
SHRI JAGDAMBA POLYMERS LTD.

23RD

ANNUAL REPORT

2006-2007

REGD. OFFICE :

802, NARNARAYAN COMPLEX,
NEAR NAVRANGPURA POST OFFICE,
NAVRANGPURA,
AHMEDABAD 380 009.

Annual General Meeting

Wednesday, 26th September' 2007

At

802, Narnarayan Complex
Near Navrangpura Post Office
Navrangpura
Ahmedabad-380 009

At

11:00 A.M.

The Shareholders are requested to bring their copy of the Annual Report along with them at the Annual General Meeting, since copy of the Report will not be distributed at the meeting.

Board of Directors

(As On 29.08.2007)

Shri R.K. Bhojnagarwalla

Chairman and Whole Time Director

Shri Y.K. Agrawal

Managing Director

Shri J.K. Agarwal

Whole-time Director

Shri K. B. Patel

Whole-time Director

Shri B. S. Saini

Director

Shri K. I. Patel

Director

Shri Ashish Bhaiya

Director

Auditors

M/s. G.C. Surana & Co.

B-1004, Narnarayan Complex

Near Navrangpura Post Office

Navrangpura

Ahmedabad-380 009

Registered Office

802, Narnarayan Complex

Near Navrangpura Post Office

Navrangpura

Ahmedabad-380 009

Plant

101, GIDC Estate

Dholka-387 810

Dist: Ahmedabad.

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NOTICE

NOTICE is hereby given that the TWENTY THIRD ANNUAL GENERAL MEETING of the members of SHRI JAGDAMBA POLYMERS LIMITED will be held on Wednesday, 26th day of September 2007 at 11.00 A.M. at 802, Narnarayan Complex, Near Navrangpura Post Office, Navrangpura, Ahmedabad-380 009 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet of the Company as on 31.03.2007 and audited Profit & Loss account for the year ended on that date, together with Director's and Auditor's Report thereon.
2. To declare dividend on equity shares for the year ended 31.03.2007.
3. To appoint a Director in place of Shri K B Patel, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Yogesh Agrawal, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint M/s. G.C. Surana & Co., Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board to fix their remuneration.

Special Business

6. To consider and if thought fit, to pass with or without modifications if any, the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Jalan Alkesh & Associates, Practicing Company Secretaries, Ahmedabad being eligible, offer themselves for reappointment, be and are hereby appointed as Secretarial Auditors for compliance Certification of the Company for holding the office from the conclusion of this meeting until the conclusion of next Annual General Meeting on such remuneration as may be decided by the Board of Directors."

7. To consider and if thought fit, to pass with or without modification if any, the following resolution as an Ordinary resolution:

RESOLVED THAT pursuant to the provisions of the section 198,269,309 and 310 and other applicable provisions, if any of the Companies Act, 1956 and subject to the limit specified in Schedule XIII of the said Act, the remuneration of Shri Ramakant Bhojnagarwalla, be and is hereby increased from Rs. 50000 per month to Rs. 100000 per month (subject to deduction of applicable taxes) with effect from August 1, 2007 for remainder period of the tenure of his appointment.

FURTHER RESOLVED that the other terms and conditions except ratable increase in gratuity and other benefits be remain unchanged

FURTHER RESOLVED that where in any financial year the Company has no profit or its profit are inadequate, the Company may pay to Shri Ramakant Bhojnagarwalla the remuneration as above by way of Salary, perquisites and other

perquisites and allowances as minimum remuneration, the aggregate of which shall not exceed the limit specified under Section II (A) of part II of the Schedule XIII of the Companies Act, 1956.

FURTHER RESOLVED THAT the Directors be and are hereby authorised to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

8. To consider and if thought fit, to pass with or without modifications if any, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of the section 198,269,309 and 310 and other applicable provisions, if any of the Companies Act, 1956 and subject to the limit specified in Schedule XIII of the said Act, the remuneration of Shri Yogesh Agrawal, be and is hereby increased from Rs. 50000 per month to Rs. 100000 per month (subject to deduction of applicable taxes) with effect from August 1, 2007 for remainder period of the tenure of this appointment.

