

PITHAMPUR POLY PRODUCTS LIMITED

11th ANNUAL REPORT FOR THE FINANCIAL YEAR 2008-09

COMPANY REGISTRATION NO: 008513

CIN NO: L25202MP1994PLC008513



REGISTERED OFFICE:

115, SECTOR III, INDUSTRIAL AREA, PITHAMPUR, DHAR, MADHYA PRADESH, INDIA

CORPORATE OFFICE:

2ND FLOOR, ALANKAR POINT, GEETA BHAWAN, SQUARE, INDORE, MADHYA PRADESH, INDIA

email: pppl@sancharnet.in

PITHAMPUR POLY PRODUCTS LIMITED

ELEVENTH ANNUAL GENERAL MEETING PROGRAMME

DATE	30 TH SEPTEMBER, 2009
DAY	Tuesday
TIME	11.00 A.M.
VENUE	115, Sector III, Industrial Area, Pithampur, Dhar, Madhya Pradesh, India

NOTE TO SHAREHOLDER:

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

AUDITORS

M/s. C P Rawka Agarwal & Co.

Chartered Accountants

403, Arcade Silver, 56

1, New Palasia, Indore (M.P.)- 452001

REGISTRAR AND SHARE TRANSFER AGENTS

M/s Ankit Consultancy Private Limited

Fairdeal Building, 2, A B Road, Gita Bhawan Square,

Indore (M.P.)- 452001

Phone- 0731 4077277-8



LISTING AT

Bombay Stock Exchange Limited

P.J. Towers, Dalal Street Fort, Mumbai

Pin Code 400 001, INDIA

Madhya Pradesh Stock Exchange Ltd.,

Rajani Bhawan, 3rd Floor, M. G. Road,

Opp. High Court,

INDORE 452 002.

The Stock Exchange, Ahmedabad

Kamdhenu Complex, Opp. Sahajanand College,

Panjarapole, Ambawadi,

AHMEDABAD-380001.

Madras Stock Exchange Ltd.,

11 Second Line Beach, Post Box No. 183,

MADRAS 600 001.

TWELTH ANNUAL GENERAL MEETING (2008-2009)

BOARD OF DIRECTORS

R.K.TEKRIWAL	Chairman & Managing Director
SHARAD DUBEY	IND. NON-EXE-Director
VISHWANATH KANUNGO	IND. NON-EXE-Director
PROVAT K.CHAKRAVORTY	IND. NON-EXE-Director
MANSHARAM BIRLA	IND. NON-EXE-Director

Auditors

C.P.Rawka & Co.,
Chartered Accountants
403, Arcade Silver, 56
1, New Palasia, Indore(MP)-452001

Registered Office

115, Sector -III, Industrial
Area, Pithampur
Dist- Dhar(MP)

Registrars & Transfer Agents

M/S. Ankit Consultancy Pvt.Ltd.,
2nd Floor, Alankar Point,
Geeta Bhavan Square,
Indore(MP)-452001
PH- 0731-2491298

Corporate Office

Fairdeal Building,
2, A.B.Road, Gita Bhavan
Square, Indore(MP)-452001
Ph-0731-4077277-78

NOTE : Shareholders are requested to bring their copy of the Annual Report with them to the Annual General Meeting.

NOTICE

NOTICE is hereby given that the 12th Annual General Meeting of the members of Pithampur Poly Products Limited will be held on Tuesday, the 30th September 2009, at 11.00 a.m. at its Registered Office at 115, Sector – III, Industrial Area, Pithampur, Dist-Dhar(MP), to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date together with the Auditors and Directors Report thereon.
2. To appoint a Director in place of Mr. Sharad Dubey, Director of the Company who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

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

“Resolved that Provat Kumar Chakravorty, who was appointed as an Additional Director of the Company on 17/06/2009 pursuant to the provisions of Section 260 of the Companies Act, 1956 and who holds such office up to the date of ensuing Annual General Meeting of the Company and in respect of whom the company has received a notice in writing from a member under section 257 of the companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.”

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

“Resolved that Mansharam Birla, who was appointed as an Additional Director of the Company on 17/06/2009 pursuant to the provisions of Section 260 of the Companies Act, 1956 and who holds such office up to the date of ensuing Annual General Meeting of the Company and in respect of whom the company has received a notice in writing from a member under section 257 of the companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.”

