

Rajoo Engineers Limited

TWENTY TWO ANNUAL REPORT
2008-2009

Admn. & Mktg. Office :

Survey No.210, Plot No. 1, Industrial Area, Veraval (Shapar), Dist. : Rajkot - 360 002.(Gujarat)
Phone : (02827) 252701-2-3-4-5-6-7 Fax : (02827) 252700 E-mail : rel@rajoo.com

Regd. Office :

Junagadh Road, Manavadar-362 630. Dist. : Junagadh (Gujarat)
Phone : (02874) 221175-221176 Fax : (02874) 221326 E-mail : relmvr@rajoo.com

Contents

1.	Our leadership team	03
2.	A letter to the shareholders	05
3.	The year 2008-09 at a glance	07
4.	Vision	08
5.	Years of leadership	09
6.	Board of directors	11
7.	Financial highlights	12
8.	Directors' Report	13
	8.1 Financial Results	14
	8.2 Corporate Governance	15
9.	Auditor's report	28



10.	Consolidated Balance sheet	32
10.1	Balance Sheet	32
10.2	Profit and Loss Account	33
10.3	Cash Flow statement	34
10.4	Balance Sheet Abstract	54
11.	Corporate Sustainability	56
12.	Environment policy, Health and safety and Social duties	57
13.	Notes	59
14.	Proxy form	60



RAJOO

Our leadership team



C. N. Doshi
Chairman

The founder of Rajoo Group with more than 25 years of experience in the plastic extrusion and precision machinery manufacturing industry, Mr. C.N.Doshi has envisioned the growth and progress of the organization to towering heights. Heading the business, he spearheads all the strategic spheres of the organization.



R. N. Doshi
Managing Director

Responsible for the overall operations including production, new developments and services, is the co-founder of this Organisation., He has more than 23 years of experience in plastic processing, machinery manufacturing and product developments. He is expert in selection of world class inputs in our products, cost reduction and inventory control to ensure our continued competitiveness. His extensive management experience includes several start-ups, plant installations and significant processing improvements in record time.



J. P. Aghera
Technical Director

The development of new machines and overall manufacturing processes are undertaken under the guidance of Mr. J. P. Aghera. He is with the Company since inception. He has more than 30 years of experience in plastic processing and bag making machineries. He acquired his technical skills through his experience working in his family's machining workshop in Manavadar. He holds an extra ordinary skill in solving machinery related problems and equipment repairs and machine design.



K. P. Aghera
Director

He is responsible for overall management and manufacturing of machines at Manavadar works. He is with the Company since inception. He has more than 35 years of experience in machinery manufacturing and plastic processing. He acquired his technical skills through his experience working in his family's machining workshop in Manavadar.

Our leadership team



Sunil Jain
President

The overall marketing, business development efforts and strategic areas at the Corporate level are the responsibility of Mr. Jain. He has more than 20 years of experience in the flexible packaging industry and plastic extrusion machinery industry. He has successfully developed key relationships with our esteemed customers and overseas partners.



Sunil Shah
VP (Marketing)

Mr. Shah has over 2 decades of rich experience in capital goods marketing. He is responsible for domestic marketing, with a core focus on business development. Graduate in Mechanical Engineering with Marketing qualifications, he has build an enriched career in the plastic processing industry by holding key positions and developing teams under him to work for the organizational goals.



Manish Vasavada
VP (Operations)

Having a versatile experience of 18 years in different functions of manufacturing like production, operations, planning, supply chain management, purchase and various others, Mr. Vasavada is a mentor for all the production related activities at REL and heads the Operations at Works. As a qualified Mechanical Engineer he has a result oriented approach driven by excellent leadership qualities which has helped the team under him to work with complete efficiency.



V. M. Rajpura
GM (Design)

He is responsible for overall design and machine configuration. He is with us for last 14 years. He has more than 24 years of experience in design and development of capital goods and plastic processing machineries.



J. T. Zalawadia
DGM - Finance

He is responsible for the overall financial management. He oversees the Organisation's functions in human resources, administration, Enterprise Resource Planning (ERP) system and corporate financial system. Prior to joining the Company he was Director of a public limited company. Prior to that, he worked in a nationalized bank. His previous experience included finance and general management in various industries such as cotton and oil mills.

“Growth is the evidence of your trust”



C. N. Doshi
Chairman

A letter to the shareholder

Dear Shareholders

I am pleased to report that your company continues to perform on a sustained basis and it has been able to demonstrate its robust business model with strong satisfactory results for the year 2008-09. During this period company's consolidated revenues have been grown by 20%.

In spite of a slowdown in the world economy, your Company demonstrated its resilience and leadership under challenging circumstances again. A great vision and strong management structure has helped Rajoo emerge stronger and more focused in a dynamic context. An ability to think "out of the box" has been the hallmark of Rajoo from time your Company began operation 23 years ago.

Since inception, the Company has witnessed exponential multi-faceted growth including sales with improved bottom-line rewarding our shareholders with good returns. During the last decade, the Company's turnover growth has far exceeded the average growth of the Indian extrusion machinery industry.

Your Company has made a modest beginning in 1986 and has emerged as an undisputed global player in blown film and sheet extrusion lines.

Inspired by a unique blend of spiritual professionalism and technological prowess, the Company has become a major supplier of world class machines at affordable prices.

Being a technology driven Company, the product innovations, world-class quality, state-of-the-art workmanship, increased energy efficiency and high levels of sophistication and automation have become the hallmark of Rajoo products during all these years, positioning Company's products on a global platform, competing with the established world leaders. The Company's exports have multiplied after its debut in the international market in 1990 with an export to Tanzania. Exports constitute over 35.60% of its total sales. The Company now enjoys successful and satisfied customer base across the globe. CE compliant machines have been sold into Germany and also to U.K. and U.S.A., a major break-through, supplying to the various source of such machines. The Company's machines also operate from as far as in, Colombia, Ecuador and Mexico in Latin America, Kenya, Tanzania, Sudan and Uganda in East Africa, Ghana and Nigeria in West Africa, Angola, Lesotho, Namibia and Zambia in South Africa, Iran, Kuwait, and U.A.E. in the Gulf. Closer home, have witnessed growth of satisfied customers in Bangladesh, Japan, Malaysia, Nepal, Pakistan, Papua New Guinea, Russia, Sri Lanka, Thailand and Vietnam.

Your Company has been a pioneer when it comes to opening up new market and geographies or introducing new products. Rajoo has increased market presence across the globe by participating in various industry exhibition like Plastpol 08-Poland, Platex 08 – Egypt, Plastimagen 08 – Mexico, Aseanplast 08- Singapore, Argenplas 08 –Argentina, Plastex 08 – Ukrain, Plastpack 08 – Africa. The fast growing presence in multiple markets is important for your company to ensure the growth.

When it comes to people, Rajoo has always been the highest retention rate in the industry. The Company's human capital development initiatives start from programs to raise the level of the each employee. The immense talents, professionalism, dedication and loyalty of over 300 RAJOOers are the Company's greatest assets.

It is a fact that none of our customers have ever gone sick. It is also a fact that all the customers when expanding or diversifying, have repeatedly ordered for our machines which is an ample proof of customer satisfaction. Repeat orders contribute to more than 60% of Company's sales and that is our greatest strength.

Rajoo has led the industry for 21 years and continues to be your source of growth in coming years. I look back in gratitude and internalize the wisdom gained from experience. It is our mission to set even higher standards for our performance and set new milestones.

I am confident that Rajoo will firmly establish itself as one of the world's most successful and admired Companies in the years to come.

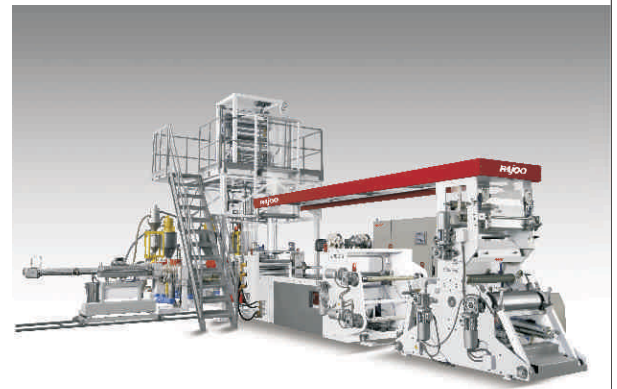
With Regards,



C N Doshi
Chairman

Quarter 1 & 2

- a) Rajoo Engineers has supplied its indigenously designed and developed Five Layer Barrier Thermoformable Sheet & Blown Film Combo Line at the Product Application Center in Chembur of Reliance Industries Limited. This polymer processing line is one of its kinds in the whole world.
- b) Driven by India's huge potential in food packaging and especially the barrier packaging, RAJOO has launched for the first time in India, a five layer thermoformable sheet extrusion line which can produce high barrier films with Nylon/EVOH and PP/HIPS and supplied to one of the Indian customer.
- c) Rajoo has participated following world renowned exhibitions during the year to increase the market presence across the globe and enhance its exposure in new territories.
 - Aseanplast 08, Singapore
 - Plastimagen 08, Mexico
 - Plastpack 08, Africa
 - Plastpol 08, Poland
 - 3P 08, Pakistan



a

b



Quarter 3 & 4

- d) Continuing to walk the talk of their maxim "Excellence in Extrusion" Rajoo Engineers hosted a live show of a fully automated three layer blown film plant producing 503 kgs / hour of 37.5 micron / 2000 mm lamination grade film with 5% thickness variation at 2-sigma at their world class integrated facilities.
- e) Rajoo has explored the new market by participating Plastex 08, Egypt 11th International African - Arabian Exhibition for Plastic Industries.
- f) Rajoo has been awarded the order against stiff European and Chinese competition for a fully loaded three layer sheet line from Flexituff international Limited, one of the largest plastic processors in the world supplying to European and American continents.
- h) Rajoo showcased world class technology being demonstrated for the first time on the Indian soil in Plastindia 2009, the world class plastics exhibition, now acknowledged as the second largest in the world with 1450 exhibitors including 475 from overseas provided an apt platform, also awarded with '**excellence in stall presentation**' by the PI Committee.
- i) Rajoo proudly announced technical collaboration with Techno Coating Engineering, Italy for cast extrusion stretch and PP Sheet Lines during the Plastindia 2009.



c

d





Vision

The dictum **“Excellence in Extrusion”** is inherent to each facet of our operations. And we strive to realize this objective with passion and fervor.

Plastics, a material of choice for over centuries has made deep inroads into all walks of human life, be it food packaging, housing or clothing or industry. We strive to contribute to development of plastics through extrusion. We also strive to contribute to the sustainable use of natural resources as well as energy saving and waste reduction. We aim at providing excellence in sheet and blown film extrusion lines incorporating world class technology at affordable price levels.

This is achieved through continuous innovation, both in process and machine design coupled with polymer formulation. Our co-operation with polymer industry and with internationally acclaimed rheologists and machine designers enables us to produce technology of the developed nations at economies of developing countries.

Our obsession for innovation and enthusiasm for profound understanding of polymers are significant elements which encourage us to achieve our goals and put us above the rest.

We believe that human resources is important and pivotal factor in any enterprise and we strive to provide cordial and inspiring work environment to our employees who endeavor to converting ideas into solutions for our customers with untiring and honest efforts and become cornerstone of our success.

“Excellence in Extrusion” is our Company’s maxim and is an expression of our corporate vision and culture which guides us in all that we do.

RAJOO

Commenced business as Rajoo Engineers Pvt. Ltd. at Manavadar, a small village in Junagadh Dist. to 1986... manufacture mechanical cutting-sealing machines.



1990 Made an entry into the International market with maiden export of a blown film line to Tanzania.

Begun operations at Rajkot. Entered into a technical collaboration with a British company. Went public and the 1994... issue was over-subscribed by nearly 24 times.



1999 Secured ISO 9001 certification and further improved the Quality Management Systems. The Company has now graduated to ISO 9001:2000.

21 years of leadership

Awarded Export Excellence Certificate from Engineering Export Promotion Council of India in recognition of highest 2003... exports during the year.



2004 Awarded GUJARAT GAURAV AWARD for its outstanding contributions to the plastic industry.

Became a STAR EXPORT HOUSE recognised by Government of India for excellent exports. 2004



2007 Entered into technical collaboration with Commodore Inc. U.S.A. for manufacture of XPS sheet line and thermoformer.

Rajoo continued to make their mark in the Indian plastics industry in terms of innovative solutions and impressive presentation. The "red" theme continued on Rajoo's aesthetically designed Stand during Plastivision 07, Mumbai & won the "Award Winning Stand" recognition. 2007



2008 Entered into technical collaboration with Tecno Coating Engineering, Italy for manufacture of Cast Stretch film lines.

The sheer size of the stand (750 sq m) with 52 m frontage, Rajoo has displayed 3 machines and awarded for "excellence in stall presentation" in recently concluded industries 2nd largest exhibition, Plastindia 09. 2009



2010 ...only growth is constant !!!