FURTHER RESOLVED that the other terms and conditions except ratable increase in gratuity and other benefits be remain unchanged

FURTHER RESOLVED that where in any financial year the Company has no profit or its profit are inadequate, the Company may pay to Shri Yogesh Agrawal the remuneration as above by way of Salary, perquisites and other perquisites and allowances as minimum remuneration, the aggregate of which shall not exceed the limit specified under Section II (A) of part II of the Schedule XIII of the Companies Act, 1956.

FURTHER RESOLVED THAT the Directors be and are hereby authorised to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

9. To consider and if thought fit, to pass with or without modifications if any, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of the section 198,269,309 and 310 and other applicable provisions, if any of the Companies Act, 1956 and subject to the limit specified in Schedule XIII of the said Act, the remuneration of Shri Jaikrishna Agarwal, be and is hereby increased from Rs. 50000 per month to Rs. 100000 per month (subject to deduction of applicable taxes) with effect from August 1, 2007 for remainder period of the tenure of this appointment.

FURTHER RESOLVED that the other terms and conditions except ratable increase in gratuity and other benefits be remain unchanged

FURTHER RESOLVED that where in any financial year the Company has no profit or its profit are inadequate, the Company may pay to Shri Jaikrishna Agarwal the remuneration as above by way of Salary, perquisites and other perquisites and allowances as minimum remuneration, the aggregate of which shall not exceed the limit specified under Section II (A) of part II of the Schedule XIII of the Companies Act, 1956.

FURTHER RESOLVED THAT the Directors be and are hereby authorised to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution."

10. To consider and if thought fit, to pass with or without modifications if any, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of the section 314 of the Companies Act, 1956 and the Rules framed there under, consent of the members of the Company be and is hereby accorded to the appointment and remuneration of Ashokkumar Drolia on the remuneration of RS. 35000 (Rupees Thirty Five Thousand Only) per month with effect from 1st October 2007"

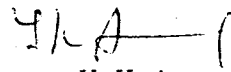
FURTHER RESOLVED THAT the board of directors of the company be and are hereby authorised to increase the remuneration payable to Shri Ashokkumar Drolia up to Rs. 49999 (Rupees Forty nine Thousand Nine Hundred Ninety Nine Only) or alter the method of remuneration (including grant of perquisites) payable to Shri Ashokkumar Drolia.

FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things that may be necessary for giving effect to this resolution.

Registered Office:

802, Narnarayan Complex
Near Navrangpura Post Office
Navrangpura
Ahmedabad-380 009
Date : 29th August' 2007

BY ORDER OF THE BOARD OF DIRECTORS


Y. K. Agrawal
(Managing Director)

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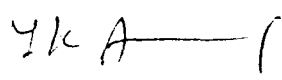
NOTES

- A. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED WITH THE COMPANY DULY SIGNED, STAMPED NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- B. The register of members and the Share Transfer Book of the Company will remain closed from 24th to 26th September' 2007 (both days inclusive).
- C. Dividend as recommended by the Board, if declared at the meeting, will be payable to those share holders or their mandatee(s) whose names appear in the register of Members as on 24th September' 2007.
- D. An Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in relation to the Special Business of the meeting, is annexed hereto.
- E. Shareholders intending to require information about accounts, to be explained at the meeting are requested to inform in writing to the Company at least a week in advance of their intention to do so, so that the papers relating thereto may be made available, if the Chairman permits such information to be furnished.
- F. The Company had issued dividend warrants/cheques upto the financial year ended 31st March 2006 to the shareholders of the Company. Pursuant to the provisions of section 205A of the Companies Act, 1956 as amended, unpaid/unclaimed dividend for a period of 7 years will be transferred to the Investor Education and Protection Fund. The shareholders who have not encashed their dividend warrants/cheques so far upto the financial year ended 31st March' 2006 are requested to make their claim or approach to the Company for revalidation or obtaining duplicate /warrants. It may also be noted that once the unclaimed dividend is transferred to the fund as above, no claims shall lie in respect thereof...
- G. Members are requested to:
- Notify any change in address with Pin code numbers immediately to the Company's Registered Office.
 - Bring their copy of the Annual Report and Attendance slip with them at the Annual General Meeting as the same will be not be distributed at the Annual General Meeting.
 - Quote Ledger Folio Number in all their correspondence.
- H. All documents referred to in the notice and explanatory statement shall be available for inspection at the registered office of the Company during the office hours on all days except Sundays and public holidays between 11:00 a.m. and 1:00 p.m. up to the date of the annual general meeting.

