





## DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2009

Dear Members

### Vijay Solvex Limited

Your Directors have pleasure in presenting their Report & Audited Accounts for the Financial Year ended 31st March, 2009.

### Financial Results

The financial results of your Company for the year ended 31st March, 2009 are given below:

	(Rs. in Lacs)	
	2008-09	2007-08
Turnover & Inter Divisional Transfers	53260.23	58544.64
Less: Inter Divisional Transfers	1009.98	1104.41
Net Turnover	52250.25	57440.23
Profit before interest, depreciation and tax	1744.22	1917.31
Less: Interest (Net)	1167.28	970.29
Profit before depreciation and tax	576.94	947.02
Less: Depreciation (Net of Revaluation Reserve)	212.16	199.45
Profit before Tax	364.78	747.57
Less: Provision for current tax including Fringe Benefit Tax	109.50	244.50
Less: Provision for Deferred Tax	(38.00)	(39.00)
<b>Profit after tax</b>	<b>293.28</b>	<b>542.07</b>
Add: Balance Brought Forward from previous year	3915.73	3373.66
Surplus carried to Balance Sheet	4209.01	3915.73

### Business Performance

Financial year 2008-09 has been eventful year for your Company. Your Company has achieved the turnover of Rs.522.50 Crores and profit before tax of Rs.3.64 Crores. Your Company recorded net profit after tax of Rs.2.93 Crores.

### Prospects

Your Company is expected to maintain a reasonable rate of growth and your Directors positively view the prospects for the current year with confidence.

### Dividend

The Company intend to retain internal accrual for funding growth to generate a good return for shareholders both of today and for tomorrow. Thus the Board of Directors do not propose any dividend for the financial year 2008-09.

### Deposits

Company has not accepted any deposits as defined under section 58A of Companies Act, 1956 and the rules framed thereunder during the year under review.

### Employee Relations

Relations between the employees and the Management continued to be cordial during the year. Your Directors and Management express happiness for

commitment shown by the employees. The Board wishes to express its deep appreciation to all employees of your Company for their dedicated services during the year.

### Trade Relation

Your Company continued to receive unstinted support and co-operation from its retailers, stockists, suppliers of goods/services, clearing and forwarding agents and all others associated with it. Your Board wishes to record its appreciation and your Company would continue to build and maintain strong links with its business partners.

### Directors

The Directors due to retire by rotation are Shri Niranjana Lal Data and Shri Mukesh Sethi, who being eligible offers themselves for re-appointment.

Shri Vijay Data was appointed as a Managing Director of the Company w.e.f. 26th September 2004 and Shri Daya Kishan Data was appointed as Wholetime Director of the Company w.e.f. 29th September 2004 and are liable to hold office upto the 25th September 2009 and 28th September 2009 respectively, being eligible offers themselves for re-appointment.

### Matter before CLB

Some of the Shareholders have moved a petition on



10th July 2009 before Company Law Board, Bench Delhi under section 397, 398, 111A and 247 of the Companies Act, 1956. Hon'ble Bench has passed an interim order and the next date of hearing is fixed for 5th November 2009.

#### **Auditors**

M/s K.L. Datta & Co, Chartered Accountants, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1-B) of the Companies Act, 1956.

The notes on accounts referred to in the Auditor's Report are self explanatory and therefore, do not need any further comments and all points raised by the auditors are answered therein.

#### **Corporate Governance**

A separate report on Corporate Governance alongwith Auditors' Certificate on its compliance is attached as Annexure 1 to this Report.

#### **Directors' Responsibility Statement**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, with respect to Directors responsibility statement, hereby confirm :

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same.
- b) that they have, in selection of the accounting policies and have applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for that period.
- c) that to the best of their knowledge and information, 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 fraud and other irregularities; and
- d) That they have prepared the annual accounts on a going concern basis.

#### **Information**

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure-2 to this report.

Information pursuant to section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is NIL.

#### **Acknowledgements**

The Directors place on record their gratitude to the Members for their continued support and confidence.

*For and on behalf of the Board*

**Niranjan Lal Data**

*Alwar, 5<sup>th</sup> September, 2009*

*Chairman*

#### **ANNEXURE - 1**

#### **Corporate Governance Report**

(Under clause 49 of Listing Agreement)

The Board of Directors of the Company continued to lay great emphasis on the broad principles of Corporate Governance. Given below is the report on Corporate Governance.

#### **1. Company's Philosophy on Code of Governance**

Vijay Solvex Limited believes that good Corporate Governance is essential to achieve long term corporate goals and to enhance shareholders' value. In this pursuit, your Company's philosophy on Corporate Governance is led by a strong emphasis on transparency, accountability, integrity, and follows the principles of Law-abiding enterprise. All employees are bound by a Code of Conduct that sets forth Company's policies on important issues, including our relationship with consumers, shareholders and Government.

#### **2. Composition of Board**

The Board comprised of 6 Directors, out of them, three are Promoter-Directors. All the three promoters directors including the Chairman are whole-time Executive Directors. Remaining three directors are non-executives and independent. Accordingly, the composition of the Board is in conformity with the listing agreement.

During the year 2008-09, 12 (Twelve) Board Meetings were held on 10th Apr'08, 30th Apr'08, 19th May'08, 31st May'08, 5th Jul'08, 31st Jul'08, 25th Aug'08, 4th Sept'08, 31st Oct'08, 20th Jan'09, 31st Jan'09 & 26th Mar'09. The last Annual General Meeting of the Company was held on September 30, 2008.

The composition, attendance and Directorship/ Committee Memberships of the Board of Directors of the Company during the financial year 2008-09 is given as follows:



Name of Director	Position	Board meetings attended	Whether attended last AGM	Directorships in other Companies**	Memberships & Chairmanship in Board committees of other companies
Sh Niranjn Lal Data	Executive Chairman/ Promoter	12	Yes	3	--
Shri Vijay Data	Executive Managing Director/Promoter	12	Yes	7	--
Shri Daya Kishan Data	Executive Director/ Promoter	9	No	4	--
Shri Babu Lal Data	Non-executive Director/Promoter	--	No	--	--
Shri Ramesh Chand Gupta	Non-executive/ Independent Director	1	No	--	--
Shri Ram Babu Jhalani	Non-executive/ Independent Director	9	No	--	--
Shri Om Prakash Gupta	Non-executive/ Independent Director	--	No	--	--
Shri Ram Kishore	Non-executive/ Independent Director	--	No	--	--
Shri Mukesh Sethi	Non-executive/ Independent Director	9	Yes	1	--
Shri Ramesh Sharma	Non-executive/ Independent Director	6	Yes	--	--

\*\* This excludes Directorship held in private limited companies, which are not subsidiaries or holding companies of public limited companies.

Note:1. Shri Babu Lal Data ceased from the Directorship of the Company w.e.f. 19th May, 2008, Shri Om Prakash Gupta and Shri Ram Kishore ceased from the Directorship of the Company w.e.f. 5th July, 2008, and Shri Ramesh Chand Gupta ceased from the Directorship of the Company w.e.f. 25th August, 2008.

2. Shri Niranjn Lal Data, Shri Vijay Data and Shri Daya Kishan Data are related to one another. No other Director of the Company is related to any other Director of the Company.

### Board Agenda

The Board Meetings are scheduled well in time and Board Members are usually given a notice of at least 7 days before the meeting date. The Board Members are provided with well structured and comprehensive agenda papers. All major agenda items are backed by in-depth background information and analysis, wherever possible, to enable the Board members to take informed decisions.

### Code of Conduct

The Company has adopted a Code of Conduct for its Directors & Senior Management Personnel of the Company. During the year all Board Members and Senior Management personnel have affirmed compliance with the respective Code of Conduct. A declaration to this effect signed by the CEO forms part of this report.

Shareholding of Non-Executive Directors as on March 31, 2009 are as under -

Name	No. of Shares held	% of Paid-up Capital
Sh Ram Babu Jhalani	--	--
Sh Mukesh Sethi	--	--
Sh Ramesh Sharma	--	--

### 3. Committees of the Board

#### A) Audit Committee

The Audit Committee comprises of three Directors, Non-executive and Independent. The Members of the Committee are well versed in finance matters, accounts and general business practice.

The composition of audit committee is as under -



- A) Shri Mukesh Sethi - Chairman (w.e.f. 31st May 2008).  
B) Shri Ram Babu Jhalani - Member  
C) Shri Ramesh Sharma - Member (w.e.f. 5th July 2008).  
D) Shri Ramesh Chand Gupta - Chairman (upto 31st May, 2008)  
E) Shri Ram Kishore - Member (upto 5th July 2008).

Shri A.L. Khandelwal is Secretary to the Audit Committee.

The terms of reference of the Audit Committee include :

- ♦ To review financial statements and pre-publication announcements before submission to the Board.
- ♦ To ensure compliance of internal control systems and action taken on internal audit reports.
- ♦ To apprise the Board on the impact of accounting policies, accounting standards and legislation.
- ♦ To hold periodical discussions with statutory auditors on the scope and content of the audit.
- ♦ To review the Company's financial and risk management policies
- ♦ To Review the other matters as given in clause 49 of the listing agreement, as amended from time to time.

During the financial year 2008-09, the committee has met twelve times on 10.04.2008, 30.04.2008, 19.05.2008, 31.05.2008, 05.07.2008, 31.07.2008, 25.08.2008, 04.09.2008, 31.10.2008, 20.01.2009, 31.01.2009 & 26.03.2009. The head of finance function and the representative of the Statutory Auditor were invited to be present at the Audit Committee Meeting.

**Attendance of each Member at the Audit Committee meetings held during the year 2008-09**

Name of Member of Audit Committee	No. of Meetings Attended
Sh Ramesh Chand Gupta	3
Sh Ram Babu Jhalani	11
Sh Ram Kishore	3
Sh Mukesh Sethi	9
Sh Ramesh Sharma	7

**B) Shareholders / Investor's Grievance Committee**

**Composition -**

1. Shri Mukesh Sethi, Chairman (Non-Executive & Independent Director w.e.f. 31st May 2008).
2. Shri Ramesh Sharma, Member (Non-Executive & Independent Director w.e.f. 5th July 2008).
3. Shri Vijay Data, Member (Executive Managing Director & Promoter).
4. Sh A.L. Khandelwal, Company Secretary and Compliance Officer.
5. Shri Babu Lal Data, Chairman (Promoter & Non-Executive Director upto 19th May 2008)
6. Shri Ramesh Chand Gupta, Member (Non-Executive & Independent Director upto 5th July 2008).

**Scope -**

1. To scrutinise the share transfer application forms and concerned formalities.
2. To scrutinise the various documents received by the Company, namely Death Certificates, Marriage Certificates, Succession Certificates, Letters of Indemnity in favour of the Company, Probates of Wills of the shareholders and if found in order, to register transmission of shares;
3. To register the various documents as mentioned above in the Register of Documents maintained by the Company.
4. To approve the issue of split share certificates and new share certificates in place of defaced, torn, damaged and soiled share certificates on receipt of proper applications and other required papers and documents from the shareholders;
5. To take all other consequential and incidental actions and measures.
6. To take all the matters in relation to Investors' grievances.

During the year, 25 meetings of the Committee were held.

During the year under review, the status of request letters/complaints were as follows -

	Received	Resolved	Balance
Complaints	NIL	NIL	NIL

There is no complaint pending for satisfaction of shareholders/investors.



#### C) Remuneration Committee

The Board of the Company has constituted a remuneration committee, three non-executive and independent Directors, viz

1. Shri Mukesh Sethi Chairman  
(w.e.f. 31st May 2008)
2. Shri Ram Babu Jhalani Member
3. Shri Ramesh Sharma Member  
(w.e.f. 5th July 2008)
4. Shri Ramesh Chand Gupta Chairman  
(upto 31st May 2008)
5. Shri Ram Kishore Member  
(upto 5th July 2008)

The terms of reference of the Remuneration committee includes among others : To renew, assess and recommend to the Board the appointment of executive and non-executive Directors and compensation payable. To consider and recommend human resource policies relating to compensation and performance management.

During the period two meetings of the Remuneration Committee was held on 16.06.2008 and 10.07.2008.

Name of member of Remuneration Committee	No. of Meetings Attended
Shri Mukesh Sethi	2
Shri Ram Kishore	1
Shri Ram Babu Jhalani	2
Shri Ramesh Sharma	NIL
Shri Ramesh Chand Gupta	NIL

#### Remuneration of Directors

The non-executive directors do not draw any remuneration including the sitting fee. The details of the remuneration paid to the Directors for the financial year 2008-09 is as under :

(Rs. in Lacs)

Name of Director	Salary & Perquisites	Sitting Fees	Total
Sh N.L. Data	10.06	--	10.06
Sh Vijay Data	11.48	--	11.48
Sh D.K. Data	10.01	--	10.01
Sh Babu Lal Data	--	--	--
Sh Ramesh Cd Gupta	--	--	--
Sh Ram Babu Jhalani	--	--	--
Sh Om Prakash Gupta	--	--	--
Sh Ram Kishore	--	--	--

Sh Mukesh Sethi	--	--	--
Sh Ramesh Sharma	--	--	--

#### 4. General Body Meetings

Location and time for last three Annual General Meetings were as follows :-

Year	Location	Date	Time
2005-06	Bhagwati Sadan S.D. Marg, Alwar	30.09.2006 (Saturday)	11.00 am
2006-07	Same as above	29.09.2007 (Saturday)	11.00 am
2007-08	Same as above	30.09.2008 (Tuesday)	11.00am

In the previous three Annual General Meetings no special resolutions were passed.