Board Of Directors

Executive Directors

Mr. Chandrakant N Doshi
Chairman*

Mr. Rajesh N Doshi
Managing Director**

Mr. Jayantilal P Aghera
Whole-Time Director

Mr. Khimjibhai P Aghera
Whole-Time Director

Mr. Sunil B Jain
Executive Director

Non Executive Directors

Mr. Ramesh A Shah
Independent Director

Mr. Mahasukh S Mehta
Independent Director

Mr. Kishor R Doshi
Independent Director

Mrs. Prabha R. Vaja
Independent Director

Bankers

Axis Bank Ltd
"Titan", Near K. K. V. Circle,
Kalawad Road Branch,
Rajkot – 360 005.

Statutory Auditors

M N Manvar & Co.,
Chartered Accountants,
504, Star Plaza, Phulchhab Chowk,
Rajkot-360 001.

Registered Office

Junagadh Road, Manavadar-362 630.
Dist. Junagadh. (Gujarat)

Works

1. Junagadh Road, Manavadar-362 630.
Dist. Junagadh. (Gujarat)
2. Survey No. 210, Plot No. 1,
Industrial Area, Veraval (Shapar),
Dist. Rajkot – 360 002. (Gujarat)

* Re-designated from CMD to Chairman w.e.f. 7th July, 2009

** Re-designated from Joint MD to Managing Director w.e.f. 7th July, 2009

	Rs.in lacs				
Particulars	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005
Operating Results					
Sales & Other Income	5123.55	4397.70	4045.71	3298.04	3143.26
Profit before depreciation & Interest	580.86	450.99	387.12	332.32	286.50
Profit before tax (PBT)	452.44	372.95	300.24	256.25	205.90
Profit after tax (PAT)	258.43	215.36	155.58	150.30	117.78
Retained earnings	184.48	150.66	93.70	94.84	68.49
Earning per share (EPS) (Rs.)	8.39	6.99	5.05	4.88	3.82
Dividend % p.a.	24%	21%	20%	18%	16%
Financial Summary					
Assets Employed					
Fixed Assets (Net)	758.31	754.59	676.37	582.84	494.64
Working Capital (Net)	952.88	1349.43	1071.41	757.62	646.67
Capital Employed	1742.34	2146.67	1788.94	1381.61	1182.46
Financed by					
Share Capital	308.10	308.10	308.10	308.10	308.10
Share Warrants	32.40	-	-	-	-
Reserves	870.58	686.10	535.44	441.74	346.90
Total Shareholders Funds	1211.08	994.20	843.54	749.84	655.00
Borrowings	531.26	1152.48	945.40	631.77	527.46
Debts Equity	0.44:1	1.16:1	1.12:1	0.84 : 1	0.80:1
Others					
Book Value per Share (Rs.)	39.31	32.27	27.38	24.34	21.26
Gross Fixed Assets	1378.13	1300.99	1155.61	996.74	849.59



To,
The Members of,
Rajoo Engineers Ltd.
Manavadar

Your Directors are pleased to present their Twenty Second Annual Report for the year ended on 31st March, 2009.

Financial Results

Your Company's performance for the year ended on 31st March, 2009 is summarized as under:

(Rs. in lacs)

Particulars	For the year ended on 31st March, 2009	For the year ended on 31st March, 2008
Sales & other income	5123.55	4397.70
Profit before interest & depreciation	580.86	450.99
Less :		
- Depreciation	80.31	75.28
- Interest	48.11	2.76
Net profit before taxation	452.44	372.95
Less :		
- Taxation	168.49	136.36
- Wealth Tax	0.47	0.59
- Fringe benefit tax	6.96	5.17
- Deferred tax	5.53	4.47
- Dividend tax	12.57	10.99
Net profit after taxation	258.43	215.36
Add : Profit & loss account balance brought forward	516.91	396.25
Amount available for appropriation	775.34	611.61
Proposed Dividend	73.94	64.70
Transfer to General Reserve	30.00	30.00
Balance carried to Balance sheet	671.39	516.91

Performance Review

During the year under Report, your Company has achieved domestic sales of Rs.2741.86 lacs against that of Rs.2881.83 lacs during previous year and export sales of Rs. 2345.12 lacs increased from Rs.1398.27 lacs during previous year, aggregating to total sales of Rs. 5086.97 lacs increased from Rs.4280.11 lacs during previous year. The net profit of the Company has also increased to Rs. 258.43 lacs showing 20% rise as compared to previous year. Your Company has successfully implemented various cost reduction measures during the year.

Dividend

The Board of Directors are pleased to recommend a dividend of 24% (Rs. 2.40 per share) on the paid up share capital of the Company, subject to approval of members in the ensuing Annual General Meeting.

The total dividend payment amounts to Rs. 86.51 lacs (including Dividend Tax of Rs. 12.57 lacs). If approved as stated, the final Dividend will be paid to the shareholders whose names appear:- (a) as Beneficial Owners as at the close of 24th July, 2009, as per the list to be furnished by the Depositories in respect of shares held in the Electronic Form, and (b) as Members in the Register of Members of the Company as on 25th July, 2009, after giving effect to all valid share transfers in physical form which are lodged with the Company on or before 24th July, 2009

Subdivision of Share Capital

Members are aware that the share capital of the Company is consisting of equity shares with face value of Rs. 10/- each. However, looking into the present trend as well as after considering the future requirements in relation to capital structure of the Company, the Board proposed to subdivide share capital of the Company from Rs. 10/- each to Re. 1/- each. Necessary alteration will also take place in the Authorized and paid up share capital of the Company. The Company will then issue fresh share certificates, to those shareholders who are holding shares in physical form.

Delisting From Regional Stock Exchanges

As stated in the Explanatory statement in the Notice of the Annual General Meeting, equity shares of the Company are listed at the Mumbai Stock Exchange Ltd. (BSE), the Ahmedabad Stock Exchange Ltd. (ASE), and the Saurashtra Kutch Stock Exchange Ltd. (SKSE). The securities of the Company got listed at the stock exchanges to provide liquidity to the shareholders and investors of the Company. However, it has been observed that the scripts of the Company are not actively traded at ASE / SKSE, and volumes of shares in last many years either been negligible or nil. So it is advisable for the Company to take the advantage of voluntary delisting of the securities per SEBI Regulations. In view of the above, it is proposed to seek voluntary delisting of the Company's shares from the Saurashtra Kutch Stock Exchange Ltd, Rajkot and Ahmedabad Stock Exchange Ltd, Ahmedabad. However the Company's shares shall continue to be listed at the Bombay Stock Exchange Ltd, Mumbai. Members are requested to pass the Resolution and approve the delisting of securities from both stock exchanges.

Board's Responsibility Statement

In pursuance of Section 217(2AA) of the Companies Act, 1956, the Directors confirm:

- a) That in the preparation of annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) That they have selected such accounting policies and applied them consistently and made judgments 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 accounting year and of the profit and loss account for that year;
- c) That they 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 frauds and other irregularities;
- d) That they have prepared the annual accounts on a going concern basis.

Trade Relations

The Board desires to place on record its appreciation for the support and co-operation received from suppliers / vendors and authorized dealers and all other associated with our Company. Company regards them as partners in its progress and shares with them the fruits of growth. The Management constantly endeavors to build strong and mutually respectable trade relations with them.

Directors

Mr. Kishor R Doshi and Mr. Sunil Jain, Directors are liable to retire by rotation and being eligible offer themselves for reappointment. Brief Resumes of Directors are attached with Notice of the AGM. Members are requested to reappoint the Directors. The Board of Directors of the Company appointed Mrs. Prabha R. Vaja, as an Additional Director of the Company with effect from 30th September, 2008 pursuant to section 260 of the Act and Article 157 of the Articles of Association of the Company. Under section 260 of the Company Act, Mrs. Vaja ceases to hold office at this Annual General Meeting but is eligible for appointment as a Director. A notice under section 257 of Act has been received from a Member signifying his intention to propose her appointment as a Director. Further, Mrs. Vaja is an independent Director of the Company. The Board recommends reappointing Mrs. Vaja as Director of the Company.

Corporate Governance

Since inception, the Company laid a lot of emphasis on appropriate & timely disclosures and transparency in all business dealings. REL has been adhering to the corporate governance principles & practices since long. Your Company is regularly submitting its Corporate Governance Reports to stock exchanges where shares are listed. A detailed report on Corporate Governance is also annexed to this Report. Further, the Certificate, in relation to compliance of the corporate governance principles, obtained from M/s M N Manvar & Co., Chartered Accountants, and statutory Auditors of the Company is annexed to this Report of Board.

Compliance Certificate

In due compliance of Section 383A of the Companies Act, 1956, read with the Companies (Appointment & Qualifications) Rules, 1988, as amended on 5th January, 2009, Compliance Certificate from a practicing Company secretary about the compliance of the provisions of the Companies Act, 1956 have been obtained .

Auditors

M/s. M N Manvar & Co., Chartered Accountants, and statutory Auditors of the Company, retire at this Annual General Meeting, and being eligible, offer themselves to be reappointed as such. The Company has received certificate from M/s. M N Manvar & Co., Chartered Accountants, declaring that their appointment will fall within limits prescribed under Section 224(1B) of the Companies Act, 1956.

Secretarial Audit

As directed by the Securities and Exchange Board of India (SEBI), Secretarial Audit is being carried out at the specified periodicity by M/s. M N Manvar & Co, Chartered Accountants, & Statutory Auditors of the Company. The findings of the Secretarial Audit were satisfactory.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Disclosures with regards to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are annexed herewith and forms part of this Report.

Acknowledgement

Your directors express their appreciation for the assistance and co-operation received from the share-holders, bankers, government authorities, stock exchanges, customers, suppliers, agents and business associates at various levels during the year under review. Your directors also wish to place on record their appreciation for the committed and dedicated services of company's executives, staff and workman.

Annexure 'A' To The Directors' Report

Disclosures pursuant to the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988

1. Consumption & Conservation of energy

a) Energy conservation measures taken

Continuous efforts are being made by the production team for conservation of energy. Regular energy audits are being carried out by independent agencies and utmost care is taken in implementing their recommendations although the actual benefit in terms of energy saved cannot be measured.

b) No investment has taken place during the year under report specifically to reduce or monitor energy consumption.

c) Impact of measures (a) above for reduction of energy consumption is likely to result in reduction of cost of production.

2. Technology absorption

a) Efforts made in the technology absorption

i) With the objective of contributing to the conservation of resources and recycling of plastics, developed rPET Sheet line which uses flakes from scrapped PET Bottles to produce PET Sheet for various packaging and industrial application.

ii) Introduced XPS (foamed expanded polystyrene) sheet extrusion line and thermoforming machines for producing disposable containers for the catering industry for the first time in the country, an import substitution product. This technology was developed under the technical collaboration with Commodore Solutions Inc, of USA and the technology was appropriately absorbed and adopted.

b) Future plan of action.

We are making continuous efforts in developing more energy efficient machines with updated technology since after polymer, energy forms the second largest cost component in producing plastic films and sheets. We are also in the process of exploring joint ventures and technical collaboration with reputed overseas manufacturers for upgrading and adopting higher level of technology.

3. Foreign Exchange earnings and outgo

Particulars	2008-09	2007-2008
Foreign Exchange earned	1679.04	1374.80
Foreign Exchange used	384.06	545.65

4. Details of Employees drawing salary more than Rs. 24 lacs per annum or Rs. 2 lacs per month [As per the Companies (Particular of Employees) Rules, 1975]

Sr. No	Name	Designation	Remuneration Rs.	Qualification	Date of Commencement of Employment (DOE)	Total Experience (In Years)	Age	Last Employment
1.	C. N. Doshi	Chairman	25,12,652/-	B.A. B.sc. D. Pharm., C.A.I.I.B.	1-4-1992	37	56 Years	Banker

Annexure 'B' Management Discussion And Analysis**1. Industry structure and its developments**

Your Company is in the capital goods sector manufacturing plastic processing machines specifically extrusion machines for producing films and sheets. Your Company strives to provide the plastics industry, in the country and worldwide, technologically advanced affordable solutions in extrusion of plastics. "Excellence in extrusion", thus pervades each and every facet of your Company's operations and is a distinct expression of the corporate vision and culture.

Plastics have moulded the modern world and transformed the quality of life. There is no human activity where plastics do not play a key role from clothing to shelter, from transportation to communication and from entertainment to health care. Plastics, because of their many attractive properties, such as lightweight, high strength and ease of processing, meet a large share of the material needs of man, and that too at a comparatively lesser cost and causing lesser environmental implications. The unique characteristics of plastics like durability, formability, light weight and versatility have enabled their usage in almost everything which helps make life easier and better.

2. Opportunities and Threats

By 2012, India is projected to be the third largest consumer market for plastic goods with a consumption of 12.5 million tons per annum, behind US and China. Indian Plastic industry is projected to achieve a growth of 15 per cent in the next couple of years despite the global slowdown. The size of the domestic plastics market is about Rs 40,000 crore and 55,000 units are operating across the country. There is scope of 10,000 more units in this sector and 1 million new employment opportunities.

Above opportunities coupled with the revolution in organized retail is slated to enhance the consumption of plastic films and sheets for which your Company produces machines.

