



ANNUAL REPORT

2008-2009



Vikram

THERMO (INDIA) LIMITED





NOTICE

Notice is hereby given that the Annual General Meeting of the members of VIKRAM THERMO (INDIA) LIMITED will be held on the 24TH September 2009, at 09.30 A.M. at ATMA HALL, Ahmedabad Textile Mills' Association, Ashram Road, Ahmedabad 380009, to transact the following business, with or without modifications.

ORDINARY BUSINESS

1. To consider and adopt the audited Balance Sheet as at 31st March 2009, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity Shares.
3. To appoint a Director in place of Dr. Chimanbhai K. Patel, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Thakarshibhai M. Patel, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Shri Ghanshyambhai D. Kewadia, who retires by rotation and being eligible, offers himself for reappointment.
6. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

7. To consider and if thought fit, to pass the following resolution as **SPECIAL RESOLUTION**, with or without modification,

RESOLVED THAT Dr. Dineshkumar H. Patel, who was appointed by the Board as an Additional Director w.e.f. 31st March, 2009, and who holds office up to the date of the forthcoming Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

FURTHER RESOLVED THAT pursuant to sections 198, 269, 309, 314, Schedule XIII and other applicable provisions if any of the Companies Act, 1956 and in accordance with Articles of Association of the Company, and also subject to the approval of the Central Government, if necessary, Dr. Dineshkumar H. Patel be and is hereby appointed Executive Director (Production) of the Company for the period of the five years from 01-04-2009 on following terms and conditions including remuneration as under. :

- | | | |
|--------------------------------------|---|-----------------------------------------------------------------------------------------------------------------------|
| 1) Salary | : | Rs. 45,000 per month plus Bonus |
| 2) Conveyance | : | Free use of Company's car with driver |
| 3) Travelling, Boarding and Lodging | : | Actual expenditure to be reimbursed by the Company for outstation journey for official work, in India or abroad. |
| 4) Leave Travel Concession: | : | Entitled to travel with family, by any mode, i.e. Air, Train, Road once in two years for visiting any place in India. |
| 5) Medical benefits | : | Actual expenses incurred for Executive Director and his family. |
| 6) Personal Accident Insurance | : | Premium for accident insurance shall not to exceed Rs. 4000/- p.a. |
| 7) Company's Contribution to | : | |
| (a) Provident Fund | : | As per rules of the company |
| (b) Superannuation Fund/Annuity Fund | : | As per rules of the company |
| 8) Gratuity | : | As per rules of the company |
| 9) Leave | : | As per Staff Regulations of the Company. |

- 10) Telephone : The Company shall provide telephone at residence.

FURTHER RESOLVED THAT Dr. Dineshkumar H. Patel, Executive Director of the Company be and is hereby authorised, empowered and vested with necessary powers of management for carrying out the Affairs and activities of the Company subject to the control, superintendence and directions of the Board of Directors of the Company.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorised to revise periodically the remuneration including the salary, perquisites, allowances etc. payable to Shri Dineshkumar H. Patel in accordance with the provisions of Section 198, 309 and 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 or any amendments or statutory modifications thereto, in conformity with the guidelines issued by the Central Government, without any further reference to the Company in the General Meeting.

FURTHER RESOLVED THAT Shri Dhirajbhai K. Patel, Managing Director of the Company be and is hereby authorised to take necessary action for giving effect of this resolution.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER
2. Explanatory statement as required under section 173 of the Companies Act, 1956 which forms part of this notice is annexed herewith.
3. The proxy form, duly stamped and executed, should reach the registered office of the company at least 48 hours before the time fixed for the commencement of the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 21-09-2009 to 24-09-2009 (both days inclusive).
5. Dividend, if declared, will be paid on or after 24.09.2009 to those members whose names appear in the Register of Members on 24.09.2009
6. Members are requested to quote Folio number in all their correspondences
7. Members are requested to inform the company immediately the changes, if any, in their address specifying full address in Block Capital Letters with Pin code of the post office.
8. Members are requested to bring their copy of Annual report of the meeting as the same shall not be distributed there at.
9. Members are requested to bring with them the attendance slip and hand it over at the entrance duly signed by them.
10. With respect to payment of dividend, the Company provides the facility of ECS to all shareholders, holding shares in electronic and physical forms. Shareholders holding shares in the physical form who wish to avail ECS facility, may authorise the Company with their ECS mandate in the prescribed form which can be obtained from the Registrars and Transfer Agents, Bigshare Services P. Ltd., E- 2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), MUMBAI 400072. The requests for payment of dividend through ECS for the year 2008-2009 should be lodged with Bigshare Services P. Ltd. on or before 17th September 2009. Copy of ECS form is attached with the report.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956

(1) SPECIAL RESOLUTION - ITEM NO. 7

Dr. Dineshkumar H. Patel was appointed by the Board as an Additional Director.

He possesses the high degrees of M.Sc. and Ph.D. with Polymers Chemistry. He is working with the company since 1st April, 2003 and performing the functions as Laboratory Manager and was looking after research and development activities. He possesses sound and specialized knowledge in this field. Looking to his academic background, knowledge and experience, the Directors thought it proper to include him in the Board of Directors and accordingly, he was appointed as Additional Director and Executive Director. It is hoped that his appointment as an Executive Director will be beneficial to the company.

The remuneration by way of salary is the same which he was receiving earlier as an Officer of the company. Certain perks are in addition to the existing perks paid to him as an executive. Looking to the functions carried out by him and the responsibilities to be shouldered by him, the remuneration proposed to be paid to him is fair and reasonable.

None of the directors are concerned and/or interested in this special resolution.

(2) DETAILS OF DIRECTORS SEEKING APPOINTMENT AND REAPPOINTMENT ARE AS UNDER:

PARTICULARS	Dr. C.K.Patel	Shri T. M. Patel	Shri G. D. Kewadia	Dr. D. H. Patel
Date of birth	10-03-1935	01-01-1954	01-06-1960	19-01-1977
Date of appointment	26-09-1994	25-03-2005	20-12-2005	31-03-2009
Qualifications	M.Sc., Ph.D	B.Com.	B.Sc.	M.Sc., Ph.D.
Experience in Specific areas	Research & Development	Management Marketing	Business Development	Production & Research
Directorship in other Public Companies	ni	nil	nil	nil
Membership or Chairmanship in Other Public Companies	nil	nil	nil	nil
Shareholding in the company	42500	3000	-	36812

Registered Office
101, Classic Avenue,
Opp. Sales India, Ashram Road,
Ahmedabad - 380009
Date: 23-07-2009

By order of Board of Directors
For, Vikram Thermo (India) Ltd.
Sd-
D. K. PATEL
Managing Director.



BOARD OF DIRECTORS

Dr. CHIMANBHAI KHODIDAS PATEL
DHIRAJBHAI KARSANDAS PATEL
AMBALALBHAI K. PATEL
BHARATBHAI M. SHAH
KETANBHAI C. PATEL
THAKARSHIBHAI M. PATEL
GHANSHYAMBHAI D. KEWADIA
Dr. DINESHKUMAR H PATEL

Chairman & Technical Director
Managing Director
Executive Director
Non Executive Director
Non Executive Director
Non Executive Director
Non Executive Direc
Executive Director

AUDITORS

B.A. RAJAPARA & CO.
Chartered Accountants
707, "Samruddhi", Nr. Sattar Taluka Society,
Opp. Sakar III, Ashram Road, Ahmedabad – 380 014.

BANKERS

PUNJAB NATIONAL BANK
Popular House, Ashram Road, Ahmedabad – 380 009.

SHARE TRANSFER AGENT:

BIGSHARE SERVICES PVT. LTD.
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E), Mumbai – 400 072.

FACTORY:

Unit-I At Dhanot,
Chhatral – Kadi Road, Tal. Kalol, Dist. Gandhinagar, Gujarat (INDIA)

Unit-II At Indrad, S. No. 322,
Chhatral- Kadi Road, Tal. Kadi, Dist. Mehsana, Gujarat (INDIA)

REGISTERED OFFICE:

101, Classic Avenue,
Opp. Sales India, Ashram Road,
Ahmedabad – 380 009.

DIRECTORS REPORT

DIRECTORS REPORT

Dear Members

Your directors have pleasure in submitting their Annual Report together with the Audited Statements of Accounts for the year ended on 31st March 2009.

