

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 Cum Executive Director
Managing Director
Executive Director
Non Executive Director
Non Executive Director
Non Executive Director
Non Executive Director
Executive Director

COMPANY SECRETARY

NEHA B. PATEL

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'S

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 2010.

FINANCIAL RESULTS

The financial results are as under:	2009-2010	2008-2009
Turn over	205,286,110	171,858,277
Profit before Tax	30,375,907	22,978,589
Provision for Taxation:	10,373,124	8,423,822
Profit after Tax	20,002,783	14,554,767
Balance Brought Forward	29,214,535	21,891,095
Balance profit available for Appropriation.	49,217,317	36,445,862
APPROPRIATIONS		
General Reserves	1,000,000	700,000
Proposed Dividend	5,582,570	5,582,570
Provision for Dividend Tax	948,758	948,758
Balance carried to Balance Sheet	41,685,989	29,214,534
	49,217,317	36,445,862

DIVIDEND

Your directors are pleased to recommend payment of dividend @ 10% (Previous year also 10%) on the paid up Equity Share Capital of the Company. Your directors feel that members will appreciate the same. The dividend payout will result in a total outflow of Rs.65,31,328/- (Previous Year Rs. 65,31,328/-).

OPERATIONS

During the year under report, your Company continued to achieve good results. The turnover of the Company has increased to Rs. 20,52,86,110/- (Previous Year Rs. 17,18,58,277/-) which reflects more than 19% rise. The gross profit has also increased from Rs. 2,29,78,589/- to Rs. 3,03,75,907/- which reflects sound performance of the Company. Though the economic situation in the country as a whole, was not satisfactory, your directors have left no stone unturned for upliftment of the Company. Members will appreciate that the Company is gradually marching towards sound progress and prosperity.

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. 2,62,093/- was made towards this fund (Previous year Rs. 2,71,975/-).

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.

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.

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.

FOREIGN EXCHANGE EARNING AND OUTGO

During the year Company has earned foreign exchange of US \$ 1,92,249/- (Previous Year US \$ 1,23,375/-) amounting Rs.85,48,271/- (Previous year Rs.50,92,456/-) on FOB basis against export sales.

The Company has not spent any foreign exchange during the year on R& D Chemical expenses (previous year US \$ 463 i.e. Rs. 24136/-) & has spent US \$ 6451/- i.e. Rs. 303650/- (Previous year US \$ 16822/- amounting Rs.718880) on sales commission.

During the year foreign exchange amounting to Rs. 89,00,302/- (Previous year Rs.1,06,16,794) is remitted for import of raw materials on CIF basis.

During the year Company has also remitted US \$ 270.67 (Previous Year US \$ 520/-) amounting to Rs.12,800/- (Previous Year RS. Rs.25,350/-) towards payment of dividend to NRI shareholders.

DIRECTORS:

Shri Ambalal K. Patel and Shri Ketanbhai C. Patel, Directors of the Company retire by rotation and being eligible offer themselves for the reappointment at the ensuing annual general meeting. You are requested to appoint Directors.

REAPPOINTMENT OF SHRI D. K. PATAEL AS MANAGING DIRECTOR.

Shri Dhirajbhai K. Patel, Managing Director, was reappointed by the Board for further period of three years from 26th September, 2009, on the terms and conditions as stated in the Notice convening the Annual General Meeting. The reappointment is subject to your approval.

APPOINTMENT OF SHRI C. K. PATEL AS EXECUTIVE DIRECTOR.

Shri Chimanbhai K. Patel, is the Chairman and Technical Advisor of the Company. The Board have decided to appoint him as an Executive Director (Technical), for the period of five years from 1st August, 2010, on the terms and conditions as stated in the Notice convening the Annual General Meeting. The appointment is subject to your approval.

DEMATERIALISATION 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, who have not yet converted their shares in dematerialized form, are advised to dematerialize the shares in the electronic form as quickly as possible.

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 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.

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

Registered Office :
101, Classic Avenue,
Opp. Sales India, Ashram Road,
Ahmedabad – 380009
Date: 29th July, 2010

CHIMANBHAI K. PATEL
CHAIRMAN



ANNEXURE TO DIRECTOR'S REPORT FOR THE YEAR 2009-10

FORM – A (See Rule 2.)

A. POWER AND FUEL CONSUPTION	Current year 2009-10	Previous Year 2008-09
1. Electricity:		
Purchase unit	526386	395366
Total Amount	RS. 3136202	2502424
Rate/Unit	RS. 5.958	6.329
2. Own Generation:		
Fuel Purchase (Ltr.) (Diesel)	2070	2216
Total amount	RS. 75112	82573
Rate/Ltr	RS. 36.286	37.262
3. Others		
i. FIREWOOD (Kgs.)	881780	636480
Total Amount	RS. 2197937	1423056
Rate/Kg.	RS. 2.493	2.236

B. CONSUMPTION PER UNIT OF PRODUCTION

Name of Product	Unit	Current Year	Previous Year
Drug Coat	Kgs.	1125042	1043002
DPO	Kgs.	758405	435131
TOTAL		1883447	1478133
ELECTRICITY UNIT CONSUMED:		526386	395366
Electricity	Unit	0.279	0.267
Diesel Oil	Liter	0.001	0.001
Fire wood	Kilogram	0.468	0.431

FORM – B (See Rule 2)

Form of Disclosure of particulars with respect to absorption

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

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, and position held in committee meetings

The Board met Five times on 29th April, 2009, 23rd July, 2009, 27th October, 2009, 28th January, 2010 and 20th March, 2010. 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 2010 are given below.

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	5	5	Y	—	—
2. Shri Dhirajbhai K. Patel	Executive	5	5	Y	—	—
3. Shri Ambalal K. Patel	Executive	5	5	Y	—	—
4. Shri Thakarshibhai M. Patel	Independent	5	3	Y	—	—
5. Shri Bharatbhai M. Shah	Independent	5	4	N	—	—
6. Shri Ketanbhai C. Patel	Independent	5	4	Y	—	—
7. Shri Ghanshyambhai D. Kewadia	Independent	5	5	Y	—	—
8. Dr. Dineshbhai H. Patel	Executive	5	5	Y	—	—

III. Information on Directors Appointment/Re-appointment

Shri Ambalal K. Patel and Shri Ketanbhai C. Patel Directors of the Company retire by rotation and being eligible offer themselves for the reappointment at the ensuing annual general meeting. Shri Dhirajbhai K. Patel has been reappointed by the Board as Managing Director and Shri Chimanbhai K. Patel has been appointed as Executive Director by the Board. Their brief particulars are as follows.

