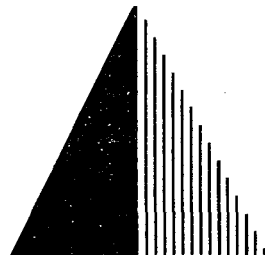


**16<sup>th</sup>**  
**Annual Report**  
**2006 - 2007**

Report  Junction.com



**AJANTA**

**AJANTA SOYA LIMITED**

**BOARD OF DIRECTORS**

<b>Mr. Sushil Goyal</b>	<i>Chairman &amp; Managing Director</i>
<b>Mr. Bishan Goyal</b>	<i>Whole Time Director</i>
<b>Mr. Gagan Goyal</b>	<i>Whole Time Director</i>
<b>Mr. S. C. Singhal</b>	<i>Director</i>
<b>Mr. Harsh Chander Kansal</b>	<i>Director</i>
<b>Mr. Mahak Kansal</b>	<i>Director</i>

**STATUTORY AUDITORS****M/s. TAS Associates**

Chartered Accountants  
Flat No. 4, 11/71, Punjabi Bagh West  
New Delhi - 100 026

**SECRETARIAL ADVISORS****M/s. R&D**

*Company Secretaries*  
138-A, Pocket - F, Mayur Vihar, Phase-II  
Delhi - 110 091  
Phone/Fax : 22725301 / 22725305  
e-Mail : mdcompanysecretaries@gmail.com

**SHARES LISTED WITH STOCK EXCHANGE AT****The Stock Exchange, Mumbai**

Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001

**The Calcutta Stock Exchange Association Ltd.**

7, Lyons Range, Calcutta - 700 001

**BANKERS****State Bank of India**

Overseas Branch  
Jawahar Vyapar Bhawan  
1, Tolstoy Marg,  
New Delhi-110 001

**REGISTERED OFFICE**

SP-916, RIICO Industrial Area Phase - III,  
Bhiwadi - 301 019, Distt. Alwar (Rajasthan)

**INVESTORS RELATION CENTRE**

4C, Bigjos Tower, A-8 Netaji Subhash Place  
Wazirpur District, Centre, New Delhi - 110 034  
Phone : 27352606, 27354063, Fax : 27355594  
E-mail : ajanta\_soya@yahoo.com  
Website : www.ajantasoya.com

**REGISTRAR & SHARE TRANSFER AGENT**

Skyline Financial Services Pvt. Ltd.  
123, Vinobha Puri, Lajpat Nagar - II  
New Delhi - 110 024  
Ph. : 29833777, 29847136, Fax : 29848352

ALL CORRESPONDENCE RELATING TO TRANSFER  
OF SHARES, CHANGE IN ADDRESS ETC. SHOULD BE  
SENT TO THE REGISTRAR & SHARE TRANSFER  
AGENT OR INVESTORS RELATION CENTRE

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## NOTICE

Notice is hereby given that the 16th Annual General Meeting of the Members of the Company will be held on Thursday, 27th September, 2007 at 12.30 A.M. at the Registered Office and Factory Premises of the Company at SP-916, RIICO Industrial Area, Phase III, Bhiwadi 301 019, Distt. Alwar, Rajasthan to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2007 and Profit and Loss Account for the year ended on that date together with the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr Gagan Goyal who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr Mahak Kansal who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorize the Board to fix their remuneration.

The present Statutory Auditors M/s Tas Associates, Chartered Accountants, New Delhi, are holding the office till the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

### SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** Mr Satish Chand Singhal, who was appointed as an Additional Director to hold office till the date of the Annual General Meeting be and is hereby appointed as Director of the Company, whose office shall be liable to determination through retirement by rotation."
6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution**:  
**"RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII of the Companies Act, 1956 and the Articles of the Association of the Company, and other applicable provisions, if any, the consent of the members be and is hereby given to increase the remuneration of Mr Sushil Goyal, Managing Director of the Company from a gross monthly remuneration of Rs. 50,000 (Rupees fifty thousand only) to a gross monthly remuneration of up to Rs. 2,00,000 (Rupees two lacs only) whether paid as salary, allowance(s), perquisites or a combination thereof with effect from July 1, 2007 for the remaining period of his current term as the Managing Director till 26th July, 2008, provided that the following perquisites will not be included in the aforesaid remuneration:
  - a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
  - b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
  - c. Encashment of leave at the end of tenure.