FINANCIAL RESULTS

The financial results are as under:	2008-09	2007-08
Turn over	171,858,277	204,136,585
Profit before Tax	22,978,589	31,941,818
Provision for Taxation:	8,423,822	11,380,140
Profit after Tax	14,554,767	20,561,678
Balance Brought Forward	21,891,095	12,176,409
Balance profit available for Appropriation.	36,445,862	32,738,087
	=====	=====

APPROPRIATIONS

General Reserves	700,000	1,050,000
Proposed Dividend	5,582,570	8,373,855
Provision for Dividend Tax	948,758	1,423,137
Balance carried to Balance Sheet	29,214,534	21,891,095
	36,445,862	32,738,087
	=====	=====

OPERATIONS

Financial year 2008-09 proved to be a challenging one to the corporate sector, as the economies across the world passed through crisis and depression. Even during this hard and critical period, your Directors have put up their maximum efforts for the progress of the company. During the year under report, the turnover of the company has decreased to Rs. 171,858,277 (Previous Year Rs. 204,136,585). The company earned gross profit (before Taxation) of Rs. 22,978,589/- (Previous Year Rs. 31,941,818/-).

Members will appreciate that the company is continuously trying to march towards sound progress and prosperity even during the disturbed economic situation.

The products of the company are very well received in Indian and Overseas Market as well. All steps have been taken to overcome competition in the market.

DIVIDEND

Even during the period of global crisis your directors are pleased to recommend payment of dividend @ 10% (previous year 15%) on the paid up Equity Share Capital of the Company. Your director feels that members will appreciate the same. The dividend payout will result in a total outflow of Rs.65,31,328/- (Previous Year Rs.97,96,992/-)

FIX DEPOSIT

The Company has not accepted any deposit as per the provisions of the Section 58 - A of the Companies Act, 1956

GRATUITY

The Company has already established a Group Gratuity Fund for the benefit of the employees of the company. The Group policy has been taken with Life Insurance Corporation of India (Pension and Gratuity Fund Scheme). During the year contribution amounting to Rs. 2,71,785/- was made towards this fund (Previous year Rs. 17,51,413/- including the liabilities for earlier years).

PARTICULARS OF THE EMPLOYEES:

There is no employee who is in receipt of remuneration exceeding the limit specified under Section 217 (2A) of the Companies Act, 1956

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- I. In the preparation of the accounts for the financial year under report, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- II. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year under report, and of the profit of the Company for the year under review.
- III. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

- IV. The Directors have prepared the annual accounts of the company on a 'going concern' basis.

POLLUTION AND ENERGY CONSERVATION

Pursuant to Section 217(1) (e) of the companies Act, 1956 the information required in respect of pollution and energy conservation is given in the Annexure enclosed to this report.

FOREIGN EXCHANGE EARNING AND OUTGO

During the year company has earned foreign exchange of US \$ 1,23,375/- (Previous Year US\$ 2,32,916/-) amounting Rs.50,92,456/- (Previous year Rs. 94,34,653/-) on FOB basis against export sales.

The company has spent foreign exchange amounting to Rs. 1,06,16,794/- (previous year Rs.1,95,44,128/-) for the import of raw materials and spent US \$ 17,285/- (Previous Year US \$7,040/-) amounting Rs.7,42,936/- (Previous Year Rs.279498/-) towards expenses.

During the year company has also remitted US \$ 520/- (Previous Year US \$ 1138/-) amounting Rs.25,350/- (Previous Year RS. 45000/-) towards payment of dividend to NRI shareholders.

DIRECTORS:

During the year under report, Shri Babubhai K. Patel, Jt. Managing Director of the company resigned from his position as Director and Jt. Managing Director due to his other engagements. The Board accepted his resignation reluctantly and placed on record the valuable functions performed by him for progress of the company. He was one of the Chief Promoters and has played significant role in the promotion, progress and prosperity of the company. It is worthy to note that his wisdom, decision taking capacity and hard and sincere work put the company to the existing sound condition.

Shri Maheshbhai A. Parikh, another Director of the company also resigned due to his other occupations. He also played important role in the development of the company and the Board accepted his resignation and appreciated the valuable services rendered during the tenure of his directorship.

Dr. Chimanbhai K. Patel, Shri Thakarshibhai M. Patel and Shri Ghanshyambhai D. Kewadia, Directors of the Company retire by rotation and being eligible offer themselves for reappointment at the ensuing annual general meeting. You are requested to appoint Directors.

Dr. Dinesh H. Patel was appointed as an Additional Director of the Company by the Board. He holds this office up to the ensuing annual general meeting. A notice has been received from some of the shareholders of the company proposing his candidature as a Director.

A brief resume of the Additional Director and other Directors retiring by rotation at the ensuing Annual General Meeting, nature of their expertise in specific functional areas, and names of companies in which they hold directorship and/or membership/ Chairmanship of Committees of the Board, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are given separately in the section on Corporate Governance.

DEMATERIALIZATION OF SHARES:

To provide better and smooth services to the shareholders, the company's Equity shares are made available for dematerialization in electronic form in the Depository System operated by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL)

In order to avail this service, shareholders are advised to dematerialize the shares in the electronic form.

CORPORATE GOVERNANCE:

As per Clause 49 of the Listing Agreements with the Stock Exchange, the report of the Corporate Governance and the Certificates of the Managing Director and Auditors of the Company in respect of compliance thereof are appended here to and form part of this report.

INSURANCE:

The assets of the company are adequately insured against various risks.

AUDITORS:

You are requested to appoint auditors from the conclusion of ensuing Annual General Meeting up to conclusion of next Annual General Meeting and fix their remuneration. Present auditors M/s. B. A. Rajpara & Co. are eligible for reappointment and has confirmed that their re-appointment, if made shall be within the limits of Section 224(1B) of the Companies Act, 1956.

APPRECIATION:

The Board place on record the appreciation of the sincere and devoted services rendered by all the employees and the continued co-operation and confidence of shareholders. The Board expresses their sincere thanks to the Punjab National Bank,



Government and Semi Government Authorities and all other well wishers for their support and contribution towards the growth of the company.

Registered Office :
101, Classic Avenue,
Opp. Sales India, Ashram Road,
Ahmedabad - 380009
Date: 23rd July, 2009

on behalf of Board of Directors
FOR, VIKRAM THERMO (INDIA) LIMITED

Dr. C.K.PATEL
CHAIRMAN

FORM - B (See Rule 2)

Form of Disclosure of particulars with respect to absorption

Research and development (R & D) : Necessary steps are being taken
Technology absorption, adaptation : Necessary steps are being taken.
and innovation

VIKRAM THERMO (INDIA) LIMITED

CORPORATE GOVERNANCE

The Company, pursuant to Clause 49 of the listing agreement with the Stock Exchange, is pleased to furnish its report on Corporate Governance.

COMPANYS' PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to the adoption of best Corporate Governance practice and the management is of the view that a good Corporate Governance policy is one which results in the control of the company in a regular manner, which makes management transparent, ethical accountable and fair resulting in enhanced shareholder value. The management is pleased to provide detailed disclosures of specific matters required by Securities and Exchange Board of India.

Board of Directors

I. Composition and Category
The Board at present consists of EIGHT directors (Four Executive and Four non-executive Independent directors)

II. Board Meetings, attendance, position held in committee meetings
The Board met Six times on 30th April 2008, 30th June 2008, 30th July 2008, 23rd October 2008, 27th January 2009 and 31st March, 2009. Notices of the meetings with agenda along with necessary details were sent to the directors in time.

The names and categories of the Directors, their attendance at Board meetings and General Meeting as also position held by them in committees of other public limited companies as on 31st March 2009 are given below.

