

20th ANNUAL REPORT
2008-2009

JMG CORPORATION LIMITED
(Formerly IRPLAST ADHESIVE INDIA LIMITED)

**PLEASE NOTE THAT NO GIFTS WHATSOEVER WILL BE DISTRIBUTED
TO THE SHAREHOLDER AT THE ANNUAL GENERAL MEETING**

JMG CORPORATION LIMITED

BOARD OF DIRECTORS

Mr. Pramod Kumar Nanda	Chairman
Mr. Mahendra Kumar Shah	Managing Director
Mr. M.D. Gujrati	Independent Non-Executive Director
Mr. Ritesh Kumar Gupta	Independent Non-Executive Director
Mr. Jagdish Das Shah	Non-Executive Director
Mr. Brijesh Kumar Gujrati	Independent Non-Executive Director
Ms. Nimmi Chanana	Company Secretary

BANKERS

ICICI Bank Limited
Indian Bank

AUDITORS

MAPASA & CO.
Chartered Accountant
G -184, Hari Nagar
New Delhi - 110064

REGISTERED OFFICE

Plot No. 7, Roz – Ka – Meo, Industrial Area,
Mewat, Haryana

CORPORATE OFFICE:

574, 2nd Floor, Main Road, Chirag Delhi
New Delhi – 110017.

STOCK EXCHANGES:

The Delhi Stock Exchange Association Limited
DSC House, 3/1, Asaf Ali Road,
New Delhi – 110002

The Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 20th Annual General Meeting of the Company will be held on Tuesday, 29th September, 2009 at 10:00 A.M. at the Registered Office of the Company at Plot No. 7, Industrial Area, Roz – Ka – Meo, Distt. Mewat, Haryana to transact the following business :

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009, the Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To re-appoint Mr. Mahender Kumar Shah, who is liable to retire by rotation and offer himself for re-appointment.
3. To re-appoint Mr. Jagdish Das. Shah, who is liable to retire by rotation and offer himself for re-appointment.

Special Business:

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

“RESOLVED THAT pursuant to provisions of section 224(2)(b) of the Companies Act, 1956 **M/s. SSP & Company**, Chartered Accountants, the retiring Auditors of the Company, not to be appointed as Auditors of the Company, as he has given the Company, a notice in writing of his unwillingness to be re-appointed.

RESOLVED FURTHER THAT MAPASA & CO, Chartered Accountant, New Delhi, be and is hereby appointed as the Statutory Auditors of the Company in place of M/s SSP & Co., Chartered Accountant, existing statutory auditors of the Company until the conclusion of the next Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution.

By order of the Board
For JMG CORPORATION LIMITED

PLACE : New Delhi
DATE: 30th June, 2009

NIMMI CHANANA
COMPANY SECRETARY
JMG Corporation Limited

Auth. Signatory

JMG CORPORATION LIMITED

NOTE(S):

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself/herself and that a proxy need not be a member of the company. Proxy in order to be effective must be received by the company not less than 48 hours before the scheduled time of the meeting. A blank proxy form is enclosed.
2. Corporate Members intending to send their respective authorized representative are requested to send a duly certified copy of the Board/Governing Body resolution authorizing such representative to attend and vote at the Annual General Meeting.
3. All documents referred to in the Notice and explanatory statement are open for inspection at the registered office of the company on all working day except Sunday and other holiday between 11.00 A.M. to 1.00 P.M.
4. A notice of unwillingness to be re-appointed as the Auditors, has been received from the existing Auditors of the Company. Accordingly, the Directors of the Company has propose to appoint M/s. MAPASA & CO Chartered Accounts, in place of retiring Auditors.
5. Members who are holding shares in physical forms are requested to notify change in their respective address or Bank detail to the Company or to the Registrar and Share Transfer Agent of the Company namely Indus Portfolio Private Limited, G – 65, Bali Nagar, New Delhi – 110 015 Phones: 011 –25449862, 25172115 Fax: 011 - 25449863 and always quote their Folio number in all correspondence with the Company. In respect of holding in Electronic forms members are requested to notify any change in address or Bank detail to their respective depository participant.
6. Shareholders holding shares in the same name or in the same order of names but in several folios are requested to write to the Company enclosing their Share Certificates to enable the Company to consolidate their holding in one single folio.
7. Any member desirous of obtaining any information/clarification on the enclosed Accounts should submit the query in writing at the Registered Office of the Company at least 10 days before the date of the Meeting.
8. Members/Proxies should bring attendance slips duly filled in for attending the Meeting.
9. Members/Proxies are requested to bring their copies of Annual Report with them to the Meeting, as the same will not be supplied again at the Meeting as a measure of economy.
10. Pursuant to the provisions of Section 154 of the Companies Act, 1956 and listing agreement the Register of Members and Share Transfer Books of the Company shall remain closed for two days from Monday, 28th September, 2009 to Tuesday, 29th September, 2009 (both days inclusive).
11. Explanatory Statement pursuant to Section 173(2) in respect of the Special Business herein is annexed hereto and form part of this notice.

**By order of the Board
For JMG CORPORATION LIMITED**

PLACE : New Delhi
30th June, 2009

**NIMMI CHANANA
COMPANY SECRETARY**

Explanatory Statement pursuant to Section 173(2):

In respect to Item no. 4

M/s SSP & Company, Chartered Accountant, present Statutory Auditor of the Company has given a notice of unwillingness to be re-appointment as the Auditors due to statutory compulsions. They have also informed the Company that they do not have any objection for appointing any person as Statutory Auditors of the Company from Financial year 2009-10.

The Directors commend this resolution to the members as ordinary resolution.
None of the Directors are concerned or interested in the resolution.

DIRECTORS' REPORT TO THE MEMBERS

The Directors of your Company are pleased to present the 20th (Twentieth) Annual Report with Audited Accounts for the year ended 31st March, 2009.

Financial Results and performance of the Company.

The Company achieved sales of Rs. 48 Crores against Rs. 30.9 Crores in the previous year. While trading activity, the new business segment, has shown considerable progress, the manufacturing activity has remained very poor..

The manufacture of BOPP tapes seems unviable and the Company plans to make only masking tape, which had been exported for some time until the US market ceased to import. Efforts are being made to resume export activity after which some domestic market for masking tape may also be developed.

Your Directors foresee reasonable growth of the trading business segments which will assist in sustaining and growing profit of the Company.

Trading in securities of the Company :

As you are aware, trading in the Company's securities was suspended with BSE for considerable time. The Management has been making strenuous efforts to have the trading restored and based on discussions the Board now feels confident that BSE will revoke the suspension in the very near future.

Dividend

The Board of Directors does not recommend any dividend for the year 2008-2009.