Provided further that payment/re-imbursment of telephone and/or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.

**RESOLVED FURTHER THAT** in the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to assign and delegate, from time to time, such work, duties, power and authorities to the Whole Time Director as it may deem fit and proper.

**RESOLVED FURTHER THAT** the Board of Directors and the Remuneration Committee of the Company be and are hereby severally authorised to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to take all necessary steps to give effect to the aforesaid resolution."

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Special Resolution**:  
**"RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII of the Companies Act, 1956 and the Articles of the Association of the Company, and other applicable provisions, if any, the consent of the members be and is hereby given to increase the remuneration of Mr Gagan Goyal, Whole Time Director of the Company from a gross monthly remuneration of Rs. 15,000 (Rupees fifteen thousand only) to a gross monthly remuneration of up to Rs. 50,000 (Rupees fifty thousand only) whether paid as salary, allowance(s), perquisites or a combination thereof with effect from August 1, 2007 for the remaining period of his current term as Whole Time Director till 30th April, 2009, provided that the following perquisites will not be included in the aforesaid remuneration:



- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.

Provided further that payment/re-imbursement of telephone and/or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.

**RESOLVED FURTHER THAT** in the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to assign and delegate, from time to time, such work, duties, power and authorities to the Whole Time Director as it may deem fit and proper.

**RESOLVED FURTHER THAT** the Board of Directors and the Remuneration Committee of the Company be and are hereby severally authorised to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to take all necessary steps to give effect to the aforesaid resolution."

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII of the Companies Act, 1956 and the Articles of the Association of the Company, and other applicable provisions, if any, the consent of the members be and is hereby given for appointment of Mr Bishan Goyal as a Whole Time Director of the Company for a period of three years with effect from 1st January, 2007 on the following remuneration:

- i. gross monthly remuneration not exceeding Rs. 50,000 (Rupees fifty thousand only) whether paid as salary, allowance(s), perquisites or a combination thereof, from 1st January, 2007 to 31st July, 2007; and,
- ii. gross monthly remuneration not exceeding Rs. 1,00,000 (Rupees one lac only) whether paid as salary, allowance(s), perquisites or a combination thereof, from 1st August, 2007 for the remaining period of his current term as Whole Time Director till 31st December, 2009.

Provided that the following perquisites will not be included in the aforesaid remuneration:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.

Provided further that payment/re-imbursement of telephone and/or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.

**RESOLVED FURTHER THAT** in the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to assign and delegate, from time to time, such work, duties, power and authorities to the Whole Time Director as it may deem fit and proper.

**RESOLVED FURTHER THAT** the Board of Directors and the Remuneration Committee of the Company be and are hereby severally authorised to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to take all necessary steps to give effect to the aforesaid resolution."

9. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 372A of the Companies Act, 1956 and other applicable provisions, if any, and subject to such consents, approvals and permissions of such authorities, institutions, agencies as may be required, the consent of the members of the Company be and is hereby given to ratify and confirm the decision of the Board of Director of the Company in their meeting held on 28th September, 2006 for providing corporate guarantee upto an amount up to Rs 32.36 crores (Rupees Thirty Two Crores & Thirty Six lac ) and interests and other costs attached to M/s Dhruv Globals Ltd for the credit facilities sanctioned by the State Bank of India till the credit facility remain outstanding



notwithstanding that giving of such corporate guarantee together with the existing investment(s), loan, guarantee, security provided by the company shall be in excess of higher of the sixty percent of the paid up equity share capital and free reserves of the company or hundred percent of free reserves of free reserves of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the company be and is hereby authorised to do all such acts and things and deal with all such matters and take all such steps in this regard as it may, in its absolute discretion, deems necessary, fit and proper."