ANNEXURE TO DIRECTORS' REPORT FOR THE YEAR 2008-09
FORM - A (See Rule 2)

A. POWER AND FUEL CONSUMPTION		Current year 2008-09	Previous Year 2007-08
1. Electricity:			
(A) Purchase unit		395366	339749
Total Amount	Rs.	25,02,424	20,19,161
Rate/Unit	Rs.	6.329	5.943
2. Own Generation			
Fuel Purchase (Ltr.)		2216	1600
(Diesel)			
Total amount	Rs.	82,573	61,660
Rate/Unit	Rs.	37.262	38.537
3. Others			
i. FIREWOOD(Kgs.)		636480	775348
Total Amount	Rs.	14,23,056	12,72,238
Rate/Kg.	Rs.	2.236	1.640

B. CONSUMPTION PER UNIT OF PRODUCTION

Name of Product	Unit	Current Year	Previous Year
Drug Coat	Kgs.	1043002	1133960
DPO	Kgs.	435131	568414
TOTAL		1478133	1702374
ELECTRICITY UNIT CONSUMED:			
Electricity	Unit	395366	339749
Diesel Oil	Liter	0.267	0.20
Coal	Kilogram	0.001	0.001
Fire wood	Kilogram	0.431	0.455

Name of the Director	Category	Board Meeting held During tenure of Director	Board Meeting Attended	Last AGM	No. of Directorship in other Public Ltd. Cos.	Chairman/Membership in other public limited Cos.
1. Dr. Chimanbhai K. Patel	Executive	6	6	Y	—	—
2. Shri Dhirajbhai K. Patel	Executive	6	5	Y	—	—
3. Shri Babubhai K. Patel	Executive	6	5	Y	—	—
4. Shri Ambalal K. Patel	Executive	6	6	Y	—	—
5. Shri Thakarshibhai M. Patel	Independent	6	6	Y	—	—
6. Shri Bharatbhai M. Shah	Independent	6	4	N	—	—
7. Shri Ketanbhai C. Patel	Independent	6	4	Y	—	—
8. Shri Ghanshyambhai D. Kewadia	Independent	6	3	Y	—	—
9. Shri Maheshbhai A. Parikh	Independent	6	2	Y	—	—
10. Dr. Dineshbhai H. Patel	Appointed as Director On 31-3-2009	1	1	N	—	—

III. Information on Directors Appointment/Re-appointment

Dr. Chimanbhai K. Patel, Shri Thackershibhai M. Patel & Shri Ghanshyambhai D. Kewadia, retire by rotation at the ensuing Annual General Meeting. They being eligible, offer themselves for reappointment. Dr. Dinesh H. Patel was appointed by the Board and he holds office upto the next annual general meeting. Their brief particulars are as follows

Name of Director	Dr. Chimanbhai K. Patel	Shri Thackershibhai M. Shah	Shri Ghanshyambhai D. Kewadia	Dr. Dineshbhai H. Patel
Date of Birth	10/03/1935	01/01/1954	01/06/1960	19/01/1977
Date of Appointment	26/09/1994	25/03/2005	20/12/2005	31/03/2009
Qualification	M.Sc., Ph.D.	B.Com.	B.Sc.	M.Sc., Ph.D.
Expertise in specific functional areas	Research & Development	Management & Marketing	Business Development	Production & Research
List of Companies in which directorship is held as on	Nil	Nil	Nil	Nil
Chairman/Member of the committee of other companies	Nil	Nil	Nil	Nil

IV. Audit Committee

The Audit Committee, comprises of three non-executive independent directors viz. Shri T. M. Patel, Shri Bharatbhai M. Shah and Shri K. C. Patel.

Shri Bharatbhai M. Shah, is the chairman of the AUDIT COMMITTEE.

Committee met on 25-04-2008, 25-07-2008, 23-10-2008 and 27-01-2009 for perusal financial position and un-audited quarterly results and also met for perusal of the finalization of annual accounts for the year ended on 31.03.2009. The Accounts and Financial position perused by the Audit Committee, were thereafter placed before board for their consideration. The composition and attendance record of the members of the Audit committee meetings are as follows.

Name of the Director	No. of Meeting held	No. of Meeting Attended
Shri Bharatbhai M. Shah	4	3
Thakarshibhai M. Patel	4	4
Ketan C. Patel	4	4

V. REMUNERATION COMMITTEE :

The Board constituted the Remuneration Committee consisting of following non-executive directors, Ghanshyambhai D. Kewadia, Thakarshibhai M. Patel, Ketanbhai C. Patel. The committee determines the remuneration paid/payable to the Managing Directors and other Executive Directors subject to the approval of the members. The details of payment of remuneration to the Directors are given below:

Name of the Director	Relationship with other Directors	Total remuneration paid	No of Board Meeting attended
1. Dr. C. K. Patel	NIL	Rs.9,60,000	6
2. Shri D. K. Patel	Brother of Shri B. K. Patel & Shri A. K. Patel	Rs.19,20,000	5
3. Shri B. K. Patel	Brother of Shri D. K. Patel & Shri A. K. Patel	Rs.19,20,000	5
4. Shri A. K. Patel	Brother of Shri D. K. Patel & Shri B. K. Patel	Rs.7,68,000	6

VI. SHARE TRANSFER COMMITTEE / INVESTOR GRIEVANCE COMMITTEE:

The company has Share Transfer and Investor's Grievance Committee, under the chairmanship of independent director, for quick and timely transfer of shares, issue of duplicate share certificates, etc. Transfer of shares approved by the committee are placed before the Board. The Committee also looks in to all issues related to investor grievances.

Shares of the company are also available for dematerialization.

VII. REGISTRAR AND SHARE TRANSFER AGENT:

M/s. BIGSHARE SERVICES PVT. LTD., Mumbai E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka Andheri (East) , Mumbai – 400 072 Phone (022) 28473747 are Registrar and Share Transfer Agent of the Company.

VIII. MEANS OF COMMUNICATION:

The quarterly/half yearly /yearly financial results are published in English and Gujarati languages in news paper. More over necessary reports and certificates as required by the listing agreement, are sent to The Bombay Stock Exchange Ltd.

IX. DETAILS OF NON-COMPLIANCES, PENALTIES ETC.

There were no such instances of non-compliance nor any penalties or strictures were imposed on the company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital markets during the last three years.

X. MARKET PRICE DATA:

The month wise detail of market prices of the shares during the year 2008-09 of the company at The Bombay Stock Exchange Ltd. are as under:

Month	High	Low
April 2008	25.35	22.05
May 2008	26.40	21.00
June 2008	25.10	18.55
July 2008	24.85	17.60
August 2008	27.90	22.00
September 2008	26.95	15.15
October 2008	19.45	12.55
November 2008	17.95	14.25
December 2008	17.90	14.65
January 2009	19.50	13.80
February 2009	16.45	12.77
March 2009	17.70	12.80

XI. MANAGEMENT DISCUSSION AND ANALYSIS :

Report on Management discussion and analysis has been given separately in this Annual Report and form part of this report.

XII. ANNUAL GENERAL MEETINGS

Annual General meeting of the company will be held on

24th September 2009 at 9.30 a.m. at ATMA HALL, Ahmedabad Textile Owners' Association, Ashram Road, Ahmedabad 380 009

A. PARTICULARS OF ANNUAL GENERAL MEETINGS HELD DURING LAST THREE YEARS:

Date of A.G.M.	Place of A.G.M.	Time	Particulars of Special Resolutions, if any
16-09-2006	Hotel Adhar, Top Floor, Iscon Arcade, C.G.Road, Navarangpura, Ahmedabad – 380 009	11.00 a.m.	Increase in commission from 2.5% to 3.5% payable to Shri Dhiraj K. Patel Managing Director and Shri Babubhai K. Patel Jt. Managing Director and also making them not liable to retire by rotation.
25-09-2007	Hotel Adhar, Top Floor, Iscon Arcade, C.G.Road, Navarangpura, Ahmedabad – 380 009	11.30 a.m.	Increase in Salary of Shri Dhiraj K. Patel Managing Director and Shri Babubhai K. Patel Jt. Managing Director.
22-09-2008	Hotel Adhar, Top Floor, Iscon Arcade, C.G.Road, Navarangpura, Ahmedabad – 380 009	11.30 a.m.	Increase in remuneration of M.D. Shri D.K. Patel and Jt. M.D. Shri B.K. Patel and appointed of Shri A.K. Patel as E.D. and payment of remuneration to him.

No Special Resolution was passed or proposed to be passed through postal ballot.

XIII. COMPLIANCE OFFICER:

Mr. Jaymin C. Patel is the Compliance Officer of the Company.

XIV. LISTING

The company's equity shares are listed at The Bombay Stock Exchange Ltd.

XV. STOCK CODE

- (1) Trading Scrip Code at The Bombay Stock Exchange Ltd. : 530477
- (2) Demat ISIN number in NSDL & CDSL for equity Shares : INE337E01010

XVI. FINANCIAL RESULTS:

The quarterly/half yearly /yearly financial results were published in English and Gujarati languages in news papers, from time to time.

**XVII. BOOK CLOSURE:**

For updating records and shareholding information of the members of the company, the Share Transfer Books and Register of Members shall remain closed from 21-09-2009 to 24-09-2009 (both days inclusive).

