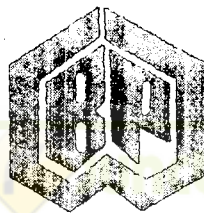


# **BHAGYANAGAR WOOD PLAST LIMITED**



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**20<sup>th</sup>**  
**ANNUAL REPORT**  
**2007-08**

**BOARD OF DIRECTORS (As on 23rd June 2008)**

Sri. N. Kishan Reddy	<i>Chairman and Managing Director</i>
Sri. N. Srinath Reddy	<i>Whole Time Director</i>
Sri. G. Raja Reddy	<i>Director</i>
Sri. T. Naveena Chandra	<i>Independent Director</i>
Sri. S. Krishna Prasad	<i>Independent Director</i>
Sri.G.Indrasena Reddy	<i>Independent Director</i>

**AUDITORS**

V.Sridhar & Co.,  
Chartered Accountants,  
Hyderabad.

**BANKERS**

State Bank of Hyderabad  
Commercial Branch,  
Sardar Patel Road,  
Secunderabad – 500 003

**REGISTERED OFFICE**

Vth Floor, KPR House,  
Sadar Patel Road,  
Secunderabad 500 003.

**WORKS**

Nandikandi Village  
Sadashivpet Mandal,  
Medak District.  
Andhra Pradesh.

# Bhagyanagar Wood Plast Limited

## NOTICE

Notice is hereby given that the Twentieth Annual General meeting of the members of M/s. Bhagyanagar Wood Plast Limited will be held at 10 A.M. on Tuesday the 30<sup>th</sup> day of September 2008 at Nagarjuna Function Hall, Nagarjuna Nagar, Yellareddyguda (back side of Chermas show room), Ameerpet, Hyderabad-500 073, to transact the following business.

### A. ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the company as at 31<sup>st</sup> March 2008 and the Profit and Loss Account of the company for the year ended on that date together with the reports of the Auditors and the Directors thereon.
2. To appoint director in place of Sri. N. Srinath Reddy, who retires by rotation at the conclusion of the ensuing Annual General Meeting and being eligible, offers himself for re-appointment and to pass the following resolution with or without modifications as Ordinary Resolution.

"RESOLVED THAT pursuant to provisions of Sections. 198, 169, 309 and other applicable provisions if any, of the Companies Act, 1956, Sri. N. Srinath Reddy be and is hereby appointed as Director of the Company on the following terms of remuneration and his period of office shall be liable to retirement by rotation".

- i. Salary : Rs. 10,000/- per month.
- ii. Perquisites
  - a. Medical Re-imbursement for self and family (consisting of self, spouse, dependent children and dependent parents) subject to a maximum of one months salary over one year or three months salary over a period of three years.
  - b. Telephone at Residence (this does not include personal long distance calls which, if made, shall be billed separately by the company).
  - c. Contribution to Provident Fund as per rules of the Company.

3. To appoint director in place of Sri. G. Indrasena Reddy, Director of the company, who retires by rotation at the conclusion of the ensuing Annual General Meeting and being eligible, offers himself for reappointment.
4. To appoint director in place of Sri. T. Naveena Chandra, Director of the company, who retires by rotation at the conclusion of the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration and if thought fit to pass with or without modifications the following resolution as an Ordinary Resolution.

"RESOLVED THAT M/s V. Sridhar & Co., Chartered Accountants, Hyderabad, the retiring Statutory Auditors of the Company be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and the Managing Director Sri. N. Kishan Reddy, be and is hereby authorized to fix their remuneration in consultation with them".

By order of the Board  
For Bhagyanagar Wood Plast Limited

N.Srinath Reddy  
Whole Time Director

Place: Secunderabad.  
Date: June 23, 2008.

## Bhagyanagar Wood Plast Limited

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### Notes

1. A member eligible to attend and to vote at the meeting is entitled to appoint a proxy and much proxy need not be a member of the company. Proxies in order to be effective must be received by the company, not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from September 22<sup>nd</sup>, 2008 to September 30<sup>th</sup> 2008 (Both days inclusive).
3. Members are requested to bring their copies of Annual Report to the meeting along with original attendance slips duly filled.
4. Members are requested to notify any change in their addresses to the Share Transfer agents M/s. Satguru Management Consultants Private Limited. Members whose shareholdings are in De-mat form are requested to send the intimation for change of address to their respective depository participant.
5. To avoid entry of unauthorized persons into the meeting premises, the signature of the members shall be verified with the specimen signature recorded with Company at the entrance of the Venue. Inconvenience to members in this regard is highly regretted. The members are requested to carry their folio number with them.

# Bhagyanagar Wood Plast Limited

## INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT REGARDING REAPPOINTMENT OF DIRECTORS.

Name of the Director	: N. Srinath Reddy
Date of Birth	: 14-05-1966
Date of Appointment	: 25-09-1997
Special Expertise	: Marketing and General Administration
Qualifications	: M.B.A
Directorships of other Companies as on 31 <sup>st</sup> March 2008	: NIL

Name of the Director	: G. Indrasena Reddy
Date of Birth	: 07-04-1945
Date of Appointment	: 30-07-2003
Special Expertise	: Technical
Qualifications	: B.E.
Directorships of other Companies as on 31 <sup>st</sup> March 2008	: Sri Venkateswara Pipes Limited

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Name of the Director	: Sri. T. Naveena Chandra
Date of Birth	: 28-11-1960
Date of Appointment	: 15-06-2001
Special Expertise	: Experience in Regulatory Framework and Audit and Internal Controls
Qualifications	: Chartered Accountant
Directorships of other Companies as on 31 <sup>st</sup> March 2008	: Balaji Amines Limited.

