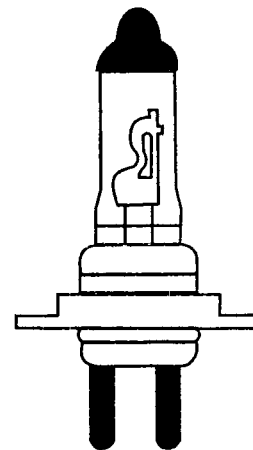


# ***JAGAN LAMPS LTD.***

*Manufacturer Automotive Halogen Bulbs  
(An 100% Export Oriented Unit)*

Report  Junction.com

## **16TH ANNUAL REPORT 2007-2008**



**Jāgān** *Lighting on the move.....*

# **Jagān** *Lighting on the move* ..... **JAGAN LAMPS LTD.**

**BOARD OF DIRECTORS**

MR. S.P. AGGARWAL  
MR. ASHISH AGGARWAL  
MR. ALOK AGGARWAL  
MR. RAMESH CHAND  
MRS. GEETA SINGLA  
MRS. SHIKHA GUPTA

CHAIRMAN CUM MANAGING DIRECTOR  
WHOLE TIME DIRECTOR  
DIRECTOR PRODUCTION  
DIRECTOR  
DIRECTOR  
DIRECTOR

**AUDITORS**

BHASIN RAGHAVAN & CO.  
F-48, BHAGAT SINGH MARKET  
NEW DELHI - 110001

**SOLECITORS**

C.S. AGGARWAL & CO.  
R-519, NEW RAJINDER NAGAR  
NEW DELHI - 110060

**REGISTRAR & TRANSFER AGENT**

MAS SERVICES LTD  
AB-4, SAHDARJUNG ENCLAVE  
NEW DELHI - 110029  
TEL No. : 011-26104292

**REGISTERED OFFICE**

JAGAN LAMPS LTD.  
NARELA PIAO MANIHARI ROAD  
KUNDLI, DISTT. SONEPAT (HARYANA)

**BANKERS**

1. AMERICAN EXPRESS BANK LTD
2. CITI BANK N.A.
3. HDFC BANK LTD.
4. PUNJAB NATIONAL BANK

**CORPORATE / HEAD OFFICE**

JAGAN LAMPS LTD.  
14, DDA TRANSPORT CENTER  
ROHTAK ROAD, PUNJABI BAGH  
NEW DELHI - 110035  
TEL NO. : 011-28312342, 28315357  
FAX NO. : 011-28312165  
Email : halogenbulb@vsnl.com

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# **Jagān** *Lighting on the move* ..... **JAGAN LAMPS LTD.**

## **NOTICE OF THE ANNUAL GENERAL MEETING**

Notice is hereby given that the 16th Annual General Meeting of the Members of Jagan Lamps Ltd. will be held on Friday the 12th Day of September' 2008 at 10.00 A.M. at the Registered Office of the Company at JAGAN LAMPS LTD., Narela Piao Manihari Road, Kundli, Distt. Sonapat (Haryana) to transact the following business :

### **ORDINARY BUSINESS**

- 1) To consider and adopt the Audited Balance Sheet as at 31st March' 2008, Profit & Loss A/c for the year ended on that date along with the Reports of Board of Directors and the Auditors thereon.
- 2) To re-appoint M/s Bhasin Raghavan & Co. Chartered Accountants, New Delhi, as the Statutory Auditors of the Company to hold Office from the conclusion of the ensuing Annual General Meeting untill the conclusion of the next Annual Genreal Meeting and to authorize the Audit Committee of Directors to fix their remuneration.
- 3) To appoint a Director in place of Mrs. Geeta Singla, who retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

For and On Behalf of the Board of Directors

For Jagan Lamps Ltd.

sd/-

(S.P. Aggarwal)