Public Deposits:

The Company has not accepted any deposits including fixed deposits from the public under section 58A and 58AA of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975, during the year under review.

Directors' Responsibility Statement:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

1. In preparation of the accounts the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the financial year ended 31st March, 2009.
3. The directors have taken proper and sufficient care 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;
4. The annual accounts have been prepared on a 'going concern' basis.

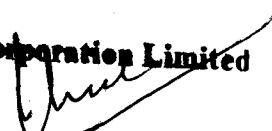
Directors:

Mr. Mahender Kumar Shah and Mr. Jagdish Das Shah, Directors of the company, being longest in office retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Accounts and Auditors Report:

The observations contained in the Auditor's Report and notes to accounts are self-explanatory and do not require any explanations from Directors.

JMG Corporation Limited



Auth. Signatory

JMG CORPORATION LIMITED

Auditors:

The notice has been received from the existing Auditors that they will not wish to be re-appointed. Accordingly, the Directors of the Company propose to recommend the appointment of M/s. MAPASA & CO., Chartered Accountants, in place of the retiring Auditors. M/s. MAPASA & CO Chartered Accountants, are eligible and offer themselves for appointment as Auditors of the Company.

Particulars of Employees:

None of the employees are in receipt of remuneration in excess of the limits prescribed under section 217(2A) of the Companies Act, 1956 readwith the Companies (Particulars of Employees) Rules, 1975 as amended, therefore, no disclosure is required.

Conservation of energy and technology absorption and foreign exchange earning and outgo:

The particulars under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 on conservation of energy, technology absorption and outgo in foreign exchange are enclosed as Annexure – A which forms a part of this report.

Corporate Governance:

Your Company has followed good corporate governance practices since inception in accordance with the code of Corporate Governance. A detailed Corporate Governance Report together with a certificate from Statutory Auditors in compliance with Clause 49 of the Listing Agreement is attached forms a part of this report.

Statement pursuant to listing agreement (s):

The Company's securities are presently listed at The Stock Exchanges at Mumbai (BSE) and The Delhi Stock Exchange Association Limited (DSE). The listing fees to BSE and DSE have been paid.

The Management's Discussion and Analysis in compliance with Clause 49 of the Listing Agreement forming a part of this Report is attached.

Acknowledgements:

Your Directors gratefully acknowledge co-operation and assistance and support extended by all stakeholders, employees and Bankers and look forward to their continuing support.

For and on behalf of Board

PLACE : New Delhi
DATE: 30th June, 2009

P. K. Nanda
CHAIRMAN

ANNEXURE 'A' TO DIRECTORS' REPORT

A Conservation of Energy

The manufacturing process is not power-intensive in nature; nevertheless the Company has taken measures to reduce energy consumption and has installed energy efficient equipment wherever possible.

B. Technology Absorption

Disclosure of particulars of Technology Absorption

i) Research and Development (R&D)

- | | | |
|---|---|----------------|
| 1. Specific Areas in which R & D carried out by the Company | : | -----N.A.----- |
| 2. Benefits derived as a results of the above R&D | : | -----N.A.----- |
| 3. Future plan of action | : | -----N.A.----- |
| 4. Expenditure on R&D | : | |
| a) Capital | : | -----N.A.----- |
| b) Recurring | : | |
| c) Total R&D expenditure as a percentage of total turnover | : | |

ii) Technology Absorption, Adaptation and Innovation:

- | | | |
|--|---|---|
| 1. Efforts in brief made towards technology absorption, adaptation | : | Non new technology has been absorbed as the Directors of the Company has decided to close the manufacturing segment of the Company. |
| 2. Benefits derived as a result of the Above efforts | : | N.A.
adhesive tapes in the domestic market. |
| 3. In case of Imported Technology following information may be furnished | : | |
| a) Technology imported | : | BOPP films coated with hot-melt adhesives by die extrusion process. |
| b) Year of Import | : | Technical Collaboration agreement was effective from 1989. Commercial production commenced from 1st November, 1992. |
| c) Has technology been fully absorbed | : | Yes |

A Foreign Exchange earning and outgo:

Foreign exchange earnings were Rs. 2.43 Millions (Previous Year Rs. 1.56 Millions). Outgo of foreign exchange on account of Import of Raw Materials/Expenditure amounted to Rs 0.1 Millions (previous year Rs. 2.34 Millions).

REPORT ON CORPORATE GOVERNANCE

The Company believes that good corporate governance helps in achieving long term corporate goals of enhancing value and stakeholders' confidence. Compliance of Corporate governance norms and ethical business practices and transparent and timely disclosure of information to all stakeholders remain its underlying principles.

1. Philosophy of the Company on Corporate Governance:

Corporate Governance refers to a set of policies, principles, laws, rules, regulations and procedures that enable the Company to attract best financial and human resources and to perform efficiently to create and maximize the wealth of the stakeholders. Your Company is committed to uphold these concepts and practices.

2. Board of Directors:

The constitution of Board aims at ensuring Directors commitment to participate in the affair of the Company with understanding and competence to deal with business issues.

The composition of Board of Directors as on 31st March, 2009 was as follows:

- | | | |
|----|---------------------------|------------------------------------|
| 1. | Mr. P.K. Nanda | Non-executive Chairman |
| 2. | Mr. Mahendra Kumar Shah | Managing Director |
| 3. | Mr. Jagdish Das Shah | Non-executive Director |
| 4. | Mr. Ritesh Kumar Gupta | Independent non-executive Director |
| 5. | Mr. M.D. Gujrati | Independent non-executive Director |
| 6. | Mr. Brajesh Kumar Gujrati | Independent non-executive Director |

None of the above Directors (except Mr. P. K. Nanda) holds any membership of other Boards and Committees (Private Limited/ Foreign Companies are not considered).

The meeting of the Board of Directors has held 6 (Six) times during the financial year. All the Directors have attended all the meeting.

3. Code of Conduct

The Board of Director has laid down a code of conduct for all Board members and senior management personnel of the company. All Board members and senior management personnel have, on March 31, 2009, affirmed compliance with the code of conduct. A declaration to that effect, duly signed by the Managing Director is annexed and forms a part of this report.

4. Board Committees**Audit Committee:**

For the purpose of ensuring adequacy of internal controls, efficacy of internal and statutory audits and matters specified under clause 49 (as amended) of the Listing Agreements and Section 292A of the Companies Act, 1956, the Board has constituted an audit committee comprising three non-executive Directors, Mr. M.D. Gujrati as Chairman, who is an independent non-executive Director has good financial and accounting background.

Four meetings of the Committee were held during the financial year. All members of the Committee attended all the meetings.

Shareholders' Matters Committee:

This Committee addresses all issues and shareholders' complaints. It comprises of Mr. P.K. Nanda as Chairman and Mr. Mahendra Kumar Shah. 4 (Four) meetings were held during the year and were attended by both the members.

