



JAGJANANI TEXTILES LIMITED

Annual Report 2008-2009



JAGJANANI TEXTILES LIMITED

BOARD OF DIRECTORS

Mr S.G. Vyas
Mr S.K. Singhal
Mr N.K. Khurana
Mrs Shakuntala Vyas
Mr Anil Goyal
Mr Akash Bharatbhai Shah
Mr Narendra Mahajani

COMPANY SECRETARY

Mr Naresh Sharma

AUDITORS

G.Dutta & Co.
Chartered Accountants
36, New Colony,
Jaipur

REGISTERED OFFICE

S-25, Shyam Nagar,
Jaipur – 302 019.

HEAD OFFICE

F-14, Ashok Vihar,
Phase I,
Delhi – 110 052

MILLS

E-228, RIICO Industrial Area,
Bagru Extn.,
Bagru – 303 007

REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
LBS Marg
Bhandup (W), Mumbai-400 078
Tel : 022-25960320 (9 Lines)



NOTICE

NOTICE is hereby given that the 12th Annual General Meeting of the Members of JAGJANANI TEXTILES LIMITED will be held at its Registered Office at S-25 Shyam Nagar, Jaipur on Wednesday the 30th day of September, 2009 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2009 and Profit & Loss Account for the year ended on that date along with the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. S G Vyas, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Mr Anil Goyal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and if thought fit to pass the following resolution with or without modification as a Special resolution :

“RESOLVED that subject to the provisions of Section 198, 268, 269, 309, 310, 311 read with schedule XIII of the Companies Act, 1956 and subject to such other approvals as may be applicable, approval be and is hereby granted for re-appointment of Mr S G Vyas as Managing Director for a period of three years w.e.f 1st October, 2009 and to his receiving remuneration as detailed in the Explanatory Statement annexed.

RESOLVED further that the Board of Directors (hereinafter referred to as “the Board”, which expression shall be deemed to include its committee constituted for the purpose) be and is hereby authorized to increase, vary or amend the remuneration and other terms of his appointment from time to time as deemed expedient or necessary, provided however that such remuneration shall not exceed the limits prescribed under Schedule XIII thereto or any amendment or re-enactment thereof or otherwise as may be permissible from time to time.”

6. To consider and if thought fit to pass the following resolution with or without modification as a Special resolution :

“RESOLVED that subject to the provisions of Section 198, 268, 269, 309, 310, 311 read with schedule XIII of the Companies Act, 1956 and subject to such other approvals as may be applicable, and in supersession of resolution dated 30th September, 2008 passed in the AGM of the Company, approval be and is hereby granted for revision of remuneration payable to Mr S K Singhal, Whole-time Director as detailed in the Explanatory Statement annexed and his term of appointment shall be three years from 1st October, 2009.

RESOLVED further that the Board of Directors (hereinafter referred to as “the Board”, which expression shall be deemed to include its committee constituted for the purpose) be and is hereby authorized to increase, vary or amend the remuneration and other terms of his appointment from time to time as deemed expedient or necessary, provided however that such remuneration shall not exceed the limits prescribed under Schedule XIII thereto or any amendment or re-enactment thereof or otherwise as may be permissible from time to time.”

By Order of the Board

Place : Jaipur

Date : 01/08/2009

(NARESH SHARMA)

COMPANY SECRETARY



JAGJANANI TEXTILES LIMITED

NOTES:

- (i) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The proxy form should be lodged with the Company at its Registered Office at least 48 hours before the time of the Meeting.
- (ii) The information pursuant to Corporate Governance Clause of the Listing Agreement regarding the directors seeking appointment/rc-appointment in the Annual General Meeting as proposed in item no. 5 & 6 of the Notice is also being annexed hereto separately and forms part of the Notice.
- (iii) The Register of Members and the Share Transfer Books of the Company shall remain closed from 23rd September, 2009 to 30th September, 2009.
- (iv) The Members holding shares in physical mode are requested to notify the change in their address, if any, at the earliest to the Registrar & Transfer Agent/Company. However members, holding shares in electronic mode may notify the change in their address, if any, to their respective Depository Participants.
- (v) Members desiring any information, as regards Accounts, are requested to write to the Company at its Registered Office at least 10 days before the date of Annual General Meeting so as to enable the Management to keep the information ready.
- (vi) Members are requested to bring their copy of Annual Report along with them to the Annual General Meeting.
- (vii) Members holding shares in the same/identical name(s) under different folios are requested to apply for consolidation of such folios and send relevant share certificates to the Company/Registrar and Transfer Agent.

