

**24<sup>th</sup> ANNUAL REPORT  
2012-2013**

**JMG CORPORATION LIMITED**  
**(Formerly IRPLAST ADHESIVES INDIA LIMITED)**

PLEASE NOTE THAT NO GIFTS WHATSOEVER WILL BE DISTRIBUTED  
TO THE SHAREHOLDER AT THE ANNUAL GENERAL MEETING

## **JMG CORPORATION LIMITED**

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### **BOARD OF DIRECTORS**

Mr. Pramod Kumar Nanda	Chairman
Mr. Mohan Dhar Diwan	Whole Time Director
Mr. Anil Kumar Agrawal	Director
Mr. Avantsa Krishna	Director
Mr. Satish Kumar Grover	Director

### **BANKERS**

ICICI Bank Limited  
Indian Bank  
HDFC Bank

### **AUDITORS**

ANDROS & CO.  
Chartered Accountants  
A-101, Group Industrial Area  
Wazirpur, New Delhi - 110052

### **REGISTERED OFFICE**

Suite No. 307, Palam Triangle, Palam Vihar  
Gurgaon-122017, Haryana

### **CORPORATE OFFICE:**

574, 2<sup>nd</sup> Floor, Main Road, Chirag Delhi  
New Delhi –110017.

### **STOCK EXCHANGES:**

Delhi Stock Exchange Limited  
DSE House, 3/1, Asaf Ali Road  
New Delhi – 110002

The Bombay Stock Exchange Limited (BSE)  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400001

### **REGISTRAR AND SHARE TRANSFER AGENT:**

Indus Portfolio Private Limited  
G-65, Bali Nagar, New Delhi-110015  
Phone: 011 –25449862

### **COMPANY IDENTIFICATION NO. :**

L31104HR1989PLC033561

## JMG CORPORATION LIMITED

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### NOTICE OF 24<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 24<sup>th</sup> (Twenty Fourth) Annual General Meeting of the members of the Company is scheduled to be held on Monday, 30<sup>th</sup> day of September, 2013 at 10:30 A.M. at K-7/5 (Near Crystal Children's Centre), DLF-II, Gurgaon-122002, Haryana, to transact the following business(es) :

#### **Ordinary Business (es):**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2013, the Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Mohan Dhar Diwan, who is liable to retire by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

#### **Special Business (es):**

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

**"RESOLVED THAT** pursuant to the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956 (including any modification or re-enactment thereof), Mr. Avantsa Krishna, who was appointed as Additional Director in the meeting of the Board of Directors held on 14/08/2012 and whose term expires at the ensuing Annual General Meeting of the Company and for the appointment of whom the Company has received a notice in writing proposing his candidature for the office of the Director be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement of directors by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all the acts, deeds and things which are necessary to give effect to the above said resolution including but not limited to filing of Form 32 with the office of Registrar of Companies, NCT of Delhi and Haryana".

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

**"RESOLVED THAT** pursuant to the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956 (including any modification or re-enactment thereof), Mr. Satish Kumar Grover, who was appointed as Additional Director in the meeting of the Board of Directors held on 30/05/2013 and whose term expires at the ensuing Annual General Meeting of the Company and for the appointment of whom the Company has received a notice in writing proposing his candidature for the office of the Director be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement of directors by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all the acts, deeds and things which are necessary to give effect to the above said resolution including but not limited to filing of Form 32 with the office of Registrar of Companies, NCT of Delhi and Haryana".

