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**DARSHAN OILS LIMITED.**

**Board of Directors****DARSHAN OILS LIMITED****Gurbachan Singh***Chairman & Managing Director***Satinder Singh****Ravjit Singh****S. C. Singhal****Suresh Chand Jain****Ravinder Nath Goyal****Sanjeev Jain***Company Secretary***Auditors****Mital and Kumar**

Chartered Accountants

B-119, Centre Point

Marris Road, Aligarh-202 001

**Registered Office**

Udai Singh Jain Road

Aligarh - 202 001 (U.P.)

**Corporate Office**

512A, Indraprakash,

21, Barakhamba Road,

Connaught Place,

New Delhi - 110 001

**Factory**

6 Km. from Aligarh towards

Delhi on main G.T. Road,

Village Bhikampur, P.O. Jirolidar

Distt. Aligarh - 202 001 (U.P.)

**Bankers**

Punjab National Bank

International Banking Branch,

DCM Building, Barakhamba Road,

New Delhi-110 001

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**ANNUAL GENERAL MEETING**

Day : Wednesday

Date : 26th September, 2001

Time : 10.30 a.m.

Place : Surjit Talkies, Udai Singh Jain Road,  
Aligarh

**DARSHAN OILS LIMITED****NOTICE**

**NOTICE** is hereby given that the 19th Annual General Meeting of the members of **DARSHAN OILS LIMITED** will be held on Wednesday, the 26th September, 2001 at 10.30 a.m. at Surjit Talkies, Udai Singh Jain Road, Aligarh to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended 31 st March, 2001 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors.
2. To appoint a Director in place of Shri Gurbachan Singh, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS**

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

**"RESOLVED THAT** pursuant to provisions of Section 31 of Companies Act, 1956, the Articles of Association of the Company be and are hereby altered in the following manner: -

- a) In Article 1 -Interpretation (definition), the following terms be substituted :-

"Member" means any person whose name is entered in the register of members as holding any share either solely or jointly and includes every person whose name is entered as the beneficial owner in the records of the Depository".

- b) In Article 1 - Interpretation (definition), the following terms be inserted after the term "The Registrar" and before the term "Secretary" :-

"Depositories Act" means the Depositories Act, 1996 (22 of 1996) and include where the context so admits any re-enactment or statutory modification thereof for the time being in force".

"Depository" means a Depository as defined under Clause ( e ) of Sub Section (1) of Section 2 of the Depositories Act, 1996".

"Beneficial Owner" means the beneficial owner as defined in Clause (a) of Sub Section (1) of Section 2 of the Depositories Act, 1996".

- c) After Article 19 the following new Article 19A be inserted as the new Article 19A :-

19A.Power of the Company to dematerialise/ rematerialise

"The Company shall be entitled to dematerialise its existing Shares, Debentures and other Securities, rematerialise its Shares, Debentures and other Securities held with Depositories and/or offer its fresh shares, debentures and other securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder".

- d) The following shall be inserted at the end of Article 20(c) :-

"Provided that no share certificate(s) shall be issued for shares held with a Depository".

- e) After Article 22, the following heading and Article be inserted as Article 22A:-

**DEMATERIALISATION OF SECURITIES**

- 22A (i) All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187C of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

- (ii) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities on behalf of the beneficial owner.

- (iii) Save as otherwise provided above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.



- (iv) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository .
  - (v) Notwithstanding anything to the contrary contained in the Act or these Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.
  - (vi) Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
  - (vii) Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
  - (viii) Nothing contained in the Act or these Articles, regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository .
  - (ix) The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.
5. To consider and, if thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution**:
- "RESOLVED THAT** Shri Suresh Chand Jain in respect of whom the Company has received Notice in writing along with necessary deposit from a member proposing him as candidate for the office of Director as per the provision of section 257 of the Companies Act, 1956 and who being eligible for appointment as Director, be and is hereby appointed Director of the Company."
6. To consider and, if thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution**:
- "RESOLVED THAT** Shri Ravinder Nath Goyal in respect of whom the Company has received Notice in writing along with necessary deposit from a member proposing him as candidate for the office of Director as per the provision of section 257 of the Companies Act, 1956 and who being eligible for appointment as Director, be and is hereby appointed Director of the Company."

31th July, 2001  
 Registered Office :  
 Udai Singh Jain Road,  
 Aligarh(U.P.) 202 001

By Order of the Board  
  
 Gurbachan Singh  
 Chairman & Managing Director

**NOTES:**

1. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of item Nos.4 to 6 set out above is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE VALID AND EFFECTIVE MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Share Transfer Books and Register of Members of the Company will remain closed from Thursday, the 20th September, 2001 to Wednesday, the 26th September, 2001 (Both days inclusive).
4. Members/Proxies should bring the Attendance Slip duly filled up for attending the Meeting.

