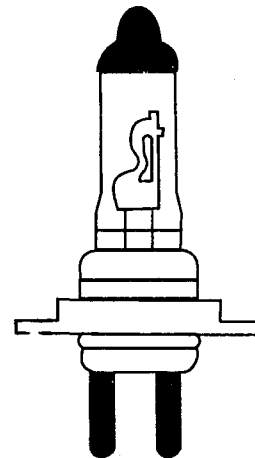


JAGAN LAMPS LTD.

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

Report  Junction.com

17TH ANNUAL REPORT 2008-2009



Jāgān *Lighting on the move.....*

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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
 T-34, 2nd Floor
 Okhla Industrial Area Phase - II
 NEW DELHI - 110020

REGISTERED OFFICE

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

BANKERS

1. STANDARD CHARTERED BANK LTD
2. CITI BANK N.A.
3. HDFC BANK LTD.
4. PUNJAB NATIONAL BANK
5. YES BANK LTD.

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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NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 17th Annual General Meeting of the Members of Jagan Lamps Ltd. will be held on Wednesday the 30th Day of September' 2009 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' 2009, Profit & Loss Account 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 until the conclusion of the next Annual General Meeting and to authorize the Audit Committee of Directors to fix their remuneration.
- 3) To appoint a Director in place of Mrs. Shikha Gupta, 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 : 08/07/2009

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 23rd day of September, 2009 to 30th day of September, 2009 (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 referred to in the accompanying notice are open 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 24/09/2009 at the Corporate office of the Company between 11:00 A.M. to 1:00 P.M. on working days.
- 7) The Conveyance for attending the annual General Meeting will start at 8.00 A.M. on 30/09/2009 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 and duly acknowledged by the Company.
- 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 are enclosed.
- 10) RE-APPOINTMENT OF DIRECTOR

Mrs. Shiekha Gupta who retires by rotation at the ensuing Annual General Meeting, and being eligible offers herself for re-appointment. Mrs. Shiekha Gupta aged 32 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. Shiekha Gupta 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 : 08/07/2009

Place : Kundli

DIRECTORS' REPORT

Dear Share Holders,

Your Directors have pleasure in presenting the Seventeenth Annual Report on the Business and Operations of the Company for the year ended March 31, 2009 and the Audited Statement of Accounts of the Company along with Auditors Report thereon.

FINANCIAL HIGHLIGHTS

Year Ended 31/03/2009

| | |
|---------------------------------------|-----------|
| Sales & Other Income | 109930588 |
| Total Expenditure | 107993196 |
| Profit before Interest & Depreciation | 5493338 |
| Interest | 0 |
| Depreciation | 3555946 |
| Net Profit | 1937392 |
| Provision for Taxes | 1531000 |
| Surplus carried to Balance Sheet | 406392 |
| EPS (Rs.) | 0.01 |

PERFORMANCE HIGHLIGHT

As you are aware that the world is facing economic crisis and the business is facing severe recession. You will be surprised that in spite of such circumstances the sales of your company has increased by about 50% as compared to the sales of the corresponding period. Further the Profit of your company has gone up by approximately 1.5 times as compared to the profit for the corresponding Year. This achievement has been made possible by the entire efforts of the staff and the management of your Company.

BUSINESS

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

OPPORTUNITIES

The Marketing Team of your company is in the process of expanding its exports in the new markets where your company is not representing at the moment.

THREATS

- Regular Increase in Energy prices, Fuel Prices, Running Cost may adversely affect the profitability of the Company.
- Increase in the cost of work force may have impact the profitability of the company.
- Slow down of the economic situation all over the world may effect the sales and profitability of your company

RISK AND CONCERN

Though the management keeps complete watch on the expenses and wastage at production level even then operating margins are under huge pressure due to increase in energy prices, raw material cost & other input costs, which are creating pressure on operating margins. It may not be possible for the company to recover the entire increase in raw materials and input costs from the customers.

SEGMENTWISE PERFORMANCE

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

LISTING OF SHARES

The Equity Shares of the Company are listed on The Bombay Stock Exchange Ltd., Mumbai, having Company Code 530711 and Delhi Stock Exchange Association Ltd., having Company Code 7355. The Listing Fees for the Financial Year 2009-10 has been paid.

INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)

The annual custodial fees for the Financial Year 2009-10 have 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., T-34, 2nd Floor Okhla Industrial Area Phase-II, New Delhi-110020" for Change of address, Physical transfer of shares, Demat requests and other investor related matters.

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 the 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 Certified for ISO 9001:2000 .

DEVELOPMENT IN HUMAN RESOURCE :

Sound Human resources development policies of the company ensures that each employee as an individual and 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 therefore being to provide them with an enabling atmosphere where they are motivated to 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, may affect the actual results, which would be different from directors report and sales in terms of future performance and outlook.

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FIXED DEPOSIT / PUBLIC DEPOSITS

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

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 observations 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.

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

sd/-

(S.P. Aggarwal)
Managing Director

Dated : 08/07/2009

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 2008-2009. The company meets the requirements 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 Directors during the year under review.

(C) Other Provision as to Board and Committees

During the Year 2008-2009, seven Meetings of the Board of Directors were held.

The 16th Annual General Meeting of your Company was held on 12th September 2008. The Details about the Directors, attendance in the Board Meetings and Annual General Meetings are given below :

| Name | Catagory | Board Meetings attended during the year | Attendance at the AGM held on 12/09/2008 |
|-----------------------|---------------------|-----------------------------------------|------------------------------------------|
| 1 Mr. S.P.Aggarwal | Chairman | 7 | Yes |
| 2 Mr. Ashish Aggarwal | Whole Time Director | 7 | Yes |

| | | | | |
|---|-------------------|------------------------|---|-----|
| 3 | Mr. Alok Aggarwal | Director - Production | 7 | Yes |
| 4 | Mrs. Geeta Singla | Non Executive Director | 5 | Yes |
| 5 | Mrs. Shikha Gupta | Non Executive Director | 4 | Yes |
| 6 | Mr. Ramesh Chand | Non Executive Director | 6 | 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, 2009. A Certificate in this regard duly signed by Mr. S.P.Aggarwal, Mg. Director, forms part of the Annual Report.

Investors Grievance Committee:

The Registrar & Share Transfer Agent attends 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 for 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. 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 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 2008-09 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.