Name of Director	Shri Dhirajbhai K. Patel	Shri Chimanbhai K. Patel	Shri Ambalal K. Patel	Shri Ketanbhai C. Patel
Date of Birth	06/07/1963	10/03/1935	13/06/1952	23/08/1970
Date of Appointment	11/03/1994	26/09/1994	01/04/2003	01/05/2003
Qualification	B.Sc., MBA	M.Sc., Ph.D	Non-Metric	M.Sc., M.B.A
Expertise in specific Functional areas	Production, Research & Development, Marketing and Export	Research & Development	Liason & Marketing	Management & Marketing
List of Companies in which Directorship is held	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 29th April, 2009, 23rd July, 2009, 27th October, 2009, 28th January, 2010 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 31.03.2010. 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
Shri Thakarshibhai M. Patel	4	4
Shri Ketan C. Patel	4	4

V. REMUNERATION COMMITTEE :

The Board constituted the Remuneration Committee consisting of following non-executive directors, Shri Ghanshyambhai D. Kewadia, Shri Thakarshibhai M. Patel, Shri 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
Dr. C. K. Patel	NIL	Rs. 9,81,600	5
Shri D. K. Patel	Brother of Shri. A. K. Patel	Rs. 19,41,600	5
Shri A. K. Patel	Brother of Shri D. K. Patel	Rs. 7,89,600	5
Shri D. H. Patel	NIL	Rs. 6,19,500	5

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.

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
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, Jt. M. D. Shri B. K. Patel and appointment of Shri A. K. Patel as E.D. and payment of remuneration to him.
24-09-2009	ATMA HALL, Ahmedabad Textile Mills Association, Ashram Road, Ahmedabad-380009	9.30	Appointment of Dr. Dineshkumar H. Patel as Executive Director of the Company and payment of remuneration to him.

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

XIII. COMPLIANCE OFFICER:

Ms. Neha B. 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

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) 40430200 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.

Show Cause Notices were issued to four Directors for violation of Section 211 read with Schedule VI of the Companies Act, 1956 in respect of Annual Accounts for the year ended 31st March, 2008. Against this, application for compounding of offences, which were of technical nature, were filed before the Company Law Board, Bombay, and the same has been disposed off. Penalties imposed on Directors were paid by the Directors personally.

X. MARKET PRICE DATA:

The month wise detail of market prices of the shares during the year 2009-2010 of the company at The Bombay Stock Exchange Ltd. are as under:

Month	High	Low
April 2009	16.90	13.16
May 2009	22.85	13.57
June 2009	21.25	15.80
July 2009	17.70	14.20
August 2009	21.90	16.05
September 2009	20.95	17.50
October 2009	21.30	15.60
November 2009	20.30	14.50
December 2009	24.40	16.10
January 2010	23.35	17.85
February 2010	20.10	16.60
March 2010	20.50	16.70

XI. MANAGEMENT DISCUSSION AND ANALYSIS :

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

XII. ANNUAL GENERAL MEETINGS

Annual General meeting of the company will be held on 18th September 2010 at 9.30 a.m. at ATMA HALL, Ahmedabad Textile Owners' Association, Ashram Road, Ahmedabad 380 009.



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 15-09-2010 to 18-09-2010 (both days inclusive).

XVIII. SHAREHOLDING PATTERN:

Category wise distribution of equity shareholding as on 31.03.2010 is as under:

Category	No. of Shares	% age
Promoter's Group	29,74,475	53.28
Other Body Corporate	3,86,913	06.93
Banks	-	-
Mutual Funds and UTI	61,500	01.10
NRI	1,46,200	02.62
Others	20,08,240	35.98
Shares in Transit	5,242	00.09
Total	55,82,570	100.00

Distribution Schedule: as on 31.03.2010

No. of Shares	No. of Shareholders	% age
1	5000	1914
5001	10000	403
10001	20000	194
20001	30000	95
30001	40000	23
40001	50000	27
50001	100000	38
100001	And above	63
Total:	2757	100

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, Opp. 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:

1. 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.

2. OPPORTUNITIES AND THREATS:

The Company envisaged remarkable growth over previous years and it successfully came out from the global recession. Company's turn over and profit before tax figures shows increase by 19.45 % and 32.19 % respectively in comparison with previous year. Company has also increased their strength by appointing qualified and experienced staff in marketing department which has direct effect on the sales, turnover and growth of the Company.

3. RISKS AND CONCERNS:

The company's raw materials are based on petrochemicals. Major fluctuations in the petroleum products can affect the company's performance.

4. INTERNAL CONTROL SYSTEM:

The Company has proper and adequate system of internal controls which ensure that all assets are safeguarded against loss from unauthorized use or disposition and all the transaction are authorized, recorded and reported correctly. Regular internal audits and checks are carried out to provide assurance that the responsibilities at various levels are discharged effectively and that adequate systems are in existence. The management continuously reviews the internal control systems and procedure for efficient conduct of business. A strong system of internal audit committee of the Board have strengthened the internal control within the organization.

5. HUMAN RESOURCES:

The management believes that people working with the organization are of key resource for the success of the Organization. The sincere efforts put in by the employees have translated in to Quality improvements, Productivity improvements and Cost reduction etc. Management firmly believes in developing and nurturing its human resources and improving their talents which subsequently help in the growth of the Company. Proper care is taken for safety, health and welfare of the employees. All efforts are made to give them adequate training.

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.

D. K. Patel
MANAGING DIRECTOR

PLACE : AHMEDABAD
DATE : 29.07.2010

AUDITOR'S CERTIFICATE

To,
The Members of
Vikram Thermo (India) Ltd.

We have examined the records concerning the company's compliance of condition of corporate governance as stipulated 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 2010.

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 statements 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 explanations 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 stipulated in the provision of Clause 49 of the Listing Agreements, of the Stock Exchanges 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 : 29.07.2010

Place : Ahmedabad.

