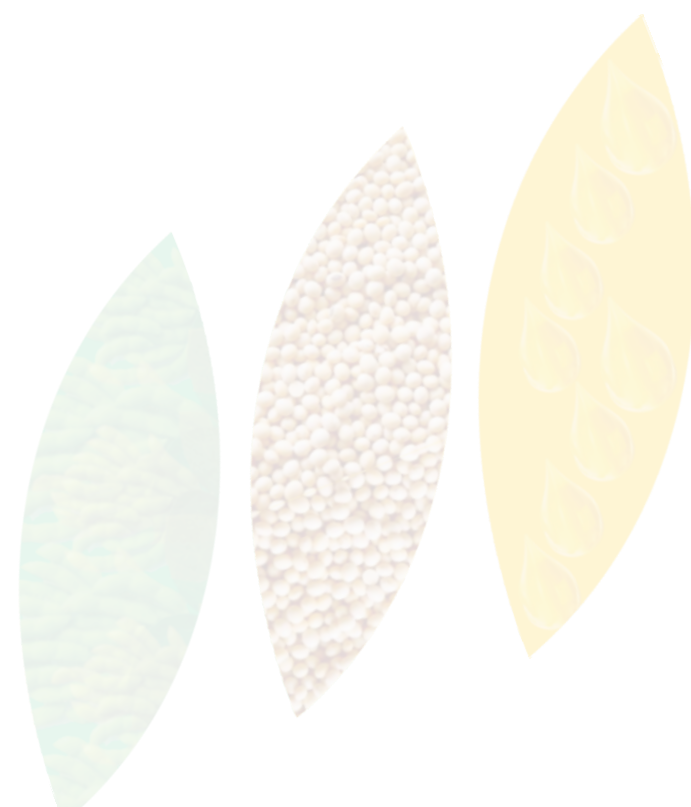




ANNUAL REPORT 2010-2011

DIVYA JYOTI INDUSTRIES LIMITED

COMPANY INFORMATION



BOARD OF DIRECTORS

Mr. Rangnath Nyati	Chairman
Mr. Girdhari R. Nyati	Whole Time Director
Mr. Gopal Nyati	Executive Director
Mr. Shriniwas Soni	Director
Mr. Sudarshan Shastri	Director

CHIEF EXECUTIVE OFFICER

Mr. Sanjay Baweja

CHIEF OPERATING OFFICER

Mr. Anirudh Nyati

CHIEF FINANCIAL OFFICER

CA. Mala Rohara

COMPANY SECRETARY

Ms. Neha Sharma

AUDITORS

Dafria & Co.
Chartered Accountants
A-1, Megh Building,
13/2, M.G. Road, Indore-452 001 (M.P.)

BANKERS:

Dena Bank
Oriental Bank of Commerce
The Saraswat Co-op. Bank Ltd.

REGISTERED OFFICE/ WORKS

Plot No. M-19-39, Sector-III, Industrial Area
Pithampur-454 775, Dist. - Dhar (M.P.)
Phones : 07292-421900-01, Fax : 07292-421947

ADMINISTRATIVE OFFICE

92/3, Sapna Sangeeta Main Road,
Near Tanishq Showroom, Indore-452 001 (M.P.)
Phones : 0731-4010900-01, Fax : 0731-4010902

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Limited
C-13, Pannalal Silk Mills Compound,
LBS Marg Bhandup (W), Mumbai - 400078
Phone : 022-25963838, Fax : 022-25946969

WEBSITE: www.divyajyoti.net

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NOTICE

Notice is hereby given that the 19th Annual General Meeting of the members of **DIVYA JYOTI INDUSTRIES LIMITED** will be held on Friday the 16th September 2011 at 11:00 A.M. at Registered Office of the company at M-19-39, Sector III, Industrial Area, Pithampur-454775 District Dhar (MP) to transact the following business.

