



**Shri Jagdamba Polymers Ltd.**

**25<sup>TH</sup>**

**ANNUAL REPORT**

**2008-2009**

**REGD. OFFICE :**

**802, NARNARAYAN COMPLEX, OPP. NAVRANGPURA POST OFFICE, NAVRANGPURA, AHMEDABAD 380 009.**



Annual General Meeting

Thursday, 27<sup>th</sup> August, 2009

At

Ishwar Bhuvan,  
Near H.L. Commerce College  
Navrangpura  
Ahmedabad-380 009

At

11:00 A.M.

**Board of Directors**

(As On 25.06.2009)

**Shri R.K. Bhojnagarwalla**

Chairman cum Managing Director

**Shri K. B. Patel**

Whole-time Director

**Smt. Shradha H. Agarwal**

Director

**Shri B. S. Saini**

Director

**Shri K. I. Patel**

Director

**Shri Ashish Bhaiya**

Director

The Shareholders are requested to bring their copy of the Annual Report along with them at the Annual General Meeting, since copy of the Report will not be distributed at the meeting.

**Auditors**

M/s. G.C. Surana & Co.

"Surana House"

B/h. Klassic Chamber, Near Swastik,

Char Rasta, Navrangpura,

Ahmedabad-380 009

**Registered Office**

802, Narnarayan Complex

Opp., Navrangpura Post Office

Navrangpura

Ahmedabad-380 009

**Plant 1**

101, GIDC Estate

Dholka-387810

Dist.: Ahmedabad.

**Plant 2**

703-710, GIDC Estate

Dholka-387810

Dist.: Ahmedabad.

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NOTICE

NOTICE is hereby given that the TWENTY FIFTH ANNUAL GENERAL MEETING of the members of SHRI JAGDAMBA POLYMERS LIMITED will be held on Thursday, 27<sup>th</sup> August, 2009 at 11.00 A.M. at Ishwar Bhuvan, Near F.L. Commerce College, Navrangpura, Ahmedabad-380 009 to transact the following business :

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet of the Company as on 31.03.2009 and audited Profit & Loss account for the year ended on that date, together with Director's and Auditor's Report thereon.
2. To declare dividend on equity shares for the year ended 31.03.2009.
3. To appoint a Director in place of Shri Kantilal L. Patel, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Ashish Bhaiya, who retires by rotation and being eligible; offers himself for reappointment.
5. To appoint M/s. G.C. Surana & Co., Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board to fix their remuneration.

Special Business

6. To consider and if thought fit, to pass with or without modifications if any, the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Jalan Alkesh & Associates, Practicing Company Secretaries, Ahmedabad being eligible, offer themselves for reappointment, be and are hereby appointed as Secretarial Auditors for compliance Certification of the Company for holding the office from the conclusion of this meeting until the conclusion of next Annual General Meeting on such remuneration as may be decided by the Board of Directors."

7. To consider and if thought fit, to pass with or without modification if any, the following resolution as an ordinary Resolution:

"Resolved that, Smt. Shradha H. Agarwal, who was appointed as an additional director by the Board of Directors of the company and who holds office upto the date of this annual general meeting and in respect of whom the company has received a notice from a member of the company proposing her



candidature as a director of the company liable to retire by rotation in accordance with the provisions of the Companies Act, 1956 and Articles of Association of the company."

"Resolved further that, the Board of Directors of the company be and is hereby authorised to do all such acts, deeds and things that may be necessary for giving effect to this resolution."

8. To consider and if thought fit, to pass with or without modifications if any, the following resolution as an Special Resolution:

"RESOLVED THAT, pursuant to provisions of Companies Act, 1956 and of the listing agreement, consent be and is hereby accorded to the Board of Directors to offer the forfeited shares to the existing shareholders of the Company on pro rata basis on the basis of the number of shares request received at a price of Rs. 10/- per share or such higher or lower price as may be determined by the Board of Directors".

"Resolved further that, in case the number of shares request received from the existing shareholders is insufficient or is not received at requisite price the Company do hereby authorize the Board of Directors to reissue and allot forfeited shares to any person, HUF, company, body corporate, or any other person entitled for the allotment of equity shares".

"Resolved further that the re-issue and allotment of forfeited shares shall be subject to such lock in period as may be necessary under the Securities and Exchange Board of India guidelines or other authority or as may be imposed by the Board of Directors."

"Resolved further that, a person holding 1000 equity shares is entitled to apply for 25 equity shares and in proportion thereof".

"Resolved further that, no fractional shares shall be issued to any shareholder or prospective allottees".

"Resolved further that, reissue of forfeited shares shall be subject to the provisions of the law for the time being in force, listing agreement and other authorities as may be necessary."

"FURTHER RESOLVED THAT, the Board of Directors of the company be and is hereby authorised to take the necessary action and complete all the legal formalities related thereto.



9. To consider and if thought fit, to pass with or without modifications if any, the following resolution as an Special Resolution:

“Resolved that, pursuant to provision of Section 269, 309, 311 and other applicable provisions of the Companies Act, 1956 including Schedule XIII of the Companies Act, 1956 the Company do hereby reappoint Shri Ramakant Bhojnarwalla, Managing Director of the company, be and is hereby reappointed on a remuneration of Rs. 2,00,000/- ( Rupees Two Lacs Only ) per month with effect from 1<sup>st</sup> September, 2009 on the terms and conditions as may be mutually agreed between the Company and Shri Ramakant Bhojnarwalla.”

“Resolved further that, the Managing Director of the company shall not be entitled for any sitting fee for attending the Board meeting or committee thereof”

“Resolved further that, the Managing Director of the company shall not be liable to retire by rotation”.

“Resolved further that, the Board of Directors of the company be and is hereby authorised to take all such steps as may be necessary for giving effect to this resolution.”

10. To consider and if thought fit, to pass with or without modifications if any, the following resolution as an Special Resolution:

“Resolved that, pursuant to provision of Section 269, 309, 311 and other applicable provisions of the Companies Act, 1956 including Schedule XIII of the Companies Act, 1956 the Company do hereby reappoint Shri Kiran B. Patel, Wholtime Director of the company, be and is hereby reappointed on a remuneration of Rs. 50,000/- ( Rupees Fifty Thousand Only ) per month with effect from 1<sup>st</sup> September, 2009 on the terms and conditions as may be mutually agreed between the Company and Shri Kiran B. Patel.”

“Resolved further that, the Whole time Director of the company shall not be entitled for any sitting fee for attending the Board meeting or committee thereof.”

“Resolved further that, the Board of Directors of the company be and is hereby authorised to take all such steps as may be necessary for giving effect to this resolution.”

11. To consider and if thought fit, to pass with or without modifications if any, the following resolution as an Special Resolution :



“Resolved that pursuant to provision of Section 97 and other applicable provisions of the Companies Act, 1956 consent of the members of the company be and is hereby accorded to increase the Authorised Share Capital of the company from Rs. 3,00,00,000/- ( Rupees Three Crores Only ) divided into 30,00,000 ( Thirty Lacs ) equity shares of Rs. 10/- each to Rs. 10,00,00,000/- ( Rupees Ten Crores Only ) divided into 1,00,00,000 ( One Crore ) equity shares of Rs. 10/- [ Rupees Ten Only ] each.”

“Resolved further that, existing Clause V of the Memorandum of the Association of the company be and is hereby altered as follow :

Clause V :- The Authorised Share Capital of the company is Rs. 10,00,00,000/- ( Rupees Ten Crores Only ) divided into 1,00,00,000 ( One Crore ) equity shares of Rs. 10/- [ Rupees Ten Only ] each.

“FURTHER RESOLVED THAT, the Board of Directors of the company be and is hereby authorised to take the necessary action and complete all the legal formalities related thereto.”

12. To consider and if thought fit, to pass with or without modifications if any, the following resolution as an Special Resolution :

“Resolved that, pursuant to provision of Section 31 and other applicable provisions of the Companies Act, 1956 and the rules framed thereunder, consent of the members of the company be and is hereby accorded for the alteration of existing Article 5 as follow:

The Authorised Share Capital of the company is Rs. 10,00,00,000/- ( Rupees Ten Crores Only ) divided into 1,00,00,000 ( One Crore ) equity shares of Rs. 10/- [ Rupees Ten Only ] each.

“FURTHER RESOLVED THAT, the Board of Directors of the company be and is hereby authorized to take the necessary action and complete all the legal formalities related thereto.”

Registered Office:  
802, Narnarayan Complex  
Near Navrangpura Post Office  
Navrangpura  
Ahmedabad -380 009  
Date : 25<sup>th</sup> June 2009

BY ORDER OF THE BOARD OF DIRECTORS

s/d.

**R.K. Bhojnagarwalla**  
(Chairman cum Managing Director)

NOTES

- A. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED WITH THE COMPANY DULY SIGNED, STAMPED NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- B. The register of members and the Share Transfer Book of the Company will remain closed from 24<sup>th</sup> August, 2009 to 27<sup>th</sup> August, 2009 (both days inclusive).
- C. Dividend as recommended by the Board, if declared at the meeting, will be payable to those share holders or their mandatee(s) whose names appear in the register of Members as on 24<sup>th</sup> August, 2009.
- D. An Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in relation to the Special Business of the meeting, is annexed hereto.
- E. Shareholders intending to require information about accounts, to be explained at the meeting are requested to inform in writing to the Company at least a week in advance of their intention to do so, so that the papers relating thereto may be made available, if the Chairman permits such information to be furnished.
- F. The Company had issued dividend warrants/cheques upto the financial year ended 31st March 2008 to the shareholders of the Company. Pursuant to the provisions of section 205A of the Companies Act, 1956 as amended, unpaid/unclaimed dividend for a period of 7 years will be transferred to the Investor Education and Protection Fund. The shareholders who have not encashed their dividend warrants/cheques so far upto the financial year ended 31st March' 2008 are requested to make their claim or approach to the Company for revalidation or obtaining duplicate /warrants. It may also be noted that once the unclaimed dividend is transferred to the fund as above, no claims shall lie in respect thereof..
- G. Members are requested to:
- Notify any change in address with Pin code numbers immediately to the Company's Registered Office.
  - Bring their copy of the Annual Report and Attendance slip with them at the Annual General Meeting as the same will be not be distributed at the Annual General Meeting.
  - Quote Ledger Folio Number in all their correspondence.
- H. All documents referred to in the notice and explanatory statement shall be available for inspection at the registered office of the Company during the office hours on all days except Sundays and public holidays between 11:00 a.m. and 1:00 p.m. up to the date of the annual general meeting.

