

JIR FOODS LIMITED

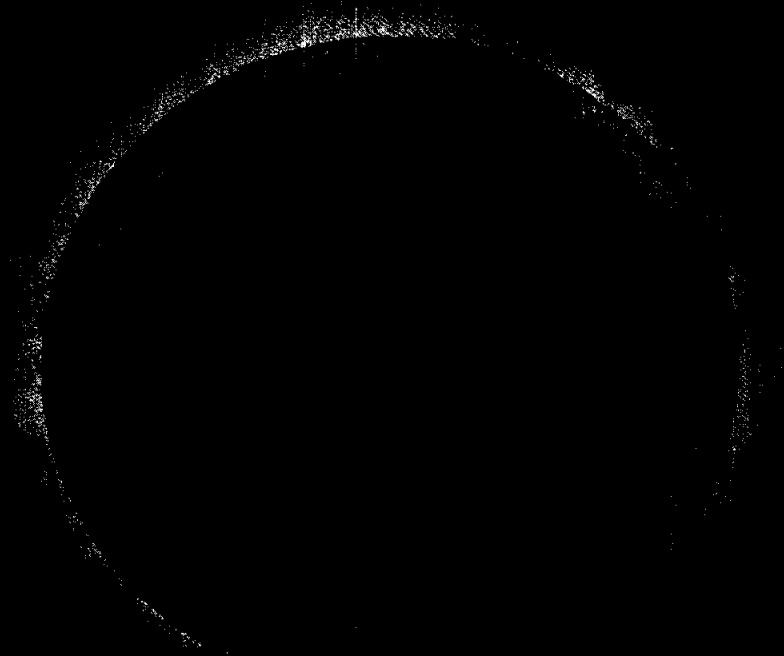


FIGURE 1: JIR FOODS LIMITED 2000-2001

J.R. FOODS LIMITED

BOARD OF DIRECTORS
SHRI. R.L. KOTHARI
SHRI. J.K. KOTHARI
SHRI. M. SIVAGURUNATHAN

CHAIRMAN
MANAGING DIRECTOR
DIRECTOR

AUDITORS
MESSRS. GAYATHIRRI & COMPANY
CHARTERED ACCOUNTANTS
CHENNAI - 600 001

REGISTERED OFFICE
J.K. TOWERS
100 FEET ROAD,
PONDICHERRY - 605 013.

WORKS
THIRUBHUVANAI VILLAGE
PONDICHERRY - 605 107

NOTICE

Notice is hereby given that the Eighth Annual General Meeting of the members of J.R.FOODS LIMITED will be held on the Thursday 30th day of August 2001 at 10.00 a.m. at its registered office at "J.K.Towers, 100 Feet road, Pondicherry - 605 013 to transact the following business:

1. To receive, consider, approve and adopt the audited Balance Sheet of the company as at 31st March 2001 and the Profit and Loss Account for the year ended on that date together with the report of the Auditors and the Directors.
2. To appoint a Director in place of Shri. M. Sivagurunathan who retires by rotation and being eligible, officers himself for reappointment.
3. To appoint auditors and fix their remuneration. The retiring auditors M/s Gayathirri & Co. Chartered Accountants, Chennai are eligible for reappointment.

BY THE ORDER OF THE BOARD

Regd. Office :
 J.K. Towers
 100, Feet Road,
 Pondicherry - 605 -13.

J.K. KOTHARI
 Managing Director

30th June 2001

Notes :

1. A member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote in his stead at the meeting. A proxy need not be a member of the company.
2. Proxy forms should be lodged at the Registered Office of the company not later than 48 hours before the commencement of the meeting.
3. The register of members and share transfer books will be closed from 22nd August 2001 to 30th August 2001, both days inclusive.

REPORT OF THE DIRECTORS TO THE SHARE HOLDERS :

Your Directors have pleasure in placing before you the 8th Annual report and accounts of the Company for the year ended 31st March 2001.