Growing competition of machines from imports, more specifically China are potential threats but your Company is fully geared to handle this challenge owing to superior technology and offering value for money. Volatility in polymer prices which are influenced by the crude oil prices also brings in elements of uncertainties which at times slows down investment in such machines.

3. Segment-wise performance

Your Company is operating in one segment only i.e. Plastic extrusion machines specifically film and sheet extrusion. As compared to other players in this segment, your Company has emerged the top performer in terms of growth in sales and profits and market share.

4. Outlook

Global production and consumption of plastics increased from less than 5 million tonnes in 1950 to 260 million tonnes in 2007. Over a third is used for packaging, while construction products represent almost a quarter.

The Working Group on Chemicals and Petrochemicals of the Indian Government for 11th Five Year Plan (2007-2012) has identified the demand potential in commodity polymers to go up from 5.3 million tons in 2006-07 to 12.5 million tons with a Compounded Annual Rate of Growth (CARG) of 18 % during the 11th five year Plan. The above mentioned projection will result in an investment and about US \$ 6 billion (Rs. 30,000 crore) in downstream plastic processing sector.

The Working Group made following significant policy recommendations:

- Increasing the domestic demand and per capita consumption of plastics from the present 4 kgs. to about 12 Kgs by 2011
- increasing the competitiveness and polymer absorption capacity of the domestic downstream plastic processing industry by modernizing and technologically upgrading it and freeing it from structural constraints

Your Company is now recognized as a global player and thus affected by the global events. To meet this challenge, your Company has embarked upon an ambitious and focused programme of innovating, absorbing and adopting world class technologies in sheet and blown film extrusion lines. This programme will further catapult the Company and make it distinct and a preferred supplier as compared to the competition.

Your Company entered into a technical collaboration with Commodore Solutions Inc. USA for XPS foam technology and has already developed the first set of machines. XPS foamed products for the catering industry is an emerging trend in the market.

While plastics in packaging is the preferred and accepted material world-wide today the environmental impact is an increasingly important factor when deciding which material to use for packaging. PET is the most recycled resin in the world and the primary advantage of using rPET is a significant reduction of the carbon footprint in addition to reduction in waste going to landfill, land for which is continuously becoming scarce.

Machines for producing rPET sheet earlier were not only expensive but were available only for higher capacities from European/American sources. Rajoo Engineers have already supplied such machines, earlier to Germany and Latin America but recently in India as well. In fact, to cater to emerging Asian markets, it was demonstrated during Plastindia 2009.

Your Company thus continues its leadership position in the Asian industry in terms of innovation, technological advancements and offering world class technology at affordable price levels.

With its strong engineering skills and language advantage, similar to the IT and automobile industry, India is poised to become an outsourcing hub for supply of parts and assemblies to the developed world. Your Company has already embarked upon a programme to take advantage of this opportunity for supplying to manufacturers in Europe and USA.

The focus on creating positive referrals amongst the customers is an important aspect of your Company's promotion strategy and the Company continues to take proactive measures in this direction.

Your Company has positive outlook for F.Y. 2009-10. With the growth in retail segment, challenging product applications emerge, which will call for hi-tech machinery development and engineering solutions. On this front, company has already started working and has delivered a versatile sheet-line to process PET flakes to produce PET Sheet . The Company will leave no efforts to grab each and every opportunity for growth – both segmentwise and geographically. The Company also expects to derive a greater operating leverage out of its investments, maximizing shareholders' wealth.

5. Risks and concerns

After four years of average annual global real GDP growth of better than 4 1/2 percent, the pace of advance has slowed down in the major industrial countries. However, there is less of a slowdown in other industrial countries. Most emerging-market economies, including India maintain quite strong, albeit somewhat slower, growth.

Even in the past, in periods witnessing the severest of downturns and GDP recession, the packaging industry has posted positive growth. After all, people still have to eat and purchase essential products; in fact, one earlier US study showed that, in difficult times, people tend to stay home more and eat out less, actually leading to an increase in the demand of packaged products.

Some segments – like luxury products, white goods and non-essential lifestyle products – will be hit and there will also be a drift towards cheaper and lower value brands or brand variants. This could reflect in sales values coming down but absolute numbers of packages sold will actually grow in line with population growth and demographic dynamics like number of households, nuclear families, working women, disposable incomes/income distribution and middle class aspirations

Your Company is fully geared to meet the threat of imports of less expensive and lower technology machines from Far East and high technology machines from Europe. To meet the threat from Far East, the Company continues to introduce cost effective solutions to the industry without any compromise on technology and workmanship.

Your Company continues to aggressively showcase its technology and prowess through participation in leading plastics exhibitions around the world. Company's recent participation in Plastindia 2009 (which is now recognized as the second largest plastics show in the world) was acclaimed by the industry where fully automated three layer blown film line and rPET Sheet line to produce rPET Sheet from PET bottle flakes was demonstrated.

Your Company, being the first one in the Asian industry to introduce machines with "CE " rating continues to focus on safety of human beings and environment friendly technologies and by reducing the energy consumption while processing.

Effective measures to control and reduce operating costs continue in your Company to meet the future challenges.

6. Internal Control Systems and their adequacy

The Company has implemented proper and adequate systems of internal control to ensure that all assets are safeguarded and protected against loss from any unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The Company has also implemented effective systems for achieving highest level of efficiency in operations, to achieve optimum and effective utilization of resources, monitoring thereof and the compliance with provisions all laws including the Companies Act, 1956, Listing Agreement, directions issued by the Securities and Exchange Board of India, labour laws, tax laws etc. It also aimed at improvement in financial management, and investment policy. The System ensures appropriate information flow to facilitate effective monitoring. The internal audit system also ensures formation and implementation of corporate policies for financial reporting, accounting, information security, project appraisal, and corporate governance. A qualified and independent Audit Committee of the Board of Directors also reviews the internal control system and its impacts on improvement of overall performance of the Company.

7. During the year under review, your company has received following awards

"Outstanding Stand Award" in the prestigious Plastindia 2009 exhibition in New Delhi in February 2009, an exhibition recognized as the second largest plastics show in the world.

8. Material development and human resources / Industrial relation front

Talent and knowledge base have remained keys to your company's competitive advantage. Your company believes that acquiring, nurturing, engaging and retaining talent are base to achieve objectives of the Company. Your Company believes that continuous training & development of inherent skills within employees will help the Company to optimize the productivity and profitability. At the same time, Your company leaves no avenue unexplored to build the cordial and fruitful relations with all employees by understanding their needs, problems and implementing steps to overcome all problems /difficulties faced by 'human assets' of the Company.

Your Board sincerely thanks all the employees who have put in their hard work and helped the company to grow at the rate faster than ever.

9. Cautionary Statement

All statements made in Management and Discussion Analysis has been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the Management envisages in terms of performance and outlook. Market data, industry information etc. contained in this Report have been based on information gathered from various published and unpublished reports and their accuracy, reliability, and completeness cannot be assured.

Factors such as economic conditions affecting demand/supply and priced conditions in domestic & international markets in which the Company operates, and changes in Government regulations, tax laws, other statues and other incidental factors, may affect the final results and performance of the Company and therefore actual performance may differ from projections made by the Company.

For and on behalf of the Board of Directors

Date: 07/07/2009
Place: Veraval (Shapar), Rajkot

C. N. DOSHI
Chairman

Annexure 'C' Report On Corporate Governance

The Board of directors presents the Company's Report on Corporate Governance.

1. Company's Philosophy on Corporate Governance

The Company believes in setting the highest standard of good and ethical corporate governance practices to enhance the long-term shareholder value and protect the interest of shareholders, customers and others.

The main objectives of Corporate Governance are:

1. Maximizing long-term shareholder value in a legal and ethical manner.
2. Ensuring fairness, courtesy and dignity in all transactions within and outside the Bank with customers, investors, employees, competitors, government and the general public.
3. Open, transparent and merit-based management.

The Company is committed to following high standards of transparency and accountability. The Company has formed required committees of the Board of Directors to monitor various aspects of the business.

2. Board of Directors

A. Composition of the Board

The Company's Board of Directors comprises of Nine Directors. There are five Executive Directors on the Board of the Company, namely, Mr. C. N. Doshi (Chairman) Mr R. N. Doshi (Managing Director), Mr. K. P. Aghera, (Whole-Time Director) Mr. J. P. Aghera (Whole-Time Director) and Mr. Sunil Jain (President & Director) . There are four non-executive Independent Directors namely Mr. Ramesh A. Shah, Mr. Kishor R. Doshi, Mr. Mahasukh S. Mehta and Mrs. Prabha R. Vaja.

B. Meetings

Since the beginning of the financial year 2008-09, till the date of end of the financial year, a total of 11 Board Meetings were held on the following dates viz., 8th April, 2008, 30th June, 2008, 31st July, 2008, 22nd August, 2008, 22nd September, 2008, 24th September, 2008, 30th September, 2008, 31st October, 2008, 5th November, 2008, 31st January, 2009 and 29th March, 2009.

All Directors, except Mr. Sunil Jain have attended the last Annual General Meeting held on 24th September, 2008.

Details of Shareholding /committee membership of Directors of the Company as on 31st March, 2009

Name of Director	Designation	Number of Shares held in Company	Directorship in all Public Limited Companies #	Membership in Committee in all public limited Companies #	Chairmanship of Committee in all Public limited Companies #
Mr. C. N. Doshi	Chairman	281000	02	Nil	Nil
Mr. R. N. Doshi	Managing Director	308820	02	Nil	Nil
Mr. K. P. Aghera	Whole-Time Director	46940	02	Nil	Nil
Mr. J. P. Aghera	Whole-Time Director	41200	01	Nil	Nil
Mr. Sunil B. Jain	Executive Director	1700	01	Nil	Nil
Mr. Ramesh A. Shah	Non-executive & Independent	Nil	01	01	01
Mr. Kishor R. Doshi	Non-executive & Independent	2200	01	01	01
Mr. Mahasukh S. Mehta	Non-executive & Independent	700	01	01	01
Mr. Manharlal V. Kamdar *	Non-executive & Independent	Nil	01	01	Nil

Includes Directorship/Membership or Chairmanship of Committee in Rajoo Engineers Limited but excludes Directorship in or Membership or Chairmanship of any Committee in any Private Limited Companies/Foreign Companies.

* Ceased to be director w.e.f. due to death

3. Remuneration to Directors:

The Company has paid remuneration to executive directors as per table given herein under.

Name of Director	Category	Designation	Salary (Rs. per annum)	Perquisites (Rs. per annum)	Options under the Employee Stock Option Scheme*
Mr. C. N. Doshi	Executive	Chairman	24,11,511	1,01,141	Nil
Mr. R. N. Doshi	Executive	Managing Director	18,13,233	34,398	Nil
Mr. K. P. Aghera	Executive	Whole-Time Director	12,11,202	13,443	Nil
Mr. J. P. Aghera	Executive	Whole-Time Director	12,11,202	12,416	Nil
Mr. Sunil B. Jain	Executive	Executive Director	16,85,014	0	Nil
Total			83,32,162	1,61,398	

- The Company does not have any Employee Stock Option Scheme at present. Further, The Company has not paid any salary or perquisites to its non-executive Directors. However, the Company has paid sitting fees to its non-executive independent Directors as under:

Name of Director	Category	Sitting fees (Rs)
Mr. Ramesh A. Shah	Non-executive & Independent	3000/-
Mr. Kishor R. Doshi	Non-executive & Independent	3000/-
Mr. Mahasukh S. Mehta	Non-executive & Independent	3000/-

a. Information placed before the Board of Directors

The Company circulates along with Notice of the Board Meeting, a detailed Agenda which, interalia, contain following items, as and when applicable:

- a) Review of annual business plans of the business, capital budgets, and updates,
- b) Quarterly (including periodic) results of the Company,
- c) Minutes of meeting of audit committee, remuneration committee, share holders' grievances committee etc.
- d) Information on recruitment and remuneration of senior officers just below the Board level,
- e) Materially important show cause, demand, prosecution and penalty notices, if any.
- f) Fatal or serious accidents or dangerous occurrences,
- g) Any material significant effluent or pollution problems,
- h) Any issue which involves possible public or product liability claims of a substantial nature.
- i) Details of any joint venture or collaboration.
- j) Transaction that involves the substantial payment of goodwill, brand equity or intellectual property,
- k) Significant labour problem and their proposed solutions,
- l) Significant development in the human resources and industrial relations fronts,
- m) Sale of material nature, of investments, subsidiaries, assets, which is not in the normal course of business,
- n) Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement.
- o) Status of compliance with all regulatory, statutory and material contractual requirements.