**DARSHAN OILS LIMITED****EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.****Item. No. 4:**

The Governing Board of Mumbai Stock Exchange, vide circular letter dated 30.03.2001 has decided that all B2 Group Companies of the Exchange, who have not signed agreements with both the depositories should be advised to sign agreements and establish the required connectivity with both the depositories.

The Mumbai Stock Exchange's directive makes it obligatory for the company to admit its share in both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)

For converting shares from physical form to electronic form (dematerialised form) the Depositories Act, 1996 will be applicable and introduction of depository system some of the provisions of the Companies Act, 1956 pertaining to issue, transfer, holding, dealing in etc. requires to be amended.

It has therefore become necessary to alter the Articles of Association of the Company so as to bring them in line with the relevant provisions of the Depositories Act, 1996.

The Directors recommend the proposed resolution for your approval.

None of the Directors of the Company is in any way concerned or interested in this resolution.

**Item. No. 5:**

Shri Suresh Chand Jain was appointed Additional Director pursuant to section 260 of the Companies Act, 1956 by the Board of Directors of the Company in its meeting held on 28th July, 2001. He holds office upto the dated of the 19th Annual General Meeting of the Company. It terms of section 257 of the Companies Act, 1956, the Company has received notice in writing along with necessary deposit from a member signifying his intention to propose the candidature of Shri Suresh Chand Jain for the office of Director.

The Directors recommend the proposed resolution for your approval.

None of the Directors of the Company except Shri Suresh Chand Jain is in any way concerned or interested in this resolution.

**Item. No. 6:**

Shri Ravinder Nath Goyal was appointed Additional Director pursuant to section 260 of the Companies Act, 1956 by the Board of Directors of the Company in its meeting held on 28th July, 2001. He holds office upto the dated of the 19th Annual General Meeting of the Company. It terms of section 257 of the Companies Act, 1956, the Company has received notice in writing along with necessary deposit from a member signifying his intention to propose the candidature of Shri Ravinder Nath Goyal for the office of Director.

The Directors recommend the proposed resolution for your approval.

None of the Directors of the Company except Shri Ravinder Nath Goyal is in any way concerned or interested in this resolution.

31th July, 2001  
Registered Office :  
Udai Singh Jain Road,  
Aligarh(U.P.) 202 001

By Order of the Board

Gurbachan Singh  
Chairman & Managing Director



## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors have pleasure in presenting the 19th Annual Report of the Company with the Audited Statement of Accounts for the year ended 31st March, 2001.

### WORKING RESULTS

(Rs. in Lacs)

	<u>2000-01</u>	<u>1999-00</u>
Sales & other Income	13781.01	8726.02
Profit before Interest, Depreciation & Tax	438.53	272.31
Less: Interest	255.82	138.10
Depreciation	62.24	61.12
Net Profit before Tax	120.46	73.09
Less: Provisions for Tax	10.21	8.44
Net Profit/(Loss) for the year	110.25	64.65
Add: Profit brought forward from last Account	84.84	95.19
Profit available for appropriation	195.09	159.84
Less: Trasfer to General Reserves & others	75.85	75.00
<b>Balance Carried over to Balance Sheet</b>	<b>119.24</b>	<b>84.84</b>

### OPERATIONS

Your Company experienced repid growth this year. Turnover during the year has increased to Rs. 137.81 crores from Rs. 87.26 crores in the previous year 1999-00. The Company has earned Rs. 110.25 lacs during the year whereas Rs. 64.65 lacs was earned by the Company during last year 1999-00. Your Company has shown excellent performance in both the front, sales and profit, during the year under review.

To strengthen the financial position of the Company and reduce the burden of loan funds, no dividend is recommended during the year.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION ETC.

Details of energy conservation and research and development activities undertaken by the Company alongwith the information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are given in annexure.

### PUBLIC DEPOSITS

During the year 2000-01, Company has accepted deposits from the public. The Company has made repayments on pre mature and matured deposits which were claimed by the investors during this year. There is no outstanding deposit which is matured and claimed, although deposits of Rs.1,05,000/- are matured but not claimed.

### DIRECTORS

Pursuant to the provisions of section 256 of the Companies Act, 1956 S. Gurbachan Singh retires by rotation and being eligible, offers himself for reappointment.

Shri Suresh Chand Jain and Shri Ravinder Nath Goyal were appointed as Additional Directors of the company by the Board of Directors on 28.07.2001. Pursuant to section 257 of the Companies Act, 1956, company has received Notice alongwith requisite deposit from a member signifying their intention to propose them for the office of Directors.

### DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to requirement under Section 217 (2AA) of the Companies Amendment Act, 2000 with respect to Directors Responsibility Statement, it is hereby confirmed:

- i) That in the preparation of the Annual Accounts for the financial year ended 31.03.2001, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;

**DARSHAN OILS LIMITED**

- ii) That the directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review;
- iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) That the directors had prepared the accounts for the financial year ended 31.03.2001 on a 'going concern' basis.