Registered Office:

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Date : 29th August' 2007

BY ORDER OF THE BOARD OF DIRECTORS


Y. K. Agrawal
(Managing Director)

Explanatory Statement relating to the special Business Pursuant to section 173(2) of the Companies Act, 1956:

Item—6:

Pursuant to the provisions of Section 383 A of the Companies Act, 1956 every company having paid up capital OF Rs. 10 Lakhs or more but less than Rs. 200Lakhs is required to obtain compliance certificate from a practicing company secretary m, /s. Jalan Alkesh & Associates, Practicing Company Secretaries Ahmedabad being eligible for reappointment offers themselves for reappointment at the this annual general meeting of the company.

The Board of Directors recommend the passing of the resolution set out in the notice. None of the Directors of the Company in anyway are interested or concerned in this resolution.

Item—7:

Shri Ramakant Bhojnagarwalla was appointed as Whole Time Director of the Company by the Board of Directors of the Company at its meeting held on April 30, 2003 with effect from 1st Mat 2003 for a period of five years. The shareholders of the Company gave their concurrence at the Extra Ordinary General Meeting held on 31st May, 2003 on the salary of Rs. 20000 per month inter alia.

Under the guidance, management and control of Shri Ramakant Bhojnagarwalla, the company has mainted its growth and profitability. Now it is proposed to increase the salary of Shri Ramakant Bhojnagarwalla from Rs.50000 to Rs. 100000 per month with effect from August 1, 2007

Shri Yogesh Agrawal and Shri Jaikrishna Agarwal are deemed to be interested in this resolution together with explanatory statement may be treated as an abstract of terms of appointment pursuant to section 302of Companies Act, 1956.

Item—8:

Shri Yogesh Agrawal was reappointed as Managing Director of the Company by the Board of Directors of the Company at its meeting held on January 31, 2004 with effect form 1st April, 2004 for a period of five years. The shareholders of the Company gave their concurrence to the reappointment at the Annual General Meeting held on 29th September, 2004.

Under the management, control and guidance of Shri Yogesh Agrawal, the Company maintained its sales and profitability. Now it is proposed to increase the salary of Shri Yogesh Agrawal from Rs. 50000 per month to Rs. 100000 per month with effect from August 1, 2007.

Shri Jaikrishna Agarwal and Shri Ramakant Bhojnagarwalla are deemed to be interested in this resolution together with explanatory statement may be treated as an abstract of appointment pursuant to section 302 of Companies Act, 1956.

Item—9:

Shri Jaikrishna Agarwal was reappointed as Whole Time Director of the Company by the Board of Directors of the Company at its meeting held on January 31, 2004 with effect from 1st April 2004 for a period of five years. The shareholders of the Company gave their concurrence to the reappointment at the Annual General Meeting held on 29th September, 2004.

Under the management, control of Shri Jaikrishna Agarwal, the Company maintained its growth and profitability. Now it is proposed to increase the salary of Shri Jaikrishna Agarwal from Rs. 50000 per month Rs. 100000per month with effect from August 1, 2007.

Shri Ramakant Bhojnagarwalla and Shri Yogesh Agrawal are deemed to be interested in this resolution. The resolution together with explanatory statement may be treated as an abstract of terms of appointment pursuant to section 302 of Companies Act, 1956.

Item—10:

Pursuant to the provisions of Section 314 of the Companies Act, 1956 prior approval of the shareholders is necessary for making payments to relative of the directors for holding office or place of profit. Shri Ashokkumar Drolia has good experience in the field of polymers for more than 19 years. Consideration the experience and potentials of Shri Ashokkumar Drolia, it is necessary to remunerate Shri Ashokkumar Drolia.