By Order of the Board

(NARESH SHARMA)
COMPANY SECRETARY

Place : Jaipur
Date : 01/08/2009



JAGJANANI TEXTILES LIMITED

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****Item 5.**

Mr S G Vyas was appointed as the Whole-Time Director of the Company for a period of five years with effect from 1st October, 2004. His term of appointment expires on 30th September, 2009. Directors at their meeting held on 30th June, 2009 have approved his re-appointment as the Managing Director of the company for a further period of three years with effect from 1st October, 2009, subject to necessary approvals, as may be required. The remuneration committee constituted by the Board has subject to necessary consents approved the following remuneration :

Basic Salary : Rs. 100,000/- per month.

Perquisites : Besides the above salary, Mr S G Vyas shall be entitled to the perquisites which may include accommodation/HRA, reimbursement of expenses of gas, electricity, water and furnishings, medical insurance for self and family, LTC, PF and Superannuation, Car with driver for official use and Telephone for official use.

None of the Directors, except the appointee himself and Mrs Shakuntala Vyas who is related to him as wife, may be deemed to be concerned or interested in the said resolution.

Item 6

Mr S K Singhal was appointed as the Whole-Time Director of the Company for a period of five years with effect from 1st June, 2008. Directors at their meeting held on 30th June, 2009 have approved revised remuneration payable to him w.e.f 1st October, 2009 and his term of appointment will expire on completion of three years from 1st October, 2009, subject to necessary approvals, as may be required. The remuneration committee constituted by the Board has subject to necessary consents approved the following remuneration :

Basic Salary : Rs. 100,000/- per month.

Perquisites : Besides the above salary, Mr S K Singhal shall be entitled to the perquisites which may include accommodation/HRA, reimbursement of expenses of gas, electricity, water and furnishings, medical insurance for self and family, LTC, PF and Superannuation, Car with driver for official use and Telephone for official use.

None of the Directors, except the appointee himself may be deemed to be concerned or interested in the said resolution.

Information pursuant to corporate governance clause of the Listing Agreement regarding the Directors seeking appointment/re-appointment in the Annual General Meeting.

Name of the Director	Mr. S G Vyas	Mr. Anil Goyal
Date of Birth	05.04.1953	06.06.1962
Date of appointment	01.04.1997	25.07.2006
Expertise in specific or more functional area	Industrial & business experience of more than 31 years.	Financial expert
Qualification	Chartered Accountant	Chartered Accountant
Directorships of other Companies as on 31 st March, 2009	Nil	MIC Electronics Ltd.
Chairman/Member of Committees of other Companies as on 31 st March, 2009	Nil	Nil
No. of shares held	10,60,000	Nil



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CORPORATE GOVERNANCE REPORT

This Report on Corporate Governance forms part of the Annual Report. Your Company is committed to follow prevalent laws, rules, guidelines and good corporate practices to meet its obligation to optimize value for all stakeholders and fulfill its responsibilities to the society at large. It is a constant endeavour of your Company to enhance long-term shareholders' value by achieving excellence through efficient conduct of business. We are committed to transparency and ethics in running our business.

1. COMPANY'S PHILOSOPHY

- Faith in sustainable economic growth of India and its textile industry.
- Introduction of the best available technology for creation of world class production facilities to produce globally acceptable quality products.
- Customer orientation at all levels of operations for total satisfaction of buyers from our products and services.
- Involvement of employees at all levels for best work practices, knowledge enrichment, innovations and personal satisfaction.

