



Jhunjhunwala Vanaspati Limited

Annual Report 2006-07

Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



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JHUNJHUNWALA VANASPATI LIMITED

Regd Off: Jhunjhunwala Bhawan, Nati Imli, Varanasi

NOTICE

Notice is hereby given that the 18th Annual General Meeting of the members of Jhunjhunwala Vanaspati Limited will be held on Saturday, the 29th September, 2007 at 3.00 P.M. at 'Hotel Taj Ganges' Nadesar, Varanasi to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2007 and Profit & Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
2. To declare a Dividend on equity shares for the financial year ended on 31.03.2007.
3. To reappoint Shri S. K. Dikshit, Director who retires by rotation and being eligible offers himself for reappointment.
4. To reappoint Shri Mahesh Kedia, Director who retires by rotation and being eligible offers himself for reappointment.
5. To reappoint retiring Auditors M/s. Garg & Company, Chartered Accountants being eligible offer themselves for reappointment as auditors for the F.Y. 2007-2008 and to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be decided on mutual consent and advice of board and auditor.

Special Business

6. **To Appoint Mr. Adarsh Jhunjhunwala as director**
To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:
"RESOLVED THAT in conformity with the Articles of Association of the Company and provisions of Section 257 and all other applicable provisions of the Companies Act, 1956, Mr. Adarsh Jhunjhunwala, who was appointed as Additional director of the Company under section 260 of the Companies Act, 1956, with effect from 19.02.2007 and whose term expires at this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
7. **To appoint Mr. Kanhaiya Lal Goenka as Director**
To consider and if thought fit to pass with or without modification the following resolution as an ordinary

resolution:

"RESOLVED THAT in conformity with the Articles of Association of the Company and provisions of Section 257 and all other applicable provisions of the Companies Act, 1956, Mr. Kanhaiya Lal Goenka, who was appointed as Additional director of the Company under section 260 of the Companies Act, 1956, with effect from 19.02.2007 and whose term expires at this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

8. **To appoint Mr. Shyam Poddar as Director**

To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:

"RESOLVED THAT in conformity with the Articles of Association of the Company and provisions of Section 257 and all other applicable provisions of the Companies Act, 1956, Mr. Shyam Poddar, who was appointed as Additional director of the Company under section 260 of the Companies Act, 1956, with effect from 02.07.2007 and whose term expires at this Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

9. **Approval for re-appointment of Whole-Time Director**

To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to schedule XIII, section 269, 198, 309 and all other applicable provisions of the Companies Act, 1956, the consent of the members be and is hereby accorded to the reappointment of Shri. S. N. Jhunjhunwala as Whole-Time Director of the Company, for a period of five years w.e.f. June 1, 2007, on the following terms and conditions and remuneration as approved by the remuneration committee:

- 1) Subject to the performance of the duties and obligations as that part of the Whole-Time Director, the Company shall during his tenure, pay him by way of his remuneration for the services as follows:
 - A) Salary Rs. 70,000/- per month only.
 - B) Free medical hospital treatment for him and his entire family subject to direct payment of actual bills.
- and travelling expenses for Air-conditioned Railway

tour or Air passage for a holiday anywhere in India, once a year for himself and his family.

- D) Reimbursement of club bills including membership subscription in respect of clubs.
- E) Personal accident and Health Insurance policy of an amount, the annual premium for which not to exceed to Rs.15, 000/-P.A.
- F) Leave on full pay and allowance at the rate as allowable to other senior employees of the Company in term of companies leave rules not exceeding one month leave for every 11 month's service.
- G) Free use of a motorcar operated & maintained by the Company with driver, the monetary value of which may be evaluated as per Income Tax Rules, in force for the time being.
- H) Free telephone and mobile facility at residence. Provision of car for use for Company's business and telephone and mobile at residence will not be considered as perquisites.
- I) The total remuneration as mentioned in (A) to (H) above shall not exceed from the limits as applicable to the Company, under Schedule XIII of the Companies Act, 1956, from time to time.
- J) Contribution to Provident Fund, Super Annuation Fund, Annuity Fund to the extent either singly or put together are not taxable under I.T. Act, 1961.
- K) Gratuity payable at the rate not exceeding half a month salary for each completed years of service.
- L) Encashment of leave at the end of his tenure."