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Ahmedabad -380 009  
Date :25<sup>th</sup> June 2009

BY ORDER OF THE BOARD OF DIRECTORS

s/d.  
**R.K. Bhojnagarwalla**  
(Chairman cum Managing Director)



Explanatory Statement relating to the Special Business Pursuant to section 173(2) of the Companies Act, 1956:

Item-6:

Pursuant to the provisions of Section 383 A of the Companies Act, 1956 every company having paid up capital of Rs. 10 Lakhs or more but less than Rs. 200 Lakhs is required to obtain compliance certificate from a practicing company secretary M/s. Jalan Alkesh & Associates, Practicing Company Secretaries Ahmedabad being eligible for reappointment offers themselves for reappointment at the this annual general meeting of the company. The Board of Directors recommend the passing of the resolution set out in the notice. None of the Directors of the Company in anyway are interested or concerned in this resolution.

Item- 7:

Smt. Shradha H. Agarwal was appointed as the additional director of the company on the Board of Directors of the Company on 20<sup>th</sup> April, 2009. Smt. Shradha H. Agarwal holds office upto the date of this annual general meeting. The company has received a notice from a member of the company proposing her candidature as a director of the company alongwith requisite fees.

Smt. Shradha H. Agarwal holds 36000 equity shares of the company as on date. She also holds 40000 equity shares of the company in joint name, wherein she is a second holder.

Shri Ramakant Bhojnagarwalla, and Smt. Shradha H. Agarwal are deemed to be interested in this resolution.

Item-8:

As on date the company has forfeited 22100 equity shares of the company. The proposed resolution hereby authorizes the Board of Directors to take necessary steps for the reissue of the forfeited shares to the existing shareholders on pro rata basis.

Further the reissue and allotment of forfeited shares shall be subject to such lock in period as may be prescribed under the Securities and Exchange Board of India guidelines or other authority or as may be imposed by the Board of Directors.

None of the Directors are interested in the resolution except as members of the company.



Item—9:

Shri Ramakant Bhojnagarwalla, is currently the Managing Director of the company. Shri Ramakant Bhojnagarwalla has wide experience in the management of the company. The details required pursuant to Schedule XIII of the Companies Act, 1956 is as under :

Nature of industry	The company is presently engaged in the business of polymer processing.			
Date of commencement of commercial production	The company is already making the production.			
Financial performance based on given indicators	The financial performance of the company is as under :			
	(Amount in Rupees)			
	Particulars	2008 - 2009 (Audited)	2007 - 2008 (Audited)	2006 - 2007 (Audited)
	Sales and other receipts (Net of excise)	205342752	125714134	88033635
	Depreciation	8108617	7179138	5827018
Profit before Tax	16286169	8088988	9575058	
Profit after tax and prior period adjustments	10840306	5725268	5634644	
Export performance	During the year 2008 - 2009 the company has earned foreign exchange of Rs.13,72,98,064/- in comparison to Rs.4,70,67,618/- for the year 2007 - 2008			
Foreign investment and collaborations, if any	There is no foreign investment or collaboration.			
<b>Information about the appointee</b>				
Background details	Shri Ramakant Bhojnagarwalla is the promoter of the company and has wide experience in the management of the affairs of the company. The growth of the Company has been manifold under his management. Further Shri Ramakant Bhojnagarwalla has practical knowledge in the field of the manufacturing, finance, administration etc.			
Past remuneration	Presently Shri Ramakant Bhojnagarwalla is getting a remuneration of Rs. 1,00,000/- (Rupees One Lac) per month.			



Recognition / Awards	Shri Ramakant Bhojnagarwalla is presently the director of Textile Traders co-operative Bank Ltd. He is also the chairman of Ahmedabad Textiles Processors Association (Advisory Committee). He is also member of expert consultative committee of Textile Ministry Of Government of India.
Remuneration proposed	It is proposed to increase the remuneration of Shri Ramakant Bhojnagarwalla to Rs. 2,00,000/- ( Rupees Two Laacs ) per month
Pecuniary relationship	Shri Ramakant Bhojnagarwalla is presently the managing director of the company and he holds 53.58% approximately in the company directly or through his relatives
Other Information	
Reasons for loss or inadequate profits	The company has not suffered any loss during the year 2008 - 2009 and during the preceeding three years. However its profits are inadequate due to higher interest costs, increase in raw material costs, depreciation etc
Steps taken for improvement	The company has started a new unit during the year 2008 -2009 and it is expected that the new unit will generate more revenues and increase the profits of the company in the years to come.
Expected increase in productivity and profits in measurable terms	In the past years the company was having more job work and therefore the turnover and profit of the company was less which can be verified from the annual reports of the company for the last three years. In the year 2007 turnover was Rs. 8.81 Crores which was increased to Rs. 12.57 Crores in the year 2008 and further increased to Rs. 20.53 Crores in the year 2009. It is expected that the turnover will increase to Rs. 30.00 Crores in the year 2010 which will contribute to higher profits to the company and the expected profits will be Rs. 1.7 Crores.

The appointment and remuneration of Shri Ramakant Bhojnagarwalla has been approved by the remuneration committee.

The Board of Directors of your company recommend the approval of the appointment of Shri Ramakant Bhojnagarwalla on new terms with effect from 1<sup>st</sup> August, 2009 for a period of three years. Shri Ramakant Bhojnagarwalla and Smt. Shradha H. Agarwal are deemed to be interested in this resolution. The above resolution together with explanatory statement may be treated as an abstract of terms of appointment pursuant to Section 302 of the Companies Act, 1956.

Item-10:

Shri Kiran B. Patel, is currently the Managing Director of the company. Shri Kiran B. Patel has wide experience in the management of the company. The details required pursuant to Schedule XIII of the Companies Act, 1956 is as under :

Nature of industry	The company is presently engaged in the business of polymer processing.			
Date of commencement of commercial production	The company is already making the production.			
Financial performance based on given indicators	The financial performance of the company is as under : (Amount in Rupees)			
	Particulars	2008 - 2009 (Audited)	2007 - 2008 (Audited)	2006 - 2009 (Audited)
	Sales and other receipts (Net of excise)	205342752	125714134	88033635
	Depreciation	8108617	7179138	5827018
	Profit before Tax	16286169	8088988	9575058
Profit after tax and prior period adjustments	10840306	5725268	5634644	
Export performance	During the year 2008-2009 the company has earned foreign exchange of Rs.13,72,98,064/- in comparison to Rs.4,70,67,618/- for the year 2007 - 2008			
Foreign investment and collaborations, if any	There is no foreign investment or collaboration.			
Information about the appointee				
Background details	Shri Kiran B. Patel joined Ramakant Bhojnagarwalla as the directors of the company since 14-07-2001 and has wide experience in the management of the affairs of the company. The growth of the Company has been manifold under his management. Further Shri Kiran B. Patel has practical knowledge in the field of the manufacturing, finance, administration etc.			
Past remuneration	Presently Shri Kiran B. Patel is getting a remuneration of Rs. 26,000/- (Rupees Twenty Six Thousand Only) per month			
Recognition / Awards	He is Secretary of Dholka Industrial Association, Ahmedabad			
Remuneration proposed	It is proposed to increase the remuneration of Shri Kiran B. Patel to Rs. 50,000/- (Rupees Fifty Thousand) per month			



Remuneration proposed	It is proposed to increase the remuneration of Shri Kiran B. Patel to Rs. 50,000/- (Rupees Fifty Thousand) per month
Pecuniary relationship	Shri Kiran B. Patel is presently the whole time director of the company and he holds 100 shares in the company directly or through his relatives
Other Information	
Reasons for loss or inadequate profits	The company has not suffered any loss during the year 2008 - 2009 and during the preceding three years. However, its profits are inadequate due to higher interest costs, increase in raw material costs, depreciation etc
Steps taken for improvement	The company has started a new unit during the year 2008 -2009 and it is expected that the new unit will generate more revenues and increase the profits of the company in the years to come.
Expected increase in productivity and profits in measurable terms	In the past years the company was having more job work and therefore the turnover and profit of the company was less which can be verified from the annual reports of the company for the last three years. In the Year 2007 turnover was Rs. 8.81 Crores which was increased to Rs. 12.57 Crores in the year 2008 and further increased to Rs. 20.53 Crores in the year 2009. It is expected that the turnover will increase to Rs. 30.00 Crores in the year 2010 which will contribute to higher profits to the company and the expected profits will be Rs. 1.7 Crores.

The appointment and remuneration of Shri Kiran B. Patel has been approved by the remuneration committee.

The Board of Directors of your company recommend the approval of the appointment of Shri Kiran B. Patel on new terms with effect from 1<sup>st</sup> August, 2009 for a period of three years. Shri Kiran B. Patel is deemed to be interested in this resolution. The above resolution together with explanatory statement may be treated as an abstract of terms of appointment pursuant to Section 302 of the Companies Act, 1956.

#### Item No-11:

The Board of Directors of your company proposes to increase the Authorised Share Capital of the company in order to increase the paid up share capital of the company required for the expansion purpose. The increase in the Authorised Share Capital of the company will involve alteration of the clause V of the Memorandum of Association of the company. Since the alteration will require the approval of the members in the general meeting by way of special resolution.



None of the directors are interested in this resolution except as members of the company. The Board of Directors recommend for the approval of the resolution.

Item No -12:

The Board of Directors of your company proposes to increase the Authorised Share Capital of the company in order to increase the paid up share capital of the company required for the expansion purpose. The increase in the Authorised Share Capital of the company will involve alteration of Article 5 of the Articles of Association of the company. Since the alteration will require the approval of the members in the general meeting by way of special resolution.

None of the directors are interested in this resolution except as members of the company. The Board of Directors recommend for the approval of the resolution.

Registered Office:  
802, Narnarayan Complex  
Near Navrangpura Post Office  
Navrangpura  
Ahmedabad -380 009  
Date : 25<sup>th</sup> June 2009

BY ORDER OF THE BOARD OF DIRECTORS

s/d.  
**R.K. Bhojnagarwalla**  
(Chairman cum Managing Director)

**DIRECTOR'S REPORT**

To,  
The Members of  
Shri Jagdamba Polymers Limited  
Ahmedabad

The Directors hereby present the 25th Annual Report together with Audited Statement of Accounts for the year ended on 31st March' 2009 which they trust, will meet with your approval.