#### 5. Disclosures

- a) Disclosures on materially significant related party transactions i.e. material transactions of the Company, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.
  - None of the transactions with any of the related parties were in conflict with the interest of the company.
- b) Details of non-compliance by the company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.
  - The Company has duly complied with requirements of regulatory authorities on capital markets and no penalty/stricture was imposed on the Company during the last three years.
- c) The Company has complied with all the mandatory requirements of Clause 49 and is in the process of implementation of Non-mandatory requirements.
- d) A Certificate duly signed by the Managing Director & CEO and Wholetime Director relating to financial statements and internal controls and internal control systems for financial reporting as per the format provided in Clause 49(V) of the listing agreement was placed before the Board, who took the same on record.
- e) Profile and other information regarding the



Directors being appointed/reappointed as required under Clause 49 IV (G) (i) of the Listing Agreement have been given in the Notice of the Annual General Meeting annexed to this Annual Report.

#### 6. Means of Communication

In compliance with the requirements of Listing Agreement, the Company regularly intimates unaudited as well as audited financial results to the Stock Exchanges immediately after they are taken on record by the Board. Moreover, the said results were also published in widely circulated Daily Newspapers both English & Hindi i.e. Financial Express & Jansatta respectively. The Company is in process to comply with the SEBI requirements of EDIFAR filing.

#### 7. Disclosure regarding re-appointment of Directors

According to the Articles of Association of your company, at every Annual General Meeting of the Company, one-third Directors of the Board are liable to retire by rotation. Thus Shri Niranjana Lal Data & Shri Mukesh Sethi shall be liable to retire at the Annual General Meeting of the Company.

Brief resume of the Directors being re-appointed at the ensuing Annual General Meeting, nature of the expertise in specific functional area and names of Companies in which they hold Directorship and the Membership of the Committees of the Board are furnished hereunder-

a) Shri Niranjana Lal Data, 75 years with 48 years of rich experience in the field of oil industry. He is Chairman of the Company. Mr Data has in-depth knowledge of trading and marketing of oil and Ceramics. He has traveled widely in India and abroad and is associated with many trade social and religious organisations. For his distinguished excellence in field of trade and commerce, he has awarded with National Citizen Award'92 by the Hon'ble Vice President of India and Industrial Excellence Award given by the Ministry of Industry Rajasthan. He is a Director on the Board of Data Developers Limited, Vijay International Limited, Raghuvhar (India) Limited, Indo Caps Pvt Ltd, Deepak Vegpro Pvt Ltd, Vijay Agro Mills Pvt Ltd, Jhankar Motels Pvt Ltd.

b) Shri Mukesh Sethi (55 years) is a Chartered Accountant with over 26 years experience. He has worked in large organisation like Escorts/NIIT & HNG. He is Chairman of Audit Committee, Remuneration Committee and Shareholders/

Investors Grievance Committee and is a Director of ROM Industries Ltd.

c) Shri Vijay Data, 54 years, Post Graduate in Physics is Managing Director of the Company. He is associated with oil industry since last 31 years and has wide knowledge of quality of oil and oil seeds. He is looking day-to-day management of the Company. He has good exposure in the field of production, sales, purchase, finance and general administration.

He is a Director on the Board of Vijay Agro Mills Pvt Ltd, Vijay International Ltd, Data Developers Ltd, Deepak Vegpro Pvt Ltd, Data Infocom Ltd, Raghuvhar (India) Ltd, Jay Complex Pvt Ltd, Dhruva Enclave (Pvt) Ltd, Gaurav Enclave Pvt Ltd, Gaurav Ceramics Pvt Ltd, Data Dot Com Ltd, Data Foods Pvt Ltd, Data Houseware Ltd and The Solvent Extractors Association of India. He is the member of Shareholders/Investors Grievance Committee.

d) Shri Daya Kishan Data, 47 years is a Mechanical Engineer, and has 16 years experience in Ceramic Industries. He is looking after Ceramic Division of the Company. Besides this he is looking after exports of Crockery.

He is a Director on the Board of Vijay Agro Mills Pvt Ltd, Vijay International Ltd, Jhankar Motels Pvt Ltd, Data Infocom Ltd, Raghuvhar (India) Ltd, Dhruva Enclave (Pvt) Ltd, Gaurav Enclave Pvt Ltd, Gaurav Ceramics Pvt Ltd and Data Houseware Ltd.

#### 8. Management Discussion and Analysis Report Industrial structure & developments

The last couple of years have been a period of turmoil for the industry. The markets remain highly complicated and fragmented with several players.

The Government of India has also begun aggressively opening up the Indian economy to international competition by sharply changing duty structure. By adopting best practices and focusing on internal efficiencies the Company has built the foundation of developing into a competitive organisation.

#### Outlook on opportunities

Outlook for the overall industries is positive. In keeping with the philosophy of continuous consumer centric approach which is the hall mark of any organisation, several developmental activities have been planned for the next fiscal.



#### **Outlook on threats, risks & concerns**

Risk in cost of Raw Materials, environmental liabilities, tax laws, labour relations, litigation and significant changes in the Global political and economical environment exert tremendous influence on the performance of the Company.

#### **Internal Control System**

The Company remains committed to ensuring an effective internal control environment that provides assurance on the efficiency of operations and security of assets.

#### **Financial review and analysis**

##### **Edible Oil Division**

The Edible Oil business continues to account for over 95 per cent of the Company's turnover. The market environment continues to be very competitive. The Company's products are well accepted in national market under the brand name of 'SCOOTER'. The per capita consumption of edible oils/fats in the Country is nearly 12.5 Kg. per annum, one of the lowest in the World. Your company is a leading regional player in edible oil and vanaspati ghee, backed-up with strong distribution network. Your company face intense competition from low priced and unscrupulous brands. The outlook of the industry is positive looking to the size of opportunity. The Company is hopeful that there would be healthy market growth over the next few years.

##### **Ceramic Division**

Your Company's Ceramic Division's sale performance during 2008-09 was Rs.1231.13 Lacs. Company's ceramic products are well accepted in India and abroad. Your Company is hopeful of a healthy growth both in volume and value over the next few years.

##### **Wind Power Division**

The project is eco-friendly as natural resources like wind is exploited for generation of electricity and there is no burning fuel and thus no pollution. Company has committed to sell 60 per cent of electricity generation to RVPNL, Jaipur and use balance electricity so generated for captive consumption by Oil Division at Alwar and Ceramic Division at Jaipur by paying two per cent as wheeling charges to RVPNL, Jaipur. At Jaisalmer quality wind is regularly available throughout the year so company is hopeful for good generation of electricity from Wind Farm at Jaisalmer.

The Company has good internal control system, the adequacy of which have been reported by its auditors in their report as required under the Companies (Auditor's Report) Order, 2003. The discussion on financial performance of the Company is covered in the Directors' Report. The segment-wise performance is available in Schedule 19 to the Audited Accounts of the Company.

#### **Human Resource Management**

There has been no material development on the Human Resource/Industrial Relations front during the year.

It may please be noted that the statements in the Management Discussion and Analysis Report describing the Company's objectives and predictions may be forward looking within the meaning of applicable rules and regulations. Actual results may differ materially from those either expressed or implied in the statement depending on circumstances.

#### **9. General Shareholder Information**

##### **Annual General Meeting**

Date : 30th September, 2009  
Venue : Bhagwati Sadan, S.D. Marg,  
Alwar-301001  
Time : at 11:00 am

##### **Financial Calendar for 2009-10**

The Company follows April-March as its financial year. The results for every quarter beginning from April are declared in the month following the quarter.

- **Results for the qtr. ending June 30, 2009:**  
Last week of July, 2009 (already declared)
- **Results for the qtr. ending Sept. 30, 2009:**  
Last week of October, 2009 (tentative)
- **Results for the qtr. ending Dec. 31, 2009:**  
Last week of January, 2010 (tentative)
- **Results for the qtr. ending March 31, 2010:**  
Last week of April, 2010 (tentative)

##### **Book closure date**

Friday, the 25th September, 2009 to Wednesday, the 30th September, 2009 (both days inclusive).

##### **Dividend**

No Dividend being recommended by the Board during the year.



**C I N**

The Corporate Identity Number ("CIN") of the Company as allotted by Ministry of Corporate Affairs is L15142RJ1987PLC004232.

**Outstanding GDRs/ADRs** - NIL

**Listing of Equity shares on Stock Exchange**

**Stock Exchange** **Stock Code**

Bombay Stock Exchange Ltd 531069

Annual listing fee for the year 2009-10 has been paid to BSE.

**Demat ISIN Exchange Number for equity shares:**

**INE362D01010**

**Stock Market Price Data**

During the year 2008-09, 300 shares of the Company were traded at Bombay Stock Exchange Ltd:

2008-09	Bombay Stock Exchange		
	Highest	Lowest	Volume
October	30.50	30.50	100
March	29.50	28.35	200
Total			300

**Distribution of Shareholding as on 31st March, 2009 -**

a) According to category of holding -

Category	No. of Shares held	%age of shareholding
<b>Promoter's holding</b>		
1. Indian Promoters	1872019	58.48
Sub Total	1872019	58.48
<b>Non Promoters holding</b>		
1. Private Corporate Bodies	805886	25.17
2. Indian Public	523358	16.35
Sub Total	1329244	41.52
Grand Total	3201263	100.00

b) According to No. of ordinary shares held -

Slab of Share holding (Nos)	No. of Shareholders		No. of Shares	
	Number	% of Total	Number	% of Shares
Upto 500	344	60.24	69546	2.17
501 to 1000	99	17.34	68688	2.15
1001 to 2000	63	11.03	75653	2.36
2001 to 3000	2	0.35	4338	0.13
3001 to 4000	3	0.53	10800	0.34
4001 to 5000	5	0.87	24700	0.77

5001 to 10000	15	2.63	98250	3.07
10001 to above	40	7.01	2849288	89.01
Total	571	100.00	3201263	100.00

**Registrar & Transfer Agents:**

M/s Skyline Financial Services Pvt Ltd  
246, 1st Floor, Sant Nagar,  
Main Iscon Temple Road, East of Kailash,  
**NEW DELHI - 110 065**

**Share Transfer System**

Applications for transfer of shares held in physical form are received at the office of the Registrars and Share Transfer Agents of the Company. All valid transfers are processed and effected within 15 days from the date of receipt.

Shares held in the dematerialised form are electronically traded in the Depository and the Registrars and Share Transfer Agents of the Company periodically receive from the Depository the beneficiary holdings so as to enable them to update their records and to send all corporate communications etc.

Physical shares received for dematerialisation are processed and completed within a period of 15 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the shareholders.

**De-materialisation of Shares**

As on 31st March 2009, 13.31% (426103 shares) of the shares were held in dematerialised form and the rest are in physical form.

**Plant Locations -**

The Company's plants are located at -

**1. Edible Oil Division:**

- Itarana Road, Old Industrial Area, Alwar (Raj)
- Village - Pachkodia Distt - Jaipur (Raj.)

**2. Ceramic Division:**

Tonk Road, Jaipur (Raj)

**3. Wind Power Division:**

Village - Hansua, Distt. Jaisalmer (Raj)

**Address for Investor Correspondence & Registered Office -**

For any assistance regarding dematerialised of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares, please write to:



**1. Registered Office:**

Vijay Solvex Limited  
'Bhagwati Sadan'  
Swami Dayanand Marg,  
Alwar - 301 001 (Rajasthan) INDIA  
Phone : 0144-2332358, 2332922  
Fax : 0144-2332320

**2. Registrar & Share Transfer Agent**

M/s Skyline Financial Services Pvt Ltd  
246, 1st Floor, Sant Nagar,  
Main Iscon Temple Road, East of Kailash,  
NEW DELHI 110 065

**Declaration regarding compliance by Board Members and Senior Management personnel with the company's code of conduct**

All the Board members and the Senior Management Personnel have affirmed their compliance of the "Code of Conduct for the Member of the Board and Senior Management" for the period from 1st April 2008 to the 31st March 2009 in terms of the clause of 49(1)(D)(ii) of the listing agreement.