"RESOLVED FURTHER THAT as being a profit making company, the board of directors of the Company are authorised to pay any remuneration to Whole-Time Director not exceeding 5 % of the net profit of the Company (computed in the manner laid down in sections 349 and 350 of the Companies Act, 1956), as may be decided by the board from time to time or not exceeding 10 % in aggregate for all the working directors including Managing Director as per the requirement of Schedule XIII of the Companies Act, 1956."

"RESOLVED FURTHER THAT in case the Company has inadequate profit or losses, the remuneration would be restricted to maximum remuneration provided under section XIII of the Companies Act, 1956."

10. Approval for re-appointment of Chairman and Managing Director

To consider and if thought fit to pass with or without modification the following resolution as special resolution:

"RESOLVED THAT pursuant to schedule XIII, section 269, 198, 309 and all other applicable provisions of the Companies Act, 1956, the consent of the members be and is hereby accorded to the reappointment of Shri D. N.

Jhunjunwala who is 71 years of age as Chairman & Managing Director of the Company, for a period of five years w.e.f. June1, 2007, on the following terms and conditions & remuneration as approved by the remuneration committee:

- 1) Subject to the performance of the duties & obligations as that part of the Chairman & Managing Director, the Company shall during his tenure, pay him by way of his remuneration for the services as follows: -

- A) Salary Rs. 70,000/- per month only.
- B) Free medical hospital treatment for him and his entire family subject to direct payment of actual bills.
- C) Travelling expenses for Air-conditioned Railway tour or Air passage for a holiday anywhere in India, once a year for himself and his family.
- D) Reimbursement of club bills including membership subscription in respect of clubs.
- E) Personal accident and Health Insurance policy of an amount, the annual premium for which not to exceed to Rs.15,000/-P.A.
- F) Leave on full pay and allowance at the rate as allowable to other senior employees of the Company in term of companies leave rules not exceeding one month leave for every 11 month service.
- G) Free use of a motorcar operated & maintained by the Company with driver, the monetary value of which may be evaluated as per I. Tax Rules, in force for the time being.
- H) Free telephone and mobile facility at residence. Provision of car for use for Company's business and telephone and mobile at residence will not be considered as perquisites.
- I) The total remuneration as mentioned in (A) to (H) above shall not exceed from the limits as applicable to the Company, under Schedule XIII of the Companies Act, 1956 from time to time.
- J) Contribution to Provident Fund, Super Annuation Fund, Annuity Fund to the extent either singly or put together are not taxable under I.T. Act, 1961.
- K) Gratuity payable at the rate not exceeding half a month salary for each completed years of service.
- L) Encashment of leave at the end of his tenure."

"RESOLVED FURTHER THAT as being a profit making company, the board of directors of the Company are authorised to pay any remuneration to Managing Director not exceeding 5% of the net profit of the Company (computed in the manner laid down in sections 349 and 350 of the Companies Act, 1956), as may be decided by the board from time to time or not exceeding 10% in

aggregate for all the working directors including Whole-time Director as per the requirement of Schedule XIII of the Companies Act, 1956."

"RESOLVED FURTHER THAT in case the Company has inadequate profit or losses, the remuneration would be restricted to maximum remuneration provided under section XIII of the Companies Act, 1956."

11. Increase of Authorised Capital of the Company

To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolutions:

"RESOLVED THAT pursuant to the provisions of section 94(1)(a) of the Companies Act, 1956 and other applicable provisions, if any, the Authorised Share Capital of the Company be and is hereby increased to Rs. 22,55,00,000/- (Rupees Twenty Two Crores Fifty Five Lacs Only) divided into (A) 2,00,00,000 (Two Crores) equity shares of Rs. 10/- each and (B) 2,55,000 (Two Lacs Fifty Five Thousand) preference shares of Rs. 100/- each divided into (a) 5,000 (Five Thousand) 10% Cumulative Redeemable Preference Shares and (b) 2,50,000 (Two Lacs Fifty Thousand) Cumulative Redeemable Preference Shares."