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

(B. A. Rajpara)
Proprietor
M. No. 34451

**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, 2010 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 statements 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, 2010 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 is 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 regarding 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 to us, during the year company has not raised any term loan.
- 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.

FOR, B. A. RAJPARA & CO.
CHARTERED ACCOUNTANTS

PLACE : AHMEDABAD.

DATE : 29.07.2010

(B. A. RAJPARA)
PROPRIETOR
FRN NO 108472W



BALANCE SHEET AS AT 31ST MARCH, 2010		(in Rs.)	
PARTICULARS	SCH	AS AT 31.03.2010 (Rupees)	AS AT 31.03.2009 (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	46,185,989	32,714,534
2) LOAN FUNDS :			
Secured Loan	C	23,959,658	16,373,787
3) DEFERRED TAX LIABILITIES		6,520,233	3,795,705
TOTAL		132,491,580	108,709,726
II) APPLICATION OF FUNDS :			
1) FIXED ASSETS :			
LESS: DEPRECIATION	D	113,742,339	109,942,722
NET BLOCK		47,045,010	40,871,907
		66,697,329	69,070,815
2) (A) CURRENT ASSETS, LOANS & ADVANCES :			
a) Inventory	E	16,981,619	14,742,995
b) Sundry Debtors	F	70,037,322	50,284,930
c) Cash and Bank Balance	G	5,005,684	1,229,343
d) Loans & Advances	H	5,347,761	2,072,483
Less:		97,372,386	68,329,751
(B) CURRENT LIABILITIES & PROVISIONS :	I		
a) Current Liabilities		24,751,206	20,670,329
b) Provisions		6,826,928	8,020,511
NET CURRENT ASSETS (A-B)		65,794,252	39,638,911
		132,491,580	108,709,726
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 : 29/07/2010

NEHA B. PATEL

 COMPANY SECRETARY

FOR AND ON BEHALF OF THE BOARD

D. K. PATEL

 (MANAGING DIRECTOR)

DINESH H. PATEL

 (DIRECTOR)

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH, 2010 (in Rupees)

PARTICULARS	SCH	YEAR ENDING 31.03.2010	YEAR ENDING 31.03.2009
I) INCOME :			
1) Turnover		205,286,110	171,858,277
Less : Excise Duty		13,920,045	18,515,125
Net Turnover		191,366,065	153,343,152
2) Miscellaneous Income	J	701,423	420,767
3) Increase/ (Decrease) in Stock In Trade/WIP		(3,678,485)	938,251
TOTAL		188,389,002	154,702,170
II) EXPENDITURE :			
1) Material Consumed	K	110,897,140	82,344,906
2) Manufacturing Expenses	L	16,492,625	11,456,441
3) Administrative Expenses	M	8,978,031	10,801,179
4) Selling & Distribution Expenses	N	8,342,978	12,836,606
5) Financial Charges	O	2,086,254	3,586,808
6) Sales Tax		4,696,958	4,151,117
7) Depreciation	D	6,519,111	6,546,525
		158,013,095	131,723,582
PROFIT/(LOSS) BEFORE TAXATION (I-II)		30,375,907	22,978,589
Provision for taxation - Current		7,648,596	10,044,163
- Prior Year		-	-
- Deferred		2,724,528	(1,709,999)
- Fringe Benefit Tax		-	89,658
PROFIT AFTER TAX		20,002,783	14,554,767
Balance brought forward		29,214,535	21,891,095
BALANCE PROFIT AVAILABLE FOR APPROPRIATION		49,217,317	36,445,862
APPROPRIATION			
General Reserve		1,000,000	700,000
Proposed Dividend		5,582,570	5,582,570
Provision For Dividend Tax		948,758	948,758
Balance carried to Balance Sheet		41,685,989	29,214,534
		49,217,317	36,445,862
NOTES FORMING PARTS OF ACCOUNTS	P		
Earning per Share of Rs. 10 each			
Basic		3.58	2.61
Diluted		3.58	2.61
(Refer Note 18 of Schedule P			

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

(B. A. RAJPARA)
 PROPRIETOR

PLACE : AHMEDABAD.
 DATE : 29/07/2010

NEHA B. PATEL
 COMPANY SECRETARY

FOR AND ON BEHALF OF THE BOARD

D. K. PATEL
 (MANAGING DIRECTOR)

DINESH H. PATEL
 (DIRECTOR)

**SCHEDULE OF BALANCE SHEET AS AT 31-03-2010**

(in Rupees)

PARTICULARS	AS AT 31-03-2010	AS AT 31-03-2009
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	35,00,000	
Transferred From Profit & Loss Account	10,00,000	
	4,500,000	3,500,000
2. Profit & Loss Account		
Balance Carried Forward	41,685,989	29,214,534
	46,185,989	32,714,534
SCHEDULE-C		
A. SECURED LOANS :		
1) FROM BANKS:		
- Punjab National Bank (Ashram Road) Cash credit Account	23,959,658	15,671,267
- Punjab National Bank (Ashram Road) Packing credit Account	-	702,520
	23,959,658	16,373,787
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		

SCHEDULE OF BALANCE SHEET AS AT 31-03-2010

(in Rupees)

FIXED ASSETS									SCHEDULE - D	
Sr. Name of Assets No	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK		
	Opening Balance As at 1/4/09	Additions during the year	Deduction / Adjust. during the year	Closing Balance As at 31/3/2010	Opening Balance As at 1/4/09	Depre. During the year	Deduc. During the year	Closing Balance As at 31/3/2010	As at 31/3/2010	As at 31/3/2009
1 Land & Building	34,191,416	450,000	-	34,641,416	6,262,635	1,018,492	-	7,281,127	27,360,289	27,928,780
2 Plant & Machinery	68,991,204	3,664,026	-	72,655,230	31,324,442	4,989,885	-	36,314,328	36,340,903	37,666,762
3 Furniture & Fittings	2,230,330	272,840	-	2,503,170	932,863	142,406	-	1,075,269	1,427,901	1,297,467
4 Vehicles	3,811,240	-	704,939	3,106,301	1,838,111	295,099	346,007	1,787,202	13,19,099	1,973,130
5 Computers	718,532	117,690	-	836,222	513,856	73,229	-	587,085	249,137	204,676
TOTAL	109,942,722	4,504,556	704,939	113,742,339	40,871,907	6,519,111	346,007	47,045,010	66,697,329	69,070,815
2006 - 07	108,619,386	1,366,120	42,784	109,942,722	34,368,166	6,546,525	42,784	40,871,907	69,070,815	--

