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**21ST ANNUAL GENERAL MEETING**

Date : 24th September 2008  
Day : Wednesday  
Time : 11:00 A.M.  
Venue : Registered Office  
Junagadh Road,  
Manavadar - 362 630  
Dist. : Junagadh. (Gujarat)

**BOARD OF DIRECTORS:****Executive Directors**

**Mr. Chandrakant N. Doshi**  
Chairman & Managing Director

**Mr. Rajesh N. Doshi**  
Joint Managing Director

**Mr. Jayantilal P. Aghera**  
Whole Time Director

**Mr. Khimjibhai P. Aghera**  
Whole Time Director

**Mr. Sunil B. Jain**  
Executive Director- International Operation

**Non Executive Directors**

**Mr. Ramesh A. Shah**  
Director

**Mr. Mahasukh S. Mehta**  
Director

**Mr. Kishor R. Doshi**  
Director

**Mr. Manharlal V. Kamdar**  
Director

**BANKERS**

: **State Bank of Saurashtra,**  
Manavadar-362 630. (Gujarat)

**STATUTORY AUDITORS**

: **M N Manvar & Co.,**  
Chartered Accountants,  
504-Star Plaza, Nr. Circuit House,  
Phulchhab Chowk, Rajkot-360 001.

**SECRETARIAL CONSULTANTS**

: **M/s MJP Associates**  
Practicing Company Secretaries  
707, Star Plaza, Phulchhab Chowk  
Rajkot-360 001.

**REGISTERED OFFICE**

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

**WORKS**

: 1. Survey No. 210, Plot No. 1,  
Industrial Area, Veraval (Shapar)  
Dist. Rajkot - 360 002. (Gujarat)

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

## FINANCIAL HIGHLIGHTS

Rs.in lacs

	2007-2008	2006-2007	2005-2006	2004-2005	2003-2004
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### OPERATING RESULTS

Sales & Other Income	4397.70	4045.71	3298.04	3143.26	2958.04
Profit before depreciation & Interest	450.99	387.12	332.32	286.50	225.77
Profit before tax (PBT)	372.95	300.24	256.25	205.90	148.59
Profit after tax (PAT)	215.36	155.58	150.30	117.78	93.77
Retained earnings	150.66	93.70	94.84	68.49	50.63
Earning per share (EPS) (Rs.)	6.99	5.05	4.88	3.82	3.04
Dividend % p.a.	21 %	20%	18%	16 %	14 %

### FINANCIAL SUMMARY

Assets Employed :					
Fixed Assets (Net)	754.59	676.37	582.84	494.64	525.96
Working Capital (Net)	1349.43	1071.41	757.62	646.67	568.05
Capital Employed	2146.67	1788.94	1381.61	1182.46	1135.16

### FINANCED BY

Share Capital	308.10	308.10	308.10	308.10	308.10
Reserves	686.10	535.44	441.74	346.90	278.41
Total Shareholders Funds	994.20	843.54	749.84	655.00	586.51
Borrowings	1152.48	945.40	631.77	527.46	548.65
Debts Equity	0.84:1	1.12:1	0.84 : 1	0.80:1	0.94 : 1

### OTHERS

Book Value per Share (Rs.)	32.27	27.38	24.34	21.26	19.04
Gross Fixed Assets	1300.99	1155.61	996.74	849.59	843.18

**NOTICE**

Notice is hereby given that the Twenty First Annual General Meeting of the Members of the Company will be held on Wednesday, 24<sup>th</sup> September, 2008 at 11.00 a.m. at the Registered Office of the Company situated at Junagadh Road, Manavadar-362 630, Dist. Junagadh, to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt Audited Balance Sheet as on 31<sup>st</sup> March 2008 and Profit & Loss Account for the year ended on that day, along with the Directors' and Auditors Report thereon.
2. To declare final dividend.
3. To appoint Auditors from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.
4. To appoint Director in place of Mr. J. P. Aghera, who is liable to retire by rotation and being eligible, offers himself for reappointment.
5. To appoint Director in place of Mr. Ramesh A. Shah, who is liable to retire by rotation and being eligible, offers himself for reappointment.
6. To appoint Director in place of Mr. Mahasukh S. Mehta, who is liable to retire by rotation and being eligible, offers himself for reappointment.

**SPECIAL BUSINESS:**

7. To pass, with or without modification, the following Resolution, as Special Resolution:

"RESOLVED THAT in accordance with provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII to the Companies Act, 1956, as well as in accordance with provisions as contained in the Memorandum and Articles of Association of the Company, and in pursuance of recommendations of the Remuneration Committee of the Board of Directors of the Company, approval of the Company be and is hereby given for increase in remuneration of Mr. Chandrakant N. Doshi, Chairman & Managing Director of the Company w.e.f. 1st April, 2007, on following terms and conditions:

**SALARY:**

Rs. 2.00,054/- per month with authority to the Board of Directors to increase the same from time to time in accordance with limits specified in Schedule XIII to the Companies Act, 1956, as amended from time to time.

**ADDITIONAL BENEFITS & PERQUISITES:**

In addition to above, Mr. C. N. Doshi, shall also be entitled to following perquisites/ benefits:

- (i) Medical reimbursement for self and family members for the actual amount incurred.
- (ii) Contribution towards provident fund up to 12 % of basic salary or such other percentage as may be prescribed under the Rules of the respective Funds.
- (iii) Contribution towards gratuity Fund and benefits payable as per Rules.
- (iv) Use of Company's Car along with facility of Driver and reimbursement of maintenance expenses of car.
- (v) Encashment of unavailed leave as per Rules of the Company.
- (vi) Reimbursement of electricity expenses at residence.

"RESOLVED FURTHER THAT where in any financial year, the Company is not having profits or its profits are inadequate, the Company shall pay to Mr. C. N. Doshi, the remuneration as said in above paragraphs, subject to provisions of Schedule XIII to the Companies Act, 1956".

8. To pass, with or without modification, the following Resolution, as Special Resolution:

"RESOLVED THAT in accordance with provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII to the Companies Act, 1956, as well as in accordance with provisions as contained in the Memorandum and Articles of Association of the Company, and in pursuance of recommendations of the Remuneration Committee of the Board of Directors of the Company, approval of the Company be and is hereby given for increase in remuneration of Mr. Rajesh N. Doshi, Joint Managing Director of the Company w.e.f. 1st April, 2007, on following terms and conditions

**SALARY:**

Rs. 1,50,196/- per month with authority to the Board of Directors to increase the same from time to time in accordance with limits specified in Schedule XIII to the Companies Act, 1956, as amended from time to time.

In addition to above, Mr. R. N. Doshi, shall also be entitled to following perquisites/ benefits:

- (i) Medical reimbursement for self and family members for the actual amount incurred.
- (ii) Contribution towards provident fund up to 12 % of basic salary or such other percentage as may be prescribed under the Rules of the respective Funds.
- (iii) Contribution towards gratuity Fund and benefits payable as per Rules.
- (iv) Use of Company's Car along with facility of Driver and reimbursement of maintenance expenses of car.
- (v) Encashment of unavailed leave as per Rules of the Company.
- (vi) Reimbursement of electricity expenses at residence.

"RESOLVED FURTHER THAT where in any financial year, the Company is not having profits or its profits are inadequate, the Company shall pay to Mr. Rajesh N. Doshi, the remuneration as said in above paragraphs, subject to provisions of Schedule XIII to the Companies Act, 1956".

9. To pass, with or without modification, the following Resolution, as Special Resolution:

"RESOLVED THAT in accordance with provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII to the Companies Act, 1956, as well as in accordance with provisions as contained in the Memorandum and Articles of Association of the Company, and in pursuance of recommendations of the Remuneration Committee of the Board of Directors of the Company, approval of the Company be and is hereby given for increase in remuneration of Mr. Khimjibhai P. Aghera, Whole-Time Director of the Company w.e.f. 1st April, 2007, on following terms and conditions:

**SALARY:**

Rs. 1,00,029/- per month with authority to the Board of Directors to increase the same from time to time in accordance with limits specified in Schedule XIII to the Companies Act, 1956, as amended from time to time.

In addition to above, Mr. K. P. Aghera, shall also be entitled to following perquisites/ benefits:

- (i) Medical reimbursement for self and family members for the actual amount incurred.
- (ii) Contribution towards provident fund up to 12 % of basic salary or such other percentage as may be prescribed under the Rules of the respective Funds.
- (iii) Contribution towards gratuity Fund and benefits payable as per Rules.
- (iv) Use of Company's Car along with facility of driver and reimbursement of maintenance expenses of car.
- (v) Encashment of unavailed leave as per Rules of the Company.
- (vi) Reimbursement of electricity expenses at residence.

"RESOLVED FURTHER THAT where in any financial year, the Company is not having profits or its profits are inadequate, the Company shall pay to Mr. Khimjibhai P. Aghera, the remuneration as said in above paragraphs, subject to provisions of Schedule XIII to the Companies Act, 1956".

10. To pass, with or without modification, the following Resolution, as Special Resolution:

"RESOLVED THAT in accordance with provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII to the Companies Act, 1956, as well as in accordance with provisions as contained in the Memorandum and Articles of Association of the Company, and in pursuance of recommendations of the Remuneration Committee of the Board of Directors of the Company, approval of the Company be and is hereby given for increase in remuneration of Mr. J. P. Aghera, Whole-Time Director of the Company w.e.f. 1st April, 2007, on following terms and conditions:

**SALARY:**

Rs. 1,00,029/- per month with authority to the Board of Directors to increase the same from time to time in accordance with limits specified in Schedule XIII to the Companies Act, 1956, as amended from time to time.

In addition to above, Mr. J. P. Aghera, shall also be entitled to following perquisites/ benefits:

- (i) Medical reimbursement for self and family members for the actual amount incurred.
- (ii) Contribution towards provident fund up to 12 % of basic salary or such other percentage as may be prescribed under the Rules of the respective Funds.

- (iii) Contribution towards gratuity Fund and benefits payable as per Rules.
- (iv) Use of Company's Car along with facility of Driver and reimbursement of maintenance expenses of car.
- (v) Encashment of unavailed leave as per Rules of the Company.
- (vi) Reimbursement of electricity expenses at residence.

"RESOLVED FURTHER THAT where in any financial year, the Company is not having profits or its profits are inadequate, the Company shall pay to Mr. Jayantilal P. Aghera, the remuneration as said in above paragraphs, subject to provisions of Schedule XIII to the Companies Act, 1956".

11. To pass, with or without modification, the following Resolution, as Special Resolution:

"RESOLVED THAT in accordance with provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII to the Companies Act, 1956, as well as in accordance with provisions as contained in the Memorandum and Articles of Association of the Company, and in pursuance of recommendations of the Remuneration Committee of the Board of Directors of the Company, approval of the Company be and is hereby given for increase in remuneration of Mr. Sunil B. Jain, Executive Director of the Company on following terms and conditions:

**SALARY:**

Rs.29,406/- per month with effect from 1-4-2007 and Rs.1,62,000/- per month with effect from 1-4-2008 with authority to the Board of Directors to increase the same from time to time in accordance with limits specified in Schedule XIII to the Companies Act, 1956, as amended from time to time.