The Company has delegated share transfer powers to the Registrar and Share Transfer Agent, **Indus Portfolio Pvt. Ltd.**, G-65, Bali Nagar, New Delhi – 110 015.

During the year, a total of 9 (Nine) complaints were received from the investors and all complaints were satisfactorily attended to and appropriate responses given.. All the transfers received during the financial year processed by the Registrar and Share Transfer Agent and no transfers were pending.

General Body Meeting:

The last 3 (three) Shareholders' Meeting, all Annual General Meetings, were held at Company's Registered Office/factory on September 29, 2008, September 15, 2007, August 17, 2006.

5. Disclosure and Means of Communication:

Information on Related Parties and their transactions are set out in note no. 9 of Schedule 19 of the Notes to Accounts.

During the last three years, there were no strictures issued or penalties imposed either by SEBI or the Stock Exchanges or any other statutory authorities except suspension of trading by the Stock Exchange, Mumbai for non-submission of certain documents to the exchange. However, the Company has informed the Exchange that it has submitted all the information/documents as mentioned in the notice and already submitted proof of dispatch. The Company is in continuous touch with the Stock Exchange, Mumbai for restoration of trading and the management is confident that trading will resume in near future.

The Company has communicated to all the employees to approach Audit Committee directly without informing their supervisors on the observation of unethical or improper practice. The Company also affirms that it has not denied any personnel access to the Audit Committee.

The Company has published its un-audited quarterly results for quarter ended June, 2008, September, 2008 and December, 2008 in 'Pioneer' and 'Vir Arjun' newspapers.

6. General Shareholders Information :

Date, time and venue of the Annual General Meeting	:	29th September, 2009, at 10.00 A.M. Plot No. 7, Industrial Area, Roz Ka Meo, Mewat, Haryana
Financial Calender	:	1st April to 31st March
Book Closure	:	Monday, 28th September, 2009 to Tuesday, 29th September, 2009 (Both day inclusive)
Dividend Payment rate	:	No Dividend
Listing on Stock Exchanges	:	The Delhi Stock Exchange Association Limited, 3/1, Asaf Ali Road, Delhi-110 002. The Stock Exchange Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai
Stock Code	:	DSE : 6415 BSE2 : 523712
Market Price Date	:	Not Available
E-mail ID	:	jmgcorp@yahoo.com
Share Transfer Agent	:	Indus Portfolio Private Limited G65, Bali Nagar, New Delhi-110015
Demetrerialisation	:	The Comapany's Share are available for trading in Depository System with NSDL and with CDSL. ISIN No. : INE 745F01011
Corporate Office	:	574, 2 nd Floor, Main Road, Chirag Delhi, New Delhi – 110017.
Address for correspondence	:	Shareholders correspondence should be addressed to our Registrar and Transfer Agent at the above address. Contact Person: Mr. Bharat Bhusan

Shareholding pattern as on 31st March, 2009 Share of Rs. 2.50 each

Category	No. of shares	% Share holding
Promoters :		
Indian	2,380,850	14.71
Foreign	1,373,163	8.49
Person acting in concert	NIL	NIL
Sub-total	3,754,013	23.20 %

JMG CORPORATION LIMITED

Non-promoter holding :

Institutional Investor	NIL	NIL
Mutual Funds and UTI	NIL	NIL
Banks, Financial Institution, Insurance Companies (Central/State Govt./Non-Govt. Institution) FIIS	NIL	NIL

Others :

Private Corporate Bodies	3,422,334	21.15 %
Indian Public	7,926,846	48.99 %
NRI/OCBs/Clearing Member	1,077,350	6.66 %
Sub-Total	12,426,530	76.80 %
Grand Total	1,61,80,543	100.00 %

MANAGEMENT'S DISCUSSION AND ANALYSIS

The manufacturing activity remains low in view of static demand for BOPP hot-melt tapes and the Company does not see this activity as viable. Efforts are being made to procure export business again for masking tape which will then be the principal manufacturing business of the Company.

New activities launched in the year 2007 have progressed well and the results are quite encouraging, both in sales and trading profit, although margins in that business are inherently low.

The Company has a proper and adequate system of internal controls to ensure that all activities are monitored and controlled against any un-authorized use or disposition of assets, and that the transactions are authorized, recorded and reported correctly. It ensures adherence to and compliance with internal control policies and procedures as well as regulatory requirements.

The Audit Committee reviews adequacy of internal controls.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a certificate from the Auditor of the Company regarding compliance of corporate Governance as stipulated in the Listing Agreement with the Stock Exchanges.

To The Members of

JMG Corporation Limited

We have examined the compliance of condition of Corporate Governance by JMG Corporation Limited for the year ended on 31st March 2009 as stipulated in the clause 49 of the Listing Agreement of the said company with the Stock Exchange.

The compliance of the condition of the corporate Governance is the responsibility of the Management. Our examination was limited to procedure and implementation thereof, adopting by the company for ensuring the compliance of the condition of the corporate governance, it is neither an Audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the company has complied the condition of corporate governance as stipulated in the clause 49 of the Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month with the company.

We further state that such compliance is neither an assurance as to the further viability of the company nor the efficiency or effectiveness with which the management has conducted the affair of the company.

FOR SSP & COMPANY
CHARTERED ACCOUNTANTS

PLACE : New Delhi
DATE: 30th June, 2009

CASANJEEV GUPTA
PARTNER

**AUDITORS' REPORT
TO THE MEMBERS OF JMG CORPORATION LIMITED**

We have audited the attached Balance Sheet of JMG CORPORATION LIMITED formerly IRPLAST ADHESIVES INDIA LIMITED as at 31st March, 2009 and the Profit and Loss Account and cash flow statement for the year ended on that date annexed thereto. These financial statements are responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit. We report as under:

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003(as amended), issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of audit, we annex hereto a statement on the matters specified in paragraphs 4&5 of the said Order to the extent to which they are applicable.
3. Further to our comments in the Annexure referred to in paragraphs above, we report that :
 - a. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
 - c. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - d. In our opinion, the Balance sheet, the Profit & Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section 3(c) of section 211 of the Companies Act, 1956.
 - e. On the basis of written representation received from Directors and taken on record by the Board of Directors, we report that none of the Director is disqualified as on 31.3.2009 from being appointed as a Director of the Company under clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
 - f. In our opinion and to the best of our information and according to the explanations given to us, the accounts read with notes thereon give the information required by the Companies Act, 1956 (as amended) in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:
 - i) in case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009 and
 - ii) in the case of the Profit & Loss Account, of the profit for the year ended on that date.
 - iii) In case of cash flow statement, of the cash flows for the year ended on that date.