The Board of Rajoo Engineers Limited is routinely presented with all information under the above heads whenever applicable and materially significant. These are submitted either as part of the agenda papers well in advance of the Board meetings or are tabled in the course of the Board Meetings.

b. Materially significant related party transactions

There have been no materially significant related party transaction, pecuniary transaction or relationships between Rajoo Engineers Limited and its directors for the year ended on 31st March, 2009 that may have a potential conflict with the interests of the Company at large.

c. Composition of Various Committees

Audit Committee

a) Composition

Audit Committee consisted of three members namely Mr. Ramesh A. Shah, Mr. Kishor R. Doshi, and Mr. Mahasukh S. Mehta. All being Non Executive and Independent Directors. Mr. Kishor R. Doshi being professionally qualified as Chartered Accountant, acted as the Chairman of the Audit Committee.

b) Terms of Reference

The Terms of reference as stipulated by the Board to the Audit Committee, as contained in the Clause 49 of the Listing Agreement are as follows:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information
- 2) Review of Company's financial and risk management policies,
- 3) Review of accounting and financial policies and practices,
- 4) Review of internal control and internal audit systems,
- 5) Discussion with Internal Auditor and Statutory Auditors on any significant findings and follow - up thereon.
- 6) Reviewing the Company's financial statements and risk management policies.

c) Meetings of the Committee

Total five meetings of the Committee were held during the year 2008-2009

Name of Member	Designation	No. of Committee Meetings attended
Mr. Kishor R. Doshi	Chairman	05
Mr. Ramesh A. Shah	Member	05
Mr. Mahasukh S. Mehta	Member	05

Shareholders' Grievance Committee

a) Terms of Reference:-

The Committee has been given responsibility to look after complaints, if any, of investors to redress the same expeditiously. The Committee also approves requests for issue of duplicate share certificates, splitting/consolidation of share certificates, transfer and transmission of shares etc.

b) Composition

The committee comprises of all Non-Executive Independent Directors, Mr. Ramesh A. Shah, Mr. Manharlal V. Kamdar, and Mr. Mahasukh S. Mehta. Mr. Mahasukh S. Mehta is the Chairman of the Committee. W.e.f. 31st July, 2008, Mr. Manharlal V Kamdar ceased to be member of the Company due to his sad demise. The Board has reconstituted the Committee and appointed Mr. Kishor Doshi as the Member of the Committee.

c) Meetings of Committee

Total Six meetings of the Committee were held during the year 2008-2009

Name of Member	Designation	No. of Committee Meetings attended
Mr. Mahasukh S. Mehta	Chairman	06
Mr. Ramesh A. Shah	Member	06
Mr. Manharlal V. Kamdar *	Member	03
Mr. Kishor Doshi **	Member	03

* upto 31st July, 2008

** w.e.f. 31st July,2008

d) The Committee has resolved almost all complaints received during the year.

Remuneration Committee

a. Composition

The committee comprises of Three Non-Executive Independent Directors, Mr. Ramesh A. Shah, Mr. Kishor R. Doshi, and Mr. Mahasukh S. Mehta. Mr. Ramesh A. Shah is the Chairman of the Committee.

b. Terms of Reference

The Committee determines and approves the quantum of remuneration whether by way of salary, commission, special allowances, any other perquisites to the Managing, Whole time and non-executive Directors. Generally, the Remuneration Committee considers and approves remuneration payable to executive directors subject to final confirmation by Members in the General Meeting. The Company is not paying any remuneration to any non-executive Director as on date.

c. Meetings of Committee

The Committee held its Meeting during the year on 01/04/2008, 22/09/2008, 20/12/2008 & 29/03/2009

Name of Member	Designation	No. of Committee Meetings attended
Mr. Ramesh A. Shah	Chairman	04
Mr. Mahasukh S. Mehta	Member	04
Mr. Kishor R. Doshi	Member	04

Communication to Shareholders

The quarterly results of the Company are published in two of leading newspapers of English Language and Gujarati Language.

General Body Meetings

Details of the last three annual general meetings are given below:

Financial Year	Date	Time	Venue
2007-2008	24th September, 2008	11:00 a.m.	Junagadh Road, Manavadar, District Junagadh.
2006-2007	28th September, 2007	11:00 a.m.	Junagadh Road, Manavadar, District Junagadh.
2005-2006	15th September, 2006	11:00 a.m.	Junagadh Road, Manavadar, District Junagadh.

Shareholder information**Registered Office**

RAJOO ENGINEERS LIMITED, Junagadh Road, Manavadar, District Junagadh.

Plant Location

- 1) Junagadh Road, Manavadar-362 630
- 2) Suvey No 210, Plot No 1, Industrial Area, Shapar-Veraval, Dist. Rajkot-360 002

Annual General Meeting

The 22nd Annual General Meeting (AGM) of the Company will be held on Monday, 10th August, 2009, at 11-00 A.M. at registered office of the Company, Junagadh Road, Manavadar (Dist. Junagadh)

Financial Calender (Tentative)

- | | |
|--|------------------------------|
| 1. Annual General Meeting | : 10th August, 2009 |
| 2. Results for Quarter ending 30th June, 2009 | : Last week of July, 2009 |
| 3. Results for Quarter ending 30th September, 2009 | : Last week of October, 2009 |
| 4. Results for Quarter ending 31st December, 2009 | : Last week of January, 2010 |
| 5. Results for Quarter ending 31st March, 2010 | : Last week of June, 2010 |

Dates of Book Closure

The Company's transfer books will be closed from 25th July, 2009 to 9th August, 2009 (both days inclusive) for the purpose of Annual General Meeting and for the purpose of entitlement of Final dividend.

Stock Exchange Listing

The Company's shares are presently listed on the Bombay Stock Exchange Ltd, Mumbai, The Ahmedabad Stock Exchange Ltd, Ahmedabad and Saurashtra & Kutch Stock Exchange Ltd., Rajkot,

Stock Code

Stock Exchange	Stock Code
The Saurashtra Kutch Stock Exchange Ltd	RAJOO
The Ahmedabad Stock Exchange Ltd	47821
The Bombay Stock Exchange Ltd	522257
NSDL/CDSL Code	
ISIN No	INE535F01016

Stock Market Data

Monthly high and low prices of shares of the Company traded at the Stock Exchange, Mumbai are as under:

Month	2008-09		BSE		
	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
Apr 08	109.00	72.00	Apr 07	62.90	50.00
May 08	101.00	65.10	May 07	67.90	55.00
Jun 08	75.70	51.00	Jun 07	81.00	63.75
Jul 08	72.50	47.70	Jul 07	69.00	55.20
Aug 08	70.00	51.35	Aug 07	62.85	52.25
Sep 08	79.65	51.55	Sep 07	59.90	50.00
Oct 08	71.20	42.95	Oct 07	62.95	44.10
Nov 08	50.00	36.05	Nov 07	59.85	43.50
Dec 08	43.80	34.00	Dec 07	104.65	48.10
Jan 09	44.00	34.70	Jan 08	157.00	95.00
Feb 09	43.00	35.05	Feb 08	110.10	72.55
Mar 09	39.40	34.25	Mar 08	79.10	50.70

Registrar and Transfer Agents

Company has appointed Registrar and Transfer Agent, the name and address is as follow:

Link Intime India Private Limited
 (formerly Intime Spectrum Registry Limited)
 C-13, Pannalal Silk Mill compound,
 L.B.S. Marg Bhandup (W)
 Mumbai- 400 078

Share Transfer System

The processing activities with respect to requests received for share transfer are normally completed within 15 working days from the date of request.

Distribution Schedule as on 31st March, 2009

No. of Equity Share Held (Range)	No. of Share holders	Percentage to Total Shareholders	No. of shares held	Percentage to Total Shares held
0001 - 0500	3406	89.51	469562	15.24
0501 - 1000	187	4.91	153728	4.99
1001 - 2000	77	2.02	117664	3.82
2001 - 3000	34	0.89	86837	2.82
3001 - 4000	28	0.74	94982	3.08
4001 - 5000	12	0.32	53898	1.75
5001 - 10000	28	0.74	206027	6.69
Above 10000	33	0.87	1898302	61.61
	3805	100.00	3081000	100.00

Dematerialization of shares

The Company had signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to offer depository services to its shareholders. As on 31st March, 2009, total 26,44,383 equity shares have been dematerialized. Out of these shares dematerialized, 23,61,083 equity shares and 2,83,300 equity shares have been dematerialized with NSDL and CDSL respectively, representing approx. 85.83% of total issued share capital of the Company. Members are requested to dematerialize their shares as early as possible, if not yet dematerialized, so as to get benefits of electronic & paperless trading of equity shares.

Shareholders seeking any information/solution of any problem of query related to shares, share transfer; dematerialisation of shares etc. may kindly contact the Registrar and Transfer Agent of the Company.

Address for Correspondence:

Mr. PRAVIN JOSHI,
COMPLIANCE OFFICER,
Rajoo Engineers Ltd,
Junagadh Road,
MANAVADAR-362 630.
PH. NO. : 91 +2874 +221175/221176
FAX NO.: 91 +2874 +221326

Declaration Regarding Compliance With Code Of Conduct {clause 49(i)(d)}

The Company has laid down and adopted "Code of Conduct" for all Board Members and core management team of the Company. The Company believes that such Code of Conduct is necessary for best Corporate Governance practices, and expects that all Board Members and Core management team adhere to this Code of Conduct.

It is hereby affirmed that all the Directors and Senior Management personnel have complied with the Code of Conduct and have given a confirmation in this regard.

Place:- Veraval (Shapar), Rajkot
Date:- 07/07/2009

(C. N. DOSHI)
Chairman

(R. N. DOSHI)
Managing Director

Managing Director's Certificate For Financial Statements (clause 49v Of Listing Agreement)

We have reviewed financial statements and cash flow statements for the financial year 2008-2009 ended on 31st March, 2009, and to the best of our knowledge and belief:

- (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (b) These statements together present true and fair view of the Company's affairs and in compliance with existing accounting standards, applicable laws and regulations;
- (c) No transactions entered into by the Company during the aforesaid year, which are fraudulent, illegal or in violation of the Company's code of conduct.

Further, we accept that it is our responsibility to establish and maintain internal controls. We have evaluated the effectiveness of internal control system of the Company and have disclosed to the auditors and the Audit Committee, wherever applicable:

- (a) deficiencies in the design or operation of internal controls, if any, which came to our notice and steps have been taken/proposed to be taken to rectify these deficiencies
- (b) Significant changes in the internal control during the year
- (c) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements
- (d) Instances of significant fraud of which we became aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Place:- Veraval (Shapar), Rajkot
Date:- 07/07/2009

(C. N. DOSHI)
Chairman

(R. N. DOSHI)
Managing Director

Auditors' Certificate On Corporate Governance

To The Members of Rajoo Engineers Limited

We have examined the compliance of conditions of Corporate Governance by Rajoo Engineers Limited, for the year ended on 31st March 2009 as stipulated in clause 49 of the Listing Agreement of the said company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned listing agreement.

We state in respect of investor grievances received during the year ended on 31st March 2009, no investor grievances are pending against the company exceeding one month as per records maintained by the Company which are presented to shareholders/investor grievance committee.

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

Date : 15th June, 2009
Place : Veraval (Shapar), Rajkot

For, **M. N. Manvar & Co.**,
Chartered Accountants

[M. N. Manvar]
Proprietor
Membership No.36292

Auditors' Report

To, The Members of Rajoo Engineers Limited

- (1) We have audited the attached Balance Sheet of RAJOO ENGINEERS LIMITED, as at 31st MARCH 2009, the profit and loss account and also the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- (2) We conducted our audit in accordance with the 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 provides a reasonable basis for our opinion.
- (3) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- (4) Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - (iii) The Balance sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance sheet, Profit and loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 and material deviation, if any, are disclosed in the notes on accounts forming part of Audited Financial Statements.
 - (v) On the basis of written representations received from the directors, as on 31st March 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) In the case of the Balance sheet, of the state of affairs of the Company as at 31st March, 2009
 - b) In the case of the Profit & Loss account, of the Profit of the Company for the year ended on that date; and
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Date : 15th June, 2009
Place : Veraval (Shapar), Rajkot

For, **M. N. Manvar & Co.,**
Chartered Accountants

[M. N. Manvar]
Proprietor
Membership No.36292

Annexure to the Auditors' Report

Re: Rajoo Engineers Limited
(Referred to in Paragraph 3 of our Report of even date)