In addition to above, Mr. Sunil B. Jain, shall also be entitled to following perquisites/ benefits:

- (i) Contribution towards provident fund up to 12 % of basic salary or such other percentage as may be prescribed under the Rules of the respective Funds.
- (ii) Contribution towards gratuity Fund and benefits payable as per Rules.
- (iii) Encashment of unavailed leave as per Rules of the Company.
- (iv) Reimbursement of driver's salary

"RESOLVED FURTHER THAT where in any financial year, the Company is not having profits or its profits are inadequate, the Company shall pay to Mr. Sunil Jain, the remuneration as said in above paragraphs, subject to provisions of Schedule XIII to the Companies Act, 1956".

For and on behalf of the Board of Directors  
For, RAJOO ENGINEERS LIMITED,

Date: 30/06/2008  
Place: Veraval (Shapar), Rajkot

(C. N. DOSHI)  
Chairman & Managing Director



**NOTES:**

1. A member entitled to attend and vote at the Annual General Meeting (the Meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of the Meeting.
2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. In terms of the Articles of Association of the Company, Mr. J. P. Aghera, Mr. Ramesh A. Shah, and Mr. Mahasukh S. Mehta, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Brief resume of these Directors, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/chairmanships of Board Committees, as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report. The Board of Directors of the Company recommends their respective re-appointments.
4. The relevant details as required by clause 49 of the listing agreements entered into with stock exchanges of persons seeking re-appointment as director under item 4, 5 & 6 above are also annexed. Explanatory statement pursuant to Section 173 for items No. 7, 8, 9, 10 & 11 are also annexed to this Notice.
5. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
6. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Sunday, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.
9. (a) The Company has already notified closure of Register of Members and Transfer Books from Tuesday, September 09, 2008 to September 23, 2008 (both days inclusive) for determining the names of Members eligible for dividend on Equity Shares, if approved at the Meeting.  
(b) The dividend on Equity Shares, if approved at the Meeting, will be paid on or after September 24<sup>th</sup>, 2008 to (a) Beneficial Owners as at the close of 8<sup>th</sup> September, 2008, as per the list to be furnished by the Depositories in respect of shares held in the Electronic Form, and (b) Members in the Register of Members of the Company as on 9<sup>th</sup> September, 2008, after giving effect to all valid share transfers in physical form which are lodged with the Company on or before 8<sup>th</sup> September, 2008

10. (a) In order to provide protection against fraudulent encashment of dividend warrants, Members who hold shares in physical form are requested to intimate the Company's Registrars and Transfer Agents, M/s. Intime Spectrum Registry Limited, under the signature of the Sole/First joint holder, the following information to be incorporated on dividend warrants:
- (i) Name of the Sole/First joint holder and the Folio Number.
  - (ii) Particulars of Bank Account, viz.:
    - (a) Name of Bank
    - (b) Name of Branch
    - (c) Complete address of the Bank with Pin Code Number
    - (d) Account type, whether Savings Account (SA) or Current Account (CA)
    - (e) Bank Account Number
- (b) Members who hold shares in dematerialized form may kindly note that their Bank Account details, as furnished by their Depositories to the Company, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for deletion of or change in such Bank Account details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic form. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change with complete details of Bank Account.
11. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send the share certificates to the Company's Registrars and Transfer Agents, M/s. Intime Spectrum Registry Limited for consolidation into a single folio.
12. Non-Resident Indian Members are requested to inform the Company's Registrars and Transfer Agents, M/s. Intime Spectrum Registry Limited immediately of:-
- (a) the change in the Residential status on return to India for permanent settlement.
  - (b) the particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of Bank with Pin Code Number, if not furnished earlier.
13. Members are advised to refer to the information provided in the Annual Report.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956****ITEM NO. 7:**

Mr. C. N. Doshi, has been reappointed as the Chairman & Managing Director by the Board w.e.f. 26th March, 2007 for the period of five years and Members approved the appointment at last Annual General Meeting held on 28th September, 2007. Members are aware that Mr. C. N. Doshi is associated with the Company since incorporation. Mr. C. N. Doshi is looking after the substantial management of affairs of the Company and looking into the growth of the Company. As authorized by Members in last AGM to vary or alter terms of the appointment & remuneration of managerial personnel, the Board had increased the remuneration of Mr. C. N. Doshi w.e.f. 1st April, 2007 as per details given in the Resolution.

Further, the remuneration which is proposed in the Resolution is in consonance with the remuneration being paid by Companies of similar size in the Industry.

This may be treated as an abstract of the terms and conditions for increase in remuneration of Mr. C. N. Doshi as Managing Director and this is to be treated as an abstract under Section 302 of the Companies Act, 1956.

Resolution is proposed to be passed as Special Resolution.

Mr. C. N. Doshi, being the proposed appointee, is interested in this Resolution. Mr. R. N. Doshi, being relative of Mr. C. N. Doshi, is also interested in this Resolution.

Members are requested to pass the Resolution to approve the increase in Remuneration of Mr. C. N. Doshi as the Chairman & Managing Director.

**ITEM NO. 8:**

Mr. R. N. Doshi, has been reappointed as the Joint Managing Director by the Board w.e.f. 26th March, 2007 for the period of five years and Members approved the appointment at last Annual General Meeting held on 28th September, 2007. Mr. R. N. Doshi is associated with the Company since incorporation. Mr. R. N. Doshi is looking after the Production of the Company and looking into the growth of the Company. As authorized by Members in last AGM to vary or alter terms of the appointment & remuneration of managerial personnel, the Board had increased the remuneration of Mr. R. N. Doshi w.e.f. 1st April, 2007 as per details given in the Resolution.

Further, the remuneration which is proposed in the Resolution is in consonance with the remuneration being paid by Companies of similar size in the Industry.

This may be treated as an abstract of the terms and conditions for increase in remuneration of Mr. R. N. Doshi as Joint Managing Director and this is to be treated as an abstract under Section 302 of the Companies Act, 1956.

Resolution is proposed to be passed as Special Resolution.

Mr. R. N. Doshi, being the proposed appointee, is interested in this Resolution. Mr. C. N. Doshi, being relative of Mr. R. N. Doshi, is also interested in this Resolution.

Members are requested to pass the Resolution to approve the increase in Remuneration of Mr. R. N. Doshi, as the Joint Managing Director.

**ITEM NO. 9:**

Mr. Khimjibhai P. Aghera, has been reappointed as the Whole-Time Director by the Board w.e.f. 26th March, 2007 for the period of five years. and Members approved the appointment at last Annual General Meeting held on 28th September, 2007. Mr. K. P. Aghera is also associated with the Company since incorporation. Mr. K. P. Aghera has wide experience in designing and manufacturing. As authorized by Members in last AGM to vary or alter terms of the appointment & remuneration of managerial personnel, the Board had increased the remuneration of Mr K. P. Aghera, w.e.f. 1st April, 2007 as per details given in the Resolution.

Further, the remuneration which is proposed in the Resolution is in consonance with the remuneration being paid by Companies of similar size in the Industry.

This may be treated as an abstract of the terms and conditions for increase in remuneration of K. P. Aghera as Whole-Time Director and this is to be treated as an abstract under Section 302 of the Companies Act, 1956.

Resolution is proposed to be passed as Special Resolution.

Mr. K. P. Aghera, being the proposed appointee, is interested in this Resolution. Mr. J. P. Aghera, being relative of Mr. K. P. Aghera, is also interested in this Resolution.

Members are requested to pass the Resolution to approve the increase in Remuneration of Mr. K. P. Aghera as the Whole-Time Director.

**ITEM NO. 10:**

Mr. Jayantilal P. Aghera, has been reappointed as the Whole-Time Director by the Board w.e.f. 26th March, 2007 for the period of five years and Members approved the appointment at last Annual General Meeting held on 28th September, 2007. Mr. J. P. Aghera is also associated with the Company since incorporation. Mr. J. P. Aghera has wide experience in designing and manufacturing. As authorized by Members in last AGM to vary or alter terms of the appointment & remuneration of managerial personnel, the Board had increased the remuneration of Mr J. P. Aghera w.e.f. 1st April, 2007 as per details given in the Resolution.

Further, the remuneration which is proposed in the Resolution is in consonance with the remuneration being paid by Companies of similar size in the Industry.

This may be treated as an abstract of the terms and conditions for increase in remuneration of J. P. Aghera as Whole-Time Director and this is to be treated as an abstract under Section 302 of the Companies Act, 1956.

Resolution is proposed to be passed as Special Resolution.

Mr. J. P. Aghera, being the proposed appointee, is interested in this Resolution. Mr. K. P. Aghera, being relative of Mr. J. P. Aghera, is also interested in this Resolution.

Members are requested to pass the Resolution to approve the increase in Remuneration of Mr. J. P. Aghera, as the Whole-Time Director



**DETAILS OF DIRECTORS SEEKING REAPPOINTMENT AND DIRECTORS WHOSE REMUNERATION IS PROPOSED TO BE INCREASED.**

Director's Name	Mr. Chandrakant N. Doshi
Age	55 years
Qualification	B.A., B.Sc., D.Pharm., C.A.I.I.B.
Experience in specific functional area	Eminent industrialist with wide business experience in plastic industry for more than two decades.
Directorship held in other public limited Indian Companies. (Excluding Directorship in Rajoo Engineers Ltd.)	Rajoo Cotex Limited
Membership/Chairmanship of Committees public limited Indian Companies. (Excluding Membership/Chairmanship of any Committee of Board of Rajoo Engineers Ltd.)	Nil

Director's Name	Mr. Rajesh N. Doshi
Age	47 years
Qualification	B.Sc.
Experience in specific functional area	27 years of technical experience to convert market requirements into technical layout, and having thorough knowledge in manufacturing and Plastic Processing, which will be a great asset to the company
Directorship held in other public limited Indian Companies. (Excluding Directorship in Rajoo Engineers Ltd.)	Rajoo Cotex Limited
Membership/Chairmanship of Committees public limited Indian Companies. (Excluding Membership/Chairmanship of any Committee of Board of Rajoo Engineers Ltd.)	Nil

Director's Name	Mr. Khimjibhai P. Aghera
Age	58 years
Qualification	Matriculate
Experience in specific functional area	Vast experience in designing and manufacturing Plastic Processing Machineries.
Directorship held in other public limited Indian Companies (Excluding Directorship in Rajoo Engineers Ltd.)	Rajoo Cotex Limited
Membership/Chairmanship of Committees public limited Indian Companies. (Excluding Membership/Chairmanship of any Committee of Board of Rajoo Engineers Ltd.)	Nil

Director's Name	Mr. Sunil B. Jain
Age	51 years
Qualification	B. E (Mechanical)
Experience in specific functional area	Mr Jain has vast experience in field of international marketing and he is mainly looking after recognition/marketing of products of the Company at global era.
Directorship held in other public limited Indian Companies. (Excluding Directorship in Rajoo Engineers Ltd.)	Nil
Membership/Chairmanship of Committees public limited Indian Companies. (Excluding Membership/Chairmanship of any Committee of Board of Rajoo Engineers Ltd.)	Nil

Director's Name	Mr. J. P. Aghera
Age	54 years
Qualification	Matriculate
Experience in specific functional area	Mr J P Aghera is looking after the development of new machines and overall manufacturing processes He is with the company since inception. He has more than 30 years of experience in plastic processing and bag making machineries. He has an expertise in engineering skills in solving issues related to machine designing.
Directorship held in other public limited Indian Companies. (Excluding Directorship in Rajoo Engineers Ltd.)	Nil
Membership/Chairmanship of Committees public limited Indian Companies. (Excluding Membership/Chairmanship of any Committee of Board of Rajoo Engineers Ltd.)	Nil

Director's Name	Mr. Ramesh A. Shah
Age	57 years
Qualification	B. Com., C.A.I.I.B.
Experience in specific functional area	Mr. Ramesh A Shah, has experience of more than 30 years in a nationalized bank and has expertise in financial and banking aspects, which will be an asset to the company.
Directorship held in other public limited Indian Companies. (Excluding Directorship in Rajoo Engineers Ltd.)	Nil
Membership/Chairmanship of Committees public limited Indian Companies. (Excluding Membership/Chairmanship of any Committee of Board of Rajoo Engineers Ltd.)	Nil

Director's Name	Mr. Mahasukh S. Mehta
Age	66 Years
Qualification	B. A.
Experience in specific functional area	37 years of experience in textile trade.
Directorship held in other public limited Indian Companies	Nil
Membership/Chairmanship of Committees public limited Indian Companies	Nil



**REPORT OF BOARD OF DIRECTORS**

Your Directors are pleased to present their Twenty First Annual Report for the year ended on 31st March, 2008.

