL & ASSOCIATES**
CHARTERED ACCOUNTANTS

(**R.K KANODIA**)
PARTNER

Membership No. 16121

Place: New Delhi
Dated: 24/08/2007

Jindal Photo Investments Limited

BALANCE SHEET AS AT 31ST MARCH, 2007

PARTICULARS	SCHEDULE	AS AT 31.03.2007 RS.	AS AT 31.03.2006 RS.
SOURCES OF FUNDS			
SHARE HOLDERS' FUNDS			
Share Capital	'A'	86,100,000	86,100,000
Reserves & surplus	'B'	1,668,770,168	1,455,398,064
TOTAL		1,754,870,168	1,541,498,064
APPLICATION OF FUNDS			
INVESTMENTS			
DEFERRED TAX ASSET	'C'	1,567,489,263	1,522,476,991
CURRENT ASSETS, LOANS & ADVANCES		179,159,081	-
Cash & Bank Balances	'D'	2,992,835	18,687,295
Loans & Advances	'E'	14,773,837	10,144,299
		17,766,672	28,831,594
LESS: CURRENT LIABILITIES & PROVISIONS	'F'	9,553,848	9,824,022
NET CURRENT ASSETS		8,212,824	19,007,572
MISCELLANEOUS EXPENDITURE (To the extent not written off)	'G'	9,000	13,500
		1,754,870,168	1,541,498,065
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS			
	'J'		

As per our report of even date annexed

For Kanodia Sanyal & Associates
Chartered Accountants

R.K. Kanodia

Partner

M. No. 16121

Place : New Delhi

Dated : 24/08/2007

Vibhu Agarwal
(Company Secretary)

Umesh Chand Jain
(Managing Director)

Punit Gupta
(Director)

For and on behalf of the Board

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2007

PARTICULARS	SCHEDULE	YEAR ENDED 31.03.2007 RS.	YEAR ENDED 31.03.2006 RS.
INCOME			
Dividend Received		15,402,957	50,176,210
Interest Received		6,536,329	-
Profit/(Loss) on sale of Investments (Net)		-	257,618,084
Profit/(Loss) on Redemption of Mutual Fund (Net)		14,994,184	4,404,606
Profit on Redemption of Preference Shares		-	45,000,000
		36,933,469	357,198,900
EXPENDITURE			
Administrative Expenses	'H'	588,585	658,513
Personnel Expenses	'I'	17,271	63,496
		605,856	722,009
PROFIT BEFORE TAXATION		36,327,614	356,476,891
Less : Taxation for the year- Current Tax		2,348,000	5,500,000
- Fringe Benefit Tax		6,800	8,500
- MAT Credit		(183,779)	(2,481,189)
Add : Deffered Tax Asset		1,047,535	-
PROFIT AFTER TAXATION		35,204,128	353,449,580
Less : Income Tax related to earlier years		98,987	-
: MAT Credit related to earlier years		(155,417)	-
Add : Balance of Profit & Loss A/c brought forward from previous year		294,460,587	21,711,007

Jindal Photo Investments Limited

PARTICULARS	SCHEDULE	YEAR ENDED 31.03.2007	YEAR ENDED 31.03.2006
		RS.	RS.
BALANCE AVAILABLE FOR APPROPRIATION		329,721,145	375,160,587
Less : Transfer to Reserve Fund		7,041,000	70,700,000
Less : Transfer to General Reserve		10,000,000	10,000,000
BALANCE CARRIED TO BALANCE SHEET		312,680,145	294,460,587
Earning Per Share (Basic/Diluted)		4.09	41.05

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

As per our report of even date annexed

For Kanodia Sanyal & Associates

Chartered Accountants

R.K. Kanodia

Partner

M. No. 16121

Place : New Delhi

Dated : 24/08/2007

Vibhu Agarwal
(Company Secretary)

Umesh Chand Jain
(Managing Director)

Punit Gupta
(Director)

For and on behalf of the Board

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2007

	As at 31.03.2007	As at 31.03.2006
	Rs.	Rs.
A. CASH FLOW BEFORE TAX FROM OPERATING ACTIVITIES:		
Net Profit before Tax & extraordinary Items	36,327,614	356,476,891
Adjustment for :		
Dividend Received	(15,402,957)	(50,176,210)
Profit on sale of Investment	-	(257,618,084)
Profit on Redemption of Preference Shares	-	(45,000,000)
Profit on Redemption of Mutual Fund	(14,994,184)	(4,404,606)
Interest Received	-	-
Preliminary Expenses written off	4,500	4,500
Operating Profit/ (Loss) before Working capital Changes	5,934,974	(717,508)
Adjustment for :		
Trade & Other Receivable	36,424	(63,413)
Trade & Other Payable	(124,973)	126,451
Cash generated from Operations	5,846,424	(654,470)
Advance Tax Paid	(6,925,753)	(4,050,000)
Net cash from Operating activities	(1,079,328)	(4,704,470)
B. Cash Flow from Investing Activities		
Dividend Received	15,402,957	50,176,210
Purchase of Investments (Shares)		
Share Application Money Paid	(127,000,000)	(469,931,535)
Purchase of Investments (Mutual Fund)	(478,930,288)	(614,000,000)
Sale of Investment	-	745,881,251
Sale of Mutual fund	575,912,200	316,130,234
Net Cash used in Financing Activities	(14,615,131)	28,256,160
C. Cash Flow from Financing Activities		
Proceeds from borrowing	-	(7,099,269)
Net Cash used in Financing Activities	-	(7,099,269)
Net change in Cash & Cash Equivalents (A+B+C)	(15,694,460)	16,452,420
Cash & Cash Equivalents As At 1st April (Opening Balance)	18,687,295	2,234,875
Cash & Cash Equivalents As At 31st March (Closing Balance)	2,992,835	18,687,295

As per our report of even date annexed

For Kanodia Sanyal & Associates

Chartered Accountants

R.K. Kanodia

Partner

M. No. 16121

Place : New Delhi

Dated : 24/08/2007

Vibhu Agarwal
(Company Secretary)

Umesh Chand Jain
(Managing Director)

Punit Gupta
(Director)

For and on behalf of the Board

Jindal Photo Investments Limited

SCHEDULES

	As at 31.03.2007 (Rs.)	As at 31.03.2006 (Rs.)
SCHEDULE 'A' SHARE CAPITAL		
AUTHORISED		
9250000 (9250000) Equity Shares of Rs. 10/-each	92,500,000	92,500,000
	<u>92,500,000</u>	<u>92,500,000</u>
ISSUED, SUBSCRIBED & PAID UP		
8610000 (8610000) Equity Shares of Rs. 10/- each fully paid up (Out of above 4872540 Equity Shares have been issued for consideration other than cash)	86,100,000	86,100,000
	<u>86,100,000</u>	<u>86,100,000</u>
SCHEDULE 'B' RESERVES AND SURPLUS		
SHARE PREMIUM ACCOUNT	922,955,600	922,955,600
RESERVE FUND (In terms of Sec 45-1C of RBI Act, 1934)		
Opening Balance	103,730,000	33,030,000
Add: Transferred from P & L A/C in current year	7,041,000	70,700,000
	<u>110,771,000</u>	<u>103,730,000</u>
GENERAL RESERVE		
Opening Balance	134,251,877	124,251,877
Add: Deferrd Tax Asset up to March '2006	178,111,546	
Transferred from P & L A/C during the year	10,000,000	10,000,000
	<u>322,363,423</u>	<u>134,251,877</u>
PROFIT & LOSS ACCOUNT	312,680,145	294,460,587
GRAND TOTAL:	<u>1,668,770,168</u>	<u>1,455,398,064</u>

SCHEDULE 'C' INVESTMENTS

LONG TERM :

NON-TRADE (AT COST)

QUOTED-EQUITY SHARES

	SHARES/UNITS		VALUE AS AT	
	31.03.07 NOS.	31.03.06 NOS.	31.03.07 Rs.	31.03.06 Rs.
of Rs 10/- each fully paid up				
BRITANNIA INDUSTRIES LTD.	1	1	508	508
of Rs 10/- each fully paid up				
GILLETTE INDIA LTD.	1	1	2,278	2,278
of Rs 10/- each fully paid up				
GODREJ CONSUMER PRODUCTS LTD.*	23500*	5,875	549,784	549,784
of Re 1/- each fully paid up				
HINDUSTAN UNILEVER LTD.	2,010	2,010	377,577	377,577
of Re 1/- each fully paid up				
INDIAN HOTELS CO. LTD.**	10**	1	266	266
of Re 1/- each fully paid up				
ITC LTD	15	15	626	626
of Re 1/- each fully paid up				
NESTLE INDIA LTD.	1	1	429	429
of Rs 10/- each fully paid up				
PROCTER & GAMBLE HYGEINE AND HEALTH CARE LTD.	1	1	700	700
of Rs 10/- each fully paid up				
PUNJAB NATIONAL BANK	9,431	9,431	3,678,090	3,678,090
of Rs 10/- each fully paid up				
TATA COFFEE LTD.	100	100	9,204	9,204
of Rs 10/- each fully paid up				
TATA TEA LTD.	1	1	562	562
of Rs 10/- each fully paid up				
JINDAL POLY FILMS LTD.	5,725,151	5,725,151	291,175,500	291,175,500
of Rs 10/- each fully paid up				

