

# **RAJDARSHAN INDUSTRIES LIMITED**



**TWENTY EIGHTH  
ANNUAL REPORT  
(2008-2009)**

**RAJDARSHAN INDUSTRIES LIMITED****Board of Directors**

Mr. B.S.Deopura

Mr. Ashok Doshi

Mr. Devendra Sharma

Mr. Ravinder Puri

Dr. Sudhir Doshi

Mr. O.P. Jain

Mr. M.P. Dhruv

**Auditors**

M/s Punjawat, Pokharna & Hiran  
Chartered Accountants  
Udaipur (Raj.) 313 001

**Bankers**

State Bank of India  
The Udaipur Urban Co-Operative Bank Ltd.

**Registrar &  
Share Transfer Agents**

M/s Ankit Consultancy Pvt. Ltd.  
2nd Floor, Alankar Point  
Gita Bhawan Chouraha  
A.B. Road  
Indore (M.P.) 452001  
Phone : 0731-2491298  
Fax : 091-731-4065798

**Registered Office**

59, Moti Magri Scheme  
Udaipur (Raj.) 313 001

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## RAJDARSHAN INDUSTRIES LIMITED

### NOTICE OF THE ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the Twenty Eighth Annual General Meeting of the Company will be held on Wednesday, the 30<sup>th</sup> day of September, 2009 at 4.15 p.m. at the Registered Office of the Company at 59, Moti Magri Scheme, Udaipur - 313 001, Rajasthan to transact the following business:-

#### Ordinary Business

1. To consider and adopt the Audited Profit and Loss Account for the Financial Year ended 31<sup>st</sup> March, 2009, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ravindra Puri, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Dr. Sudhir Doshi, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s Punjawat, Pokharna & Hiran, Chartered Accountants, Udaipur, as Statutory Auditors of the Company, on such remuneration as may be fixed by the Board of Directors of the Company.

By order of the Board  
For Rajdarshan Industries Limited,

Place: Udaipur  
Date : September 01, 2009

Sudhir Doshi  
Director

**RAJDARSHAN INDUSTRIES LIMITED****NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY OR PROXIES SO APPOINTED NEED NOT BE A MEMBER OR MEMBERS AS THE CASE MAY BE OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY AND THE POWER OF ATTORNEY OR OTHER AUTHORITY, IF ANY, UNDER WHICH IT IS SIGNED OR A NOTARIAL CERTIFIED COPY OF THAT POWER OR AUTHORITY SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING.
2. The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of Special Business as given in the notice annexed hereto.
3. The Register of Members and the Share transfer books of the Company will remain closed from September 24, 2009 to September 30, 2009 (both days inclusive) for the purposes of Annual General Meeting.
4. The Register of Directors' Shareholdings, maintained under Section 307 of the Companies Act, 1956, will be available for inspection by the members at the Annual General Meeting.
5. Members holding more than one share certificate in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to the Company for consolidating their holdings in one folio. The Share Certificates will be returned to the Members after making requisite changes thereon.
6. Members holding shares in dematerialized mode are requested to intimate all changes with respect to their bank details, mandate etc. to their respective Depository Participant (DP). These changes will automatically reflected in Company's records and those who holds shares in physical form should intimate their bank details and change of address, if any, etc. to the Company's Registrar and Share Transfer agent M/s Ankit Consultancy Pvt. Limited, 2nd Floor, Alankar Point, A.B. Road, Gita Bhawan Square, Indore - 452 001 (M.P)
7. Non-resident Indian Shareholders are requested to inform us immediately, the change in their Residential Status on return to India for permanent settlement and the particulars of NRE Account, if not furnished earlier.
8. Members are requested to bring their copies of Annual Report to the meeting.
9. A member desirous of getting any information on the accounts or operations of the Company, is requested to forward his / her queries to the Company at least five working days prior to the meeting, so that the required information will be made available at the meeting.
10. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of directors seeking appointment / re-appointment at the Annual General Meeting, is separately annexed hereto.