**FINANCIAL RESULTS:**

Your Company's performance for the year ended on 31st March 2008 is summarized as under:

Particulars	For the year ended on 31st March, 2008 (Rs. in lacs)	For the year ended on 31st March, 2007 (Rs. in lacs)
Sales & other income	4397.70	4045.71
Profit before interest & depreciation	450.99	387.12
<b>Less :</b>		
- Depreciation	75.28	69.24
- Interest	2.76	17.64
<b>Net profit before taxation</b>	<b>372.95</b>	<b>300.24</b>
<b>Less :</b>		
- Taxation	136.36	130.17
- Wealth Tax	0.60	1.75
- Fringe benefit tax	5.17	5.02
- Deferred tax	4.47	(2.75)
<b>Net profit after taxation</b>	<b>226.35</b>	<b>166.05</b>
<b>Less :</b> Prior period adjustment	0.00	0.26
Net profit for the year	226.35	165.79
Profit and loss account balance brought forward	396.25	318.55
Amount available for appropriation	622.60	484.34
Proposed Dividend	64.70	61.62
Provision for Dividend tax	10.99	10.47
Transfer to General Reserve	30.00	16.00
<b>Balance carried to Balance sheet</b>	<b>516.91</b>	<b>396.25</b>

**OPERATION**

Your Company has achieved total income of Rs. 4397.70 lacs during the year under Report, as compared to total incomes of Rs. 4045.71 lacs of previous year 2006-07. Moreover, the net profit of the Company has also been increased to Rs. 226.35 lacs thereby giving rise of 36% during the year under report. Your Company has successfully attempted to reduce the financial costs during the year which will help the company in maintaining liquidity in operations.

**DIVIDEND**

The Board of Directors are pleased to recommend a dividend of 21% on the paid up share capital, which is subject to approval of members in the ensuing Annual General Meeting. The total dividend payment amounts to Rs. 75.69 lacs (including Dividend Tax of Rs. 10.99 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 8th September, 2008, 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 9th September, 2008, after giving effect to all valid share transfers in physical form which are lodged with the Company on or before 8th September, 2008

## **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.

## **HUMAN RESOURCE**

Your company considers human resource to be an important asset for bringing about continuous growth and development. During the period under review, to enhance the human resource management, the company has taken many initiatives in the direction of establishing a healthier work culture driven by complete professionalism, team work and result oriented approach. The self development of each employee is considered as valuable as the development of the organization. Providing equal employment opportunities and treating all employees with highest dignity and respect, the company has ensured proper working environment which is full of enthusiasm and positive spirits. Standardization of policies and procedures has been reinforced with great efforts during this period so that work of every employee is channelized to be the part of a system driven process. Like year on year scenario, the employees have portrayed complete dedication, sincerity and zeal for work during this period and have shown radical acceptance and appreciation for all moves and changes the company has undertaken for growth of both the organization as well as that of an individual employee.

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.

## **PARTICULARS OF EMPLOYEES**

The details of employee/managerial personnel drawing remuneration of more than Rs. 2 lacs per month or Rs. 24 lacs per annum, as specified in the Companies (particulars of Employees) Rules, 1975, are given in annexure to this Report of Board of Directors.

## **TRADE RELATIONS**

The Board desires to place on record its appreciation of 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. J. P. Aghera, Mr. Ramesh A. Shah and Mr. Mahasukh S. Mehta, Directors are liable to retire by rotation and being eligible offer themselves for reappointment. A brief Resume of Directors is attached with Notice of the AGM. Members are requested to reappoint the Directors.

**CORPORATE GOVERNANCE**

Your Company is constantly striving to better the corporate governance principles & practices since long. The Company believes in adherence to business ethics and commitment to corporate social responsibility. The combination of ethical values, business acumen and globalization coupled with expertise & transparency in core business will lead the Company to a respected corporate entity. As a matter of practice, Rajoo has adopted fair, transparent and ethical governance practices. Accordingly, a separate Report on Corporate Governance as well as the Certificate from M N Manvar & Co., Chartered Accountants, statutory Auditors of the Company are annexed to this Report of Board.

**ISSUE OF WARRANTS ON PREFERENTIAL BASIS**

The Company has issued 3,60,000 fully convertible warrants at Rs. 90/- per warrant (each warrant on becoming fully paid convertible into one equity share of face value of Rs. 10/- at a premium of Rs. 80/-) in terms of Chapter XIII of the DIP Guidelines of SEBI and after obtaining approval of Members under Section 81 (1A) of the Companies Act, 1956. The allotment was made on 8<sup>th</sup> April, 2008. The said warrants are convertible into equity shares at later date subject to provisions of the SEBI Guidelines. The Company has obtained all necessary approval from the authorities in connection with the issue of warrants on preferential basis.

**AUDITORS**

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 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 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**

The board of directors wishes to place on record their whole hearted gratitude to bankers of the company, State Bank of Saurashtra, Manavadar, for their co-operation and assistance for working capital finance and their support. We are also thankful to the executives, staff and workers of the Company for their sincere efforts in the development of the Company.

For and on behalf of the Board of Directors  
For, RAJOO ENGINEERS LIMITED,

Date: 30/06/2008  
Place: Veraval (Shapar), Rajkot

Sd/-  
(C. N. DOSHI)  
Chairman & Managing Director

## 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:

Continue efforts are being made by the production team for conservation of energy. Heating time for trials, testing etc., is strictly monitored, certain savings are expected out of that, but total impact of this cannot be measured.

- b) The company has installed wind rotating fans on the ceiling, which will save energy to a great extent.
- c) Impact of measures (a) & (b) above for reduction of energy consumption is likely to be resulted positively which will reduce the cost of production.

### 2. TECHNOLOGY ABSORPTION:

- a) Efforts made in the technology absorption :
- i. Developed sheet line for physically foamed PE sheets using carbon dioxide as blowing agents.
  - ii. High Output sheet line for processing PET flakes at the rate of 700kg/hr.
  - iii. Developed first Five Layer Barrier Thermformable Sheet Line.
  - iv. Developed a Combi-Line consisting of Five Layer Blown Film and Sheet line for Reliance Industries for their Laboratory.
- b) Future plan of action.  
We are making continuous efforts in developing energy efficient machines with updated technology.

### 3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Rs. in lacs)

Particulars	2007-08	2006-2007
Foreign Exchange earned	1374.80	1646.88
Foreign Exchange used	545.65	377.30

### AS PER THE COMPANIES (PARTICULAR OF EMPLOYEES) RULES, 1975

Sr. No.	Name	Designation	Remuneration	Qualification	Date of Commencement of Employment (DOE)	Total Experience (In Years)	Age	Last Employment
1	C. N. Doshi	Chairman & Managing Director	24,00,648	B.A. Bsc. D. Pharm., CAIIB	01-01-1995	30	55 Years	Nationalised Bank

## **ANNEXURE-B COMPANY PHILOSOPHY**

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 have made deep inroads into all walk of human life, be it food packaging, housing or clothing or industry. We strive to contribute for development of plastics through extrusion. We also strive to pursue dynamic activities in extrusion machine building and contribute to the sustainable use of natural resources as well as energy saving and waste reduction protecting the environment in the best possible way. 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 effective polymer formulation. Our co-operation with polymer industry and with internationally renowned rheological laboratories and machine designers enable us to produce technology of the developed nations at economies of developing countries.

Our obsession for innovation and enthusiasm for profound understanding of polymer processing and modern engineering technological expertise 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.

## **QUALITY POLICY**

At Rajoo Engineers Limited, we are committed to achieve global leadership position in the plastics blown film and sheet extrusion machinery business through:

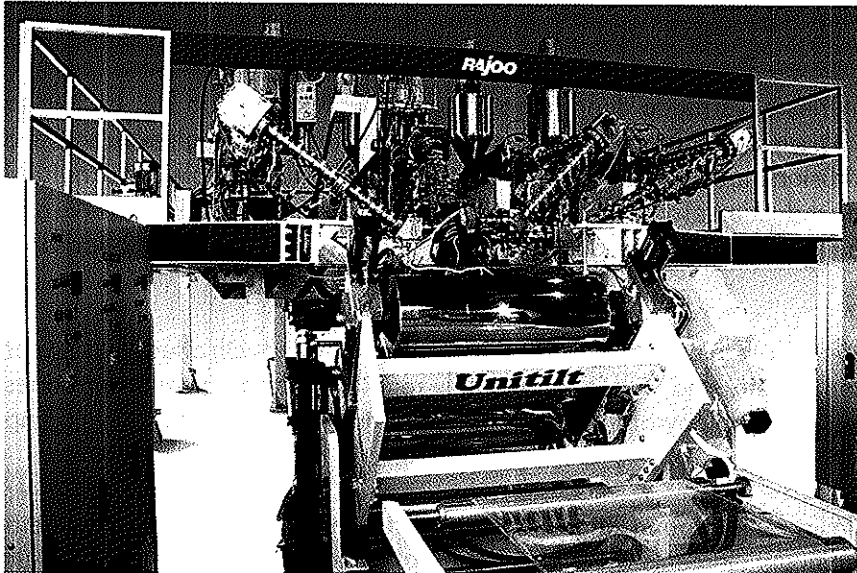
- Understanding individual global customer's requirements and delivering products and services to surpass their expectations.
- Continued improvements and innovations in the products and services through technological advancements.
- Constantly inculcating, training and developing the skills, capabilities and competence levels of all employees and sub-contractors to international standards.
- Maintaining the quality standards of products and services through constant evaluation, inspection and verification at all stages.