REVIEW OF OPERATIONS :

The Company has continued to face problems in marketing its products. These problems have aggravated during the year under review, with the Government of India having allowed huge imports of Palmolein from Malaysia. The excessive import of Cheap edible oils has created havoc in the domestic edible oil industry with the result that farmers may not get the minimum support price for their produce and may be forced to resort to distress sale of their produce. This may also demoralise them from growing oil-seeds that will have a teking effect on the oilseed crops.

The Solvent Extractors Association of India has made a written representation to the Union Minister of State for consumer affairs and public distribution, Chairman, Task Force on Agriculture, Government of India and senior officials of concerned Ministries in New Delhi late last year. However no respite has been forthcoming. As a result the margins during the year had been considerably low and therefore the operations cannot be compared with the previous years. In view of the inadequate profit during the year under review your directors do not propose any Dividend.

PROSPECTS :

The turnover in the first 3 months of the current year has been 100% more than in the corresponding period last year. Margins however have continued to be under pressure.

J.R. FOODS LIMITED**FINANCE AND ACCOUNTS :**

The Directors feel that a margin of the amount classified as doubtful debts could be recovered in the current year, hence no provisions has been made for the doubtful debts Amounting to Rs. 49,18,154.

The Company is taking steps to have a Company Secretary.

PARTICULARS OF EMPLOYEES :

The Company had no employees during the year, who came under the purview of the provisions of Sec 217 (2A) of the Companies Act, 1956 and the Companies (particulars of employees) Rules, 1975.

DIRECTORS RESPONSIBILITY STATEMENT :

The Directors hereby confirm :

1. That in preparation of accounts for the financial year ended 31st March, 2001, the applicable accounting standards have been followed along with proper explanation relating to material departures.

2. That the Directors have 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.

3. That the Directors have taken proper and sufficient care for maintainance of adequate records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing the detecting fraud and other irregularities.

4. That the Directors have prepared the accounts for the financial year ended 31st March, 2001 on a 'going concern' basic.

CONSTITUTION OF AUDIT COMMITTEE :

An Audit committee comprising the Directors of the Company has been constituted pursuant to Section 292A of the Companies Act, 1956 with Shri M. Sivagurunathan as its Chairman.

The Audit Committee has received with the auditors of the Company the financial results for the year ended 31st March 2001 under review and the internal control systems.

DIRECTORS :

Shri M. SIVAGURUNATHAN retires by rotation and at the ensuring Annual General Meeting and being eligible offers himself for reappointment.

AUDITORS :

M/s. Gayathirri & Co., Chartered Accountants, Chennai, retire and are eligible for reappointment.

PUBLIC DEPOSIT :

As in the past the Company has not accepted during the year under review any deposits from the public within the meaning of Section 58 A of the Companies Act, 1956.

PARTICULARS U/S 217 (1) E OF THE COMPANIES ACT, 1956 AND THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 :

CONSERVATION OF ENERGY :**Power and Fuel Consumption****ELECTRICITY**

Units Consumed		6,48,950.00
Total amount	Rs.	13,57,136.00
Rate per Unit	Rs.	2.09
Through Diesel Generators		22,776.00
Unit per Ltr. of Diesel Oil	Rs.	3.38
Rate per Unit	Rs.	5.13
Consumption of Electricity		
Per tone of Production	Rs.	207.04
Technology Absorption	:	NIL

FOREIGN EXCHANGE EARNING & OUTGO :

i. Foreign Exchange Earnings	:	NIL
ii. Foreign Exchange Out go	Rs.	85,41,000.00

APPRECIATION :

Your Directors express their appreciation of the employees at all levels for their high level of dedication and commitment.

ACKNOWLEDGEMENTS :

The Directors are thankful IDBI, the Government of Pondicherry, its bankers and customers for their support and the employees of the Company for their Co-operation.

For and on behalf of the Board,

R.L. KOTHARI
Chairman

Place : Pondicherry
Date : 30th June 2001.

GAYATHIRRI & COMPANY
CHARTERED ACCOUNTANTS

217, THAMBU CHETTY STREET,
 CHENNAI - 600 001.