Jindal Photo Investments Limited

JINDAL PHOTO LTD of Rs 10/- each fully paid up	266,141	266,141	42,405,661	42,405,661
* Face value of shares reduced from Rs 4 to Re 1 per share				
** Face value of shares reduced from Rs 10 to Re 1 per share				
SUB TOTAL (A)			338,201,185	338,201,185
UNQUOTED: EQUITY SHARES FULLY PAID UP				
JINDAL (INDIA) LTD. of Rs 100/- each fully paid up	178,300	178,300	44,533,040	44,533,040
JESMIN INVESTMENTS LTD of Rs 10/- each fully paid up	9,500,000	9,500,000	380,000,000	380,000,000
RISHI TRADING CO. LTD. of Rs 10/- each fully paid up	5,385,833	5,385,833	80,947,888	80,947,888
SOYUZ TRADING CO. LTD. of Rs 10/- each fully paid up	1,705,769	1,705,769	136,506,516	136,506,516
SUB TOTAL (B)			641,987,444	641,987,444
UNQUOTED: PREFERENCE SHARES				
AQUA HOLDING PRIVATE LTD. 9% NCRPS , fully paid up	1,000,000	1,000,000	10,000,000	10,000,000
SUB TOTAL (C)			10,000,000	10,000,000
SHARE APPLICATION MONEY (PENDING ALLOTMENT)				
JASMINE MERCANTILE P.LTD.*			25,000,000	-
JESMIN INVESTMENTS LTD.*			77,000,000	-
UNIVERSAL FOILS LTD.**			25,000,000	-
* allotment is pending till date				
** 10,00,000 equity shares of Rs. 10 each at a premium of Rs. 15 per share have been allotted on 17.07.2007				
SUB TOTAL (D)			127,000,000	-
MUTUAL FUNDS				
G45 Grindlays Floating Rate Fund- LT-Institutional Plan-B	-	1,861,818	-	19,288,362
G44 Grindlays Floating Rate Fund- LT-Institutional Plan-B	-	14,332,945	-	150,000,000
B512G Birla Floating Rate fund LTP-Growth	-	4,510,112	-	50,000,000
HSBC Floating Rate-Long Term-Institutional Growth	-	2,789,347	-	29,000,000
OFLIG HSBC Floating rate fund -Long Term-Institutional	-	1,531,643	-	16,000,000
OFLIG HSBC Floating rate fund -Long Term-Institutional	-	382,259	-	4,000,000
HSBC Floating Rate Fund-Short Term-Institutional Growth	1,670,979	1,670,979	17,500,000	17,500,000
Deutsche Floating rate Fund Regular Plan-Growth	990,589	990,589	11,000,000	11,000,000
ABN AMRO Floating Rate Fund-Inst. Growth	1,008,086	1,680,045	10,800,634	18,000,000
UTI Mutual Fund -Floating rate Fund-Short Term Plan-Institutional-Dividend Daily	-	2,967,066	-	30,000,000
LICMF Floating Rate Fund-STP-Dividend Plan-Reinvestment-ST (I)	-	4,936,419	-	50,000,000
M33 ABN AMRO -Floating Rate Fund- Growth	-	2,080,444	-	22,500,000
HDFC Floating Rate Income Fund-STP-Div Reinvestment	-	6,923,701	-	70,000,000
Principal Floating Rate Fund -Short Maturity Plan (Institutional Plan) Dividend-Weekly-Reinvestment	-	4,499,685	-	45,000,000
Fidelity Equity Fund (Growth)	2976013	-	50000000	-
Fidelity,India special Situation fund (Growth)	10056315	-	100000000	-
Principal Income Fund-Short Term-InstL.Plan-Growth Plan	1650478	-	20000000	-
Principal Income Fund-Short Term-InstL.Plan-Growth Plan	3290962	-	40000000	-
Principal Income Fund-Short Term-InstL.Plan-Growth Plan	1640797	-	20000000	-
Fidelity Short Term Income-Non Inst-GR	1570737	-	16000000	-
LIC MF Floating Rate fund-STP-Growth Plan	8456016	-	100000000	-
UTI Fixed Maturity plan Quarterly Series QFMP/0207/II-Dividend	3500000	-	35000000	-
DWS Fixed Term Fund Series 27-Dividend Option	500000	-	5000000	-
DWS Fixed Term Fund Series 24-Institutional Plan	2500000	-	25000000	-
SUB TOTAL (E)			450,300,634	532,288,362
Market Value of Quoted Investments is Rs 9333.93 Lacs (Previous year Rs.16826.62 lacs)				
Net Asset Value of Mutual Fund as on 31.3.07 is 4893.67 Lacs (Previous year 5424.88 Lacs)				
GRAND TOTAL (A+B+C+D+E):			1,567,489,263	1,522,476,991

Jindal Photo Investments Limited

	As at 31.03.2007 (Rs.)	As at 31.03.2006 (Rs.)
SCHEDULE 'D' CASH AND BANK BALANCES		
Cash in hand	3,239	7,026
Bank balances with scheduled banks:		
In Current Accounts	2,989,596	18,680,269
	<u>2,992,835</u>	<u>18,687,295</u>
SCHEDULE 'E' LOANS & ADVANCES		
(Unsecured, considered Good)		
Advance to others	26,989	-
Advance Tax (including TDS)	11,926,463	7,599,697
Accrued Dividend	0	63,413
MAT Credit Entitlement	2,820,385	2,481,189
	<u>14,773,837</u>	<u>10,144,299</u>
SCHEDULE 'F' CURRENT LIABILITIES & PROVISIONS		
Sundry Creditors	460,029	581,747
Other Liabilities	30,519	33,774
Provision for Income Tax & Fringe Benefit Tax	9,063,300	9,208,500
	<u>9,553,848</u>	<u>9,824,021</u>
SCHEDULE 'G' MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Preliminary Expenses		
As per last year	13,500	18,000
Less: Written off during the year	4,500	4,500
	<u>9,000</u>	<u>13,500</u>
	Year Ended	Year Ended
	31.03.2007	31.03.2006
SCHEDULE 'H' ADMINISTRATIVE EXPENSES		
Filing Fees	3,000	4,000
Auditors Remuneration :		
Audit fees	28,090	28,060
Tax Audit Fees	5,612	5,510
Other matters	30,306	7,163
Legal & Professional Charges	54,919	19,380
Repair & Maintenance Others	63,881	60,000
Printing & Stationery	68,157	120,815
Telephone Charges	100,518	105,490
Electricity Charges	225,000	180,000
Conveyance Exp.	-	1,006
Bank/ D-Mat charges	4,602	108,930
Interest Paid	-	3,534
General Expenses	-	125
Rates & Taxes	-	10,000
Preliminary expenses written off	4,500	4,500
	<u>588,585</u>	<u>658,513</u>
SCHEDULE 'I' PERSONNEL EXPENSES		
Salary	15,000	45,680
Exgratia	2,271	-
Staff Welfare	-	17,816
	<u>17,271</u>	<u>63,496</u>

Jindal Photo Investments Limited

SCHEDULES 'J' SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1 Accounting Policies:

i) Basis of Accounting

The financial statements are prepared under the historical cost convention on an accrual basis and in accordance with the requirement of the Companies Act, 1956 and the Accounting Standards referred to in Section 211(3C) thereof.

ii) Revenue Recognition

a All revenues, costs, assets & liabilities are accounted for on accrual basis.

b Dividend on Equity & Preference shares of corporate bodies are taken into account on accrual basis when such dividend has been declared by the corporate body in its annual general meeting and the right to receive payment is established.

iii) Investments

Investments are classified as long term or current, based on management intention at the time of making of investment.

Long term investments are valued at their acquisition cost. Current investments are stated at lower of cost or fair market value. The provision for diminution in the value of long term investments is made only if such decline is other than temporary in the opinion of management.

iv) Taxation

The Current tax payable in respect of taxable income for the year has been charged to revenue.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent previous periods. Deferred tax assets are recognised on unabsorbed depreciation and carry forwards of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

v) Preliminary Expenditure

Preliminary Expenditure are being written off over a period of 10 years.

2 In the opinion of the Board of Directors, current assets, loans & advances have a value on realisation atleast equal to the amount at which they are stated.

3 During the year the company has recognised Deferred tax Asset/liability first time and hence deferred tax asset till 31.3.2006 amounting to Rs. 178,111,546 has been added to General Reserve. Current year deferred tax asset amounting to Rs.10,47,535 has been added to the profits of the current year as required by AS-22"Accounting for Deferred Tax" issued by Institute of Chartered Accountants of India.

	As at 31.03.2007 Amount (Rs.)	As at 31.03.2006 Amount (Rs.)
--	-------------------------------------	-------------------------------------

Deferred Tax Asset		
Opening Balance	178,111,546	-
Add: On Business Loss	(296,078)	296,078
Add: On Capital Loss	1,343,613	177,815,468
	179,159,081	178,111,546

Less: Deferred Tax Liability	-	-
Net Deferred Tax Asset	179,159,081	178,111,546

4 Sundry Creditors includes Rs. 4,57,318 /- (P. Y. Rs.5,19,540/-) payable to M/S Jindal Photo Ltd. towards the cost of expenses.