"RESOLVED FURTHER THAT existing Clause V of the Memorandum of Association of the Company as to share capital be and is hereby deleted and in its place the following Clause V be substituted:

The Authorised Share Capital of the Company is Rs. 22,55,00,000/- (Rs Twenty Two Crores Fifty Five Lacs) divided into (A) 2,00,00,000 (Two Crores) equity shares of Rs. 10/- each and (B) 2,55,000 (Two Lacs Fifty Five Thousand) of which existing (a) 5,000 (Five Thousand) are 10% Cumulative Redeemable Preference Shares of Rs. 100/- each and (b) 2,50,000 (Two Lacs Fifty Thousand) preference shares of Rs. 100/- each divided into (a) 5,000 (Five Thousand) 10% Cumulative Redeemable Preference Shares and (b) 2,50,000 (Two Lacs Fifty Thousand) Cumulative Redeemable Preference Shares, with power to increase and/or reduce the same and to divide the shares in the capital for the time being into several classes and attach thereto respectively such preferential, qualified or special rights privileges or conditions in such manner as may for the time being be provided by the regulations of the Company and the Companies Act, 1956."

"RESOLVED FURTHER THAT Board of Directors / Company Secretary be and is hereby authorized to carry out the proposed changes in Memorandum of Association."

12. Alteration of Articles of Association of the Company

To consider and if thought fit to pass with or without modification the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 31 and other applicable provisions if any under the Companies Act, 1956, sub-clause (d) of Article 52 be and is hereby deleted

and in its place the following Clause d be substituted:

(Clause 52 (d))

The Authorised Share Capital of the Company is Rs. 22,55,00,000/- (Rs Twenty Two Crores Fifty Five Lacs) divided into (A) 2,00,00,000 (Two Crores) equity shares of Rs. 10/- each and (B) 2,55,000 (Two Lacs Fifty Five Thousand) preference shares of Rs. 100/- each divided into (a) 5,000 (Five Thousand) 10% Cumulative Redeemable Preference Shares and (b) 2,50,000 (Two Lacs Fifty Thousand) Cumulative Redeemable Preference Shares, with power to increase and/or reduce the same and to divide the shares in the capital for the time being into several classes and attach thereto respectively such preferential, qualified and special right privilege or conditions in such manners as may for the time being be provided by the regulations of the Company and the Companies Act 1956."

"RESOLVED FURTHER THAT Board of Directors / Company Secretary be and is hereby authorised to carry out the proposed changes in Articles of Association."

13. Ratification of Re-issue of 286200 Forfeited Equity Shares

To consider and if thought fit, to pass with or without modification(s), the following Resolutions as Special Resolutions:

"RESOLVED THAT the reissue of 2,86,200 forfeited Equity Shares on a preferential basis to persons belonging to non-promoter category, in pursuance to the earlier resolutions passed by the members of the Company at the Annual General Meeting held on 22/12/05, authorizing the Board of Directors of the Company to allot the said shares be and is hereby ratified by general body of shareholders."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such balance acts, deeds, matters and things, as it may in its absolute discretion deem necessary and proper and further to do all such acts, deeds, matters and things, to finalize and execute all documents, undertakings and writings as may be necessary, desirable or expedient as it may deem fit and to file the rectified documents and information to various Authorities, as necessary."

"RESOLVED FURTHER THAT the Board and/ or any Committee be & is hereby authorized to accept such amendments, modifications, variations and alterations as the Government of India, SEBI, Reserve Bank of India, Financial Institutions, or Stock Exchanges may stipulate in that behalf."

"RESOLVED FURTHER THAT the Board and/ or any Committee of Directors be and is hereby authorised to take necessary steps required to complete the process of listing of the above mentioned Equity Shares on the Stock

Exchanges, where the shares of the Company are listed, as per the terms and conditions of the Listing Agreement/ as may be advised or directed by the Stock Exchange(s)/ SEBI and their Officials, and in accordance with such other guidelines, rules and regulations as may be applicable with regard to such listing."

"RESOLVED FURTHER THAT the Board and/ or any Committee of Directors be and is hereby authorized to apply to SEBI, ROC, Stock Exchange(s) or any other Regulatory/ Government Authority for compounding/ condoning of any of the violations/ discrepancies."