(in Rupees)

PARTICULARS	AS AT 31-03-2010	AS AT 31-03-2009
SCHEDULE-E INVENTORIES : (As taken valued & certified by the management)		
a) Raw Material	12,496,772	6,869,605
b) Packing Material	595,922	422,695
c) Finished Goods	3,175,931	7,014,756
d) Work in Process	277,790	117,450
e) Fuel & Other Stock	435,204	318,489
	16,981,619	14,742,995
SCHEDULE-F SUNDRY DEBTORS : (Unsecured)		
(a) Exceeding six month Considered Good	9,414,993	10,567,437
Considered Doubtful	5,382,730	9,498,637
(b) Others Considered Good	60,622,329	39,717,493
Considered Doubtful	127,418	2,184,076
	75,547,470	61,967,643
Less : Provision For Doubtful Debts	5,510,148	11,682,713
	70,037,322	50,284,930



SCHEDULE OF BALANCE SHEET AS AT 31-03-2010

(in Rupees)

PARTICULARS	AS AT 31-03-2010	AS AT 31-03-2009
SCHEDULE-G		
CASH & BANK BALANCES :		
Cash on Hand	95,535	165,363
Bank Balance With Schedule Banks In :		
Fixed Deposit Account	750,000	300,000
Current Account	3,212,591	24,350
Unclaimed Dividend Account	947,558	739,630
	5,005,684	1,229,343
SCHEDULE-H		
LOANS AND ADVANCES :		
(Unsecured considered good)		
Advance recoverable in cash or kind or for which value to be received	4,769,894	1,779,740
Balance With Customs & Excise Authorities	572,942	285,023
Tax Deducted at Source	4,925	7,720
	5,347,761	2,072,483
SCHEDULE-I		
A. CURRENT LIABILITIES :		
1) Sundry Creditors :		
a) For Goods	15,267,928	10,975,706
b) For Others	8,137,006	8,415,377
2) Unclaimed Dividend	944,188	739,630
3) Other Liability	402,084	539,617
	24,751,206	20,670,329
B. PROVISIONS :		
Income Tax Provision (Net Of Advance Tax)	291,495	1,483,000
Provision For FBT	-	2,078
Proposed Dividend	5,582,570	5,582,570
Provision For Dividend tax	948,758	948,758
Wealth Tax Provision	4,105	4,105
	6,826,928	8,020,511

SCHEDULE OF PROFIT AND LOSS ACCOUNT (in Rupees)

PARTICULARS	2009-2010	2008-2009
<u>SCHEDULE-J</u>		
<u>OTHER INCOME :</u>		
Interest	81,717	81,045
Bad Debts Recovery	311,052	325,826
Miscellaneous Income	308,654	13,896
	701,423	420,767
<u>SCHEDULE-K</u>		
<u>MATERIAL CONSUMPTION :</u>		
(A) <u>Raw Material :</u>		
Opening Stock	6,869,605	5,799,279
Add : Purchase	106,935,535	75,644,659
Clearing & Forwarding Charges	251,141	426,359
Freight Inward	643,531	458,066
	114,699,812	82,328,363
Less: Closing Stock	12,496,772	6,869,605
	102,203,040	75,458,758
(B) <u>Packing Material :</u>		
Opening Stock	422,695	216,889
Add : Purchase	8,867,327	7,091,954
	9,290,022	7,308,843
Less: Closing Stock	595,922	422,695
	8,694,100	6,886,149
TOTAL (A + B)	110,897,140	82,344,906
<u>SCHEDULE-L</u>		
<u>MANUFACTURING & OTHER EXPENSES :</u>		
Power	3,154,017	2,603,085
Fuel	2,292,034	1,397,270
Salaries, Wages & Bonus	6,164,953	5,283,040
P.F. Contribution - Factory	255,115	210,078
Staff Welfare A/c. Factory	166,853	139,464
Rates & Taxes	8	20,914
Consumable Stores Exp.	356,836	241,426
Machinery Spare parts & Repairing	1,379,174	308,800
Building Repairs	1,395,805	71,593
Insurance Expenses	288,574	310,198
Other Manufacturing Expenses	1,039,255	870,573
	16,492,625	11,456,441

SCHEDULE OF PROFIT AND LOSS ACCOUNT (in Rupees)

PARTICULARS	2009-2010	2008-2009
<u>SCHEDULE-M</u>		
<u>ADMINISTRATIVE EXPENSES :</u>		
Directors Remuneration	4,188,000	5,568,000
Salaries & Bonus	2,150,977	1,671,251
Municipal Tax Exp. A/c.	22,463	35,675
Government Fee	16,652	15,043
Auditor's Remuneration	93,500	85,000
Stationery & Printing	156,733	143,495
Telephone & Postage Exp.	338,865	334,353
Legal & Professional Fees	452,660	459,497
Travelling & Conveyance Expenses	838,783	1,022,457
Other Administrative Expenses	719,398	1,466,409
	8,978,031	10,801,179
<u>SCHEDULE-N</u>		
<u>SELLING & DISTRIBUTION EXPENSES :</u>		
Kasar	103,731	161,739
Sales Promotion	454,038	29,227
Advertisement Exp.	573,470	97,013
Freight Outward	1,451,428	995,930
Export Clearing & Forwarding Charges	462,170	196,734
Sales Commission	5,076,128	6,422,495
Claim By Customer for loss of production	216,641	-
Bad Debts Written Off	6177937	-
Less: Provision For Doubtful Debts written back	6177937	-
Provision for Doubtful Debts	5,372	4,933,468
	8,342,978	12,836,606
<u>SCHEDULE-O</u>		
<u>FINANCIAL CHARGES :</u>		
Interest - On Term Loans (Net)	-	265,157
Bank Interest	1,638,908	2,110,512
Interest - Others	4,754	71,482
Bank Charges	436,357	354,928
Exchange Rate Diff.	-	595,419
Interest on Income Tax	6,235	189,310
	2,086,254	3,586,808

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 is 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) 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.

(5) 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.