2. BOARD OF DIRECTORS :

- a) Board Meetings :
During the financial year 2008-09 Board Meetings were held 30.4.2008, 20.6.2008, 31.7.2008, 21.8.2008, 30.8.2008, 3.9.2008, 30.10.2008, 9.1.2009, 30.1.2009 and 24.2.2009.
- b) Composition as on March 31st, 2009 :
The Board of Directors comprises of two Whole-time Directors, one Non Executive and four Non Executive & Independent Directors.



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The composition of the Board of Directors and their attendance at the Board Meetings during the year and at last Annual General Meeting of the Company as also the number of Directorship/Chairmanship of Board and Chairmanship/Membership of Committees (as stipulated in clause 49 of the listing agreement) of other Indian Public Limited Companies are as follows :

Name of Director	Designation & Category	No. of Board meetings attended	Attendance at last AGM	Total no. of Directorships in other companies	No. of committee memberships in other companies	Total No. of Board Chairmanship in other Companies	Total No. of Committee Chairmanship in other Companies
Mr. S G Vyas	Whole time Director	10	Yes	Nil	Nil	Nil	Nil
Mr. S K Singhal	Whole time Director	10	Yes	Nil	Nil	Nil	Nil
Mr. N K Khurana	Non-Executive and Independent Director	6	No	Nil	Nil	Nil	Nil
Mr. Anil Goyal	Non-Executive and Independent Director	2	No	One	Nil	Nil	Nil
Mr. Akash Bharatbhai Shah	Non-Executive and Independent Director	6	No	Nil	Nil	Nil	Nil
Mrs. Shakuntala Vyas	Non-Executive and Non-Independent Director	10	Yes	Nil	Nil	Nil	Nil
Mr Narendra Mahajani	Non-Executive and Independent Director	6	No	Nil	Nil	Nil	Nil

Notes :

- Number of directorships excluding directorship in foreign company, alternate directorships, companies registered under Section 25 of the Companies Act, 1956 and private companies.
- Committee includes Shareholders'/Investors' Grievance Committee and Audit Committee.
- None of the directors is related to any other director except Mr S G Vyas and Mrs Shakuntala Vyas.

Disclosure of Change

Since the date of last AGM, Mr H K Agarwal has resigned from the Directorship of the Company.



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3. AUDIT COMMITTEE :

As at 31st March, 2009, the Audit Committee comprised of following Directors. The terms of reference of the Audit Committee are as contained in Section 292A of the Companies Act, 1956 and also as contained in Corporate Governance Clause of the Listing Agreement.

Sr.No	Name of Director	Designation	Nature of Directorship
1.	Mr Narendra Mahajani	Chairman	Non-Executive, Independent
2.	Mr N K Khurana	Director	Non-Executive, Independent
3.	Mrs Shakuntala Vyas	Director	Non-Executive, Non-Independent

The Audit Committee met six times during the financial year 2008-09 on 30.4.2008, 31.7.2008, 30.8.2008, 3.9.2008, 30.10.2008 and 30.1.2009. All the members of the Audit Committee attended all the meetings.

4. SHAREHOLDING OF DIRECTORS AS ON 31.3.2009

The shareholding of the Directors in the Equity Share Capital of the Company is given as follows:

Name of Directors	Number of Shares held
Mr. S G Vyas	10,60,000
Mr. S K Singhal	20,60,000
Mrs. Shakuntala Vyas	20010

No other Director holds any share in the Equity Share Capital of the Company.

5. SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE :

The Shareholders'/ Investors' Grievance Committee consisting of the following Directors as Members.

Sr.No	Name of Director	Designation	Nature of Directorship
1.	Mrs. Shakuntala Vyas	Chairman	Non-Executive, Non-Independent
2.	Mr. N K Khurana	Director	Non-Executive, Independent
3.	Mr. Akash Bharatbhai Shah	Director	Non-Executive, Independent

The Shareholders'/ Investors' Grievance Committee met 6 times during the year 2008-09 on 30.4.2008, 31.7.2008, 30.8.2008, 3.9.2008, 30.10.2008 and 30.1.2009. The Compliance Officer for this Committee is Mr Naresh Sharma, Company Secretary.