**By order of the Board  
For JMG CORPORATION LIMITED**

**Sd/-  
Mohan Dhar Diwan  
Whole Time Director**

Place: - New Delhi  
Date : - 14-08-2013

## JMG CORPORATION LIMITED

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### NOTE(S):

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF/HERSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.**
2. Members / Proxies should bring the enclosed attendance slip duly filled in for attending the Meeting alongwith the Annual Report.
3. Corporate Members intending to send their respective authorized representative are requested to send a duly certified copy of the Board/Governing Body resolution authorizing such representative to attend and vote at the Annual General Meeting.
4. All documents referred to in the Notice and explanatory statement are open for inspection at the registered office of the Company on all working days except Saturday, Sunday and public holidays between 11.00 A.M. to 1.00 P.M.
5. Members who are holding shares in physical form are requested to notify changes in their respective address or Bank detail to the Company or to the Registrar and Share Transfer Agent of the Company namely Indus Portfolio Private Limited, G – 65, Bali Nagar, New Delhi – 110015 Phones: 011 – 25449862, 25172115 Fax: 011 - 25449863 and always quote their Folio number in all correspondence with the Company. In respect of holding in Electronic form members are requested to notify any change in address or Bank detail to their respective depository participant.
6. Shareholders holding shares in the same name or in the same order of names but in several folios are requested to write to the Company enclosing their Share Certificates to enable the Company to consolidate their holding in one single folio.
7. Any member desirous of obtaining any information/clarification on the enclosed Accounts should submit the query in writing at the Registered Office of the Company at least 10 days before the date of the Meeting.
8. Members/Proxies are requested to bring their copies of Annual Report with them to the Meeting as the same will not be supplied again at the Meeting as a measure of economy.
9. Pursuant to the provisions of Section 154 of the Companies Act, 1956 and listing agreement, the Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 27th September, 2013 to Monday 30th September, 2013 (both days inclusive).
10. In order to communicate important and relevant information and event to the members, including quarterly results in cost efficient manner, the members are requested to register their e-mail addresses with the Registrar & Share Transfer Agents in case of shares held in physical form and with their respective Depository Participants in case of Demat holdings.
11. The original relevant date in respect of preferential allotment of 3619457 equity shares of Rs. 2.5/- each at a premium of Paise 0.54 has been changed from 29/09/2012 to 11/10/2012 in terms of the direction of Bombay Stock Exchange Limited (BSE) received at the time of obtaining in principal approval for listing of these equity shares.
12. 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 and forms part of this notice.

**By order of the Board  
For JMG CORPORATION LIMITED**

**Sd/-  
Mohan Dhar Diwan  
Whole Time Director**

Place: - New Delhi  
Date : - 14-08-2013

## **JMG CORPORATION LIMITED**

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### **Explanatory Statement pursuant to Section 173(2):**

#### **In respect to Item No. 4:**

Mr. Avantsa Krishna was appointed as an Additional Director on the Board of the Company w.e.f 14/08/2012. Pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr. Avantsa Krishna holds the office upto the date of the ensuing Annual General Meeting and is eligible for appointment as Director of the Company. The Company has received notice required under Section 257 of the Companies Act, 1956, proposing the appointment of Mr. Avantsa Krishna as Director of the Company. The Company has also received an amount of Rs.500/- as deposit.

Keeping in view his experience and expertise, the Board recommends the resolution for approval by Members.

None of the Directors except Mr. Avantsa Krishna is concerned or interested in the said resolution.

#### **In respect to Item No. 5:**

Mr. Satish Kumar Grover was appointed as an Additional Director on the Board of the Company w.e.f 30/05/2013. Pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr. Satish Kumar Grover holds the office upto the date of the ensuing Annual General Meeting and is eligible for appointment as Director of the Company. The Company has received notice required under Section 257 of the Companies Act, 1956, proposing the appointment of Mr. Satish Kumar Grover as Director of the Company. The Company has also received an amount of Rs.500/- as deposit.

Keeping in view his experience and expertise, the Board recommends the resolution for approval by Members.

None of the Directors except Mr. Satish Kumar Grover is concerned or interested in the said resolution.

## JMG CORPORATION LIMITED

### DIRECTORS' REPORT TO THE MEMBERS

The Directors of the Company present the 24<sup>th</sup> (Twenty Fourth) Annual Report of your Company with Audited Accounts for the financial year ended on 31st March, 2013.