AUDITORS REPORT

To

The Shareholders of J.R.Foods Ltd.,

We have audited the attached Balance Sheet of J.R.Foods Ltd., as at 31st March 2001 and the Profit and Loss Account of the Company for the year ended on that date annexed there to and report that :

1. We have obtained all the informations and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit.
2. In our opinion, the Profit and Loss Account and Balance Sheet comply with the Accounting Standards referred to in Sub-Sections (3C) of section 211 of the Companies Act 1956.
3. In our opinion proper books of account, as required by law, have been kept by the Company so far as appears from our examination of those books.
4. This said Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
5. On the basis of written representation received by us from the directors of the Company as at 31st March 2001 and taken on record by the Board of Directors, we report that no Director is disqualified from being appointed as Director of the Company under clause (g) of Sub - Section (1) of Section 274 of the Companies Act 1956.
6. In our opinion, and to the best of our information and according to the explanations given to us, the said accounts together with the annexed schedules and the notes thereon give the information required by the Companies act, 1956 in the manner so required and give a true and fair view:

(a) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2001.

(b) In the case of Profit and Loss Account, of the Loss for the year ending 31st March 2001.

As required by the manufacturing and other Companies (Auditors report) Order, 1988 issued by Central Government, on the basis of such checks as we considered appropriate and according to information and explanations given to us, we further report that:

1. (a) The Company has maintained proper records, showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and we have been informed that no material discrepancies were found on such verifications.
2. None of the fixed assets have been revalued during the year.
3. As explained to us, the stocks of stores, spare parts, raw materials have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its business.
4. In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
5. As explained to us there were no material discrepancies noticed on physical verification of the stocks of raw materials, stores and spares having regard to the size of the operations of the company and the same have been properly dealt with in the books of account.

J.R. FOODS LIMITED

6. The valuation of stocks is fair and proper and is in accordance with the normally accepted accounting principles and is on the same basis as in the preceeding year.

7. The Company has taken unsecured loans from Companies listed in the Register maintained under Section 301 of the Companies Act, 1956. In our opinion the terms and conditions of the aforesaid loans are not prima facie prejudicial to the interest of the Company.

8. The Company has not granted any loans, secured or unsecured, to Companies, Firms or other parties listed in the register maintained under Section 301 of the Companies under the same Management as defined under Sub - Section (IB) of Section 370 of the Companies Act, 1956.

9. In respect of the loans or advances in the nature of loans given by the Company to parties, they are generally repaying the principal amounts as stipulated and are also regular in the payment of interest.

10. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of stores, raw materials including components, plant and machinery, equipment and other assets and for the sale of goods.

11. According to the information and explanations given to us, the transaction of purchase of stores, raw materials, sale of goods and services made in pursuance of contracts or agreements entered in the Registers maintained under Section 301 and aggregating to Rs. 50,000/- or more during the year in respect of each party have been made at prices which are reasonable having regard to prevailing market prices for stores, raw materials or services or the prices at which transactions for similar goods or services have been made with other parties.

12. According to the information and explanations given to us, the Company has a regular procedure for the determination of unserviceable or

damaged stores, raw materials and finished goods. Adequate provision has been made in the accounts for the loss arising on the items so determined.

13. The Company has not accepted deposits from the public.

14. In our opinion, reasonable records have been maintained by the Company for the sale and disposal of realisable by-products and scrap wherever significant.

15. In our opinion the internal audit system of the Company is commensurate with its size and nature of its business.

16. The Central Government has not prescribed the maintenance of Cost Records Under Section 209 (1) (d) of the Companies Act, 1956.

17. The Company is regular in paying the provident fund dues to the appropriate authorities.

18. According to information and explanation given to us no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty were outstanding as on 31st March, 2001 for a period of more than six months from the date of becoming payable.

19. According to the information and explanation given to us and on the basis of records examined by us, no personal expenses of employees or Directors have been charged to Revenue Account other than those payable under contractual obligation or in accordance with generally accepted business practice.

20. The Company is not a Sick Industrial Company within the meaning of Clause (O) of Sub-Section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

21. As regards the Company's trading activities, damaged goods have been determined by the Company and necessary provision has been made in the accounts for loss arising thereon.

Place : Pondicherry

Date : 30th June 2001

For GAYATHIRRI & CO.,
Chartered Accountants.

VEDAIYAN DEVADASS
Partner.