1. To receive, consider and adopt the Audited Balance Sheet and Profit & Loss Account of the company for the year ended 31st March, 2011 and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Sudarshan Shastri, who retires by rotation and being eligible offer himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

INCREASE IN THE REMUNERATION OF WHOLE TIME DIRECTOR:

4. To consider and if thought fit, to pass with or without modification the following as Ordinary Resolutions:

“RESOLVED that pursuant to the provisions of sections 198,269,309,310,311 and other applicable provisions if any, and in terms of Schedule XIII of the Companies Act, 1956 as amended up to date, the remuneration of Shri Girdhari R. Nyati, Whole Time Director of the Company be and is hereby increased from ₹ 50,000/-per month to ₹ 70,000/-per month w.e.f. 1st September, 2011 with the Annual increment of ₹ 7,500/- per year for the remaining period, up to 31.08.2014, as set out hereunder:

Salary ₹ 70, 000/-(Rupees Seventy Thousand Only) per month and other terms and terms and conditions will remain same.”

“RESOLVED FURTHER that where in any financial year the Company has no profits, or its profits are inadequate during the term of office of Shri Girdhari R. Nyati, the remuneration aforesaid shall be minimum remuneration.”

“RESOLVED FURTHER that the Board of Directors be and hereby authorized to vary, alter, increase or enhance/change from time to time, the terms and conditions of appointment and remuneration of Shri Girdhari R. Nyati subject to the requisite approvals, if any, being obtained.”

“RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper.”

INCREASE IN THE REMUNERATION OF EXECUTIVE DIRECTOR:

5. To consider and if thought fit, to pass with or without modification the following as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of sections 198,269,309,310,311 and other applicable provisions if any, and in terms of Schedule XIII of the Companies Act, 1956 as amended up to date, the remuneration of Shri Gopal Nyati, Executive Director of the Company be and is hereby increased from ₹50,000/-per month to ₹ 70, 000/-per month w.e.f. 1st September, 2011 with the Annual increment of ₹ 7,500/- per year for the remaining period, up to 31.03.2013, as set out hereunder:

Salary ₹ 70,000/-(Rupees Seventy Thousand Only) per month and other terms and terms and conditions will remain same.”

“RESOLVED FURTHER that where in any financial year the Company has no profits, or its profits are inadequate during the term of office of Shri Gopal Nyati, the remuneration aforesaid shall be minimum remuneration.”

“RESOLVED FURTHER that the Board of Directors be and hereby authorized to vary, alter, increase or enhance/change from time to time, the terms and conditions of appointment and remuneration of Shri Girdhari R. Nyati subject to the requisite approvals, if any, being obtained.”

“RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper.”

Place: INDORE
Date : August 12, 2011

By Order of the Board,
RANGNATH NYATI
Chairman

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD BE DESPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item no. 4 & 5 in the above notice is annexed hereto.
3. Register of Member of the Company shall remain closed from 14.09.2011 to 16.09.2011 (Both days inclusive) for the purpose of Annual General Meeting.
4. Member/Proxies attending the meeting should bring their copy of the Annual Report for reference at the meeting.
5. Members are requested to notify the change in their address to the company and always quote their Folio Numbers or DP ID and Client ID Numbers in all correspondence with the company. In respect of holding in electronic form, Members are requested to notify any change of address to their respective Depository Participant.

Place: INDORE
Date : August 12, 2011

By Order of the Board,
RANGNATH NYATI
Chairman

ANNEXURE TO THE NOTICE EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT 1956

As required by Section 173(2) of Companies Act 1956 the following explanatory statement sets out the material facts relating to the Special business of the Accompanying Notice dated 12.08.2011.

FOR ITEM NO.4:

At the Board of Directors meeting, held on 12th August, 2011 have approved the increase in the remuneration of Whole Time Director, Shri Girdhari R. Nyati.

Salary ₹ 70,000/- per month for the remaining period, upto 31.08.2014. Other terms and conditions will remain unchanged. Except Shri Rangnath Nyati and Shri Gopal Nyati, none of the Directors of the Company is concerned or interested in the said resolution.

FOR ITEM NO.5:

At the Board of Directors meeting, held on 12th August, 2011 have approved the increase in the remuneration of Whole Time Director, Shri Gopal Nyati.

Salary ₹ 70,000/- per month for the remaining period, upto 31.03.2013. Other terms and conditions will remain unchanged. Except Shri Rangnath Nyati and Shri Girdhari R. Nyati, none of the Directors of the Company is concerned or interested in the said resolution.