- i) a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The Company has a phased programme of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. In accordance with such programme, the management has physically verified fixed assets during the year and no material discrepancies were noticed on such verification.
- c) The Company has not disposed off substantial part of fixed assets during the year.
- ii) a) Physical verification of inventory has been conducted during the year by the management at reasonable intervals.
- b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- c) The Company is maintaining proper records of inventory. Discrepancies noticed on physical verification have been properly dealt with in the books of accounts.
- iii) a) The Company has granted unsecured loan to other company or other parties covered in the register maintained under section 301 of the companies act, 1956. The numbers of such company is one and the amount involved is Rs. 73.96 Lacs.
- b) In our opinion, the other terms and conditions on which interest free advance is made are not prejudicial to the interest of the company.
- c) There is no stipulated re-payment of principle amount in respect of such loan.
- d) In our opinion, there is no overdue amount of recovery of principle more than one lakh by the Company as there is no stipulation of re-payment.
- e) According to the Information and explanation given to us, the company has, during the year not taken any loans, secured or unsecured from companies, firms, or other parties covered in the register maintained under 301 of the Companies Act, 1956. Accordingly, clause 4(iii)(e),(f) and (g) of the order, are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for purchase of Inventory, fixed assets, sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- v) a) In our opinion, and according to the information and explanations given to us, the particulars of contractors and arrangements that need to be entered in the register in pursuance of section 301 of the Companies Act, 1956 have been entered.
- b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of such contract or arrangement exceeding Rs.5.00 lacs in respect of any party during the year which have been made at prices which are reasonable having regard to market price at the relevant time.
- vi) In our opinion and according to the information and explanations given to us, the company has not accepted during the year deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the Rules framed there under. Accordingly, clause 4(vi) of the order is not applicable.
- vii) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- ix) (a) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Employees State Insurance dues, income tax, sales tax, excise duty, customs duty, investor education and protection fund, wealth tax, service tax, cess and any other material statutory dues applicable to it. We are informed that there are no undisputed statutory as at the year end, outstanding for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues in respect of income tax, sales tax, excise duty, customs duty, wealth tax, and cess that have not been deposited with the appropriate authorities on account of any disputes except as under:

Nature of Dues	Assessment Year	Amount (Rs. in Lacs)	Forum where Dispute is pending
Income Tax	2003-04	3.64	CIT (Appeals)
Income Tax	2004-05	6.67	CIT (Appeals)
Income Tax	2005-06	1.04	CIT (Appeals)
Income Tax	2006-07	1.48	CIT (Appeals)

- x) The Company does not have any accumulated losses at the end of the financial year March 31, 2009. Further, the company has not incurred cash losses during the financial year ended on March 31, 2009 and in the immediately preceding financial year ended on March 31, 2008.
- xi) The Company has neither taken any loans from a financial institution and a bank nor issued any debentures. Accordingly, clause 4(xi) of the order is not applicable.
- xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, clause 4(xii) of the order is not applicable.
- xiii) The Company is not a chit fund, nidhi, mutual benefit fund or a society. Accordingly, clause 4(xiii) of the order is not applicable.
- xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, clause 4(xiv) of the order is not applicable.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, clause 4(xv) of the order is not applicable.
- xvi) The Company has not obtained any term loans. Accordingly, clause 4(xvi) of the order is not applicable.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets except permanent working capital.
- xviii) The Company has made preferential allotment of warrants convertible into equity shares to parties and companies covered in the register maintained under section 301 of the Act and the price at which warrants are issued is not prejudicial to the interest of the company.
- xix) The Company has not issued any debentures. Accordingly, clause 4(xix) of the order is not applicable.
- xx) The Company has not raised any money by public issues during the year. Accordingly, clause 4(xx) of the order is not applicable.
- xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

Date : 15th June, 2009
Place : Veraval (Shapar), Rajkot

For, **M. N. Manvar & Co.**,
Chartered Accountants

[M. N. Manvar]
Proprietor
Membership No.36292

Balance Sheet As At 31st March, 2009

Particulars	Schedule	31.03.09 Rupees	31.03.08 Rupees
Sources Of Fund			
1. Share Holders' Fund			
a. Share Capital	A	30810000	30810000
b. Share Warrant	A	3240000	-
c. Reserve & Surplus	B	87057986	68609700
		121107986	99419700
2. Loan Funds			
a. Secured Loans	C	2434584	54920363
b. Unsecured Loans	D	38394854	45107927
c. Deferred Tax	E	9448253	8895374
d. Liabilities for Deferred payment of Sales tax		2848431	6323987
		53126122	115247651
		174234108	214667351
Application Of Fund			
1. Fixed Assets			
Gross Block	F	137813239	130099039
Less : Depreciation		61982555	54640163
Net Block		75830684	75458876
2. Investments			
	G	3115200	4265200
3. Current Assets, Loans & Advances			
(i) Current Assets			
a. Inventories		68385154	54349642
b. Sundry Debtors		62822339	143705113
c. Cash & Bank Balance		37411300	21400737
		168618793	219455492
(ii) Loans & Advances			
		94034151	49384242
		262652944	268839734
		167364719	133896458
4 Less : Current Liabilities & Provisions	I		
Net Current Assets		95288225	134943276
		174234108	214667351
Significant Accounting Policies	N	-	-
Notes On Accounts	O		

As per our report of even date

For, **M. N. MANVAR & CO.**
Chartered Accountants

Sd/-

(M. N. MANVAR)
Proprietor

For and on behalf of the Board

Sd/-

(C. N. Doshi)
Managing Director

Sd/-

(R. N. Doshi)
Joint Managing Director

Sd/-

(J. P. Aghera)
Wholtime DirectorDate : 15th June, 2009
Place: Veraval (Shapar), Rajkot**Note :**

With effect from 7th July 2009, designation of Mr. C. N. Doshi has been changed to Chairman and designation of Mr. R. N. Doshi has been changed to Managing Director.



Profit And Loss Account For The Year Ended On 31st March, 2009

Particulars	Schedule	31.03.09 Rupees	31.03.08 Rupees
INCOME:			
Sales - Export (Incl. Deemed Exports)		234511762	139827550
Domestic		274185759	288183801
Other Income	J	508697520	428011351
Increase in stock of finished goods & Stock in Process		3657100	11758773
	K	11305807	31899956
		523660427	471670080
EXPENDITURE:			
Raw material consumed		361175254	301944102
Manufacturing & Other Expenses	L	104399645	124627521
Financial Cost	M	4810695	275617
Depreciation	F	8031285	7528185
		478416879	434375425
Profit before tax for the year		45243548	37294655
Less/(Add): Provision for Taxation			
Current Tax		16848914	13636215
Fringe Benefit Tax		695560	517167
Wealth Tax		46831	59380
Deferred Tax		552879	446680
Tax on Dividend		1256678	1099593
		19400862	15759035
Profit after tax for the year		25842686	21535619
Prior Period Adjustments		-	-
Add : Balance Brought down from last year		51690946	39625427
Amount Available for Appropriation		77533632	61161046
Appropriations :			
Proposed Dividend		7394400	6470100
General Reserve		3000000	3000000
Balance Carried to Balance sheet		67139232	51690946
Significant Accounting Policies	N		
Notes On Accounts	O		

As per our report of even date

For and on behalf of the Board

For, **M. N. MANVAR & CO.**
Chartered Accountants

Sd/-
(C. N. Doshi)
Managing Director

Sd/-
(M. N. MANVAR)
Proprietor

Sd/-
(R. N. Doshi)
Joint Managing Director

Date : 15th June, 2009
Place: Veraval (Shapar), Rajkot

Sd/-
(J. P. Aghera)
Wholetime Director

Note :

With effect from 7th July 2009, designation of Mr. C. N. Doshi has been changed to Chairman and designation of Mr. R. N. Doshi has been changed to Managing Director.

Cash Flow Statement		(Rs. in lac)
For The Period Ended On 31st March 2009		
	31.03.09 Amount	31.03.08 Amount
(A) Cash Flow From Operating Activities		
Net Profit Before taxes	452.44	372.95
Adjustments for		
- Depreciation	80.31	75.28
- Financial Cost (Net)	48.11	2.76
- Loss on sale of assets	3.33	6.71
Operating Profit Before Working Capital Change	584.19	457.70
(Increase)/Decrease in Inventory	(140.36)	(373.51)
(Increase)/Decrease in Trade and other receivables	808.83	(224.22)
(Increase)/Decrease in other Current Assets	(446.50)	(2.76)
Increase/(Decrease) in Current Liabilities	(239.86)	609.53
Cash Generated From Operations	566.30	466.74
Interest Paid	(48.11)	(2.76)
Income Tax Paid	(153.12)	(147.42)
Dividend Paid	(64.70)	(61.62)
Net Cash From Operating Activities	300.37	254.95
(B) Cash Flow From Investing Activities		
Purchase of Fixed Assets	(92.67)	(194.86)
Sales of Fixed Assets	5.31	34.65
Income From Investments	11.50	(1.50)
Net Cash From Operating Activities	(75.86)	(161.71)
(C) Cash Flow From Financing Activities		
Increase/(Decrease) in Share Capital	32.40	0.00
Increase/(Decrease) in Long Term Borrowings	(96.81)	82.94
	(64.41)	82.94
(A + B + C)	160.10	176.18
(Increase)/Decrease in Cash and Cash Equivalents	160.10	176.18
Cash and Cash Equivalent at the beginning of the year	214.01	37.83
Cash and Cash Equivalent at the end of the year	374.11	214.01

Note :-

- 1 The Cash flow statement has been prepared under the indirect method as set in the accounting standard (AS) -3 on cash flow statement issued by the Institute of Chartered Accountants of India.

As per our report of even date

For and on behalf of the Board

For, **M. N. MANVAR & CO.**
Chartered Accountants

Sd/-
(C. N. Doshi)
Managing Director

Sd/-
(M. N. MANVAR)
Proprietor

Sd/-
(R. N. Doshi)
Joint Managing Director

Date : 15th June, 2009
Place: Veraval (Shapar), Rajkot

Sd/-
(J. P. Aghera)
Wholetime Director

Schedule - A : Share Capital

Particulars	31.03.09 Rupees	31.03.08 Rupees
Authorised Share Capital		
35,00,000 Equity shares of Rs.10/- each	35000000	35000000
Issued, Subscribed & Paid up Capital		
30,81,000 (Previous year 30,81,000) Equity Shares of Rs.10/- each fully paid	30810000	30810000
	30810000	30810000
Share Warrants 3,60,000 warrants each of Rs.90/- and having paid-up value of Rs.9/- per warrant	3240000	0
	3240000	0

Note : 1

In terms of the approval of the shareholders of the company and as per applicable statutory provisions including Securities and Exchange Board of India (Disclaimer and Investor Protection) Guidelines, 2000, the company, on 8th April, 2008, has issued and allotted 3,60,000 warrants each of Rs.90/- on preferential basis to promoter group, friends and relatives entitling them to apply for equivalent number of fully paid up equity shares of Rs.10/- each of the company at a premium of Rs.80/- per equity shares. The warrant holders have a right to apply for equity shares within 18 months from the date of allotment of the warrants. Amount received against the warrant are shown as Share warrants in the Balance sheet, pending exercise thereof.

Schedule - B : Reserves & Surplus

Particulars	31.03.09 Rupees	31.03.08 Rupees
I. Reserves		
General Reserve		
Opening Balance	16918754	13918754
Add : Transferred from Profit and Loss Account	3000000	3000000
	19918754	16918754
	19918754	16918754
II. Surplus		
Profit and Loss Account Balance	67139232	51690946
	87057986	68609700

Schedule - C : Secured Loans

Particulars	31.03.09 Rupees	31.03.08 Rupees
Vehicle Finance		
ICICI Ltd.	837199	955790
Axis Bank Ltd.	1018104	-
HDFC Bank Ltd., (Secured against Hypothecation of vehicles)	579281	970697
Cash Credit		
State Bank of Saurashtra, Manavadar (Secured against Hypothecation of Goods and first charge over the fixed assets of the company)	-	15598552
Packing Credit		
State Bank of Saurashtra, Manavadar (Secured against letter of credit)	-	37395324
	2434584	54920363

Schedule - D : Unsecured Loans

Particulars	31.03.09 Rupees	31.03.08 Rupees
1. Suppliers as security deposit	12000000	17575000
2. Customers as security deposit	22760366	19925000
3. Employees as security deposit	69200	70000
4. Directors Deposit	171651	1116461
5. Inter Corporate Deposit	1390000	6421466
6. Bank	2003637	-
	38394854	45107927

Schedule - E : Deferred Tax

Particulars	31.03.09 Rupees	31.03.08 Rupees
Opening Balance	8895374	8448694
Add/(Less) : Deferred Tax - current year	552879	446680
	9448253	8895374