Sd/-

**C. N. Doshi**

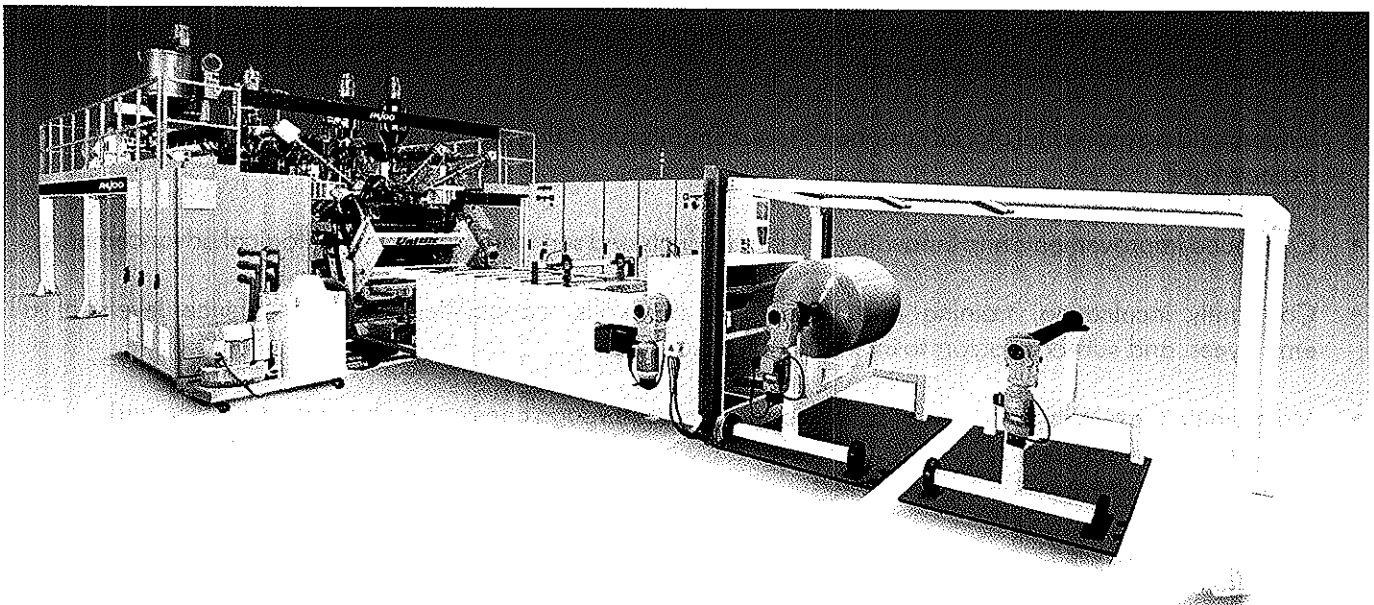
Chairman & Managing Director

## RAJOO LAUNCHES INDIA'S FIRST FIVE LAYER THERMOFORMABLE BARRIER SHEET LINE



Driven by India's huge potential in food packaging and especially the barrier packaging, RAJOO has recently launched a five layer thermoformable sheet extrusion line which can produce high barrier films with Nylon/EVOH and PP/HIPS. India is a largely untapped market in thermoformed food packaging articles and with the growth of cellular families and middle class consumerism, the market for long shelf life processed food is going to grow multifold in near future. Keeping

this in view, RAJOO has recently delivered a five layer barrier sheet line to an Indian customer featuring four extruders, melt pumps, hydraulic screen changers, a UNITILT polishing roll stack and fully automatic Siemens touch screen line control to give an output of coextruded barrier sheets worth 400 kg/hr. The UNITILT polishing roll stack is designed for infinite adjustment from horizontal to vertical position through push button operation, thus ensuring production of variety of sheet thicknesses and polymer structures. The gap between the rollers can also be accurately adjusted thru finely threaded stud and ratchet arrangement. Digital indication of gap between the rollers adds to the ease of operation.



## ANNEXURE 'C' TO THE DIRECTORS' REPORT MANAGEMENT DISCUSSION AND ANALYSIS

### ECONOMIC SCENARIO :

During the year 2007-08, the Indian economy witnessed a surge in capital inflows. However, growth in world trade volume of goods and services decelerated from 9.2 % in 2006 to 6.6 % in year 2007 and is projected to remain around the same levels in year 2008. The Planning commission has envisaged an investment of Rs. 20.3 trillion i.e. USD 494 billion during the Eleventh plan (April 2007-March 2012). GDP at current market prices is projected at Rs. 46,93,602 crore in 2007-08 by the Central Statistical Organization (CSO) in its Advance Estimates (AE) of Gross Domestic Product. Thus, in the current fiscal year, the size of the Indian economy at market exchange rate will cross US\$ 1 trillion. At the nominal exchange rate (average of April-December 2007) GDP is projected to be US\$ 1.16 trillion in 2007-08. Per capita income at nominal exchange rate is estimated at US\$ 1,021.

### INDUSTRY

The global plastics industry is marked by dynamic growth with both quantity and quality aspects helping boost the upswing. For many years now, overall population growth, a good and stable global economic climate and ongoing substitution processes in favor of plastic have combined to foster steady expansion in the sector.

Plastic has occupied a major role in the lifestyle of the 21st century. At present, the global GDP of the world is around US \$ 32 trillion. Out of this, the value of chemical output alone contributes to 5 percent of it. Commodity plastics contribute US \$ 90 billion that is 5.6 percent of the entire chemical output and polyolefin output is US \$ 61 billion that is 3.8 percent of the chemical output. This gives us an idea of the size of the plastic industry and the significance that it holds in the global scenario. This becomes even more significant when the global polymer industry is growing by almost twice the rate of the global GDP. The demand for the major polymers is growing at a rate of 5.2 percent annually and polyolefin alone make up for the 63 percent of the entire polymer industry. The demand for Polyolefin is growing at an even faster rate of 5.6 percent per year. The global demand for polymers is 139.3 MMTA out of which polyolefin form 89.04 MMTA.

The present per capita consumption is 4 Kgs, likely to reach beyond 7 Kgs by 2010. Consumption level, which is expected to reach 8 million tons by 2010, could touch 10 million tons, if some of the constraints such as infrastructure etc are eliminated. The department of petrochemicals of the Government of India has projected a level of 12 million tons by 2011/2012.

### PERFORMANCE

#### SALES

(Rs. in lacs)

Sr. No.	Sale By Class Of Goods		Qty Nos.	31.03.08 Rupees	Qty Nos.	31.03.07 Rupees
1.	Thermoplastic Extrusion Plants	Domestic	38	2401.44	49	2014.66
		Export	10	1191.44	15	1453.34
2.	Post Extrusion Equipments	Domestic	21	341.77	20	169.38
		Export	4	77.23	6	197.45
3.	Miscellaneous Parts & Equipments	Domestic	479	134.17	2466	134.31
		Export	334	113.39	362	33.68
4.	Iron Waste / Scrap	Domestic	-	3.96	-	3.57
5.	Service Charges	Domestic	-	5.62	-	5.65
		Export	-	3.02	-	-
6.	Trading	Export	-	13.19	-	7.06
	<b>Total:</b>			<b>4285.23</b>		<b>4019.14</b>
	<b>Less : Sales Return Domestic</b>			5.12		15.24
				<b>4280.11</b>		<b>4003.90</b>

**PROFITABILITY:**

The net profit before depreciation, interest and taxation arrived at Rs.450.99 lacs as compared to Rs. 387.12 lacs in previous year. Further, the net profit after taxation increased from Rs. 166.05 lacs of previous year to Rs. 226.35 lacs in current fiscal 2007-2008.

**INTERNAL AUDIT SYSTEM**

The Company has implemented proper and adequate systems of internal control to ensure that all assets are safeguarded and protected against loss from any unauthorised use or disposition and all transactions are authorised, 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.

**OPPORTUNITIES, THREATS, RISKS:**

Your Company has developed extremely good reputation in manufacturing of high quality extrusion machines. The global market has accepted & recognized highest standards of quality of machines & engineering skills of the Company. The company has appointed its agents in various countries who have shown commendable results in their operations in their respective countries. There are ample opportunities for the Company in years to come. However, the government policy, export-import policy, foreign exchange rates, stiff competition by international players of similar industry, are the threats for the Company, which the Company is considering as a challenge and as a tool of further improvisation of engineering expertise and up-gradation of quality standards.

**OUTLOOK FOR 2008-2009**

Your Company foresees positive outlook in 2008-09. 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 high end Five Layer barrier sheetline followed by a versatile sheetline to process PET flakes. The Company will leave no efforts to grab each and every opportunity for growth. The Company also expects to derive a greater operating leverage but of its investments, maximizing shareholders' wealth.

**CAUTIONARY STATEMENTS**

All statements made in Management and Discussion Analysis have 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.

For and on behalf of the Board of Directors  
For, RAJOO ENGINEERS LIMITED,

Sd/-

(C. N. DOSHI)

Chairman & Managing Director

Date: 30/06/2008

Place: Veraval (Shapar), Rajkot



**ANNEXURE 'D' TO THE DIRECTORS' REPORT  
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 and Managing Director), Mr R. N. Doshi (Joint Managing Director) ,Mr. K. P. Aghera, (Whole Time Director), Mr. J. P. Aghera (Whole Time Director),and Mr. Sunil Jain (Executive Director), There are four non executive Directors namely Mr. Ramesh A. Shah, Mr. Kishor R. Doshi, Mr. Mahasukh S. Mehta and Mr. Manharlal V. Kamdar.

**B) MEETINGS:-**

Since the beginning of the financial year 2007-08, till the date of end of the financial year, a total of 11 Board Meetings were held on the following dates viz., 30<sup>th</sup> June, 2007, 15<sup>th</sup> July, 2007, 31<sup>st</sup> July, 2007, 10<sup>th</sup> August 2007, 30<sup>th</sup> September, 2007, 25<sup>th</sup> October, 2007, 30<sup>th</sup> October, 2007 , 5<sup>th</sup> January, 2008, 31<sup>st</sup> January, 2008, 28<sup>th</sup> February, 2008 and 22<sup>nd</sup> March, 2008.

All Directors, except Mr. Sunil B. Jain, Mr. Manharlal V. Kamdar and Mr. Gopaliah Harish have attended the last Annual General Meeting held on 28<sup>th</sup> September, 2007.

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 & Managing Director	269100	02	Nil	Nil
Mr. R. N. Doshi	Joint Managing Director	286820	02	Nil	Nil
Mr. K. P. Aghera	Whole-Time Director	46490	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.

### 3. REMUNERATION TO DIRECTORS:

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

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 & Managing Director	24,00,648/-	96,543/-	Nil
Mr. R. N. Doshi	Executive	Joint Managing Director	18,02,353/-	32,422/-	Nil
Mr. K. P. Aghera	Executive	Whole-Time Director	12,00,348/-	11,857/-	Nil
Mr. J. P. Aghera	Executive	Whole-Time Director	12,00,348/-	7,477/-	Nil
Mr. Sunil B. Jain	Executive	Executive Director	3,52,872/-	Nil	Nil
<b>Total</b>			<b>69,56,569/-</b>	<b>1,48,299/-</b>	

\*The Company does not have any Employee Stock Option Scheme at present.