For and on Behalf of the Board  
For **AJANTA SOYA LTD**

Date : 1st September, 2007

Place : New Delhi

**SUSHIL GOYAL**  
*Chairman & Managing Director*

#### NOTES:

- A. Appointment of Proxy:** A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The proxy form in order to be effective must be deposited with the Company not less than 48 hours before the time fixed for commencement of the Meeting.
- B. Corporate Members:** Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- C. Members/Proxies** attending the meeting are requested to bring their copy of Annual Report to the Meeting.
- D. Queries at the AGM:** Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
- E. Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 24th September 2007 to Thursday, 27th September 2007 (both days inclusive) for the purpose of the AGM.
- F. Members** are requested to notify any change in their address/ mandate/ bank details immediately to the share transfer Agent of the Company- M/s Skyline Financial Services Pvt Ltd.
- G. Inspection of Documents:** Documents referred to in the Notice etc., are open for inspection at the registered office of the Company at all working days except Saturdays between 11 A.M. and 2 P.M. up to the date of Annual General Meeting.
- H. Explanatory Statement:** Explanatory Statement as required under section 173(2) of the Companies Act, 1956, in respect of Special Business under item no. 5 and 8 is enclosed herewith.
- I.** The information required to be provided under the Listing Agreement entered in to by the Company with the Stock Exchanges regarding the Directors proposed to be reappointed is given in the annexure to the Notice.

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

##### ITEM NO. 5:

Mr Satish Chand Singhal was appointed as an additional Director of the Company in the Board meeting held on 10th November, 2006 to hold office until the date of ensuing annual general meeting. Brief details of Satish Chand Singhal is given in the report on Corporate Governance, which is enclosed with the Directors' Report.

The Board is proposing to appoint him as an ordinary director in the ensuing AGM. Accordingly, the resolutions are placed before the members for their consideration and approval. The Board recommends the proposed resolutions for adoption in the larger interest of the Company.

The Company has received a notice in writing along with the requisite deposit under Section 257 of the Companies Act, 1956 proposing the candidature of Mr Satish Chand Singhal for the office of Director of the Company in the ensuing AGM.

None of the Directors except Mr Satish Chand Singhal himself is interested and concerned at item nos. 5 of the notice.

##### ITEM NO. 6:

Mr Sushil Goyal has been the Managing Director of the Company since last nine years. He was re-appointed as Managing Director of the Company w.e.f. 27th July, 2003 for a further period of 5 years. Considering his valuable contributions to the Company, it is proposed to increase the remuneration payable to Mr Sushil Goyal, Managing Director w.e.f. 1st July, 2007.

The Board of Directors and the Remuneration Committee have already approved the increased remuneration of Mr Sushil Goyal as Managing Director. Further, as per the provisions of clause B, Part II of Schedule XIII of the Companies Act, 1956, a statement containing the information required under the said clause is as follows:

**I. GENERAL INFORMATION**

- (1) Nature of Industry : Ajanta Soya Limited is engaged in the business of manufacturing of Vanaspati Oil and Refined Oil
- (2) Date or expected date of commencement of commercial production : The Company is already in existence and is in operation since February, 1992
- (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 of the Company for last 2 years is given below: (Amount in Rs lacs)

Particulars	Financial Year ended	
	31st March, 2007	31st March, 2006
Net Sales:		
a) Vanaspati/Refined/Raw Oil	23145.70	22,007.52
b) Shares/Securities	—	0.39
Profit on Sale of Investment	86.50	—
Other Income	23.64	14.77
Increase/ (Decrease) in Stocks	(226.29)	350.54
Total Income	23029.55	22,373.22
Total Expenditure	22884.40	22,314.66
Extraordinary Items	(1.63)	(1.52)
Profit before tax	143.50	57.04
Provision for tax	(54.58)	(2.30)
Profit after tax	88.93	54.74
Transfer to Reserve	—	—
Paid-up Share Capital	1189.66	1189.66
Reserves and Surplus (excluding revaluation reserve)	717.90	596.78

- (5) Export performance and net foreign exchange collaborations : The Company is not in exports
- (6) Foreign investments or collaborators, if any : The Company has made strategic Investment in Phoenix Steel Mills Ltd., a Niegria based company, dealing in manufacturing of steel.