Place: INDORE
Date : August 12, 2011

By Order of the Board,
RANGNATH NYATI
Chairman

CHAIRMAN'S MESSAGE



Dear Shareholders,

The past is behind us and the future beckons us to achieve greater heights.

This year was again a tough & challenging year for Soya Industry due to various factors. In March due to natural calamity Tsunami in Japan, export of Soya Meal got affected. The crushing cost got increased due to increase in prices of Coal, Hexane, Diesel and Electricity. In spite of various hurdles, your company's performance was better than last year due to ever increasing demand of Edible Oil.

This year your company has implemented 100 TPD Edible Oil Refinery in a record time. You will be pleased to know that the quality of our Refined Oil is very well accepted in the market. Getting encouragement from this your company has decided to launch its own branded oil shortly.

Your company has been awarded the prestigious Halal Certification for "Quality Management Systems for Manufacturing and Supply of Lecithin. This will go a long way to establish Divya Jyoti as a quality oriented organization.

In the end, I would like to thank all my colleagues, staff, workers, customers, suppliers and bankers for their support, commitment and understanding through the year that has helped reach the company to its current level of operations. I would also like to thank our shareholders for the trust they have reposed in the Company over the years and look forward to their continued support and guidance.

Thank You.

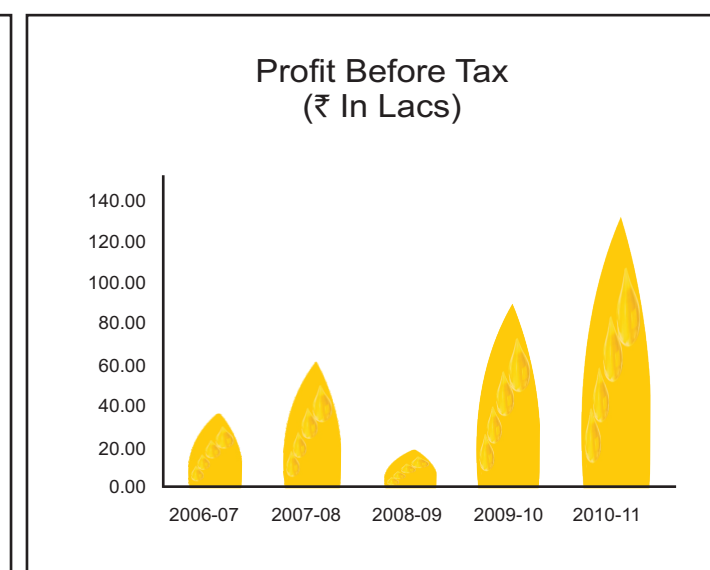
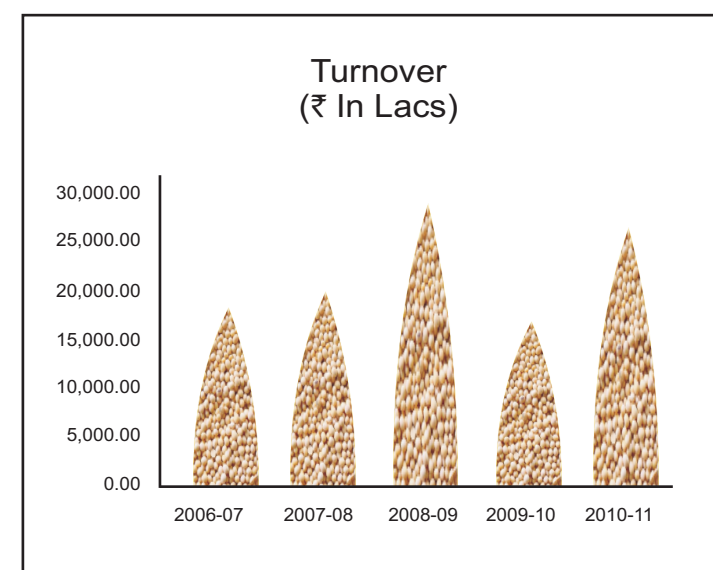
Rangnath Nyati