Place : Alwar  
Date : 5th Sept' 09

Sd/-  
Vijay Data  
Managing Director & CEO

**Auditors' Certificate on Compliance with the conditions of Corporate Governance Under Clause 49 of the Listing Agreement**

To

The Members of Vijay Solvex Limited

1. We have examined the compliance of conditions of Corporate Governance by Vijay Solvex Limited (the Company) for the year ended March 31, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. 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 and on behalf of  
For K.L. DATTA & CO.  
Chartered Accountants

**V.K. Datta**

Partner

Alwar, 5<sup>th</sup> September, 2009

**ANNEXURE - 2**

Information as per section 217(1)(e) read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rule, 1988 and forming part of the report of the Board of Directors for the year ended 31st March, 2009.

**A. Conservation of Energy :**

1. Steam condensate water from Solvent Extraction Plant is being returned back to the boiler house as feed water resulting in saving of energy required to preheat the feed water. Further flue gases in the boiler house are being used for heating boiler inlet water.
2. Economiser is being used in the extraction plant to heat the miscella in the distillation section.
3. Outgoing oil in deoderisation section is being used for heating incoming oil both in Refinery and Vanaspati Plants.
4. Power capacitors are being used in all sections of the factory to economise on electricity.
5. Extra heat coming out from furnaces is being used for heating up the Hot Room.

**B. Technology Absorption :**

**Research & Development (R&D)**

1. Specific areas in which in-house R&D is carried out by the Company:-
  - Improvement of product quality
  - Process improvement
  - Cost effectiveness
2. Benefits derived as a result of the above R&D:
  - Improvement in yield and product quality and cost effectiveness.
3. Future plan of action:
  - The Company's efforts will continue in the areas of development of new products and packaging with the aim of offering better products to meet consumer needs.



**Technology absorption, adaptation and innovation**

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:
  - The Company successfully implemented projects resulting in improved processing time and also flexibility in manufacturing operations.
2. Benefits derived as a result of the above efforts:
  - The reduction in formulation processing time has led to improvement in productivity and the Company continued to produce high quality product.

**3. H.S.D.O./C-9**

Quantity	Ltr.	1369294	1377113
Amount	Rs.	37298595	28410869
Average/Rate	Rs./Ltr.	27.24	20.63

**4. L.P.G.**

Quantity	Kg.	58450	42232
Amount	Rs.	2344521	1552355
Average/Rate	Rs./Kg.	40.11	36.76

**C. Foreign Exchange Earning and outgo:**

- a) Earning by way of Export/ Others Rs.261.68 Lacs
- b) Expenditure by way of Import/others Rs.10045.21 Lacs

**Total Energy Consumption and Energy Consumption per Unit of Production:**

**FORM (A)**

PARTICULARS	YEAR		
	ENDED 31.03.09	ENDED 31.03.08	
<b>A) Power &amp; Fuel Consumption</b>			
<b>1. Electricity</b>			
a) Purchased Units	Kwh	4973660	7515584
Amount	Rs.	23444794	34916756
Rate/Unit	Rs./Kwh	4.71	4.65
b) Own Generation			
(i) Through DG Set			
Units	Kwh	173324	229146
Units per Ltr/ Diesel Oil	Kwh	3.46	3.43
Avg.Cost/Unit	Rs./Kwh	8.70	8.79
(ii) Through Wind Power Generators			
Units	Kwh	1424439	1505671
<b>2. Boiler Fuel</b>			
a) Coal			
Quantity	M.T.	156	410
Amount	Rs.	782091	1429718
Average/Rate	Rs./M.T.	5013.40	3487.12
b) Husk			
Quantity	M.T.	19455	21894
Amount	Rs.	31366919	38161002
Average/Rate	Rs./M.T.	1612.28	1742.99



**B) Consumption**

		Per Unit of Production				
		Prepa-ratory	Refinery	Solvent Ext. Plant	Vanaspati	Insulators/ Crockery
Production (MT)	<b>08-09</b> (07-08)	<b>24961</b> (74357)	<b>11773</b> (10058)	<b>66649</b> (102510)	<b>29291</b> (25953)	<b>2332813 (Nos)</b> (2913889) (Nos)
Electricity (Kwh)	<b>08-09</b> (07-08)	<b>35.40</b> (35.80)	<b>25.80</b> (27.40)	<b>21.80</b> (22.88)	<b>85.76</b> (97.86)	<b>0.61</b> (0.49)
Coal (MT)	<b>08-09</b> (07-08)	-- (--)	-- (--)	<b>0.0013</b> (0.0031)	<b>0.0024</b> (0.0035)	-- (--)
Husk (MT)	<b>08-09</b> (07-08)	<b>0.040</b> (0.035)	<b>0.150</b> (0.128)	<b>0.160</b> (0.129)	<b>0.204</b> (0.184)	-- (--)
HSDO/C9 (Ltr)	<b>08-09</b> (07-08)	-- (--)	-- (--)	-- (--)	-- (--)	<b>0.59</b> (0.47)
L.P.G. (Kg.)	<b>08-09</b> (07-08)	-- (--)	-- (--)	-- (--)	-- (--)	<b>0.0251</b> (0.0145)



## AUDITORS' REPORT

To the Members of Vijay Solvex Limited

We have audited the attached Balance Sheet of Vijay Solvex Limited, Alwar as at 31st March, 2009, the Profit and Loss Account of the Company for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date. 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.

1. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraph 4 & 5 of the said order.
3. Further to our comments in the annexure referred to in paragraph (2), above we report that :
  - a) We have obtained all the informations and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
  - b) In our opinion, proper books of Accounts as required by law have been kept by the Company so far as appears from our examination of the books.
  - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the said Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt by this report comply with the mandatory Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.

- e) On the basis of the written representations received from the Board of Directors, we report that none of the Directors are disqualified as on 31st March 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with the significant accounting policies and subject to notes on accounts in Schedule-18 & 19, gives the information required by the Companies Act, 1956 in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India :
  - i) In the case of Balance Sheet - of the state of affairs of the Company as at 31st March, 2009;
  - ii) In the case of Profit and Loss Account - of the Profit of the Company for the year ended on that date; and
  - iii) In case of Cash Flow Statement of the cash flows for the year ended on that date.

For and on behalf of  
For K.L. DATTA & CO.  
Chartered Accountants

**V.K. Datta**  
Partner

Alwar, 5<sup>th</sup> September, 2009

### Annexure To The Auditors' Report

[Referred to in paragraph (2) of our report of even date]

1. In respect of its fixed assets :
  - a) The Company is maintaining proper records showing full particulars including quantitative details and situation of the fixed assets. All the fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
  - b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c) In our opinion, the Company has not



- disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories :
    - a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
    - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
    - c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
  3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
    - a) The Company has not granted unsecured loan to any party, during the current financial year. However the Company in the past has granted unsecured loans to three parties and as on 31st March 2009 the outstanding amount is Rs.1016.62 lacs.
    - b) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the Company.
    - c) In respect of loan granted by the Company, the interest is regularly accounted for in their account and the principal and interest amount is repayable on demand.
    - d) There is no overdue amount in respect of loans granted by the Company.
    - e) The Company has not taken any loan, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act.
    - f) Since no loan has been taken from the companies, firms or other parties covered in the register maintained under section 301 of the Act, therefore no interest has been charged and also terms and conditions are not prejudicial to the interest of the company
  4. In our opinion and according to information and explanations given to us, there is adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
  5. In our opinion and according to the information and explanation given to us there are no contracts and arrangements the particulars of which need to be entered into the register maintained under section 301 of the Companies Act, 1956:
  6. The Company has not accepted any deposits from the public.
  7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
  8. The Central Government has prescribed maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956 in respect of certain manufacturing activities of the Company. The prescribed accounts and records have been made and maintained. However we have not made a detailed examination of the same.
  9. In respect of statutory dues :
    - a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2009 for a period of more than six months from the date of becoming payable.
    - b) The disputed statutory dues aggregating to Rs.462.87 Lacs, that have not been deposited on account of dispute and the matters pending before appropriate authorities are as under:

and also no question arises for the payment of the principle amount and interest thereof.



Sr. No.	Name of the statute	Nature of the Dues	Forum where dispute is pending	Amount (Rs. In Lacs)
1.	Custom Act	Custom Duty	Commissioner of Customs	35.55
2.	Central & Rajasthan Sales Tax	Sales Tax & Entry Tax	Commissioner of Sales Tax	115.12
3.	Regional Provident Fund	Provident Fund	Rajasthan High Court	9.50
4.	Employees' State Insurance Corporation	ESI	Industrial Tribunal	1.02
5.	Income Tax Act, 1961	I.Tax	CIT(Appeals)	301.35
6.	Service Tax	Service Tax	Appellate Tribunal	0.33

10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. The Company has maintained proper records of transactions in respect of dealing or trading in shares, securities, debentures and other investments except the investment in the shares of Saurabh Agrotech (Pvt) Ltd, Alwar, all other shares, debentures and other investments have been held by the Company in its own name.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by other from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us and on an overall basis, the term loans have been applied for the

purposes for which they were obtained.

17. According to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash Flow statement of the Company, we report that no funds raised on short term basis have been used for long term investment.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and 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 and on behalf of  
**For K.L. DATTA & CO.**  
Chartered Accountants

**V.K. Datta**  
Partner

Alwar, 5<sup>th</sup> September, 2009

**BALANCE SHEET AS AT 31ST MARCH, 2009**

		(Rs.in Lacs)	
	Schedule	As at 31st March, 2009	As at 31st March, 2008
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	320.19	320.19
Reserves & Surplus	2	5196.63	4905.74
		<u>5516.82</u>	<u>5225.93</u>
<b>Loan Funds</b>			
Secured Loans	3	4422.16	6762.57
Unsecured Loans	4	2000.00	2992.09
		<u>6422.16</u>	<u>9754.66</u>
<b>Deferred Tax Liability - Net</b>		459.13	497.13
<b>Total</b>		<u>12398.11</u>	<u>15477.72</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	5	4376.30	4228.86
Less: Depreciation		<u>2013.25</u>	<u>1801.68</u>
Net Block		2363.05	2427.18
Capital Work-in-Progress		--	116.62
<b>Investments</b>	6	1120.98	943.49
<b>Current Assets, Loans &amp; Advances</b>			
Inventories	7	2915.12	5933.91
Sundry Debtors	8	2675.99	3384.73
Cash and Bank Balances	9	544.02	893.77
Loans & Advances	10	5805.52	5072.10
		<u>11940.65</u>	<u>15284.51</u>
<b>Less: Current Liabilities &amp; Provisions</b>			
Current Liabilities	11	2844.38	2981.74
Provisions	12	284.51	393.43
		<u>3128.89</u>	<u>3375.17</u>
<b>Net Current Assets</b>		8811.76	11909.34
<b>Miscellaneous Expenditure</b>	13	102.32	81.09
(To the extent not written off or adjusted)			
<b>Significant Accounting Policies</b>	18		
<b>Notes on Accounts</b>	19		
<b>Total</b>		<u>12398.11</u>	<u>15477.72</u>

The Schedules referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our Report of even date.

For **K.L. DATTA & CO.**  
Chartered Accountants

**V.K. DATTA**  
Partner  
Alwar, 5<sup>th</sup> September, 2009

On behalf of the Board

**NIRANJAN LAL DATA** - Chairman

**VIJAY DATA** - Managing Director

**DAYA KISHAN DATA** - Wholetime Director

**A.L. KHANDELWAL** - Company Secretary



**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009**

(Rs. in lacs)

	Schedule	2008-09	2007-08
<b>INCOME</b>			
Sales & Inter Divisional Transfers		53191.92	58411.47
Less: Inter Divisional Transfers		1009.98	1104.41
Net Sales		<u>52181.94</u>	<u>57307.06</u>
Other Income	14	68.31	133.17
Increase/(Decrease) in Stock	15	(1256.91)	2091.22
		<u>50993.34</u>	<u>59531.45</u>
<b>EXPENDITURE</b>			
Purchases		5660.80	8901.09
Manufacturing & Other Expenses	16	43588.32	48713.05
Financial Expenses	17	1167.28	970.29
Depreciation		214.55	201.84
Less: Revaluation Reserve written-back (Refer Para C(2)(iii) schedule 18)		<u>2.39</u>	<u>2.39</u>
		<u>212.16</u>	<u>199.45</u>
<b>PROFIT BEFORE TAX</b>		<b>364.78</b>	<b>747.57</b>
Provision for Current Tax		105.00	240.00
Provision for Fringe Benefit Tax		4.50	4.50
Provision for Deferred Tax		(38.00)	(39.00)
<b>PROFIT AFTER TAXATION</b>		<b>293.28</b>	<b>542.07</b>
Balance brought forward from last year		<u>3915.73</u>	<u>3373.66</u>
<b>Balance carried to Balance Sheet</b>		<b>4209.01</b>	<b>3915.73</b>
<b>Basic &amp; Diluted Earning per Share (Rs.)</b>		<b>9.16</b>	<b>16.93</b>

[Refer note 22 on Schedule 19]

**Significant Accounting Policies** 18**Notes on Accounts** 19

The Schedules referred to above form an integral part of the Profit and Loss Account.