#### Financial Results and performance of the Company.

The summarized working results for the financial year ended on 31<sup>st</sup> March, 2013 as compared with the previous year are as under:-

Particulars	Current year 2012-2013 (Rs. in Lacs)	Previous year 2011-2012 (Rs. in Lacs)
Net Sales & Other Income	226.03	1587.54
Profit before depreciation and Tax	63.65	26.89
Less : Depreciation	43.82	42.27
Profit/(Loss) before Extra Ordinary Item and Tax	19.83	(15.37)
Profit/(Loss) before Tax	19.83	(15.37)
Less:		
a) Current Income Tax	3.77	—
b) Short and Excess provision for Income Tax	1.35	—
Profit/(Loss) after Tax	17.41	(15.37)

During the current year, after closing of the accounts for the year ended 31 March 2013, the assets of the factory, including land and buildings were disposed of. The Directors are considering new business activities for the future and some studies have been completed while others are still under study.

#### Trading in securities of the Company:

The securities of the Company are listed on Bombay Stock Exchange Limited and Delhi Stock Exchange Limited.

#### Dividend:

In view of paucity of funds and future requirements for new business activities, the Directors do not recommend any dividend for the year under review.

#### Public Deposits:

The Company has not accepted any deposits including fixed deposits from the public under Section 58A and 58AA of the Companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules, 1975, during the year under review.

#### Directors' Responsibility Statement:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

1. In preparation of the accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the financial year ended 31<sup>st</sup> March, 2013;
3. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The annual accounts have been prepared on a 'going concern' basis.

#### Directors:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Mohan Dhar Diwan, Director of the Company, retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer himself for re-appointment. Your Directors recommend his re-appointment as Director on the Board at the ensuing Annual general Meeting.

## JMG CORPORATION LIMITED

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Mr. Avantsa Krishna and Mr. Satish Kumar Grover were appointed as Additional Directors of the Company with effect from 14/08/2012 and 30/05/2013 respectively in accordance with the provisions of Section 260 of the Companies Act, 1956. The Company has received notice in writing from members of the Company under Section 257 of the Companies Act, 1956 signifying their intention to propose the appointment of Mr. Avantsa Krishna and Mr. Satish Kumar Grover as Directors of the Company.

Mr. Mohan Dhar Diwan was appointed as Whole Time Director of the company w.e.f. 15/05/2012. Mr. Mahendra Kumar Shah resigned from the post of Managing Director of the company w.e.f. 21/06/2012.

### **Accounts and Auditors Report:**

The observations contained in the Auditors' Report and Notes to Accounts are self-explanatory and do not require any explanations from Directors.

### **Auditors:**

Andros & Co., Chartered Accountants, Statutory Auditors of the company retires at the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment. The Company has received its consent that the appointment, if made, would be within the prescribed limits of Section 224 (1B) of the Companies Act, 1956.

### **Particulars of Employees:**

None of the employees are in receipt of remuneration in excess of the limits prescribed under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Amendment Rules, 2011, as amended, therefore, no disclosure is required.

### **Conservation of energy and technology absorption and foreign exchange earnings and outgo:**

The particulars under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 on conservation of energy, technology absorption and earnings and outgo in foreign exchange are enclosed as Annexure – A which forms part of this report.

### **Corporate Governance:**

Your Company has followed good corporate governance practices since inception and in accordance with the code of Corporate Governance. A detailed Corporate Governance Report together with a certificate from Statutory Auditors in compliance with Clause 49 of the Listing Agreement is attached and forms part of this report.

### **Secretarial Compliance Certificate**

The Company has obtained compliance certificate from a practicing Company Secretary and the same is annexed hereto and forms part of the report.

### **Statement pursuant to listing agreement (s):**

The Company's securities are presently listed at The Bombay Stock Exchange Limited (BSE) and The Delhi Stock Exchange Limited (DSE). The listing fees to BSE and DSE have been paid.