(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) SALES/TURNOVER :

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

(9) RETIREMENT BENEFITS :

(i) Short term employee benefits are recognized as expense in the profit and loss account of the year in which] service is rendered.

(ii) Contribution to defined contribution schemes such as Provident Fund, Family Pension Fund and ESI Fund are charged to the Profit & Loss Account.

(iii) The defined obligations in respect of gratuity are recognized on the basis of valuation done by an independent actuary applying project unit credit method. The actuarial gain/loss arising during the year are recognized in the profit and loss account of the year. The company has an employees gratuity fund managed by the Life Insurance Corporation of India (LIC).

(iv) 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, 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.

(B) NOTES ON ACCOUNT :

- (1) Previous year's figures have been re-arranged and regrouped where ever necessary to make them comparable with the figures of current year
- (2) Estimated amount net of advance payments for contract remaining to be executed on capital account and not provided for is Rs.4391412/- (Previous year Rs. NIL)
- (3) The details of amount outstanding to Micro, Small and Medium Enterprise under the Micro, Small and Medium Enterprise Development Act 2006(MSMED Act) based on the available information with the company are as under:

	As at 31st March 2010	As at 31st March 2009
a. Principal amount due and remaining unpaid	-	-
b. Interest due on (a) above and the unpaid interest	-	-
c. Interest paid on all delayed payments under MSMED Act	-	-
d. Payment made beyond the appointed day during the year	-	-
e. Interest due and payable for the period of delay other than (c) above	-	-
f. Interest Accrued and remaining unpaid	-	-
g. Amount of further interest remaining due and payable in succeeding years	-	-
(4) As per AS 15 (Revised) Employee Benefits, the disclosures as defined in the accounting standard are given below		
(A) DEFINED CONTRIBUTION PLAN :	2009-2010	2008-2009
Employers Contribution to Provident Fund	293,923	244,881
Employers Contribution to ESI Fund	104,856	92,627

(B) DEFINED BENEFIT PLAN :

The company has an employee gratuity fund plan managed by Life Insurance Corporation of India. As required by AS 15 the Status of closing balance of fund is as under :

	2009-2010	2008-2009
a. Closing balance at the year end	26,15,420	26,34,582
b. Total benefit paid during the year	4,78,493	1,80,024
c. The return on plan	2,10,829	2,11,359
d. Contribution during the year charged to Profit & Loss Account	2,48,502	2,59,659
(5) MANAGERIAL REMUNERATION :	2009-10	2008-09
Salaries : Managing Director	1,941,600	1,920,000
Jt. Managing Director	-	1,920,000
Whole time Directors	2,390,700	1,728,000
	<u>4,332,300</u>	<u>5,568,000</u>



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

	2009-10 (In Rupees)		2008-09 (In Rupees)	
Profit Before Tax as per P & L A/C		30,375,907		22,978,589
Add :				
Depreciation as per books	6,519,111		6,546,525	
Managerial Remuneration	4,255,500		5,568,000	
Provision For Doubtful Debts	5,372		4,933,468	
Loss On Sale of Vehicles	221,932		-	
Incometax Interest	6,235			
Donation	13,900	11,022,050		17,047,993
Less :		41,397,956		40,026,582
Depreciation u/s 350	6,519,111		6,546,525	
		6,519,111		6,546,525
Net Profit u/s 349		34,878,846		33,480,057
Managerial Remuneration Eligible (10% Of Profit After Remuneration)		3,170,804		3,043,642
Less : Salaries Paid		4,255,500		5,568,000
Commission Payable		-		-

(7) TURNOVER, STOCKS, RAW MATERIAL PURCHASE AND CONSUMPTION :

(A) TURNOVER :		2009-10		2008-09	
Class of Goods	Unit	Qty.	Amount (In Rupees)	Qty.	Amount (In Rupees)
FINISHED PRODUCT :					
Drug Coat	K.G.	1,147,401	117,770,900	1,048,804	119,142,269
D.P.O.	K.G.	787,980	87,303,673	418,405	52,534,133
Others			211,536	-	181,875
(B) STOCK :					
(i) Raw Material :					
MCB	KG.	53,872	2,458,575	49,900	1,189,813
Caustic Soda	KG.	16,500	299,060	9,340	260,617
Methacrylic Acid	KG.	20,019	2,619,705	11,179	1,374,554
Ethyl Acryl ate	KG.	20,530	2,319,510	19,076	1,501,822
Other Material	KG.	6,314	1,574,600	7,604	1,480,241
Phenol	KG.	37,772	3,225,322	23,223	1,062,560
(ii) Work in Process :					
Drug Coat	K.G.	492	84,372	-	-
D.P.O.	K.G.	2,079	193,418	1,305	117,450
(iii) Finished Goods:					
Drug coat	K.G.	26,526	2,627,868	48,884	3,634,421
D.P.O.	K.G.	5,125	548,063	34,700	3,380,335
(C) RAW MATERIAL CONSUMED :					
Met acrylic Acid	K.G.	174,280	23,133,837	159,816	20,217,886
Ethyl Acryl ate	K.G.	174,306	15,684,739	157,381	14,247,256
Phenol	K.G.	406,031	24,546,196	234,637	15,640,928
MCB	K.G.	714,288	27,274,488	413,799	16,714,450
Caustic Soda	K.G.	231,840	5,103,729	136,510	3,500,074
Other Materials	K.G.	31,294	5,565,379	27,679	4,228,739

(D) PERCENTAGE OF CONSUMPTION :

	2009-10		2008-09	
	(In Rupees)		Amount	% of Consumption
Indigenous	92,408,066	91.21	63,932,539	85.76
Imported	8,900,302	8.79	10,616,794	14.24

(8) CAPACITIES :

		2008-09		2007-08	
(i) Licensed Capacity					
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	1,104.48		1,031.30
	Powder	TONS	20.57		21.95
DPO	TONS	758.41			441.26

(9) PAYMENT TO AUDITORS :

	(in Rupees)	
(A) As Audit Fee	93,500	85,000
(B) In Other capacity	27,500	22,500

(10) 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 Executive Director
Mr. Dhirajbhai K Patel	Managing Director - Key Management Personnel
Mr. Ambalal K. Patel	Director Liaison - Key Management Personnel
Dr. Dinesh H. Patel	Director Production & Research - Key Management Personnel
Mr. Harjivanbhai K Patel	Brother/Father - 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
Mr. Ankur D. Patel	Son - Key Management Personnel