This is the Profit and Loss Account referred to in our report of even date.

**For K.L. DATTA & CO.**  
Chartered Accountants

**V.K. DATTA**  
Partner

Alwar, 5<sup>th</sup> September, 2009

**On behalf of the Board**

**NIRANJAN LAL DATA** - Chairman

**VIJAY DATA** - Managing Director

**DAYA KISHAN DATA** - Wholetime Director

**A.L. KHANDELWAL** - Company Secretary



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009**

(Amount Rs. in Lacs)

	2008-2009	2007-08
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit Before Tax	364.78	747.57
Depreciation	212.16	199.45
Interest (Net) & FOREX	1167.28	970.29
Profit on Sale of Fixed Assets	(1.32)	(9.36)
Profit on Sale of Investments	(32.87)	--
Dividend Received	(2.29)	(109.36)
	<u>1707.74</u>	<u>1798.59</u>
Operating Profit before Working Capital Changes	1707.74	1798.59
<b>Adjustments For:</b>		
Inventories	3018.79	(2102.48)
Sundry Debtors	708.74	(381.56)
Loans & Advances	(769.47)	(2619.26)
Current Liabilities & Provisions	(111.28)	388.73
Cash Generated From Operations	4554.52	(2915.98)
Interest (Net) & FOREX	(1167.28)	(970.29)
Direct Tax Paid	(208.45)	(280.38)
	<u>3178.79</u>	<u>(4166.65)</u>
Net Cash from Operating Activities	3178.79	(4166.65)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(40.52)	(503.16)
Sale of Fixed Assets	8.04	32.39
Purchase of Investments	(194.00)	--
Miscellaneous Expenditure for new project	(21.23)	(43.37)
Sale of Investments	49.38	153.85
Dividend Received	2.29	109.36
	<u>(196.04)</u>	<u>(250.93)</u>
Net Cash Flow from Investing Activities	(196.04)	(250.93)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Unsecured Loans	(992.09)	1430.48
Proceeds from Working Capital	(1393.90)	2362.02
Proceeds from Term Loans	(17.77)	(88.09)
Short Term Corporate Loan/Others	(928.74)	677.91
	<u>(3332.50)</u>	<u>4382.32</u>
Net Cash Flow in Financing Activities	(3332.50)	4382.32
Net Increase/decrease in Cash & Cash Equivalents	(349.75)	(35.26)
Cash & Cash Equivalents, beginning of year	893.77	929.03
	<u>544.02</u>	<u>893.77</u>
Cash & Cash Equivalents, end of year	544.02	893.77

- Note: i) Additions to fixed assets include net addition to/deduction from Capital work in progress.  
ii) Figures in brackets represent cash outflows.  
iii) The above cash flow statement has been prepared under the Indirect Method as set out in Accounting Standard 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

**On behalf of the Board**

**Niranjan Lal Data**  
Chairman

**Vijay Data**  
Managing Director

**Daya Kishan Data**  
Wholetime Director

**A.L. Khandelwal**  
Company Secretary

Alwar, 5<sup>th</sup> September, 2009

This is the Cash Flow Statement referred to in our report of even date

For **K.L. DATTA & CO.**  
Chartered Accountants

**V.K. DATTA**  
Partner

Alwar, 5<sup>th</sup> September, 2009



## SCHEDULES TO THE ACCOUNTS

(Rs. in Lacs)  
As at 31st March, 2009 As at 31st March, 2008

### SCHEDULE 1 : SHARE CAPITAL

#### Authorised

50,00,000 (P.Y. 50,00,000) Equity Shares of Rs.10/- each 500.00 500.00

#### Issued, Subscribed & Paid-up

32,01,263 (P.Y. 32,01,263) Equity Shares of Rs.10/- each **320.13** 320.13

Add: Amount Originally Paid-up on forfeited Shares 0.06 320.19 0.06 320.19  
**320.19** **320.19**

Of the above includes -

- (i) 15,500 (P.Y. 15,500) Equity Shares were allotted as fully paid-up pursuant to contracts without payments being received in cash.
- (ii) 14,56,126 (P.Y. 14,56,126) Equity Shares issued as fully paid-up Bonus shares by way of capitalization of free reserves.
- (iii) 19,962 (P.Y. 19,962) Equity Shares were allotted as fully paid-up pursuant to the scheme of arrangement for amalgamation of The Jaipur Glass & Potteries Works Ltd with the Company.
- (iv) 56,205 (P.Y. 56,205) Equity Shares were allotted as fully paid-up pursuant to the scheme of arrangement for amalgamation of Goenka Products Pvt Ltd with the Company.

### SCHEDULE 2 : RESERVES & SURPLUS

#### General Reserve

As per last Balance Sheet **275.00** 275.00

#### Share Premium

**480.58** 480.58

#### Revaluation Reserve

At Commencement of the year **173.70** 176.09

Less: To Profit & Loss A/c 2.39 **171.31** 2.39 173.70

#### Subsidy

**39.38** 39.38

#### Investment Allowance (Utilisation) Reserve

**20.00** 20.00

#### Capital Reserve

**1.35** 1.35

#### Profit & Loss Account

**4209.01** 3915.73

5196.63 4905.74



(Rs. in Lacs)  
As at 31st March, 2009                      As at 31st March, 2008

**SCHEDULE 3 : SECURED LOANS**

**From Banks**

Short Term Corporate Loan from SBBJ	100.78	2290.02
Short Term Loan from IDBI	1260.50	--
Working Capital Loan from Scheduled Bank	3060.88	4454.78
Term Loan from SBBJ	--	17.77
	4422.16	6762.57

**SCHEDULE 4 : UNSECURED LOANS**

**From Banks**

Short Term Loan	2000.00	2992.09
	2000.00	2992.09

**SCHEDULE 5 : FIXED ASSETS**

NAME OF THE ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.08	Addi- tions	Adjust- ments/ Sales	As at 31.03.09	Upto 31.03.08	For the year 2008-09	Written back	Upto 31.03.09	W.D.V. as at 31.03.09	W.D.V. as at 31.03.08
LAND	139.52	0	0	139.52	0	0	0	0	139.52	139.52
FREE HOLD LAND	3.95	0	0	3.95	0	0	0	0	3.95	3.95
AGRICULTURE LAND	11.84	0	0	11.84	0	0	0	0	11.84	11.84
BUILDING	427.23	0	0	427.23	173.05	13.39	0	186.44	240.79	254.18
PLANT & MACHINERY	3337.68	146.16	7.96	3475.88	1501.38	180.50	1.24	1680.64	1795.24	1836.30
LAB. EQUIPMENTS	10.49	0	0	10.49	5.94	0.50	0	6.44	4.05	4.55
MISC. ASSETS	25.06	0	0	25.06	9.26	1.19	0	10.45	14.61	15.80
FURNITURES & FIXTURES	46.17	0.25	0	46.42	21.36	2.36	0	23.72	22.70	24.81
CARS/VEHICLES	105.10	0.44	1.74	103.80	27.76	4.30	1.74	30.32	73.48	77.34
OFFICE EQUIPMENTS / COMPUTERS	115.24	10.29	0	125.53	56.35	12.31	0	68.66	56.87	58.89
TRANSPORT VEHICLES	6.58	0	0	6.58	6.58	0	0	6.58	0	0
<b>TOTAL</b>	<b>4228.86</b>	<b>157.14</b>	<b>9.70</b>	<b>4376.30</b>	<b>1801.68</b>	<b>214.55</b>	<b>2.98</b>	<b>2013.25</b>	<b>2363.05</b>	<b>2427.18</b>
PREVIOUS YEAR	3867.26	410.45	48.85	4228.86	1625.66	201.84	25.82	1801.68	2427.18	
CAPITAL WIP									0	116.62



**SCHEDULE 6 : INVESTMENTS**

PARTICULARS	As at 31st March, 2009		As at 31st March, 2008		
	Face Value	Nos.	Book Value	Nos.	
(Rs. in Lacs)					
<b>LONG TERM INVESTMENTS (Refer Para D of Schedule 18)</b>					
<b>NON TRADE INVESTMENTS</b>					
<b>A) QUOTED</b>					
a) <b>EQUITY SHARES</b>					
ITC Ltd	1	0	0	12000	3.55
Hindustan Unilever Ltd	1	0	0	1000	0.73
IFCI Ltd	10	300	0.18	300	0.18
Vatsa Corporation Ltd	10	78700	1.32	78700	1.32
State Bank of Bikaner & Jaipur	100	185	1.00	185	1.00
Reliance Infrastructure Ltd	10	275	0.43	275	0.43
Essar Oils Ltd	10	100	0.04	100	0.04
Reliance Industries Ltd	10	0	0	1000	2.38
Reliance Capital Ltd	10	50	0	50	0
Reliance Communication Ltd	10	1000	0	1000	0
Reliance Natural Resources Ltd	10	1000	0	1000	0
Steel Authority of India Ltd	10	0	0	22000	9.85
The Bank of Rajasthan Ltd	10	2500	0.85	2000	0.85
Castrol India Ltd	10	200	0.70	200	0.70
Nahar Spinning Ltd	5	500	0.70	500	0.70
Nahar Capital & Financial Services Ltd	10	500	0.70	500	0.70
MPHASIS BFL Ltd	10	2000	2.79	2000	2.79
PSL Ltd	10	1000	1.63	1000	1.63
Arvind Ltd	10	1000	1.43	1000	1.43
HDFC Bank Ltd	1	172	0.72	172	0.72
Indraprastha Gas Ltd	10	1000	1.03	1000	1.03
Encore Software Ltd	10	1000	0.53	1000	0.53
IDFC Ltd	10	3000	2.09	3000	2.09
Petronet LNG Ltd	10	1000	0.57	1000	0.57
Sundraum Fastner Ltd	1	2000	1.53	2000	1.53
VBC Ferro Alloys Ltd	10	1000	2.49	1000	2.49
b) <b>DEBENTURES</b>					
Essar Oils Ltd	80	50	0.04	50	0.04
<b>Total (A)</b>			<u>20.77</u>		<u>37.28</u>
<b>B) UNQUOTED</b>					
<b>Total (B)</b>			<u>--</u>		<u>--</u>



**TRADE INVESTMENTS**

**C) QUOTED**

Raghuvar (India) Ltd*	10	556000	<u>337.68</u>	556000	<u>337.68</u>
<b>Total (C)</b>			<u><b>337.68</b></u>		<u><b>337.68</b></u>

**D) UNQUOTED**

**a) EQUITY SHARES**

Vijay International Ltd *	10	600010	90.00	600010	90.00
Deepak Vegpro Pvt Ltd *	10	292000	29.20	292000	29.20
Data Infosys Ltd *	10	61000	36.60	61000	36.60
Saurabh Agrotech Pvt Ltd	10	247500	24.75	247500	24.75
Data Houseware Ltd*	GBP 1	7000	4.68	7000	4.68
Vijay Agro Mills (P) Ltd*	100	14000	98.50	14000	98.50
Data Foods (P) Ltd.*	SLR10	4000001	183.98	4000001	183.98
Dhruva Enclave Pvt Ltd*	10	1000000	100.00	1000000	100.00
Gaurav Enclave Pvt Ltd*	10	750000	75.00	--	--
Essar Steel Ltd	10		0.58	500	0.58

**b) Share Application Money**

Vijay Agro Mills (P) Ltd*			119.00		--
---------------------------	--	--	--------	--	----

\*Company under the same management.

<b>Total (D)</b>			<u><b>762.29</b></u>		<u><b>568.29</b></u>
<b>E) N.S.C.</b>			<u><b>0.01</b></u>		<u><b>0.01</b></u>
<b>Total (E)</b>			<u><b>0.01</b></u>		<u><b>0.01</b></u>
<b>F) Others</b>			<u><b>0.23</b></u>		<u><b>0.23</b></u>
<b>Total (F)</b>			<u><b>0.23</b></u>		<u><b>0.23</b></u>
<b>Total A+B+C+D+E+F</b>			<u><b>1120.98</b></u>		<u><b>943.49</b></u>

Aggregate market value of quoted trade and non-trade investments (See note below)	<b>18.00</b>	130.30
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Note : Shares of Raghuvar (India) Ltd not traded during the financial year hence market value could not be determined.



(Rs. in Lacs)  
As at 31st March, 2009 As at 31st March, 2008

**SCHEDULE 7 : INVENTORIES**

(As taken, valued and certified by the management)

Raw Materials	716.81	2455.88
Finished Goods	1797.62	3152.12
Stores, Spares and Packing Materials	231.87	254.68
Work-In-Progress	168.82	71.23
	<u>2915.12</u>	<u>5933.91</u>

**SCHEDULE 8 : SUNDRY DEBTORS**

(Considered good for which Company holds no security other than debtors personal security).