5 Earning per Share

	Amount (Rs.)
Current Year	Previous Year

Profit After Tax	35,204,128	353,449,580
Average No. of Shares outstanding during the year (No.)	8610000	8610000
Face Value of Shares	10	10
EPS (Basic/Diluted)	4.09	41.05

6 As required by Accounting Standard-18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are as follows:

List of Related Parties:

A Controlling & Controlled Companies/ Individuals.

a. Holding Company

Consolidated Finvest & Holdings Ltd.

b. Fellow Subsidiary Companies

Jindal Meadows Ltd.

Jesmin Invesments Ltd.

c. Other Controlling Companies/individuals

Jindal Photo Ltd.

Agile Properties Ltd.

Consolidated Photo & Finvest Ltd.

Vigil Farms Ltd.

Jindal Realtors Ltd.

Sh. Shyam Sunder Jindal

Jindal (India) Ltd.

Rexor SAS, France

Jindal Poly Films Ltd.

Bazaloni Groups Limited

Jindal Imaging Ltd.

Indian Software Consultancy Limited

Rishi Trading Company Ltd.

Jindal France SAS, France

Soyuz Trading Company Ltd.

Passion Tea Pvt. Ltd.

Jumbo Finance Ltd.

Consolidated Realtors Ltd.

Jupax Barter Pvt. Ltd.

Consolidated Buildwell Ltd.

Jindal India Thermal Power Ltd.

Hindustan Polyester Ltd.

Jindal Photo Investments Limited

B Key Management Personnel

Mr. Shammi Gupta
Mr. Umesh Chand Jain

Details of Transactions with related parties are as follows:

Controlling & Controlled Companies	Current Year	Amount (Rs.)	
		Previous Year	
1. Sale of Investment	-	138,755,750	
2. Dividend Received	13,617,959	39,851,579	
3. Share application money given	102,000,000	-	
4. Miscellaneous Expenses Paid	457,381	483,490	
5. Amount received in the nature of Loan	-	134,500,000	
6. Amount outstanding at the end of the year	-	-	
7. Interest Paid	-	3,534	
8. Amount Given in the nature of Loan	180,500,000	-	
9. Amount outstanding at the end of the year	-	-	
10. Interest Received	6,536,329	-	
11. Amount received on redemption of RCP shares	-	150,000,000	

7a The Profit on sale of Investments in shares includes Profit on sale of current investment amounting to Rs. NIL (P.Y.128.17 Lacs), which was purchased & sold within one year, the cost being Rs.NIL (P.Y 470.73 Lacs)

7b The Profit on redemption of Mutual Fund represents Profit on redemption of current investment amounting to Rs. 2.41 Lacs (P.Y.Rs.44.05 Lacs), which was purchased & sold within one year, the cost being Rs.679.30 Lacs (P.Y Rs.3122.58 lacs)

	No. of Units	Purchase cost (Rs.)
UTI-Floating rate Fund-STP- Dividend option	29901	206670
LICMF Floating Rate Fund-STP-Divided Plan	33059	335249
HDFC Floating Rate Income Fund-STP-Dividend Reinvest	42678	431565
Principal Mutual Fund	37635	376379
HDFC Floating Rate Income Fund-STP-Dividend Reinvest	1639292	16580425
LICMF Floating Rate Fund-STP-Growth Plan	4428659	50000000

8 Dividend includes dividend received on mutual fund Rs.16.54 lacs (Previous Year Rs.5.33 Lacs)

9 Figures for the previous year have been regrouped/re-arranged wherever considered necessary to conform to this year classification.

10 All the figures have been rounded off to the nearest rupee.

11 Schedule 'A' to 'J' are annexed to and form part of Statement of Accounts.

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

I. Registration Details :

Registration No :	101169	State Code :	55
Balance Sheet Date	Date	Month	Year
	31	3	2007

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
1,754,870	1,754,870

Sources of Funds (Amount in Rs. '000)

Paid Up Capital	Reserves & Surplus
86,100	1,668,770
Secured Loans	Unsecured loans
NIL	NIL

Application of Funds (Amount in Rs. '000)

Net Fixed Assets	Investments
NIL	1,567,489
Net Current Assets	Misc. Expenditure
8,213	9
Accumulated Losses	Deffered Tax Asset
NIL	1,048

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

Total Income	Total Expenditure
36,933	606
Profit Before Tax	Profit After Tax
36,328	35,204
Earning Per Share (Rs.)	Dividend Rate (Equity)
4.09	NIL

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

Item Code No. (ITC Code)	NIL
Product Description	Investments

Signatures to the Schedule 'A' - 'J'

As per our report of even date attached

For Kanodia Sanyal & Associates
Chartered Accountants

For and on behalf of the Board

R.K. Kanodia **Vibhu Agarwal** **Umesh Chand Jain** **Punit Gupta**
Partne (Company Secretary) (Managing Director) (Director)

M. No. 16121

Place : New Delhi

Date : 24/08/2007

Jindal Photo Investments Limited

(iv) Government Securities	-		
(v) Others	-		
Long Term Investments :			
1. Quoted :			
(i) Shares (a) Equity	3382.01		
(b) Preference	-		
(ii) Debentures and Bonds	-		
(iii) Units of mutual funds	-		
(iv) Government Securities	-		
(v) Others (please specify)	-		
2. Unquoted :			
(i) Shares (a) Equity	7689.87		
(b) Preference	100.00		
(ii) Debentures and Bonds	-		
(iii) Units of mutual funds	4503		
(iv) Government Securities	-		
(v) Others	-		
5 Borrower group-wise classification of assets, financed as in (2) & (3) above	Amount net of provisions		
Category	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	-	-
Total	-	-	-
6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :			
	Market Value /Break up or fair value or NAV		Book value (Net of Provisions)
1. Related Parties	-		-
(a) Subsidiaries	-		-
(b) Companies in the same group	16690.31		10775.68
(c) Other related parties	-		-
2. Other than related parties	14327.60		4899.21
Total	31017.91		15674.89
7 Other Information			
Particulars		Amount	
(i) Gross Non-Performing Assets		-	
(a) Related parties		-	
(b) Other than related parties		-	
(ii) Net Non-Performing Assets		-	
(a) Related parties		-	
(b) Other than related parties		-	
(iii) Assets acquired in satisfaction of debt		-	

As per our report of even date attached

For Kanodia Sanyal & Associates

For and on behalf of the Board
Chartered Accountants

R.K. Kanodia **Vibhu Agarwal**
Partner (Company Secretary)
M. No. 16121

Umesh Chand Jain
(Managing Director)

Punit Gupta
(Director)

Place: New Delhi
Date : 24/08/2007

Jindal Meadows Limited

DIRECTORS' REPORT

The Directors present their third Annual Report together with the Audited Statements for the period ended 31st March 2007.

OPERATIONS

During the year under review, your Company earned total income of Rs. 5.65 Lacs towards rent received from for the two shops owned by it and earned Net Profit after tax of Rs. 38,011/-

DIVIDEND

The Directors do not recommend any dividend for the period under review.

PUBLIC DEPOSITS

The Company does not hold any public deposits as per Section 58(A) of the Companies Act, 1956.

DIRECTORS

In terms of the provisions of the Companies Act, 1956 read with the Articles of Association, Shri Suresh Chander Sharma retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Shri Punit Gupta was appointed as additional director, holds office up to the date of ensuing Annual General, is being appointed as Director of the Company, liable to retire by rotation. Shri Shammi Gupta resigned from the Board on 30.04.2007, due to his pre-occupation. Board wishes to place gratitude for the valuable contribution made by him during his tenure.

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

The Directors confirm:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure, if any;
- 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;
- That they had 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;
- That they have prepared the annual accounts on a 'going concern' basis.

AUDITORS

M/s UBS & Company, Chartered Accountants, New Delhi, the auditors of your Company, retire at the ensuing Annual General Meeting and we recommend their 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 the Auditors are duly explained wherever necessary in the appropriate notes to accounts which are self-explanatory and do not call for further explanation.

PERSONNEL:

Provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not applicable as none of the employee was in receipt of remuneration of Rs. 2,00,000/- per month or Rs. 24,00,000/- per annum or more during the year under review.

COMPLIANCE CERTIFICATE

In accordance with Section 383A of the Companies Act, 1956, and Companies (Compliance Certificate) Rules 2001, the Company has obtained a certificate from a Secretary in the Whole Time Practice confirming that the Company had complied with all the provisions of the Act and a copy of the said certificate is annexed to this report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of clause 2(A) (d) of the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, in so far as it related to conservation of energy, and technology absorption are not applicable, as the company does not have any manufacturing activity.

The Company also does not have any foreign earnings and outgo during the period under review.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their sincere appreciation for the support and co-operation of all concerned.

For and on behalf of the Board

Place: New Delhi
Dated: 18th August 2007

(V.K. GUPTA) (S.C.SHARMA)
Director Director

COMPLIANCE CERTIFICATE

CIN No: U01134DL2004PLC126983

Nominal Capital: Rs. 65 lacs

To,
The Members
Jindal Meadows Limited
56/2, Hanuman Road,
New Delhi - 110001.

We have examined the registers, records, books and papers of **Jindal Meadows Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2007** (financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

- The Company has kept and maintained all registers as stated in **Annexure - 'A'** to this certificate, as per the provisions of the Act and the rules made there under and all entries there in have been duly recorded.
- The Company has duly filed the forms and returns as stated in **Annexure - 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities.
- The Company, being a Public Limited Company, has the minimum prescribed paid up Capital.
- The Board of Directors duly met **4 (Four)** times respectively on **8th May, 2006; 17th August, 2006; 27th November, 2006 and 27th February, 2007** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
- The Company was not required to close its Register of Members or Debenture Holders register during the financial year.