XVIII. SHAREHOLDING PATTERN:

Category wise distribution of equity shareholding as on 31.03.2009 is as under:

Category	No. of Shares	% age
Promoter's Group	30,56,419	54.75
Other Body Corporate	3,01,842	05.41
Banks	-	-
Mutual Funds and UTI	61,500	01.10
NRI	1,40,497	02.52
Others	20,14,310	36.08
Shares in Transit	8,002	00.14
Total	55,82,570	100.00

Distribution Schedule: as on 31.03.2009

No. of Shares	No. of Shareholders	% age
1	1954	70.29
5001	403	14.50
10001	189	06.79
20001	90	03.24
30001	19	00.68
40001	33	01.19
50001	32	01.15
100001	60	02.16
Total:	2,780	100.00

XIX. DIVIDEND PAYMENT DATE:

Dividend will be paid within 30 days from the date of ensuing Annual General Meeting at which dividend is proposed to be declared.

XX. REGISTERED OFFICE:

The registered office of the company is situated at 101, Classic Avenue, Op. Sales India, Ashram Road, Ahmedabad - 380009.

XXI. PLANT LOCATION:

The plants of the company are located at:

- (A) Unit - I : AT DHANOT,
CHHATRAL KADI ROAD, TA. KALOL, DIST. GANDHINAGAR. GUJARAT (INDIA)
- (B) Unit - II : AT INDRAD
S.NO. 322, CHHATRAL KADI ROAD, TA. KADI, DIST. MEHSANA. GUJARAT (INDIA).

MANAGEMENT DISCUSSION AND ANALYSIS:

- INDUSTRY OUTLOOK:**
Company's products, utilities are in Pharmaceutical industry. The Indian Pharma Industry is fast growing industry. Future of the Indian Pharma Industry is fabulous.
- OPPORTUNITIES AND THREATS:**
Though company's turnover and profit figures have reduced marginally compared to the previous year, looking to the global recession the performance is satisfactory.
- RISKS AND CONCERNS:**
The company's raw materials are based on petrochemicals. Major fluctuations in the petroleum products can affect the company's performance.
- INTERNAL CONTROL SYSTEM:**
The company has satisfactory internal control system. The company has implemented latest software to improve efficiency and control.
- HUMAN RESOURCES:**
Whenever required, company provides training to enhance the skills of the people. The Company has attitude to implement employee welfare activities.

Certificate of Managing Director

I, Dhirajbhai K. Patel, Managing Director of the company, hereby declare that the Board of Directors have laid down a Code of Conduct for the Board Members and Senior Management of the company and the Board Members and Senior Management have affirmed compliance with the said code of conduct.

For VIKRAM THERMO (INDIA) LIMITED.

MANAGING DIRECTOR

PLACE: AHMEDABAD
DATE: 23-7-2009

AUDITOR'S CERTIFICATE

To,
The Members of
Vikram Thermo (India) Limited

We have examined the records concerning the company's compliance of condition of corporate governance as stipulate in clause 49 of the Listing Agreement entered into, by the Company, with the stock exchanges of India, for the financial year ended 31st March 2009

The objective of our examination is to give our opinion on whether the company has complied with the conditions of Corporate Governance as stipulated in the provision of clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges of India.

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

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for examination and the information and explanation given to us by the company.

On the basis of the records maintained by the shareholder, investors, Grievance Committee' of Company, we state that there were no investor grievances pending against the Company for a period exceeding one month.

Based on such examination, in our opinion, the Company has complied with the condition of the Corporate Governance, as stipulate in the provision of Clause 49 of the Listing Agreements, of the Stock Exchange of India.

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.

Dated: 23-07-2009

Place : Ahmedabad.

For, B.A.Rajpara & Co.
Chartered Accounts

(B.A.RAJPARA)
Proprietor

**AUDITOR'S REPORT**

To,
The Members of
VIKRAM THERMO (INDIA) LTD.
AHMEDABAD.

We have audited the attached Balance Sheet of M/S. VIKRAM THERMO (INDIA) LTD. as at 31st March, 2009 and also the Profit & Loss account and the Cash Flow Statement of the Company for the year ended on that date annexed there to. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion and we report that :

- (1) We have obtained all the information and explanations which to best of our knowledge and belief were necessary for the purpose of our audit.
- (2) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books.
- (3) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account of the company.
- (4) In our opinion, the balance sheet & profit & loss account and cash flow statement dealt with by this report are in compliance with Accounting Standards referred to in section 211 (3C) of the Companies Act, 1956, in so far as they apply to the company.
- (5) As per the representation made to us by all the directors of the company and taken on record by the Board of Directors, none of the director is disqualified from being appointed as director under section 274(1)(g) of the Companies Act 1956.
- (6) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies under schedule – P and other notes thereon, give 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 and
 - ii) In the case of Profit & Loss Account, the profit of the company for the year ended on that date.
 - iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that day.
- (7) As required by the Companies (Auditors' Report) order, 2003, issued by the Central Government of India in terms of section 227(4A) of the Act and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we further state on the matters specified in paragraph 4 and 5 of the said order to the extent applicable as follows :

- i) The company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.

We have been informed that the fixed assets were physically verified during the year by the Management in accordance with a program of verification, which in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. No material discrepancy was found during the verification.

During the year company has not disposed off any substantial part of fixed assets.

- ii) The inventory of the company has been physically verified by the Management during the year. In our opinion the frequency of verification is reasonable.

In our opinion, the procedure of physically verification of inventory followed by the Management are reasonable and adequate in relation to the size of the company and nature of its business.

The company has maintained proper records of inventory and no material discrepancy between the physical stock and the book stock is noticed on physical verification.

- iii) The Company has not granted or taken any loans, secured or unsecured to or from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act 1956. Accordingly the provisions of clauses 4(iii)(b), 4(iii)(c), 4(iii)(d), 4(iii)(f) and 4(iii)(g) of the order are not applicable to the Company.

- iv) There are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchases of inventories and fixed assets and with regard to sales of goods and services.
During the course of our audit no major weakness has been noticed in the internal control procedures.
- v) According to the information & explanation provided to us, the particular of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
According to information and explanation provided to us, transaction made in pursuance of such contract or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time where such market prices are available with the company or the prices at which transactions for similar goods or services have been made with other parties.
- vi) The company has not accepted any deposits under the provisions of Section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under.
- vii) In our opinion the company has adequate internal audit system commensurate with the size and nature of its business.
- viii) We are informed that Central Government has not prescribed for maintenance of cost records under section 209(1)(d) of the Companies Act 1956 for the products of the company.
- ix) According to information and explanation given to us and the records of the company examined by us, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs duty, Excise duty, Cess and other statutory dues with the appropriate authorities during the year.
There are no unpaid disputed statutory dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess.
- x) The company does not have accumulated losses at the end of the year and the company has not incurred cash losses during the current and immediately preceding financial year.
- xi) According to the records of the Company, the company does not have any outstanding dues payable to any financial institution or debenture holders. It has not defaulted in repayment of its dues to bank during the year.
- xii) The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion and according to the information and explanation given to us, the company is not a chit fund/nidhi/mutual benefit fund/society. Accordingly paragraph 4(xiii) of the order is not applicable.
- xiv) The company has not dealt or traded in shares, securities, debentures or other investments during the year.
- xv) According to the records of the Company, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) In our opinion and according to the information and explanation given, the term loan were applied for the purpose for which the loan were obtained.
- xvii) On the basis of review of utilization of funds which is based on overall examination of the balance sheet of the company, related information as made available to us and as represented by the Management, Funds raised on short term basis have, prima facie, not been used during the year for long term investments.
- xviii) The company has not made any preferential allotment to parties and companies covered in the register maintained under section 301 of the Act during the year.
- xix) The Company has not issued any debentures.
- xx) The company has not raised any money by public issue during the year.
- xxi) To the best of our knowledge and belief and as per the information and explanation given to us, no fraud on or by the Company was noticed or reported during the year.

Dated: 23-07-2009

For, B.A.Rajpara & Co.
Chartered Accounts

Place : Ahmedabad.