**I. FINANCIAL RESULTS:**

	Year Ended	Year Ended
	31.03.2009	31.03.2008
	Amount(Rs.)	Amount(Rs.)
Profit before Interest & Depreciation & Taxes	32201798	20178605
<b>Less :</b>		
Interest (Net)	7807012	4910479
Depreciation	8108617	7179138
<b>Provision for Taxation:</b>		
-Current Tax	3200000	2850000
-Deferred Tax	2136339	30235
-Fringe Benefit Tax	11000	98000
<b>Total</b>	<b>21362968</b>	<b>15067852</b>
Net Profit	10838830	5110753
Add. Prior Period adjustments	1476	614515
<b>Net Profit After Taxation</b>	<b>10840306</b>	<b>5725268</b>
Add: Balance of profit brought forward from previous year	21285529	17184903
	-----	-----
<b>Balance Profit for the available for appropriation</b>	<b>32125835</b>	<b>22910171</b>
Less. (1) Proposed Dividend	875800	875800
(2) Prov. For Tax on Div.	148842	148842
	-----	-----
	<b>31101193</b>	<b>21885529</b>
Less: Transferred to General Reserve	600000	600000
	=====	=====
<b>Balance carried to Balance Sheet</b>	<b>30501193</b>	<b>21285529</b>
	=====	=====

**2. OPERATIONS:**

The total sales and other income during the year have been Rs.2061.70 Lakhs compared to Rs.1270.35 lakhs in the previous year. The Company's Profit for the year before depreciation, interest and taxation has been Rs. 322.02 lakhs (P.Y. Rs.201.79 lakhs) and the Net Profit after interest, depreciation & taxes are Rs.108.38 lakhs (P.Y. Rs. 51.11 lakhs).

**3. DIVIDEND:**

Your Directors are pleased to recommend a dividend of Re.1.00 per share (previous year Re.1.00 per share ) to the Equity Shareholders.

**4. FINANCE:**

During the year review, the Company had incurred capital expenditure which was partly financed by way of Term Loan from Bank and balance being from internal accruals. The repayments are made regularly on due dates.

**5. FIXED DEPOSITS:**

The Company has not invited any deposits from the public during the year under review.

**6. INSURANCE:**

The properties of the Company stand adequately insured against risks of fire, strike, riot, earthquake, explosion and malicious damage.

**7. DIRECTORS:**

Shri K.I. Patel and Ashish Bhaiya, retire by rotation and being eligible, offers themselves for reappointment. The Board recommends for their reappointment. Shri Yogesh Agarwal and Shri Jaikrishna Agarwal have resigned as a director of the company with effect from 20<sup>th</sup> April, 2009. Smt. Shradha Agarwal have been appointed as additional director of the company with effect from 20<sup>th</sup> April, 2009.

**8. CORPORATE GOVERNANCE:**

The clause no. 49 of the Listing Agreement regarding the Corporate Governance is not applicable to the Company. Since the paid up capital of the Company is below Rs. 300.00 Lakhs However, the Company has initiated its efforts to implement the provisions of the clause.

**a. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company's philosophy is to conduct its affairs in a manner which is transparent, Clear and evident to those dealing with or having a stake in the company namely shareholders, lenders, creditors and employees. The Company's philosophy on corporate Governance is thus concerned with the ethics and values of the Company and its Directors, who are expected to act in the best interest of the Company and remain accountable to share holders and other beneficiaries for their action.

The Company is committed to provide high quality product and services to its customers and stakeholders, because the company believes that its long-term survival is entirely dependent on good corporate governance.

**b. BOARD OF DIRECTORS:**

As on 31<sup>st</sup> March, 2009 strength of the Board of Directors is 7 (Seven).

Attendance of each Director at the Board Meetings and last Annual General Meeting:

Sr. No	Name of Directors	Designation	Board Meeting Attended	Attendance at Last AGM	No. of Directorships in the other public Companies	No. of Chairmanship Membership in other board /committee
1.	Ramakant Bhojnagarwalla	Chairman cum Managing Director	09	Yes	1	1
2.	Yogesh Agrawal	Director	6	Yes	Nil	Nil
3.	Jaikrishna Agarwal	Whole time Director	09	Yes	Nil	Nil
4.	Kiran B. Patel	Independent Director	09	Yes	Nil	Nil
5.	Ashish Bhaiya	Independent and Non-Executive Director	3	Yes	2	Nil
6.	Bachittar Saini	Independent and Non-Executive Director	2	No	Nil	Nil
7.	Kantilal Patel	Independent and Non-Executive Director	4	Yes	2*	2

\* ( including Textile Traders Co-operative Bank Limited )

9 Board meetings were held during the year. The dates on which Board meetings were held are : 3.04.2008, 28.04.2008, 05.07.2008, 30.07.2008, 28.08.2008, 16.10.2008, 24.10.2008 27.01.2009 and 24.03.2009





The information required to be given for the Directors seeking reappointment at the Annual General Meeting as per clause 49 (VI) is as under :

Name of the Director	Kantilal Patel
Father Name	Ishwarlal Patel
Date of Birth	27-01-1930
Date of Appointment	14-07-2001
Name of the Company(ies) in which he is a director other than Shri Jagdamba Polymers Limited	Arvind Products Limited Textile Traders Co-operative Bank Limited
Specific functional Areas	He has good knowledge and experience in the field of accounting, finance and administration.

Name of the Director	Ashish Bhaiya
Father Name	Ashokkumar Bhaiya
Date of Birth	03-08-1972
Date of Appointment	31-01-2004
Name of the Public limited Company(ies) in which he is a director other than Shri Jagdamba Polymers Limited	Adarsh Eletex Industries Limited Mahalaxmi Rope Works Limited
Specific functional Areas	He has experience in the field of accounts, taxation, finance and also administration.

**c. AUDIT COMMITTEE:**

The Board of Directors of the Company has constituted an Audit Committee pursuant to the provisions of Section 292A of the Companies Act, 1956 to ensure full compliance with all the relevant provisions including code of corporate governance.

The Audit Committee is comprising of 3 (three) members composed of 2 Independent Directors and 1 Executive Director viz. Shri Ashish A. Bhaiya, Chairman of the committee and Shri Kiranbhai Bhailalbai Patel and Shri Ramakant Bhojnarwalla, Member. The committee carries out functions enumerated in the listing agreement. During the year the audit committee met 5 times on 8<sup>th</sup> May, 2008, 30<sup>th</sup> July, 2008, 28<sup>th</sup> August, 2008, 24<sup>th</sup> October, 2008 and on 27<sup>th</sup> January, 2009.

**d. SHAREHOLDERS COMMITTEE:**

The Shareholder's investors Grievance Committee comprises of Shri Kiranbhai Bhailalbai Patel [ Chairman ] Jaikrishna Agarwal [ Compliance Officer ( Ceased to be a director and compliance officer with effect from 20<sup>th</sup> April, 2009) ] and



Shri Ashish Bhaiya - as members. However with effect from 20<sup>th</sup> April, 2009 Shri Ramakant Bhojnagarwalla is the member of the committee and compliance officer of the company. The Share Transfer committee approves transfers, transmission issue of duplicate share certificates, approval of demat position. The investors Grievance committee consisted of the aforesaid members look after the matters related to the grievances of the shareholders as and when received. Further the committee also looks into other matters referred by the Board. During the period no complaints were received.

**e. GENERAL BODY MEETINGS:**

The last three annual General Meetings were held as under:

Sr. No.	Financial Year	Day and Date	Time	Location
1	2005-2006	Wednesday, 27 <sup>th</sup> September, 2006	11.00 a.m.	Registered Office situated at 802, Narnarayan Complex, Navrangpura, Ahmedabad -380009
2	2006-2007	Wednesday, 26 <sup>th</sup> September, 2007	10.00 a.m.	Registered Office situated at 802, Narnarayan Complex, Navrangpura, Ahmedabad -380009
3	2007-2008	Thursday, 23 <sup>rd</sup> September, 2008	11.00 a.m.	Ishwar Bhavan, Near, H.L. Commerce College, Navrangpura, Ahmedabad -380009

The company has passed special resolution at the annual general meeting held on 26<sup>th</sup> September, 2007 for approval of remuneration pursuant to Section 314 of the Companies Act, 1956 and on 23<sup>rd</sup> September, 2008 for the appointment of Managing Director, authority to borrow money pursuant to Section 293 (1) (d) of the Companies Act, 1956 and for place of keeping of register of members.

No resolution is proposed to be passed through postal ballot at the forthcoming annual general meeting. No resolution was passed through postal ballot during last three annual general meetings.

**f. MEANS OF COMMUNICATION:**

Your company complies with Clause 41 of the Listing Agreement. Quarterly Results, Annual Result and other statutory publications are being normally published in The News Line (Gujarati) & CHANAKYA NI POTHJI (English).

**g. CODE OF CONDUCT:**

The Board of Directors has already adopted the Code of Ethics and Business Conduct for the Directors and Senior Management personnel. This code is a comprehensive code applicable to all Directors, Executive as well as Non-executive and members of the Senior Management. The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them. A declaration given by the Managing Director and CEO is given below :

The Company has obtained from all the members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Ethics and Business Conduct framed for Directors and Senior Management Personnel in respect of the financial year 2008 -2009."

s/d.

**R.K. Bhojnagarwalla**  
(Managing Director )

Subsidiary Company : The Company does not have any subsidiary company.

**h. GENERAL SHAREHOLDER INFORMATION:**

(i)	Annual General Meeting Date, Time and Venue	Date : 27 <sup>th</sup> August, 2009 Time : 11.00 A.M. Venue : Ishwar Bhuvan, Near H.L. College, Navrangpura, Ahmedabad -380009
(ii)	Financial Calendar Year	1 <sup>st</sup> April, 2008 to 31 <sup>st</sup> March, 2009
(iii)	Date of Book Closure	24 <sup>th</sup> August, 2009 to 27 <sup>th</sup> August, 2009 ( both days inclusive)
(iv)	Dividend Payment Date	27 <sup>th</sup> August, 2009
(v)	ISIN No. for ordinary shares of the company in Demat form	INE564j01018
(vi)	Registered Office	802, Narnarayan Complex, Opp. Navrangpura Post Office, Navrangpura, Ahmedabad -380009
(vii)	Registrar and Transfer Agent	M/s Pinnacle Shares Registry Private Limited, Near Asoka Mills, Naroda Road, Ahmedabad -380025



(viii)	Plant Locations	A. 101, GIDC Estate, Dholka - 387810 Dist. Ahmedabad B. 703 - 710, GIDC Estate, Dholka - 387810, Dist. Ahmedabad
(ix)	Investor Correspondence	802, Narnarayan Complex, Opp. Navrangpura Post Office, Navrangpura. Ahmedabad - 380009
(x)	Means of Communication	The company sends its quarterly results in Stock Exchanges. Further the same is also published in the news papers.
(xi)	Any Website where it displays official releases	<a href="http://www.shrijagdamba.com">www.shrijagdamba.com</a>
(xii)	Any presentation made to the institutional investor and analyst	No
(xiii)	Is half yearly report sent to the shareholders	No
(xiv)	Whether Management Discussion and Analysis is a part of this report	Yes
(xv)	Share Transfer System	The work of physical share transfer is presently handled by Registrar and Transfer Agent.
(xvi)	Listing and Stock Code	Bombay Stock Exchange - 512453 Ahmedabad Stock Exchange - 27510
(xvii)	The name and address of Stock Exchanges where Company is listed	1. The Stock Exchange Ahmedabad, 1 <sup>st</sup> Floor, Kamdhenu Complex, Panjara Pole, Ambawadi, Ahmedabad - 380 015 2. The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001
(xviii)	Auditors	G.C.Surana & Co., Chartered Accountants, Ahmedabad
(ix)	Compliance Officer	Shri Ramakant Bhojnagarwalla, Managing Director