II. Material Transaction With Related Parties :

1. Remuneration To Key Management Personnel	2009-10	2008-09
	4,332,300	5,568,000
2. Remuneration To Relative Of Key Management Personnel	2,208,000	1,571,400

(11) a. Deferred Tax Liabilities as on 31-3-2010 comprise timing difference on account of :

	2009-10		2008-09	
	(In Rupees)		(In Rupees)	
	Deferred Tax Liability	Deferred Tax Asset	Deferred Tax Liability	Deferred Tax Asset
Depreciation	8,393,132		7,776,659	-
Provision For Doubtful debts		1,872,899		3,970,954
	8,393,132	1,872,899	7,776,659	3,970,954
Nett	6,520,233	-	3,795,705	-

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

Depreciation	626,473	-	(33,113)	-
Provision For Doubtful debts	-	(2,098,055)	-	1,676,886
	(626,473)	(2,098,055)	(33,113)	1,676,886
Nett	2,724,528	-	(1,709,999)	-

(12) 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.

(13) During the year foreign exchange amounting US \$ NIL i.e. Rs. NIL (Prev. Year US\$463 i.e. Rs.24136/-) is spent on R & D Chemical expense. & US\$ 6451/- i.e. Rs.303650/- (Previous Year US\$ 16822/- amounting Rs.718880/-) on Sales Commission.

(14) During the year foreign exchange amounting to Rs. 89,00,302 \- (Prev. Year 1,06,16,794/-) is remitted for import of raw materials on CIF basis.

(15) During the year company has earned foreign exchange of US \$1,92,249/- (Previous Year US\$ 1,23,375/-) amounting Rs85,48,271/- (Previous year Rs.50,92,456/-) on FOB basis against export sales.

(16) During the year company has remitted US \$ 270.67 (Previous Year US\$ 519.50/-) amounting to Rs12800/- (Previous year Rs.25,350/-) as dividend to non resident shareholders.

(17) Disclosure required by AS 29 ' Provisions, Contingent Liabilities and Contingent Assets : Movements in Provisions (Figures in brackets are in respect of the previous year)

(Figures in brackets are in respect of the previous year)

Particulars	As at 31-3-09	Addition	Utilised	Reversed	As at 31-3-10
Income Tax Provision	1,483,000	7,730,000	1,483,000	-	7,730,000
	(11,500,000)	(10,229,368)	(20,246,368)	-	(1,483,000)
Wealthtax Provision	(4,105)	-	-	-	(4,105)
	-	(4,105)	-	-	(4,105)
Provision For FBT	2078	-	2,078	-	-
	(41,588)	(99,498)	(139,008)	-	(2,078)
Proposed Dividend	5582570	5,582,570	5,582,570	-	5,582,570
	(8,373,855)	(5,582,570)	(8,373,855)	-	(5,582,570)
Provision For Div. tax	948758	948,758	948,758	-	948,758
	(1,423,137)	(948,758)	(1,423,137)	-	(948,758)
Prov For Doubtful Debts	11,682,713	5,372	6,177,937	-	5,510,148
	(6,749,245)	(4,933,468)	-	-	(11,682,713)



(18) EARNING PER SHARE

	As at 31.3.10	As at 31.3.09
Profit available for Equity Share Holder	20,002,783	14,554,767
No. 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	3.58	2.61
Nominal Value of Share	10.00	10.00

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 : 29/07/2010

FOR AND ON BEHALF OF THE BOARD

D. K. PATEL

(MANAGING DIRECTOR)

DINESH H. PATEL

(DIRECTOR)

NEHA B. PATEL

COMPANY SECRETARY

CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH 2010 (In Rupees)

	YEAR ENDED 31-3-2010	YEAR ENDED 31-3-2009
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax and Extraordinary Items	30,375,907	22,978,589
Adjusted for :		
Depreciation	6,519,111	6,546,525
Interest/Other Income	(701,423)	(420,767)
Interest Expenses	2,086,254	3,586,808
Provision For Doubtful Debts	(6,172,565)	4,933,468
Profit/Loss On Sale of Assets	221,932	(700)
Operating Profit Before Working Capital Changes	32,329,215	37,623,923
Adjusted for :		
Inventories	(2,238,624)	(2,322,742)
Sundry Debtors	(13,579,827)	11,696,133
Loan & Advances	(3,275,278)	945,176
Current Liabilities	4,080,878	(7,655,749)
Income tax Paid During the Year	(8,840,101)	(20,057,058)
Fringe Benefit Tax Paid	(2,078)	(129,168)
Net Cash Generated/(Used) in Operating Activities	8,474,185	20,100,515
B) CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Investment	--	--
Sale of Fixed assets	137,000	700
Purchase of Fixed Assets	(4,504,556)	(1,366,120)
Interest/Dividend Income	701,423	420,767
Net Cash Generated/(Used) in Investing Activities	(3,666,133)	(944,653)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Long Term Loans	--	(3,968,274)
Increase In Bank Borrowing	7,585,871	(1,627,726)
Interest Expenses	(2,086,254)	(3,586,808)
Dividend Paid	(5,582,570)	(8,373,855)
Tax On Dividend	(948,758)	(1,423,137)
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,031,711)	(18,979,800)
Opening Cash and Cash Equivalent	3,776,341	176,061
Closing Cash and Cash Equivalent	1,229,343	1,053,281
	5,005,684	1,229,342

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

FOR AND ON BEHALF OF THE BOARD

(B. A. RAJPARA)
 PROPRIETOR

PLACE : AHMEDABAD.
 DATE : 29/07/2010

NEHA B. PATEL

 COMPANY SECRETARY

D. K. PATEL

 (MANAGING DIRECTOR)

DINESH H. PATEL

 (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.	04-21524	State Code :	04
II. Capital Raised During the Year (Amount in Rs. Thousand)			
Public Issue	Nil	Bonus Issue	Nil
Right Issue	Nil	Private Placement	Nil
III. Position of Mobilisation and Deployment of Funds (Amount in Thousands)			
Total Liabilities	132492	Total Assets	132492
Source of Funds			
Paid up Capital	55826	Reserve & Surplus	46186
Secured Loans	23960	Unsecured Loans	-
Deferred Tax Liabilities	6520		
Application of Funds			
Net Fixed Assets	66697	Investment	-
Net Current Assets	65794	Misc. Expenditure	-
Accumulated Losses	-		
IV. Performance of the Company (Amount in Rs. Thousand)			
Turnover (Total Income)	205988	Total Expenditure	161692
+ - Profit/Loss Before Tax	30376	+ - Profit/Loss After Tax	20003
Earning Per Share			
On Profit after Tax	3.58	Dividend Rate (%)	10%
V. Generic Names of Three Principal Products of Company (as per monetary terms)			
Item Code No. (ITC Code)	3906	Product Description	Drug Coat
Item Code No. (ITC Code)	2909	Product Description	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 18th September, 2010 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 2010.