The Management's Discussion and Analysis in compliance with Clause 49 of the Listing Agreement forming part of this Report is attached.

### **Acknowledgements:**

Your Directors gratefully acknowledge co-operation and assistance extended by all stakeholders, employees and Bankers and look forward to their continuing support

**For and on behalf of Board of Directors**

**Place: - New Delhi**  
**Date:- 14-08-2013**

**Sd/-**  
**Pramod Kumar Nanda**  
**Chairman**

## JMG CORPORATION LIMITED

### ANNEXURE 'A' TO DIRECTORS' REPORT

#### **A. Conservation of Energy**

The Company has ceased to carry out manufacturing activity ; nevertheless the Company has taken measures to reduce energy consumption and has installed energy efficient equipment wherever possible.

#### **B. Technology Absorption**

Disclosure of particulars of Technology Absorption

##### **i) Research and Development (R&D)**

- |  |   |                |
|--|---|----------------|
| 1. Specific Areas in which R& D carried out by the Company | : | -----N.A.----- |
| 2. Benefits derived as a result of the above R&D           | : | -----N.A.----- |
| 3. Future plan of action                                   | : | -----N.A.----- |
| 4. Expenditure on R&D                                      |   |                |
| a) Capital   | : | -----N.A.----- |
| b) Recurring   |   |                |
| c) Total R&D expenditure as a percentage of total turnover |   |                |

##### **ii) Technology Absorption, Adaptation and Innovation:**

- |  |   |  |
|--|---|--|
| 1. Efforts in brief made towards technology absorption, adaptation and innovation. | : | No new technology has been absorbed as the Company has ceased to carry out manufacturing activity.   |
| 2. Benefits derived as a result of the above efforts                               | : | N.A.   |
| 3. In case of Imported Technology following information may be furnished           |   |  |
| a) Technology imported   | : | BOPP films coated with hot-melt adhesives by die extrusion process.  |
| b) Year of Import  | : | Technical Collaboration agreement was effective from 1989. Commercial production commenced from 1 <sup>st</sup> November, 1992. Plant has now been disposed of and company is ceased to carry out manufacturing operation. |
| c) Has technology been fully absorbed  | : | Yes  |

#### **C. Foreign Exchange earning and outgo :**

No foreign exchange outgo took place during the financial year 2012-13 and the same was the case in the previous year 2011-12. The foreign exchange earnings of the company during the current as well as previous financial year are as follows:

Current Year (2012-2013): 28.15

Previous Year (2011-2012): NIL



## JMG CORPORATION LIMITED

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### **REPORT ON CORPORATE GOVERNANCE**

In the present rapidly changing business scenario, good Corporate Governance helps in accomplishing long term Corporate Goals to increase the Stakeholders' value. Corporate Governance focuses on commitment to values adhering to ethical business practices. This includes corporate structures, culture, policies and the manner in which the corporate entity deals with various stakeholders, with transparency being the key word. Accordingly, timely, adequate and accurate disclosure of information on the performance and ownership forms the sound Corporate Governance.

#### **1 Philosophy of the Company on Corporate Governance:**

Corporate Governance refers to a set of policies, principles, laws, rules, regulations and procedures that enable the Company to attract best financial and human resources and to perform efficiently to create and maximize the wealth of the stakeholders. Your Company is committed to uphold these concepts and practices.

The Company further believes that the good and effective Corporate Governance lies in managing the business in a fair and transparent manner, sharing information with the shareholders and keeping overheads restricted.

The Company has not given loans to directors. Accounts give adequate disclosure of transaction in which directors have been interested.

The Company is fully compliant with all the requirements of the listing agreement with the stock exchanges. The details of the Compliances are as follows:

#### **2 Board of Directors:**

The constitution of Board aims at ensuring Directors commitment to participate in the affairs of the Company with understanding and competence to deal with business issues.