**i. FINANCIAL CALENDER:**

Report Period	: 1 <sup>st</sup> April, 2008 to 31 <sup>st</sup> March, 2009
First Quarter Result	: Last week of July, 2008
Second Quarter Result	: Last week of October, 2008
Third Quarter Result	: Last week of January, 2009
Fourth Quarter Result	: Last week of June, 2009

**j. SHARE HOLDING PATTERN: (AS ON 31-03-2009)**

<u>Category</u>	No. Of Share holders	% of holding to total
Promoters, Directors, & other entities of Promoters ( not including Body Corporate )	24	55.55
Corporates	4	23.18
Mutual Funds	1	4.67
Public	293	16.60
Total	322	100.00

**k. DISCLOSURES:**

Materially significant related party transactions

All the Related Party Transactions are forming part of the notes to the Balance Sheet. Other than those there was no materially significant related party transaction with its promoters, directors or the management, their subsidiaries or relatives etc. that had a potential conflict with the interest of the Company at large

Details of non compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or Securities and Exchange Board of India (SEBI) or any Authority on any matter related to capital markets during last three years: NIL

**9. SECRETARIAL COMPLIANCE REPORT:**

As per the Companies (Amendment) Act, 2000, every Company having paid Up capital more than Rs.10.00 lakhs but less than Rs. 200.00 lakhs will be required to get its Statutory Registers audited by the practicing Company Secretary and to obtain Secretarial Compliance Report. Since the paid up capital of the Company is more than Rs.10.00 lakhs, the Statutory Registers are audited by M/s. Jalan Alkesh & Associates, practicing Company Secretary, whose Secretarial Compliance Report is attached herewith which is self explanatory.

**10. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to section 217 (2AA) of the Companies (Amendment) Act, 2000, the Directors confirm that,

In the preparation of the Annual Accounts for the year ended on 31st March-2009, the applicable accounting standards have been followed and there has been no material departure.



- i. The Directors had 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.
- ii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.
- iii. The Directors have prepared the annual accounts for the year ended on 31st March' 2009 on a going concern basis.

**11. PARTICULARS OF EMPLOYEES:**

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

**12. LISTING:**

The Equity Shares of the Company are listed on Ahmedabad and Mumbai Stock exchanges. The Company is regular in payment of listing fees.

**13. AUDITORS:**

The Auditors M/s. G.C. Surana and Co., Chartered Accountants, Ahmedabad retiring at the conclusion of the ensuing Annual General Meeting, are eligible for reappointment. The Company has received a certificate from the Auditors to the effect that their reappointment if made, would be within the prescribed limits under section 224 (1B) of the Companies Act, 1956.

**14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:****A. Conservation of Energy:**

Power & Fuel Consumption :		Current Year	Previous Year
		2008-2009	2007-2008
Electricity:			
i) Purchased:			
(a) Units		4754080	4157272
(b) Amount(Rs.)		26862851	20347323
(c) Units/per litre of Diesel Oil		N.A.	N.A.
(d) Cost per unit (Rs.)		5.65	4.89



<b>ii) Own Generation:</b>			
(a) Units		60000	45664
(b) Amount(Rs.)		754427	686319
(c) Units/per litre of Diesel Oil		3.43	3.65
(d) Cost per unit (Rs.)		12.57	15.03
<b>iii) Gas Consumption:</b>		NIL	NIL

The Company uses various forms of energy such as electricity, diesel oil, etc. Our industry is not very heavy consumer of energy. However, various steps in the form of checking is carried out to control energy consumption.

**B. Research & Development:**

The Company has no specific Research & Development Department. However, the Company has quality control department to check the quality of products manufactured. The company has also got the license under the ISO 9001-00 which applies quality system with in line and standards as prescribed.

**C. Foreign Exchange Earnings and Expenditure**

The Company has earned any foreign exchange of Rs. 13,72,98,064/- (P.Y. Rs.4,70,67,618/-) during the year under review. There has been outgo of foreign exchange of Rs. 2,66,81,234/- (P.Y. Rs. 23,09,492/-) as provided in the notes to accounts.

**15. DEMATERIALISATION OF SHARES:**

Your Company has entered into an agreement with National Securities Depository Services Limited for dematerialization of shares. The ISIN for the equity shares is INE564J01018. Members of the company may now demat the shares.

**16. APPRECIATION:**

Your Directors acknowledge with gratitude the Co-operation and assistance given by the Bank and Staff of the Company for the year under report.

Registered Office:  
802, Narnarayan Complex  
Near Navrangpura Post Office  
Navrangpura  
Ahmedabad -380 009  
Date : 25<sup>th</sup> June 2009

FOR AND ON BEHALF OF THE BOARD

s/d.

**R.K. Bhojnagarwalla**

(Chairman cum Managing Director)

**MANAGEMENT DISCUSSION AND ANALYSIS**

**Industry Structure :**

India which ranks 9<sup>th</sup> in terms of polymers consumption in the year 2000. It is expected that India will rank 3<sup>rd</sup> largest consumer of polymer by 2012. Hence it is expected that there will be a strong demand for the polymers.

**Opportunities and Threats :****Opportunities :**

Due to India's recent admission to the WTO, government regulations and trade restrictions have also been removed. Hence for the plastic producers India represent a range of promising new opportunities for growth. The per capita plastics consumption in North America and China is about 200 pound and 50 pound, respectively. Meanwhile, plastics consumption in India is less than 15 pound per capita, and is expected to increase to more than 40 pound by 2015.

**Threats :**

The Company is facing competition from domestic players as well as international players.

**Segment Wise Performance :**

The business of the company falls under a single segment i.e polymers for the purpose of Accounting Standard AS -17.

**Risks and Concerns :**

While the demand for the polymers continues to be strong however the polymers are petrochemical products. The rise in crude prices has increased the cost of polymer production.

**Human Resources and Industrial Relations :**

The Company recognizes human resources as its biggest strength which has resulted in getting acknowledgement that the company is the right destination where with the growth of the organization, value addition of individual employees is assured. The total number of employees as on 31<sup>st</sup> March, 2009 is 603.

**Internal Control :**

The company has an adequate internal control system for safeguarding the assets and financial transactions of the company. The strong internal control systems have been designed in such a way that, not only it prevent fraud and misuse of the company's resources but also protect shareholders interest.

**Cautionary Statement:**

Certain statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied therein.

FOR AND ON BEHALF OF THE BOARD

s/d.

**R.K. Bhojnagarwalla**

(Chairman cum Managing Director)

Date : 25<sup>th</sup> June' 2009





## COMPLIANCE CERTIFICATE

To,  
The Members,  
SHRI JAGDAMBA POLYMERS LIMITED  
AHMEDABAD.

I have examined the registers, records, books and papers of M/s. SHRI JAGDAMBA POLYMERS LIMITED (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2009. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Ministry of Corporate Affairs within time prescribed under the Act or rules made thereunder. No form & returns have been filed with Regional Director, Central Government, Company Law Board or other authorities under the Act or rules made there under.
3. The Company being a Public Limited Company the comments are not required.
4. The Board of Directors duly met 9 times on 03.04.2008, 28.04.2008, 05.07.2008, 30.07.2008, 28.08.2008, 16.10.2008, 24.10.2008, 27.01.2009 and 24.03.2009 (dates) 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.
5. The Company closed its Register of Members from 24-08-09 to 27-08-09 (Both days inclusive) and necessary compliance of section 154 of the Act have been made.
6. The Annual General Meeting for the financial year ended on 31.03.2008 was held on 23.09.2008 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.



7. No Extra Ordinary General Meeting was held during the financial year.
8. We are informed that the Company has not given loans or advances to its directors and/or persons or firms or companies referred in the section 295 of the Act.
9. We are informed that the Company has not contravened the provisions of section 297 of the Act.
10. We are informed that the Company has made necessary entries of disclosure in the register maintained under section 301 of the Act.
11. We are informed that the Company was not required to obtain any approval from the Board of directors, members and previous approval of the Central Government pursuant to section 314 of the Act, wherever applicable.
12. During the year under the scrutiny, the Board of directors or duly constituted Committee of Directors has not issued any duplicate share certificates.
13. The Company has:
  - (A) There was no allotment of securities. The company has delivered all the share certificates on lodgement transfer of securities within the prescribed time limit during the financial year. There was no transmission of securities during the year under the review.
  - (B) The company has deposited amount of final dividend declared in a separate bank account on 23.09.2008 which is within five days from the date of declaration of such dividend.
  - (C) The Company has posted the dividend cheques within period of 30 days from the date of declaration and unpaid/unclaimed dividend has been transferred to unpaid/ unclaimed dividend account of the Company with Textile Traders Co-operative Bank Limited.
  - (D) The Company was not required to make transfer of any 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 Investors Education and Protection Fund.
  - (E) Duly complied with the requirements of section 217 of the Act.



14. We are informed that the Board of Directors of the Company is duly constituted and there was no appointment of additional directors, alternate directors and directors to fill casual vacancies.
15. There was no appointment of sole-selling agents.
16. During the year there were no approvals obtained from the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
17. We are informed that 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 thereunder.
18. We are informed that during the financial year under the scrutiny, the company has not issued any shares/debentures/other securities.
19. We are informed that during the financial year under the scrutiny, the Company has not bought back its shares.
20. We are informed that during the financial year under the scrutiny, the Company has not redeemed any Preference shares/Debentures.
21. We are informed that during the financial year under the scrutiny, the Company was not required to keep in abeyance rights to dividend, rights shares & bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
22. With regard to the provisions of sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975 reliance is placed upon the auditors report, members are requested to refer the auditors report.
23. The borrowing of the Company is within the limit prescribed under the provisions of section 293 (1) (d) of the Act.
24. We are informed that during the financial year under the scrutiny, the Company has not contravened the provision of Section 372A of the Companies Act, 1956.
25. 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.
26. The Company has not altered the provisions of the memorandum with respect to the objects of the Company.



