

NOTICE

Notice is hereby given that the 22nd Annual General meeting of the members of M/s. Bhagyanagar Wood Plast Limited will be held at 10 A.M. on Thursday, the 30th September 2010 at Nagarjuna Function Hall, Nagarjuna Nagar, Yellareddyguda (back side of Chemias show room), Ameerpet, Hyderabad-500 073 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2010 and the Profit and Loss Account of the company for the year ended on that date together with the reports of the Auditors and 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 him self for re-appointment.
3. To appoint director in place of Sri T. Naveen Chandra, who retires by rotation at the conclusion of the ensuing Annual General Meeting and being eligible, offers him self for re-appointment.
4. To appoint Auditors and fix their remuneration and if thought fit to pass with or without modifications the following resolution as Ordinary Resolution

"RESOLVED THAT M/s V. Sridhar & Co., Chartered Accountants, Hyderabad, the retiring Auditors of the Company be and are hereby re-appointed as Auditors of the Company for the financial year 2010-2011 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 Ltd.,

N. Kishan Reddy,
Managing Director

Place: Secunderabad
Date : 31.05.2010

NOTES

1. A member eligible to attend and to vote at the meeting is entitled to appoint a proxy and such 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 22nd September 2010 to 30th September 2010 (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 Pvt., Limited. Members whose shareholdings are in D-MAT form are requested to send the information for change of address to their respective depository participant.
5. To avoid entry of un-authorized persons into the meeting premises, the signature of the members shall be verified with the specimen signature recorded with the Company at the entrance of the venue. Inconvenience to members in this regard is highly regretted. The members are advised to carry their photo 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	:	14-05-1968
Date of Appointment	:	25-09-1997
Special Expertise	:	Marketing & General Administration
Qualifications	:	MBA
Directorships of other Companies as on 31 st March 2010	:	NIL

Name of the Director	:	T. Naveen Chandra
Date of Birth	:	28-11-1960
Date of Appointment	:	15-06-2001

Special Expertise	:	Finance
Qualifications	:	CA
Directorships of other Companies as on 31 st March 2010	:	1) Balaji Amines Limited 2) Saketa Consultancy Ltd 3) Saketa Fin Stock Pvt. Ltd 4) PHJ Securities Pvt. Ltd

N. Kishan Reddy
Managing Director

Place: Secunderabad
Date: 31.05.2010

Bhagyanagar Wood Plast Limited

DIRECTORS' REPORT

To the Members of Bhagyanagar Wood Plast Limited,
Secunderabad.

The Directors present herewith the Twenty Second 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 2009-10.

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	655.29	1026.21
Profit before interest, depreciation and tax	(106.02)	43.11
Interest	5.55	15.68
Profit before depreciation and tax	(111.57)	27.23
Depreciation	(2.10)	(26.39)
Profit before tax for the current year	(113.67)	0.84
Profit after tax for the current year	(71.31)	3.45
Reserves as at the end of the year	138.11	209.41
Share Capital	565.33	565.33
Earnings per share	(12.61)	0.06

MANAGEMENT DISCUSSION, ANALYSIS AND OPERATIONS

OPERATIONS OF 2009-10 AND FUTURE OUTLOOK

The competition from unorganized sector has been an impediment in the growth of the company for quite some time now. This aspect has adversely effected the operations of the company, severely damaging the profitability and the operational results. In the earlier year the software division of the company was shut down and in the Financial Year 2009-10 with the approval of the members, the PVC Pipe undertaking was sold.

Considering the fact that the PVC pipe division has consistently been weakening, the management for some time now was contemplating a strategic merger with one of its associate concerns viz., Sri Venkateswara Pipes Limited.

Sri Venkateswara Pipes Limited is a company which started its operations with the technical know-how and expertise extended by Bhagyanagar Wood Plast Limited ever since the inception of the said company.

Bhagyanagar Wood Plast Limited

Initially Bhagyanagar Wodplast Limited also invested in the share capital of the company and for the provision of technical consultancy, royalty was also received. Over the period of last few years, the technical and advisory expertise extended by Bhagnagar Woodplast Limited to Sri Venkateswara Pipes Limited enabled the said company to become a leader in the field of asbestos cement pressure pipes.