By order of the Board  
**For Rajdarshan Industries Limited,**

Place: Udaipur  
 Date : September 01, 2009

Sudhir Doshi  
**Director**



### Annexure to the Notice

**Additional information in respect of Directors seeking appointment/re-appointment at the Annual General Meeting.**

<b>Name</b>	<b>Mr. Ravindra Puri</b>
Date of Birth	12 <sup>th</sup> July, 1956
Qualification	B.Sc.
Expertise	Vast Experience in the field of Marketing.
Directorship held in other Companies.	Nil
Chairman/Member of the Committee of the Board of Directors of the Company	Audit Committee - Member
Chairman/Member of the Committee of the Board of Directors of other Companies	Nil
Shareholding in the Company	Nil

<b>Name</b>	<b>Dr. Sudhir Doshi</b>
Date of Birth	22 <sup>nd</sup> December, 1952
Qualification	M.B.B.S.
Expertise	Vast Experience in Management and Corporate Affairs besides experience in processing and mining business of Marble and Granites.
Directorship held in other Companies.	Madhav Marbles & Granites Ltd. Mumal Granites Ltd. Sumal Finance & Investments Pvt. Ltd.
Chairman/Member of the Committee of the Board of Directors of the Company	Shareholders/Investors Grievances committee - Member Audit Committee - Member
Chairman/Member of the Committee of the Board of Directors of other Companies	Two
Shareholding in the Company	6155

**RAJDARSHAN INDUSTRIES LIMITED****DIRECTORS' REPORT**

Dear Members,

The Directors have pleasure in presenting the 28<sup>th</sup> Annual Report and the Audited Accounts for the year ended 31<sup>st</sup> March 2009.

**Financial Highlights**

(Rs. In lakhs)

Details	Year ended 31.03.2009	Year ended 31.03.2008
Turnover and Other Income	206.65	319.05
Profit before Interest and Depreciation	50.92	195.65
Interest	6.62	12.44
Profit before Depreciation	44.30	183.21
Depreciation	39.93	41.94
Profit before Tax	4.37	141.27
Provision for Taxation		
- Current Tax	3.15	30.00
- Deferred Tax Adjustment	(0.34)	0.37
- Fringe Benefit Tax	0.40	0.48
Profit after Tax	1.16	110.42
Profit brought forward from previous year	651.53	541.11
Profit available for Appropriation	652.69	651.53
<b>Appropriation:</b>		
Transfer to General Reserve	0.00	0.00
Balance carried forward	652.69	651.53

**Performance**

During the year the turnover of the Company declined by 8.92% to Rs.191.21 lakhs as against Rs. 209.94 lakhs in the previous year. The Company has achieved Profit Before Tax of Rs.4.37 lakhs as against Rs.141.27 lakhs in the previous year, in the same period the Profit After Tax decreased to Rs. 1.16 lakhs from Rs.110.42 lakhs.

**Dividend**

In order to conserve financial resources, your Directors have not recommended any dividend for the year.

**Finance**

During the year the Company has not availed loan from any Banks & Financial Institutions.

**Corporate Governance**

Pursuant to clause 49 of the listing agreement with the Stock Exchanges, a report on Corporate Governance, along with Auditors' Certificate regarding compliance of conditions of Corporate Governance and Management Discussion and Analysis is separately given in this report.

**Deposits**

Your Company has not accepted any deposits and, as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

**Directors**

In accordance with the provisions of the Companies Act, 1956, Mr. Ravindra Puri and Dr. Sudhir Doshi, Directors of the Company retire by rotation at the ensuing Annual General Meeting, and being eligible have offered themselves for re-appointment.

The brief particulars of all Directors for which approval of members for their Appointment/ Re-appointment are sought, have been provided in the notice of Annual General Meeting pursuant to clause 49 of the Listing Agreement.

**Auditors**

M/s Punjawat, Pokharna & Hiran, Chartered Accountants, Udaipur retires in accordance with the provisions of the Companies Act, 1956, at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

**Auditors' Report**

As regards the Auditors Report, the points raised therein have been explained in the Notes to the Accounts and elsewhere in the Annual Report, as such Directors have no further comments to offer.



## RAJDARSHAN INDUSTRIES LIMITED

### Directors Responsibility Statement

The Directors confirm that:

- a) in preparing the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are 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 and of the Profit of the Company for that period;
- c) the Directors have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Act and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the Annual Accounts of the Company on a "going concern" basis.

### Managements' Discussion and Analysis Report

The annexed Management Discussion and Analysis forms a part of this Report and covers, amongst other matters, the performance of the Company during the Financial Year under review as well as future prospects.

### Particulars of Employees

During the year no employee was getting remuneration beyond the limit fixed for which the particulars are required pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

The Company continues to maintain good cordial relations with its employees.

### Conservation of Energy and Technology Absorption:

The Company has no particulars to furnish under the above head since it has not carried any manufacturing activities during the year under review.

### Foreign Exchange Earnings and Outgo:

Please refer Notes No.17 to 19 to Schedule Q to the Accounts.