Chairman

12th August, 2011

Five Year Financial Performance

Particulars		₹ In Lacs)				
		2006-07	2007-08	2008-09	2009-10	2010-11
A	Operating Results					
	Turnover	17,132.49	18,810.48	27,895.38	15,770.16	25,485.67
	Other Income	16.96	9.08	19.32	74.88	30.83
	Earnings Before Interest, Depreciation & Tax	266.13	295.44	243.36	386.72	621.80
	Interest & Financial Charges	178.80	174.52	148.03	216.64	371.81
	Depreciation	57.28	64.48	82.84	86.07	121.47
	Profit Before Tax	30.05	56.43	12.49	84.01	128.52
	Tax	14.48	21.02	7.13	21.84	58.15
	Prior Period Expenses	0.00	1.30	2.74	2.85	4.47
	Profit After Tax	15.57	34.12	2.61	59.32	65.90
B	Financial Position					
	Share Capital	1,000.35	1,000.35	1,030.00	1,030.00	1,030.00
	Reserve & Surplus	478.92	370.64	414.76	474.08	539.98
	Net Worth	1,479.27	1,370.99	1,444.76	1,504.08	1,569.98
	Deferred Tax Liability	0.00	157.83	161.89	163.17	218.72
	Total Debt	1,995.00	781.78	1,355.57	1,734.26	5,265.43
	Total Capital Employed	3,474.27	2,310.60	2,962.23	3,401.51	7,054.13
	Net Fixed Assets	766.06	1,163.50	1,162.17	1,131.88	2,372.68
	Investments	0.28	0.28	0.28	0.28	0.29
	Net Working Capital	2,707.93	1,146.82	1,799.78	2,259.55	4,681.16
	Miscellaneous Expenditure	0.00	0.00	0.00	9.80	0.00
	Total Net Assets	3,474.27	2,310.60	2,962.23	3,401.51	7,054.13



DIRECTORS REPORT

To
The Members,
Divya Jyoti Industries Limited

The Directors have pleasure in presenting before the Shareholders the 19th Annual Report on the working of the Company together with Audited Accounts of the Company for the year ended 31st March, 2011.

FINANCIAL PERFORMANCE

The Financial results of the Company for the year under review are summarized as under:

Particulars	Rupees (₹) in Lacs	
	31.03.2011	31.03.2010
Sales & Other Income	25,516.50	15,845.04
Earnings Before Interest, Depreciation & Tax	621.	386.73
Less: Interest & Financial Charges	371.81	216.64
Profit Before Depreciation	249.99	170.09
Less: Depreciation	121.47	86.07
Profit Before Tax	128.52	84.02
Less: Provision for Current Tax	2.60	20.57
Less: Provision for Deferred Tax	55.55	1.28
Profit After Tax	70.37	62.17
Less: Prior Period Expenses	4.47	2.85
	65.90	59.32
Add: Profit Brought Forward	432.57	373.25
Profit Available for Appropriation	498.47	432.57

DIVIDEND

The Company intends to retain internal accruals for funding growth to generate a good return for shareholders for today and for tomorrow. Thus the Board of directors do not propose dividend for the year ended 2010-11.

PUBLIC DEPOSITS

The Company has not invited/ accepted public deposit within the meaning of Section 58A of the Companies Act, 1956 and rules made there under, during the year under review.

BUSINESS PERFORMANCE

The Business has performed well, with the productivity gains, growth in volumes and sustained margins notwithstanding rise in input costs. Your company's business continues to be successful despite of several economic constraints. As the Company has successfully started Refinery Project this year and is producing high quality Edible Soya Refined Oil which is very well accepted in the market, resulted into substantial increase in profits of the company during the year.

FORWARD INTEGRATION PROJECT

The company has successfully implemented 100 TPD Edible Oil Refinery this year. Now your Company has decided to start its packing division and launch its own branded Soya Refined Oil. The Company has also taken certificate of Halal Committee to expand its business activities to South East Asian Countries.