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 alongwith Notice of the Board Meeting, a detailed Agenda which, interalia, contain following items, as and when applicable:

- Review of annual business plans of the business, capital budgets, and updates,
- Quarterly (including periodic) results of the Company,
- Minutes of meeting of audit committee, remuneration committee, share holders grievances committee etc.
- Information on recruitment and remuneration of senior officers just below the Board level,
- Materially important show cause, demand, prosecution and penalty notices, if any.
- Fatal or serious accidents or dangerous occurrences,
- Any material significant effluent or pollution problems,
- Any issue which involves possible public or product liability claims of a substantial nature.
- Details of any joint venture or collaboration.
- Transaction that involves the substantial payment of goodwill, brand equity or intellectual property
- Significant labour problem and their proposed solutions,
- Significant development in the human resources and industrial relations fronts,
- Sale of material, nature of investments, subsidiaries, assets, which is not in the normal course of business,
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement.
- 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 31<sup>st</sup> March, 2008 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 - Mr. Ramesh A. Shah, Mr. Kishor R. Doshi, and Mr. Mahasukh S. Mehta all being Non Executive and Independent Director. 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 are, 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 2007-2008

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.

**c) Meetings of Committee:-**

Total Six meetings of the Committee were held during the year 2007-2008

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	06

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 , Joint 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 09/05/2007, 17/10/2007, 11/12/2007 & 22/03/2008

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 any 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
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.
2004-2005	15th September, 2005	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. (Gujarat)
- 2) Suvey No 210, Plot No 1, Industrial Area, Veraval (Shapar), Dist. Rajkot-360 002. (Gujarat)

### ANNUAL GENERAL MEETING

The 21st Annual General Meeting (AGM) of the Company will be held on Wednesday, 24<sup>th</sup> September, 2008 at 11-00 A.M. at registered office of the Company, Junagadh Road, Manavadar (Dist.Junagadh)

### FINANCIAL CALENDER (TENTATIVE)

- |  |                                    |
|--|------------------------------------|
| 1. Annual General Meeting                                      | : 24 <sup>th</sup> September, 2008 |
| 2. Results for Quarter ending 30 <sup>th</sup> June, 2008      | : Last week of July, 2008          |
| 3. Results for Quarter ending 30 <sup>th</sup> September, 2008 | : Last week of October, 2008       |
| 4. Results for Quarter ending 31 <sup>st</sup> December, 2008  | : Last week of January, 2009       |
| 5. Results for Quarter ending 31 <sup>st</sup> March, 2009     | : Last week of June, 2009          |

### DATES OF BOOK CLOSURE

The Company's transfer books will be closed from Tuesday, 9<sup>th</sup> September, 2008 to Tuesday, 23<sup>rd</sup> September, 2008 (both days inclusive) for 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	22257
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:

BSE					
2007-08			2006-07		
Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
Apr 07	62.90	50.00	Apr 06	58.25	41.00
May 07	67.90	55.00	May 06	59.25	44.00
Jun 07	81.00	63.75	Jun 06	46.75	34.00
Jul 07	69.00	55.20	Jul 06	57.50	38.10
Aug 07	62.85	52.25	Aug 06	52.45	43.35
Sep 07	59.90	50.00	Sep 06	50.20	40.10
Oct 07	62.95	44.10	Oct 06	50.00	41.60
Nov 07	59.85	43.50	Nov 06	63.00	44.00
Dec 07	104.65	48.10	Dec 06	52.40	44.15
Jan 08	157.00	95.00	Jan 07	58.00	51.00
Feb 08	110.10	72.55	Feb 07	68.95	52.30
Mar 08	79.10	50.70	Mar 07	57.00	48.60

**REGISTRAR AND TRANSFER AGENTS:**

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

**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.

No. of Equity Share Held (Range)	No. of Shareholders	% to total Shareholders	No. of Shares held	% to total share held
Upto 500	3474	88.89	478798	15.54
500 - 1000	205	5.25	170761	5.54
1001 - 2000	91	2.33	141020	4.58
2001 - 3000	31	0.79	79572	2.58
3001 - 4000	29	0.74	100814	3.27
4001 - 5000	11	0.28	51699	1.68
5001 - 10000	32	0.82	237709	7.72
Above 10000	35	0.90	1820627	59.09
	<b>3483</b>	<b>100.00</b>	<b>3081000</b>	<b>100.00</b>

**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 31<sup>st</sup> March, 2008, total 25,06,383 equity shares have been dematerialized. Out of these shares dematerialized, 23,35,983 equity shares and 4,74,617 equity shares have been dematerialized with NSDL and CDSL respectively, representing approx. 84.60% 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. (Gujarat)

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:- 30/06/2008

Sd/-  
(C. N. DOSHI)

Chairman & Managing Director

Sd/-  
(R. N. DOSHI)

Joint Managing Director

**MANAGING DIRECTOR/JOINT MANAGING DIRECTOR CERTIFICATION FOR FINANCIAL STATEMENTS (CLAUSE 49V OF LISTING AGREEMENT)**

We have reviewed financial statements and cash flow statements for the financial year 2007-2008 ended on 31<sup>st</sup> March, 2008, 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.

Date: 30/06/2008  
Place: Veraval (Shapar), Rajkot

Sd/-  
(C. N. DOSHI)

Chairman & Managing Director

Sd/-  
(R. N. DOSHI)

Joint 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 31<sup>st</sup> March 2008 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 31<sup>st</sup> March 2008, 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.

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

Sd/-  
(M. N. Manvar)  
Proprietor  
Membership No. 36292

Date: 30/06/2008  
Place: Veraval (Shapar), Rajkot

**AUDITORS' REPORT**  
**To The Members of Rajoo Engineers Limited**

- (1) We have audited the attached Balance Sheet of RAJOO ENGINEERS LIMITED, as at 31<sup>st</sup> MARCH 2008, 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;
  - (v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2008, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2008 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 31<sup>st</sup> March, 2008
    - 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.

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

Sd/-  
(M. N. Manvar)  
Proprietor  
Membership No. 36292

Place:- Veraval (Shapar), Rajkot

Date:- 30/06/2008

**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 procedure commensurate with the size of the company and the nature of its business for purchase of Inventory, fixed assets, sale of goods an 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 a 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 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 it's business.
- viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cos 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)

- x) The Company does not have any accumulated losses at the end of the financial year March 31, 2008. Further, the company has not incurred cash losses during the financial year ended on March 31, 2008 and in the immediately preceding financial year ended on March 31, 2007.
- 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. According, clause 4(xv) 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. According, 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 not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. Accordingly, clause 4(xviii) of the order is not applicable.
- 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.

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

Date: 30/06/2008  
Place: Veraval (Shapar), Rajkot

Sd/-  
(M. N. Manvar)  
Proprietor  
Membership No. 36292

## BALANCE SHEET AS AT 31st MARCH, 2008

Particulars	Schedule	31.03.08 Rupees	31.03.07 Rupees
<b>SOURCES OF FUND</b>			
<b>1. Share Holders' Fund</b>			
a. Share Capital	A	30810000	30810000
b. Reserve & Surplus	B	<u>68609701</u>	<u>53544181</u>
		<b>99419701</b>	<b>84354181</b>
<b>2. Loan Funds</b>			
a. Secured Loans	C	54920363	43291496
b. Unsecured Loans	D	45107927	32911704
c. Deferred Tax	E	8895374	8448694
d. Liabilities for Deffered payment of Sales tax		<u>6323987</u>	<u>9887835</u>
		115247651	94539729
		<b><u>214667351</u></b>	<b><u>178893910</u></b>
<b>APPLICATION OF FUND</b>			
<b>1. Fixed Assets</b>			
Gross Block	F	130099039	115561047
Less : Depreciation		<u>54640163</u>	<u>47923780</u>
Net Block		75458876	67637267
<b>2. Investments</b>			
	G	4265200	4115200
<b>3. Current Assets, Loans &amp; Advances</b>			
<b>(i) Current Assets</b>			
a. Inventories		54349642	16999068
b. Sundry Debtors		143705113	121282954
c. Cash & Bank Balance		<u>21400737</u>	<u>3783011</u>
		219455492	142065033
<b>(ii) Loans &amp; Advances</b>			
		<u>49384242</u>	<u>49108511</u>
		268839734	191173544
<b>4. Less : Current Liabilities &amp; Provisions</b>			
	I	<u>133896458</u>	<u>84032101</u>
Net Current Assets		134943276	107141444
		<b><u>214667351</u></b>	<b><u>178893910</u></b>
<b>Significant Accounting Policies</b>			
Notes On Accounts	N 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 )**  
Wholetime Director

Date: 30/06/2008  
Place: Veraval (Shapar), Rajkot

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2008

Particulars	Schedule	31.03.08 Rupees	31.03.07 Rupees
<b>INCOME:</b>			
Sales - Export		139827550	169154867
Domestic		<u>288183801</u>	<u>231235181</u>
		428011351	400390048
Other Income	J	11758773	4180770
Increase in stock of finished goods & Stock in Process	K	<u>31899956</u>	<u>(21840152)</u>
		<b><u>471670080</u></b>	<b><u>382730666</u></b>
<b>EXPENDITURE:</b>			
Raw material consumed		301944102	261219766
Decrease in stock of finished goods & Stock in process	K	-	-
Manufacturing & Other Expenses	L	124627521	82798814
Financial Cost	M	275617	1764198
Depreciation	F	7528185	6923609
		<u>434375425</u>	<u>352706387</u>
		<b><u>37294655</u></b>	<b><u>30024279</u></b>
<b>Profit before tax for the year</b>			
Less/(Add): Provision for Taxation			
Current Tax		13636215	13016640
Fringe Benefit Tax		517167	502219
Wealth Tax		59380	175669
Deferred Tax		<u>446680</u>	<u>(275430)</u>
		14659442	13419098
		<b><u>22635213</u></b>	<b><u>16605181</u></b>
<b>Prior Period Adjustments</b>			
		0	(25839)
Add : Balance Brought down from last year		<u>39625427</u>	<u>31855317</u>
Amount Available for Appropriation		<b><u>62260640</u></b>	<b><u>48434659</u></b>
<b>Appropriations :</b>			
Proposed Dividend		6470100	6162000
Tax on Dividend		1099593	1047232
General Reserve		<u>3000000</u>	<u>1600000</u>
<b>Balance Carried to Balance sheet</b>		<b><u>51690947</u></b>	<b><u>39625427</u></b>
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 )  
Wholetime Director