### Other Mandatory Requirements

Pursuant to the requirements of the Listing Agreements with the Stock Exchanges and the Accounting Standards in terms of Section 211 (3A) of the Companies Act, 1956, details of Related Party Transactions (AS-18), Deferred Taxation (AS-22) and impairment of assets (AS-28) have been incorporated in and / or annexed with the Accounts.

### Acknowledgement

The directors' record their gratitude to the Bankers, Financial Institutions, Government Departments for their assistance and co-operation during the year.

The directors' place on record their appreciation of the dedicated services of the workers and employees of the Company.

The directors' also thank the shareholders for their continued faith in the Company.

By order of the Board  
For Rajdarshan Industries Limited,

Sudhir Doshi      Devendra Sharma  
Director                      Director

Place : Udaipur

Date : September 01, 2009

**RAJDARSHAN INDUSTRIES LIMITED****MANAGEMENT DISCUSSION AND ANALYSIS**

The Management of Rajdarshan Industries Limited is pleased to present its analysis report covering performance of the Company and its outlook. This report contains certain forward-looking statements, which are subject to certain future events and uncertainties that could cause actual results to differ materially.

Your Company operates its machineries in mining and transportation of raw materials to various cement units in Rajasthan through contract execution. The profitability and growth of your company mainly depends upon new projects and growth of cement units.

The performance of the mining division of the Company in terms of turnover was down by 9.05% from Rs. 209.81 lakhs in FY08 to Rs. 190.83 lakhs in FY09.

The finance charges decreased by 46.78% to Rs.6.62 lakhs in FY09 as compared to Rs.12.44 lakhs in FY08 mainly due to regular payments of term loan to financial and other institutions.

The net block of fixed assets was stood at Rs.208.07 lakhs in FY09 as compared to Rs. 248.85 lakhs in FY08, Depreciation charges decreased to Rs. 39.93 lakhs during the year 2008-09 as against Rs.41.94 lakhs in previous year.

The Company has provided for deferred tax liabilities of Rs.4.45 lakhs in the year under review as compared to Rs. 4.79 lakhs in previous year as per the Accounting Standard (AS-22), for details kindly refer notes to the accounts no.12.

The operating profit was down by 73.97% to Rs. 50.92 lakhs in FY09 as compared to Rs.195.65 lakhs in FY08.

The net profit for the FY09 was Rs.1.16 lakhs as against Rs.110.42 lakhs in FY08.

The earning per share (EPS) was at Rs.0.04 in FY09 as compared to Rs. 3.55 in FY08

**Outlook**

The Company's main approach will be to utilize all its resources, with improved and more effective management practices to execute its contracts.

The Company is also focusing its attention on trading division to sustain its profitability.

The Company's long-term objective is to successfully execute its contracts with Cement Units to achieve further growth.

**Contingent Liabilities**

Details of contingent liabilities are given in Schedule Q: Notes Forming Part of the Account - Para 3.

**Internal Control Systems**

The Company has in place a proper and adequate system of internal controls in respect of all its activities including safeguarding and protecting its assets against loss from unauthorized use or disposition. Further all transactions entered into by the Company are duly authorized, recorded and reported correctly.

An extensive program of audit, reviews by management and established policies, guidelines and procedures, supplements the internal control system. The systems are designed to ensure that the financial and other records are reliable for preparing financial statements, other data and for maintaining accountability of assets.

**Human Resources**

During the year, labour / employees relations continued to be cordial.

**Conclusion**

The Company has trying better performance in the year under review and it is striving hard to improve further in all aspects to post a good performance and also confident of delivering improved value for the shareholders in the years to follow.





## REPORT ON CORPORATE GOVERNANCE

### Company's Philosophy on Corporate Governance

Company's philosophy on corporate governance envisages the attainment of high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its interaction with employees, workers, shareholders, creditors, contractors, customers, institutional and other term lenders and places due emphasis on regulatory compliance.

### Board of Directors

The Board of Directors as on 31<sup>st</sup> March, 2009 consisted of Seven directors, all of them are Non-executive directors. Out of them four are Non-executive Independent directors.

The Non-executive / Independent directors are accomplished professionals in corporate management, taxation, finance, legal and other fields.

None of the directors hold directorships in more than the permissible number of companies under the applicable provisions. Similarly, none of the directors holds membership or chairmanships on the board's committees of more than permissible limits.