FOR SSP & COMPANY
CHARTERED ACCOUNTANTS

PLACE: New Delhi
DATE: 30th June, 2009

(C.A SANJEEV GUPTA)
PARTNER

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 2 of the auditors' report to the Members of **JMG CORPORATION LIMITED (formerly IRPLAST ADHESIVE INDIA LIMITED)** on the accounts for the year ended March 31, 2009.

- (i) a) The company has maintained proper records to show full particulars, including quantitative details and situation of fixed assets.
- b) A major portion of the fixed assets have been physically verified by the management in accordance with a phased programme of verification adopted by the company during the year. No material discrepancies have been noticed on physical verification as confirmed by the management.
- c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- (ii) a) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our examination of the record of inventories, we are of the opinion that, the company is maintaining proper records of inventories. As explained to us there was no material discrepancies noticed on physical verification of stock as compared to books stock.
- (iii) a) According to the information and explanations given to us, the company had taken loan from two parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.62.5 Lac (Excluding opening balances and Interest) and the year end balance of loans taken from such parties was Rs.267 lacs.
- b) According to the information and explanations given to us the company has not granted any loans, secured or unsecured to the parties listed in the register maintained under section 301 of the Companies Act, 1956.
- c) In our opinion the rate of interest and other terms and conditions on which loans have been taken from the parties listed in the register maintained under section 301 of the Companies Act, are not prima facie, prejudicial to the interest of the company.
- (iv) On the basis of checks carried out during the course of audit and as per explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventories, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) a) Based on the audit procedures applied by us and according to the information and explanations provided by the management we are of the opinion that the transactions that need to be entered into the register maintained in pursuance of section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to information and explanations given to us there is no transactions in pursuance of contract or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding during the year the value of Five lacs rupees have been made.
- (vi) On the basis of our scrutiny of the company's record and according to information and explanations provided by the management in our opinion the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant provision of the Act.
- (vii) The Company has an internal audit system, which needs to be strengthened and its scope be extended to make it commensurate with the size of the Company and nature of its business.
- (viii) We are informed that, the Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- (ix) a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident Fund, sales tax income tax, service tax, and other material statutory dues applicable to it. As explained to us the Employee's Insurance Scheme is not applicable to the Company.

- b) According to the information and explanations given to us, no undisputed amount payable in respect of sales tax, income tax, service tax, and cess were in arrear, as on March, 31, 2009 for a period of more than six months from the date they become payable.
- (x) The accumulated losses of the company are less than fifty percent of its net worth as at 31st March, 2009. The company has not incurred Cash losses during the year, and in the immediately proceeding Financial Year.
- (xi) Based on our audit procedures applied by us and according to the information and explanations provided by the management we are of the opinion that the Company has not defaulted during the year in repayment of dues to Banks/Financial institutions.
- (xii) As per record of the company and according to the information and explanations provided by the management company has not granted any loans and advances on the basis of security by way of pledge of share debentures and other securities, paragraph 4 (xii) of the order is not applicable.
- (xiii) As Company is not a chit fund/nidhi/mutual benefit funds/society to which the provisions of special statute relating to chit fund are applicable, paragraph 4 (xiii) of the order is not applicable.
- (xiv) As per record of the company and according to the information and explanations provided by the management Company is not dealing or trading in shares, securities, debentures and other investments, paragraph 4 (xiv) of the order is not applicable.
- (xv) According to the information and explanations provided by the Management Company has not given any guarantees for loans taken by others from banks, paragraph 4 (xv) of the order is not applicable.
- (xvi) The Company has not taken any term loan, paragraph 4(xvi) of the order is not applicable.
- (xvii) According to the information and explanations given to us and on the basis of our overall examination of the Cash Flow Statement, we report that no funds raised on short term basis have been used for long term investment basis.
- (xviii) As the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act, paragraph 4(xviii) of the order is not applicable.
- (xix) As the company has not issued any debentures, paragraph 4(xix) of the order is not applicable.
- (xx) During the year, since the company has not raised money by way of public issue, paragraph 4(xx) of the order is not applicable.
- (xxi) During the course of our examination of the books of accounts carried out in accordance with generally accepted audit practices in India and according to information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year nor have been informed of such case by the management.

FOR SSP & COMPANY,
CHARTERED ACCOUNTANTS

PLACE : New Delhi
DATE: 30th June, 2009

(C.A SANJEEV GUPTA)
• PARTNER

JMG CORPORATION LIMITED**BALANCE SHEET AS AT 31ST MARCH, 2009**

SCHEDULE		As at 31/03/2009	As at 31/03/2008
SOURCES OF FUNDS		Rs	Rs.
<u>Shareholders' Funds</u>			
Share Capital	1	40,451,358	40,451,358
Reserve & Surplus	2	1,420,000	1,420,000
		<u>41,871,358</u>	<u>41,871,358</u>
<u>Loan Funds</u>			
Secured Loan	3	5,296,225	5,975,680
Unsecured Loan	4	52,616,576	73,833,954
		<u>57,912,801</u>	<u>79,809,635</u>
		<u>99,784,159</u>	<u>121,680,992</u>
APPLICATOIN OF FUNDS			
Fixed Assets	5		
Gross Block		126,249,276	125,638,430
Less: Depreciation		92,706,463	86,989,897
Net Block		<u>33,542,814</u>	<u>38,648,533</u>
<u>Current Assets, Loans & Advances</u>			
Inventories	6	10,255,239	15,523,583
Sundry Debtors	7	150,187,335	105,958,352
Cash & Bank Balances	8	4,595,867	7,855,687
Loans & Advances	9	14,075,407	23,989,967
		<u>179,113,847</u>	<u>153,327,588</u>
Less: Current Liabilities & Provisions	10	<u>128,301,633</u>	<u>95,771,624</u>
Net Current Assets		<u>50,812,214</u>	<u>57,555,964</u>
Profit & Loss Account		<u>15,429,132</u>	<u>25,476,495</u>
		<u>99,784,159</u>	<u>121,680,992</u>

NOTES TO ACCOUNTS 19

Schedule referred to above form in integral part of Accounts.
As per our report of even date attached.