Debts outstanding for a period exceeding six months	847.53	262.49
Other Debts	1828.46	3122.24
	<u>2675.99</u>	<u>3384.73</u>

**SCHEDULE 9 : CASH AND BANK BALANCES**

Cash in hand	19.76	36.69
<b>With Scheduled Banks</b>		
Current Accounts	192.68	234.05
Margin Money/F.D.R.	331.58	623.03
	<u>544.02</u>	<u>893.77</u>

**SCHEDULE 10 : LOANS AND ADVANCES**

(Unsecured, Considered good unless otherwise stated)

Advances & Deposits	5513.79	4744.32
Tax Deposited	291.73	327.78
	<u>5805.52</u>	<u>5072.10</u>

**SCHEDULE 11 : CURRENT LIABILITIES**

Sundry Creditors for Capital Goods	141.29	141.29
Sundry Creditors for Raw Material	655.44	975.70
Other Creditors	2026.17	1826.70
Government Dues	21.48	38.05
	<u>2844.38</u>	<u>2981.74</u>



(Rs. in Lacs)  
As at 31st March, 2009 As at 31st March, 2008

**SCHEDULE 12 : PROVISIONS**

For Taxation	109.50	244.50
For Expenses	175.01	148.93
	<u>284.51</u>	<u>393.43</u>

**SCHEDULE 13 : MISCELLANEOUS EXPENDITURE**

Pre-operative Expenses	<u>102.32</u>	<u>81.09</u>
	<u>102.32</u>	<u>81.09</u>

Rs. In Lacs

Year 2008-09      Year 2007-08

**SCHEDULE 14 : OTHER INCOME**

Dividend from Long Term Investments	2.29	109.36
Profit on Sale of Investments	32.87	--
Miscellaneous Income	31.83	14.45
Profit on sale of Fixed Assets	1.32	9.36
	<u>68.31</u>	<u>133.17</u>

**SCHEDULE 15 : INCREASE/(DECREASE) IN STOCK**

**Closing Stock**

Finished goods	1797.62	3152.12
Work-in-Process	<u>168.82</u>	<u>71.23</u>
	<u>1966.44</u>	<u>3223.35</u>

**Opening Stock**

Finished Goods	3152.12	1087.23
Work-in-process	<u>71.23</u>	<u>44.90</u>
	<u>3223.35</u>	<u>1132.13</u>
	<u>(1256.91)</u>	<u>2091.22</u>





	Rs. In Lacs	
	Year 2008-09	Year 2007-08
<b>SCHEDULE 16 : MANUFACTURING &amp; OTHER EXPENSES</b>		
<b>Raw Materials Consumed</b>		
Stock at commencement	2455.88	2471.14
Add: Purchases	<u>39550.90</u>	<u>49696.79</u>
	42006.78	52167.93
Less: Sale	2423.54	6958.89
Less: Stock at close	<u>716.81</u>	<u>2455.88</u>
	38866.43	42753.16
<b>Manufacturing Expenses</b>		
Stores and Spare Parts Consumed	546.12	652.42
Electric Power & Fuel	967.44	1064.85
Repair & Maintenance	<u>59.74</u>	<u>92.68</u>
	1573.30	1809.95
<b>Payments to and Provisions for Employees</b>		
Salaries, Wages and Bonus	542.23	537.15
Provident Fund, Gratuity & E.S.I.	36.26	29.99
Employees Welfare and other amenities	<u>23.29</u>	<u>25.30</u>
	601.78	592.44
<b>Selling &amp; Distribution Expenses</b>		
Sales Promotion, Advertisement & Claims etc.	26.80	19.16
Brokerage, Commissions & Consignment Exp.	78.07	177.67
Packing Expenses	1817.65	2177.73
Freight and Forwarding Charges	334.07	809.97
Sales Tax Demand & Others	<u>15.07</u>	<u>29.59</u>
	2271.66	3214.12
<b>Establishment Expenses</b>		
Directors' Remuneration	31.55	29.28
Insurance	10.55	53.91
Rent, Rates & Taxes	1.95	2.32
Travelling Expenses	50.29	56.04
Payment to Auditors	1.25	1.31
General Expenses	103.42	104.64
Legal & Professional Charges	35.13	39.05
Vehicle Running Expenses	15.07	19.59
Telephone & Internet Expenses	19.05	28.49
Printing & Stationery	<u>6.89</u>	<u>8.75</u>
	275.15	343.38
	<u>43588.32</u>	<u>48713.05</u>
<b>SCHEDULE 17 : FINANCIAL EXPENSES</b>		
<b>Interest</b>		
Fixed Loans	0.44	7.51
Others	905.94	1281.90
Exchange Rate Fluctuation	<u>542.69</u>	<u>--</u>
	1449.07	1289.41
Less: Interest Received [TDS Rs.62.01 Lacs (P.Y. Rs.64.27 Lacs)]	<u>281.79</u>	<u>319.12</u>
	1167.28	970.29
	<u>1167.28</u>	<u>970.29</u>



**SCHEDULE 18 : SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Preparation of Financial Statements:**

The Financial Statements have been prepared under the historical cost convention on accrual method of accounting, in accordance with, the generally accepted accounting principles in India, mandatory Accounting Standard notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956, except for certain fixed assets which have been revalued.

**B. 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 results and estimates are recognised in the period in which the results are known/materialised.

**C. Fixed Assets**

- 1) Fixed assets (other than those which have been revalued) including intangible assets are stated at cost of acquisition (net of Cenvat & VAT, wherever applicable), inclusive of freight, duties and other directly attributable costs, less depreciation.
- 2) i) Depreciation on all fixed assets is provided on straight line method at the rate specified in schedule XIV of the Companies Act, 1956 or at rates arrived at on the basis of the balance useful lives of the assets based on technical evaluation/ revaluation of the related assets, whichever is higher, on pro-rata basis.  
ii) On assets sold, discarded, etc. during the year, depreciation is provided upto the date of sale/discard.  
iii) In respect of revalued assets, a transfer is made from the revaluation reserve to the Profit & Loss Account for the sum of the difference as below:
  - The difference between the amount of depreciation on revalued value and on the historical cost at rate prescribed in Schedule XIV.

**D. Investments**

Investments as defined under AS-13 as issued by The Institute of Chartered Accountants of India are stated at cost of acquisition, which include acquisition charges, such as brokerage, fees and duties. Provision for diminution in the value of long-term investments is made, only, if such a decline is other than temporary, in the opinion of the management.

**E. Inventories**

Inventories are valued as under:

- 1) Raw Material, WIP, Stores, Spares & Packing Material:
  - At cost or net realisable value whichever is lower. Cost is arrived at on first-in-first-out (FIFO) basis.
- 2) Finished Products:
  - At cost of production or market value whichever is lower. Cost of production is arrived at on standard cost basis.

**F. Foreign Currency Transactions**

- 1) Transactions in Foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.
- 2) All foreign currency liabilities and monetary assets are stated at the exchange rate prevailing at the date of the Balance Sheet except where forward exchange cover is obtained and the loss or gain is taken to the Profit & Loss account as exchange fluctuation.
- 3) In respect of the forward contracts, the difference between the forward rate and the exchange rate at the date of transaction is recognized as income or expense and is spread over the life of the contract.

**G. Revenue Recognition**

**1) Consignment Sales**

The consignment sales have been accounted for on sales effected by the consignee.

**2) Other Sales**

Sales are accounted for net of Excise Duty, CST and VAT. Sale of products are recognized on transfer of property in goods as per agreed terms.



3) **Basis of Accounting**

All income and expenditure items in all material aspects having bearing on the financial statement are recognized on accrual basis.

**H. Provisions and Contingent Liabilities**

1) Provisions are recognized for liabilities that can be measured by using a substantial degree of estimation, if.

- a) the Company has present obligation as a result of a past event;
- b) a probable outflow of resources embodying economic benefits is expected to settle the obligation; and
- c) the amount of obligation can be reliably estimated.

2) Contingent liability is disclosed in the case of:

- a) a present obligation arising from a past event when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or,
- b) a possible obligation, unless the probability of outflow of resources embodying economic benefits is remote.

**I. Employees' Benefits**

- 1) Short term employee benefits are recognized as expense in the Profit & Loss Account of the year in which service is rendered.
- 2) Company's contributions to Provident Fund and other Funds during the year are charged to Profit and Loss Account.
- 3) Provision for retirement gratuity & leave encashments are determined and made in accordance with the relevant laws by assuming that benefits are payable to all employees at the year end and are charged to Profit & Loss Account.

**J. Taxation**

Provision for tax is made for both current and deferred taxes. Provision for current income-tax is made on the current tax rates based on assessable income. The Company provides for deferred tax based on the tax effect of timing differences resulting from the recognition of items in the financial statements and in esti-

imating its current tax provision. The deferred tax assets is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

**K. Borrowing Costs**

Borrowing costs that are attributable to the acquisition of or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

**L. Lease**

1) **Operating** : Lease of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as expense in the Profit & Loss Account, on straight line basis over the lease term.

2) **Finance** : Lease assets acquired on which significant risks and rewards of ownership effectively transferred to the Company are capitalized at lower of fair value or the amounts paid under such lease arrangements. Such assets are amortized over the period of lease.

**M. Impairment of Assets**

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

**N. Earning Per Share**

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax as per Accounting Standard-20 on "Earning per share", issued by the Institute of Chartered Accountants of India. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive share is anti-dilutive.



**SCHEDULE 19 : NOTES ON ACCOUNTS**

- 1) The Closing Stock have been taken, valued and certified by the Management.
- 2) In the opinion of the Management and to the best of their knowledge and belief, the value of fixed assets, current assets and loans and advances, if realised in the ordinary course of business, would not be less than at which they are stated in the Balance Sheet, unless otherwise stated.
- 3) Contingent liabilities not provided for in the account - (Rs. In Lacs)

	31.03.09	31.03.08
a) Guarantee and Counter Guarantees	14.08	2199.51
b) Excise/Sales Tax/Income Tax PF/ESI/Customs/Service Tax demands made by the authorities in respect of which appeal has been filed.	833.74	199.65
c) Claims against the Company not acknowledged as debts estimated at : In respect of Third parties	472.58	--

- 4) Exchange difference in respect of forward exchange contracts to be charged in the subsequent accounting year NIL (P.Y. NIL).
- 5) Payment made to and the provisions made for auditors in various capacities during the year are as follows:

	CURRENT YEAR (Rs.)	PREVIOUS YEAR (Rs.)
<b>As Auditor</b>		
a) Audit Fee	66,180	67,416
b) Tax Audit Fee	22,060	22,472
c) VAT Audit Fee	24,818	16,854
c) Out of Pocket Exp.	12,380	24,788
Total	<u>1,25,438</u>	<u>1,31,530</u>

- 6) Working Capital Loan and Term Loan from State Bank of Bikaner & Jaipur, Alwar are secured by hypothecation, both present & future, of raw material, finished goods, work-in-process, packing materials, stores, bills for collection and book-debts and on the personal guarantee of Directors Shri Niranjana Lal Data, Shri Vijay Data, Shri Daya Kishan Data and their relative Smt. Nirmala Devi and first charge over the fixed assets of the Company.

- 7) Short term loan from IDBI are secured by residuary charge over the current assets by way of hypothecation and second charge over the fixed assets of the company and personal guarantee of Directors Shri Vijay Data and Shri Daya Kishan Data.
- 8) Payments made or provided during the financial year to Directors as Managerial remuneration under section 198 of the Act paid or payable during the financial year Rs.31.55 Lacs (P.Y. Rs.29.28 Lacs).
- 9) Previous year's figures have been regrouped/recasted/rearranged wherever necessary to conform to this year's presentation.
- 10) Various debit and credit balances appearing in the various heads remain unconfirmed by the respective parties. Necessary adjustment, if any, will be made in the books of account as and when the statement of accounts/balance confirmation are received from the parties.
- 11) Expenditure on employees who are in receipt of remuneration of Rs.2400000/- p.a. or more during the year or Rs.200000/- per month, if employed for a part of the year NIL (P.Y. NIL).
- 12) The Ceramic Division (erstwhile JGPWL) received a sum of Rs.14.49 lacs during the period 1989-91, against the use of Company's property. On account of non-execution of deed of conveyance in favour of these persons and pending legal formalities, the said amount have been treated as other creditors.
- 13) During the financial year 2006-07, the Company made a bid to purchase Land, Building and Plant & Machinery of Sriganganagar Co-operative Cotton Complex Ltd, Sriganganagar (Ginning & Spinning Mill) for Rs.801.00 Lacs. The Govt. of Rajasthan has accepted the bid and Company has deposited entire amount of Rs.801.00 Lacs. The possession of the assets of Cotton Mill has not been handed-over to the Company, since the matter is sub-judice. The amount paid is fully recoverable in the event if the assets are not handed-over to the Company by the Govt. of Rajasthan, therefore the above amount of Rs.801.00 Lacs have been shown as



- deposit under the head Loans & Advances.
- 14) During the financial year 2007-08, the Company, to widen its existing operations, has invested a sum of Rs.1212.00 lacs by way of acquisition of First Charge over fixed assets of M/s ROM Industries Ltd from IFCI, which is situated at RIICO Industrial Area, Hirawala, Tehsil Bassi, Distt. Jaipur (Raj). The Jaipur Unit of M/s ROM Industries Ltd is engaged in similar business as that of the Company. ROM Industries Ltd is a declared sick company by BIFR and a DRS has been presented in BIFR by ROM Industries Ltd and for want of completion of legal formalities, the above amount has been shown as loans & advances.
- 15) According to legal opinion, the company continues to be the owner of the shares of Saurabh Agrotech (P) Ltd, Alwar since the consideration for the transfer of shares has not been determined, therefore the Company has rescinded the contract for sale of shares.
- 16) The Company has capitalized the interest of Rs.21.23 Lacs (P.Y.42.37 Lacs) during the year on the advances taken for acquisition of assets of Sri Ganganagar Co-operative Cotton Complex Ltd, Sri Ganganagar (Ginning & Spinning Mill). This amount has been shown in the Schedule 13 as pre-operative expenses.
- 17) The Company is in process of identifying Micro & Small Enterprises as defined under the Micro, Small & Medium Enterprises development Act, 2006. Consequently, as of now, it is neither possible for the Company to ascertain whether payment to such enterprises has been made within 45 days from the date of acceptance of supply of goods or services rendered by the supplier nor to give the relevant disclosures as required under the Act.
- 18) Schedules 1 to 19 are integral part of the Balance Sheet and Profit & Loss Account.