Date: 30/06/2008  
Place: Veraval (Shapar), Rajkot

## CASH FLOW STATEMENT

FOR THE PERIOD ENDED ON 31ST MARCH 2008

	31.03.08 Amount	31.03.07 Amount
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Taxes	372.95	300.24
<b>Adjustments for :</b>		
- Depreciation	75.28	69.24
- Interest (Net)	2.76	17.64
- Prior Period Adjustment		(0.26)
- Loss on sale of assets	6.71	4.09
<b>Operating Profit Before Working Capital Change</b>	<b>457.69</b>	<b>390.95</b>
(Increase)/Decrease in Inventory	373.51	317.87
(Increase)/Decrease in Trade and other receivables	224.22	(334.92)
(Increase)/Decrease in other Current Asset	2.76	0.00
(Increase)/Decrease in Current Liabilities	498.64	(97.07)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>559.53</b>	<b>276.83</b>
Interest Paid	0.00	(17.64)
Income Tax Paid	0.00	(109.69)
Dividend Paid	0.00	(55.46)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>559.53</b>	<b>94.04</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(145.38)	(172.07)
Sales of Fixed Assets (W.N.4)	0.00	5.21
Income From Investments	0.00	0.00
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(145.38)</b>	<b>(166.86)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in Long Term Borrowings	47.46	52.00
<b>( A + B + C )</b>	<b>461.62</b>	<b>(20.82)</b>
<b>(Increase)/Decrease in Cash and Cash Equivalents</b>	<b>176.18</b>	<b>(20.82)</b>
Cash and Cash Equivalent at the beginning of the year	37.82	58.64
Cash and Cash Equivalent at the end of the year	214.00	37.82

**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, 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 Director

Date: 30/06/2008  
Place: Veraval (Shapar), Rajkot



## SCHEDULE - A : SHARE CAPITAL

Particulars	31.03.08 Rupees	31.03.07 Rupees
<b>AUTHORISED SHARE CAPITAL</b>		
35,00,000 Equity shares of Rs.10/- each	<u>35000000</u>	<u>35000000</u>

## ISSUED, SUBSCRIBED & PAID UP CAPITAL

30,81,000 (Previous year 30,81,000) Equity Shares of Rs.10/- each fully paid	30810000	30810000
	<b>30810000</b>	<b>30810000</b>

## SCHEDULE - B : RESERVES & SURPLUS

Particulars	31.03.08 Rupees	31.03.07 Rupees
<b>I. RESERVES :</b>		
General Reserve		
Opening Balance	13918754	12318754
Add : Transferred from Profit and Loss Account	3000000	1600000
	16918754	13918754
<b>II. SURPLUS :</b>		
Profit and Loss Account Balance	51690947	39625427

## SCHEDULE - C : SECURED LOANS

Particulars	31.03.08 Rupees	31.03.07 Rupees
<b>VEHICLE FINANCE</b>		
ICICI Ltd.	955790	1721050
HDFC Bank Ltd., (Secured against Hypothecation of vehicles)	970697	544129
<b>CASH CREDIT</b>		
State Bank of Saurashtra, Manavadar (Secured against Hypothecation of Goods and first charge over the fixed assets of the company)	15598552	16229207
<b>PACKING CREDIT</b>		
State Bank of Saurashtra, Manavadar (Secured against letter of credit)	37395324	19683064
<b>BOOK DEBTS</b>		
State Bank of Saurashtra, Rajkot (Secured against book debts)	0	5114046
	<b>54920363</b>	<b>43291496</b>

## SCHEDULE - D : UNSECURED LOANS

Particulars	31.03.08 Rupees	31.03.07 Rupees
1. Suppliers as security deposit	17575000	26093950
2. Customers as security deposit	19925000	5349254
3. Employees as security deposit	70000	78500
4. Directors Deposit	1116461	0
5. Inter Corporate Deposit	6421466	1390000
	<b>45107927</b>	<b>32911704</b>

## SCHEDULE - E : DEFERRED TAX

Particulars	31.03.08 Rupees	31.03.07 Rupees
Opening Balance	8448694	8724124
Add/(Less) : Deferred Tax - current year	446680	(275430)
	<b>8895374</b>	<b>8448694</b>

## SCHEDULE - F : FIXED ASSETS

Sr. DESCRIPTION No.	← GROSS BLOCK →				← DEPRECIATION BLOCK →					( Rupees )
	Opening Balance as on 01.04.07	Addition	Deduction	Closing Balance as on 31.03.08	Opening Balance as on 01.04.07	Addition	Deduction	Closing Balance as on 31.03.08	Net Block as on 31.03.08	
<b>A MANAVADAR UNIT</b>										
<b>1 Land</b>	162687		0	0 162687	0	0	0	0	0	162687
<b>2 Buildings</b>										
i) Factory Building	834157		0	0 834157	435260	27861	0	463121	371036	
ii) Admn. Office Building	70000		0	0 70000	20445	1141	0	21586	48414	
<b>3 Plant &amp; Machineries</b>										
i) Indigeneous Machineries	1476208	10190	0	0 1486398	1102600	70604	0	1173204	313194	
ii) Tools, Jigs & Moulds	123480		0	0 123480	114100	5865	0	119965	3515	
<b>4 Furniture &amp; Fixtures</b>										
- Administrative Office	99385		0	0 99385	89032	6291	0	95323	4062	
<b>5 Office Equipments</b>	450870		0	0 450870	349214	28540	0	377754	73116	
<b>6 Computers</b>	413728		0	0 413728	413728	0	0	413728	0	
<b>7 Vehicles</b>	830120	2273401	819720	2283801	355568	216961	107091	465438	1818363	
<b>a) Current Year Rs.</b>	<b>4460635</b>	<b>2283591</b>	<b>819720</b>	<b>5924506</b>	<b>2879947</b>	<b>357263</b>	<b>107091</b>	<b>3130119</b>	<b>2794387</b>	
<b>b) Previous Year Rs.</b>	<b>5659509</b>	<b>12950</b>	<b>1211824</b>	<b>4460635</b>	<b>3014760</b>	<b>218680</b>	<b>353492</b>	<b>2879948</b>	<b>1580687</b>	

## SCHEDULE - F : FIXED ASSETS

Sr. DESCRIPTION No.	GROSS BLOCK				DEPRECIATION BLOCK				Net Block as on 31.03.08
	Opening Balance as on 01.04.07	Addition	Deduction	Closing Balance as on 31.03.08	Opening Balance as on 01.04.07	Addition	Deduction	Closing Balance as on 31.03.08	
<b>B VERAVAL (SHAPAR), RAJKOT UNIT</b>									
1 Land	1523035	0	0	1523035	0	0	0	0	1523035
2 Site Development	457899	0	0	457899	105024	7464	0	112488	345411
3 Approach Road	0	1952949	0	1952949	0	65228	0	65228	1887721
4 Buildings									
i) Factory Building	20159116	2191559	0	22350675	4242315	746513	0	4988828	17361847
ii) Admn. Office Building	2108917	4226462	0	6335379	478457	103261	0	581718	5753661
iii) Office Building									
- C.G. Road, Ahmedabad	2072000	0	0	2072000	236418	33774	0	270192	1801808
- Samaan-II, Ahmedabad	1753300	152233	0	1905533	0	31060	0	31060	1874473
iv) Resi.Flat at Vapi	337125	0	0	337125	27475	5495	0	32970	304155
v) Office Building (New Delhi)	2024249	0	0	2024249	65990	32995	0	98985	1925264
5 Plant & Machineries									
i) Imported Machineries	10161861	0	0	10161861	6651398	482688	0	7134086	3027775
ii) Indigeneous Machineries	30098737	167894	503250	29763381	14645753	1413761	310753	15748761	14014620
iii) Technical Know How	696679	3075000	0	3771679	456726	179155	0	635881	3135798
iv) Laboratory Equipment	885079	0	0	885079	279362	42041	0	321403	563676
v) Tools, Jigs & Moulds	171883	0	0	171883	110806	8164	0	118970	52913
vi) Misc. Fixed Asset	555970	0	0	555970	362834	26409	0	389243	166727
6 Furniture & Fixtures									
i) Administrative Office	1586997	31043	0	1618040	933956	102422	0	1036378	581662
ii) Factory Office	2330893	390028	0	2720921	1061501	172234	0	1233735	1487186
iii) Work Shop	297526	0	0	297526	219327	18833	0	238160	59366
iv) Office Furniture									
C.G. Road, Ahmedabad	2735494	0	0	2735494	1190745	173157	0	1363902	1371592
v) Office Furniture-Kolkata	54475	0	54475	0	22553	0	22553	0	0
vi) Office Furniture-Bangalore	111957	291603	0	403560	39519	25545	0	65064	338496
vii) Office Furniture-Delhi	644873	0	0	644873	121920	40820	0	162740	482133
viii) Residential Furniture Vapi	4000	0	0	4000	253	253	0	506	3494
7 Office Equipment	3130801	891650	0	4022451	1551703	254622	0	1806325	2216126
8 Computer									
i) Veraval Works	10315381	2202879	1487671	11030589	6730338	1788058	90776	8427620	2602969
ii) Ahmedabad Office	275103	0	0	275103	269844	5259	0	275103	0
iii) Kolkatta Office	64550	0	64550	0	64550	0	64550	0	0
iv) Bangalore Office	72100	10700	0	82800	51120	13422	0	64542	18258
v) Delhi Office	77110	0	0	77110	61928	12500	0	74428	2682
vi) Hyderabad Office	50688	0	50688	0	40920	0	40920	0	0
vii) Mumbai Office	0	4500	0	4500	0	729	0	729	3771
viii) Website	210000	0	0	210000	69993	69993	0	139986	70014
9 Fire Fighting Equipment	74934	0	0	74934	22908	4743	0	27651	47283
10 Vehicles	13011856	944206	1967265	11988797	3606644	1138936	303178	4442402	7546395
11 Electriciation									
i) Office	185482	174867	0	360349	76766	12036	0	88802	271547
ii) Resi. Flat Vapi	4555	0	0	4555	432	216	0	648	3907
iii) Factory	2855787	494447	0	3350234	1372374	159136	0	1531510	1818724
<b>a) Current Year Rs.</b>	<b>111100412</b>	<b>17202020</b>	<b>4127899</b>	<b>124174533</b>	<b>45171852</b>	<b>7170922</b>	<b>832730</b>	<b>51510044</b>	<b>72664489</b>
<b>b) Previous Year Rs.</b>	<b>94014663</b>	<b>17193749</b>	<b>108000</b>	<b>111100412</b>	<b>38375376</b>	<b>6704929</b>	<b>36473</b>	<b>45043832</b>	<b>66056580</b>
<b>TOTAL ( A + B )</b>									
<b>a) Current Year Rs.</b>	<b>115561047</b>	<b>19485611</b>	<b>4947619</b>	<b>130099039</b>	<b>48051799</b>	<b>7528185</b>	<b>939821</b>	<b>54640163</b>	<b>75458876</b>
<b>b) Previous Year Rs.</b>	<b>99674172</b>	<b>17206699</b>	<b>1319824</b>	<b>115561047</b>	<b>41390136</b>	<b>6923609</b>	<b>389965</b>	<b>47923780</b>	<b>67637267</b>

**SCHEDULE - G : INVESTMENTS**

<b>Particulars</b>	<b>31.03.08 Rupees</b>	<b>31.03.07 Rupees</b>
<b>INVESTMENT IN SHARES :</b>		
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. 43,031 /-		
(Previous Year Rs. 58,475/-)		
Unquoted Shares		
- Essen Multipack Ltd. (50,000 Equity Shares)	-	1000000
- Rajoo Cotex Ltd. (1,93,400 Equity Shares)	2901000	2901000
- AIM Machintechnik P. L. (115000 Equity Shares)	1150000	0
	<b>4265200</b>	<b>4115200</b>