FOR SSP & COMPANY
CHARTERED ACCOUNTANTS

C.A. SANJEEV GUPTA
PARTNER

NIMMI CHANANA
Company Secretary

P.K. NANDA
CHAIRMAN

MAHENDRA KUMAR SHAH
MANAGING DIRECTOR

PLACE : New Delhi
DATE: 30th June, 2009

JMG CORPORATION LIMITED**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2009**

SCHEDULE		As at 31/03/2009	As at 31/03/2008
INCOME		Rs.	Rs.
Gross Turnover	11	480,909,157	309,065,907
Other Income	12	4,045,165	2,397,359
Increase/(Decrease) in stocks	13	(4,299,646)	3,991,961
		<u>480,654,676</u>	<u>315,455,227</u>
EXPENDITURE			
Purchase		405,291,106	257,694,904
Raw Materials Consumed	14	1,036,071	10,948,293
Salaries and Benefits	15	5,947,007	4,546,455
Manufacturing Expenses	16	1,647,120	4,061,438
Administration and Other Expenses	17	44,383,031	25,917,575
Finance Charges	18	10,044,201	2,668,788
Loss on Sale of Fixed Assets		89,326	--
Prior Period Expenses		65,894	19,328
		<u>468,503,756</u>	<u>305,856,781</u>
Profit Before Depreciation		12,150,919	9,598,446
Less: Depreciation		<u>6,067,241</u>	<u>5,801,441</u>
Profit for the Year before Extraordinary Item		<u>6,083,678</u>	<u>3,797,005</u>
Add : Extraordinary Item (refer Note No. 5)		4,850,741	--
Profit before tax		<u>10,934,419</u>	<u>3,797,005</u>
Less : Provision for taxation			
- Current Income Tax		709,000	--
- Fringe Benefit Tax		<u>178,056</u>	<u>162,907</u>
Profit after tax		10,047,363	3,634,098
Loss Brought Forward from Previous Year		<u>(25,476,495)</u>	<u>(29,110,593)</u>
Balance being Loss Carried to Balance Sheet		<u>(15,429,132)</u>	<u>(25,476,495)</u>
Basic and Diluted Earning Per Share (1,61,80,543 shares of Rs. 2.50 each)		0.62	0.22

NOTES TO ACCOUNTS

19

Schedule referred to above form in integral part of Accounts.

As per our report of even date attached.

FOR SSP & COMPANY

CHARTERED ACCOUNTANTS

C.A. SANJEEV GUPTA
PARTNERNIMMI CHANANA
Company SecretaryP.K. NANDA
CHAIRMANMAHENDRA KUMAR SHAH
MANAGING DIRECTOR*JMG Corporation Limited*

PLACE : New Delhi

DATE: 30th June, 2009

Auth. Signatory

JMG CORPORATION LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2009
AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2009

SCHEDULE-1

SHARE CAPITAL AUTHORISED

80,000,000 Equity Shares of Rs.2.50/- each

ISSUED, SUBSCRIBED AND PAID UP

1,61,80,543 Equity Shares of Rs.2.50/- each

As at
31/03/2009
Rs.

As at
31/03/2008
Rs.

200,000,000

200,000,000

40,451,358

40,451,358

SCHEDULE-2

RESERVE & SURPLUS

Capital Reserve

1,420,000

1,420,000

1,420,000

1,420,000

SCHEDULE-3

SECURED LOANS

Syndicate Bank (Secured against Hypotication of Stock,
Book Debts and personal guarantee of
Mr. P.K. Nanda -Chairman)

4,742,415

5,055,638

ICICI Bank (Secured against FDR's)

-

69,842

HDFC Bank (Secured against Hypotication of Car)

553,810

850,201

5,296,225

5,975,680

SCHEDULE-4

UNSECURED LOANS

From Bodies Corporate

39,216,576

62,683,954

From a Director

13,400,000

11,150,000

52,616,576

73,833,954

SCHEDULE-5

(SCHEDULE FORMING PART OF BALANCE SHEET AS AT 31-03-2009)

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	ASON 01/04/2008	ADDITIONS DURING THE YEAR	ADJUST. DURING THE YEAR	ASAT 31/03/2009	ASAT 01/04/2008	DURING THE YEAR	ADJUST. DURING THE YEAR	ASAT 31/03/2009	ASAT 31/03/2009	ASAT 31/03/2008
Freehold Land	1,103,322	-	-	1,103,322	-	-	-	-	1,103,322	1,357,098
Buildings	11,391,146	-	-	11,391,146	5,078,921	380,464	-	5,459,385	5,931,761	7,180,733
Plant & Machinery	107,357,030	-	-	107,357,030	78,927,709	5,099,459	-	84,027,168	23,329,862	28,445,690
Furniture & Fixture	642,400	-	-	642,400	626,032	25,064	-	651,096	191,304	-
Office Equipment	1,656,735	260,000	-	1,916,735	1,401,072	15,223	-	1,416,295	300,440	1,887
Vehicles	2,274,340	-	630,002	1,644,338	715,505	243,358	350,676	608,186	1,036,152	1,558,835
Computer	1,213,458	980,848	-	2,194,306	240,659	303,673	-	544,332	1,649,973	104,290
TOTAL	125,638,430	1,240,848	630,002	126,249,276	86,989,897	6,067,241	350,676	92,706,463	33,542,814	38,648,533
PREVIOUS YEAR	123,485,699	2,152,732	-	125,638,430	81,188,457	5,801,441	-	86,989,897	38,648,533	

JMG CORPORATION LIMITED

SCHEDULE-6

INVENTORIES

(As taken, valued and certified by the management)

Raw Materials	2,805,488	3,774,186
Goods Under Process	-	6,698,827
Finished Goods (Manufacturing)	5,838,082	3,249,764
Finished Goods (Trading)	1,145,769	1,524,956
Packing Material	465,900	275,850
	<u>10,255,239</u>	<u>15,523,583</u>

SCHEDULE-7

SUNDRY DEBTORS

(Unsecured, considered good)

Debts for a period exceeding six months	1,547,619	11,048,986
Others Debts	148,639,716	94,909,366
	<u>150,187,335</u>	<u>105,958,352</u>

SCHEDULE-8

CASH AND BANK BALANCES

Cash in Hand (As certified by the management)

Balances with Scheduled Banks in current accounts	579,969	520,486
In Fixed Deposit Account	99,479	3,532,745
	3,916,419	3,802,456
	<u>4,595,867</u>	<u>7,855,687</u>

SCHEDULE-9

LOANS & ADVANCES

(Unsecured, Considered Good)

Advances recoverable in Cash or in Kind or for

Value to be received	38,937	364,034
Security Deposits	10,830,780	21,033,890
Cenvat credit recoverable	1,212,429	1,332,689
Tax Deducted at sources	1,993,261	1,259,354
	<u>14,075,407</u>	<u>23,989,967</u>

SCHEDULE-10

CURRENT LIABILITIES & PROVISIONS

Current Liabilities :

Sundry Creditors	123,286,123	94,717,233
Statutory Liability	1,535,766	852,565
Book Overdraft due to over issue of cheque	2,581,864	
Provisions:		
Direct Taxes	709,000	-
Gratuity and Leave Incashment	188,880	201,827
	<u>128,301,633</u>	<u>95,771,624</u>