(B.A.RAJPARA)
Proprietor

**BALANCE SHEET AS AT 31ST MARCH, 2009****(in Rs.)**

PARTICULARS	SCH	AS AT 31.03.2009 (Rupees)	AS AT 31.03.2008 (Rupees)
I) SOURCES OF FUNDS :			
1) SHARE HOLDERS FUNDS :			
a. Equity Share Capital	A	55,825,700	55,825,700
b. Reserve And Surplus	B	32,714,534	24,691,095
2) LOAN FUNDS :			
Secured Loan	C	16,373,787	21,969,787
3) DEFERRED TAX LIABILITIES		3,795,705	5,505,704
TOTAL		108,709,726	107,992,286
II) APPLICATION OF FUNDS :			
1) FIXED ASSETS :			
LESS: DEPRECIATION	D	109,942,721	108,619,386
NET BLOCK		40,871,907	34,368,166
		69,070,814	74,251,220
2) (A) CURRENT ASSETS, LOANS & ADVANCES :			
a) Inventory	E	14,742,995	12,420,253
b) Sundry Debtors	F	50,284,930	66,914,531
c) Cash and Bank Balance	G	1,229,343	1,053,282
d) Loans & Advances	H	2,072,483	3,017,659
Less:		68,329,751	83,405,724
(B) CURRENT LIABILITIES & PROVISIONS :	I		
a) Current Liabilities		20,670,329	28,326,078
b) Provisions		8,020,511	21,338,580
NET CURRENT ASSETS (A-B)		39,638,911	33,741,066
		108,709,726	107,992,286
NOTES ON ACCOUNTS	P		

As per our Report of even date
FOR, B. A. RAJPARA & CO.
 CHARTERED ACCOUNTANTS

(B. A. RAJPARA)
 PROPRIETOR

PLACE : AHMEDABAD.
 DATE : 23.07.2009

FOR AND ON BEHALF OF THE BOARD

 (MANAGING DIRECTOR)

 (DIRECTOR)

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2009 (in Rupees)

PARTICULARS	SCH	YEAR ENDING 31.03.2009	YEAR ENDING 31.03.2008
I) INCOME :			
1) Turnover		171,858,277	204,136,565
Less : Excise Duty		18,515,125	24,089,491
Net Turnover		153,343,152	180,047,074
2) Miscellaneous Income	J	420,767	285,173
3) Increase/ (Decrease) in Stock In Trade/WIP		938,251	(2,459,576)
TOTAL		154,702,170	177,872,670
II) EXPENDITURE :			
1) Material Consumed	K	82,344,906	94,101,676
2) Manufacturing Expenses	L	11,456,441	14,584,222
3) Administrative Expenses	M	10,801,179	6,496,629
4) Selling & Distribution Expenses	N	12,836,606	16,107,406
5) Financial Charges	O	3,586,808	3,183,362
6) Sales Tax		4,151,117	5,964,616
7) Depreciation	D	6,546,525	5,492,942
		131,723,582	145,930,853
PROFIT/(LOSS) BEFORE TAXATION (I-II)		22,978,589	31,941,818
Provision for taxation - Current		10,044,163	11,500,000
- Prior Year		-	66,205
- Deferred		(1,709,999)	(271,065)
- Fringe Benefit Tax		89,658	85,000
PROFIT AFTER TAX		14,554,767	20,561,678
Balance brought forward		21,891,095	12,176,409
BALANCE PROFIT AVAILABLE FOR APPROPRIATION		36,445,862	32,738,087
APPROPRIATION			
General Reserve		700,000	1,050,000
Proposed Dividend		5,582,570	8,373,855
Provision For Dividend Tax		948,758	1,423,137
Balance carried to Balance Sheet		29,214,534	21,891,095
		36,445,862	32,738,087
NOTES FORMING PARTS OF ACCOUNTS	P		

As per our Report of even date
FOR, B. A. RAJPARA & CO.
 CHARTERED ACCOUNTANTS

(B. A. RAJPARA)
 PROPRIETOR

PLACE : AHMEDABAD.
 DATE : 23.07.2009

FOR AND ON BEHALF OF THE BOARD

 (MANAGING DIRECTOR)

 (DIRECTOR)



SCHEDULE OF BALANCE SHEET AS AT 31-03-2009

(in Rupees)

PARTICULARS	AS AT 31-03-2009	AS AT 31-03-2008
SCHEDULE-A		
SHARE CAPITAL :		
AUTHORISED :		
60,00,000 Equity Shares of Rs. 10 each (Previous year 60,00,000 Equity Shares of Rs. 10 each)	60,000,000	60,000,000
ISSUED SUBSCRIBED AND PAID UP :		
55,82,570 Equity Shares of Rs. 10 each fully paid up (Previous year 55,82,570 Equity Shares of Rs.10 each fully paid up) (Out of above 2082500 shares have been allotted for consideration other than in cash to shareholders of erstwhile Vikram Aroma Private Limited pursuant to scheme of amalgamation.)	55,825,700	55,825,700
	55,825,700	55,825,700
SCHEDULE-B		
RESERVE AND SURPLUS :		
1. General Reserve		
Opening Balance 28,00,000		
Transferred From Profit & Loss Account 7,00,000	3,500,000	2,800,000
2. Profit & Loss Account		
Balance Carried Forward	29,214,534	21,891,095
	32,714,534	24,691,095
SCHEDULE-C		
A. SECURED LOANS :		
1) FROM BANKS:		
- Punjab National Bank (Ashram Road) Cash credit Account	15,671,267	16,181,513
- Punjab National Bank (Ashram Road) Packing credit Account	-	1,82,000
- Punjab National Bank (Ashram Road) Term Loan	-	3,968,274
- Punjab National Bank (Ashram Road) Bill Purchase	702,520	-
	16,373,787	21,969,787
1. Working Capital facilities are secured against first charge on entire present and future current assets including entire stock, Book Debts, Loans and Advances And mortgage of Fixed Assets		
2. Term Loan Is secured against Hypothecation of Plant & Machinery And extention of Equitable Mortgage of Land & Building		

SCHEDULE OF BALANCE SHEET AS AT 31-03-2009

(in Rupees)

FIXED ASSETS								SCHEDULE - D			
Sr. No	Name of Assets	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK		
		Opening Balance As at 1/4/08	Additions during the year	Deduction / Adjust. during the year	Closing Balance As at 31/3/2009	Opening Balance As at 1/4/08	Depre. During the year	Deduc. During the year	Closing Balance As at 31/3/2009	As at 31/3/2009	As at 31/3/2008
1	Land & Building	33,366,702	824,714	-	34,191,416	5,248,362	1,014,274	-	6,262,635	27,928,780	28,118,340
2	Plant & Machinery	68,691,908	299,295	-	68,991,203	26,406,708	4,917,734	-	31,324,442	37,666,761	42,285,200
3	Furniture & Fittings	1,997,628	232,702	-	2,230,330	796,140	136,723	-	932,863	1,297,467	1,201,488
4	Vehicles	3,854,024	-	42,784	3,811,240	1,518,826	362,068	42,784	1,838,111	1,973,130	2,335,198
5	Computers	709,124	9,408	-	718,532	398,130	115,726	-	513,856	204,676	310,994
TOTAL		108,619,386	1,366,119	42,784	109,942,721	34,368,166	6,546,525	42,784	40,871,907	69,070,814	74,251,220
2007 - 08		73,331,085	38,279,525	2,991,225	108,619,386	31,416,448	5,492,942	2,541,225	34,368,166	74,251,220	--

(in Rupees)

PARTICULARS	AS AT 31-03-2009	AS AT 31-03-2008
SCHEDULE-E		
INVENTORIES :		
(As taken valued & certified by the management)		
a) Raw Material	6,869,605	5,799,279
b) Packing Material	422,695	216,889
c) Finished Goods	7,014,756	4,908,394
d) Work in Process	117,450	1,285,561
e) Fuel & Other Stock	318,489	210,130
	14,742,995	12,420,253
SCHEDULE-F		
SUNDRY DEBTORS : (Unsecured)		
(a) Exceeding six month		
Considered Good	10,567,437	12,739,344
Considered Doubtful	9,498,637	6,749,245
(b) Others		
Considered Good	39,717,493	54,175,187
Considered Doubtful	2,184,076	-
	61,967,643	73,663,776
Less : Provision For Doubtful Debts	11,682,713	6,749,245
	50,284,930	66,914,531



SCHEDULE OF BALANCE SHEET AS AT 31-03-2009

(in Rupees)

PARTICULARS	AS AT 31-03-2009	AS AT 31-03-2008
<u>SCHEDULE-G</u>		
<u>CASH & BANK BALANCES :</u>		
Cash on Hand	165,363	201,768
Bank Balance With Schedule Banks In :		
Fixed Deposit Account	300,000	325,000
Current Account	24,350	18,958
Unclaimed Dividend Account	739,630	507,556
	1,229,343	1,053,282
<u>SCHEDULE-H</u>		
<u>LOANS AND ADVANCES :</u>		
(Unsecured considered good)		
Advance recoverable in cash or kind or for which value to be received	1,779,740	2,723,946
Balance With Customs & Excise Authorities	285,023	270,984
Tax Deducted at Source	7,720	22,729
	2,072,483	3,017,659
<u>SCHEDULE-I</u>		
<u>A. CURRENT LIABILITIES :</u>		
1) Sundry Creditors :		
a) For Goods	10,975,706	16,019,543
b) For Others	8,415,377	10,194,114
2) Investor Education & Protection Fund		
Unclaimed Dividend	739,630	507,556
3) Other Liability	539,617	1,604,866
	20,670,329	28,326,078
<u>B. PROVISIONS :</u>		
Income Tax Provision	1,483,000	11,500,000
Provision For FBT	2,078	41,588
Proposed Dividend	5,582,570	8,373,855
Provision For Dividend tax	948,758	1,423,137
Wealth Tax Provision	4,105	-
	8,020,511	21,338,580