Jindal Meadows Limited

6. The Annual General Meeting for the financial year ended on 31st March, 2006 was held on 27th September, 2006 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary Meeting was held during the financial year.
8. As stated by the management, the Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. As states by the management, the Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As per information given by the management, there were no instances falling within purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government, as the may be.
12. The Company has not issued any duplicate share certificate during the financial year.
13. The Company: -
 - (i) not affected any allotment/transfer/transmission of securities during the financial year;
 - (ii) was not required to deposit any amount in a separate Bank Account as no dividend was declared during the financial year.
 - (iii) was not required to post warrants for the dividends to any member of the company as no dividend was declared during the financial year.
 - (iv) was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - (v) has duly complied with the requirements of section 217 of the Act.
14. The Board of directors of the company is duly constituted. During the year, Mr. Rathi Binod Pal has resigned from the directorship of the Company w.e.f 17th August, 2006 and Mr. V. K. Gupta was appointed as an Additional Director on 17th August, 2006 regularized as director in the Annual General Meeting held on 27th September, 2006. There was no appointment of alternate directors and directors to fill the casual vacancy during the financial year.
15. The Company has not appointed any managing director/whole time director during the financial year
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company has not obtained any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any redeemable preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The amount borrowed by Company from Directors, members, public, financial institutions, bank and other during the financial year ending is/are within the borrowing limits of the Company and that necessary resolutions as per section 293(1) (d) of the Act have been passed in duly convened annual / extraordinary general meeting.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate in terms of section 372A of the Companies Act, 1956.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the company by increasing the authorised share capital during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. As stated by the management of the Company, there was/were no prosecution initiated against or show cause or penalties or fine notices received by the company during the financial year, for offences under the Act.
32. As per the records maintained by the Company, the company has not received any money as security from its employees during the financial year.
33. As per the information provided by the management, the provisions relating to Provident Fund are not applicable to the Company during the financial year.

for Grover Ahuja & Associates

Place: New Delhi
Date: 18th July, 2007

Ravi Grover
C.P. No. 3448

Jindal Meadows Limited

ANNEXURE - A

1. Register of Members. (Sec. 150)
2. Register of Allotments
3. Minutes Books. (Sec. 193)
4. Register of Directors. (Sec 303)
5. Register of Disclosure of Interest of Directors. (Sec. 301)

ANNEXURE - B

Forms and Returns as filed by the company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended on **31st March 2007** -

S. no.	Form No.	Filed under Section	For	Challan No. & Date of Filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid Yes/No
1	Form 32	260 & 303(2)	App of Mr. V. K. Gupta as an additional director and Resignation of Mr. Rathi Binod Pal w.e.f 17/08/06	A03902053 dt 11/09/06	Yes	N.A.
2	Form 66	383A	2005-06	P00441139 dt 25/10/06	Yes	N.A.
3	Form 23AC & ACA	210	2005-06	P00440925 dt 25/10/06	Yes	N.A.
4	Form 20B	159	2005-06	P01857366 dt 22/11/06	Yes	N.A.

AUDITORS REPORT

To,
The Members of
Jindal Meadows Ltd.

1. We have audited the attached Balance Sheet of **JINDAL MEADOWS LIMITED** as at 31st March 2007 and the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto (together read as 'financial statements'). 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 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 the 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 Govt. of India in terms of Sec. 227 (4A) of the Companies Act, 1956, we give in the Annexure hereto a statement on the matter specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph above, we report that: -
 - (a) We have obtained all the information & explanations, which to the best of our knowledge & belief were necessary for the purposes of 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 those books.

- (c) The Balance Sheet and Profit & Loss Account and the Cash Flow Statements referred to in this report are in agreement with the books of accounts.
- (d) In our opinion, the Balance Sheet and the Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- (e) On the basis of written representations received from directors as on 31st March 2007 and taken on the Board of directors, we report that none of the directors is disqualified as on 31st March 2007, 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 & to the best of our knowledge & information & according to the explanations given to us, the said Accounts read together with the notes thereon, give the information required by the Companies Act,1956, in the manner so required & give a true & fair view in conformity with 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, 2007 and
 - ii. In the case of Profit & Loss Account of the Profit of the Company for the year ended on that date.
 - iii. In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For UBS & COMPANY
Chartered Accountants

(Bhimraj Agarwal)
Partner
M.No. 090909

Place: New Delhi
Date: 18.08.2007

Jindal Meadows Limited

ANNEXURE TO AUDITORS REPORT OF JINDAL MEADOWS LTD. (Referred to in paragraph 3 of our report of even date)

1. 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 during the year and there is a regular programme of verification which, in our opinion is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed on such verification.
- c. During the year, the company has not disposed off major part of a plant and machinery.
2. The Company has no inventories, hence, the provisions of clauses 4(iiia), (b) & (c) of the Order are not applicable to the Company.
3. a. The Company has not granted loan to any party covered in the register maintained under section 301 of the Companies Act, 1956.
- b. The Company has taken unsecured loan from the Holding Company during the year. The maximum amount involved during the year was Rs. 3,50,000/ and the year end balance of such loan received from Holding Company was Rs. 3,50,000/-.
- c. As the loan taken from Holding Company is interest free, hence the same is not prima facie prejudicial to the interest of the Company in our opinion..
- d. The company is regular in repaying the principal amounts as stipulated in the case where there is such stipulation.
- e. There is no overdue amount of loans taken from or granted to companies, firms of other parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. 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, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5. According to the information and explanations given to us, there is no such transaction that need to be entered into the register maintained under section 301 of the Companies Act and hence provisions of clause 4(v) of this Order is not applicable to the Company.
6. As per explanations and information given to us, the Company has not accepted or renewed deposits from public during the year, hence the provisions of clause 4(vi) of this Order is not applicable to the Company.
7. In our opinion, the company has an internal audit system commensurate with the size and the nature of its business.
8. The Central Government has not prescribed the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 for the industries the Company belong to.
9. According to the information and explanations given to us, in respect of statutory dues and other dues
 - a. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues, including Provident fund, investor education protection fund, employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Service Tax, cess and other material statutory dues, which are applicable to it.
 - b. No undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty, service tax and cess were in arrears as on 31, March 2007 for period of more than six months from the date they became payable.
 - c. According to the information and explanation given to us, there are no disputed statutory dues, which have not been deposited.
10. In our opinion, there is no accumulated loss in the Company. The Company has not incurred cash loss during the financial year covered by our audit and the immediately preceding financial year.
11. The Company has not borrowed monies from any financial institution, bank or debenture holder, hence the clause 4(xi) of the Order is not applicable to the Company.
12. The company has not granted loan or advances to any person; as such the clause is not applicable.
13. In our opinion, the company is not a chit fund or a nidhi mutual benefit fund society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors' report) Order, 2003 are not applicable to the company.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of Companies that proper records have been (Auditors' report) Order, 2003 are not applicable to the company.
15. We have been informed that the company has not given any guarantee for loans taken by others from bank or financial institution; as such the clause 4(xv) is not applicable.
16. We have been informed that the company has not obtained term loans; as such the clause 4(xvi) is not applicable.
17. According to the information and explanations given to us and on overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets.
18. According to the information and explanations given to us, the company has not made preferential allotment of shares during the financial year.
19. According to the information and explanations given to us, during the period covered by our audit report, the company has not issued debentures.
20. The company has not made any public issue; as such the clause 4(xx) is not applicable.
21. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For UBS & COMPANY,
Chartered Accountants**

**(Bhimraj Agarwal)
Partner
M.N. 090909**

Place: New Delhi
Date: 18.08.2007

Jindal Meadows Limited

BALANCE SHEET AS AT 31ST MARCH, 2007

PARTICULARS	SCHEDULE	AS AT 31.03.2007 AMOUNT (RS.)	AS AT 31.03.2006 AMOUNT (RS.)
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	A	5,590,000	5,590,000
RESERVE & SURPLUS	B	46,184,661	46,146,650
LOAN FUNDS			
UNSECURED LOANS	C	350,000	-
		<u>52,124,661</u>	<u>51,736,650</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	D	51,292,094	51,292,094
LESS:-DEPRECIATION		139,727	69,549
NET BLOCK		<u>51,152,367</u>	<u>51,222,545</u>
DEFERRED TAX ASSETS			
		22,299	29,443
CURRENT ASSETS, LOANS & ADVANCE			
CASH & BANK BALANCES	E	100,665	264,154
LOANS & ADVANCES	F	902,819	265,319
		<u>1,003,484</u>	<u>529,473</u>
LESS: CURRENT LIABILITIES & PROVISIONS			
	G	67,227	65,418
NET CURRENT ASSETS			
		<u>936,257</u>	<u>464,055</u>
MISCELLANEOUS EXPENDITURE			
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)	H	13,738	20,607
		<u>52,124,661</u>	<u>51,736,650</u>
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS			
	J		

AS PER OUR REPORT OF EVEN DATE ANNEXED

For **UBS & COMPANY**

Chartered Accountants

(Bhimraj Agarwal)