SCHEDULE-11

GROSS TURNOVER

Gross Sale - Manufacturing Division

Gross Sale - Trading Division	3,466,056	11,934,689
	477,443,100	297,131,218
	<u>480,909,157</u>	<u>309,065,907</u>

JMG CORPORATION LIMITED**SCHEDULE-12****OTHER INCOME**

Interest on Fixed Deposits	220,196	279,115
(Tax deducted at source Rs8,917 PY Rs2,168)		
Interest on Deposit	3,600,000	-
(Tax deducted at source Rs741,600 PY Rs Nil)		
Sundry balance Written Back	224,969	3,401
Foreign Exchange Fluctuation	-	2,114,842
	<u>4,045,165</u>	<u>2,397,359</u>

SCHEDULE-13**INCREASE/(DECREASE) IN STOCKS****Stocks at the close of the year:**

Finished Goods (Manufacturing)	5,838,082	3,249,764
Finished Goods (Trading)	1,145,769	1,524,956
Packing Material (Trading)	465,900	275,850
Goods Under Process	-	6,698,827
	<u>7,449,751</u>	<u>11,749,397</u>

Stocks at beginning of the year :

Finished Goods (Manufacturing)	3,249,764	705,218
Finished Goods (Trading)	1,524,956	
Packing Material	275,850	-
Goods Under Process	6,698,827	7,052,218
	<u>11,749,397</u>	<u>7,757,435</u>
Increase/(Decrease) in Stocks	<u>(4,299,646)</u>	<u>3,991,961</u>

SCHEDULE-14**Raw Materials Consumed**

Opening Stock	3,774,186	5,118,108
Add : Purchase	67,374	9,604,371
Less : Closing Stock	<u>2,805,488</u>	<u>3,774,186</u>
	<u>1,036,071</u>	<u>10,948,293</u>

SCHEDULE-15**Salaries & Benefits**

Salaries, Wages, Allowances and Benefits	5,208,018	3,711,337
Contribution to Provident and Other Funds	393,200	313,415
Staff Welfare	207,294	399,203
Gratuity	138,495	122,500
	<u>5,947,007</u>	<u>4,546,455</u>

SCHEDULE-16**MANUFACTURING EXPENSES**

Stores and Consumables	44,765	33,282
Power, Fuel & Electricity	709,813	1,442,154
Repair & Maintenance :		
Buildings	242,100	70,561
Plant & Machinery	521,868	1,247,145
Excise Duty	128,574	1,268,296
	<u>1,647,120</u>	<u>4,061,438</u>

SCHEDULE-17**ADMINISTRATION AND OTHER EXPENSES**

Rent	1,995,000	1,248,500
Cartage	26,011	190,776
Filing fees	2,040	4,070

JMG CORPORATION LIMITED

Insurance	111,077	152,081
Legal & Professional Fee	2,834,256	1,684,920
Listing & Dmat Charges	94,902	82,311
Communication Expenses	332,971	463,095
Printing & Stationery	962,899	2,551,907
Advertisement & Publicity	6,244,163	4,316,344
Bad debts & Remission	963,297	-
Travelling & Conveyance	3,438,951	2,631,089
Books , Periodicals & Newspapers	209,000	566,002
Office Maintenance	3,410,367	1,458,685
Commission	22,385,001	9,812,321
Discount	-	17,000
Equipment Hire Charges	238,900	238,500
Repair & Maintenance of office Equipment	528,020	75,443
Equipment Running Expenses	199,342	84,400
Tax & Penalty	193,053	217,712
Donation	101,000	-
Auditor's Remuneration	44,000	22,400
Miscellaneous	68,780	100,020
	<u>44,383,031</u>	<u>25,917,575</u>

SCHEDULE-18

FINANCE CHARGES

Interest	4,075,483	2,502,697
Bank Charges	563,841	166,091
Foreign Exchange Fluctuation	5,404,877	-
	<u>10,044,201</u>	<u>2,668,788</u>

SCHEDULE - 19 : NOTES TO ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

(a) ACCOUNTING CONCEPTS

The accounts are prepared on historical cost convention and in accordance with applicable Accounting standards except where otherwise stated. For recognition of Income and Expenses, Mercantile System of Accounting is followed, except for the following items which are accounted for on cash basis in view of uncertainty about their receipt :

- i) State Investment & Generator Set Subsidies.
- ii) Claim lodged with Income Tax Authority towards refund.

(b) REVENUE RECOGNITION

Revenue from sale of goods is recognised upon passage of title to the customers, which generally coincides with their delivery.

(c) FIXED ASSETS

Fixed Assets are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributable cost of bringing the asset to working condition for its intended use.

(d) DEPRECIATION

Depreciation is provided on Straight Line Method at rates specified in Schedule XIV of the Companies Act, 1956 as amended vide notification dated 16th December, 1993 issued by the Department of Company Affairs, Government of India.

(e) FOREIGN CURRENCY TRANSACTIONS

Transactions arising in foreign currency are accounted for at the rates closely approximating those ruling on the transaction date.

Amounts payable and receivable in foreign currency are translated at the exchange rate prevailing on the balance sheet date. In respect of forward contract, the forward premium or discount is recognized as income and expenses over the life of contract in the profit and loss account and exchange difference between the exchange rate prevailing at the year end and the date of the inception of the forward exchange contract is recognized as income or expenses in the Profit & Loss Account.

(f) **EXCISE DUTY**

The Company accounts for excise duty on manufactured goods at the time of their clearance from the factory rather than at the point of manufacture. This has, however, no impact on the operating results of the Company.

(g) **INVENTORIES**

Inventories are valued as follows:

Raw Material	-	at lower of cost or net realizable value
Stores & Spare Parts	-	at lower of cost or net realizable value
Goods Under Process	-	at lower of cost or net realizable value
Finished Goods	-	at lower of cost or net realizable value

Cost is determined using FIFO Method

(h) **RETIREMENT BENEFITS:**

Gratuity & Leave Encashment

The provisions in accounts of Gratuity and Leave encashment liability are based on actuarial valuation.

Provident Fund

Regular monthly contributions are made to Provident Funds, which are charged against revenue.

(i) **AMORTISATION OF MISCELLANEOUS EXPENDITURE**

Preliminary and Share issue expenses are amortised over a period to five years.

(j) **Finance Leases, which effectively transfer to the Lessee substantially all risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease period at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term by credit to liability for an equivalent amount. Lease payments are apportioned between the Finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.**

(j) **Impairment of Assets**

At each Balance Sheet an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in books of accounts.