Considering the long association, both as a investor as well as provider of technical support and considering the present market positioning of Sri Venkateswara Pipes Limited, the management has come to a firm conclusion that the strategic merger of Sri Venkateswara Pipes Limited with Bhagyanagar Wodplast Limited would be in the best interest of the share holders of both the companies. This would also fuel the future growth of the merged entity, particularly in view of the fact that Bhagyanagar Woodplast Limited has the technical expertise and also the cash reserves required for the growth. The management is confident that the operations of the coming year will be on a highly positive path in the post merged entity. The management will approach the share holders in due course of time with the necessary approvals for the merger.

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.

DIRECTORS

Sri. N. Srinath Reddy and Sri. T. Naveen Chandra, Directors of the company retire by rotation at the conclusion of the ensuing Annual General Meeting and being eligible 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

M/s 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, May 31, 2010.

Bhagyanagar Wood Plast Limited

ANNEXURE TO DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2009-10

	Current Year	Previous Year
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A. CONSERVATION OF ENERGY

Electricity

Units Purchased	293223	409708
Total cost (Rupees) gross	1214892	1858716
Rate per unit (Rupees)	4.00	4.54

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: NIL

Foreign Exchange Outgo: NIL (Previous Year - NIL)

For and on Behalf of the Board

N.KISHAN REDDY
Chairman
Secunderabad, May 31, 2010.

Bhagyanagar Wood Plast Limited

ANNEXURE TO DIRECTORS REPORT

BWPL'S CORPORATE GOVERNANCE PHILOSOPHY

BWPL is committed to good corporate governance. The company has always focused on good corporate governance, which is a key driver of sustainable corporate growth and powerful medium to serve the long term value creation. Corporate governance strengthen investors trust and ensure a long term partnership, and to protect the interest of other stakeholders by way of transparency, accuracy and accountability.

BOARD OF DIRECTORS

Sri. N. Kishan Reddy is Chairman of the Board of Directors of the company.

The composition of the Board of Directors and other details required in this regard are as under.

Sl. No	Name of Director	Category	No. of Other Directorships	Membership in Other committees
1.	Sri. N. Kishan Reddy	Chairman & Managing Director	3	1
2.	Sri. N. Srinath Reddy	Whole Time Director	2	Nil
3.	Sri G. Raja Reddy	Non - Executive Director	2	2
4.	Sri. T. Naveena Chandra	Independent Non - Executive Director	4	1
5.	Sri S. Krishna Prasad	Independent Non - Executive Director.	Nil	2
6.	Sri. P. Jagadheeswar Reddy	Independent Non-Executive Director	Nil	Nil

Note:

- An Independent Director is a director who apart from receiving directors remuneration, does not have any material pecuniary relationship or transactions with the company, its promoters or its management or its subsidiaries, which in the judgment of the Board may affect their independence of judgment.
- Number of directorships include directorships held in public limited companies and subsidiaries of public limited companies and excludes directorships held in private limited companies and overseas companies.

Bhagyanagar Wood Plast Limited

ATTENDANCE OF DIRECTORS AT BOARD MEETING AND ANNUAL GENERAL MEETINGS

The Board of Directors of the company met seven times during financial year on 31-7-09,14-08-09,25-08-09,5-10-09,31-10-09,29-12-09,30-01-10.

DIRECTORS ATTENDANCE IN BOARD AND ANNUAL GENERAL MEETING

Name of the Director	No. of Board meetings held	No. of Board Meetings attended	Attendance at the last Annual General Meeting
Sri.N.Kishan Reddy	7	7	Yes
Sri.G.Raja Reddy	7	7	Yes
Sri.N.Srinath Reddy	7	7	Yes
Sri.T.Naveena Chandra	7	6	Yes
Sri.S.Krishna Prasad	7	6	Yes
Sri.P.Jagadheeswar Reddy	7	7	Yes

REMUNERATION OF DIRECTORS

Details of Remuneration paid/payable to directors

Director	Relationship With other Director of the Company	Loans from the Company	Sitting fees	Salary and perks	Commission	Total
Sri.N.Kishan Reddy	Father-in-Law to Sri. N. Srinath Reddy	NIL	NIL	NIL	NIL	NIL
Sri.G.Raja Reddy	NONE	NIL	3,000	NIL	NIL	3,000
Sri.N.Srinath Reddy	Son-in-Law to Sri. N. Kishan Reddy	NIL	NIL	NIL	NIL	NIL
Sri.T.Naveena Chandra	NONE	NIL	4,500	NIL	NIL	4,500
Sri.S.Krishna Prasad	NONE	NIL	4,000	NIL	NIL	4,000
Sri.P.Jagadheeswar Reddy	NONE	NIL	2,500	NIL	NIL	2,500