##### **Composition of Board of Directors:**

The composition of Board of Directors as on 31<sup>st</sup> March, 2013 was as follows:

1.	Mr. P.K. Nanda	Executive Chairman
2.	Mr. Mohan Dhar Diwan	Whole Time Director
3.	Mr. Jagdish Das Shah	Non-Executive Director
4.	Mr. Ritesh Kumar Gupta	Independent Non-Executive Director
5.	Mr. Brijesh Kumar Gujrati	Independent Non-Executive Director
6.	Mr. Anil Kumar Agrawal	Independent Non-Executive Director
7.	Mr. Avantsa Krishna	Independent Non-Executive Director

None of the above Directors (except Mr. P. K. Nanda, Mr. Avantsa Krishna and Mr. Jagdish Das Shah) holds any membership of other Boards and Committees (Private Limited/ Foreign Companies are not considered).

During the year 9 (Nine) Meetings of the Board of Directors were held on 15<sup>th</sup> May, 2012; 20<sup>th</sup> June, 2012; 14<sup>th</sup> August, 2012; 29<sup>th</sup> September, 2012; 12<sup>th</sup> November, 2012; 24<sup>th</sup> November, 2012; 14<sup>th</sup> February, 2013, 18<sup>th</sup> February, 2013 and 20<sup>th</sup> March, 2013. None of the members of the Board were a member of more than 10 committee nor was the chairman of more than five committee across all Companies where they are directors. All the Directors have made the requisite disclosures regarding committee positions held by them in other Companies.

#### **Category and Attendance of Directors**

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the financial year 2012-2013 and at the last Annual General Meeting (AGM), as also the number of

## JMG CORPORATION LIMITED

Directorships and Committee positions held by them in other public limited companies as on March 31, 2013 are as follows:

Name	Category	Board Meetings Attended	Last AGM Attended	No. of Directorship in other Public Limited Companies		No. of Committee positions held in other Public Limited Companies	
				Chairman of the Board	Board Member	Chairman of the Committee	Committee Member
Mr. P. K. Nanda	Executive Director & Chairman	9	Yes	Nil	1	Nil	Nil
Mr. Mohan Dhar Diwan*	Whole Time Director	9	Yes	Nil	Nil	Nil	Nil
Mr. Ritesh Kumar Gupta	Independent Non-executive Director	2	No	Nil	Nil	Nil	Nil
Mr. Jagdish Das Shah	Non-executive Director	1	No	Nil	1	Nil	Nil
Mr. Anil Kumar Agrawal	Independent Non-executive Director	1	No	Nil	Nil	Nil	Nil
Mr. Brijesh Kumar Gujrati	Independent Non-executive Director	1	No	Nil	Nil	Nil	Nil
Mr. Avantsa Krishna	Independent Non-executive Director	7	No	Nil	1	Nil	Nil
Mr. Mahendra Kumar Shah**	Managing Director	1	No	Nil	Nil	Nil	Nil

*Note: Excludes Directorships in Private Limited Companies, Foreign companies and Government Bodies. Only Audit Committee and Shareholders'/Investors' Grievance Committee have been considered for the committee positions.*

\* Mr. Mohan Dhar Diwan and Mr. Avantsa Krishna were appointed as additional directors of the Company w.e.f. 15/05/2012 and 14/08/2012 respectively.

\*\* Mr. Mahendra Kumar Shah ceased to be Managing Director of the Company w.e.f. 21/06/2012.

### 3 Code of Conduct

The Board of Directors has laid down a code of conduct for all Board members and senior management personnel of the Company. All Board members and senior management personnel have affirmed compliance with the code of conduct on March 31, 2013. A declaration to that effect duly signed by the Whole Time Director is annexed and forms part of this report.

#### Board Committees

##### Audit Committee:

For the purpose of ensuring adequacy of internal controls, efficacy of internal and statutory audits and matters specified under clause 49 (as amended) of the Listing Agreements and Section 292A of the Companies Act, 1956, the Board has constituted an Audit Committee comprising three