Partner

Membership No-090909

Place : New Delhi

Dated : 18.08.2007

For and on behalf of the Board

(S.C. Sharma)

Director

(V.K. Gupta)

Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH-2007

PARTICULARS	SCHEDULE	YEAR ENDED 31.03.2007 AMOUNT (RS.)	YEAR ENDED 31.03.2006 AMOUNT (RS.)
INCOME			
RENT RECEIVED		565,500	960,000
		<u>565,500</u>	<u>960,000</u>
EXPENDITURE			
ADMINISTRATIVE EXPENSES	I	448,367	602,870
DEPRECIATION	D	70,178	58,976
		<u>518,545</u>	<u>661,846</u>
PROFIT FOR THE YEAR BEFORE TAXATION			
		46,955	298,154
LESS: PROVISION FOR TAX		1,800	57,000
LESS: DEFERRED TAX LIABILITY/(ASSET) FOR THE YEAR		7,144	(29,443)
PROFIT FOR THE YEAR AFTER TAXATION			
		<u>38,011</u>	<u>270,597</u>
INCOME TAX RELATING TO EARLIER YEARS		-	240
BALANCE AFTER ADJUSTMENT			
		<u>38,011</u>	<u>270,357</u>
PROFIT BROUGHT FORWARD FROM EARLIER YEARS		336,650	66,293

Jindal Meadows Limited

PARTICULARS	SCHEDULE	YEAR ENDED 31.03.2007 AMOUNT (RS.)	YEAR ENDED 31.03.2006 AMOUNT (RS.)
PROFIT CARRIED TO BALANCE SHEET		374,661	336,650
EARNING PER SHARE (BASIC/DILUTED)		0.23	1.61
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS			

AS PER OUR REPORT OF EVEN DATE ANNEXED

For **UBS & COMPANY**
Chartered Accountants

(Bhimraj Agarwal)

Partner

Membership No-090909

Place : New Delhi

Dated : 18.08.2007

For and on behalf of the Board

(S.C. Sharma)

Director

(V.K. Gupta)

Director

CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH, 2007

	2006-07 AMOUNT (RS.)	2005-06 AMOUNT (RS.)
A. Cash Flow from Operating Activities:		
Net Profit before Taxation and Extraordinary items	46,955	298,154
Adjustments :		
Depreciation	70,178	58,976
Preliminary Expenses written off during the year	6,869	6,869
Operating Profit before working Capital changes	124,002	363,999
Adjustments :		
Increase/(Decrease) in sundry Liabilities	9	(37,866)
Direct taxes paid	(121,176)	(243,664)
(Increase)/Decrease in current Assets	(516,324)	125,118
Net Cash from Operating Activities	(513,489)	207,587
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets & other Capital Expenditure	-	(884,198)
Net Cash from Investing Activities	-	(884,198)
C. Cash Flow From Financing Activities:		
Proceeds from issuance of Share Capital	-	50,900,000
Loan Received from Holding Company	350,000	-
Refund of Loan from Holding Company	-	(50,100,000)
Net Cash from Financing Activities	350,000	800,000
Net Change in Cash & Cash Equivalents (A+B+C)	(163,489)	123,389
Cash & Cash Equivalents As At 1st April (Opening Balance)	264,154	140,765
Cash & Cash Equivalents As At 31st March (Closing Balance)	100,665	264,154

As per our report of even date annexed

For **UBS & COMPANY**
Chartered Accountants

(Bhimraj Agarwal)

Partner

Membership No-090909

Place : New Delhi

Dated : 18.08.2007

For and on behalf of the Board

(S.C. Sharma)

Director

(V.K. Gupta)

Director

Jindal Meadows Limited

SCHEDULES

	As at 31.03.2007 (Rs.)	As at 31.03.2006 (Rs.)
SCHEDULE 'A' - SHARE CAPITAL		
AUTHORISED		
650000 (PREVIOUS YEAR 650000) EQUITY SHARE OF RS.10/- EACH	6,500,000	6,500,000
ISSUED, SUBSCRIBED & PAID UP		
559000 (PREVIOUS YEAR 559000) EQUITY SHARES OF RS.10/- EACH FULLY PAID UP IN CASH	5,590,000	5,590,000
	<u>5,590,000</u>	<u>5,590,000</u>
SCHEDULE 'B' - RESERVE & SURPLUS		
SECURITIES PREMIUM ACCOUNT	45,810,000	45,810,000
PROFIT & LOSS ACCOUNT	374,661	336,650
	<u>46,184,661</u>	<u>46,146,650</u>
SCHEDULE 'C' - UNSECURED LOANS		
FROM HOLDING COMPANY	350,000	-
(Interest Free)	<u>350,000</u>	<u>-</u>

SCHEDULE 'D' - FIXED ASSETS

(Figures in Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2006	Additions	Deductions/ Adjustment	As at 31.03.2007	Upto 31.03.2006	Deductions/ Adjustments	For the Year	Upto 31.03.2007	As at 31.03.2007	As at 31.03.2006
LAND	46,982,310	-	-	46,982,310	-	-	-	-	46,982,310	46,982,310
BUILDING	4,305,394	-	-	4,305,394	65,159	-	70,178	135,337	4,170,057	4,240,235
OFFICE EQUIPMENTS	4,390	-	-	4,390	4,390	-	-	4,390	-	-
TOTAL	51,292,094	-	-	51,292,094	69,549	-	70,178	139,727	51,152,367	51,222,545
PREVIOUS YEAR	49,333,498	1,958,596	-	51,292,094	10,573	-	58,976	69,549	51,222,545	-
CAPITAL WORK IN PROGRESS										
BUILDING	-	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-	-
PREVIOUS YEAR	1,074,398	884,198	1,958,596	-	-	-	-	-	-	-
GRAND TOTAL	51,292,094	-	-	51,292,094	69,549	-	70,178	139,727	51,152,367	51,222,545
PREVIOUS YEAR	50,407,896	2,842,794	1,958,596	51,292,094	10,573	-	58,976	69,549	51,222,545	-

	As at 31.03.2007 (Rs.)	As at 31.03.2006 (Rs.)
SCHEDULE 'E' - CASH & BANK BALANCES		
CASH IN HAND	2,167	4,012
BALANCES AT BANK		
- IN SCHEDULED BANK	98,498	260,142
	<u>100,665</u>	<u>264,154</u>
SCHEDULE 'F' - LOANS & ADVANCES		
(UNSECURED, CONSIDERED GOOD)		
ADVANCE RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED)	566,219	49,895
TAX DEDUCTED AT SOURCE	336,600	215,424
	<u>902,819</u>	<u>265,319</u>
SCHEDULE 'G' - CURRENT LIABILITIES & PROVISIONS		
Current Liabilities		
OTHER LIABILITIES	8,427	8,418
Provisions		
Provision for Income tax	58,800	57,000
	<u>67,227</u>	<u>65,418</u>

Jindal Meadows Limited

	As at 31.03.2007 (Rs.)	As at 31.03.2006 (Rs.)
SCHEDULE 'H' - MISCELLANEOUS EXPENDITURE		
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)		
<u>PRELIMINARY EXP</u>		
OPENING BALANCE	20,607	27,476
LESS: WRITTEN OFF DURING THE YEAR	6,869	6,869
	<u>13,738</u>	<u>20,607</u>

	YEAR ENDED 31.03.2007 AMOUNT (RS)	PERIOD ENDED 31.03.2006 AMOUNT (RS)
SCHEDULE 'I' - ADMINISTRATIVE EXPENSES		
RATES & TAXES	265,651	38,673
ELECTRICITY&WATER CHARGES	160,708	367,760
LEGAL&PROFESSIONAL CHARGES	4,867	1,084
FILING FEES	1,800	900
FILING FEES FOR INCREASE IN SHARE CAPITAL	-	109,340
OFFICE MAINTENANCE	-	66,600
GENERAL EXPENSES	45	2,675
AUDITORS REMUNERATION	8,427	8,969
PRELIMINARY EXPENSES W/OFF	6,869	6,869
	<u>448,367</u>	<u>602,870</u>

SCHEDULES 'J' - SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1. Accounting Policies:

- (i) The financial statements are prepared under the historical cost convention and in accordance with the requirement of the Companies Act, 1956 and accepted Accounting standards referred to in Section 211(3c) of the Companies Act.
- (ii) Fixed assets are stated at cost less depreciation. Cost of acquisition or construction are inclusive of freight, duties and other incidental expenses during construction period. Incidental expenses includes establishment expenses, interest on fund used for capital expenditure and other Administrative expenses.
- (iii) Depreciation on assets is provided on Straight Line Method at the rate prescribed in schedule XIV of the Companies Act, 1956
- (iv) Incidental expenditure during construction period is included under capital work in progress and the same is allocated to respective fixed assets on completion of construction.
- (v) All revenues, costs, duties, assets & liabilities are accounted for on accrual basis.
- (vi) Borrowing costs attributable to the acquisition of and construction of asset are capitalised as part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are treated as revenue/ deferred revenue expenditure as considered appropriate by the management.
- (vii) The current tax payable in respect of taxable income for the year is charged to revenue. The deferred tax if any on timing differences between taxable income and accounting income subject to consideration of prudence has been provided/created
- (viii) Miscellaneous Expenditure

Preliminary expenditures are being written off over a period of five years.