PITHAMPUR POLY PRODUCTS LIMITED

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. THE PROXY FORM SHOULD BE DEPOSITED AT THE REGD. OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and Share Transfer book of the company will remain closed from 27th September, 2009 to 30th September 2009 (both days inclusive).
4. Share holders are requested to go for DEMAT of their shares immediately as the Company has appointed M/S. Ankit Consultancy Pvt.Ltd., Indore(MP) (SEBI APPROVED R & T AGENT) for handling share transfer job and also for maintaining electronic connectivity with CDSL who have allotted ISIN ACTIVATION NUMBER AS – ISIN No.- INE747D01012 . Members are also required to intimate change in their addresses, if any, immediately to M/S. ANKIT CONSULTANCY PVT.LTD., INDORE.
5. Members desirous of making nomination in terms of Section 109A of the Act, 1956 in respect of their shareholding may approach the Registrar for assistance, Shareholders holding shares in electronic form may approach their DP with whom they maintain their account for nomination.
6. Details required under Listing Agreement with the Stock Exchanges in respect of Directors seeking re-appointment at this AGM, is stated hereinbelow :-

Item No.2 of the Notice:

Name	: MR. SHARAD DUBEY
Age	: 77 Years
Qualification	: B.COM., M.B.A.
Expertise	: FINANCIAL & INVESTMENT MATTER
Date of Appointment	: 31/07/2001

By order of the Board

For PITHAMPUR POLY PRODUCTS LIMITED

Place : PITHAMPUR
Date : 04-09-2009

Sd/-
RAJENDRA KUMAR TEKRIWAL
CHAIRMAN

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EXPLANATORY STATEMENT U/S 173(2) OF THE COMPANIES ACT, 1956

Item no. 4

Provat Kumar Chakravorty, was appointed by the Board of Directors of the Company as an additional Director w.e.f from 17/06/2009 pursuant to the relevant provisions of the Companies Act, 1956 and under the Articles of the Article of Association of the company and he holds such office only upto the date of this Annual General Meeting. Particulars about him are given in para 2 of the Corporate Governance Report. A notice in writing has been received u/s. 257 of the Companies Act, 1956 along with a deposit of Rs.500/- from a member signifying his intention to propose his appointment as Director of the Company liable to retire by rotation. Your Board of Directors are of the opinion that with the appointment, the company will be benefited a lot and hence commends the resolution for approval.

None of the Director of the company is concerned or interested in the resolution except Provat Kumar Chakravorty.

Item no. 5

Mansharam Birla, was appointed by the Board of Directors of the Company as an additional Director w.e.f from 17/06/2009 pursuant to the relevant provisions of the Companies Act, 1956 and under the Articles of the Article of Association of the company and he holds such office only upto the date of this Annual General Meeting. Particulars about him are given in para 2 of the Corporate Governance Report. A notice in writing has been received u/s. 257 of the Companies Act, 1956 along with a deposit of Rs.500/- from a member signifying his intention to propose his appointment as Director of the Company liable to retire by rotation. Your Board of Directors are of the opinion that with the appointment, the company will be benefited a lot and hence commends the resolution for approval.

None of the Director of the company is concerned or interested in the resolution except Mansharam Birla.

By order of the Board

For PITHAMPUR POLY PRODUCTS LIMITED

Place : PITHAMPUR
Date : 04-09-2009

Sd/-
RAJENDRA KUMAR TEKRIWAL
CHAIRMAN

DIRECTORS' REPORT TO THE MEMBERS

To,
The Members of the Company,

Your Directors have pleasure in presenting before you the 12th ANNUAL REPORT of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2009.

FINANCIAL RESULTS	(Amt . Rs. In Lakhs)	
	2007-2008	2007-2008
Sales / Income	347.99	699.30
Total Expenses	443.38	676.96
Profit Before Tax	(95.39)	22.34
Profit after Tax	(95.39)	22.34

FINANCIAL & OPERATIONAL HIGHLIGHTS

The Financial results of the Company has been stated in the B/S & P & L A/C attached herewith.

DIVIDEND

The Board of Directors of the Company has not declared any dividend for 2008-09.

FIXED DEPOSITS

The Company has not accepted deposits from the public during the year attracting the provisions of section 58A of the Co. Act, 1956 and Rules framed there under.

AUDIT COMMITTEE

The Company has formed an Audit committee comprising of three directors. The terms of the reference of the committee are in line with the requirements specified u/s. 292A of the Co-Act, 1956 and Corporate Governance as stated in Clause 49 of the Listing Agreement.