Mg. Director

Dated : 28/07/2008

Place : Kundli

### **NOTES**

- 1) A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company.
- 2) Proxies In order to be effective, must be deposited either at the Registered Office or at the Corporate Office of the Company not less than 48 hours before the Commencement of the meeting.
- 3) The Register of Members and Share Transfer Books of the Company will remain closed from 05th day of September 2008 to 12th day of September 2008 (both days inclusive).
- 4) In case of Joint Holders, if more than one Holder intends to attend the meeting, they must obtain additional admission slip on request from the Registered Office of the Company. Only such Joint Holder who is higher in the order of names will be entitled to vote.
- 5) All documents refered to in the accompanying notice are opened for inspection at the Registered Office of the Company on all working days except Sunday's between 11:00 AM to 1:00 PM before Commencement of the Annual General Meeting.
- 6) To & Fro Transport facility will be provided to the Members/Proxy Holders only who submits their applications for this facility by 05/09/2008 at the Corporate office of the Company between 11:00 A.M. to 1:00 P.M. on working days.
- 7) The Conveyence will start at 7.30 A.M. on 12/09/2008 from the Corporate Office of the Company, for the Members / Proxy holders whose applications for availing the transport facility has been received within the stipulated time.
- 8) Members/Proxies who are holding shares in Dematerialised form are requested to bring the Client ID and DPID numbers for easy identification of attendance at the Meeting.
- 9) Details about the Director to be re-appointed in the Annual General Meeting, as per Clause 49 of the Listing Agreement is enclosed.
- 10) RE-APPOINTMENT OF DIRECTOR

Mrs. Geeta Singla who retires by rotation at the ensuing Annual General Meeting, and being eligible offers herself for re-appointment. Mrs. Geeta Singla aged 35 Years, has been associated with the Company and appointed as Director since 1995. She is not interested as director in any other company. None of the Directors of your Company is disqualified as per Provisions of Section 274 (1)(g) of the Companies Act, 1956.

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Your Directors have made necessary disclosures as required under various provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement. Necessary Resolution is placed before the Shareholders for their approval.

"RESOLVED that pursuant to Section 269 and other applicable Provisions of the Companies Act, 1956, consent of the Company be and is hereby accorded to the re-appointment of Mrs. Geeta Singla as the director designated as Chief Executive and director of the Investor Grievance Committee of the Company.

For and On Behalf of the Board of Directors  
For Jagan Lamps Ltd.

sd/-

(S.P. Aggarwal)

Mg. Director

Dated : 28/07/2008

Place : Kundli

## DIRECTORS' REPORT

Dear Share Holders,

Your Directors have pleasure in presenting the Sixteenth Annual Report on the Business and Operations of the Company for the year ended March 31, 2008 and the Audited Statement of Accounts of the Company along with Auditors Report thereon.

## FINANCIAL HIGHLIGHTS

Year Ended 31/03/2008

Sales & Other Income	72084920
Total Expenditure	70685759
Profit before Interest & Depreciation	1399161
Interest	0
Depreciation	3555832
Net Profit	1399161
Proision for Taxes	1275638
Surplus carried to Balance Sheet	36344826
EPS (Rs.)	0.01

## PERFORMANCE HIGHLIGHT

I would like to share that during the year under review, the profit of your company stood at Rs. 1399161, before tax and has shown an increase of profit against previous year's Profit of Rs. 209174. The strengthening of Indian Rupee has major impact on the profitability which effects on realization amount of export proceeds.

## BUSINESS

Your Company is mainly in the Business of Manufacturing Automotive Bulbs and Lights. The Company holds 100% Export oriented status.

## OPPORTUNITIES

- Expanding new export market like Middle East and USA.
- Introduction of new generation lamp like LED.
- Developing domestic distribution network.

## THREATS

- Increase in Energy prices and high inflation may adversely affect the company.
- Increase of input and volatility in currency market may impact the profitability of the company.

## RISK AND CONCERN

The operating margins are under huge pressure due to increase in energy prices, raw material cost & other input costs are creating pressure on operating margins. It may not be possible for the company to recover the entire increase in raw material and input costs from the customers.

## SEGMENTWISE PERFORMANCE

As per the relative segment reporting requirements, the company operates in Single Segment i.e. Automotive Bulbs and Lights.