2. Contingent Liability not Provided for:

- (a) Contract for capital expenditure remaining to be executed (Net of advances) amounting to Rs. Nil (Previous year Nil)
3. Amount due for deposit to Investor Education and Protection Fund as on 31.03.2007 Nil (Previous Year Nil)
4. The Auditors' Remuneration represents the following

	Year Ended 31.03.2007	Year Ended 31.03.2006
Audit Fee	8,427.00	8,418.00
Certification Charges	-	551.00
	<u>8,427.00</u>	<u>8,969.00</u>

5. The net deferred tax asset of Rs. 22299/- as on 31.03.2007 (Previous Year Rs. 29443/-) has been 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 the detail of deferred tax asset is as under:-

<u>Deferred Tax Asset</u> <u>being tax impact</u> <u>thereon</u>	As on 01.04.2006	For the year 2006-07	As on 31.03.2007
i) Expenses charged in the books, but allowance thereof deferred under Income tax Laws	29,443	(7,144)	22,299
ii) Carry Forward business loss	-	-	-
	<u>29,443</u>	<u>(7,144)</u>	<u>22,299</u>

6. Additional information required under Para 3 & 4 of Part -II of Schedule VI of the Companies Act, 1956. are not applicable.
7. There is no liability outstanding as on 31.03.2007, due to Small Scale Industrial Undertaking.
8. Disclosures pursuant to Accounting Standard-18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are as follows:

Jindal Meadows Limited

List of Related Parties:

A. Controlling/ Controlled Companies/ Individuals.

a) Holding Company

Consolidated Finvest & Holdings Ltd..

b) Fellow Subsidiary Companies

Jindal Photo Investments Ltd.

Jesmin Investments Limited

c) Other Controlling Companies/Individual

Jindal Photo Limited

Jindal Realtors Limited

Consolidated Photo & Finvest Limited

Jindal Imaging Limited

Consolidated Buildwell Limited

Jindal India Thermal Power Limited

Agile Properties Limited

Rexor SAS, France

Vigil Farms Limited

Indian Software Consultancy Limited

Consolidated Realtors Limited

Jindal France SAS, France

Jindal (India) Limited

Hindustan Polyester Limited

Jindal Poly Films Limited

Passion Tea Private Limited

Jindal India Thermal Power Limited

Shri Shyam sunder Jindal

Jindal Imaging Limited

Ms. Aakriti Jindal

Rishi Trading Company Limited

Shri Bhavesh Jindal

Soyuz Trading Company Limited

Shri Bhavi Chand Jindal

Bazaloni Groups Limited

Smt Meena Devi Jindal

Jumbo Finance Limited

Smt. Subhadra Jindal

Jupax Barter Private Limited

B. Key Management Personnel

1. Mr.R.B.Pal*

2. Mr.S.C. Sharma

3. Mr.Shammi Gupta

4. Mr. V.K. Gupta**

* Ceased to be director w.e.f. 17.08.2006

**appointed as director w.e.f. 17.08.2006

Details of Transactions with related parties are as follows:

Controlling/ Controlled Companies/ Individuals.	Amount(Rs.)	Amount(Rs.)
	31.03.2007	31.03.2006
- Unsecured Loan received during the year	350,000	800,000
- Unsecured Loan repaid during the year	-	50,900,000
- Subscription of share capital by Holding Company	-	5,090,000
- Share premium received from Holding Company	-	45,810,000
- Lease rent Received	565,500	960,000
- Amount outstanding at the end of the year	-	-
Advances to be recoverable in cash or in kind	418,824	-
Unsecured Loan	350,000	-

9. Earning per Share	Rs.	Rs.
Profit /(Loss)After Taxation	38011	270597
No. of shares outstanding (Weighted)559000	168534	
Earning per share (Basic/Diluted)	0.23	1.61

10. All the figures have been rounded off to the nearest rupee.

11. Schedule 'A' to 'J' are annexed to and form part of Statement of Accounts.

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

I Registration Details :

Registration No : U01134DL2004PLC126983

State Code :		55
Balance Sheet Date	Date	Month
	31	3
		Year
		2007

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
52125	52125

Sources of Funds (Amount in Rs. '000)

Paid Up Capital	Reserves & Surplus
5590	46,185
Secured Loans	Unsecured loans
NIL	350

Application of Funds (Amount in Rs. '000)

Net Fixed Assets	Investments
51153	NIL
Net Current Assets	Deferred Tax Asset
936	22
Misc. Expenditure	Accumulated Losses
14	NIL

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

Turnover	Total Expenditure
566	519
Profit/(Loss) Before Tax	Profit/(Loss) After Tax
47	38
Earning Per Share (Rs.)	Dividend Rate (Equity)
0.23	NIL

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

Item Code No. (ITC Code)	
Product Description	Property Developments

As per our report of even date annexed

For **UBS & COMPANY**
Chartered Accountants

(Bhimraj Agarwal)
Partner

Membership No-090909

Place : New Delhi

Date : 18.08.2007

For and on behalf of the Board

(S.C. Sharma)
Director

(V.K. Gupta)
Director

Jesmin Investments Limited

DIRECTORS' REPORT

For the year ended 31st March, 2007

TO THE MEMBERS,

Your Directors have pleasure in submitting their Second Annual Report together with Accounts of the Company for the year ended 31st March, 2007.

ACCOUNTS :

Accounts of the Company for the year under review after meeting all expenses including the writing off of preliminary expenses amounting to Rs. 45,218.00 show a

Profit of	Rs. 1,27,59,943.00
To which is added :	
The Profit brought forward from previous year ...	Rs. 9,67,163.00
Which your Directors recommend be appropriated as follows :	<u>Rs. 1,37,27,106.00</u>
Reserve Fund	Rs. 30,00,000.00
Profit carried forward to Balance Sheet	Rs. 1,07,27,106.00
	<u>Rs. 1,37,27,106.00</u>

INFORMATION PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT, 1956

The Company has no employee in the category specified in Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

INFORMATION PURSUANT TO NON-BANKING FINANCIAL COMPANIES (RESERVE BANK) DIRECTIONS, 1998.

Your Company has been granted Certificate of Registration No. 05.06597 dated 30th December, 2006 by Reserve Bank of India Act, 1934 to commence the business of non-banking financial institution without accepting public deposits subject to certain conditions.

The Company has not accepted any Public Deposit during the year ended 31st March, 2007.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed.

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2007, the applicable accounting standards had been followed along with proper explanation relating to material departures ;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were 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 period and of the profit of the Company for the period under review;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the accounts for the financial year ended 31st March, 2007 on "going concern" basis;

AUDIT COMMITTEE

The Audit Committee comprises three Directors viz : Sri Debashish Bhattacharya, Sri Punit Gupta and Sri Umesh Chand Jain. The terms of reference of the Audit Committee include to review, inter-alia the audited financial accounts and results for the year.

DIRECTORS :

Sri Debashish Bhattacharya, Director of the Company is to retire by rotation and is eligible for re-appointment.

Sri Punit Gupta and Sri Umesh Chand Jain who were appointed Additional Directors on the Board of Directors of the Company with effect from 12th April, 2007 shall hold office upto the date of next Annual General Meeting and they are eligible for appointment. The Company has received Notices under Section 257 of the Companies Act, 1956 proposing their appoint as Directors. The necessary resolution seeking Members' approval for their appointment as Director are included under Special Business in the Notice of the forthcoming Annual general Meeting.

Sri Binod Kumar Agarwal and Sri Vasdev Aggarwal have resigned from the Board of Directors of the Company with effect from 16th April, 2007.

AUDITORS :

Messrs. G.Sanyal & Co., Chartered Accountants, Auditors of the Company, retire and are eligible for re-appointment.

On behalf of the Board of Directors

Debashish Bhattacharya
Director

Umesh Chand Jain.
Director

Place : Kolkata

Dated : The 7th August, 2007

AUDITORS' REPORT

TO THE MEMBERS OF

JESMIN INVESTMENTS LIMITED

1. We have audited the attached Balance Sheet of **JESMIN INVESTMENTS LIMITED** as at 31st March 2007 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, annexed thereto. 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 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 mis-statement. 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 as amended by 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 in Paragraph 3 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 purposes of our audit;
 - ii) 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 those books;
 - iii) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv) in our opinion the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the applicable 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 as on 31st March 2007 and taken on record by the

Jesmin Investments Limited

Board of Directors, we report that none of the directors is disqualified as on 31st March 2007 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 read together with Notes in schedule thereon and attached thereto, 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:
- (a) in the case of the Balance Sheet, of the state of affairs of the Company as on 31st March 2007;
 - (b) in the case of the Profit and Loss Account, of the 'Profit' of the Company for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement of the Cash Flows of the Company for the year ended on that date.