During the financial year 2008-09, the Company received no complaint from investor.



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6. GENERAL BODY MEETINGS:

The details of General Body Meetings held during the last three financial years are given as follows:

Meeting	Day, Date and Time of the Meeting	Venue	No. of Special Resolutions
11 th Annual General Meeting for the financial Year ended 31 st March, 2008	Tuesday, 30 th September, 2008	Regd Office : S-25, Shyam Nagar Jaipur - 302019 (Rajasthan)	-
10 th Annual General Meeting for the financial Year ended 31 st March, 2007	Saturday, 29 th September, 2007	Regd Office : S-25, Shyam Nagar Jaipur - 302019 (Rajasthan)	-
9 th Annual General Meeting for the financial Year ended 31 st March, 2006	Wednesday, 27 th September, 2006	Regd Office : S-25, Shyam Nagar Jaipur - 302019 (Rajasthan)	2
Extra ordinary General Meeting	Friday, 25 th August, 2006	Regd Office : S-25, Shyam Nagar Jaipur - 302019 (Rajasthan)	2

7. DISCLOSURES :

During the year, there was no transaction of material nature with the Directors, management and their relatives etc. that have any potential conflict with the interest of the Company at large except, as disclosed under the related party transaction as per the Accounting Standard 18 Related Party Disclosures' issued by the Institute of Chartered Accountants of India which are set out in the Annual Report. Also there has not been any non-compliance by the Company in respect of which penalties or strictures were imposed by the Stock Exchange, the Securities and Exchange Board of India or any other statutory authority during the last three years. In preparation of the financial statements, the Company has followed the Accounting standards issued by ICAI. The significant accounting policies which are consistently applied have been set out in the Notes to the Accounts.

Further, the Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement. The Company may also take up the non-mandatory requirements of Clause 49 in due course of time.

8. MEANS OF COMMUNICATION:

The Company communicates with the shareholders at large through its Annual Reports, publication of financial results, press releases in leading newspapers and by filing of various reports and returns with the Statutory Bodies like Stock Exchanges and the Registrar of Companies. The Quarterly Financial Results are published in prominent daily newspapers.



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GENERAL SHAREHOLDERS' INFORMATION

I. 12th Annual General Meeting

Date : 30th September, 2009
 Time : 11.00 AM
 Venue : Regd Office :
 S-25, Shyam Nagar, Jaipur-302019 (Rajasthan)

ii) Financial Calendar 2009-10

First Quarter Results : July, 2009
 Second Quarter Results : October, 2009
 Third Quarter Results : January, 2010
 Annual Results : June, 2010

iii) Dates of Book Closure : 23/09/2009 to 30/09/2009

iv) Dividend payment date : No dividend has been recommended
 by the Board of Directors
 v) Listing : The equity shares of the company are
 listed on Bombay Stock Exchange
 Limited, Mumbai (BSE)

The Company has duly paid the listing fee to the aforesaid Stock Exchange for the financial year 2009-10.

vi) Stock Code :
 The Bombay Stock Exchange Limited, Mumbai (BSE) : 532825

vii) Stock Market Data :

Financial Year 2008-09	Share prices of Jagjanani Textiles Limited		BSE Sensex	
	Highest (Rs)	Lowest (Rs)	Highest	Lowest
April, 08	7.99	7.61	17480.74	17241.88
May, 08	7.81	7.40	17735.70	16196.02
June, 08	7.81	7.40	16632.72	13405.54
July, 08	6.16	5.81	15130.09	12514.99
Aug., 08	5.88	5.64	15579.78	14002.43
Sept., 08	5.88	5.64	15107.01	12153.55
Oct., 08	3.05	2.82	13203.86	7697.39
Nov., 08	3.49	3.02	10945.41	8316.39
Dec., 08	3.05	3.01	10188.54	8467.43
Jan., 09	3.05	3.01	10469.72	8631.60
Feb., 09	2.80	2.54	9724.87	8619.22
Mar., 09	2.64	2.08	10127.09	8047.17