**II. INFORMATION ABOUT THE APPOINTEE**

- (1) Background details : Mr Sushil Goyal has been the Managing Director of the Company since last nine years. He is instrumental in the growth of our Company over the years. He is having more than 20 years of experience in Edible Oil Industry.
- (2) Past remuneration : Mr Sushil Goyal had been re-appointed as the Managing Director of the Company with effect from 27th July, 2003. His remuneration was increased w.e.f 1st July, 2007 as follows subject to the approval of members:
- Gross monthly remuneration not exceeding Rs. 2,00,000 whether paid as salary, allowance(s), perquisites or a combination thereof.
- Provided that the following perquisites will not be included the aforesaid remuneration:
- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;



- (3) Recognition or awards
- (4) Job profile and his suitability
- (5) Remuneration proposed
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)
- (7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.
- Provided further that payment/ re-imbursement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.
2. In the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.
- Mr Sushil Goyal is a man of rich experience in edible oil industry.
- Mr Sushil Goyal, being the Managing Director of the Company is entrusted with substantial powers in relation to normal business matters. He is having rich experience of over 15 years in edible oil industry.
1. Gross monthly remuneration not exceeding Rs. 2,00,000 whether paid as salary, allowance(s), perquisites or a combination thereof.
- Provided that the following perquisites will not be included in the aforesaid remuneration:
- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.
- Provided further that payment/ re-imbursement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.
2. In the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.
- The exact figures are not readily available. However, the proposed remuneration is reasonably justified in comparison with the general market trends and remuneration remuneration package of top-level managerial persons having comparative qualifications and experience.
- The appointee is the main promoter of the Company. Save as the managerial remuneration he does not have any other material pecuniary relationship with the Company.

### III. OTHER INFORMATION

- (1) Reasons for loss or inadequate profits
- (2) Steps taken or proposed to be taken for improvement
- The Company is in profit. However fixed remuneration is proposed to be paid as minimum remuneration in the event of loss/absence/inadequacy of profits due to unavoidable circumstances.
- The Company is taking cost cutting measures and exploring new avenues of business to improve profitability



## AJANTA SOYA LIMITED

- (3) Expected increase in productivity and profits in measurable terms : The company is expected to have improved sales and profitability figures in the next financial years.

## IV. DISCLOSURES

- The shareholders of the Company shall be informed of the remuneration package of the Managing Director.
- Necessary disclosures shall be made in the Director's Report of the Company under the heading "Corporate Governance".

The members' approval is required by way of a Special resolution for increase in remuneration to Mr Sushil Goyal as Managing Director.

The aforesaid explanatory statement for item no. 6 should also be deemed to be notice of the abstract for terms of appointment and payment of remuneration to Mr Sushil Goyal as Managing Director.

None of the directors of the Company except Mr Gagan Goyal, Mr Bishan Goyal and Mr Sushil Goyal himself is concerned or interested in the proposed resolution.

## ITEM NO. 7:

Mr Gagan Goyal has been appointed as a Whole Time Director of the Company w.e.f 1st May, 2006 for a period of three years. Considering his valuable contributions to the Company, it is proposed to increase the remuneration payable to Mr Gagan Goyal w.e.f 1st August, 2007.

The Board of Directors and the Remuneration Committee have already approved the increased remuneration of Mr Gagan Goyal as Whole Time Director. Further, as per the provisions of clause B, Part II of Schedule XIII of the Companies Act, 1956, a statement containing the information required under the said clause is as follows:

## I. GENERAL INFORMATION

- Nature of Industry : Ajanta Soya Limited is engaged in the business of manufacturing of Vanaspati Oil and Refined Oil
- Date or expected date of commencement of commercial production : The Company is already in existence and is in operation since February, 1992
- In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not Applicable
- Financial Performance of the Company for last 2 years is given below: (Amount in Rs lacs)

Particulars	Financial Year ended	
	31st March, 2007	31st March, 2006
Net Sales:		
a) Vanaspati/Refined/Raw Oil	23145.70	22,007.52
b) Shares/Securities	—	0.39
Profit on Sale of Investment	86.50	—
Other Income	23.64	14.77
Increase/ (Decrease) in Stocks	(226.29)	350.54
Total Income	23029.55	22,373.22
Total Expenditure	22884.40	22,314.66
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Profit before tax	143.50	57.04
Provision for tax	(54.58)	(2.30)
Profit after tax	88.93	54.74
Transfer to Reserve	—	—
Paid-up Share Capital	1189.66	1189.66
Reserves and Surplus (excluding revaluation reserve)	717.90	596.78



- (5) Export performance and net foreign exchange collaborations
- (6) Foreign investments or collaborators, if any

: The Company is not in exports

: The Company has made strategic Investment in Phoenix Steel Mills Ltd., a Niegria based company, dealing in manufacturing of steel.