For **G. SANYAL & CO.**
Chartered Accountants
(C. Sanyal)
Partner

Place : Kolkata
Dated : 7th August, 2007

Membership No. 54022

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

- (i) The Company does not have any fixed assets and hence, Sub clause (a) to (c) of clause (i) of the Order does not apply to the Company.
- (ii) The Company does not have any inventory and hence, Sub clause (a) to (c) of clause (ii) of the Order does not apply to the Company.
- (iii) The Company has not either granted or taken any loans, secured or unsecured to/from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and hence, Sub clause (a) to (g) of clause (iii) of the Order does not apply to the Company.
- (iv) In our opinion and according to the information and explanations given to us there is an adequate internal control system commensurate with the size of the Company and the nature of its business. During the course of our audit we have not observed any continuing failure to correct major weaknesses in such internal control system.
- (v) According to the information and explanations provided by the management, we are of the opinion that there have been no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 and hence clause v(b) is also not applicable.
- (vi) The Company has not accepted any deposits from the public within the meaning of sections 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder.
- (vii) In our opinion the Company has an internal audit system commensurate with the nature and size of its business.
- (viii) The Central Government has not prescribed the maintenance of Cost record under section 209(1)(d) of the Companies Act, 1956.
- (ix) (a) According to the records of the Company, no undisputed statutory dues payable were in arrears as at 31st March, 2007 for a period of more than six months from the date they became payable.
(b) According to the records of the Company and as per the information and explanations given to us, there are no statutory dues outstanding on account of any dispute.
- (x) As the Company is registered for a period of less than five years, hence, clause 4(x) of the Order is not applicable to the Company.
- (xi) The Company has not borrowed any money from financial institutions or banks or debentureholders.
- (xii) According to the information and explanations given to us, no

loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the company.
- (xiv) The Company has maintained proper records of the transactions and contracts in respect of investments and timely entries have been made therein. The investments made by the Company are held in its own name.
- (xv) 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.
- (xvi) The Company has not taken any term loans during the period.
- (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) According to the information and explanations given to us, 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 during the year.
- (xix) The Company has not issued any debentures, hence the question of creating security or charge does not arise.
- (xx) The Company has not raised any money by public issue.
- (xxi) Based upon the audit procedures performed and on the basis of information and explanations provided by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **G. SANYAL & CO.**
Chartered Accountants
(C. Sanyal)
Partner
Place : Kolkata
Dated : 7th August, 2007
Membership No. 54022

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF
JESMIN INVESTMENTS LIMITED
AS PER NON BANKING FINANCIAL COMPANIES
AUDITORS' REPORT (RESERVE BANK) DIRECTIONS, 1998

Further to our comments in Paragraphs 3 & 4 of the Auditors' Report required under Section 227 of the Companies Act, 1956, we enclose a statement as under on the matters specified in Paragraphs 3A & 3C of the Non Banking Financial Companies Auditors' Report (Reserve Bank) Directions 1998 -

1. The Company has been granted certificate of registration as provided under Section 45-1A of the Reserve Bank of India Act, 1934 (2 of 1934).
2. i) The Board of Directors of the Company has passed a resolution for non acceptance of any public deposits.
ii) The Company has not accepted any public deposits during the period.
iii) The Company has complied with the prudential norms relating to Income recognition, accounting standards, asset classification & provision for bad and doubtful debts as applicable to it.
3. Rest of the Clauses of the aforesaid Directions are not applicable to the Company during the period under review.

For **G. SANYAL & CO.**
Chartered Accountants

(C. Sanyal)
Partner

Place : Kolkata
Dated : 7th August, 2007

Membership No. 54022

Jesmin Investments Limited

BALANCE SHEET AS AT 31ST MARCH, 2007

	Schedule	As at 31.03.2007		As at 31.03.2006	
		Rupees	Rupees	Rupees	Rupees
I. SOURCES OF FUNDS:					
Shareholders' Funds:					
(a) Capital	1	209300000		209300000	
(b) Advances against Equity participation		167700000		-	
(c) Reserves & Surplus	2	581477106	958477106	568717163	778017163
TOTAL:			958477106		778017163
II. APPLICATION OF FUNDS:					
1. Investments	3		958308181		777287137
2. Current Assets, Loans and Advances:	4				
(a) Cash and Bank Balances		39327		621366	
(b) Loans and Advances		220787		152155	
		260114		773521	
Less: Current Liabilities and Provisions:	5				
(a) Liabilities		5843		3367	
(b) Provisions		221000		221000	
		226843		224367	
Net Current Assets			33271		549154
3. Miscellaneous Expenditure (to the extent not written off or adjusted)	6		135654		180872
TOTAL:			958477106		778017163

Significant Accounting Policies and Notes on Accounts
The Schedules referred to above form
an integral part of the Balance Sheet.

As per our report of even date attached.

For **G. Sanyal & Co.**
Chartered Accountants

(C. Sanyal)
Partner
Membership No. 54022

Place : Kolkata
Dated : 7th August, 2007

On behalf of the Board of Directors

Director Director Director

Place : Kolkata
Dated : 7th August, 2007

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2007

	Schedule	For the Year ended	For the Period ended
		31.03.2007	31.03.2006
		Rupees	Rupees
I. INCOME:			
Dividends (Gross, other than Trade) :		13795574	549670
Miscellaneous Receipts	7	-	695656
		13795574	1245326
II. EXPENDITURE:			
Expenses	8	1035631	57163
		1035631	57163
III. PROFIT:			
Profit before Taxation		12759943	1188163
Less: Provision for Current Tax		-	221000
Profit after Taxation		12759943	967163
Profit brought forward		967163	-
Available for appropriation		13727106	967163
IV. APPROPRIATIONS:			
Reserve Fund		3000000	-
Profit carried forward		10727106	967163
		13727106	967163

Earning per share (Face value Rs. 10/- each)
(Refer to note 6 of schedule 9)
on Profit after Taxation

Jesmin Investments Limited

	Schedule	For the Year ended	For the Period ended
		31.03.2007	31.03.2006
		Rupees	Rupees
Basic		0=61	0=41
Diluted		0=40	-

Significant Accounting Policies and Notes on Accounts 9
The Schedules referred to above form an integral part of the Profit and Loss Account.

As per our report of even date attached.

For **G. Sanyal & Co.**
Chartered Accountants

On behalf of the Board of Directors

(C. Sanyal)
Partner
Membership No. 54022
Place : Kolkata
Dated : 7th August, 2007

Director Director Director
Place : Kolkata
Dated : 7th August, 2007

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2007

	31.03.2007	31.03.2006
	Rupees	Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	12759943	1188163
Adjustments for:		
Dividends	(13795574)	(549670)
Interest earned	-	(687317)
Profit on sale of Investments	-	(8339)
Miscellaneous Expenditure Written off	45218	45218
Operating Profit before working capital changes	(990413)	(11945)
Adjustments for:		
Trade & Other receivables etc.	-	3367
Trade payables	2476	-
Cash generated from operations	(987937)	(8578)
Interest received	-	687317
Direct Taxes	(68632)	(152155)
Dividend received	13795574	549670
Net Cash from Operating Activities (A)	12739005	1076254
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Investments	(181021044)	(798856807)
Sale of Investments	-	21578009
Miscellaneous Expenditure	-	(226090)
Net Cash (used) in Investing Activities (B)	(181021044)	(777504888)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Share Capital	-	777050000
Advance against equity participation	167700000	-
Net Cash from Financing Activities (C)	167700000	777050000
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(582039)	621366
Opening Cash and Cash Equivalents	621366	-
Closing Cash and Cash Equivalents	39327	621366
Cash and Cash Equivalents include:		
Cash Balances	35994	46032
Bank Balances with a scheduled Bank on Current Account	3333	575334
	39327	621366

The cash flow statement has been prepared under the "indirect method" as set out in Accounting Standard-3 on cash flow statement issued by the Institute of Chartered Accountants of India.

This is the cash flow statement referred to in our report of even date.

For **G. Sanyal & Co.**
Chartered Accountants

On behalf of the Board of Directors

(C. Sanyal)
Partner
Membership No. 54022
Place : Kolkata
Dated : 7th August, 2007

Director Director Director
Place : Kolkata
Dated : 7th August, 2007

Jesmin Investments Limited

SCHEDULES TO THE ACCOUNTS:

	As at 31st March, 2007 Rupees	As at 31st March, 2006 Rupees
1. CAPITAL:		
(a) Authorised: 2,10,00,000 Equity Shares of Rs10/-each	210000000	210000000
(b) Issued, Subscribed and Paid up : 2,09,30,000 Equity Shares of Rs 10/- each fully paid up (of the above 1,75,00,000 Equity Shares of Rs. 10/- each are held by Consolidated Finvest & Holdings Ltd. and its subsidiary)	<u>209300000</u>	<u>209300000</u>
	<u>209300000</u>	<u>209300000</u>
2. RESERVES AND SURPLUS:		
Reserve Fund (In terms of Sec. 45-1C of the RBI ACT, 1934) created during the year	3000000	-
Securities Premium Account	567750000	567750000
Profit and Loss Account	<u>10727106</u>	<u>967163</u>
Total Reserves	<u>581477106</u>	<u>568717163</u>
3. INVESTMENTS : OTHER THAN TRADE (AT COST)		
LONG TERM (QUOTED) : SHARES		
	As at 31st March, 2007	As at 31st March, 2006
	No. of Shares	No. of Shares
	Value Rupees	Value Rupees
Equity Shares of Rs. 10/- each fully paid up in Asian Hotels Ltd. (Purchased 335705 shares during the year)	1662889	1327184
	<u>958308181</u>	<u>777287137</u>
	<u>958308181</u>	<u>777287137</u>
Market value of quoted shares	<u>1178988301</u>	<u>816948111</u>
	As at 31st March, 2007	As at 31st March, 2006
	Rupees	Rupees
4. CURRENT ASSETS, LOANS AND ADVANCES:		
(A) CURRENT ASSETS:		
Cash and Bank Balances-		
i) Cash on hand	35994	46032
ii) Bank Balances with Scheduled Bank- On Current Account	<u>3333</u>	<u>575334</u>
	<u>39327</u>	<u>621366</u>
(B) LOANS AND ADVANCES (unsecured, considered good) :		
Advance Payment of Income Tax and Tax deducted at source	220687	152155
Advance Fringe Benefit Tax	<u>100</u>	<u>-</u>
	<u>220787</u>	<u>152155</u>
TOTAL OF CURRENT ASSETS, LOANS AND ADVANCES	<u>260114</u>	<u>773521</u>
5. CURRENT LIABILITIES AND PROVISIONS		
(A) CURRENT LIABILITIES :		
Sundry Creditors		
- Dues to Small Scale Industrial Undertakings		
- Dues to Others	<u>5843</u>	<u>3367</u>
	<u>5843</u>	<u>3367</u>
(B) PROVISIONS		
Provision for Taxation	<u>221000</u>	<u>221000</u>
	<u>221000</u>	<u>221000</u>
TOTAL OF CURRENT LIABILITIES AND PROVISIONS	<u>226843</u>	<u>224367</u>
6. MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Preliminary Expenses	180872	226090
Less: written off during the year	<u>45218</u>	<u>45218</u>
	<u>135654</u>	<u>180872</u>