## SCHEDULE - H : CURRENT ASSETS, LOANS & ADVANCES

Particulars	31.03.08 Rupees	31.03.07 Rupees
<b>I. CURRENT ASSETS :</b>		
<b>1. INVENTORIES :</b>		
(1) Raw Materials & Components-		
Indigenous	11864825	8132621
Imported	875918	0
(2) Testing Materials	1460650	1703102
(3) Consumable Stores	1027906	564876
(4) Scrap	760920	139002
(5) Stock in Process	13541423	3350467
(6) Finished Goods	24818000	3109000
<b>Total - 1</b>	<b>54349642</b>	<b>16999068</b>
<b>2. SUNDRY DEBTORS :</b>		
(Unsecured considered good by the Management)		
Less than six months	140215684	117327439
Over six months	3489429	3955515
<b>Total - 2</b>	<b>143705113</b>	<b>121282954</b>
<b>3. CASH &amp; BANK BALANCES :</b>		
Cash on hand	961237	1430365
Balance with Scheduled Banks		
in Current Accounts	11833572	2352646
in O/D Accounts	8605928	-
<b>Total - 3</b>	<b>21400737</b>	<b>3783011</b>
<b>Total - I ( 1+ 2+ 3 )</b>	<b>219455492</b>	<b>142065033</b>
<b>II. LOANS &amp; ADVANCES :</b>		
(Unsecured and considered Good)		
Advance to Suppliers	11634955	2754041
Other Advances	10086082	9064168
Security Deposit :		
- Utility Service Deposit	1565903	1649984
- Gas Cylinder Deposit	7375	6275
- Supplier	125000	125000
- Ahmedabad Office Maintenance Deposit	193722	105000
- Bangalore Office Rental Deposit	0	115000
Excise Duty Receivable	1494312	7470162
Advance Income tax	6000000	10020000
Advance Fringe Benefit Tax	250000	670000
Income Tax (TDS Receivable)	807412	536656
Fringe Benefit Tax Receivable	167781	0
Advance to Employees	19800	40693
Bank Interest Receivable	195352	0
Loan to Employees	665350	442123
S.B.S.Term Deposits	3500000	5778292
DEPB Licence Incentive Receivables	3981948	2940624
Service Tax input credit balance A/c.	3965594	4604028
VAT Receivable	3713769	1726362
Prepaid Insurance	959887	1010103
Tender Fee	50000	50000
<b>Total - II</b>	<b>49384242</b>	<b>49108511</b>
<b>Total - (I+ II )</b>	<b>268839734</b>	<b>191173544</b>

**SCHEDULE - I : CURRENT LIABILITIES & PROVISIONS**

Particulars	31.03.08 Rupees	31.03.07 Rupees
<b>I. CURRENT LIABILITIES :</b>		
Sundry Creditors for		
- Expenses	7763294	2463383
- Goods	65733867	43959140
- Labour Job	807025	590919
- Capital Goods	450582	1023617
	74754768	48037059
Advance against Sales/Order Received	27725592	11145215
T.C.S. payable	1760	3275
T.D.S. payable	2879057	263085
<b>Total - I</b>	<b>105361177</b>	<b>59448634</b>
<b>II. PROVISIONS :</b>		
Audit fees	75000	75000
Bank Charges	268067	-
Bonus to Staff	1120030	863281
Clearing & Forwarding	289649	357713
Dividend	6470100	6162000
Dividend Tax	1099593	1047232
Electricity Expenses	281066	-
Fringe Benefit Tax	517167	502219
Income Tax	13700413	13016640
Interest on TDS Late Payment	-	232
Leave Encashment	806878	678378
Professional Tax	8440	11740
Providend Fund	260010	225544
Rent	10146	-
Rent, Rate & Taxes	98624	41401
Salaries	1656383	1124500
Service Tax Payable	1741996	-
Telephone Expenses	52860	56024
Utility Services	-	337658
Wealth Tax	78859	83905
<b>Total - II</b>	<b>28535281</b>	<b>24583467</b>
<b>Total - (I+ II)</b>	<b>133896458</b>	<b>84032101</b>

## SCHEDULE - J : OTHER INCOME / EXPENSES

Particulars	31.03.08 Rupees	31.03.07 Rupees
<b>INCOME</b>		
-Kasar	49391	16015
-Dividend Income	1409146	101600
-Foreign Exchange Rate Difference	3366077	0
-Emoloyees Security Deposit Forfeiture	31600	52100
-DEPB licence Incentive	7677190	5832849
	<b>12533403</b>	<b>6002564</b>
<b>EXPENSES</b>		
-Exchange rate diff.	0	1413010
-Kasar Exp.	103693	408784
-Loss on sale of Fixed Assets	670937	0
	<b>774630</b>	<b>1821794</b>
	<b>11758773</b>	<b>4180770</b>

## SCHEDULE - K : INCREASE/(DECREASE) IN STOCK OF FINISHED GOODS & STOCK IN PROCESS

Particulars	31.03.08 Rupees	31.03.07 Rupees
<b>I. FINISHED GOODS :</b>		
Closing Stock	24818000	3109000
Less : Opening Stock	3109000	2200000
Increase/(Decrease)	<b>21709000</b>	<b>909000</b>
<b>II. STOCK IN PROCESS :</b>		
Closing Stock	13541423	3350467
Less : Opening Stock	3350467	26099619
Increase/(Decrease)	<b>10190956</b>	<b>(22749152)</b>
Net Increase/(Net Decrease)	<b>31899956</b>	<b>(21840152)</b>

## SCHEDULE - I : MANUFACTURING & ADMINISTRATIVE EXPENSES

Particulars	31.03.08 Rupees	31.03.07 Rupees
<b>I - MANUFACTURING EXPENSES</b>		
Clearing & Forwarding Charges - Imports	1746187	1294289
Conveyance Charges	47413	52873
Electrical Repair & Other Expenses	35564	17830
Electricity Consumption HT	3609823	3700586
Excise Duty	289054	2611495
Factory Building Repairs & Maintenance	59182	150239
Factory Misc. Expenses	514800	466658
Fuel for Generator	170611	170258
Hotel Charges	57186	2973
ISO Certification & Consultancy Charges	25695	35500
Labour Charges	6773934	7132859
Labour Charges - Painting	30750	556420
Licence Fees	39200	67527
Machinery Repairing & Maintenance Exp.	220515	148723
Misc. Inward Freight	1944165	1839169
Misc. Outward Freight	269557	279584
Packing Material Consumed	2222358	2251535
Postage & Angadia Charges	28636	29990
Printing & Stationery Charges	66239	86054
Technical Consultancy Fees	558259	912704
Travelling Expenses - Domestic	206789	182941
Travelling Expenses - Internal	10169	15352
Travelling Expenses - Foreign	260614	0
<b>Total - I</b>	<b>19186700</b>	<b>22005559</b>
<b>II-PERSONNEL EXPENSES</b>		
Advertisement Expenses - Recruitment	315588	131735
Bonus to Employees	1105370	863906
Canteen Expenses	311621	258072
Conveyance Expenses - Recruitment	83797	0
Directors Remuneration	6956568	4725000
Gratuity	523114	209675
HRA to employees	0	5865
Perquisites to Directors	148299	135843
Leave Encashment	174943	292743
Leave Travel Concession	329662	0
Professional Tax	1000	1000
Providend Fund Contribution	1720547	1473091
Salary & Wages Expenses (Sales-Service Staff)	2455486	1357461
Salary & Wages Expenses	14881713	8995093
Salary (O.T.) Expenses	1921322	1625200
Salary Stipend (Trainee)	397742	778665
Security Service Charges	144000	132000
Staff Medical Aid	252332	73809
Staff Training & Seminar Expenses	243407	69865
Staff Welfare	573299	82361
<b>Total - II</b>	<b>32539809</b>	<b>21211384</b>



**SCHEDULE - I : MANUFACTURING & ADMINISTRATIVE EXPENSES**

<b>Particulars</b>	<b>31.03.08 Rupees</b>	<b>31.03.07 Rupees</b>
<b>III-ADMINISTRATIVE EXPENSES</b>		
Advertisement Expenses	26393	58890
Payment to Auditors	114500	107000
Books & Periodicals	130787	201574
Car Hire Charges	7750	3550
Charity & Donation Expenses	216402	110056
Computer Maintenance & Other Expenses	322005	244071
Demat Share Expenses	63068	32925
Garden Maintenance Expenses	7940	16356
Hotel Charges	10506	1804
Insurance	496118	637488
Insurance -Keyman	781524	781524
Legal & Professional Fees	1154176	346035
Listing Fees	27600	27500
Membership & Subscription Expenses	633868	381068
Motor Car Expenses - Petrol / Diesel	1207165	1068000
Motor Car - Repair & Maintenance	683969	537954
Office Building Repair & Maintenance	21381	17421
Office Equipment Repair & Maintenance	111586	66494
Office Furniture Repair & Maintenance	48895	25553
Office Misc. Expenses	33936	50898
Postage & Angadia - Share	21779	19749
Postage & Angadia - Administrative	55834	18736
Printing & Stationery	169217	163010
Registration & Filing Fees	4750	7200
Rent-Rate-Taxes	71023	60501
Scooter Petrol Expenses	20306	43832
Scooter Repair & Maintenance	5758	7379
Sitting Fees	12000	12000
Telephone Expenses	1084589	921626
Travelling Administrative - Domestic	129918	159921
Travelling Administrative - Internal	4083	6761
Water Supply & Other Expenses	149380	147290
<b>Total - III</b>	<b>7828206</b>	<b>6284164</b>

## SCHEDULE - I : MANUFACTURING & ADMINISTRATIVE EXPENSES

Particulars	31.03.08 Rupees	31.03.07 Rupees
<b>IV-SELLING &amp; SERVICES EXPENSES</b>		
Advertisement Expenses - Overseas	585488	626228
Advertisement Expenses	1035927	1143218
Ahmedabad (CSO) Office Expenses	1406187	1403218
Book Debts W/off	18434470	2241565
Bangalore Office Expenses	950636	902424
Business Meeting Expenses	60092	86040
Clearing & Forwarding Charges - Export	2693045	3866608
Delhi Office Expenses	3450172	2848207
Exhibition & Display Expenditure - Domestic	4080979	825915
Exhibition & Display Expenditure - Overseas	13264403	3844525
Export Inspection Charges	69287	12400
Hotel Charges	254388	104150
Machinery erectioning & Repairing	17066	-
Internet & leased line Expenses	144037	85157
Kolkata Office Equipment	30729	0
Mumbai Office Expenses	173305	0
Misc. Outward Freight	188485	160779
Postage & Angadia Charges	250233	42141
Postage & Angadia Charges - International	76356	241897
Printing & Stationery Charges	415607	309691
Sales Promotion Expenses	99315	107743
Selling Commission - Domestic	10324085	2157492
Selling Commission - Overseas	3230469	8315201
Travelling - Business Prospectus	710375	778499
Travelling - Sales & Service - Domestic	1551622	1707927
Travelling - Sales & Service - Foreign	1436453	1482021
Travelling - Sales & Service - Internal	4895	960
Web site Development & Maintenance Expenses	134700	3700
<b>Total = IV</b>	<b>65072806</b>	<b>33297705</b>
<b>Total = (I+II+III+IV)</b>	<b>124627521</b>	<b>82798813</b>

## SCHEDULE - M : FINANCIAL COST

Particulars	31.03.08 Rupees	31.03.07 Rupees
<b>PAID</b>		
Bank Interest	2880734	2328308
Other Interest	269565	740906
Vehicles loan interest	189258	83408
Bank Commission / Charges	960729	981421
	4300286	4134043
<b>RECEIVED</b>		
From Bank	218261	93183
From Others	3806408	2276662
	4024669	2369845
<b>NET PAID</b>	<b>275617</b>	<b>1764198</b>

**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 actuarial 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. PURCHASE:**

Purchase 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 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 purchase 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 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. 145.80 lacs up to June-2007.