DIRECTORS

During the year under review, Mr. Sharad Dubey will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

In addition to this, Mr. P.K.Chakravorty and Mansharam Birla have been appointed as additional directors of the company.

AUDITORS

Members have to appoint auditors for the current financial year and to fix remuneration. M/s. C.P.Rawka & Co., Chartered Accountants Indore, the retiring auditors of the company, is eligible for reappointment. Their appointment, if made, will be within the prescribed limit specified under section 224(1B) of the Companies Act, 1956 as intimated by the said firm to the Company.

During the year, the auditors firm has been reconstituted and hence the firm name became changed from M/s Rawka Agrawal & Co. to M/s C.P.Rawka & Co. hence in the opinion of the Board of Directors of the Company, there is no change in Auditors of the Company.

PARTICULARS OF EMPLOYEES

There was no employee in the Company whose particulars are required to be furnished as per section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended upto date.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO.

Pursuant to section 217(1)(a) read with the Co.(Disclosures of particulars in the Report of Board of Directors) Rules,1988 , the details are as under :-

(A)	CONSERVATION OF ENERGY POWER & FUEL	08-09 59,82,386	07-08 92,72,005
(B)	TECHNOLOGY ABSORPTION	NIL	NIL
(C)	EARNING AND EXPENSES IN FOREIGN EXCHANGE		
	Earning in Foreign Currency	Rs. NIL	Rs. 1,29,68,966
	Expenditure in Foreign Currency	Rs. 8,873	Rs. 2,13,689

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby report:

- that in the preparation of annual accounts, the applicable accounting standards have been followed;
- and such accounting policies have been selected and applied consistently and judgements and estimates made that are responsible and prudent so as to give

PITHAMPUR POLY PRODUCTS LIMITED

true and fair view of the state of affairs of the Company at the end of the financial year and of the losses of the Company for that period;

- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities:
- (d) that annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE AND COMPLIANCE

A report on corporate governance along with Management Discussion and Analysis is annexed to this report. A certificate from Practising Company Secretary with regards to the compliance of the corporate governance as stipulated in Clause 49 of the Listing Agreement by the company is annexed to this report.

The company has fully complied with all mandatory requirements prescribed under Clause 49 of the listing agreement. In addition, the company has also implemented some of the non mandatory provisions of Clause 49.

LISTING

The equity share of the company are listed on the Stock Exchange at Indore, Mumbai, Ahmedabad, Chennai.

ACKNOWLEDGEMENT

Your Directors wish to express their sincere appreciation for the co-operation and support received from Banks, shareholders, customers, sub-contractors, suppliers, Officers and other employees of the Company throughout the year.

Place : PITHAMPUR
Date : 04-09-2009

For and on behalf of
The Board of Directors

Sd/-
Rajendra Kumar Tekriwal
CHAIRMAN

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY

The Company firmly believes that corporate governance and compliance practices are of paramount importance in order to maintain the trust and confidence of the stakeholders, clients, the good reputation of the Company and the unquestioned integrity of all personnel involved in the Company. To ensure transparency, fairness and objectivity in an organisation's functioning, the Company has proactively adopted best practices with regard to corporate governance and compliance, which are ahead of regulatory requirements. The Company's policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, inter alia, priority to clients' interest over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

2. BOARD OF DIRECTORS COMPOSITION AND CATEGORY

The Board of Directors of the Company consists of persons with considerable expertise and experience in the manufacturing industry, finance & management. The Board of Directors of the Company consists of five Directors including the Executive Chairman. Out of 5, 4

directors are non-executive independent directors. The Company does not have any pecuniary relation or transaction with Non-Executive Independent Directors during the year under review.

BOARD PROCEDURE

A detailed Agenda folder was sent to each Director in advance (generally before 7 to 10 days) of Board and committee meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director briefed the Board at every meeting on the financial performance of the Company up to last completed month as against the budget/revised budget of the year. Presentations are made by the Managing Director about the financial, operational performance and market scenario. The Board also reviewed:

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment plans of the company
- Compliance with statutory/regulatory requirements and review of major legal issues.
- Adoption of quarterly / half yearly / annual results (after recommendation of Audit Committee where required).
- Significant labour problems
- Major accounting provisions and write-offs.
- Details of joint venture or Collaboration Agreement