14. Ratification of Allotment of 398900 Equity Shares (Out of unsubscribed portion of the Public Issue)

To consider and if thought fit, to pass with or without modification(s), the following Resolutions as Special Resolutions:

"RESOLVED THAT the issue of 3,98,900 Equity Shares (out of the unsubscribed portion of the Public Issue) made by the Company on a preferential basis to persons belonging to non-promoter category, in pursuance to the earlier resolution passed by the members of the Company at the Annual General Meeting held on 22/12/05, authorizing the Board of Directors of the Company to allot the said shares be and is hereby ratified by general body of shareholders."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such balance acts, deeds, matters and things, as it may in its absolute discretion deem necessary and proper and further to do all such acts, deeds, matters and things, to finalize and execute all documents, undertakings and writings as may be necessary, desirable or expedient as it may deem fit and to file the rectified documents and information to various Authorities, as necessary."

"RESOLVED FURTHER THAT the Board and/ or any Committee be & is hereby authorized to accept such amendments, modifications, variations and alterations as the Government of India, SEBI, Reserve Bank of India, Financial Institutions, or Stock Exchanges may stipulate in that behalf."

"RESOLVED FURTHER THAT the Board and/ or any Committee of Directors be and is hereby authorised to take necessary steps required to complete the process of listing of the above mentioned Equity Shares on the Stock Exchanges, where the shares of the Company are listed, as per the terms and conditions of the Listing Agreement/ as may be advised or directed by the Stock Exchange(s)/ SEBI and their Officials, and in accordance with such other guidelines, rules and regulations as may be applicable with regard to such listing."

"RESOLVED FURTHER THAT the Board and/ or any Committee of Directors be and is hereby authorized to

apply to SEBI, ROC, Stock Exchange(s) or any other Regulatory/ Government Authority for compounding/ condoning of any of the violations/ discrepancies."

15. Ratification of Allotment of 4200 Equity Shares (Out of unissued Share Capital)

To consider and if thought fit, to pass with or without modification(s), the following Resolutions as Special Resolutions:

"RESOLVED THAT the issue of 4,200 Equity Shares (out of the unissued share capital) made by the Company on a preferential basis to persons belonging to non-promoter category, in pursuance to the earlier resolution passed by the members of the Company at the Annual General Meeting held on 22/12/05, authorising the Board of Directors of the Company to allot the said shares be and is hereby ratified by general body of shareholders."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such balance acts, deeds, matters and things, as it may in its absolute discretion deem necessary and proper and further to do all such acts, deeds, matters and things, to finalize and execute all documents, undertakings and writings as may be necessary, desirable or expedient as it may deem fit and to file the rectified documents and information to various Authorities, as necessary."

"RESOLVED FURTHER THAT the Board and/ or any Committee be & is hereby authorised to accept such amendments, modifications, variations and alterations as the Government of India, SEBI, Reserve Bank of India, Financial Institutions, or Stock Exchanges may stipulate in that behalf."

"RESOLVED FURTHER THAT the Board and/ or any Committee of Directors be and is hereby authorised to take necessary steps required to complete the process of listing of the above mentioned Equity Shares on the Stock Exchanges, where the shares of the Company are listed, as per the terms and conditions of the Listing Agreement/ as may be advised or directed by the Stock Exchange(s)/ SEBI and their Officials, and in accordance with such other guidelines, rules and regulations as may be applicable with regard to such listing."

"RESOLVED FURTHER THAT the Board and/ or any Committee of Directors be and is hereby authorized to apply to SEBI, ROC, Stock Exchange(s) or any other Regulatory/ Government Authority for compounding/ condoning of any of the violations/ discrepancies."

16. Raising of FCCBs/ADR/ GDR and Other Financial Instruments

To consider and if thought fit, to pass with or without modification(s), the following resolutions as Special Resolution:

"RESOLVED THAT in accordance with the provisions of the

Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000 (including any statutory modification or re-enactment thereof, for the time being in force), Guidelines of the Securities and Exchange Board of India, Section 81 and any other applicable provisions of the Companies Act, 1956, any provisions of all other applicable laws or rules and regulations (including any amendment thereto or re-enactment thereof, for the time being in force), including in particular, any other applicable provisions, schemes, rules & regulations, guidelines and circulars issued by Reserve Bank of India or any other authority, the enabling provisions in the Memorandum and Articles of Association of the Company and the listing agreements entered into by the Company with the stock exchanges where the shares of the Company are listed and subject to (if necessary) the approval, consent, permission and sanction of the Foreign Investment Promotion Board, the Government of India, the Reserve Bank of India, the Ministry of Finance, the Department of Corporate Affairs, Securities and Exchange Board of India and any other appropriate authorities, institutions or regulators as may be necessary and subject to such conditions and modifications as may be prescribed by any of them in granting any such approval, consent, permission or sanction, as may be agreed to by the Board of Directors of the Company (the "Board" which shall also include any duly constituted Committee of the Board or any other person exercising the powers conferred on the Board vide this resolution), the consent of the Company be and is hereby accorded to the Board to issue, offer and allot in one or more public or private offerings in international markets, American Depository Receipts (hereinafter referred to as the "ADRs") and/ or Global Depository Receipts (hereinafter referred to as the "GDRs") or any other Depository Receipts, against existing equity shares of the Company, and / or Foreign Currency Convertible Bonds (hereinafter referred to as the "FCCBs", which would be convertible at the option of the holder into equity shares of the Company), to such persons, on such terms and conditions including such premium as may be permitted by the Ministry of Finance / such other authorities / such applicable laws, and at such time or times, in such tranche or trenches and at such price or prices, at a discount or premium or at market prices, in such manner and on such terms and conditions, taking into consideration the prevailing market conditions and other relevant factors and, where necessary, in consultation with the lead managers, underwriters and other advisors, as may be deemed appropriate by the Board at the time of the issue or allotment, subject to, in all cases, applicable law(s), (Such issue is hereinafter referred to as the "ADR/GDR/

FCCBs Issue" and the ADRs/ GDRs/ FCCBs are hereinafter collectively referred to as the "Securities"), the ADR/GDR/FCCBs Issue of the Securities shall be on such terms and conditions as the Board may, in its absolute discretion deem fit, and the Board shall be entitled to, for this purpose, cause allotment of the Securities to the investors in such foreign markets (whether these investors are institutions and / or incorporated bodies and/or individuals or otherwise and whether they are members of the Company or otherwise) provided that the funds raised through the issue and allotment of the Securities shall not exceed US\$ 30 million."

"RESOLVED FURTHER THAT without prejudice to the generality of the above and subject to all applicable laws, the aforesaid issue of Securities may have all or any of the terms or a combination of the terms in accordance with international practices, as the Board may deem fit, including but not limited to conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever and all such terms as may be provided in Securities offerings of this nature, including, without limitation, terms for the issue of such Securities/equity shares upon conversion of the Securities or variation of the conversion price of the Securities during the term of the Securities; and the Company is also entitled to enter into and execute all such arrangements / agreements as the Board may deem fit with any lead managers, managers, underwriters, financial institutions, legal and other advisors, guarantors, depositories, custodians and all other agencies/intermediaries as may be involved or concerned in such an offering of the Securities and to remunerate all such agencies including the payment of commissions, brokerage, fees or the like, and also to seek the listing of such Securities or securities representing the same on one or more stock exchanges outside India, wherever permissible under applicable laws."

"RESOLVED FURTHER THAT the Company may enter into any arrangement with any agency or body authorized by the Company for the issue of Securities, in registered or bearer form, with such features and attributes as are prevalent in capital markets for instruments of this nature and as the Board may consider appropriate and to provide for the tradeability or free transferability thereof, as per domestic and / or international practice and regulations and under the forms and practices prevalent in securities markets."

"RESOLVED FURTHER THAT the Securities issued in foreign markets shall be deemed to have been made abroad and/or in the international market and/or at the place of issue of the securities in the international market and may be governed by applicable foreign laws."

"RESOLVED FURTHER THAT the Board of Directors or any

Committee thereof be and is/are hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted upon issue and / or conversion of any securities referred to in the resolution or as may be necessary in accordance with the terms of the offering, all such equity shares being pari passu with the then existing equity shares of the Company in all respects."

"RESOLVED FURTHER THAT such of the securities and / or securities representing the same and / or equity shares to be issued, that are not subscribed to, may be disposed off by the Board, to such persons and in such manner and on such terms, as the Board / Committee may in its absolute discretion think fit as permissible under applicable law."