SCHEDULE OF PROFIT AND LOSS ACCOUNT

(in Rupees)

PARTICULARS	2008-2009	2007-2008
<u>SCHEDULE-J</u>		
<u>OTHER INCOME :</u>		
Interest	81,045	101,137
Bad Debts Recovery	325,826	-
Miscellaneous Income	13,896	184,035
	420,767	285,173
<u>SCHEDULE-K</u>		
<u>MATERIAL CONSUMPTION :</u>		
(A) <u>Raw Material :</u>		
Opening Stock	5,799,279	7,922,970
Add : Purchase	75,644,659	83,307,088
Clearing & Forwarding Charges	426,359	1,021,729
Freight Inward	458,066	578,263
	82,328,363	92,830,050
Less: Closing Stock	6,869,605	5,799,279
	75,458,758	87,030,771
(B) <u>Packing Material :</u>		
Opening Stock	216,889	329,912
Add : Purchase	7,091,954	6,957,881
	7,308,843	7,287,793
Less: Closing Stock	422,695	216,889
	6,886,149	7,070,904
TOTAL (A + B)	82,344,906	94,101,676
<u>SCHEDULE-L</u>		
<u>MANUFACTURING & OTHER EXPENSES :</u>		
Power	2,603,085	2,222,217
Fuel	1,397,270	1,229,497
Salaries, Wages & Bonus	5,283,040	5,704,395
P.F. Contribution - Factory	210,078	201,010
Staff Welfare A/c. Factory	139,464	132,599
Rates & Taxes	20,914	5,625
Consumable Stores Exp.	241,426	353,144
Machinery Spare parts & Repairing	308,800	558,054
Building Repairs	71,593	3,282,534
Insurance Expenses	310,198	344,348
Other Manufacturing Expenses	870,573	550,799
	11,456,441	14,584,222

**SCHEDULE OF PROFIT AND LOSS ACCOUNT**

(in Rupees)

PARTICULARS	2008-2009	2007-2008
<u>SCHEDULE-M</u>		
<u>ADMINISTRATIVE EXPENSES :</u>		
Directors Remuneration	5,568,000	3,194,000
Salaries & Bonus	1,671,251	972,486
Municipal Tax Exp. A/c.	35,675	30,440
Government Fee	15,043	12,226
Auditor's Remuneration	85,000	85,000
Stationery & Printing	143,495	98,632
Telephone & Postage Exp.	309,393	275,678
Legal & Professional Fees	459,497	247,001
Travelling & Conveyance Expenses	1,022,457	811,637
Other Administrative Expenses	1,491,368	769,530
	10,801,179	6,496,629
<u>SCHEDULE-N</u>		
<u>SELLING & DISTRIBUTION EXPENSES :</u>		
Kasar	161,739	130,720
Sales Promotion	29,227	30,000
Advertisement Exp.	97,013	42,768
Freight Outward	995,930	1,083,646
Export Clearing & Forwarding Charges	196,734	359,784
Sales Commission	6,422,495	5,867,465
Claim By Customer for loss of production	-	570,344
Octroi Expenses	-	180
Bad Debts	-	1,273,254
Provision For Doubtful Debts	4,933,468	6,749,245
	12,836,606	16,107,406
<u>SCHEDULE-O</u>		
<u>FINANCIAL CHARGES :</u>		
Interest - On Term Loans (Net)	265,157	384,078
Bank Interest	2,110,512	2,100,006
Interest - Others	71,482	28,813
Bank Charges	354,928	668,286
Financial Charges	-	2,179
Exchange Rate Diff.	595,419	-
Interest on Income Tax	189,310	-
	3,586,808	3,183,362



ACCOUNTING POLICIES AND NOTES ON ACCOUNTS SCHEDULE-P

(A) SIGNIFICANT ACCOUNTING POLICIES :

(1) ACCOUNTING CONCEPTS :

The Company follows the mercantile system of Accounting and recognises significant items of income & expenditure on Accrual basis.

(2) VALUATION OF FIXED ASSETS :

Fixed assets are stated at cost of acquisition or construction net of modvat/cenvat less accumulated depreciation and impairment loss if any.

(3) DEPRECIATION :

The company has provided depreciation on straight line method on all of its fixed assets on prorata basis in the manner prescribed in schedule XIV of the Companies Act, 1956 except in case of Mobile phones. In view of fast changing technology depreciation on Mobile Phones is charged @ 100% P.A. on the new purchases since April 2006.

(4) IMPAIRMENT OF ASSETS

Impairment loss is provided to the extent the carrying amount(s) of assets exceeds their recoverable amount(s). At each balance sheet date the company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an assets net selling price and its value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

(5) FOREIGN CURRENCY TRANSACTIONS :

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Current assets and current liabilities are translated at the year end rate. The difference between the rate prevailing on the date of settlement as also on translation of current assets and current liabilities at the end of the year is recognised as income or expense as the case may be.

(6) INVENTORIES :

Inventories are valued at lower of cost or net realisable value. Cost is determined at the First-in-First Out (FIFO) method. The cost of finished good and work in process comprises raw material, direct material, direct labour other direct costs and related production overhead. Cost of finished goods includes the excise duty payable. Net realisable value is the estimate of the selling price in the ordinary course of business

(7) EXCISE DUTY :

Excise Duty has been accounted on finished goods as and when goods are cleared except on the finished stock lying at the factory at the year end. Finished Goods are valued inclusive of excise duty payable.

(8) REVENUE RECOGNITION :

Sales are shown inclusive of excise duty and sales tax/VAT.

(9) RETIREMENT AND OTHER EMPLOYEE BENEFITS :

The company contributes to a Gratuity Fund, which has taken up a Group Policy with Life Insurance Corporation of India for future payments of gratuity to employees. The contribution to the Gratuity Fund is charged to revenue. Leave encashment is charged to revenue on accrual basis.

(10) TAXES ON INCOME :

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognised, for all timing difference that are capable of reversal in one or more subsequent period subject to the consideration of prudence in respect of deferred

tax assets, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

(11) RESEARCH AND DEVELOPMENT EXPENSES :

Expenditure relating to capital item is debited to fixed assets and depreciated at applicable rates. Revenue expenditure is charged to Profit and loss account for the year in which they are incurred.

(12) BORROWING COST :

Borrowing costs, whether specific or general, utilised for acquisition, construction or production of qualifying assets are capitalised as part of cost of such assets till the activities necessary for its intended use or sale are complete. All other borrowing costs are charged to profit and loss statement of the year in which incurred.

(13) PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provisions are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation that can be reliably estimated.

Contingent Liabilities are not recognised but are disclosed in the notes.

Contingent Assets are neither recognised nor disclosed.

(14) EARNING PER SHARE :

	As at 31.3.09	As at 31.3.08
Profit available for Equity Share Holder	14,554,767	20,561,678
No. of Equity Shares	5,582,570	5,582,570
Weighted Average Number of Equity Shares	5,582,570	5,582,570
Weighted Average Number of Equity Shares in computing diluted earning per share	5,582,570	5,582,570
Basic and Diluted Earning per share	2.61	3.68
Nominal Value of Share	10.00	10.00

(B) NOTES ON ACCOUNT :

(1) In the opinion of the Board the Current Assets and Loans & Advances are approximately of the value stated in the Balances Sheet, if realised in the ordinary course of business and provision for depreciation and for all known liabilities have been made in accounts.

(2) Estimated amount net of advance payments for contract remaining to be executed on capital account and not provided for is Rs. NIL (Previous year Rs. NIL)

(3) Confirmation of the concerned parties for the amount due to them and/or amount due from them are not received. Necessary adjustment if any will be made when accounts are reconciled or settled.

(4) The company does not have information from suppliers regarding the registration under Micro Small and Medium Enterprise Development Act 2006. In the absence of such information company has not provided any disclosure regarding the matters required to be disclosed by the company.