N.Srinath Reddy  
Whole Time Director

Place: Secunderabad  
Date: June 23, 2008.

# Bhagyanagar Wood Plast Limited

## DIRECTORS' REPORT

To the Members of Bhagyanagar Wood Plast Limited,  
Secundrabad.

The Directors present herewith the Twentieth Annual Report on the affairs of the company along with the report of the Auditors on the accounts of the company for the Financial Year 2007-08.

## FINANCIAL RESULTS AND PERFORMANCE

The performance of the company is summarised as under;

Particulars	Rupees in lacs	
	Current year	Previous year
Sales and other Income	836.04	837.46
Profit before interest, depreciation and tax	41.56	41.97
Interest	11.91	9.08
Profit before depreciation and tax	29.66	32.89
Depreciation	27.56	30.33
Profit before tax for the current year	2.10	2.56
Profit after tax for the current year	0.12	4.71
Reserves as at the end of the year	205.97	205.84
Share Capital	565.33	565.33
Earnings per share	0.02	0.04

## MANAGEMENT DISCUSSION, ANALYSIS AND OPERATIONS

### OPERATIONS OF 2007-08 AND FUTURE OUTLOOK

The Company has in the earlier year stated that some strategic mergers or acquisitions need to be planned and implemented so as to take the operations to a higher league and in this direction negotiation with Sri. Venkateswara Pipes Limited have been made for a proposed merger. The boards of Directors of both the companies approved the proposed merger and an announcement to this effect has been made in the month of June 2008. The company is in the process of evolving an appropriate scheme of merger.

The company has posted a turnover of Rs.8.36 crores more or less same as in the previous year however the increase in the cost of operations at this lever of turnovers has had an adverse effect on the profitability of the company and the company could post a profit of Rs.0.12 lacs in the current year as against Rs.4.71 lacs in the previous year.

The management is confident that in the current year the proposed plans specially the strategic alliances and merger will take the company to better strengths. The management will approach the members for the required permissions and sanctions in due course of time.

#### **DISCLOSURE**

The Directors are required to disclose certain information in their report with respect to Technology Absorption, Energy Conservation and Foreign Exchange Earnings and Outgo. These particulars are disclosed in the Annexure to this report.

#### **RESPONSIBILITY STATEMENT (SECTION 217 (2AA) OF THE COMPANIES ACT, 1956**

- a. The accounting standards to the extent applicable to the company have been followed in the preparation of the annual accounts. There are no material departures there-from.
- b. The accounting policies selected by the Board for the purpose of preparation and presentation of the financial statements have been and are being applied consistently and reasonable and prudent the judgements and estimates (wherever applicable) have been made, for the said purpose, so as to give a true and fair view of the affairs of the company as at end of the financial year under review and of the profit for the said year.
- c. Proper and sufficient care has been taken 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.
- d. The annual accounts have been prepared on going concern basis.



## Bhagyanagar Wood Plast Limited

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### DIRECTORS

Sri. N. Srinath Reddy, Sri. G. Indrasena Reddy and Sri. T. Naveena Chandra, Directors of the company retire by rotation at the conclusion of the ensuing Annual General Meeting and being offer themselves for reappointment.

### REPORT ON CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement, a report on corporate governance is annexed and form part of the Directors Report.

### AUDITORS

Messrs V. Sridhar & Co., Chartered Accountants, Hyderabad, the Auditors of the company retire at the conclusion of the ensuing annual general meeting and are eligible for reappointment.

### EMPLOYEES

There are no employees on the rolls of the company whose particulars are required to be disclosed in the report of the Directors pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956.

### ACKNOWLEDGEMENTS

The Board of Directors place on record their appreciation of the support extended to the company by State Bank of Hyderabad, the Bankers to the company, the employees and customers of the company and to all the shareholders.

On behalf of the Board

**N.KISHAN REDDY**

Chairman

Secunderabad, June 23, 2008.

**ANNEXURE TO DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2007-08**

	<b>Current Year</b>	<b>Previous Year</b>
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**A. CONSERVATION OF ENERGY**

Electricity

Units Purchased	<b>4,48,825</b>	4,57,406
Total cost (Rupees) gross	<b>20,01,759</b>	20,40,389
Rate per unit (Rupees)	<b>4.46</b>	4.46

Energy Conservation measures taken and impact thereof

No substantial investments have been made in this year in this regard.

**B. TECHNOLOGY ABSORPTION:** Not applicable

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign Exchange Earnings: US Dollars Nil from Software Exports (Previous year US Dollars NIL)

Foreign Exchange Outgo: **NIL** (Previous Year – 19,140 US \$) towards traveling.

On behalf of the Board

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**N.KISHAN REDDY**

**Chairman**

Secunderabad, June 23, 2008.