"RESOLVED FURTHER THAT for the purpose aforesaid, the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise (a) in regard to the issue, offer or allotment of securities and utilization of the issue proceeds, including, without limitation, the creation of such mortgage / charges under Section 293 (1) (a) of the Companies Act, 1956 in respect of the aforesaid securities either on pari passu basis or otherwise or (b) in the borrowing of loans as it may, in its absolute discretion deem fit, without being required to seek any further consent or approval of the members of the Company (the "Members") or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of securities and / or securities representing the same and / or equity shares, as described hereinabove, the Board or any Committee thereof, be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, at its discretion deem necessary or desirable for such purpose, including without limitation, the utilization of issue proceeds, entering into underwriting, indemnification, escrow, marketing and depository arrangements in connection with the ADR/GDR/FCCB-issue and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue or allotment, as it may in its absolute discretion deem fit."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred on the Board to any Committee of Directors or the Managing Director or any Director (s) of the Company to give effect to the aforesaid resolution."

17. Increase in Foreign Institutional Investors (FII) Limit

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

"RESOLVED THAT subject to such approvals, permissions and sanctions as may be required of the appropriate

authorities including FIPB, RBI, SEBI and Govt. of India and subject to the relevant regulatory requirements, the consent of the Company be and is hereby accorded for Foreign Institutional Investors (FIIs) to invest in the equity shares of the Company by way of Portfolio Investment, such that the aggregate holdings of such FIIs shall not exceed 49 % of the paid up equity share capital of the Company or such other lower ceiling as may be prescribed by the Government from time to time."

"RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof be and is/are hereby authorised to do all such acts, deeds, things and to take all necessary steps as are required for giving effect to the foregoing resolution."

18. Issue of Shares on a Preferential Basis

To consider and if thought fit to pass, with or without modifications, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to Section 81(1A) and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) and enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to any approval, consent, permission and / or sanction of the appropriate authorities, (hereinafter collectively referred to as "the appropriate authorities"), and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and / or sanction (hereinafter referred to as "the requisite approvals"), and which may be agreed to by the Board of Directors of the Company (hereinafter called 'the Board' which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution), the Board be and is hereby authorised to create, offer, issue and allot, from time to time in one or more tranches, Warrants entitling to apply for equity shares or other securities convertible into or exchangeable with equity shares (hereinafter referred to as the "Securities") to be subscribed by promoters, non promoters including domestic / foreign institutions, institutional investors, foreign institutional investors, bodies corporate, or other entities as provided in explanatory statement to the notice, whether or not such investors are Members of the Company, under a preferential issue through offer letter and/or circular and/or information memorandum and/or such other documents / writings, in such a manner and on such terms and conditions as may be determined by the Board in its absolute discretion including differential pricing for promoters and outsiders; provided that the price of the

equity shares so issued on conversion of warrants shall not be less than Rs. 80 (including a premium of Rs. 70) per equity share of Rs.10 each being the price with respect to the Relevant Date i.e. 30th August, 2007, as prescribed under the Guidelines for Preferential Issues contained in Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 and the aggregate amount of securities so issued shall not be less than Rs. 56 crores."

"RESOLVED FURTHER THAT the equity shares allotted on conversion of warrants in terms of this resolution shall rank pari passu in all respects with the then existing equity shares of the Company."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities and listing thereof with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may

arise in the proposed issue, offer and allotment of any of the said Securities, utilisation of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or Chairman & Managing Director or any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution."

By order of the Board of Directors

Place: Varanasi

D. N. Jhunjunwala

Date : 5th September, 2007 *Chairman & Managing Director*

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NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. The proxy in order to be effective, must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. The Explanatory Statement setting out the material facts concerning the special business mentioned under Item no from 6 to 18 of the notices as required under section 173 of the Companies Act, 1956 is annexed hereto.
3. The register of members and the share transfer books of the Company will remain closed from September 19, 2007 to September 29, 2007 (Both days inclusive).
4. Bank details as furnished to the respective depository participant will be printed on the dividend warrant as per applicable regulations.
5. Shareholders who are holding shares in physical form are advised to dematerialize their share holding to avail the benefits of dematerializations, which include easy liquidity since trading is permitted only in electronic form, saving of stamp duty and prevention of forgery.
6. The members are requested to:
 - a) Intimate changes, if any in their address at an early date.
 - b) Forward PAN/GIR nos with income tax ward /range district where assessed /assessable
 - c) Quote ledger folio Nos. in all their correspondence.
 - d) Intimate about the consolidation of the folios if shareholdings are multiple folios.
 - e) Bring their copies of annual reports and the attendance slips with them at the Annual General Meeting.
7. Additional information in term of clause 49 of the listing agreement in respect of Directors being re-appointed is as under: -
 - A) SHRI D. N. JHUNJUNWALA -**
 - Date of Birth: 02.02.1936
 - Date of appointment: 17.11.1989
 - Expertise in Functional areas: Industrialist
 - Shri D.N. Jhunjunwala is Chairman and Managing Director of the Company. He is a graduate in Industrial Chemistry. He has 45 years of experience of various facets of Management out of which 25 years have been dedicated in oil Industries
 - Shri D. N. Jhunjunwala promoted Jhunjunwala Vanaspati Limited in 1989 and he was President of Solvent Extractors Association, Member of U.P. Oil