 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.

ATTENDENCE 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. : 18th September, 2010
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 18th September, 2010.

Date

Signature



ANNUAL REPORT

2009-2010



Vikram
THERMO (INDIA) LIMITED



Book Post

To,

If undelivered please return to:
VIKRAM THERMO (INDIA) LIMITED
101, Classic Avenue,
Opp. Sales India, Ashram Road,
Ahmedabad-380 009.

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of **VIKRAM THERMO (INDIA) LIMITED** will be held on the 18th September 2010, 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:

- To consider and adopt the audited Balance Sheet as at 31st March 2010, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
- To declare dividend on equity shares.
- To appoint a Director in place of Shri Ambalal K. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Shri Ketanbhai C. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

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

RESOLUTION NO. 6 – SPECIAL RESOLUTION :

"RESOLVED THAT subject to the approval Under Section 269 and other relevant provisions of the Companies Act, 1956 and in accordance with the Articles of Association of the Company and subject to the approval of the Members at the next Annual General Meeting and also subject to the approval of the Central Government, if necessary, Shri Dhirajbhai K. Patel be and is hereby re-appointed as a Managing Director of the Company for a period of three years w.e.f. 26th September, 2009, on the terms and conditions enumerated as under:

- (A) Salary:** Rs. 1,25,000 (Rupees One Lac Twenty Five Thousand Only) per month plus bonus as may be decided every year.
(B) Commission: Not exceeding 3.5% of the net profit of the company.
- Fully furnished accommodation:**
(a) The Company will provide fully furnished accommodation to the Managing Director. If the Managing Director is not provided accommodation by the Company, the Company shall pay House Rent Allowance at the rate of 40 % of the Salary.
(b) The Company shall provide equipment and appliances, furniture and fixtures and furnishing at the residence of the Managing Director at the cost of the Company. The Company shall reimburse expenses of gas, electricity, water etc. The expenditure on these, valued in accordance with the Income Tax Rules, shall not exceed 10% of the salary.
- Conveyance:** Free use of Company's Car with driver for Official purposes.
- Traveling, Boarding and Lodging:** Actual expenditure to be reimbursed by the Company for outstation journey for Official work, in India or abroad.
- Leave Travel Concession :** Entitled to travel with family, by any mode, i.e. Air, Train, Road, once in a year for visiting any place in India.
- Medical benefits :** Reimbursement of actual expenses incurred for him and his family.
- Personal Accident Insurance :** Premium for accident insurance shall not exceed the limit of Rs. 5,000/- or such higher limit as may be permitted under Income-tax Rules.
- Company's Contribution to:**
(a) Provident Fund : As per rules
(b) Superannuation Fund / : As per rules Annuity Fund
- Gratuity:** Gratuity at the rate of one month's salary per year of his tenure of service.
- Leave and Leave Salary:** Entitled to privilege leave on full salary and perquisites of one month for every year of service. Also allowed to encash unavailed total leave to his credit at the end of his tenure.
- Telephone:** The Company shall bear all telephone expenses at his residence except long distance personal calls.
- Club Fees:** Fees of two Clubs for his membership, excluding admission or life membership fees.

"FURTHER RESOLVED THAT the Company hereby approves the payment of the said remuneration as minimum remuneration to him in accordance with Schedule XIII of the Act, in case the Company has no profits or its profits are inadequate in any financial year."

"FURTHER RESOLVED THAT Shri Dhirajbhai K. Patel shall also be entitled for reimbursement of entertainment expenses incurred in the course of business 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 Dhirajbhai K. 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 shall continue to enjoy the substantial powers for the management and administration of the company subject

to the control, supervision and superintendence of the Board of Directors of the Company."

Shri Dhirajbhai K. Patel is concerned and/or interested in the said Special Resolution to the extent of remuneration receivable by him and Shri Ambalal K. Patel is concerned and/or interested as his relative.

None of the other directors of the Company is in any way concerned or interested in the resolution.

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

RESOLUTION NO. 7 – SPECIAL RESOLUTION :

"RESOLVED THAT subject to the approval Under Section 269 and other relevant provisions of the Companies Act, 1956 and in accordance with the Articles of Association of the Company and subject to the approval of the Members at the next Annual General Meeting and also subject to the approval of the Central Government, if necessary, Shri Chimanbhai K. Patel proposed to be appointed as a Executive Director (Technical) of the Company for a period of 5 years w.e.f 1st August, 2010, on the terms and conditions enumerated as under:

- Salary:** Rs. 50,000 (Rupees Fifty Thousand Only) per month plus bonus as may be decided every year.
- Fully furnished accommodation:** The Company will provide fully furnished accommodation to the Director. If the Director is not provided accommodation by the Company, the Company shall pay House Rent Allowance at the rate of 60 % of the Salary.
- Conveyance:** Free use of Company's Car with driver for Official purposes.
- Personal Accident Insurance:** As per rules
- Company's Contribution to:**
(a) Provident Fund :As per rules
(b) Superannuation Fund / :As per rules Annuity Fund
- Gratuity:** As per rules

"FURTHER RESOLVED THAT the Company hereby approves the payment of the said remuneration as minimum remuneration to him in accordance with Schedule XIII of the Act, in case the Company has no profits or its profits are inadequate in any financial year."

"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 Chimanbhai K. 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."

Shri Chimanbhai K. Patel is concerned and/or interested in the said Special Resolution to the extent of remuneration receivable by him.

None of the Directors are concerned and/or interested in the said Special Resolution.