## II. INFORMATION ABOUT THE APPOINTEE

- (1) Background details

: Mr Gagan Goyal has been appointed as a Whole Time Director of the Company w.e.f 1st May, 2006. He is having more than 4 years of experience in the areas of marketing and finance.

- (2) Past remuneration

: Remuneration of Mr Gagan Goyal was increased w.e.f 1st August, 2007 as follows subject to the approval of members:

1. Gross monthly remuneration not exceeding Rs. 50,000 whether paid as salary, allowance(s), perquisites or a combination thereof. Provided that the following perquisites will not be included in the aforesaid remuneration:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.

Provided further that payment/ re-imbursement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred in course of the official duties will not be included in the aforesaid remuneration.

2. In the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.

- (3) Recognition or awards

: Mr Gagan Goyal has rich experience in marketing & finance.

- (4) Job profile and his suitability

: Mr Gagan Goyal, being a Whole Time Director is looking after the function of marketing & finance. He is having rich experience of over 4 years in marketing & finance functions.

- (5) Remuneration proposed

1. Gross monthly remuneration not exceeding Rs. 50,000 whether paid as salary, allowance(s), perquisites or a combination thereof.

Provided that the following perquisites will not be included in the aforesaid remuneration:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure.

Provided further that payment/ re-imbursement of telephone and/ or mobile phone(s) bills, conveyance, fuel expenses or other out of pocket expenses incurred



- in course of the official duties will not be included in the aforesaid remuneration.
2. In the event of loss, absence or inadequacy of profits, the aforesaid remuneration shall be the minimum remuneration.
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) : The exact figures are not readily available. However, the proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top-level managerial persons having comparative qualifications and experience.
  - (7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any : The appointee is one of the promoters of the Company. Save as the managerial remuneration he does not have any other material pecuniary relationship with the Company.

### III. OTHER INFORMATION

- (1) Reasons for loss or inadequate profits : The Company is in profit. However fixed remuneration is proposed to be paid as minimum remuneration in the event of loss/absence/inadequacy of profits due to unavoidable circumstances.
- (2) Steps taken or proposed to be taken for improvement : The Company is taking cost cutting measures and exploring new avenues of business to improve profitability
- (3) Expected increase in productivity and profits in measurable terms : The company is expected to have improved sales and profitability figures in the next financial years.

### IV. DISCLOSURES

1. The shareholders of the Company shall be informed of the remuneration package of the Managing Director.
  2. Necessary disclosures shall be made in the Director's Report of the Company under the heading "Corporate Governance". The members' approval is required by way of a Special resolution for increase in remuneration of Mr Gagan Goyal as a Whole Time Director.
- The aforesaid explanatory statement for item no. 7 should also be deemed to be notice of the abstract for terms of appointment and payment of remuneration to Mr Gagan Goyal as a Whole Time Director.
- None of the directors of the Company except Mr Gagan Goyal, Mr Bishan Goyal and Mr Sushil Goyal is concerned or interested in the proposed resolution.

### ITEM NO. 8:

Mr Bishan Goyal has been appointed as a Whole Time Director of the Company w.e.f 1st January, 2007 for a period of three years at a monthly remuneration of Rs 50,000 per months. Considering his valuable contributions to the Company his remuneration has been increased upto Rs 1,00,000 per month w.e.f 1st August, 2007.

The Board of Directors and the Remuneration Committee have already approved the appointment of and payment of remuneration to Mr Gagan Goyal as Whole Time Director. Further, as per the provisions of clause B, Part II of Schedule XIII of the Companies Act, 1956, a statement containing the information required under the said clause is as follows:

### I. GENERAL INFORMATION

- (1) Nature of Industry : Ajanta Soya Limited is engaged in the business of manufacturing of Vanaspati Oil and Refined Oil
- (2) Date or expected date of commencement of commercial production : The Company is already in existence and is in operation since February, 1992
- (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