27. The Company has not altered the provisions of the memorandum with respect to, name of the Company.
28. The Company has not altered the provisions of the memorandum with respect to share capital of the Company.
29. The Company has not altered its articles of association during the financial year.
30. On the basis of the information given to us, We hereby state that there was no prosecution initiated against or show cause notices have been received by the Company for alleged offences under the Act and also no fines/penalties or any other punishment was imposed on the Company.
31. The Company has not received any amount as security from its employees during the year under certification.
32. We are informed that the provisions of Provident Fund as per section 418 of the Companies Act, 1956 is not applicable to the Company.

**For Jalan Alkesh & Associates**  
(Practicing Company Secretaries)

Place: Ahmedabad  
Date: 25<sup>th</sup> June, 2009

sd/-  
(Alkesh Jalan)  
Proprietor

**ANNEXURE "A"**

Registers as maintained by the Company:

1. Register of Members u/s. 150.
2. Register of Transfer/Transmission of Shares.
3. Register of Charges u/s. 143 and copies of instrument creating charge u/s. 136.
4. Copies of Annual Return and other documents pursuant to section 163 of the Act.
5. Minutes of Board Meeting and General Meeting Minutes u/s. 193 of the Act.
6. Register of Contracts with Companies and firms in which Directors are interested pursuant to section 301 of the Act.
7. Register of Directors pursuant to section 303 of the Act.
8. Register of Director's Share holdings pursuant to section 307 of the Act.
9. Attendance Register of Board Meeting and Annual General Meeting.
10. Register of Proxies.
11. Register of Duplicate/Consolidated/Splitted Share Certificate.
12. Minutes of Remuneration Committee.

**ANNEXURE "B"**

Subject to the receipts produced before us, the following forms and returns were filed by the Company with Ministry of Corporate Affairs during the financial year ending on 31st March, 2009.

Sr. No.	Form No./Return	Section	For	Filing Date	In Time	Delay
1.	Form 23AC and 23ACA	220	Balance Sheet submission	17/10/2008	YES	N.A.
2.	Form 20B	159	Annual Return Submission	19/11/2008	YES	N.A.
3.	Form 66	Proviso to Sec. 383A	For submission of Compliance Certificate	16/10/2008	YES	N.A.
4.	Form No. 32	303 and other provision of Act.	Changes in Directors	21/04/2008	YES	N.A.
5.	Form No. 8	125 and other provision of Act.	For Charge in registration	07/06/2008	YES	N.A.
6.	Form No. 8	125 and other provision of Act.	For Charge in registration	02/09/2008	YES	N.A.
7.	Form No. 23	192 and other provision of Act	For filing of resolutions	22/04/2008	YES	N.A.
8.	Form 25C	269 and other provisions of the act	For remuneration to	05/05/2008	YES	N.A.
9.	Form No. 23	192 and other provision of Act	For filing of resolutions	22/10/2008	YES	N.A.

Note : The company has created charge on 26/03/2009 and the said Form No. 8 was filed on 29/04/2009 which was not in time and additional fees was paid on that.

For Jalan Alkesh & Associates  
(Practicing Company Secretaries)

Place: Ahmedabad  
Date : 25<sup>th</sup> June, 2009

sd/-  
(Alkesh Jalan)  
Proprietor

AUDITOR'S REPORT

To,

THE MEMBERS OF SHRI JAGDAMBA POLYMERS LIMITED,

We have audited the attached Balance Sheet of M/s. Shri Jagdamba Polymers Limited, Ahmedabad as at 31st March' 2009, the Profit & Loss Account for the year ended on that date and 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.

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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that:

1. We have obtained all the informations and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of accounts as required by law, have been kept by the Company, so far as appears from our examination of such books
3. The Balance Sheet, Profit & Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of accounts.
4. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report complies with the mandatory accounting standards referred in sub-section (3C) of section 211 of the Companies Act, 1956.
5. 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 Directors is disqualified as at 31.03.2009 from being appointed as Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes on Accounts thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true & 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' 2009.
  - ii. In the case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date; and
  - iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



7. As required by the Companies (Auditors Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act 1956, we report hereunder on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to this Company.

- i.
  - a. The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b. As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
- ii.
  - a. As explained to us, inventories have been physically verified by the management at regular intervals during the year.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories 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 has maintained proper records of inventories. As explained to us, the discrepancies noticed on physical verification of inventories as compared to the book records were not material and have been properly dealt with in the books of account.
- iii. According to the informations & explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained u/s. 301 of the Companies Act, 1956. The Company has taken unsecured loans of Rs.78.89 Lacs from 3 parties covered in the register maintained under section 301 of the Act.
  - a. In our opinion and according to the information and explanation given to us, the rate of interest, wherever applicable and other terms & conditions are not prima facie prejudicial to the interest of the Company.
  - b. In our opinion and according to the information and explanation given to us, the interest payments are regular and the principal amount is repayable on demand.
  - c. There is no overdue amount in respect of loans taken by the Company.
- iv. In our opinion and according to the information and explanations given to us, there are generally adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods and services during the course of our audit. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weakness in internal control system.
- v.
  - a. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.



- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained u/s. 301 of the Companies Act, 1956 in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi. According to information and explanations given to us, the Company has not invited or accepted any public deposit, hence the provisions of section 58A, 58AA and any other relevant provision of the Companies Act, 1956 and the rules framed thereunder are not applicable to the Company and no order under the aforesaid section have been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any tribunal, on the Company.
- vii. In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business.
- viii. We are informed that the Central Government has not prescribed maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956 for the products manufactured by the company.
- ix. a. According to the records of the Company, undisputed statutory dues including Provident Fund, Invest or Education and Protection Fund, Employees State Insurance, Income-Tax, Sales tax Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2009 for a period of more than six months from the date they became payable.
- b. According to the informations and explanations given to us, the disputed statutory dues which have not been deposited with the appropriate authorities are as under:

Name of the Statute	Nature of Dues	Amount(Rs.) (In Lakhs)	Forum where dispute is pending
Central Excise Act	Service Tax	2.72	Commissioner Appeal

- x. The Company has no accumulated losses and has not incurred any cash losses during the financial year and in the immediately preceding financial year.
- xi. Based on our audit procedures and according to the information and explanation given, to us, we are of the opinion that the Company has not doubtful in repayment of dues to financial institutions and banks. The Company doesn't hold any debentures.
- xii. In our opinion and according to the information and explanation 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 investments.
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4 (xiii) of the Companies (Auditors Report) Order 2003 is not applicable to the Company.





- xiv. 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 the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv. According to the informations and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. In our opinion, the term loans have been applied for the purpose for which they were raised.
- xvii. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment.
- xviii. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- xix. The Company has not issued any debentures and therefore the question of creating security & charge in respect thereof does not arise.
- xx. The Company has not raised any money by way of public issue during the year.
- xxi. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For G.C. Surana & Co.  
(Chartered Accountants)

Place: Ahmedabad  
Date : 25<sup>th</sup> June' 2009

s/d.  
(G.C. Surana)  
Proprietor  
M.No. 16025

BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2009

		( Rupees )	
	SCHEDULE	AS AT 3/31/2009	AS AT 3/31/2008
<b>I. SOURCES OF FUNDS :</b>			
<b>1. SHAREHOLDERS' FUNDS :</b>			
(a) Share Capital	A	8813250	8813250
(b) Reserves and Surplus	B	56549358	46733694
		65362608	55546944
<b>2. LOAN FUNDS :</b>			
(a) Secured	C	87521113	35523619
(b) Unsecured		17927014	32057847
		105448127	67581466
<b>3. DEFERRED TAX LIABILITY</b>			
(Refer Note No 2(d) of Schedule "P")		15409472	13273133
<b>TOTAL FUNDS :</b>		186220207	136401543
<b>II. APPLICATION OF FUNDS :</b>			
<b>1. FIXED ASSETS</b>			
(a) Gross Block	D	210948058	147920680
(b) Less : Depreciation		74308020	66199403
(c) Net Block		136640038	81721277
Capital Work In Progress		7889095	0
<b>2. INVESTMENTS</b>			
	E	15700	0
<b>3. CURRENT ASSETS, LOANS AND ADVANCES</b>			
(a) Inventories	F	16650616	12879664
(b) Sundry Debtors		32445333	19769884
(c) Cash and Bank Balances		3078142	481365
(d) Loans and Advances		35611683	29913462
		87785774	63044375
<b>Less : CURRENT LIABILITIES AND PROVISIONS :</b>			
(a) Current Liabilities	G	43820885	6467251
(b) Provisions		2289515	1896858
		46110400	8364109
<b>NET CURRENT ASSETS</b>		41675374	54680266
<b>TOTAL ASSETS :</b>		186220207	136401543

## NOTES FORMING PART OF ACCOUNTS - P :

The schedules &amp; notes referred to above form an integral part of accounts.

As per our audit report  
of even date,For G.C. Surana & Co.  
(Chartered Accountants)s/d  
(G.C. Surana)

Proprietor

M.No.16025

Place: Ahmedabad

Date : 25th June, 2009

For and on behalf of the Board

R.K.Bhojnagarwala

Chairman cum  
Managing Director

s/d

Shradha H. Agarwal

Director

s/d

Place : Ahmedabad

Date : 25th June, 2009

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2009**

(Rupees)

	SCHEDULE	YEAR ENDED 3/31/2009	YEAR ENDED 3/31/2008
<b>I. INCOME :</b>			
Sales And Other Receipts	H	206169911	127035584
Less : Central Excise Duty		827159	1321450
		<b>205342752</b>	<b>125714134</b>
Other Income	I	42631	32013
Increase/(Decrease) in Inventories	J	2943465	3077170
<b>TOTAL :</b>		<b>208328848</b>	<b>128823317</b>
<b>II. EXPENDITURE :</b>			
Raw Materials Consumption	K	95674898	44405745
Purchases of Traded goods		1793519	0
Manufacturing Expenses	L	48201727	42000024
Expenses of Employees	M	19205999	12665170
Sales, Admn. & Other Exp.	N	11250907	9573773
Interest (Net)	O	7807612	4910479
Depreciation		8108617	7179138
<b>TOTAL :</b>		<b>192042679</b>	<b>120734329</b>
<b>III. PROFIT BEFORE TAX :</b>		<b>16286169</b>	<b>8088988</b>
Less : Provision for Taxation			
- For Current Tax		3200000	2850000
- For Deferred Tax		2136339	30235
- For Fringe Benefit Tax		111000	98000
Add : Prior period adjustments		1476	614515
<b>IV. PROFIT AFTER TAX :</b>		<b>10840306</b>	<b>5725268</b>
Add : Balance of Profit brought forward from Previous Year		21285529	17184903
<b>V BALANCE AVAILABLE FOR APPROPRIATION :</b>		<b>32125835</b>	<b>22910171</b>
Less : Proposed Dividend		875800	875800
Less : Provision For Taxation on Dividend		148842	148842
Transfer to General Reserve		600000	600000
Balance of Profit carried to Balance Sheet		<b>30501193</b>	<b>21285529</b>
Earning per share - (EPS) [(Par value Rs. 10 each (Basic/Diluted))]		<b>12.38</b>	<b>6.54</b>

**NOTES FORMING PART OF ACCOUNTS - P :**

The schedules &amp; notes referred to above form an integral part of accounts.