Millers Association, Member of Vegetable Oil Refiners Association of India and he is also connected with various Philanthropic activities. He has written many books of social and religious use.

- Qualification: .B. Sc. (Industrial Chemistry)
- Directorship held in other companies: M/s Hari Fertilizers Limited
- Committee Membership: Audit Committee
- Shareholdings in the Company: 622520 shares of Rs. 10/- each

B) SHRI S. N. JHUNJHUNWALA:

- Date of Birth: 24.04.1957.
- Date of appointment: 17.11.1989
- Expertise in Functional areas: Industrialist
- Shri S.N. Jhunjunwala is Whole-Time Director and is a commerce graduate and he has 25 years of experience in Solvent Extraction, Oil Refining and Vanaspati Manufacturing units. He is looking after all the affairs of the Company
- Qualification: B.Com
- Directorship held in other companies:
 - 1) M/s Hari Fertilizers Limited
 - 2) M/s Adamjee Extractions Pvt Ltd., Sri Lanka
 - 3) M/s JVL Overseas Pte. Ltd., Singapore
- Committee Membership: None
- Shareholdings in the Company: 446578 equity shares of Rs. 10/- each

C) SHRI S. K. DIKSHIT

- Date of birth: 01.07.1946
- Date of appointment: 10.07.2001
- Shri S.K. Dikshit is a Director of the Company. He is a Doctor.
- He has expertise in herbal products and medical science.
- Directorship held in other companies: None
- Committee membership:
 - 1) Audit Committee,
 - 2) Remuneration Committee
 - 3) Shareholders' / Investors' Grievance Committee
- Shareholdings in the Company: None

D) SHRI MAHESH KEDIA

- Date of Birth: 13.06.1963
- Date of appointment: 29.12.2003
- Expertise in Functional areas: Commerce & Financial Accounting
- Shri Mahesh Kedia is a Director and is Chartered Accountant

- Qualification: B. Sc (Statistics), C.A
- Directorship held in other companies: None
- Committee Membership: :
 - 1) Audit Committee,
 - 2) Remuneration Committee
 - 3) Shareholders / Investors Grievance Committee
- Shareholdings in the Company: None

E) SHRI ADARSH JHUNJHUNWALA

- Date of Birth: 05.07.1983
- Date of appointment: 27.02.2007
- Expertise in Functional areas: Commerce & Financial Accounting
- Sri Adarsh Jhunjunwala is Chartered Accountant.
- Qualification: Chartered Accountant
- Directorship held in other companies:
 - 1) M/s Jhunjunwala Oil Mills Ltd
 - 2) M/s Hari Fertilizers Limited
- Committee Membership: None
- Shareholdings in the Company: None

F) SHRI KANHAIYA LAL GOENKA

- Date of Birth: 03.03.1979
- Date of appointment: 27.02.2007
- Expertise in Functional areas: Experience in Solvent Extraction, Oil Refining and Vanaspati Manufacturing units.
- Qualification: B.Com
- Directorship held in other companies:
 - 1) M/s Anukul Crafts (P) Ltd.
 - 2) M/s Anukul Agro (P) Ltd.
 - 3) M/s Anukul Power (P) Ltd.
- Committee Membership: None
- Shareholdings in the Company: None

G) SHRI SHYAM PODDAR

- Date of Birth: 18.06.1944
- Date of appointment: 02.07.2007
- Expertise in Functional areas: Financial & Forex Risk Management
- Qualification: B.Com
- Directorship held in other companies:
 - 1) Forex Capital Services (P) Ltd.
 - 2) SAP Fincad Solutions (P) Ltd.
 - 3) JVL Overseas Pte. Ltd. (Singapore)
- Committee Membership: None
- Shareholdings in the Company: None