PARTICULARS OF EMPLOYEES

There was no employee in the Company who was employed throughout the financial year or for part of the financial year was in receipt of remuneration whose particulars if so employed, are required to be included in the report of Directors in accordance with the provisions of Sections 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

DIRECTORS

In accordance with provisions of the Companies Act, 1956 and Article of Association of the Company, Shri Sudarshan Shastri, Director of the company, retires by rotation and being eligible offer himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the companies Act, 1956 the Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure.
2. They have, in the selection of the accounting policies, consulted the statutory auditors and have 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 at end of the financial year and of the profit of the company for that period.
3. Proper and sufficient care has been taken to the best of their knowledge and ability for the maintenance of adequate accounting records in the 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.
4. The annual accounts have been prepared on a going concern basis.

AUDITORS AND THEIR REPORT

Comments of the Auditors in their report and the notes forming part of the Accounts are self explanatory and need no comments.

M/s Dafria & Co., Chartered Accountants, Statutory Auditors of the company, retire at the conclusion of ensuring Annual General Meeting of the company. They have offered themselves for re-appointment as Statutory Auditors and have confirmed that their appointment, if made would be within the prescribed limits under section 224(1B) of the companies Act, 1956.

CORPORATE GOVERNANCE

The company is committed to good Corporate Governance Practices and following to the guidelines prescribed by the SEBI and Stock Exchanges from time to time. The Company has implemented all of its major stipulations as applicable to the Company. The Statutory Auditor's Certificate dated 12th August 2011 in accordance with the clause 49 of the Listing Agreement and report on Corporate Governance is annexed to and forming part of the Director's Report.

MANAGEMENT DISCUSSION AND ANALYSIS

A Management discussion and Analysis as required under the Clause 49 of the Listing Agreement is annexed and forming part of the Directors Report.

CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as per sections 217 (1) (e) read with Companies (Disclosure of particulars in the report of Directors) Rules, 1988 are given hereunder:

FORM - A CONSERVATION OF ENERGY

(A)	Power and Fuel Consumption:	
(B)	Electricity:	
	(a) Purchased units	4895568.00 KWH
	(b) Total Amount (in ₹)	23988014.00
	(c) Rate / unit (₹)	4.90
(C)	Own generations (Through D.G. Set)	109530.000 KWH
(D)	Coal	10026.823 MT
(E)	Diesel	21906.000 LTR

FORM - B
RESEARCH & DEVELOPMENT

1. The Company is not carrying any R&D in special area but is continuously engaged in improvement of Plant and Machinery to conserve energy for better working results.
2. Benefits derived as a result of the above R&D: N.A.
3. Future Plan of Action : At the moment , the company has no special areas to carry R&D
4. Expenditure on R&D.: N.A.

Technology Absorption, Adaption and Innovation:

1. The technology is innovated on the basis of experience gained in the working of the plant.
2. However, it is not possible to evaluate the exact cost reduction and production improvement.
3. We do not have any improved technology and hence, the details required to be given for imported technology is not applicable.

FORM – C
FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Earnings: -

The Company has directly exported 1184.590 M.T. Soya DOC for \$ 4,02,750.00 amounting ₹ 1,79,71,937.50 during the year.

2. Out Go: -	Value of CIF Imports	₹ 71,07,000/-
	Expenditure in Foreign Currency	₹ 1,40,025/-

ENVIRONMENT PROTECTION:

The Company has implemented for disposal of effluents an E. T. P. system at its Solvent Extraction Plant.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from investors, customers, business associates, bankers, vendors, as well as regulatory and government authorities. Your Director also thanks the employees at all levels, who through their dedication, co-operation and support given by them to the company and their confidence reposed in its management.

Place: INDORE
Date : August 12, 2011

By Order of the Board,
RANGNATH NYATI
Chairman

CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance.

THE COMPANY'S GOVERNANCE PHILOSOPHY

The company adheres to good corporate governance practices and is constantly striving to better them and adopt emerging best practices. The Board of Directors shall always endeavour to create an environment of fairness, equity and transparency in transactions with the underlying objective of securing long term shareholders value creation and enhancement while at the same time, respecting the rights of all stockholders viz. Bank, Employees, Central and State Governments and the society at large. The Company is in compliance with requirements of the guidelines on corporate government stipulated under clause 49 of the Listing Agreement with the Stock Exchanges.