As per our audit report  
of even date,**For G.C. Surana & Co.**  
(Chartered Accountants)s/d.  
(G.C. Surana)  
Proprietor  
M.No.16025Place : Ahmedabad  
Date : 25th June, 2009**For and on behalf of the Board****R.K.Bhojnagarwala**Chairman cum  
Managing Director

s/d.

**Shradha.H. Agarwal**

Director

s/d

Place : Ahmedabad

Date : 25th June, 2009



## SCHEDULES FORMING PART OF BALANCE SHEET

	( Rupees )	
	3/31/2009	3/31/2008
<b><u>SCHEDULE - A : SHARE CAPITAL</u></b>		
<b>Authorised :</b>		
30,00,000 Equity Shares of Rs.10/- each each (previous year 3000000)	30000000	30000000
<b><u>ISSUED, SUBSCRIBED AND Paid UP :</u></b>		
8,75,800 Equity shares of Rs. 10/- each fully paid up (previous year 875800 equity shares of Rs. 10/- each)	8758000	8758000
Add: Forfeited Shares	55250	55250
	<u>8813250</u>	<u>8813250</u>
<b><u>SCHEDULE - B : RESERVES &amp; SURPLUS</u></b>		
1 Balance of Profit & Loss A/c. :	30501193	21285529
2 General Reserve :	25448165	24848165
Add : Transferred from Profit & Loss A/c.	600000	600000
	<u>26048165</u>	<u>25448165</u>
	<u>56549358</u>	<u>46733694</u>
<b><u>SCHEDULE - C : LOANS FUNDS :</u></b>		
<b>a) Secured Loans :</b>		
1 Term Loan from Indian Overseas Bank :		
(a) Rupee Limits	51079079	154069
(b) Foreign Currency Term Loan	0	15566518
(Secured by first charge on entire fixed assets and second charges on current assets of the Company. The said term loan is further secured by personal guarantees of three directors of Company).		
2 Cash Credit from Indian Overseas Bank :		
(a) Rupee Limits	8138033	1415505
(b) Foreign Currency Limits	0	9887121
(c) Export Packing Credit / Foreign Bills Purchase	27679001	8500406
(Secured by hypothecation of current assets viz. Raw Materials, Stock in Process, Finished Goods, other stocks and debtors, second charge over land and building, plant & machinery and personal guarantee of three Directors of Company.)		
3 Vehicle Loan	625000	0
(Secured by first charge under the said term loan).		
	<u>87521113</u>	<u>35523619</u>
<b>b) Unsecured Loans :</b>		
(a) From Directors	7888874	7036658
(c) From Body Corporate	10038140	25021189
	<u>17927014</u>	<u>32057847</u>

**SCHEDULE - D : FIXED ASSETS**

(Rupees)



SHRI JAGDAMBA POLYMERS LTD.

25<sup>th</sup> ANNUAL REPORT 2008-2009

Particulars	G R O S S B L O C K			D E P R E C I A T I O N F U N D				N E T B L O C K		
	As on 4/1/2008	Additions during the year	Deductions during the year	As on 3/31/2009	Up to 4/1/2008	Provided during The year	Deductions during the year	Up to 3/31/2009	As on 3/31/2009	As on 3/31/2008
Land	1255248	23200	0	1278448	0	0	0	0	1278448	1255248
Building	16640652	11274333	0	27914985	5996274	559881	0	6556155	21358830	10644378
Plant & Machinery	123905048	50648951	0	174553999	56873408	6991971	0	63865379	110688620	67031640
Furniture & Fixtures	917600	120068	0	1037668	571892	57418	0	629310	408358	345708
Office Equipment	258083	0	0	258083	94750	12259	0	107009	151074	163333
Vehicles	1533013	697015	0	2230028	427845	143485	0	571330	1658698	1105168
Air Conditioners	403535	2400	0	405935	164377	18275	0	182652	223283	239158
Computers	2831671	261411	0	3093082	1974210	316977	0	2291187	801895	857461
Fax Machine	20220	0	0	20220	7752	960	0	8712	11508	12468
Wireless	155610		0	155610	88895	7391	0	96286	59324	66715
<b>TOTAL</b>	<b>147920680</b>	<b>63027378</b>	<b>0</b>	<b>210948058</b>	<b>66199403</b>	<b>8108617</b>	<b>0</b>	<b>74308020</b>	<b>136640038</b>	<b>81721277</b>
Previous Year's Figures	148093577	1068603	1241500	147920680	59034517	7179138	14252	66199403	81721277	89059060
Capital Work In Progress	0.00	7889095	0	7889095	0	0	0	0	7889095	0
Previous Year Figure	0.00	0	0	0	0	0	0	0	0	0

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3/31/2009 3/31/2008

**SCHEDULE - E : INVESTMENTS (other than trade-unquoted)**

628 Equity Shares of Rs. 25/- each of Nutan nagrik Sahkari Bank Ltd. (at cost)	15700	0
	<u>15700</u>	<u>0</u>

**SCHEDULE - F : CURRENT ASSETS; LOANS & ADVANCES :****(a) Current Assets;****Inventories:**

(as taken valued and certified by the management)

Raw Material	3791043	3009018
Semi-Finished Goods	6185041	3861767
Job Work in Process	1319110	1390026
Finished Goods	2719179	1889575
Waste	77152	215649
Stores, Spares, Packing Material & Diesel	2559091	2513629
	<u>16650616</u>	<u>12879664</u>

**Sundry Debtors :**

(Unsecured, considered good, unless otherwise stated)

Debts outstanding for a period exceeding six months	156981	159930
Other Debts (including Rs. 10878497/- due from firm/company in which Directors or their relatives are interested) (Previous year Rs. 11218674/-)	32288352	19609954
	<u>32445333</u>	<u>19769884</u>



## SCHEDULES FORMING PART OF BALANCE SHEET

	3/31/2009	3/31/2008
<b><u>Cash &amp; Bank Balances :</u></b>		
Cash in hand	325169	212359
<b><u>Balances with Banks :</u></b>		
1) In current account with schedule banks	259044	72393
2) Fixed Deposit with schedules banks	2493929	196613
	<u>3078142</u>	<u>481365</u>
<b>(b) <u>Loans &amp; Advances:</u></b>		
(Unsecured, considered good )		
Advance Income-Tax & TDS (net of provisions)	297588	(238800)
Advances recoverable in cash or in kind or for value to be received :	35314095	30152262
	<u>35611683</u>	<u>29913462</u>
	<u>87785774</u>	<u>63044375</u>
<b><u>SCHEDULE -G : CURRENT LIABILITIES AND PROVISIONS</u></b>		
<b>(a) <u>Current Liabilities :</u></b>		
Sundry Creditors	15716661	6425923
Advance from Customers	28104224	41328
	<u>43820885</u>	<u>6467251</u>
<b>(b) <u>Provisions :</u></b>		
Leave Encashment	554873	342216
Proposed Dividend & Tax thereon	1024642	1024642
Bonus & Exgratia	710000	530000
	<u>2289515</u>	<u>1896858</u>
	<u>46110400</u>	<u>8364109</u>

**Notes :**

Based on the information/documents available with the Company, Sundry Creditors include :

a) amounts due to small scale undertakings (total amount)	0	29840
b) amount overdue on account of Principal and/or interest	0	0
c) name of the parties where the amount is due for more than thirty days but within the contracted period;	13564	22546
Amec Electricals, Dynemic Industries		
d) amount due to Micro & Small Medium Enterprise	0	0

SCHEDULES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2009

( Rupees )

	3/31/2009	3/31/2008
<b><u>SCHEDULE - H : SALES AND OTHER RECEIPTS</u></b>		
Sales including traded goods	7639031	9730285
Export Sales	123137893	46802872
Job Charges (TDS Rs.1659909/-) ( Previous year:Rs.1650613/-)	74368290	70014407
Waste Sales	1024697	488020
	<b>206169911</b>	<b>127035584</b>
<b><u>SCHEDULE - I : OTHER INCOME</u></b>		
Dividend	2668	32013
Sundry Balances W.eff	39963	0
	<b>42631</b>	<b>32013</b>
<b><u>SCHEDULE - J : INCREASE / (DECREASE) IN STOCKS</u></b>		
<b><u>Closing Stock</u></b>		
Finished Goods	2719179	1889575
Job Work in Process	1319110	1390026
Semi-Finished Goods	6185041	3861767
Waste	77152	215649
	<b>10300482</b>	<b>7357017</b>
<b><u>Opening Stock</u></b>		
Finished Goods	1889575	191265
Job Work in Process	1390026	1842101
Semi-Finished Goods	3861767	2229306
Waste	215649	17175
	<b>7357017</b>	<b>4279847</b>
<b>Increase/(Decrease) in Inventories</b>	<b>2943465</b>	<b>3077170</b>
<b><u>SCHEDULE - K : RAW MATERIALS CONSUMED</u></b>		
<b><u>Opening Stock</u></b>		
	3009018	1568128
<b><u>Add :</u></b>		
Purchases (Net)	95544425	45401482
Freight Inward	912498	445153
	<b>99465941</b>	<b>47414763</b>
Less : Closing Stock	3791043	3009018
<b>Consumption Of Raw Materials</b>	<b>95674898</b>	<b>44405745</b>
<b>Purchases of Traded Goods</b>	<b>1793519</b>	<b>0</b>



SCHEDULES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2009

(Rupees)

3/31/2009 3/31/2008

**SCHEDULE - L : MANUFACTURING EXPENSES**

Stores & Spares Consumed	5454748	5975330
Power & Fuel	27934814	21033642
<b>Repairs &amp; Maintenance :</b>		
(i) Building	1140414	2546167
(ii) Plant & Machinery	868526	1358300
(iii) Others	136154	484740
Cutting & Stitching Exp.	8795800	5693772
Jobcharge Exp.	1706695	3342062
Lamination Exp.	522237	512493
Labour Charges ( Packing )	23786	0
Tape Fab/Lamination Job Chgs.	319739	0
Inspection Charges	13964	0
Excise Duty Provision	683686	265200
Transp./Loading/Unloading Exp.	407192	510696
Water Exp.	193972	277622
	<b>48201727</b>	<b>42000024</b>