**(RS. IN LACS)**  
**CURRENT YEAR      PREVIOUS YEAR**

19) Value of imported		
- Raw Materials & traded goods (CIF Value)	<b>9985.94</b>	12905.84
- Capital Goods	--	304.36
- Stores & Spares	<b>40.56</b>	15.20

- 20) Earning in Foreign
- |            |               |        |
|------------|---------------|--------|
| Currency   |               |        |
| - Export   | <b>256.85</b> | 543.54 |
| - Interest | <b>4.83</b>   | 4.75   |
| - Dividend | --            | 107.91 |
- 21) Expenditure in Foreign
- |                        |             |      |
|------------------------|-------------|------|
| Currency               |             |      |
| - Travelling           | <b>9.40</b> | 5.88 |
| - Legal & Professional | <b>9.31</b> | 9.87 |
- 22) Basic and Diluted Earning per share:

	2008-09	2007-08
- Nominal value of Equity Share (Rs.)	10.00	10.00
- Profit after Tax (Rs. in Lacs)	293.28	542.07
- Weighted average number of equity shares outstanding during the period	3201263	3201263
- Basic Earnings per share(Rs)	9.16	16.93
- Dilutive effect on weighted average number of equity shares outstanding during the year	NIL	NIL
- Weighted average number of diluted equity shares	3201263	3201263
- Diluted Earnings Per Share(Rs)	9.16	16.93

**23) Segment Information:**

The Business segment has been considered as the primary segment. The Company is organised into three segments, Edible Oils, Ceramics & Wind Power Generation. The detail of products and services included in above segments are given below -

Edible Oils segment includes Vanaspati Ghee, Edible Oils, Oil Cake, De-oiled Cake etc, Ceramic segments includes Crochery and Insulators and Wind Power segment includes electricity generation from Wind Power Generators.

Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and amounts allocated on a reasonable basis.



		Edible Oil	Ceramic	Rs. In Lacs		Total
				Wind Power	Un-allocated	
<b>Revenue</b>						
- External Sales/Other Income	<b>08-09</b>	<b>50896.77</b>	<b>1256.02</b>	<b>97.46</b>	--	<b>52250.25</b>
	07-08	55456.84	1881.90	101.49	--	57440.23
- Inter Segment Sales	<b>08-09</b>	<b>955.39</b>	--	<b>54.59</b>	--	<b>1009.98</b>
	07-08	1046.68	--	57.73	--	1104.41
<b>Results</b>						
- Segment Results	<b>08-09</b>	<b>1345.60</b>	<b>98.37</b>	<b>85.70</b>	--	<b>1529.67</b>
	07-08	1252.76	370.42	92.29	--	1715.47
- Unallocable income	<b>08-09</b>	--	--	--	<b>2.39</b>	<b>2.39</b>
	07-08	--	--	--	2.39	2.39
- Unallocated Expenses	<b>08-09</b>	--	--	--	--	--
	07-08	--	--	--	--	--
- Interest (Net)	<b>08-09</b>	--	--	--	<b>1167.28</b>	<b>1167.28</b>
	07-08	--	--	--	970.29	970.29
- Profit/(Loss) before taxation	<b>08-09</b>	--	--	--	--	<b>364.78</b>
	07-08	--	--	--	--	747.57
- Provision for Current Tax (including Fringe Benefit Tax)	<b>08-09</b>	--	--	--	<b>109.50</b>	<b>109.50</b>
	07-08	--	--	--	244.50	244.50
- Provision for Deferred Tax	<b>08-09</b>	--	--	--	<b>(-)38.00</b>	<b>(-)38.00</b>
	07-08	--	--	--	(-)39.00	(-)39.00
- Profit after Taxation	<b>08-09</b>	--	--	--	--	<b>293.28</b>
	07-08	--	--	--	--	542.07
<b>Other Information</b>						
- Segment Assets	<b>08-09</b>	<b>12313.60</b>	<b>1936.37</b>	<b>813.99</b>	<b>291.73</b>	<b>15355.69</b>
	07-08	15676.04	1795.45	879.92	327.78	18679.19
- Segment Liabilities	<b>08-09</b>	<b>8692.81</b>	<b>607.45</b>	<b>141.29</b>	<b>568.63</b>	<b>10010.18</b>
	07-08	12151.23	575.05	159.05	741.63	13626.96
- Capital Expenditure (Including Capital Work-in-Progress)	<b>08-09</b>	<b>18.76</b>	<b>21.76</b>	--	--	<b>40.52</b>
	07-08	154.38	348.78	--	--	503.16
- Depreciation	<b>08-09</b>	<b>113.52</b>	<b>35.82</b>	<b>65.21</b>	--	<b>214.55</b>
	07-08	113.20	23.43	65.21	--	201.84
<b>Geographical Segment</b>						
Revenue						
- India	<b>08-09</b>	<b>50891.94</b>	<b>999.17</b>	<b>97.46</b>	--	<b>51988.57</b>
	07-08	55196.65	1485.89	101.49	--	56784.03
- Outside India	<b>08-09</b>	<b>4.83</b>	<b>256.85</b>	--	--	<b>261.68</b>
	07-08	260.19	396.01	--	--	656.20
<b>Assets</b>						
India	<b>08-09</b>	<b>12058.19</b>	<b>1598.93</b>	<b>813.99</b>	<b>291.73</b>	<b>14762.84</b>
	07-08	15429.82	1402.10	879.92	327.78	18039.62
Outside India	<b>08-09</b>	<b>255.41</b>	<b>337.44</b>	--	--	<b>592.85</b>
	07-08	246.22	393.35	--	--	639.57



24) **Related Party Disclosures**

a) **List of related parties**

1. Enterprises where control exists : NIL
2. Other related parties with whom the Company had transactions, etc.

i) **Associates & Joint Ventures :**

Saurabh Agrotech Pvt Ltd  
Deepak Vegpro Pvt Ltd  
Raghuvar (India) Ltd  
Vijay International Ltd  
Vijay Agro Mills (P) Ltd  
Dhruva Enclave Pvt Ltd  
Data Houseware Ltd  
Data Foods (P) Ltd  
Gaurav Enclave Pvt Ltd

ii) **Key Management Personnel & their relatives**

Niranjan Lal Data  
Vijay Data  
Daya Kishan Data  
Neelima Data

iii) **Enterprises where Key Management Personnel or relatives of Key Management Personnel have significant influence.**

Vijay Industries  
Vijay Oil Mills  
Pyarelal Niranjanlal & Co.  
Pyare Lal Niranjan Lal  
Data Infosys Ltd  
Indo Caps Pvt Ltd  
Ajay Containers  
Shree Bhagwati Farms  
Bhagwati Agro Products Ltd  
Jhankar Motels Pvt Ltd  
Jay Complex Pvt Ltd  
Data Developers Ltd  
Swastic Udyog  
Data Arcade  
Shree Data Krishi Farm  
Gaurav Ceramics (P) Ltd



b) **Disclosure of transactions between the company and related parties and the status of outstanding balances as on 31<sup>st</sup> March, 2009.**

Particulars	(Rs. In Lacs)					
	Associates & Joint Ventures		Key Management Personnel & their Relatives		Enterprise where Key Management Personnel or relatives of Key Management Personnel have significant influence	
	08-09	07-08	08-09	07-08	08-09	07-08
<b>(i) Income</b>						
Rent, Services & Others	0.90	1.44	--	--	2.50	2.34
Sales	12453.03	15113.56	--	--	0.53	1449.41
Interest	207.73	211.01	--	--	30.64	39.99
<b>(ii) Expenditure</b>						
Rent & Others	--	--	7.64	0.84	0.48	4.66
Interest	--	26.06	--	--	--	5.45
Directors' Remuneration	--	--	31.55	29.28	--	--
Purchase	16226.82	17081.47	--	--	154.10	3147.53
<b>(iii) Finance &amp; Investment</b>						
Loan given	--	170.00	--	--	--	--
Loan with accrued interest realised	--	232.87	--	--	--	--
Investment in Shares	194.00	--	--	--	--	--
De-investment in Shares	--	153.75	--	--	--	--
Loan with interest paid	--	433.04	--	--	--	--
<b>(iv) Outstandings</b>						
Loan payable	--	--	--	--	--	--
Loan receivable	1016.62	934.63	--	--	--	--
Others payable	188.50	59.70	4.18	--	433.07	230.03
Others receivable	2594.34	3800.09	--	--	442.74	529.34

25) The deferred tax liability as at 31st March 2009 comprise of the following :

	(Rupees in Lacs)	
	As at 31st March, 2009	As at 31st March, 2008
<b>a) Deferred Tax Liability</b>		
i) Depreciation	497.27	529.77
<b>b) Deferred Tax Assets</b>		
i) Expenses charged in the books but allowance thereof deferred under Income Tax Laws	38.14	32.64
<b>c) Net Deferred Tax Liability (a-b)</b>	459.13	497.13





26) The Quantitative details pursuant to part 3 and 4 of part II of Schedule VI of the Companies Act are given as follows :-

**(A) LICENCED & INSTALLED CAPACITY**

	CURRENT YEAR (IN MT PA)		PREVIOUS YEAR (IN MT PA)	
<b>1. Licenced capacity</b>				
Solvent Extraction		147000		147000
Refinery		15000		15000
Vanaspati		30000		30000
Ceramic		N.A.		N.A.
Wind Power Generators		2.30 MW		2.30 MW
<b>2. Installed Capacity</b>				
Solvent Extraction		75000		75000
Refinery		15000		15000
Vanaspati		30000		30000
Ceramic		NOT DETERMINABLE		NOT DETERMINABLE
Wind Power Generators		2.30 MW		2.30 MW

	Current Year		Previous Year	
	Quantity (MT)	Amount (Rs)	Quantity (MT)	Amount (Rs)
<b>(B) OPENING STOCK</b>				
<b>RAW MATERIAL</b>				
Oil Seeds	2489.660	5,80,08,074	9009.472	15,91,47,601
Oil Cakes	3.250	33,517	783.510	46,21,142
Vegetable Oils	4169.597	17,19,73,331	1727.196	6,89,99,245
Clay & Stone Powders	578.319	34,42,339	516.237	21,14,746
Metal Parts & Thimbles (Nos)	88343	65,77,610	105535	67,69,730
Transfer Sheets	*	36,31,173	*	37,77,674
Chemical & Colours	*	19,22,429	*	16,84,195
		<u>24,55,88,473</u>		<u>24,71,14,333</u>
<b>FINISHED GOODS</b>				
De-Oiled Cake & Cake	814.345	64,98,801	512.883	25,46,352
Vegetable Oil & Refined Oils	2001.481	11,85,75,683	490.279	2,14,33,534
Vanaspati Ghee Bakery Shortening	1555.576	7,65,00,427	1307.719	5,20,00,707
Consignment Stock	357.260	2,09,68,113	7.054	3,18,338
Insulators (Nos)	15662	20,60,513	6263	11,48,322
Crockery & Others (Nos)	384046	71,54,873	423400	81,93,523
Others	10750.024	8,34,54,193	668.528	2,30,82,763
Work-In-Progress		71,22,851		44,89,655
		<u>32,23,35,454</u>		<u>11,32,13,194</u>