- | | | | |
|----|--|---------------------|----------------------|
| 2. | Contingent Liability not provided for: | Current Year | Previous Year |
| a) | Bank Guarantee | 27,71,119 | 1,00,000 |
3. The Company has not availed exemption of SSI vide notification 9/2003 under Excise Act.
 4. The debit and credit balances included under 'Debtors, Loans & Advances Deposit & Creditors' in the balance sheet are as per ledger.
 5. Reserve Bank of India, on an application made by the Company, vide it letter RBI letter No. FED.CO.ECBD/12699/03.02.775/2008-09 dated November 7, 2008, conveyed its approval for the waiver of USD 100,138, part of External Commercial Borrowing taken from BN Enterprises, United Kingdom. This waiver has resulted in reduction in the liability on account of ECB loan resulting in gain of Rs. 48.51 Lac to the company.
 6. Research and Development : Revenue Expenditure on development work is charged to P&L A/c. Capital Expenditure is considered as an addition to Fixed Assets and depreciated as indicated herein above.
 7. Segmental Reporting: Primary Segment Information (BUSINESS SEGMENT)

Particulars	Rs. In Millions As at 31.03.2009	Rs. In Millions As at 31.03.2008
Revenue		
- Manufacturing	3.46	11.94
- Trading	477.44	297.13
- Services	-	-
TOTAL	480.90	309.07
Results:		
Profit Before Tax & Interest		
- Manufacturing	(16.72)	(8.50)
- Trading	32.29	14.96
- Services	0	0
Less:		
Interest	4.64	2.67
Profit Before Tax	10.93	3.79
Capital Employed		
- Manufacturing	(14.83)	2.83
- Trading	41.28	13.57
- Services		
TOTAL	26.45	16.40

Related Party Disclosure
A. Particulars of Related Parties which control or are under common control with the Company.

Name of the Related Party	Nature of Relationship
G E Capital Investment Pvt. Ltd	In which Director are interested
P.K. Nanda	Chairman

B. Key Management Personnel.

Name of the Related Party	Nature of Relationship
Ms. M N Shah	Managing Director

C. Transactions during the Year.

The Company has taken 6% Interest bearing loan from G. E. Capital Investment (P) Ltd. Loan taken during the year is Rs. 20.00 Lac. Interest paid on loan during the year is Rs. 7.47 Lac. The outstanding of the loan as on 31.03.2009 is Rs. 133.00 Lacs.

The Company has taken interest free loan from Mr. P. K. Nanda. Loan taken during the year is Rs. 22.50 Lac. The outstanding of the loan as on 31.03.2009 is Rs. 134.00 Lacs.

No other related parties transaction has taken place.

JMG CORPORATION LIMITED

9. Earning per share: The Earning per share is Rs. (+) 0.62 (PY + 0.22)
The Company has no outstanding Convertible Debenture or Preference shares.

10. The Deferred tax Assets/Liability as at 31st March, 2009 comprise of the following:

S. No.	Particulars	As at 31/03/2009	As at 31/03/2008
		(Rs)	(Rs)
(1)	Deferred tax liability Arising on account of timing difference in depreciation	9,087,302	1,05,60,995
(2)	Deferred tax Assets Preliminary Expenses Provision for doubtful debts Unabsorbed depreciation and Business Losses	NIL NIL 9,087,302	NIL NIL 10,560,995
	(1) - (2)	NIL	NIL

The Company has recognised deferred tax assets on unabsorbed depreciation and carry forward losses to the extent of deferred tax liabilities which has arisen due to timing difference and reversal of which will result in sufficient income against which such deferred tax assets (on unabsorbed depreciation and carry forward losses) can be realised.

11. MANAGERIAL REMUNERATION :

Salary & Allowances	Current Year	Previous Year
Mr. M N Shah (Managing Directors)	5,28,100	4,99,500
TOTAL	5,28,100	4,99,500

12. PROVISION FOR/PAYMENT TO AUDITOR :

Particulars	Current Year	Previous Year
Audit Fees (incl. Service Tax)	44,000	25,000
Out of Pocket Expenses	20,450	15,000
TOTAL	64,450	40,000

13. Details of Assets acquired under Finance Lease :

Particulars	Current Year In Lacs	Previous Year In Lacs
Gross Block	1.64	2.27
WDV	1.04	1.56
Particulars of lease payments made during the year:		
- Principal Amount	0.16	0.23
- Lease Finance Charges	0.08	0.04

The total of future Minimum Lease Payments commitments are as under :

Upto one year	0.18	0.28
More than one year and Upto five years	0.49	0.79
More than five years	Nil	Nil

JMG CORPORATION LIMITED

14. Additional information pursuant to paragraphs 3 & 4 of part II of Schedule VI of the Companies Act, 1956.

Quantitative Information in respect of Goods Manufactured & Trading

Manufacturing Division	Current Year	Prev. Year
Licenced Capacity - million sq mtr	36	36
Installed Capacity - million sq mtr (As certified by the management)	30	30
Production, Sales & Stock		
Opening Stock		
Quantity - sq. mtr	413316	72969
Value - Rs.	3249764	705218
Production - Quantity - sq mtr	141043	1825066
Sales		
Quantity - sq. mtr.	138928	1484719
Value - Rs.	3466056	11934689
a) Closing Stock		
Quantity - sq. mtr.	415431	413316
Value - Rs.	5838082	3249764

(Trading Division)

Trading Division	Current Year	Prev. Year
Licenced Capacity -	N.A.	N.A.
Installed Capacity - (As certified by the management)	N.A.	N.A.
Production, Sales & Stock		
Opening Stock		
Quantity - Pcs.	64.	N.A.
Value - Rs.	1524956	N.A.
Purchase - Quantity - Pcs.	13808	9161
Free Sample	246	
Sales		
Quantity - Pcs.	14052	9074
Free Samples - Pcs.	52	23
Value - Rs.	477443100	297131218
b) Closing Stock		
Quantity - Pcs.	14	64
Value - Rs.	1145769	1524956

Consumption of Raw Materials (Manufacturing Division)

Particulars	Current Year		Previous Year	
	Qty.	Value (Rs.)	Qty.	Value (Rs.)
Paper & Film (Kg.)	4604	190017	116659	3807459
Adhesive & Chemicals (Kg.)	380	350224	49140	6367364
Packing Material (No.)	20274	495830	279889	736468
Other	0	0	6783	37002

JMG CORPORATION LIMITED**Consumption of Imported and Indigenous Raw Materials and Stores & Spares Parts
(Manufacturing Division)**

Particulars	Current Year		Previous Year	
	Value (Rs.)	% Total Consumption	Value (Rs.)	% Total Consumption
Raw Material				
Imported	190017	18.34	1154910	10.55
Indigenous	846054	81.66	9793383	89.45
	1036071	100	10948293	100
Stores & Spare Parts				
Imported	0	0	0	0
Indigenous	15931	100	33282	100
Raw Material	15931	100	33282	100

15. PARTICULARS OF EXPENDITURE IN FOREIGN CURRENCY (Rupees in Lakhs)

Particulars	Current Year	Previous Year
Expenditure in foreign Currency	0.82	Nil
CIF Value of Import	NIL	23.43
Earnings in Foreign Exchange (F.O.B. value of Export)	24.34	15.62

16. Additional Information pursuant to provision of part IV of Schedule VI to the Companies Act, 1956.
(As Per Annexure)

17. Corresponding Comparative Figures:
Previous year figures has been regrouped and rearranged wherever considered necessary and possible.