## LISTING OF SHARES ON STOCK EXCHANGES

The Equity Shares of the Company are listed on The Bombay Stock Exchange Ltd., Mumbai, and Delhi Stock Exchange Association Ltd. The Listing Fees for the Financial Year 2008-09 has been paid.

## INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)

The annual custodial fees for the Financial Year 2008-09 has been paid to National Securities Depository Limited (NSDL) and Central Depository Services Ltd.(CDSL). The ISIN Number of the company is INE144C01014

## REGISTRAR AND SHARE TRANSFER AGENT

The Members are requested to correspond with company's Registrar and Share Transfer Agent "Mas Services Ltd., AB-4, Safdarjung Enclave, New Delhi - 110029" for Change of address, Physical transfer of shares, Demat requests and investor related matters, etc.

Shares lodged for transfer at the Registrar's address are normally processed and approved by the Share Transfer Committee on fortnight basis. Dematerialization of shares are processed within 15 days. Other miscellaneous matters are processed by the Registrar within 30 days.

## INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has a proper adequate system of Internal Controls commensurate with its size to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly. It ensures that all financial and other records are reliable for preparing financial statements and other data for maintaining accountability of assets.

## CONSERVATION OF ENERGY:

The Company Continues its policy of priority to energy conservation measures including regular review of energy conservation, consumption and effective control on utilisation of energy.

## QUALITY POLICY AND CERTIFICATION:

The company is committed to provide consistent good quality products to its worldwide customers and to achieve the world class quality in the products manufactured. Every employee is involved in ensuring quality of products at all times. Management on its part is fully committed to further improve quality and provides all the sources to accomplish this task. The Company is ISO 9001:2000 Certified

## DEVELOPMENT IN HUMAN RESOURCE:

Sound Human resources development policies of the company ensures that each employee as an individual contributes to the performance of the company, regular in house training programs for all employees help in this objective.

Employees are the most valuable asset of the company. Your Company strongly recommends that employees are the key pillar in our success it is our belief that employees have to be given the right environment for their talents to bloom and they need to be nurtured as one of our most important assets. Our constant endeavor has deliver their best. Initiatives have been taken to become a performance driven organization by retaining and developing leadership potential. The company is committed to continuously improve safety and health of employees.

## CAUTIONARY NOTE

Certain statements in the management discussions and analysis section may be forward looking and are stated as required by applicable laws and regulations. Manufacturers may affect the actual results, which would be different from directors report and sales in terms of future performance.

## FIXED DEPOSIT / PUBLIC DEPOSITS

The Company has not accepted any Fixed Deposits U/s 58A of the Companies Act during the year under Review

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## AUDITORS

M/s Bhasin Raghavan & Co., Chartered Accountants, New Delhi, Auditors of the Company, retires at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

## AUDITOR'S REPORT

The observation of the Auditors contained in the Auditors Report, read with Notes on Accounts are self explanatory and do not call for any further clarifications.

## ACKNOWLEDGEMENT

The Board of Directors wish to place on record their gratitude to the shareholders, State & Central Government authorities, vendors, bankers, customers and other business associates for their support and co-operation extended to the company.

Your Directors place on record their deep appreciation for exemplary contribution of the employees at all levels. Their dedicated efforts and enthusiasm has been integral to your Company's impressive growth.

On Behalf of the Board of Directors  
For Jagan Lamps Ltd.

sd/-

(S.P. Aggarwal)  
Chairman

Dated : 28/07/2008

Place : Kundli

## CORPORATE GOVERNANCE

Your company is committed to concept and philosophy of corporate governance as means of effective internal control, highest level of transparency, professionalism and accountability in all areas of its operations for enhancing customer satisfaction and stake holder value. The company believes the corporate governance and practice are not only consistent with the statutory requirements but is aimed at assisting the management in the efficient conduct of its business and meeting its obligations to stake holders and is guided by a strong emphasis on transparency, accountability and integrity.

## BOARD OF DIRECTORS

### (A) Composition of Board

The board consists of three executive directors and three non-executive independent directors. The non-executive directors with their diverse knowledge, experience and expertise brings in their independent judgment to the deliberations and discussions of the Board, Apart from the sitting fees being paid to the non executive directors for attending board / committee meetings, they did not have any material pecuniary relationship or transaction with the company during the year 2007-2008. The company meet the requirement relating to the composition of the Board of Directors under Clause 49 of the Listing Agreement.