**PARTICULARS OF EMPLOYEES**

Particulars of employees pursuant to section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975, as amended, are not being furnished herewith since there is no employee who is getting remuneration as per the provisions therein.

**DEMATERIALISATION OF SHARES**

The Governing Board of Mumbai Stock Exchange, vide circular letter dated 30.03.2001 has decided that all B2 Group Companies of the Exchange, who have not signed agreements with both the depositories should be advised to sign agreements and establish the required connectivity with both the depositories.

The Mumbai Stock Exchange's directive makes it obligatory for the company to admit its share in both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)

For dematerialisation of equity shares of the Company, your Company has signed two Tripartite Agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and In-House Share Registry, New Delhi (Registrar & Transfer Agent for Electronic Connectivity only). Your Company has been allotted International Securities Identification Number (ISIN) INE667D01012.

Shareholders are requested to get their shares dematerialised.

**STOCK EXCHANGE LISTINGS**

Equity shares of your company are listed on U P Stock Exchange, Kanpur, The Stock Exchange, Mumbai, The Delhi Stock Exchange Association Limited, New Delhi, The Stock Exchange, Ahmedabad and Jaipur Stock Exchange Limited, Jaipur. The Company has paid annual listing fee to all the above Stock Exchanges for the year 2001-02.

**INDUSTRIAL RELATION**

The Industrial Relations continued to be cordial throughout the year. Your Directors wish to place on record their sincere appreciation for the excellent team work with which the workers and officers of the Company at all levels contributed for satisfactory performance of the Company.

**AUDITORS**

The Auditors, M/s Mital and Kumar, Chartered Accountants, retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office in terms of Section 224 (1B) of the Companies Act, 1956, if re-appointed. The Board recommends their re-appointment.

**ACKNOWLEDGMENT**

Your Directors place on record their gratitude to Company's valued Customers, Suppliers, Dealers, Central and State Governments, Bankers and Members of the Company for their continued support and confidence in the Company.

On behalf of the Board

Gurbachan Singh  
Chairman & Managing Director

Place : ALIGARH

Date : 15.07.2001





## ANNEXURE TO THE DIRECTORS' REPORT

Particulars required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988

### A. CONSERVATION OF ENERGY:

#### (a) Energy Conservation Measures Taken;

The vacuum system of the deacidification cum deodorisation section was overhauled and re-installed with improvements and also oil to oil heat exchangers have been modified and improved to conserve energy.

The refurbished plant after being debottlenecked, wherever necessary with the addition and installation of the balancing of the equipments etc. resulted in increasing the installed capacity from 30,000 MT to 45,000 MT per annum of vanaspati production.

#### (b) Proposal for reduction of consumption of energy;

The experts are constantly being consulted and involved for suggesting various measures to improve the process and systems, to monitor and reduce heat and electrical energies, in the different application of the processes.

It is being proposed to install a suitable size innovative fanless type, fill less type induced draft, higher capacity, latest technically proven colling tower with superior performance and longer life span, zero maintenance, power and water saving, with constant efficiency for the cooling of the recirculated barometric water having significant dissolved fatty matters etc. it shall result in maintaining perfect and consistent vacuum conditions in the different processes in all the seasons of the year.

#### (c) Impact of the measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;

The above mentioned energy conservation measures which have already been taken alongwith the measures under implementation will yield substantial saving in energy consumption compared to the past years.

These measures are also expected to result in reduction in other costs of production.

#### (d) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure is given here under;

### B. TECHNOLOGY ABSORPTION

The state of the art technology for the formulation of speciality fats have been perfected.

The votators and crystalizers have been reinstalled and the capacity has been increased by adding more machines and systems etc. in order to produce better and consistent Bakery application products.

**Our Nand Vanaspati - BAKERY SPECIAL-PREMIUM GOLD, SUPER GOLD, GOLDEN GATE; different brand with different inherent specifications for different application, is now being manufactured in the best Seven Stage Plant and is perfected to give correct quality and is highly cost-effective product for Bakery applications.**

The specially processed liquid vanaspati having around 41 degree centigrade melting point is votated; shock chilled in the special machines which produces perfect grainless; plastic texturised bakery shortening vanaspati-most suitable and recommended for bakery applications. It is smooth, homogeneous butter feel and is double deodourised to produce complete odour free and bland in taste vanaspati shortening. It is available in 15 Kg. carton / Tin packing and is being widely acclaimed in the market at premium.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

	2000-01 (Rs.)	1999-00 (Rs.)
(i) Foreign Exchange Earned	NIL	NIL
(ii) Outgo of Foreign exchange		
Value of Imports on CIF basis		
a) Raw Material	5,05,91,387	NIL