NOTES:

- 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. PROXIES, IN ORDER TO BE VALID, MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- Explanatory statement as required under section 173 of the Companies Act, 1956 which forms part of this notice is annexed herewith.
- The Register of Members and Share Transfer Books of the Company will remain closed from 15-09-2010 to 18-09-2010 (both days inclusive).
- Dividend, if declared, will be paid to those members whose names appear in the Register of Members on 18-09-2010.
- Members are requested to quote Folio number in all their correspondences.
- 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.
- Members are requested to bring their copy of Annual report of the meeting as the same shall not be distributed thereat.
- Members are requested to bring with them the attendance slip and hand it over at the entrance duly signed by them.
- With respect to payment of dividend, the Company provides the facility of NECS to all shareholders, holding shares in electronic and physical forms. Shareholders holding shares in the physical form who wish to avail NECS facility, may authorise the Company with their NECS 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 NECS for the year 2009-10 should be lodged with Bigshare Services P. LTD. on or before 14th September, 2010. Copy of NECS form is attached with the report.



**ANNEXURE TO NOTICE
EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT,1956**

(1) ITEM NO. 6 :

The present term of Shri Dhirajbhai K. Patel as Managing Director has expired on 26.09.2009. Subject to shareholders approval in next annual general meeting, the Board of Directors, at their meeting held on 27.10.2009, have reappointed him for a further period of three years from 26.09.2009. His remuneration has been determined by the remuneration committee constituted by the Board, in accordance with Schedule XIII of the Companies Act, 1956.

Shri Dhirajbhai K. Patel is concerned and/or interested in the said Special Resolution to the extent of remuneration receivable by him and Shri Ambalal K. Patel is concerned and/or interested as his relative.

None of the other directors of the Company is in any way concerned or interested in the resolution.

Information required to be disclosed in terms of notification No. GSR 36(E) dated 16.01.2002 of Schedule XIII to the Companies Act, 1956 :-

I. General Information :

(1) **Nature of industry :** Chemical Industry: The Company is manufacturing, marketing & exporting various pharmaceutical excipients & aromatic chemicals, which provides complete solution in Film Coating / Enteric coating & Sustain Release / Control Release formulations to pharma industry.

(2) **Date or expected date of commencement of commercial production :** The Company is already in Commercial Production since 1994.

(3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus :** Not Applicable.

(4) **Financial performance based on given indicators :**

(5) **Export performance and net foreign exchange collaborations :**

Particulars	2009-2010	2008-2009
Turn over	205,286,110	171,858,277
Stock in Trade/WIP	(3,678,485)	938,251
Profit before Tax	30,375,907	22,978,589
Provision for Taxation:	10,373,124	8,423,822
Profit after Tax	20,002,783	14,554,767
Proposed Dividend	5,582,570	5,582,570
Rate of Dividend Declared (%)	10%	10%

Financial Year	Export Turnover
2008-2009	Rs. 50,92,456/-
2009-2010	Rs. 85,48,271/-

(6) **Foreign investments or collaborators, if any. : NIL**

II. Information about the appointee : Shri Dhirajbhai K. Patel is the young, energetic and enthusiastic Managing Director. He is the chief promoter Director of the Company. He is the Managing Director since incorporation of the Company. He possesses specialized qualification, sound knowledge and outstanding experience of the business activities of the Company. He is technically well qualified and expert not only in production but in marketing as well.

In past, during the crisis and critical period, he was able to manage the Company successfully and pulled out the Company from panic situation to the present profit earning position. Under his able management, the Company has achieved the present position of progress and prosperity.

Looking to the remuneration paid to other executives in industry, the remuneration proposed to be paid to him is quite fair, just and reasonable.

During the year 2008-2009, he was paid the remuneration of Rs. 19,20,000/-.

Pecuniary relationship: The Company had not entered into any transaction of material in nature with any of the related parties which were in conflict with the interest of the Company. Further all transaction with related parties were in the ordinary course of business and at arms length.

III. Other information :

The Company has been earning profits for the last few years. All steps are being taken to keep the R & D department up-to-date to meet with the latest technical and market requirements. Turnover and profitability is gradually and firmly increasing and it is hoped that under the able management of Managing Director Shri D. K. Patel, the Company will continue its march towards progress and prosperity.

The above may be treated as an abstract as required under Section 302 of the Companies Act, 1956.

Your Directors recommend this Special Resolution for your approval.

(2) ITEM NO. 7 :

Shri Chimanbhai K. Patel possesses the degrees of M.Sc. (Gold Medalist) Ph.D & DPC from Tokyo, having wide experience and knowledge in the chemical and polymer. He has been giving his valuable services to Research and Development. He is the Chairman and Technical Director of the Company and has given valuable contribution in the development of the Company. His technical knowledge and directions has improved the quality of production and added the efficiency in working. Under his chairmanship and guidance the Company has made very good progress. He has been appointed by the Board as an Executive Director (Technical) for the period of five years with effect from 1st August, 2010 subject to approval of the members.

He is aged 73 years and hence the Special Resolution is placed before you for your approval.

The remuneration by way of salary and perks is the same which he was receiving earlier.

Shri Chimanbhai K. Patel is concerned and/or interested in the said Special Resolution to the extent of remuneration receivable by him.

None of the Directors are concerned and/or interested in the said Special Resolution.

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

Name of Director	Shri D. K. Patel	Shri C. K. Patel	Shri A. K. Patel	Shri K. C. Patel
Date of Birth	06/07/1963	10/03/1935	13/06/1952	23/08/1970
Date of Appointment	11/03/1994	26/09/1994	01/04/2003	01/05/2003
Qualification	B.Sc., MBA	M.Sc., Ph.D	Non-Metric	M.Sc., M.B.A
Expertise in specific Functional areas	Production, Research & Development, Marketing and Export	Research & Development	Liason & Marketing	Management & Marketing
List of Companies in which Directorship is held	NIL	NIL	NIL	NIL
Chairman/ Member of the Committee of other Companies	NIL	NIL	NIL	NIL

Registered Office
101, Classic Avenue,
Opp. Sales India, Ashram Road,
Ahmedabad - 380009
Date: 29-07-2010

By order of Board of Directors
For, Vikram Thermo (India) Ltd.
Sd-
Neha B. Patel
Company Secretary