Schedule - F : Fixed Assets

Sr. Description No.	← Gross Block →			← Depreciation Block →					Net Block as on 31.03.09
	Opening Balance as on 01.04.08	Addition	Deduction	Closing Balance as on 31.03.09	Opening Balance as on 01.04.08	Addition	Deduction	Closing Balance as on 31.03.09	
A Veraval (Shapar), Rajkot Unit									
1 Land	1523035			1523035	-	-	-	-	1523035
2 Site Development	457899			457899	112488	7464	-	119952	337947
3 Approach Road	1952949	-	-	1952949	65228	65228	-	130456	1822493
4 Buildings									
i) Factory Building	22350675	91820	-	22442495	4988828	749579	-	5738407	16704088
ii) Admn. Office Building	6335379	2086893	-	8422272	581718	137283	-	719001	7703271
iii) Office Building									
- C.G. Road, Ahmedabad	2072000	-	-	2072000	270192	33774	-	303966	1768034
- Samaan-II, Ahmedabad	1905533	-	-	1905533	31060	31060	-	62120	1843413
iv) Resi.Flat at Vapi	337125	-	-	337125	32970	5495	-	38465	298660
v) Office Building (New Delhi)	2024249	-	-	2024249	98985	32995	-	131980	1892269
5 Plant & Machineries									
i) Imported Machineries	10161861	-	-	10161861	7134086	482688	-	7616774	2545087
ii) Indigeneous Machineries	29763381	292630	-	30056011	15748761	1427661	-	17176422	12879589
iii) Technical Know How	3771679	-	-	3771679	635881	179155	-	815036	2956643
iv) Laboratory Equipment	885079	-	-	885079	321403	42041	-	363444	521635
v) Tools, Jigs & Moulds	171883	-	-	171883	118970	8164	-	127134	44749
vi) Misc. Fixed Asset	555970	23852	-	579822	389243	27542	-	416785	163037
6 Furniture & Fixtures									
i) Administrative Office	1618040	652264	-	2270304	1036378	143710	-	1180088	1090216
ii) Factory Office	2720921	42547	-	2763468	1233735	174927	-	1408662	1354806
iii) Work Shop	297526	-	-	297526	238160	18833	-	256993	40533
iv) Office Furniture									
C.G. Road, Ahmedabad	2735494	-	-	2735494	1363902	173157	-	1537059	1198435
v) Office Furniture-Bangalore	403560	-	-	403560	65064	25545	-	90609	312951
vi) Office Furniture-Delhi	644873	-	-	644873	162740	40820	-	203560	441313
vii) Residential Furniture Vapi	4000	-	-	4000	506	253	-	759	3241
7 Office Equipment	4022451	856015	165600	4712866	1806325	298323	-	2104648	2608218
8 Computer									
i) Veraval Works	11030589	909851	113251	11827189	8427620	1917187	83664	10261143	1566046
ii) Ahmedabad Office	275103	13800	-	288903	275103	2237	-	277340	11563
iii) Kolkatta Office	-	-	-	-	-	-	-	-	-
iv) Bangalore Office	82800	-	-	82800	64542	13422	-	77964	4836
v) Delhi Office	77110	-	-	77110	74428	2682	-	77110	-
vi) Hyderabad Office	-	-	-	-	-	-	-	-	-
vii) Mumbai Office	4500	-	-	4500	729	729	-	1458	3042
viii) Website	210000	21000	-	231000	139986	76992	-	216978	14022
9 Fire Fighting Equipment	74934	-	-	74934	27651	4743	-	32394	42540
10 Vehicles	11988797	2818491	1274167	13533121	4442402	1285646	605229	5122819	8410302
11 Electrification									
i) Office	360349	638961	-	999310	88802	33377	-	122179	877131
ii) Resi. Flat Vapi	4555	-	-	4555	648	216	-	864	3691
iii) Factory	3350234	-	-	3350234	1531510	159136	-	1690646	1659588
a) Current Year Rs.	124174533	8448124	1553018	131069639	51510044	7602064	688893	58423215	72646425
b) Previous Year Rs.	111100412	17202020	4127899	124174533	45171852	7170922	832730	51510044	72664489

Schedule - F : Fixed Assets

Sr. DESCRIPTION No.	← GROSS BLOCK →				← DEPRECIATION BLOCK →				
	Opening Balance as on 01.04.08	Addition	Deduction	Closing Balance as on 31.03.09	Opening Balance as on 01.04.08	Addition	Deduction	Closing Balance as on 31.03.09	Net Block as on 31.03.09
B Manavadar Unit									
1 Land	162687	-	-	162687	-	-	-	-	162687
2 Buildings									
i) Factory Building	834157	-	-	834157	463121	27861	-	490982	343175
ii) Admn. Office Building	70000	-	-	70000	21586	1141	-	22727	47273
3 Plant & Machineries									
i) Indigeneous Machineries	1486398	-	-	1486398	1173204	70604	-	1243808	242590
ii) Tools, Jigs & Moulds	123480	-	-	123480	119965	3515	-	123480	-
4 Furniture & Fixtures									
- Administrative Office	99385	170000	-	269385	95323	17052	-	112375	157010
5 Office Equipments	450870	5825	-	456695	377754	28909	-	406663	50032
6 Computers	413728	30800	-	444528	413728	4993	-	418721	25807
7 Vehicles	2283801	612469	-	2896270	465438	275146	-	740584	2155686
a) Current Year Rs.	5924506	819094	-	6743600	3130119	429221	-	3559340	3184260
b) Previous Year Rs.	4460635	2283591	819720	5924506	2879947	357263	107091	3130119	2794387
TOTAL (A + B)									
a) Current Year Rs.	130099039	9267218	1553018	137813239	54640163	8031285	688893	61982555	75830685
b) Previous Year Rs.	115561047	19485611	4947619	130099039	48051799	7528185	939821	54640163	75458876

Schedule - G : Investments

Particulars	31.03.09 Rupees	31.03.08 Rupees
Investment In Shares :		
Quoted Shares		
- DGP Windsor India Ltd. (235 Equity Shares)	17750	17750
- Kabra Extrusion Technic Ltd. (200 + 200 Bonus Equity Shares)	8950	8950
- BPL Engineering Ltd. (2500 Equity Shares)	187500	187500
- Total Market Value Of Quoted Shares Is		
- Approximately Rs.27,680/-		
(previous Year Rs.43,031/-)		
Unquoted Shares		
- Rajoo Cotex Ltd. (1,93,400 Equity Shares)	2901000	2901000
- Aims Machintechnik Pvt. Ltd. (1,15,000 Equity Shares)	-	1150000
	3115200	4265200

Schedule - H : Current Assets, Loans & Advances

Particulars	31.03.09 Rupees	31.03.08 Rupees
I. Current Assets :		
1. Inventories :		
(1) Raw Materials & Components		
Indigeneous	16473274	11864825
Imported	-	875918
(2) Testing Materials	991761	1460650
(3) Consumable Stores	1254889	1027906
(4) Scrap	-	760920
(5) Stock In Process	39621230	13541423
(6) Finished Goods	10044000	24818000
Total - 1	68385154	54349642
2. Sundry Debtors		
(unsecured Considered Good By The Management)		
Less Than Six Months	55159323	140215684
Over Six Months	7663016	3489429
Total - 2	62822339	143705113
3. Cash & Bank Balances :		
Cash On Hand	1143206	961237
Balance With Scheduled Banks		
In Current Accounts	36236817	11833572
In O/d Accounts	31277	8605928
Total - 3	37411300	21400737
Total - I (1+ 2+ 3)	168618793	219455492
ii. Loans & Advances :		
(unsecured And Considered Good)		
Advance To Suppliers	3498991	11634955
Other Advances	8345266	10086082
Security Deposit :		
- Utility Service Deposit	1565903	1565903
- Gas Cylinder Deposit	24375	7375
- Supplier	125000	125000
- Ahmedabad Office Maintenance Deposit	210894	193722
Excise Duty Receivable	15444153	1494312
Advance Income Tax	10000000	6000000
Advance Freinge Benefit Tax	250000	250000
Income Tax (tds Receivable)	159774	807412
Freinge Benefit Tax Receivable	167781	167781
Advance To Employees	66971	19800
Bank Interest Receivable	333968	195352
Loan To Employees	621755	665350
S.B.I. term Deposits	3500000	3500000
Axis Bank Term Deposits	18000000	-
Depb Licence Incentive Receivables	10467932	3981948
Service Tax Input Credit Balance A/c.	5526547	3965594
Vat Receivable	14768545	3713769
Prepaid Insurance	956297	959887
Tender Fee	-	50000
Total - ii	94034151	49384242
Total - (i+ ii)	262652944	268839734

Schedule - I : Current Liabilities & Provisions

Particulars	31.03.09 Rupees	31.03.08 Rupees
i. Current Liabilities		
Sundry Creditors For		
- Expenses	2099987	7763294
- Goods	99235681	65733867
- Labour Job	410128	807025
- Capital Goods	161800	450582
	101907596	74754768
Advance Against Sales/order Received	33535151	27725592
T.c.s. Payable	732	1760
T.d.s. Payable	564491	2879057
Total - i	136007970	105361177
ii. Provisions		
Audit Fees	90000	75000
Bank Charges	-	268067
Clearing & Forwarding	-	289649
Electricity Expenses	342691	281066
Bonus To Staff	1312474	1120030
Leave Encashment	958559	806878
Professional Tax	86230	8440
Providend Fund	332057	260010
Rent	33820	10146
Rent, Rate & Taxes	39500	98624
Salaries	1864651	1656383
Service Tax Payable	-	1741996
Telephone Expenses	28292	52860
Provision For Expenses	5100	-
Income Tax	16848914	13700413
Fringe Benefit Tax	695560	517167
Wealth Tax	66310	78859
Dividend	7394400	6470100
Dividend Tax	1256678	1099593
Interest On Tds Late Payment	1513	-
Total - ii	31356750	28535281
Total - (i+ ii)	167364719	133896458

Schedule - J : other income / expenses

Particulars	31.03.09 Rupees	31.03.08 Rupees
Income		
- Kasar	176802	49391
- Dividend Income	2400	1409146
- G.s.t. Refund	7184	-
- Foreign Exchange Rate Difference	-	3366077
- Advance Deposit Forfeiture	2063202	-
- Emoloyees Security Deposit Forfeiture	-	31600
- Depb Licence Incentive	10235245	7677190
	12484833	12533403
Expenses		
- Exchange Rate Diff.	8494642	-
- Kasar Exp.	-	103693
- Loss On Sale Of Fixed Assets	333091	670937
	3657100	11758773

Schedule - K : Increase/(decrease) In Stock Of Finished Goods & Stock In Process

Particulars	31.03.09 Rupees	31.03.08 Rupees
I. Finished Goods :		
Closing Stock	10044000	24818000
Less : Opening Stock	24818000	3109000
Increase/(decrease)	(14774000)	21709000
ii. Stock In Process :		
Closing Stock	39621230	13541423
Less : Opening Stock	13541423	3350467
Increase/(decrease)	26079807	10190956
Net Increase/(net Decrease)	11305807	31899956

Schedule - L : Manufacturing & Administrative Expenses

Particulars	31.03.09 Rupees	31.03.08 Rupees
I-Manufacturing Expenses		
Clearing & Forwarding Charges - Imports	1818683	1746187
Conveyance Charges	40455	47413
Electrical Repair & Other Expenses	80665	35564
Electricity Consumption HT	4201010	3609823
Excise Duty	39768	289054
Factory Building Repairs & Maintenance	137058	59182
Factory Misc. Expenses	776428	514800
Fuel for Generator	174706	170611
Goods Packing Material Consumed	3481243	2222358
Hotel Charges	39857	57186
Inward Freight	1551800	1944165
ISO Certification & Consultancy Charges	78600	25695
Labour Charges	4057697	6773934
Labour Charges - Painting	-	30750
Licence Fees	15643	39200
Outward Freight (Manufacturing)	155634	269557
Plant & Machinery Repairing & Maintenance Exp.	169485	220515
Postage & Angadia Charges	20442	28636
Printing & Stationery Charges	78712	66239
Technical Consultancy Fees	1390924	558259
Travelling Expenses - Domestic	146123	206789
Travelling Expenses - Foreign	77902	260614
Travelling Expenses - Internal	14413	10169
Total - I	18547248	19186700
II-Personnel Expenses		
Advertisement Expenses - Recruitment	254198	315588
Bonus to Employees	1313224	1105370
Canteen Expenses	303519	311621
Conveyance Expenses - Recruitment	28590	83797
Directors Remuneration	8332162	6956568
Gratuity	673968	523114
Perquisites to Directors	161398	148299
Leave encashment	191960	174943
Leave Travel Concession	-	329662
Professional Tax	2400	1000
Providend Fund Contribution	2093109	1720547
Salary & Wages Expenses (Sales-Service Staff)	7938133	2455486
Salary & Wages Expenses	14609219	14881713
Salary (O.T.) Expenses	1789968	1921322
Salary Stipend (Trainee)	864129	397742
Security Service Charges	180000	144000
Staff Medical Aid	111121	252332
Staff Training & Seminar Expenses	216233	243407
Software (ERP) Training Expenses	45246	-
Staff Welfare	314375	573299
Total - II	39422952	32539809

Schedule - L : Manufacturing & Administrative Expenses

Particulars	31.03.09 Rupees	31.03.08 Rupees
III-Administrative Expenses		
Advertisement Expenses	51662	26393
Books & Periodicals	26988	130787
Car Hire Charges	62978	7750
Charity & Donation Expenses	101805	216402
Computer Maintenance & Other Expenses	285478	322005
Demat Share Expenses	80961	63068
Garden Maintenance Expenses	9183	7940
Hotel Charges	4135	10506
Income Tax Expenses	150000	-
Insurance	498808	496118
Insurance -Keyman	781519	781524
Legal & Professional Fees	486463	1154176
Listing Fees	27500	27600
Membership & Subscription Expenses	567791	633868
Motor Car Expenses - Petrol / Diesel	1327692	1207165
Motor Car - Repair & Maintenance	1258472	683969
Office Building Repair & Maintenance	186256	21381
Office Equipment Repair & Maintenance	232424	111586
Office Furniture Repair & Maintenance	12008	48895
Office Misc. Expenses	60098	33936
Payment to Auditors	118500	114500
Postage & Angadia - Share	21760	21779
Postage & Angadia - Administrative	38101	55834
Printing & Stationery	171873	169217
Registration & Filing Fees	11000	4750
Rent-Rate-Taxes	61145	71023
Sales Tax Paid	197735	-
Scooter Petrol Expenses	14636	20306
Scooter Repair & Maintenance	3190	5758
Sitting Fees	12000	12000
Telephone Expenses	775123	1084589
Travelling Administrative - Domestic	87310	129918
Travelling Administrative - Internal	23434	4083
Water Supply & Other Expenses	126625	149380
Total - III	7874653	7828206