**SCHEDULE - M : EXPENSES ON EMPLOYEES**

Salary & Wages Exp.	16994371	11064331
Bonus & Ex-Gratia Exp.	710000	530000
Leave With Wage (Hakkraja) Exp.	292503	151977
Contr. To PF & Other Funds	922892	819430
Staff & Workers Welfare Exp.	286233	97432
	<b>19205999</b>	<b>12665170</b>

**SCHEDULE - N : SALES, ADMINISTRATIVE AND OTHER EXPENSES**

Payment to Auditors	35000	20000
Advance Licence Appln. Fee	218700	13640
Container Handling Charges	540326	236626
Container Freight Charges	1843803	370062
Custom House Agent Charges	293671	120110
Concer charges	60824	0
Donation	410000	442500
Director Remuneration (Salary)	1320000	3191000
ECGC Premium Exp.	233003	33261
Freight & Octroi Outward Exp.	2573723	1740940
Internet Exps.	3002	0
Foreign Travelling Exp.	0	174316
Loss on sale of Assets	0	8248
Lodging & Boarding Exps.	14162	0
Office Electric Exp.	112702	114224
Professional Tax	3760	1000
Post & Courier Exp.	26173	23128
Packing Material Exp.	512857	121368
Software Exps.	70743	0
Travelling Exp.	129260	209347
Telephone Exp.	315020	420359
Testing Fee Exp.	565	134832
Sales Comm. & Sales Prom. Exp.	37764	60532
Insurance	318382	228745
Factory Exp.	60295	17648
Rent, Rates and Taxes Exp.	68636	504301
Sales Tax & C. Sales Tax Exp.	12926	12706
Stationery, Print. & Advt.	215195	231496
Conveyance & Petrol Exp.	407130	636676
Legal & Consultancy Exp.	1136090	392049
Misc. Exp.	65995	114629
	<b>11250967</b>	<b>9573773</b>

SCHEDULES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2009

( Rupees )

	3/31/2009	3/31/2008
<b>SCHEDULE - O : INTEREST &amp; FINANCIAL CHARGES</b>		
<b>Interest :</b>		
<u>Bank Charges</u>	989400	115137
On Term Loans	3592768	1554785
On Working Capital Facilities	2180606	2959096
To Others	1285070	519906
	<b>8047844</b>	<b>5148924</b>
Less : Received (Gross)	240832	238445
(TDS deducted Rs. 41572/-) (TDS of PY Rs. 43967/-)		
	<b>7807012</b>	4910479



## Schedule "P":

## Notes Forming Part of Accounts for the year ended 31st March' 2009:

**I. Statement on Significant Accounting Policies:****a) Basis of Accounting & Revenue Recognition**

- i) The financial statements are prepared under historical cost convention in accordance with generally accepted accounting principles and the Accounting Standard issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.
- ii) The Company follows the mercantile system of accounting and recognises income & expenditure on an accrual basis except those with significant uncertainties.

**b) Fixed assets:**

- i) Fixed assets are stated at their original cost less depreciation. The cost includes expenditure incurred in the acquisition, construction and/or installation net of Cenvat and Service tax. Cost includes all expenses and interest attributable to the project till the date of commissioning/commercial production.
- ii) Depreciation on fixed assets purchases upto 31-03-1991 has been provided on written-down-value method and depreciation on assets purchased after 31-03-1991 has been provided on straight-line method at the rates prescribed by schedule XIV of the Companies (Amendment) Act, 1988. Depreciation in respect of addition and deduction from assets has been charged on pro-rata basis with reference to the addition or deduction.

**c) Inventories**

Inventories are valued at the lower of the cost & estimated net realisable value. Cost of inventories is computed on a FIFO basis. Finished goods & work in progress include costs of conversion & other costs incurred in bringing the inventories to their present location & condition. Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete, defective & unserviceable stocks are duly provided for.

**d) Sales:**

- i) Sales of goods is recognised on despatches to customers, inclusive of excise duty and sales tax (wherever applicable) and are net of trade discount.
- ii) Waste resulting during process is partly sold and partly used as packing material.

**e) Cenvat:**

The Cenvat is being reduced from the value of purchases of Raw Materials, Packing Materials, Capital Goods and on other purchases. Even credit is being taken on the service tax paid by us.

**f) Retirement benefits:**

- i) Provident Fund: Contribution to Provident Fund is made monthly at the Pre-determined rate to appropriate authority on accrual basis and charged to revenue.



ii) **Gratuity:** Gratuity liability is accounted for on the basis of actuarial's valuation by way of contribution to Employees Group Gratuity Scheme with Kotak Mahindra Old Mutual Life Insurance Ltd.

iii) **Leave Encashment:** The Company has accounted for the leave encashment liabilities on accrual basis.

**g) Borrowing Cost:**

Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of qualifying fixed assets are capitalised upto the date when such assets are ready for its intended use and other borrowing costs are charged to Profit & Loss Account.

**h) Investments & Investment Income:**

Long Term Investments are stated at cost. Dividend income is accounted for in the year in which it is received.

**i) Foreign Currency Transactions:**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

At the year end, monetary items denominated in foreign currencies, other than those covered by forward contracts are converted into rupee equivalents at the year end exchange rates.

All exchange differences arising on settlement and conversion on foreign currency transaction are included in the Profit and Loss Account, except in cases where they relate to the acquisition of fixed assets, in which case they are adjusted in the cost of the corresponding asset.

In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of transaction is recognised as income or expense over the life of the contract, except where it relates to fixed assets, in which case it is adjusted in the cost of the corresponding assets.

**j) Provision for Current and Deferred Tax:**

Provision for Current Tax is made on the basis of estimated taxable income for the current accounting period and in accordance with the provisions as per Income Tax Act, 1961.

Deferred Tax resulting from "timing difference" between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be adjusted in future.

**k) Contingent Liabilities:**

Contingent Liabilities are not provided for and are disclosed by way of Notes.

l) In the absence of information from suppliers with regard to their registration with the specified authority, despite the company calling for such information, the company is unable to furnish the information as required under The Companies Act, 1956 & The Micro, Small & Medium Enterprise Development Act, 2006.

**2. Notes on Accounts:**

a) Previous years figures have been re-arranged & regrouped wherever necessary to make them comparable with those of current year.

b) Segment Information:

The Company is principally engaged in the business of woven sacks manufacturing. Accordingly there are no reportable segments as per Accounting Standard No. 17 issued by The Institute of Chartered Accountants of India on "Segment Reporting".

c) Foreign Currencies:

Deficit of Rs. 0.93 Lakhs (Previous Year Rs.2.81 lakhs) being the impact of foreign exchange fluctuation on account of borrowing for working capital facilities have been adjusted in interest expenses.

d) Deferred Taxation:

1. In conformity with Accounting Standard No.22 issued by The Institute of Chartered Accountants of India on "Accounting for Taxes on Income", the Company has provided for net deferred tax during the year amounting to Rs. 2137232 (Previous year Rs30235/-).

2. Major components of Deferred Tax Assets/Liabilities: (Amount in Rs.)

Timing Difference On Account of	As at 31.03.2009		As at 31.03.2008	
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
Depreciation	NIL	15739761	NIL	13336776
Others	330289	NIL	63643	NIL
	330289	15739761	63643	13336776
Net Deferred Tax Liability		15409472		13273133
Net Incremental Liability charged to Profit & Loss A/c.		2136339		30235

e) Earnings Per Share:

	31-03-2009	31-03-2008
Profit after taxation as per Profit & Loss Account ( A )	10840306	5725268
Number of equity shares outstanding ( B )	875800	875800
Earning per share (in Rupees) ( A/B ) (Basic/Diluted)	12.38	6.54



## f) Related Party Disclosures:

List of Related Parties and Relationships:

## 1. Relative Parties where significant interest exists :

- (i) Shree Jagdamba Textiles Pvt. Ltd.
- (ii) Shakti Polyweave Pvt. Ltd.
- (iii) Indian Mills Company
- (iv) Ishwardas Jhabarmal
- (v) Yogeshwar Polymers
- (vi) Shri Ambica Polymer Pvt. Ltd

## 2. Key Management Personnel &amp; Relatives:

I	Shri R. K. Bhojnagarwalla	Chairman cum Managing Director
II	Shri Y. K. Agrawal	Director
III	Shri J. K. Agarwal	Wholetime Director
IV	Shri K. B. Patel	Wholetime Director
V	Shri K. I. Patel	Director
VI	Shri Shrikant Agarwal	Father of W. T. Director
VII	Shri Uttankumar Agarwal	Brother of W.T. Director
VIII	Shri Hanskumar Agarwal	Son of Chairman
IX	Smt. Radhadevi Agarwal	Wife of Chairman
X	Smt. Rashmidevi Agarwal	Mother of W.T. Director
XI	Smt. Alkadevi Agrawal	Wife of Director
XII	Smt. Aparna Agarwal	Wife of W.T. Director
XIII	Kum. Rakhi Agarwal	Daughter of Chairman
XIV	Kum. Hema Agrawal	Daughter of Director
XV	Kum. Anuja Agrawal	Daughter of Director
XVI	Kum. Jyotika Agrawal	Daughter of Director
XVII	Smt. Chandralekha Drolia	Sister of Chairman
XVIII	Smt. Urvashi Ketan Patel	Daughter-in-law of Director

## 3. Transactions during the year: (Amount in Rs.)

	Associates	Key Management Personnel (KMP)	Relatives of KMP	Total
(i) Sales/Jobcharge	58380041 (59120218)	Nil (Nil)	Nil (Nil)	58380041 (59120218)
(ii) Purchase /Jobcharge	7822535 (4848134)	Nil (Nil)	Nil (Nil)	7822535 (4848134)
(iii) Receiving of services	12000 (96000)	Nil (180000)	Nil (Nil)	12000 (276000)
(iv) Interest Paid	Nil (Nil)	973845 (Nil)	Nil (Nil)	973845 (Nil)
(v) Interest Received	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
(vi) Directors Remuneration	Nil (Nil)	1380000 (1878000)	Nil (Nil)	1380000 (1878000)
(vii) Dividend Paid	155100 (155100)	142000 (142000)	319300 (277500)	616400 (574600)

**4. Outstanding Balances:**

(i) Debtors	10878497 (11218674)	Nil (Nil)	Nil (Nil)	10878497 (11218674)
(ii) Loans & Advances Given	5000000 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
(iii) Loans & Advances taken	Nil (Nil)	7888874 (Nil)	Nil (Nil)	7888874 (Nil)
(iv) Creditors	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

- g) Balance in parties accounts whether in debits or credits have been verified from payments / receipts.
- h) In the opinion of the Board; Current Assets, Loans and Advances are approximately of the value stated if realised in the ordinary course of business. The provisions for depreciation and all known liabilities are adequate and not in excess of the amount considered reasonably necessary.