The company is making efforts to get the confirmation from the suppliers regarding their status under this act.

(5) During the year Company has contributed RS.271785 (Previous Year Rs.1751413/-) including Rs.NIL (Previous year Rs. 1683286/-) due for liabilities of earlier years to group policy for Gratuity Fund with Life Insurance Corporation of India.

(6) MANAGERIAL REMUNERATION :		2008-09	2007-08
		(In_Rupees)	(In_Rupees)
Salaries :	Managing Director	1,920,000	1,152,000
	Jt. Managing Director	1,920,000	1,152,000
	Whole time Directors	1,728,000	768,000
Commission	Managing Director	-	61,000
	Jt. Managing Director	-	61,000
		5,568,000	3,194,000

(7) Statement showing computation of Net Profit in accordance with section 349 read with section 198 of the Companies Act, 1956 :
Companies Act, 1956 :

	2008-2009 (In Rupees)	2007-2008 (In Rupees)
Profit Before Tax as per P & L A/C	22,978,589	31,941,818
Add :		
Depreciation as per books	6,546,525	5,492,942
Managerial Remuneration	5,568,000	3,194,000
Provision for doubtful debt	4,933,468	6,749,245
	17,047,993	15,436,187
Less :	40,026,582	47,378,005
Depreciation u/s 350	6,546,525	5,492,942
	6,546,525	5,492,942
Net Profit u/s 349	33,480,057	41,885,063
Managerial Remuneration Eligible (10% Of Profit After Remuneration)	3,043,642	3,807,733
Managerial remuneration Approved by Board	5,568,000	3,194,000
Less : Salaries Paid	5,568,000	3,072,000
Commission Payable	-	122,000

(8) **TURNOVER, STOCKS, RAW MATERIAL PURCHASE AND CONSUMPTION :**

(A) TURNOVER :		2008-09		2007-08	
Class of Goods	Unit	Qty.	Amount (In Rupees)	Qty.	Amount (In Rupees)
FINISHED PRODUCT :					
Drug Coat	K.G.	1048804	119,142,269	1,111,351	129,653,439
D.P.O.	K.G.	418405	52,534,133	591,290	74,309,299
Others			181,875		173,827

(B) **STOCK :**

(i) Raw Material :					
MCB	KG.	49,900	1,189,813	15,349	679,843
Caustic Soda	KG.	9,340	260,617	2,850	57,563
Methacrylic Acid	KG.	11,179	1,374,554	27,505	2,533,024
Ethyl Acryl ate	KG.	19,076	1,501,822	7,437	544,928
Other Material	KG.	7,604	1,480,241	9,670	1,185,809
Phenol	KG.	23,223	1,062,560	9,610	798,112
(ii) Work in Process :					
Drug Coat	K.G.	-	-	9,960	511,895
D.P.O.	K.G.	1,305	117,450	7,434	773,666
(iii) Finished Goods:					
Drug coat	K.G.	48,884	3,634,421	44,501	3,449,229
D.P.O.	K.G.	34,700	3,380,335	11,845	1,459,163

(C) **RAW MATERIAL CONSUMED :**

Methacrylic Acid	K.G.	159,816	20,217,886	175,187	19,735,230
Ethyl Acrylate	K.G.	157,381	14,247,256	173,998	11,609,203
Phenol	K.G.	234,637	15,640,928	306,132	23,113,618
MCB	K.G.	413,799	16,714,450	536,709	22,487,706
Caustic Soda	K.G.	136,510	3,500,074	177,460	3,539,956
Other Materials	K.G.	27,684	4,228,739	33,853	4,945,066

(D) **PERCENTAGE OF CONSUMPTION :**

	2008-09		2007-08	
	(In Rupees) Amount	% of Consumption (In Rs.)	Amount	% of Consumption
Indigenous	63,932,539	85.76	65,886,651	77%
Imported	10,616,794	14.24	19,544,128	23%

(9) **CAPACITIES :**

	2008-09	2007-08
(i) Licensed Capacity	N.A.	N.A.
(ii) Installed Capacity		
(As per certified by the management)		
Drug coat Liquid	TONS 1200	1200
Powder	TONS 120	120
DPO	TONS 600	600
(iii) Actual production (Quantity)		
Drug coat - Liquid	TONS 1,031.30	1,104.98
- Powder	TONS 21.95	19.02
DPO	TONS 441.26	560.98

(10) **PAYMENT TO AUDITORS:**

	(in Rupees)	(in Rupees)
(A) As Audit Fee	85,000	85,000
(B) In Other capacity	22,500	20,000

(11) Related party disclosure as per Accounting Standard 18 issued by the Institute Of Chartered Accountants Of India.

I. Related Party & Their Relationship

Name Of Related Party	Nature Of Relationship
Dr. Chimanbhai K Patel	Chairman Cum Director - Key Management Personnel
Mr. Dhirajbhai K Patel	Managing Director - Key Management Personnel
Mr. Babubhai K Patel	Joint Managing Director - Key Management Personnel
Mr. Ambalal K. Patel	Director Liaison - Key Management Personnel
Mr. Harjivanbhai K Patel	Brother - Key Management Personnel
Mr. Ghanshyambhai K Patel	Brother - Key Management Personnel
Mr. Jaimin C Patel	Son - Key Management Personnel
Mr. Alpesh A. Patel	Son - Key Management Personnel

II. Material Transaction With Related Parties :

1. Remuneration To Key Management Personnel	2008-09 5,568,000	2007-08 3,194,000
2. Remuneration To Relative Of Key Management Personnel	1,790,832	1,571,400

(12) a. Deferred Tax Liabilities as on 31-3-2009 comprise timing difference on account of :

	2008-09 (In Rupees)	2007-08 (In Rupees)
	Deferred Tax	Deferred Tax
	Liability	Liability
Depreciation	7,766,659	7,799,772
Provision For Doubtful debts		
	Asset	Asset
Nett	3,795,705	5,505,704

b. During the year deferred tax liabilities/assets being time difference, have been adjusted on account of :

Depreciation	(33,113)	2,023,004
Provision For Doubtful debts		
Nett	(1,709,999)	(271,064)

- (13) During the year borrowing cost amounting Rs. NIL (Prev. Year 89,550/-) towards Machinery, Rs. NIL/- (Prev. Year 2,87,887/-) towards building are capitalised.
- (14) Term Loan due within one year is NIL (Previous Year Rs.36,48,000/-).
- (15) As per the definition of Reportable Segment in accordance with Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the company has only one reportable segment i.e. "Chemicals", hence separate disclosure for segment reporting is not applicable to the company.
- (16) During the year foreign exchange amounting US \$ 463 i.e. Rs. 24136/- (Prev. Year NIL) is spent on R & D Chemical expense. & USD 16822/- i.e. Rs.718880/- (Previous Year US\$ 7040/- amounting Rs. 279498/-) on Sales Commission.
- (17) During the year foreign exchange amounting to Rs. 10616794/- (Prev. Year 1,95,44,128/-) is remitted for import of raw materials on CIF basis.
- (18) During the year company has earned foreign exchange of US \$123375/- (Previous Year US\$ 2,32,916/-) amounting Rs 5092456/- (Previous year Rs.94,34,653/-) on FOB basis against export sales.
- (19) During the year company has remitted US \$ 519.5/- (Previous Year US\$ 1136/-) amounting to Rs.25350/- (Previous year Rs.45,000/-) as dividend to non resident shareholders.
- (20) Disclosure required by AS 29 ' Provisions, Contingent Liabilities and Contingent Assets : Movements in Provisions
(Figures in brackets are in respect of the previous year)

Particulars	As at 31-3-08	Addition	Utilised	Reversed	As at 31-3-09
Income Tax Provision	11,500,000	10,229,368	20,246,368	-	1,483,000
	(8,720,000)	(11,500,000)	(8,720,000)	-	(11,500,000)
Wealthtax Provision	-	4,105	-	-	4,105
	(-)	(-)	(-)	-	(-)
Provision For FBT	41,588	99,498	139,008	-	2,078
	(4,602)	(85,000)	(48,014)	-	(41,588)
Proposed Dividend	8,373,855	5,582,570	8,373,855	-	5,582,570
	(8,373,855)	(8,373,855)	(8,373,855)	-	(8,373,855)
Provision For Div. tax	1,423,137	948,758	1,423,137	-	948,758
	(1,423,137)	(1,423,137)	(1,423,137)	-	(1,423,137)
Prov For Doubtful Debts	6,749,245	4,933,468	-	-	11,682,713
	(1,805,367)	(6,749,245)	(1,805,367)	-	(6,749,245)

(21) Previous year's figures have been re-arranged and regrouped where ever necessary.