Jesmin Investments Limited

	Year ended 31st March, 2007 Rupees	Period ended 31st March, 2007 Rupees
7. Miscellaneous Receipts :		
- Interest on Fixed Deposits	-	687317
- Profit on sale of Investments	-	8339
	-	695656
8. Expenses :		
- Printing & Stationary	3549	685
- Telephone & Fax charges	680	240
- Conveyance	2081	1299
- Legal & Professional charges	20716	1200
- Filing fees (including Rs.937500/-for enhancement of authorised capital)	941000	1000
- Postage & Telegram	224	598
- General expenses	16320	3556
- Auditors' Remuneration	5843	3367
- Preliminary Expenses written off	45218	45218
	<u>1035631</u>	<u>57163</u>

9. NOTES ON ACCOUNTS:

1. Significant Accounting Policies :

(a) Basis of Accounting:

The financial statements are prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1956 and the Accounting Standards as referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.

(b) Investments:

All investments have been classified as "Long Term Investments" in view of holding the same on a long term basis. Investments are capitalised at cost plus expenses. Provision for diminution is made to recognise a decline, other than temporary in the value of such investments.

(c) Revenue Recognition :

All revenues, costs, assets & liabilities are accounted for on accrual basis.

(d) Taxation :

Provision for Current income tax is made at applicable tax rates based on assessable income as computed under Income tax Act, 1961. Deferred tax is accounted for at substantive enacted tax rates on the balance sheet date, on timing difference between the accounting profit and assessable income and carry forward losses/unabsorbed depreciation subject to an allowance for deferred tax assets in respect of which the realization is not certain.

(e) Preliminary expenses :

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

2. Contingent Liabilities not provided for : Nil

3. Deferred Taxation :

There are no timing differences, carry forward losses etc. resulting in any deferred tax, hence no provision for deferred tax asset/liability as on 31.3.2007 has been considered necessary.

4. Current year's figures are not comparable with those of previous period comprising fourteen month & fraction.

5. Related Party Disclosures :

List of Related Parties

Parties where control exists :

a. Holding Company

Consolidated Finvest & Holdings Limited

b. Fellow Subsidiary Company

Jindal Photo Investments Limited

c. Key Management Personnel

Mr. D. Bhattacharya

Mr. B.K. Agarwal

Mr. Vasdev Aggarwal

d. DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS AT 31ST MARCH 2007:

Parties where control exists	Current Year Rupees	Previous period Rupees
Advances against equity participation / Capital contribution	167700000	700030000
Amount outstanding at year end	Nil	Nil
6. Earnings Per Share	2006-07	2005-06
(i) Profit after taxation. (Rs) (A)	12759943	967163
(ii) Weighted Average number of Shares Outstanding (B)	20930000	2344333
(iii) Nominal value of Equity Share (Rs.)	10.00	10.00
(iv) Earnings per Share(basic) (Rs) (A/B)	0=61	0=41
(v) Diluted potential Equity shares (C)	32110000	-
(vi) Earnings per share (diluted)	0=40	-
7. Auditors' Remuneration : (inclusive of Service Taxes)		
Audit fees	4495	3367
Tax Audit fees	1348	-
	<u>5843</u>	<u>3367</u>

8. The Company had received Rs. 16.77 crores towards share application money during the year. Pending necessary compliance for increase in Authorised Capital etc. in terms of the provision of the Companies Act, 1956, the said amount has been shown as Advance against Equity participation in these account.

9. Segment Reporting:

The Company operates in a single business segment, and hence no further disclosure is being made.

10. No provision for taxation has been made during the year in view of any taxable income.

11. Previous period's figures have been regrouped/rearranged wherever necessary.

Signatures to schedule 1 to 9

On behalf of the Board of Directors

Place : Kolkata

Dated : 7th August, 2007

Director Director Director

Jesmin Investments Limited

JESMIN INVESTMENTS LIMITED

Balance Sheet Abstract and Company's General Business Profile (in terms of amendment to schedule VI Part IV)

I Registration Detail

Registration No.	1 0 1 0 5 7	State Code	2 1	(Refer Code List 1)
Balance Sheet	3 1		0 3	
Date	Date	Month	Year	

II Capital Raised during the year (Amount in Rs. Thousands)

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	1 6 7 7 0 0

III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	9 5 8 4 7 7	Total Assets	9 5 8 4 7 7
Sources of Funds		Reserves & Surplus	5 8 1 4 7 7
Paid Up Capital	2 0 9 3 0 0	Unsecured Loans	Nil
Secured Loans	Nil	Advances Against Equity participation	1 6 7 7 0 0

Application of Funds

Net Fixed Assets	Nil	Investments	9 5 8 3 0 8
Net Current Assets	3 3	Misc. Expenditure	1 3 6
Accumulated Losses	Nil		

IV Performance of the Company (Amount in Rs. Thousands)

Turnover & other Income	1 3 7 9 6	Total Expenditure	1 0 3 6
+ - Profit/Loss Before Tax		+ - Profit/Loss After Tax	1 2 7 6 0
+ Basic Earning Per Share in Rs.	0 = 6 1	Dividend rate %	Nil

V Generic Names of Principle Products/Services of the Company (as per monetary terms)

Item Code No. (ITC Code)	Not Applicable
Product Description	TRADING & INVEST- MENT ACTIVITIES

Place : Kolkata

Dated : 7th August, 2007

Director

Director

Director

Jesmin Investments Limited

- (ii) Debentures and Bonds
- (iii) Units of mutual funds
- (iv) Government securities
- (v) Others (please specify)

Long term Investments:

1. Quoted:

(i) Shares : (a) Equity	9583.08
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (Please specify)	-

2. Unquoted:

(i) Shares : (a) Equity	Nil
(b) Preference	
(ii) Debentures and Bonds	
(iii) Units of mutual funds	
(iv) Government securities	
(v) Others	

(6) Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:

Item: Loans and Advances*

Category

Amount net of provisions

Secured	Unsecured	Total
---------	-----------	-------

1. Related Parties			
(a) Subsidiaries	N	N	N
(b) Companies in the same group	I	I	I
(c) Other related parties	L	L	L
2. Other than related parties			
Total	-	-	-

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category

Market Value/ Break-up or fair value or NAV	Book Value (Net of Provisions)
---------------------------------------------------	--------------------------------------

1. Related Parties		
(a) Subsidiaries		
(b) Companies in the same group		
(c) Other related parties		
2. Other than related parties	11789.88	9583.08
Total	11789.88	9583.08

(8) Other Information

Particulars

Amount

(i) Gross Non-Performing Assets	NIL
(a) Related Parties	
(b) Other than related parties	
(ii) Net Non-Performing Assets	
(a) Related parties	
(b) Other than related parties	
(iii) Assets acquired in satisfaction of debts	

Place: Kolkata

Dated: 7th August, 2007

Director

Director

Director

Consolidated Finvest & Holdings Limited

Registered Office :19th K.M. Hapur - Bulandshahr Road, P.O. Gulaothi, Distt-Bulandshahr, Uttar Pradesh

PROXY FORM

I/We.....of.....
..... in the District of
..... being a member/members of Consolidated Finvest & Holdings Limited hereby appoint
Mr./Msof.....
..... 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 **21st ANNUAL GENERAL MEETING** of the Company to be held on **Thursday, the 27th day of September, 2007** and at any adjournment thereof.

Signed this Day of 2007

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 Gulaothi Distt. Bulandshahr, Uttar Pradesh at least forty eight hours prior to the meeting.

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

Consolidated Finvest & Holdings Limited

Registered Office :19th K.M. Hapur - Bulandshahr Road, P.O. Gulaothi, Distt-Bulandshahr, Uttar Pradesh

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 **21st ANNUAL GENERAL MEETING** of the Company at the Registered Office of the Company on **Thursday the 27th day of September, 2007 at 11.00 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 :

Consolidated Finvest & Holdings Ltd.

25-28 Rajendra Bhawan, Rajendra Place, Pusa Road, New Delhi - 110 008