**i) Payment to Auditors:**

	<u>2008-2009</u>	<u>2007-2008</u>
(A) As Auditors :		
Audit fee	Rs.35000	Rs.20000
Other services	Nil	Nil
	Rs. 35000	Rs.20000
(B) In other capacity shown under the head Legal & Consultancy Exp.	Rs.415000	Rs.Nil

**j) Additional Information under Schedule VI of the Companies Act, 1956.**

	AMOUNT (IN RS.)	
	2008-2009	2007-2008
1. CIF Value of Imports		
Raw Material	5834488	NIL
Capital Goods	17940297	NIL
2. Expenditure in Foreign Currency		
- In respect of Forward Contract Premium Charges	133571	280819
- In respect of Bank Charges/Interest on Foreign Currency Loan.	858935	1453390
- In respect of Foreign Travelling.	Nil	174346
- Container Freight/Insurance On Export	1913943	400937



3. Consumption of Raw Materials	2008-2009		2007-2008	
Imported	6.22%	6057676	NIL	NIL
Indigenous	93.78%	91410741	100%	44405745
Total		97468417		44405745

4A. Consumption of Raw Materials	2008-2009		2007-2008	
	Qty (Kgs)	Amount	Qty (Kgs)	Amount
PP/HDPE/LDPE/MB Granuals	1558344	92161460	749806	43882926
Traded goods	18096	1793519	NIL	NIL
Others (Yarn, Fabric, Paper etc.)	35319	2600940	705	77666
Freight Inward Exp.		912498		445153
Total		97468417		44405745

5. Consumption of Stores & Spares	2008-2009		2007-2008	
Imported	NIL	143895	NIL	NIL
Indigenous	100%	5310853	100%	5975330
Total		5454748		5975330

6. Earnings in Foreign Currency	137298064	47067618
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7. License Capacity :	Unit	2008-2009	2007-2008
Woven Fabrics & Bags (Unlaminated)	M.T.	4600	4600

8. Production	Unit	2008-2009	2007-2008
Woven Fabrics & Bags (Laminated & Unlaminated)			
- Own Production	KGS.	1493964	711155
- Job Work	KGS.	4477282	4577133

Note : Own Production includes Job done by outsiders on behalf of Company.

9. Managerial Remuneration	2008-2009 (Amount In Rupees)	2007-2008 (Amount In Rupees)
-- Director's Remuneration	1380000	3191000





The remuneration to Managing Directors of the Company has been paid as agreed to, which is lower than the permissible minimum remuneration as provided in Schedule XIII of the Companies Act, 1956. As such, computation of net profits under Section 349 of the Companies Act, 1956 has not been given.

10A. Stock and Turnover:

Particulars	Opening Stock		Closing Stock		Turnover	
	Qty -Kgs.	Value -Rs.	Qty -Kgs.	Value -Rs.	Qty -Kgs.	Value -Rs.
Woven Fabrics & Bags (Laminated & Unlaminated)	64211 (25605)	5751342 (2420571)	110915 (64211)	7763213 (5751342)	1447262 (672549)	144937095 (56797903)
Job Work					4517211 (4604078)	74368290 (70014407)
Waste		215649 (17175)		77152 (215649)		1024697 (488020)
<b>Total</b>		<b>5966991</b> <b>(2437746)</b>		<b>7840365</b> <b>(5966991)</b>		<b>220330082</b> <b>(127300330)</b>

**Note :** Fabric stock falls under category of Semi-Finished Goods as well as under Category of Finished Goods.

k) Contingent Liabilities and commitments not provided for: Amount (In Rs.)

	<u>2008-2009</u>	<u>2007-2008</u>
(a) Bank Guarantee	13086048	1966048
(b) Show Cause Notice/Demand on account of Excise (in Appeal) (The Company does not expect any liability in view of the legal opinion obtained, therefore no provision have been made).	956664	606603
(c) Letter Of Credit	11556000	Nil

**D) INFORMATION AS PER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956:****Balance sheet abstract and Company's General business profile :****i Registration Details**

Registration No	04-7829	State Code	04
Balance Sheet Date	31.03.2009		

**ii Capital Raised during the year (Amount in Thousands) :**

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

**iii Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands) :**

Total Liabilities	186220	Total Assets	186220
<b>Sources of Funds :</b>			
Paid up Capital	8813	Reserves & Surplus	56549
Secured Loans	87521	Unsecured Loans	17927
Def. Tax Liability	15410		
<b>Application of Funds :</b>			
Net Fixed Assets	144529	Investments	16
Net Current Assets	41675		

**iv Performance of Company (Amount in Rs. Thousands)**

Turnover	206212	Total Expenditure	189926
Profit Before Tax	16286	Profit After Tax	10840
Earning per Share in Rs.	12.38	Dividend Rate %	10%

**v Generic Names of FOUR Principal Products/Services of Company**

Item Code No. (ITC Code)	39232100/2990
Products Description	HDPE/PP WOVEN
Item Code No. (ITC Code)	39269009/9080
Products Description	HDPE /PP FABRICS

m) Figures in Brackets relate to the Previous Year.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2009  
(Pursuant to clause 32 of Listing Agreements)

	Year Ended	Year Ended
	31 <sup>st</sup> March,	31 <sup>st</sup> March,
	2009	2008
	(Rs. In lacs)	(Rs. In lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Extraordinary items	162.86	80.89
Adjustment For :		
(a) Depreciation Charges	81.09	71.79
(b) Interest Charges ( net )	78.06	49.11
(c) Loss on Sale of Assets	0	0.08
(d) Dividend Received	(0.03)	(0.32)
(e) Sundry Balance written off	(0.40)	0.00
Operating Profit before Working Capital Changes	321.58	201.55
Adjustment For :		
(a) (Increase)/Decrease in Inventories	(37.71)	(40.40)
(b) (Increase)/Decrease in Sundry Debtors	(126.35)	(128.49)
(c) (Increase)/Decrease in Loans & Advances	(56.98)	(268.71)
(d) Increase /(Decrease) in Sundry Creditors	377.45	(1.90)
CASH GENERATED FROM OPERATIONS	477.99	(237.95)
Less :(a) Direct Taxes paid	(33.11)	(29.48)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	444.87	(267.43)
Extraordinary Items :		
Excess Provision written off	0.02	6.15
NET CASH FROM OPERATING ACTIVITIES	444.89	(261.28)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(a) Purchase of Fixed Assets	(709.14)	(10.69)
(b) Sale of Fixes Assets	0	12.19
(c) Sale of Investment	0	2.67
(d) Dividend Received	0.03	0.32
(e) Investment made	(0.16)	
(e) Interest Received	0	0.00
NET CASH FROM INVESTING ACTIVITIES	(709.27)	4.49



	Year Ended 31 <sup>st</sup> March, 2009	Year Ended 31 <sup>st</sup> March, 2008
	(Rs. In lacs)	(Rs. In lacs)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
(a) Proceeds from Borrowings	18.83	406.28
(b) Repayments of Borrowings	359.83	(89.71)
(c) Interest Paid	(78.07)	(49.10)
(d) Dividend paid	(10.25)	(10.25)
NET CASH FLOW IN FINANCING ACTIVITIES	290.34	257.22
NET INCREASE IN CASH & CASH EQUIVALENTS	25.97	0.43
OPENING BALANCE - CASH & CASH EQUIVALENT	4.81	4.39
CLOSING BALANCE - CASH & CASH EQUIVALENT	30.78	4.81

Signature to Schedules A to P

As per our audit report of even date

**For G.C. Surana & Co.**

(Chartered Accountants)

s/d.

**(G.C. Surana)**

Proprietor

Place : Ahmedabad

Date : 25<sup>th</sup> June' 2009

For and on behalf of the Board

s/d.

**R.K.Bhojnagarwala**

- Chairman

s/d.

**Shradha H Agarwal**

- Director

**AUDITOR'S CERTIFICATE**

The Board of Directors,

**SHRI JAGDAMBA POLYMERS LIMITED**

We have examined the attached Cash Flow Statement of **M/S. SHRI JAGDAMBA POLYMERS LIMITED** for the year ended 31<sup>st</sup> March' 2009. The Statement has been prepared per the Company's Listing Agreement with the Ahmedabad and Mumbai Stock Exchanges. The Statement is based on and is derived from the Profit and Loss Account and the Balance Sheet of the Company for the year ended 31<sup>st</sup> March' 2009, covered by our Report dated 26<sup>th</sup> June' 2009, to the members of the Company.

**For G. C. Surana & Co.**  
(Chartered Accountants)

s/d.

**(G.C. Surana)**

Proprietor

Place : Ahmedabad

Date : 25<sup>th</sup> June' 2009

M. No. 16025

**SHRI JAGDAMBA POLYMERS LIMITED**

Regd. Office: 802, Narnarayan Complex, Opp. Navrangpura Post Office.  
Navrangpura, Ahmedabad-380 009

**ATTENDANCE SLIP**

To be handed over at the entrance of the Meeting Hall

Name of Share Holder(In Block Letter) \_\_\_\_\_

Members Folio No. \_\_\_\_\_

Name of the Proxy(in Block Letters) To be filled if the proxy attends instead of the member \_\_\_\_\_

No. of Shares Held \_\_\_\_\_

I hereby record my presence at the Annual General Meeting to be held on Thursday, the 27<sup>th</sup> August 2009 at 11.00 A.M. at Ishwar Bhuvan, Near H. L. Commerce College, Navrangpura, Ahmedabad- 380 009.

\_\_\_\_\_  
Member's/ Proxy's Signature

1. To be signed at the time of handing over this slip.
2. Shareholders are requested to advice, indicating their folio numbers, the change in their address, if any, to the Company.

**SHRI JAGDAMBA POLYMERS LIMITED**

Regd. Office: 802, Narnarayan Complex, Opp. Navrangpura Post Office  
Navrangpura, Ahmedabad-380 009

**PROXY FORM**

\_\_\_\_\_  
Member's Folio Number

I/We \_\_\_\_\_

of \_\_\_\_\_  
being a member/members of the above named Company, hereby appoint of \_\_\_\_\_

as my/our proxy to attend and vote for me/us on me/our behalf at the Annual General Meeting of the Company to be held on Thursday, the 27<sup>th</sup> August 2009 at 11.00 A.M. at Ishwar Bhuvan, Near H. L. Commerce College, Navrangpura, Ahmedabad-380 009.

Signed \_\_\_\_\_  
Date : \_\_\_\_\_

Affix Revenue  
Stamp of  
appropriate value

**NOTE :**

1. The instrument of Proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the Commencement of the Meeting
2. The form should be signed across the stamp as per specimen signature registered with the Company.
3. A Proxy need not be a member.