Schedule - L : Manufacturing & Administrative Expenses

Particulars	31.03.09 Rupees	31.03.08 Rupees
IV-Selling & Services Expenses		
Advertisement Expenses - Overseas	360083	585488
Advertisement Expenses - Sales & Service	1172025	1035927
Ahmedabad (cso) Office Expenses	2389152	1406187
Book Debts W/off	56092	18434470
Bangalore Office Expenses	1038479	950636
Business Meeting Expenses	54081	60092
Clearing & Forwarding Charges - Export	6718691	2693045
Delhi Office Expenses	3277943	3450172
Exhibition & Display Expenditure - Domestic	11785701	4080979
Exhibition & Display Expenditure - Overseas	1787758	13264403
Export Inspection Charges	-	69287
Hotel Charges - Sales & Service	381660	254388
Internet & Leased Line Expenses	189229	144037
Market Research Expenses	1620000	-
Machinery Errectioning & Repairing	-	17066
Kolkata Office Equipment	-	30729
Mumbai Office Expenses	173672	173305
Outward Freight - Sales & Service	339958	188485
Postage & Angadia Charges - International	247329	76356
Postage & Angadia Charges - Sales & Service	43485	250233
Printing & Stationery - Sales & Service	117411	415607
Sales Promotion Expenses	284304	99315
Selling Commission - Domestic	192345	10324085
Selling Commission - Overseas	2010068	3230469
Telephone Expenses - Overseas	-	-
Tender Warrenty Exp.	-	-
Travelling - Business Prospectus	766435	710375
Travelling - Sales - Domestic	308414	294516
Travelling - Sales - Foreign	5100	162273
Travelling - Service - Domestic	1531283	1257106
Travelling - Service - Foreign	1603836	1274180
Travelling - Sales & Service - Internal	-	4895
Web Site Development & Maintenance Expenses	100259	134700
Total = IV	38554793	65072806
Total = (I+II+III+IV)	104399645	124627521

Schedule - M : Financial Cost

Particulars	31.03.09 Rupees	31.03.08 Rupees
Paid		
Bank Interest	2376628	2880734
Other Interest	860358	269565
Vehicles Loan Interest	242673	189258
Interest On Late Payment Of Statutory Dues	0	0
Bank Commission / Charges	2310348	960729
	5790007	4300286
Received		
From Bank	383073	218261
From Others	596239	3806408
Net Paid	979312	4024669
	4810695	275617

Schedule : N : Significant Accounting Policies

1. Basis of Preparations of financial statement

The Financial statements are prepared in accordance with generally accepted accounting principles under historical cost convention on the accrual basis.

2. Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and the estimates are recognized in the period in which the results are known/materialized.

3. Revenue Recognition

In appropriate circumstances, revenue income is recognized when no significant uncertainty as to determination or realization exists.

4. Fixed Assets

Fixed assets are stated at cost net of CENVAT, less accumulated depreciation. Direct costs are capitalized until fixed assets are ready for use. Capital work in progress comprised outstanding advances paid to acquire fixed assets and the cost of fixed assets that are not yet ready for their intended use before the balance sheet date are recorded at the consideration paid for acquisition.

5. Depreciation

Depreciation on fixed assets is provided on straight line method (SLM) at the rate specified in schedule XIV of the Companies Act, 1956.

6. Foreign Currency transactions

Foreign currency transaction forward contracts are stated at the forward contract rates while those not covered by forward contracts are restated at the rates ruling at the end of the year. Exchange differences relating to fixed assets are adjusted in the cost of the assets. Any other exchange differences are dealt with in the Profit & Loss A/c.

7. Investments

Long term investments are stated at cost and provisions for diminution in the value of long term investments are made only if such a decline is other than temporary in the opinion of the management.

8. Retirement Benefits to Employees

i) Provident fund

The Company's contribution to provident fund and family pension fund is charged to profit & loss account. The company has no further obligation under Employees Provident fund Act.

ii) Gratuity

The company has taken a group policy for gratuity with Life Insurance Corporation of India. The contribution on the basis of actual valuation is charged to profit and loss account. The company has no further obligation under Gratuity Act,

iii) Leave Encashment

The liability for leave encashment payable to employees is debited to profit and loss account as calculated by the management.

9. Sales

Sales includes sale of goods, services, excise duty. The Central sales tax (CST), Value Added Tax (VAT) collected on sales is accounted separately in the VAT - Input Credit Account.

10. Purchases

Purchases of raw material and components, testing material, consumable stores are accounted including excise duty and Central Sales tax. The Value Added tax (VAT) paid on purchase is accounted separately in VAT - Input Credit Account.

11. Excise duty (Including Education Cess & Secondary & Higher Secondary Education Cess)

The Excise duty is applicable to Raw Material and finished goods of the company. The company is eligible for CENVAT credit for excise duty paid on purchase of Raw material, Components and Stores. The Balance of CENVAT credit remained unavailed at the end of the year is eligible for carry forward for the purpose of set-off against excise duty payable on sales in subsequent year. As the company is accounting purchases including excise duty, the balance of CENVAT credit unavailed at the end of the year is accounted by crediting purchase account and debiting Excise Receivable Account, which is shown under the head "Loans and Advances" under the schedule of "Current Assets, Loans and Advances" forming part of the Balance Sheet.

12. Sales tax

- a) The company is eligible for Set off of Value Added tax paid on purchases made from parties situated in the state of Gujarat as per the Provision of Gujarat Value Added Tax Act, 2003. The amount eligible for sales-tax set-off is accounted separately in VAT- Input Credit Account and not included in the purchases of the company.
- b) Value Added Tax collected on sales and eligible for VAT set-off as per the provision of Gujarat Value Added Tax Act 2003 and is accounted separately in VAT- Input Credit Account and not included in the sales of the company. The Debit balance of VAT- Input Credit Account represents the excess of VAT paid on purchases over the VAT collected on sales and is shown under the head "Loans and Advances" under the schedule of "Current Assets, Loans and Advances" forming part of the Balance Sheet.
- c) In respect of the factory of the company situated at Village: Veraval (Shapar), Taluka: Kotda Sangani, District: Rajkot. Sales tax collected under deferred payment scheme 1990-95 of State Government Rs.209.04 lacs is required to be repaid in six equal installment commencing from May-2004. The company has already paid Rs.180.56 lacs upto June - 2008.

13. Service Tax

Service Tax on services availed and services provided is accounted separately in Service Tax Account and set-off is claimed against Excise Duty payable on Sales.

14. Inventories**i) Raw Material & Components**

It is valued at Purchase cost including central sales tax, and other cost incurred to bring the inventory to present condition and location. The Central Excise duty and Gujarat Value Added Tax paid on purchase are not considered in the valuation of inventories for the following reasons.

- 1) As explained in para no. (11), the company is reducing the value of purchases by crediting purchase account and debiting Excise Receivable Account for the balance of CENVAT credit unavailed at the end of the year for excise duty paid on purchases of inputs and therefore, the excise duty is not considered for valuation of inventories.
- 2) As explained in para no. 12(a), the Value Added Tax paid on purchases eligible for VAT set-off is accounted separately under VAT – Input Credit Account. It is not included in purchases and therefore, it is not considered for valuation of inventories.

ii) Testing Material

It is valued at Purchase cost including Central Sales Tax and other cost incurred to bring the inventory to present condition and location.

iii) Consumable stores

At cost or net realizable value whichever is lower.

iv) Scrap / Plastic Packing Material for Captive Consumption

At cost or net realizable value whichever is lower.

v) Stock in Process

It is valued at Raw Material cost plus production cost incurred to bring the inventory to present condition and location.

vi) Finished Goods

It is valued at Selling rate. The Finished Goods have been valued at selling price as the company manufactures goods on customer's order specification and thus the finished goods at selling price reflects the realizable value. The finished goods have to be valued at lower of cost or net realizable value as per Accounting Standard (AS) – 2. Further, the quantum effect of deviation on the net profit is as under;

		Rs. In Lacs	
Sr. No.	Particulars	2008-09	2007-08
1	Profit before tax	452.44	372.95
2	Increase / (Decrease)	12.69	(19.28)
3	Profit after considering the deviation from Accounting Slanderer AS-2 "Valuation of Inventories"	465.13	353.67

15. Research and Development

Expenditure relating to capital items is debited to fixed assets and depreciated at applicable rates. Revenue expenditure is charged to profit and loss account of the year.

16. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of assets are capitalized as part of cost of such assets. All other borrowing costs are charged to revenue.

17. Income Tax

Provision for current tax is made on the basis of taxable income computed in accordance with the Income Tax Act, 1961.

18. Deferred tax

Deferred tax is recognized on timing difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods. Deferred tax resulting from "timing differences" is accounted for using tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets is recognized and carried forward only to the extent that there is a reasonable / virtual certainty that the asset will be realized in future.

19. Contingent Liabilities

All liabilities have been provided for in the accounts except liabilities of a contingent nature, which have been disclosed at their estimated value in the Notes on Accounts.

20. Earning per share

The company reports basic and diluted Earning per share (EPS) in accordance with Accounting standard (AS) - 20. Basic earning per share is computed by dividing net profit for the year by the weighted average number of shares outstanding during the period. Diluted earning per share is computed by dividing net profit by the weighted shares considered for deriving basic earning per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

Schedule : O : Notes On Accounts

1. The previous year's figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.
2. In the opinion of the Board of Directors, the current assets and loans & advances are approximately of the value stated, if realized in the ordinary course of business. The provision for all known liabilities are adequate and not in excess of the amount reasonably necessary.
3. There are no employees who were employed through out the year at a remuneration aggregating to at least Rs.24,00,000/- per annum or who were employed for a part of the year at a remuneration at least Rs.2,00,000/- per month except Mr. C. N. Doshi – Chairman of the company.
4. The company has followed applicable accounting standards as prescribed under section 211 (3C) of the Companies Act, 1956 in the preparation of annual accounts of the year and there is no material departure from the accounting standards statutorily prescribed under the Companies Act.
5. The company has made adequate provisions for gratuity and leave encashment in the books of accounts as per accounting standards (AS) -15.
6. Amount of borrowing costs capitalized as per Accounting Standard (AS) -1 during the year was Rs.Nil (Previous year Rs.Nil).
7. There are no lease transactions during the year
8. As the company's business activity falls within a single business segments viz. Plastic Processing Machinerics and post extrusion equipments, the disclosure requirements of Accounting standard (AS) 17 "Segment reporting" issued by the Institute of Chartered Accountants of India is not applicable.
9. As required by Accounting Standard (AS) – 18 "Related Party Disclosures" is made as under:
 - a) Name of the related party and description of relationship with whom there were no transactions during the year
- REL International Pvt. Ltd.- Associate Concern
 - b) Names of the related party and description of relationship with whom there were transactions during the year.

Sr.no.	Name	Designation	Relationship
1	C. N. Doshi	Managing Director	Key Management Personnel
2	R. N. Doshi	Joint Managing Director	Key Management Personnel
3	J. P. Aghera	Whole-Time Director	Key Management Personnel
4	K. P. Aghera	Whole-Time director	Key Management Personnel
5	Sunil Jain	International Operations	Key Management Personnel
6	Rajoo Cotex Limited		Associate Concern
7	REL Finance Pvt. Ltd.		Associate Concern
8	Essen Polybags Pvt. Ltd. (Formerly known as REL Export Pvt. Ltd.)		Associate Concern

Sr. No.	Particulars	(Rs. in Lacs)			
		Associate Concerns		Key Managerial Personnel	
		2008-09	2007-08	2008-09	2007-08
01.	Sales & Other Income	-	-	-	-
02.	Purchases & Other Services	-	-	-	-
03.	Salary & Remuneration	-	-	90.83	76.00
04.	Interest received	-	-	-	-
05.	Interest Paid	-	-	-	-
06.	Purchase of Fixed Assets	-	-	-	-
07.	Deposits received	-	-	-	-
08.	Investment in Equity	-	-	-	-
09.	Guarantee given	-	-	-	-
10.	Outstanding payable Net	-	-	-	-
11.	Receivable/ (Payable) Net	(0.04)	(9.82)	(11.39)	13.93

10. Earning In Foreign Exchanges

Particulars	(Rs. in Lacs)	
	2008-09	2007-08
a. FOB Value of Exports	1674.11	1371.78
b. Service Charges	4.92	3.02
	1679.04	1374.80

11. Expenditure In Foreign Currency

Particulars	(Rs. in Lacs)	
	2008-09	2007-08
a. Technology Consultancy fees	10.12	28.25
b. Purchase of Imported Material	285.29	451.62
c. Expenses	88.65	65.79
	384.06	545.65

12. Sundry Creditors Includes

Particulars	(Rs. in Lacs)	
	2008-09	2007-08
a. Small Scale Industry	154.70	20.68
b. Others	864.38	726.87
	1019.08	747.55

13. A. Income Tax Liabilities Not Provide For

Particulars	(Rs. in Lacs)	
	2008-09	2007-08
Disputed income tax liability in respect of pending appeal:		
- A.Y. 2003-04 (Previous year 2002-03)	3.64	3.64
- A.Y. 2004-05 (Previous year 2003-04)	6.67	6.67
- A.Y. 2005-06 (Previous year 2004-05)	1.04	1.04
- A.Y. 2006-07 (Previous year 2005-06)	1.48	-

Note

(1) The disputed liabilities for A.Y. 2003-04 & 2004-05 is on account of DEPBI income not considered for deduction u/s. 80 HHC of I.T.Act, 1961.