	Current Year		Previous Year	
	Quantity (MT)	Amount (Rs)	Quantity (MT)	Amount (Rs)
<b>(C) PURCHASES</b>				
RAW MATERIALS				
Oil Seeds	33679.290	82,41,81,116	103440.856	2,13,46,06,690
Oil Cakes	50465.817	55,42,53,465	54061.695	41,53,84,052
Vegetable Oils	54833.688	2,63,62,88,220	53155.631	2,50,42,66,754
Clay & Stone Powders	2937.140	1,82,19,326	3587.997	1,97,33,471
Metal Parts & Thimbles (Nos)	52462	54,62,537	330214	3,48,71,977
Transfer Sheets	*	29,53,734	*	33,17,793
Chemicals & Colours	*	75,43,805	*	83,81,737
		<u>4,04,89,02,203</u>		<u>5,12,05,62,474</u>
Less : <b>Inter Division Transfer</b>				
Oil Seeds	257.295	71,20,800	2185.410	4,62,14,617
Vegetable Oils	1349.390	8,47,35,454	1784.920	9,54,60,624
Oil Cake	162.935	19,56,393	950.810	92,07,485
		<u>3,95,50,89,556</u>		<u>4,96,96,79,748</u>
FINISHED GOODS				
Vegetable Oil & Refined Oils	10834.562	53,39,03,054	16250.011	61,86,62,754
Oil Cake & De-oiled Cake	371.635	36,66,683	644.395	49,72,329
Vanaspati Ghee Bakery Shortening	299.886	1,45,65,910	3392.160	16,82,17,156
Others	639.748	2,27,90,630	11283.241	9,82,56,717
		<u>57,49,26,277</u>		<u>89,01,08,956</u>
Less: <b>Inter Division Transfer</b>				
Oils & Refined Oils	132.000	88,46,531	--	--
		<u>56,60,79,749</u>		<u>89,01,08,956</u>
<b>(D) SALES</b>				
RAW MATERIALS				
Oil Seeds	10216.137	24,94,74,410	35145.669	74,21,03,687
Less : <b>Inter Division Transfer</b>				
Oil Seeds	257.295	71,20,800	2185.410	4,62,14,617
		<u>24,23,53,610</u>		<u>69,58,89,070</u>
FINISHED GOODS/TRADED GOODS				
De-oiled Cake & Cake	65465.270	5,9,33,72,516	101791.270	65,45,14,621
Vegetable & Refined Oils	51608.797	3,09,30,25,370	67483.248	3,38,88,01,416
Vanaspati Ghee Bakery Shortening	29052.110	1,40,03,24,719	29061.587	1,51,19,70,842
Insulators (Nos)	292328	6,61,04,152	524127	11,68,27,575
Crockery & Others (Nos)	1955706	5,70,09,102	2419717	7,03,09,231
Electricity (Kwh)	3601446	1,52,05,082	3810272	1,59,21,376
Others	13229.045	9,41,51,210	4333.343	8,28,02,599
		<u>5,31,91,92,151</u>		<u>5,84,11,47,660</u>
Less: <b>Inter Division Transfer</b>				
Electricity (Kwh)	1424439	54,59,275	1505671	57,72,868
Vegetable & Refined Oils	1481.390	9,35,81,985	1784.920	9,54,60,624
Oil Cake	162.935	19,56,393	950.810	92,07,485
		<u>5,21,81,94,498</u>		<u>5,73,07,06,683</u>
<b>(E) CLOSING STOCK</b>				
RAW MATERIALS				
Oil Seeds	942.990	1,97,82,987	2489.660	5,80,08,074
Oil Cakes	807.950	86,86,270	3.250	33,517
Vegetable Oils	953.990	3,08,20,703	4169.597	17,19,73,331
Clay & Stone Powders	621.494	44,86,779	578.319	34,42,339
Metal Parts & Thimbles (Nos)	50975	27,41,186	88343	65,77,610
Transfer Sheets	*	3184435	*	36,31,173
Colours & Chemicals	*	19,79,148	*	19,22,429
		<u>7,16,81,508</u>		<u>24,55,88,473</u>



<b>FINISHED GOODS</b>				
De-Oiled Cake & Oil Cake	<b>421.760</b>	<b>32,49,854</b>	814.345	64,98,801
Vegetable & Refined Oils	<b>976.065</b>	<b>4,49,35,119</b>	2001.481	11,85,75,683
Vanaspati Ghee Bakery Shortening	<b>2093.437</b>	<b>7,73,84,406</b>	1555.576	7,65,00,427
Consignment Stocks	<b>9.083</b>	<b>4,42,651</b>	357.260	2,09,68,113
Insulators (Nos)	<b>61557</b>	<b>98,81,706</b>	15662	20,60,513
Crockery & Others (Nos)	<b>422930</b>	<b>96,77,043</b>	384046	71,54,873
Others	<b>898.078</b>	<b>3,41,91,272</b>	10750.024	8,34,54,193
<b>WORK-IN-PROCESS</b>		<b>1,68,81,907</b>		71,22,851
		<b>19,66,43,958</b>		<b>32,23,35,454</b>

**(F) CONSUMPTION**

Oil Seeds	<b>25050.938</b>	74750.782
Oil Cakes	<b>63666.472</b>	99459.060
Vegetable & Refined Oils	<b>43227.906</b>	38250.892
Clay & Stone Powders	<b>2893.965</b>	3525.915
Metel Parts & Thimbles (Nos)	<b>89830</b>	347406

**(G) PRODUCTION**

	<b>CURRENT YEAR (QTY. IN M.T.)</b>		<b>PREVIOUS YEAR (QTY. IN M.T.)</b>	
FROM OIL SEEDS	<b>8184.105</b>	<b>16776.270</b>	23775.103	50581.662
	(Oil)	(Cake)	(Oil)	(Cake)
FROM OIL CAKES	<b>4719.780</b>	<b>61929.525</b>	6969.430	95540.190
	(Oil)	(DOC)	(Oil)	(DOC)
FROM OILS	<b>11773.267</b>	<b>29290.569</b>	10058.432	25953.317
	(Refined)	(Vanaspati)	(Refined)	(Vanaspati)
CERAMICS (NOS.)		<b>2332813</b>		2913889
ELECTRICITY UNITS (KWH)		<b>3628344</b>		3841001

\* Small Items below 10% Value of Raw Material consumed have been grouped suitably.

**(H) RAW MATERIAL CONSUMPTION**

(Rs. in Lacs)

Amount	Current Year		Previous Year	
	Percentage	Amount	Amount	Percentage
a) Imported	<b>6928.11</b>	<b>17.83</b>	8559.48	20.02
b) Indigenous	<b>31938.32</b>	<b>82.17</b>	34193.68	79.98
	<b>38866.43</b>	<b>100.00</b>	<b>42753.16</b>	<b>100.00</b>

**(I) STORES & SPARES CONSUMPTION**

a) Imported	<b>40.56</b>	<b>7.43</b>	15.20	2.33
b) Indigenous	<b>505.56</b>	<b>92.57</b>	637.22	97.67
	<b>546.12</b>	<b>100.00</b>	<b>652.42</b>	<b>100.00</b>





## NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the members of Vijay Solvex Ltd, will be held at Registered Office, 'Bhagwati Sadan', Swami Dayanand Marg, Alwar on Wednesday the 30<sup>th</sup> September, 2009 at 11.00 A.M. to transact the following business:-

### Ordinary Business

1. To receive, consider and adopt the Balance Sheet as at 31.03.2009 and Profit & Loss Account for the financial year ended on that date and the Report of the Directors and Auditors thereon.
2. To appoint auditors and to fix their remuneration.
3. To appoint a Director in place of Shri Niranjan Lal Data who is retiring by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Mukesh Sethi, who is retiring by rotation and being eligible, offers himself for re-appointment.

### Special Business

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 for any amendment or substitution thereof and subject to the approval of Central Government, if required, the Company hereby accords its approval to the reappointment of Shri Vijay Data, as Managing Director of the Company for a period of five years with effect from 26th September, 2009 upon the terms and conditions including remuneration set-out in the agreement submitted to this meeting, which is hereby specifically sanctioned with authority to the Board of Directors to alter and/or vary the terms and conditions of the said reappointment within the limits, if any, prescribed in the Act and/or any schedules thereto."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Shri Vijay Data, remuneration by way of salary and perquisites not exceeding the ceiling laid down in

Section II of part II of Schedule XIII of the Companies Act, 1956, as may be decided by Board of Directors."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to enhance, enlarge, alter or vary the scope and quantum of remuneration and perquisites of Shri Vijay Data in the light of the further progress of the Company and such revision should be in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made thereunder and/or such guidelines as may be announced by the Central Government from time to time."

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 268, 309 and other applicable provisions, if any, of the Companies Act, 1956 for any amendment or substitution thereof and subject to the approval of the Central Government, if required, the Company hereby accords its approval to the reappointment of Shri Daya Kishan Data, as Wholetime Director of the Company for a period of five years with effect from 29th September, 2009, upon the terms and conditions including remuneration set-out in the agreement submitted to this meeting. Which is hereby specially sanctioned with authority to the Board of Directors to alter and/or vary the terms and conditions of the said appointment within the limits, if any, prescribed in the Act and/or any schedules thereto."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Shri Daya Kishan Data, remuneration by way of salary and perquisites not exceeding the ceiling laid-down in Section II of Part II of Schedule XIII of the Companies Act, 1956, as may be decided by the Board of Directors."

"RESOLVED FURTHER THAT the Board of Directors, be and are hereby authorized to enhance, enlarge, alter or vary the scope and



quantum of remuneration and perquisites of Shri Daya Kishan Data in the light of the further progress of the Company and such revision should be in conformity with any amendments to the relevant provisions of the Companies Act and/ or the rules and regulations made thereunder and/ or such guidelines as may be announced by the Central Government from time to time."

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

"RESOLVED THAT the consent of the Company be and is hereby granted in terms of Section 293(1)(a) and all other applicable provisions of the Companies Act, 1956, to the Board of Directors of the Company to mortgage and/or charge, in addition to the mortgages/charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable and/or immovable properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default, in favour of the Banks, National or International Financial Institutions, other Lender(s), Agent(s) and Trustee(s)/Trustee(s), for securing the borrowings availed/to be availed by the Company and/or any of the Company's holding/subsidiary/ affiliate/associate company, by way of loan(s) (in foreign currency and/or rupee currency whether Term Loan / Cash Credit/ other facilities) and Securities (comprising fully/partly Convertible Debentures and/or Non Convertible Debentures with or without detachable or nondetachable Warrants and/or secured premium notes and/or floating rate notes/bonds or other debt instruments), issued/to be issued by the Company, from time to time, subject to the limits approved under Section 293(1)(d) of the Companies Act, 1956, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of

the Agent(s)/Trustees, premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s)/ Heads of Agreement(s), Debenture Trust Deed(s) or any other document, entered into/to be entered into between the Company and the Banks/ Financial Institutions/ other Lender(s)/Agent(s) and Trustee(s) / Trustee(s), in respect of the said loans / borrowings / debentures / bonds and containing such specific terms and conditions and covenants, such security to ranks in such manner as may be agreed and in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Banks/Financial Institutions/ other Lender(s)/Agent(s) and Trustee(s) /Trustee(s).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalize, settle and execute such documents/ deeds/writings/papers/ agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid."

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

"RESOLVED THAT pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time, as it may think fit, any sum or sums of money not exceeding Rs.200 Crore (Rupees Two Hundred Crore) on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the monies to be borrowed, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's



Bankers in the ordinary course of business), exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

"RESOLVED FURTHER THAT the Board be and is hereby authorized for borrowing from time to time as it may think fit, any sum or sums of money but not exceeding Rs.200.00 Crore (Rupees Two Hundred Crore), in aggregate or equivalent thereto in any foreign currency (including the monies already borrowed by the Company), on such security and on such terms and conditions as the Board may deem fit, by way of loans from, or issue of Bonds, Debentures or other Securities whether Convertible into Equity/Preference Shares and/or Securities with or without detachable warrants with a right exercisable by the warrant holder(s) to convert or subscribe to Equity/Preference Shares (hereinafter referred to as "securities"), to Bank(s), Financial or other Institution(s), Mutual Fund(s), Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) or any other person(s), body(ies) corporate, etc., whether shareholder of the Company or not."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents as may be necessary, expedient and incidental thereto to give effect to this resolution."