**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. The Raw material and work in process have been valued at cost as per the Accounting Standard (AS) – 2.

**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 Chairman & Managing Director Mr. C. N. Doshi.
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 Machineries 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 Exports Pvt. Ltd. - Associate Concern
    - REL Finance Pvt. Ltd. - Associate Concern
    - 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 Exports Pvt. Ltd.		Associate Concern
8	REL Finance Ltd.		Associate Concern

Sr. No.	Particulars	(Rs. in Lacs)	
		Associate Concerns	Key Managerial Personnel
		2007-08	2006-07
01.	Sales & Other Income	-	-
02.	Purchase & Other Services	-	-
03.	Salary & Remuneration	-	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	-	(1.98)

## 10. EARNING IN FOREIGN EXCHANGES

Particulars	(Rs. in lacs)	
	2007-08	2006-07
a. FOB Value of Exports	1371.78	1641.22
b. Service Charges	3.02	5.66
	<b>1374.80</b>	<b>1646.88</b>

## 11. EXPENDITURE IN FOREIGN CURRENCY:

Particulars	(Rs. in Lacs)	
	2007-08	2006-07
a. Technology Consultancy fees	28.25	8.87
b. Purchase of Imported Material	451.62	269.26
c. Expenses	65.79	99.17
	<b>545.65</b>	<b>377.30</b>

**12. SUNDRY CREDITORS INCLUDES:**

(Rs. in lacs)

Particulars	2007-08	2006-07
a. Small Scale Industry	20.68	47.47
b. Others	686.66	392.12
	<b>707.34</b>	<b>439.59</b>

**13 .INCOME TAX LIABILITIES NOT PROVIDE FOR :**

(Rs. in lacs)

Particulars	2007-08	2006-07
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	NIL

**Note:**

(1) The outstanding liabilities at the end of F.Y. 2006-07 is on account of DEPB income considered for deduction u/s. 80 HHC of I.T. ACT, 1961.

**14 .EARNING PER SHARE (EPS)**

(Nominal Value Per Share Rs.10/-)

Particulars	2007-08	2006-07
Profit attributable to the Shareholders (Rs. in Lacs)	215.36	155.58
Number of Shares used in computing earning per Share		
For Basic	3081000	3081000
For Diluted	3081000	3081000
Earning per share (Rs.)		
Basic	6.99	5.05
Diluted	6.99	5.05

**15. PAYMENT TO AUDITORS**

(Amount in Rs.)

Particulars	2007-08	2006-07
Audit Fees	75,000	75,000
Tax & Other Service fees	39,500	32,000
<b>TOTAL</b>	<b>1,14,500</b>	<b>1,07,000</b>

**16. MANAGERIAL REMUNERATION**

(Amount in Rs.)

Particulars	2007-08	2006-07
Salaries and allowances	69,56,568	47,25,000
Perquisites to Directors	1,48,299	1,35,843
Contribution to Provident Fund	4,95,264	5,54,400
<b>TOTAL</b>	<b>76,00,131</b>	<b>54,15,243</b>



## 17. ACCOUNTING FOR TAXES ON INCOME

Particulars	Current Year 31.03.08	Previous Year 31.03.07
<b>DEFERRED TAX</b>		
i) Opening Balance Credit	8448696	8724126
ii) Deferred tax liability on account of		
- Depreciation	446680	0
- Gratuity	0	0
<b>Total</b>	<b>446680</b>	<b>0</b>
iii) Deferred tax Assets on account of		
- Depreciation	0	275430
- Gram panchayat tax	0	0
- Leave encashment	0	0
<b>Total</b>	<b>0</b>	<b>275430</b>
iv) Net Deferred Tax - Current, Credit	446680	(275430)
v) <b>Closing Balance Credit</b>	<b>8895376</b>	<b>8448696</b>

## 18. LICENCED & INSTALLED CAPACITY

Particulars	Current Year 31.03.08	Previous Year 31.03.07
<b>i. Licenced Capacity :</b>	Not Applicable	NotApplicable
1. Pre-extrusion equipments	- do -	- do -
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 31.03.08 Nos.	Previous Year 31.03.07 Nos.
1. Thermoplastic extrusion plant	53	64
2. Post extrusion equipments	27	26
3. Miscellaneous parts	791	2466

## 20. VALUE OF IMPORTED & INDIGENOUS RAW MATERIAL CONSUMED (INCLUDING COMPONENTS) AND PERCENTAGE OF EACH TO THE TOTAL CONSUMPTION.

Sr. No	Particulars	31.03.2008		31.03.2007	
		Rupees	% of total consumption	Rupees	% of total consumption
1	Imported (Including Custom duty)	54050656	17.90%	24573352	9.41%
2	Indigeneous	247893446	82.10%	236646413	90.59%
		<b>301944102</b>	<b>100.00%</b>	<b>261219766</b>	<b>100.00%</b>

## 21. VALUE OF IMPORTS ON CIF BASIS

Sr. No	Particulars	31.03.08 Rupees	31.03.07 Rupees
a)	Raw Materials including Components Purchased	55094721	25490073

## 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 informations of raw material.

Particulars	Current Year 31.03.08 Rupees	Previous Year 31.03.07 Rupees
<b>A. Opening Stock</b>		
1. Raw material & components		
Indigeneous	8132621	17086000
2. Testing Material	1703102	1596852
3. Consumable Stores	564876	753395
4. Scrap	139002	1050134
5. Stock in Process	3350467	26099619
6. Finished Goods	3109000	2200000
	<b>16999068</b>	<b>48786000</b>
<b>B. Purchases</b>		
Raw-Material & components		
Imported		
For Manufacturing (including custom duty)	54926574	24573352
Indigeneous		
For Manufacturing	252468146	226699634
	<b>307394720</b>	<b>251272986</b>

Particulars		Qty Nos.	31.03.08 Rupees	Qty Nos.	31.03.07 Rupees
<b>C. SALE BY CLASS OF GOODS</b>					
1.	Thermoplastic Extrusion Plants	Domestic Export	38 10	49 15	201466544 145334163
2.	Post Extrusion Equipments	Domestic Export	21 4	20 6	16938900 19745361
3.	Miscellaneous Parts & Equipments	Domestic Export	479 334	2466 362	13431178 3368670
4.	Iron Waste / Scrap	Domestic			357399
5.	Service Charges	Domestic Export			565533
6.	Trading	Export			706673
	Less : Sales Return - Domestic				
			<b>428523863</b>		<b>401914421</b>
			512512		1524373
			<b>428011351</b>		<b>400390048</b>
<b>D. CLOSING STOCK</b>					
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
			<b>54349642</b>		<b>16999068</b>
<b>E. RAW-MATERIAL &amp; COMPONENTS CONSUMED</b>					
<b>(I) Opening Stock</b>					
1.	Raw material & components				
	Indigeneous		8132621		17086000
2.	Testing Material		1703102		1596852
3.	Consumable Stores		564876		753395
4.	Scrap		139002		1050134
	<b>Total - (I)</b>		<b>10539601</b>		<b>20486381</b>
<b>(II) Add : Purchases</b>					
	Imported (including import duty)		54926574		24573352
	Indigeneous		252468146		226699634
	<b>Total - (II)</b>		<b>307394720</b>		<b>251272986</b>
<b>(III) Less : Closing Stock</b>					
1.	Raw material & components				
	Indigeneous		11864825		8132621
	Imported		875918		
2.	Testing Material		1460650		1703102
3.	Consumable Stores		1027906		564876
4.	Scrap		760920		139002
	<b>Total - (III)</b>		<b>15990219</b>		<b>10539601</b>
	<b>TOTAL - (I + II - III)</b>		<b>301944102</b>		<b>261219766</b>
<b>Raw Material &amp; Components consumed</b>					
	Imported		54050656		24573352
	Indigeneous		247893446		236646414
			<b>301944102</b>		<b>261219766</b>

**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	8
---	---

  
Day Month Year

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

Public Issue  

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

  
Bonus Issue  

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

Rights Issue  

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

  
Private Placement  

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

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

Total Liabilities  

		2	1	4	6	6	7
--	--	---	---	---	---	---	---

Total Assets  

		2	1	4	6	6	7
--	--	---	---	---	---	---	---

Sources of Funds :

Paid-up Capital  

			3	0	8	1	0
--	--	--	---	---	---	---	---

  
Secured Loans  

			5	4	9	2	0
--	--	--	---	---	---	---	---

Reserves & Surplus  

			6	8	6	1	0
--	--	--	---	---	---	---	---

  
Unsecured Loans  

			4	5	1	0	8
--	--	--	---	---	---	---	---

Application of Funds :

Net Fixed Assets  

			7	5	4	5	9
--	--	--	---	---	---	---	---

  
Net Current Assets  

			1	3	4	9	4	3
--	--	--	---	---	---	---	---	---

  
Accumulated Losses  

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

Investments  

				4	2	6	5
--	--	--	--	---	---	---	---

  
Misc. Expenditure  

			-	-	-	-	-
--	--	--	---	---	---	---	---

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

Turn-over (incl.Other Income)  

			4	3	9	7	7	0
--	--	--	---	---	---	---	---	---

Total Expenditure  

			4	3	4	3	7	5
--	--	--	---	---	---	---	---	---

Profit before Tax  

				3	7	2	9	5
--	--	--	--	---	---	---	---	---

Profit after Tax  

				2	2	6	3	5
--	--	--	--	---	---	---	---	---

Earning per share in Rs.  

				6	.	9	9
--	--	--	--	---	---	---	---

Dividend rate %  

			2	1
--	--	--	---	---

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

Item Code No. : 84771000  
(ITC Code)

Product : Injection Moulding Machine  
Description

Item Code No. : 84772000  
(ITC Code)

Product : Extruders  
Description

Item Code No. : 84773000  
(ITC Code)

Product : Blow Moulding Machine  
Description

Item Code No. : 84774000  
(ITC Code)

Product : Vacuum Moulding Machines and  
Description other Thermoforming Machines

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**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 \_\_\_\_\_

of \_\_\_\_\_

(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 First Annual General Meeting of the Company to be held on Wednesday, 24th September, 2008.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2008.

Signature \_\_\_\_\_



**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 first Annual General Meeting of Company at Registered Office situated at Manavadar - 362 630 Dist. Junagadh, Gujarat on Wednesday, 24th September, 2008.

Member's / proxy's name in Block Letters

Member's/proxy's Signature

**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

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