B. Other Contingent Liabilities

Performance guarantee Rs.24.00 Lacs has been given to Reliance Industries Ltd. secured against FDR Rs.35.00 Lacs.

14. Earning Per Share (eps)

(Nominal Value Per Share Rs.10/-)

Particulars	2008-09	2007-08
Profit attributable to the Shareholders (Rs. in Lacs)	258.43	215.36
Number of Shares used in computing earning per Share		
For Basic	3081000	3081000
For Diluted	3441000	3081000
Earning per share (Rs.)		
Basic	8.39	6.99
Diluted	7.51	6.99

15. Payment To Auditors

(Amount in Rs.)

Particulars	2008-09	2007-08
Audit Fees	90,000	75,000
Tax & Other Service fees	28,500	39,500
TOTAL	1,18,500	1,14,500

16. Managerial Remuneration

(Amount in Rs.)

Particulars	2008-09	2007-08
Salaries and allowances	83,32,162	69,56,568
Perquisites to Directors	1,61,398	1,48,299
Contribution to Provident Fund	5,89,064	4,95,264
TOTAL	90,82,624	76,00,131

17. Accounting For Taxes On Income

Particulars	Current Year 31.03.09	Previous Year 31.03.08
Deferred Tax		
i) Opening Balance Credit	8895376	8448696
ii) Defered tax liability on account of		
- Depreciation	552879	446680
- Graituty	-	-
	552879	446680
iii) Deferred tax Assets on account of		
- Depreciation	-	-
- Gram panchayat tax	-	-
- Leave encashment	-	-
	-	-
iv) Net Defered Tax - Current, Credit	552879	446680
v) Closing Balance Credit	9448255	8895376

18. Licenced & Installed Capacity

Particulars	Current Year 31.03.09	Previous Year 31.03.08
-------------	--------------------------	---------------------------

i. Licenced Capacity :		
1. Pre-extrusion equipments	Not Applicable	Not Applicable
2. Thermoplastic extrusion plants	- do -	- do -
3. Post extrusion equipments	- do -	- do -
4. Miscellaneous parts	- do -	- do -

ii. Installed Capacity :		
In view of considerable number of items, having diverse nature, it is not possible to determine the installed capacity.		

Note: Installed capacity is as certified by the Management.

19. Actual Production

Particulars	Current Year 31.03.09 Nos.	Previous Year 31.03.08 Nos.
-------------	----------------------------------	-----------------------------------

1. Thermoplastic extrusion plant	70	53
2. Post extrusion equipments	29	27
3. Miscellaneous parts	5624	791

20. Value Of Imported & Indigenous Raw Material Consumed (including components) and percentage of each to the total consumption.

Sr. No.	Particulars	<-----31.03.2009----->		<-----31.03.2008----->	
		Rupees	% of total consumption	Rupees	% of total consumption
1	Imported (Including Custom duty)	38045540	10.53%	54050656	17.90%
2	Indigeneous	323129714	89.47%	247893446	82.10%
		361175254	100.00%	301944102	100.00%

21. Value Of Imports On CIF Basis.

Particulars	31.03.09 Rupees	31.03.08 Rupees
Raw Materials including Components Purchased	37358828	55094721

22. Quantitative Information In Respect Of Opening Stock, Purchase, Sales, Closing Stock And Raw Material Consumed.

Note: As the raw material consists of large number of items having diverse nature of measurement, it is not Possible to submit the quantitative information of raw material.

Particulars	Current year 31.03.09 Rupees	Previous year 31.03.08 Rupees
A. Opening Stock		
1. Raw material & components		
Indigeneous	11864825	8132621
Imported	875918	-
2. Testing Material	1460650	1703102
3. Consumable Stores	1027906	564876
4. Scrap	760920	139002
5. Stock in Process	13541423	3350467
6. Finished Goods	24818000	3109000
	54349642	16999068
B. Purchases		
Raw-Material & components		
Imported		
For Manufacturing (including custom duty)	37169622	54926574
Indigeneous		
For Manufacturing	326735337	252468146
	363904959	307394720

Particulars	Qty Nos.	31.03.09 Rupees	Qty Nos.	31.03.08 Rupees
C. Sale by Class of Goods				
1. Thermoplastic	50	208622409	38	240143805
Extrusion Plants	20	221796966	10	119144222
(Incl. Deemed Export)				
2. Post Extrusion	22	29381667	21	34177169
Equipments	6	5866133	4	7722883
3. Miscellaneous	5122	37738470	479	13416933
Parts & Equipments	502	5734796	334	11339362
4. Iron Waste / Scrap	-	850949	-	396269
5. Service Charges		205609		562137
		492192		301728
6. Trading		621675		1319355
		511310865		428523863
Less : Sales Return				
- Domestic		2613345		512512
		508697520		428011351
D. Closing Stock				
1. Raw material & components				
Indigeneous		16473274		11864825
Imported		-		875918
2. Testing Material		991761		1460650
3. Consumable Stores		1254889		1027906
4. Scrap		-		760920
5. Stock in Process		39621230		13541423
6. Finished Goods		10044000		24818000
		68385154		54349642

E. Raw-Material & Components consumed

Particulars	Qty	31.03.09 Nos.	Qty Rupees	31.03.08 Nos.	Rupees
(I) Opening Stock					
1. Raw material & components					
Indigeneous			11864825		8132621
Imported			875918		-
2. Testing Material			1460650		1703102
3. Consumable Stores			1027906		564876
4. Scrap			760920		139002
			15990219		10539601
(II) Add : Purchases					
Imported (including import duty)			37169622		54926574
Indigeneous			326735337		252468146
			363904959		307394720
(III) Less : Closing Stock					
1. Raw material & components					
Indigeneous			16473274		11864825
Imported			0		875918
2. Testing Material			991761		1460650
3. Consumable Stores			1254889		1027906
4. Scrap			0		760920
			18719924		15990219
			361175254		301944102
TOTAL - (I + II - III)					
1. Raw Material & Components consumed					
Imported			38045540		54050656
Indigeneous			323129714		247893446
			361175254		301944102

Balance Sheet Abstract And Company's General Business Profile

I. Registration Details :

Registration No.

0	0	9	2	1	2
---	---	---	---	---	---

State Code

0	4
---	---

Balance Sheet Date

3	1	0	3	0	9
Day		Month		Year	

II. Capital raised during the year (Amount Rs. in Thousands):

Public Issue

		N	I	L		
--	--	---	---	---	--	--

Rights Issue

		N	I	L		
--	--	---	---	---	--	--

Bonus Issue

		N	I	L		
--	--	---	---	---	--	--

Private Placement

		N	I	L		
--	--	---	---	---	--	--

III. Position of Mobilisation & Deployment of Funds : (Amount Rs. in Thousands)

Total Liabilities

		1	7	4	2	3	4
--	--	---	---	---	---	---	---

Total Assets

		1	7	4	2	3	4
--	--	---	---	---	---	---	---

Sources of Funds :

Paid-up Capital

		3	4	0	5	0
--	--	---	---	---	---	---

Reserves & Surplus

		8	7	0	5	8
--	--	---	---	---	---	---

Secured Loans

			2	4	3	4
--	--	--	---	---	---	---

Unsecured Loans

		3	8	3	9	5
--	--	---	---	---	---	---

Application of Funds :

Net Fixed Assets

		7	5	8	3	1
--	--	---	---	---	---	---

Investments

			3	1	1	5
--	--	--	---	---	---	---

Net Current Assets

		9	5	2	8	8
--	--	---	---	---	---	---

Misc. Expenditure

		N	I	L		
--	--	---	---	---	--	--

Accumulated Losses

		N	I	L		
--	--	---	---	---	--	--

IV. Performance of Company (Amount Rs. in Thousands) :

Turn-over (incl. Other Income)

		5	1	2	3	5	5
--	--	---	---	---	---	---	---

Total Expenditure

		4	7	8	4	1	7
--	--	---	---	---	---	---	---

Profit before Tax

		4	5	2	4	4
--	--	---	---	---	---	---

Profit after Tax

		2	5	8	4	3
--	--	---	---	---	---	---

Earning per share in Rs.

			8	.	3	9
--	--	--	---	---	---	---

Dividend rate %

2	4
---	---

V. Generic Names of Two Principal Products/Services of Company (as per monetary terms):

Item Code No. : 84772000
(ITC Code)

Product : Extruders
Description

Item Code No. : 84774000
(ITC Code)

Product : Vacuum Moulding Machines and
Description : other Thermoforming Machines



"Abundance" & "Equilibrium" are the laws of nature, coexisting in harmony since the times of evolution; from these laws have evolved mankind and its various civilizations. Learning from the undisputed design of nature, RAJOO will never fail to contribute to this balancing act. Our initiatives towards, Corporate Social Responsibilities are a reflection of this contribution. REL Employees' Club for human cause helps our employees to unite and come together for trying to bridge the disparities in those unidentified and unnoticed sections of the society and environment which are in dire need for change or reform. We make an attempt to reach the unreached.

Basic objective of CSR initiatives at RAJOO is to exchange happiness and joy not only with its internal members but also with the masses surrounding it. This social outcome of our business activities gives all members of Rajoo, a sense of invaluable accomplishment. The virtue of selflessness reinforced through these activities enriches our organizational values.

Activities planned and undertaken by REL Employees' Club for human cause includes various aspects like betterment of children from downtrodden classes of society with the help of better nutrition and educational aids, providing basic needs like clothes, health awareness programmes, blood donation camps, environment protection programmes, energy conservation programmes... etc.

As we grow, our fulfillment towards the Corporate Social Responsibilities as rightly realized by RAJOO will continuously increase and reach out to even larger focus areas, addressing various global concerns.

Students' Development Programme

Students are the most valuable asset for the bright future of our Nation and its development. Hence we provide an opportunity to students belonging to various fraternities to have a practical exposure to our technological advancements and business activities. Various Industrial visits, projects and trainings are offered to Under-Graduate & Post- Graduate students hailing from reputed institutes across the country throughout the year. Our Managers and Engineers guide these students to help them learn the practical and real time processes in the business operations and its managements.



Environment, Health and safety

Your company thrives to provide a pleasant and hazard-free working environment, with adequate facilities and welfare arrangements

- supplying employees and visitors with sufficient health and safety information.
- Ensuring that all new employees receive training in health and safety issues as part of their induction.

Rajoo is now examining renewable energy resources such as solar light and tree plantations which could be replicated throughout Rajoo's premises.

The management is continuously working for providing and maintaining a safe place of work for all employees. Adequate equipments are provided where necessary, and such equipments are regularly maintained to ensure its safety and reliability.

PROXY FORM
RAJOO ENGINEERS LIMITED
Regd. Office : Junagadh Road, Manavadar-362 630

I / We _____ of _____
in the district of _____ being a member / member of _____
M/s. RAJOO ENGINEERS LIMITED hereby appoint _____ (write full address) or
failing him _____ of _____
(Write full address) as my / our proxy to attend and vote on my / our behalf at the Twenty Second Annual General Meeting of the
Company to be held on Monday, 10th August, 2009.

Signed this _____ day of _____ 2009.

Signature _____

REVENUE
STAMP OF
Rs. 1-00

Note :

1. The Proxy need NOT be a member.
2. The Proxy Form Signed across Rs. 1-00 revenue stamp should reach the company's registered office atleast 48 hours before the scheduled time of meeting.
3. Please fill in full particulars.
4. Company reserves the right to ask for identification of the proxy.
5. Proxy cannot speak at the meeting of vote on a show of hands.

Address : _____

ATTENDANCE SLIP

I certify that I am registered shareholder / proxy for the registered shareholder of the Company.
I hereby record my presence at the Twenty Second Annual General Meeting of Company at Registered Office situated at
Manavadar - 362 630 Dist. Junagadh, Gujarat on Monday, 10th August, 2009.

Member's / proxy's name in Block Letters

Member's/proxy's Signature

1. _____
2. _____

None :

1. Please sign this attendance slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING PLACE.
2. The Shareholding stated above is subject to change for transfers upto date of meeting THIS ATTENDANCE SLIP IS VALID ONLY IN CASE SHARES ARE HELD ON DATE OF MEETING.