### (B) Non-Executive Directors Compensation and Disclosures

The Non-Executive Directors of the Company are paid Sitting Fees as fixed by the Board of Directors within the limits prescribed under the Companies Act, 1956. No stock options were granted to Non-Executive Independent Directors during the year under review.

### (C) Other Provisions as to Board and Committees

During the Year 2007-2008, four Meetings of the Board of Directors were held.

The 15th Annual General Meeting of your Company was held on 17th September 2007. The Details about the Directors, Attendance in the Board Meetings and Annual General Meeting are given below :

Name	Catagory	Board Meetings attended during the year	Attendance at the AGM held on 17/09/2007
1 Mr. S.P.Aggarwal	Chairman	4	Yes
2 Mr. Ashish Aggarwal	Whole Time Director	4	Yes
3 Mr. Alok Aggarwal	Director - Production	4	Yes
4 Mrs. Geeta Singla	Non Executive Director	4	Yes



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5	Mrs. Shikha Gupta	Non Executive Director	4	Yes
6	Mr. Ramesh Chand	Non Executive Director	4	No

NOTE : None of the Director of the Board serve as Member of more than 10 Committees nor do they chair more than 5 committees as per the requirement of the Listing Agreement.

## (D) Code of Conduct:

The basic statement constitutes the foundation of the company's Business Conduct Guidelines (BCGs.) which are globally binding uniform rules of conduct that apply to every employee of the company.

Further the Company has adopted BCGs as the Code of Conduct for Directors and Senior Management of the Company, as per the requirements of Clause 49 of the Listing Agreement. Accordingly, the application of BCGs has also been extended to the Non-executive Directors of the Company.

The Members of the Board of Directors have affirmed compliance with the BCGs applicable to them during the year ended March 31, 2008. A Certificate in this regard duly signed by Mr. S.P.Aggarwal, Mg. Director, forms part of this Annual Report.

## (E) Investors Grievance Committee:

The Registrar & Share Transfer Agent attend and redress the Investors Grievances. The Investor Grievance Committee has been constituted to attend and to redress the unresolved Investor Grievances. It receives the report of the Registrar and the Share Transfer Agent on Investor Grievance and takes necessary steps to redressed thereof.

## AUDIT COMMITTEE

The company complied with the provisions related to Audit Committee in terms of Clause 49 of the Listing Agreement and the provisions of Section 292 A of the Companies Act, 1956.

- (1) It consists of three Independent Directors who are expertise in Accounting / Financial Management expertise. The Chairman is an Independent Director. During the year 4 meetings of the Audit Committee were held. The Chairman of the Audit Committee is Mrs. Geeta Singla.
- (2) The main role of the Audit Committee is to review the Company's Financial Reporting Process & disclosure of financial information. Recommend the appointment, re-appointment and, if required, replacement of Statutory Auditors, fixation of Audit Fees and recommends its view / observations to the Board of the Company.
- (3) Review with management the annual & Quarterly statements before submission to the Board, performance of Statutory and internal auditors and adequacy of the Internal Control Systems,

## (A) REMUNERATION COMMITTEE

The Remuneration committee comprises of 3 Independent Directors. The Present Committee Consists of Mr. Ramesh Chand, Mrs. Shikha Gupta and Mrs. Geeta Singla. During the Financial Year 2007-08 four meeting were held. The gap between two Meetings did not exceed 4 months.

The terms of reference of the committee is to decide the actual salary, salary grades, overseas allowance, implementation of the performance linked incentive scheme of the company.

## (B) REMUNERATION POLICY

The Remuneration Policy of the Company is performance driven and is structured to motivate employees, recognize their merits and achievements and promote excellence in their performance.

The company does not have a scheme for stock options of its Shares either for the Directors or for the employees. The Non-executive Directors are entitled for Sitting Fees for attending Board / Committee Meetings.

Details of Remuneration paid during the year ended 31.03.2008 are as under :