Signatures to schedule 1 to 19 inclusive.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR SSP & COMPANY
CHARTERED ACCOUNTANTS

C.A. SANJEEV GUPTA
PARTNER

NIMMI CHANANA
Company Secretary

P.K. NANDA
CHAIRMAN

MAHENDRA KUMAR SHAH
MANAGING DIRECTOR

PLACE : New Delhi
DATE: 30th June, 2009

ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF
PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

Balance Sheet Abstract and Company's General Business Profile

1. REGISTRATION DETAILS

Registration No.	05 - 33561
State Code	05 (Haryana)
Balance sheet Date	31.03.2009

2. CAPITAL RAISED DURING THE YEAR(Amount in Rs.
Millions)

Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private placements	Nil

3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS(Amount in Rs.
Millions)

Total Liabilities (Including share application money)	99.78
Total Assets	99.78
SOURCES OF FUNDS	
Paid up capital (Including Share Application)	40.45
Reserve & Surplus	1.42
Secured Loan	5.30
Unsecured Loans	52.62
APPLICATION OF FUNDS	
Net Fixed Assets	33.54
Investments	-
Project & Pre-operative Expenditure (Pending Allocation)	-
Net Current Assets	50.81
Miscellaneous Expenditure	NIL
Accumulated Losses	15.43

4. PERFORMANCE OF COMPANY

Turnover (including extraordinary item)	489.80
Total Expenditure	478.86
Profit before tax	10.94
Dividend Rate	NIL

5. Generic names of the Principal Products

Item Code (ITC CODE)

Product Code

Service \ Item Description

3,919.10

Self Adhesive tapes

JMG CORPORATION LIMITED**CASH FLOW STATEMENT**

	Current Year	Previous Year
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET Profit/(LOSS) BEFORE TAX	10,934,419	3,797,005
ADJUSTMENTS FOR :-		
i) Depreciation	6,067,241	5,801,441
ii) Deferred Revenue Expenditure written off	-	-
iii) Interest Expenses	4,075,483	2,502,697
iv) Interest Income	(220,196)	(279,115)
v) Loss on sale of Fixed Assets	89,326	-
vi) Foreign Exchange Rate Fluctuation Adjustment (Profit)/Loss	5,404,877	(2,114,842)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>26,351,151</u>	<u>9,707,185</u>
ADJUSTMENTS FOR :-		
i) Trade & Other Receivables (Increase)/Decrease	(34,314,423)	(102,444,259)
ii) Inventories (Increase)/Decrease	5,268,344	(2,648,039)
iii) Trade and Other Payables Increase/(Decrease)	32,530,009	92,769,362
Less: Tax Paid	887,056	162,907
CASH GENERATED FROM OPERATING ACTIVITIES	<u>28,948,024</u>	<u>(2,778,658)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
i) (Purchase) of Fixed Assets	(1,240,848)	(2,152,732)
ii) Sale of Fixed assets	190,000	-
iii) Interest Received	220,196	279,115
iv) Subsidy Received	-	-
Net cash (used)/ Surplus in investing activities	<u>(830,652)</u>	<u>(1,873,616)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
i) Proceeds from Long Term Borrowings including Interest (Repayment)	(679,455)	135,496
ii) Proceeds from issue of Short Term Borrowings (Inc. Foreign Ex. Fluctuations)	(21,217,378)	9,119,101
iii) Interest Paid/Payable	(4,075,483)	(2,502,697)
iv) Foreign Exchange Rate Fluctuation Adjustment (Profit)/Loss	(5,404,877)	2,114,842
v) Increased in FDR's	-	3,331,128
Net Cash used in Financing Activities	<u>(31,377,193)</u>	<u>12,197,870</u>
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(3,259,821)	7,545,595
Cash and Cash Equivalents (Opening Balance)	7,855,687	310,092
Cash and Cash Equivalents (Closing Balance)	4,595,867	7,855,687
Increase/(Decrease) in Cash and Cash Equivalent	(3,259,821)	7,545,595

Auditor's Certificate

We have examined the attached Cash flow Statement of JMG Corporation Limited for the year ended on 31.03.2009. The Statement has been prepared by the Company in accordance with the requirements of Listing Agreements Clause No. 32 with Stock Exchange and is based as and in agreement with the corresponding Profit & Loss Account and Balance Sheet covered by our report of even date to the members of the Company.

For SSP & COMPANY
Chartered Accountants

Place : New Delhi
Date : 30th June, 2009

(C.A. SANJEEV GUPTA)
PARTNER

PROXY
JMG CORPORATION LIMITED
(Formerly IRPLAST ADHESIVES INDIA LIMITED)
Plot No. 7, Roz ka Meo, Industrial Area,
Mewat, Haryana

I/ Weof.....being a member/ Members
of JMG Corporation Limited, hereby appointof
as my/ our proxy in my absence to attend and vote for me / us and on my / our behalf, at 20th Annual
General Meeting of the Company, to be held at 10.00 A.M. on Tuesday, 29th day of September, 2009
and any adjournment thereof.

As Witness my/ our hand / hands thisDay of2009.
Signed by saidRevenue

Stamp of
Rs. 1/-

NOTE : This proxy must be deposited at the Regd. Office of the Company not less than 48 hours
before the time for holding the meeting.



ATTENDANCE SLIP

JMG CORPORATION LIMITED
(Formerly IRPLAST ADHESIVES INDIA LIMITED)
Plot No. 7, Roz ka Meo, Industrial Area,
Mewat, Haryana

I hereby record my presence at the 20th Annual General Meeting being held at Plot No.-7, Roz Ka
Meo, Industrial Area, Mewat Haryana

Member's / Proxy's Name :
Member's / Proxy's Signature :
Ledger Folio No. :
D.P.I.D. No. :
Address :

NOTES :

1. Only shareholders or their proxies will be allowed for the meeting.
2. Please bring the above attendance Slip at the meeting.
3. Shareholders are requested to advise, indicating their account numbers, the change in
the address, if any to the Company.

Book Post

If Undelivered please return to :
JMG CORPORATION LIMITED
Plot No. 7, Roz-ka-Meo, Industrial Area,
Mewat-122103, Distt-Mewat, Haryana