Shri Ramakant Bhojnagarwalla, Shri Yogesh Agrawal and Shri Jaikrishna Agarwal are deemed to be interested in the resolution directly or indirectly.

The Board recommends the resolution for approval; of the members.

Registered Office:

802, Narnarayan Complex
Near Navrangpura Post Office
Navrangpura
Ahmedabad-380 009
Date : 29th August' 2007

BY ORDER OF THE BOARD OF DIRECTORS


Y. K. Agrawal
(Managing Director)

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DIRECTORS' REPORT

To,
The Members of
Shri Jagdamba Polymers Limited

The Directors hereby present the 23rd Annual Report together with Audited Statement of Accounts for the year ended on 31st March' 2007 which they trust, will meet with your approval.

1. FINANCIAL RESULTS:	Year Ended	Year Ended
	31.03.2007	31.03.2006
	<u>Amount(Rs.)</u>	<u>Amount(Rs.)</u>
Profit before Interest & Depreciation & Taxes	18045991	12920279
Less :		
Interest (net)	2643915	3188826
Depreciation	5827018	5608030
<u>Provision for Taxation:</u>		
-Current Tax	2500000	175000
-Deferred Tax	1106695	(407376)
-Fringe Benefit Tax	130000	84406
Total	12207628	10223886
Net Profit	5838363	2696393
Add. Prior Period adjustments	(203719)	216781
Net Profit After Taxation	5634644	2913174
Add: Balance of profit brought forward from previous year	13174901	11760358
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Balance Profit for the available for appropriation	18809545	14673532
Less. (1.) Proposed Dividend	875800	375800
(2.) Prov. For Tax on Div.	148842	122831
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	17784903	13674901
Less: Transferred to General Reserve	600000	500000
	=====	=====
Balance carried to Balance Sheet	17184903	13174901
	=====	=====

2. OPERATIONS:

The total sales and other income during the year have been Rs.912.13 Lakhs compared to Rs.904.48 lakhs in the previous year. The Company's Profit for the year before depreciation, interest and taxation has been Rs.130.46 lakhs (P.Y. Rs.129.20 lakhs) and the Net Profit after interest, depreciation is Rs.58.38 lakhs (P.Y. Rs.26.96 lakhs). The turnover in value terms is same in view of increase in job charges receipts.

3. DIVIDEND:

Your Directors are pleased to recommend a dividend of 10 % (Re.1.00 per share) (previous year 10%) to the Equity Shareholders.

4. FINANCE:

During the year review, the Company had incurred capital expenditure which was partly financed by way of Term Loan from Bank and balance being from internal accruals. The repayments are made regularly on due dates.

5. FIXED DEPOSITS:

The Company has not invited any deposits from the public during the year under review. There is no unsecured loan as on date of Balance Sheet.

6. INSURANCE:

The properties of the Company stand adequately insured against risks of fire, strike, riot, earthquake, explosion and malicious damage.

7. DIRECTORS:

Shri K B Patel and Shri Yogesh Agrawal retire by rotation and being eligible, offers themselves for reappointment, which is recommended.

8. CORPORATE GOVERNANCE:

The clause no. 49 of the Listing Agreement regarding the Corporate Governance is not applicable to the Company. Since the paid up capital of the Company is below Rs. 300.00 Lakhs However, the Company has initiated its efforts to implement the provisions of the clause.

9. SECRETARIAL COMPLIANCE REPORT:

As per the Companies (Amendment) Act 2000, every Company having paid up capital more than Rs.10.00 lakhs but less than Rs.200.00 lakhs will be required to get its Statutory Registers audited by the practicing Company Secretary and to obtain Secretarial Compliance Report. Since the paid up capital of the Company is more than Rs.10.00 lakhs, the Statutory Registers are audited by M/s. Jalan Alkesh & Associates, practicing Company Secretary, whose Secretarial Compliance Report is attached herewith which is self explanatory.

10. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to section 217 (2AA) of the Companies (Amendment) Act, 2000, the Directors confirm that,

- i. In the preparation of the Annual Accounts for the year ended on 31st March' 2007, the applicable accounting standards have been followed and there has been no material departure.
- ii The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.