SIGNATORIES TO SCHEDULE A TO P

As per our Report of even date
FOR, B. A. RAJPARA & CO.
CHARTERED ACCOUNTANTS

(B. A. RAJPARA)
PROPRIETOR

PLACE : AHMEDABAD. DATE : 23.07.2009

FOR AND ON BEHALF OF THE BOARD

(MANAGING DIRECTOR)

(DIRECTOR)

**CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH 2009** (In Rupees)

	YEAR ENDED 31-3-2009	YEAR ENDED 31-3-2008
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax and Extraordinary Items	22,978,589	31,941,818
Adjusted for :		
Depreciation	6,546,525	5,492,942
Interest/Other Income	(420,767)	(285,173)
Interest Expenses	3,586,808	3,183,362
Provision For Doubtful Debts	4,933,468	4,943,878
Profit on Sale of Assets	(700)	-
Prior Year Income Tax	-	(66,205)
Operating Profit Before Working Capital Changes	37,623,923	45,210,623
Adjusted for :		
Inventories	(2,322,742)	4,650,604
Sundry Debtors	11,696,133	(12,724,534)
Loan & Advances	945,176	7,669,929
Current Liabilities	(7,655,749)	(5,387,847)
Income tax Paid During the Year	(20,057,058)	(8,720,000)
Fringe Benefit Tax Paid	(129,168)	(48,014)
Net Cash Generated/(Used) in Operating Activities	20,100,513	30,650,761
B) CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Investment	-	-
Sale of Fixed assets	700	450,000
Purchase of Fixed Assets	(1,366,120)	(38,279,525)
Capital Work In Process	-	22,472,653
Interest/Dividend Income	420,767	285,173
Net Cash Generated/(Used) in Investing Activities	(944,653)	(15,071,700)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Long Term Loans	(3,968,274)	(3,698,353)
Increase In Bank Borrowing	(1,627,726)	1,420,324
Increase in Hire Purchase Loan	-	(86,381)
Interest Expenses	(3,586,808)	(3,183,362)
Dividend Paid	(8,373,855)	(8,373,855)
Tax On Dividend	(1,423,137)	(1,423,137)
	(18,979,800)	(15,344,764)
Net Increase/(Decrease) in Cash and Cash Equivalents	176,061	234,297
Opening Cash and Cash Equivalent	1,053,281	818,984
Closing Cash and Cash Equivalent	1,229,342	1,053,281

As per our Report of even date
FOR, B. A. RAJPARA & CO.
 CHARTERED ACCOUNTANTS

(B. A. RAJPARA)
 PROPRIETOR

PLACE : AHMEDABAD.
 DATE : 23.07.2009

FOR AND ON BEHALF OF THE BOARD

 (MANAGING DIRECTOR)

 (DIRECTOR)



**Statement Pursuant to Part IV of Schedule VI to the Companies Act, 1956.
Balance Sheet Abstract and Company's General Business Profile**

I. Registration Details			
Registration No.	<input type="text" value="04-21524"/>	State Code :	<input type="text" value="04"/>
II. Capital Raised During the Year (Amount in Rs. Thousand)			
Public Issue	<input type="text" value="Nil"/>	Bonus Issue	<input type="text" value="Nil"/>
Right Issue	<input type="text" value="Nil"/>	Private Placement	<input type="text" value="Nil"/>
III. Position of Mobilisation and Deployment of Funds (Amount in Thousands)			
Total Liabilities	<input type="text" value="108710"/>	Total Assets	<input type="text" value="108710"/>
Source of Funds			
Paid up Capital	<input type="text" value="55826"/>	Reserve & Surplus	<input type="text" value="32715"/>
Secured Loans	<input type="text" value="16374"/>	Unsecured Loans	<input type="text" value="-"/>
Deferred Tax Liabilities	<input type="text" value="3795"/>		
Application of Funds			
Net Fixed Assets	<input type="text" value="69071"/>	Investment	<input type="text" value="-"/>
Net Current Assets	<input type="text" value="39639"/>	Misc. Expenditure	<input type="text" value="-"/>
Accumulated Losses			
IV. Performance of the Company (Amount in Rs. Thousand)			
Turnover (Total Income)	<input type="text" value="172279"/>	Total Expenditure	<input type="text" value="149300"/>
+ - Profit/Loss Before Tax	<input type="text" value="22979"/>	+ - Profit/Loss After Tax	<input type="text" value="14555"/>
Earning Per Share			
On Profit after Tax	<input type="text" value="2.61"/>	Dividend Rate (%)	<input type="text" value="10%"/>
V. Generic Names of Three Principal Products of Company (as per monetary terms)			
Item Code No. (ITC Code)	<input type="text" value="3906"/>	Product Description	<input type="text" value="Drug Coat"/>
Item Code No. (ITC Code)	<input type="text" value="2909"/>	Product Description	<input type="text" value="DPO"/>

**VIKRAM THERMO (INDIA) LIMITED**

Registered Office : 101, Classic Avenue, Opp. Sales India, Ashram Road, Ahmedabad - 380 009.

FORM OF PROXY

I/We of
..... being a member(s) of the above named
Company hereby appoint
of or failing him
of as my/our proxy to vote for me/us and on my/our
behalf at the Annual General Meeting of the Company to be held on 24th September, 2009 at 9:30 A.M. at
Atma Hall, Ahmedabad Textile Mills' Association, Ashram Road, Navrangpura, Ahmedabad-380 009. and at any
adjournment thereof.

Signed this day of 2009.

Affix
Revenue
Stamp

Signature

Note : The proxy and the Power of Attorney (if any) under which it is signed or a notarially certified copy of
that Power of Attorney must be deposited at the Registered Office of the Company at 101, Classic Avenue,
Opp. Sales India, Ashram Road, Ahmedabad-380009 not less than 48 hours before the date and time for
holding the Annual General Meeting.

VIKRAM THERMO (INDIA) LIMITED

Registered Office : 101, Classic Avenue, Opp. Sales India, Ashram Road, Ahmedabad - 380 009.

ATTENDANCE SLIP

(To be handed over, duly filled in, at the Entrance of the Meeting Place)

Name of the attending Member/Proxy :
(in block letters)

Member's Folio No. :

No. of Shares held :

Date of A.G.M. : 24th September, 2009

Place : ATMA HALL,
Ahmedabad Textile Mills' Association
Ashram Road, Navrangpura, Ahmedabad-380 009

Time : 9-30 A.M.

I hereby record my presence at the Annual General Meeting on 24th September, 2009.

Date

Signature



Unit : VIKRAM THERMO (INDIA) LTD.

To
M/s Bigshare Services Pvt. Ltd.,
Unit : VIKRAM THERMO (INDIA) Ltd.
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E), MUMBAI-400 072
Tel: (022) 2847 3474 / 2847 0652/53

Sub: Electronic Clearing Service (ECS) Mandate Form for Shares held in Physical Form.

Dear Sir,

With reference to above subject, I agree to avail of the Electronic Clearing Service with respect to payment of dividend to me. I here by authorize **VIKRAM THERMO (INDIA) LIMITED** to credit the dividend amount directly to my bank account through **Electronic Clearing Services (ECS)**. The particulars required for this purpose are as below.

1	Share Holder Name																		
2	Folio No.																		
3	No. of Shares held																		
4	Bank Name																		
5	Branch Name																		
6	Account No.																		
7	Account Type (Please tick as applicable) Saving –SB, Current –CA, Cash Credit - CC	SB (Code 10)				CA (Code 11)				CC (Code 13)									
8	9 digit code number of the bank & branch as Appearing on the MICR Cheque issued by the Bank (please attach photocopy of a cancelled cheque pertaining to above account for verifying the accuracy of code number)																		

If the transaction is delayed or not affected at all for reasons of incomplete or incorrect information or for reasons beyond the control of the company, I would not hold Vikram Thermo (India) Ltd. responsible.

I hereby declare that the particulars given above are correct and complete.

The above mandate for ECS will supersede the earlier bank instructions/mandate. In any, case if the dividend could not be paid through ECS, I hereby authorize the company to print the above bank details on my dividend warrant to prevent fraudulent encashment.

Place:

Date:

Signature of First / Sole holder

Book Post

If undelivered please return to:

VIKRAM THERMO (INDIA) LIMITED

101, Classic Avenue,
Opp. Sales India, Ashram Road,
Ahmedabad-380 009.