### Details pertaining to category, attendance record of Directors

Name of the Director	Category	No. of Board Meetings attended	Attended last AGM held on 30.09.08
Ashok Doshi	Non-executive Promoter	5	Yes
Devendra Sharma	Non-executive Promoter	2	No
Sudhir Doshi	Non-executive	4	Yes
Ravinder Puri	Non-executive Independent	2	Yes
B.S.Deopura	Non-executive Independent	3	No
M.P. Dhruv	Non-executive Independent	1	No
O.P. Jain	Non-executive Independent	2	Yes

### Board Meetings

The Board of Directors met Six times during the year with a clearly defined agenda for each meeting. The gap between two board meetings did not exceed four months. The dates on which the Five board meetings were held are as follows:

Date of Board Meeting	Held at	No. of Directors Present
29 <sup>th</sup> April, 2008	Udaipur	3
30 <sup>th</sup> July, 2008	Udaipur	3
19 <sup>th</sup> August, 2008	Udaipur	3
05 <sup>th</sup> Sept., 2008	Udaipur	4
31 <sup>st</sup> October, 2008	Udaipur	3
30 <sup>th</sup> January, 2009	Udaipur	3

### Availability of information to the members of the Board

Key information is being provided to the Board at regular intervals.

Board annually reviews the Company's performance, operating plans, long-term plans, business initiatives and other related matters.

Further the information periodically placed before the Board whenever applicable and materially significant includes –

- Quarterly / half yearly results for the company.
- Minutes of meetings of Audit Committee / Shareholders' Transfer/ Grievance Committee.
- Details of Investor Grievances received and resolved.
- Transactions with related parties.
- Sale of material nature, of investment, subsidiaries, assets, which is not in normal course of business.
- Other matters as set out in the listing agreement

### Audit Committee

The committee comprises of Non-executive directors and independent directors as per the norms specified in clause 49 of the Listing Agreement.

The audit committee has adequate powers and detailed terms of reference to play an effective role as required under the provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreements with the Stock Exchanges.

**RAJDARSHAN INDUSTRIES LIMITED**

Brief descriptions of the terms of reference to the audit committee are as follows –

- (a) Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (b) Recommending the appointment of external auditors
- (c) Reviewing with management the annual / half yearly / quarterly financial statements before submission to the board
- (d) Discussion with external auditors regarding audit plan, as well as post-audit discussion to ascertain any are of concern
- (e) Other matters as set out in the listing agreement

During the year four meetings of the committee were held i.e. on 29<sup>th</sup> April, 2008, 30<sup>th</sup> July, 2008, 31<sup>st</sup> October, 2008 and 30<sup>th</sup> January, 2009.

The constitution of the committee and attendance at the meetings are as under:

Name & Positions	Total meetings held during the tenure of the members	No. of Directors Present
Ravinder Puri, Chairman	4	4
B.S.Deopura, Member	4	3
Sudhir Doshi, Member	4	4

**Shareholders Transfer / Grievance Committee**

The members of the Committee are Non-executive directors.

The committee has responsibility to look after dematerialization, transfer, transmission, consolidation, issue of duplicate shares certificates, etc., relating to the shares of the Company and matters relating to investor grievances. The committee has excellent co-ordination with the Share Transfer Agents and effects all the share transfer process within the statutory time limits. A report on the share transfer activities is periodically placed before the Board.

To expedite the share transfer work in the physical segment, necessary authority has been delegated by your Board to the Directors and Officers of the Company to approve transfer / transmission of shares. The details of share transfers /

transmissions approved by the Directors and Officers between the two board meetings are placed before the Board in next meeting.

During the year the committee met seven times and discussed the necessary matters delegated to it by the Board of Directors.

Other relevant details are given under shareholders information.

The constitution of the committee and attendance at the meetings are as under:

Name & Positions	Total meetings held during the tenure of the members	No. of Directors Present
Ashok Doshi, Chairman	8	8
Devendra Sharma, Member	8	3
Sudhir Doshi, Member	8	8

**Remuneration Committee**

The Company does not have any remuneration committee.

**Agreements with Directors**

The Company does not have any agreement with directors of the Company.

**Details of remuneration paid / payable to the Directors during 2008 – 2009**

No sitting fee is payable to directors for attending any meetings of the Board or Committee thereof.

Remuneration paid to directors during the year is Nil.

**Code of Conduct**

The Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management Personnel of your Company. All Board Members and Senior Management Personnel have confirmed compliance with the code.

A declaration signed by the Director is attached and forms part of the Annual Report.

**Code for prevention of Insider Trading Practices**

The Company has also adopted a code of internal procedure and conduct for prevention of insider trading in the shares of the Company, pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2002.