By order of the Board

Date : 5<sup>th</sup> September, 2009      **A.L. Khandelwal**  
Place : Alwar - 301 001 (Raj)      *Company Secretary*

**NOTES :**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. THE ENCLOSED PROXY FORM, IF INTENDED TO BE USED, SHOULD REACH AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY EIGHT HOURS BEFORE THE**

**SCHEDULED TIME OF THE MEETING.**

2. Please bring your copy of the Annual Report at the Meeting.
3. Members/Proxies are requested to deposit the enclosed Attendance Slip duly filled in and signed for attending the Meeting. Members who holds shares in dematerialization form are requested to write their client ID and DP ID numbers for identification.
4. The Register of Members of the Company will remain close from 25th September, 2009 to 30th September, 2009 (both days inclusive).
5. Members intending to require information about Accounts to be explained at the meeting are requested to write to the Company at least seven days in advance of the Annual General Meeting.
6. Members holding shares in the same name under different folios are requested to apply for consolidation of such folios and send relevant share certificates.
7. Share transfer documents and all correspondence relating thereto, should be addressed to Registrars and Share Transfer Agents of the Company M/s Skyline Financial Services (P) Ltd, 246, 1st Floor, Sant Nagar, Main Iscon Temple Road, East of Kailash, New Delhi - 65.
8. Members holding shares in physical form are requested to notify/send for the following to the Company's Registrar and Transfer Agent or at Registered Office of the Company at the earliest.
  - ♦ Any change in their address/mandate/bank details; and
  - ♦ Particulars of their bank account, in case the same have not been sent earlier.Members holding shares in the electronic form are advised to inform changes in address/bank mandate directly to their respective Depository Participants.

By order of the Board

Date : 5<sup>th</sup> September, 2009      **A.L. Khandelwal**  
Place : Alwar - 301 001 (Raj)      *Company Secretary*



**ANNEXURE TO NOTICE**

**Explanatory Statement**

(Pursuant to Section 173(2) of the Companies Act, 1956)

**Item No.5 & 6**

Accordingly, the Board of Directors of the Company at their meeting held on 5th September 2009, subject to the approval of the Share Holders in the General Meeting under the applicable provisions of the Companies Act, 1956, have sought to reappoint Shri Vijay Data as Managing Director and Shri Daya Kishan Data as Wholetime Director for a period of five years.

The tenure of present agreement with Shri Vijay Data and Shri Daya Kishan Data will expire on 25.09.2009 and 28.09.2009 respectively. The terms and conditions of remuneration as applicable to the Managing Director/ The Wholetime Director as under-

Name of Director & Designation	Period of Appointment/reappointment	Salary Per Month (Rs.)	Grade (Rs.)	Ceiling on perquisites (Rs.)
(1)	(2)	(3)	(4)	(5)
Sh Vijay Data Managing Director	5 Years w.e.f. 26.09.2009	1,00,000/-	1,00,000- 10,000- 1,40,000/-	3,00,000/-
Sh Daya Kishan Data Wholetime Director	5 Years w.e.f. 29.09.2009	1,00,000/-	1,00,000- 10,000- 1,40,000/-	3,00,000/-

Details of other allowances and benefits applicable to each of the gentlemen and details of perquisites referred to in column No.5 above are as under -

1) **Housing :**

a) In case of unfurnished accommodation, hired by the Company, such expenditure not exceeding 60% of the salary. Over and above 60% of salary shall be payable by the Managing Director/the Wholetime Director.

b) In case no accommodation is provided by the Company, the Managing Director/the Wholetime Director shall be entitled to house rent allowance subject to 30% of the salary per month.

2) **Provident Fund :** 12% of the salary per month.

The contributions to provident fund are subject to any changes effected in the schemes/rules of the funds.

3) **Car :** Provisions of Company's Car with driver for official purpose of the Managing Director/the Wholetime Director.

4) **Telephone :** Provision of telephone at residence.

Personal long distance calls shall be billed by the Company to the Managing Director/the Wholetime Director.

5) **Perquisites :** The perquisites shall be within over all limit of Rs.3,00,000/- per annum. Such perquisites will include Leave Travel Assistance, Re-imbusement of Medical expenses, Personal accident insurance, subject to an annual premium being limited to Rs.8,000/- . The perquisites shall be valued as per income Tax Act, 1961.

**Other Benefits:**

**Gratuity :** Benefits in accordance with the rules and regulations in force in the Company from time to time, but shall not exceed a half month's salary for each completed year of service.

**Leave :** Leave as per Company's rules and leave not availed shall be encashed.

Such other benefits and amenities as may be provided by the Company to other senior officers from time to time.

The above remuneration as aforesaid to be allowed to the Managing Director/the Wholetime Director shall be subject to such limits for these remuneration as laid down by the Companies Act, 1956.

The scope and quantum of remuneration and perquisites specified hereinabove, may be enhanced, enlarged, widened, altered or varied by the Board of Directors in the light of and in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made thereunder and/or such guidelines as may be announced by the Central Government from time to time.

Notwithstanding anything to the contrary contained herein, where in any financial year during the currency of the tenure of the appointee, the Company has no profits or its profits are inadequate, the Company will pay him a remuneration by way of salary and perquisites not exceeding the ceiling laid down in Section II of Part II of Schedule XIII of the Companies Act, 1956 and as may be decided by the Board of Directors of the Company.

The Company shall pay to or reimburse the Managing Director/the Wholetime Director and he shall be entitled to be paid and/or to be reimbursed by the Company all





costs, charges and expenses that may have been or may be incurred by him for the purpose of or on behalf of the Company.

If the Managing Director/the Wholetime Director fail to get reappointment in General Meeting, their appointment as Managing Director/Wholetime Director will cease automatically and such agreement shall terminate forthwith.

If, at any time, the Managing Director/the Wholetime Director ceases to be a Director of the Company for any cause whatsoever, he shall cease to be a Managing Director/Wholetime Director and such agreement shall terminate forthwith.

The copy of the draft agreement to be entered into by the Company with Shri Vijay Data, and Shri Daya Kishan Data is available for inspection by the members at the Registered Office of the Company between 11.00 A.M. to 1.00 P.M. on all days except Sunday and Public Holidays, till the conclusion of the ensuing Annual General Meeting.

The abstract of terms and conditions of remuneration under Section 302 of the Companies Act, 1956 applicable to these gentleman is being circulated alongwith this notice..

The Board of Directors recommend the Special Resolution at item Nos. 5 and 6 for your approval.

Except Shri Vijay Data, Shri Daya Kishan Data and Shri Niranjana Lal Data, no other Director of the Company is interested in the appointment of and remuneration payable to Shri Vijay Data and Shri Daya Kishan Data.

#### **Item No. 7 & 8**

As the members are aware, your Company is exploring various opportunities for the all round growth of the Company through acquisition, expansion, diversification by taking up various Projects in the Company. With a view to meet the capital expenditure and other funds requirements for the above purposes, the Company would be required to borrow funds from time to time by way of loans and/or issue of Bonds, Debentures or other securities. As per section 293(1) (d) of the Companies Act 1956, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Board beyond the aggregate of the paid up capital of the company

and its free reserve requires approval from the shareholders of the Company. The members have in their Annual General Meeting held on 30th September 1996 authorised the Board of Directors to borrow funds from time to time upto an amount not exceeding Rs. 30.00 Crores. As mentioned above with every new acquisition, expansion and/or diversification plan, the capital requirements of the Company are also growing up and the aforesaid limit is likely to be exhausted in near future, and hence the proposal for obtaining the consent of the members by way of Ordinary Resolution for increasing this limit of Rs. 30 Crores to Rs.200 Crores is made.

Further, the said borrowing/issue of securities may be required to be secured by way of mortgage /charge over all or any part of the movable and/or immovable properties of the Company and as per the provisions of Section 293(1)(a) of the Companies Act 1956, the mortgage or charge on all or any part of the moveable and/or immovable properties of the Company, may be deemed as the disposal of the whole, or substantially the whole, of the undertaking of the Company and hence requires the approval from the shareholders of the Company. Accordingly the resolution u/s 293(1)(a) and the resolution u/s 293(1)(d), being connected therewith, are being proposed to seek your approval.

Your Directors recommend the resolutions as set out above for your approval.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

By order of the Board

Date : 5<sup>th</sup> September, 2009      **A.L. Khandelwal**  
Place : Alwar - 301 001 (Raj)      *Company Secretary*



**ADDITIONAL INFORMATION**

**Details of Directors seeking appointment/re-appointment in the Annual General Meeting to be held on 30th September 2009, pursuant to Clause 49 of the Listing Agreement -**

<b>Particulars</b>	<b>Shri Niranjana Lal Data</b>	<b>Shri Mukesh Sethi</b>
Date of Birth	14.04.1934	25.09.1954
Qualification	Inter-mediate	ACA
Expertise in specific functional area	Trading & Marketing of Oil and Ceramics	Finance
Directorship held in other companies	- Raghuvar (India) Ltd - Vijay International Ltd - Vijay Agro Mills Pvt Ltd - Data Developers Ltd - Indo Caps Pvt Ltd - Deepak Vegpro Pvt Ltd - Jhankar Motels Pvt Ltd	ROM Industries Ltd
Chairmanship/Committee membership of other Companies	NIL	NIL
No. of Shares Held	105228	NIL
Relationship with other Directors	Related to Shri Vijay Data and Shri Daya Kishan Data	Not related to any Director
Brief Resume	Shri Niranjana Lal Data with 48 years of rich experience in the field of Oil Industry is the Chairman of the Company. Shri Niranjana Lal Data has in-depth knowledge of trading and marketing of oil and ceramics.	Shri Mukesh Sethi is a Chartered Accountant with over 26 years experience. He has worked in large organisation like Escorts/NIIT & HNG. He is Chairman of Audit Committee, Remuneration Committee and Shareholders/Investors Grievance Committee.



<b>Particulars</b>	<b>Shri Vijay Data</b>	<b>Shri Daya Kishan Data</b>
Date of Birth	01.07.1955	04.09.1962
Qualification	M.Sc.(Physics)	Mech. Engineer
Expertise in specific functional area	Production, Sales, Purchase, Finance & General Administration.	General Management & Production
Directorship held in other companies	<ul style="list-style-type: none"><li>- Vijay Agro Mills Pvt Ltd</li><li>- Vijay International Ltd</li><li>- Data Developers Ltd</li><li>- Deepak Vegpro Pvt Ltd</li><li>- Data Infocom Ltd</li><li>- Raghuvar (India) Ltd</li><li>- Jay Complex Pvt Ltd</li><li>- Dhruva Enclave Pvt Ltd</li><li>- Gaurav Enclave Pvt Ltd</li><li>- Gaurav Ceramics Pvt Ltd</li><li>- Data Dot Com Ltd</li><li>- Data Foods (P) Ltd</li><li>- Data Houseware Ltd</li><li>- The Solvent Extractors Asso. of India</li></ul>	<ul style="list-style-type: none"><li>- Vijay Agro Mills Pvt Ltd</li><li>- Vijay International Ltd</li><li>- Jhankar Motels Pvt Ltd</li><li>- Data Infocom Ltd</li><li>- Raghuvar (India) Ltd</li><li>- Gaurav Ceramics Pvt Ltd</li><li>- Gaurav Enclave Pvt Ltd</li><li>- Dhruva Enclave Pvt Ltd</li><li>- Data Houseware Ltd</li></ul>
Chiarmanship/Committee membership of other Companies	NIL	NIL
No. of Shares Held	93453	104728
Relationship with other Directors	Related to Shri Niranjn Lal Data and Shri Daya Kishan Data.	Related to Shri Niranjn Lal Data and Shri Vijay Data.
Brief Resume	Shri Vijay Data, Post Graduate in Physics is Managing Director of the Company. He is associated with oil industry since last 31 years and has wide knowledge of quality of oil and oil seeds. He is looking day-to-day management of the Company. He has good exposure in the field of production, sales, purchase, finance and general administration. He is the member of Shareholders/Investors Grievance Committee.	Shri Daya Kishan Data is a Mechanical Engineer, and has 16 years experience in Ceramic Industries. He is looking after Ceramic Division of the Company. Besides this he is looking after exports of Crockery & Insulators.



**PROXY AND ATTENDANCE SLIP**

**VIJAY SOLVEX LIMITED**

REGD. OFFICE : 'BHAGWATI SADAN', S.D. MARG  
ALWAR - 301 001

**FORM OF PROXY**

DP Id*	
Client Id*	

Master Folio No.	
------------------	--

I/ We ..... being a member/s of VIJAY SOLVEX LIMITED.

hereby appoint

..... of .....  
... or failing him/her .....

as my/our proxy to attend and vote for me/us on my/our behalf at the 21<sup>st</sup> Annual General Meeting of the Company to be held on 30th September, 2009 and at any adjournment thereof.

Signed this ..... day of \_\_\_\_\_, 2009.  
by the said.

Affix  
Rs.1.00  
Revenue  
Stamp

\* Applicable for investors holding shares in electronic form.

**Note : The Proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**



**VIJAY SOLVEX LIMITED**

REGD.OFFICE : 'BHAGWATI SADAN', S.D. MARG,  
ALWAR - 301 001 (RAJ)

**ATTENDANCE SLIP**

(Please present this slip at the Entrance of the Meeting Hall)

DP Id*	
Client Id*	

Master Folio No.	
------------------	--

Name of Shareholder .....

I hereby record my presence at the 21<sup>st</sup> Annual General Meeting held at Alwar on the 30th day of September, 2009 at 11.00 A.M.

(To be signed at the time of handing over the slip at the Meeting Hall)

**(Signature of Member/Proxy)**

\* Applicable for investors holding shares in electronic form.