



**M. P. AGRO
INDUSTRIES
LIMITED**

September 26

2009

Your Company is presenting its 33rd Annual accounts to its share holders for the Financial Year 2008-2009. During this financial year your company has registered loss of Rs. 72.38 Lacs.

33rd

Annual

Report

Dhanani Group of Industries

BOARD OF DIRECTORS

ABDUL RAZAK D. DHANANI	Chairman & M D
KANTILAL R. PATNI	Executive Director
YUNUS R. MEMON	Director

AUDITORS

M/s S. L. Chhajer & Co.
Chartered Accountants
12, Maharana Pratap Nagar
Zone-I

BANKERS

HDFC Bank (Centurion Bank) - Bhopal
State Bank of India — Baroda

REGISTERED OFFICE

MIG — 44, Bharti Niketan,
Near, Gautam Nagar,
Bhopal — 462023 (M.P.)

PLANT

Village Raisalpur
Teh. & Dist.: Hoshangabad
Madhya Pradesh

NOTICE TO MEMBERS

Notice is hereby given that the THIRTY THIRD ANNUAL GENERAL MEETING of the Members of M,P, AGRO INDUSTRIES LIMITED will be SATURDAY, the 26th September, 2009, at 3.00 p.m. at the Registered Office of the Company at MIG-44, Bharti Niketan, Near Gautam Nagar, Bhopal-462 023, (M.P.) to transact the following business.

ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Balance Sheet of the Company as at 31st March 2009 and the Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors.
2. To appoint a Director in place of Mr. Yunus R. Memon, who retires by rotation and, being eligible offers himself for reappointment.
3. To appoint Auditors and fix their remuneration M/s. S. L. Chhajed & Co. Chartered Accountants the retiring Auditors are eligible for re-appointment.

By order of the Board of Director

Abdul Razak Dhanani

Chairman

Bhopal, 1st September, 2009

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 THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING
2. Pursuant to section 154 of the Companies Act, 1956 the Register of Members and the Share Transfer Books of the Company will remain closed from Monday, the 21st September 2009 to Saturday 26th September, 2009 (both days inclusive)
3. Members / Proxies should bring the Attendance slip duly filled in for attending the meeting.
4. Shareholders desiring any information relating to accounts are requested to write to the company at an early date, to enable the management to keep the information ready.

REGISTERED OFFICE:

MIG-44, Bharti Niketan,
Near Gautam Nagar,
Bhopal - 462023.

By Order of the Board of Director

Abdul Razak Dhanani

Chairman

Bhopal, 1st September, 2009

DIRECTORS' REPORT

Your Directors present the Thirty-third Annual Report of the Company together with Audited Statements of account for the Year Ended 31st March, 2009.

FINANCIAL RESULTS:

	Year Ended on 31 st March 2009	Year Ended on 31 st March 2008
	Rupees in lacs	
Profit/Loss before Depreciation	(72.38)	208.51
Depreciations	0.00	0.00
Profit/Loss before taxation	(72.38)	208.51
Balance as per last Balance Sheet	(403.23)	(330.85)
Profit/Loss after Tax	(72.38)	208.66

OPERATIONS:

Your Company has registered loss during the year ended 31st March, 2009, amounted Rs. 72.38 Lacs as compared to profit amounted to Rs. 208.65 Lacs during the previous year.

DIRECTORS:

Pursant to the provisions of Section 256 of the Companies Act 1956, Mr. Yunus. R. Memon, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

INTEREST PROVISION FOR M P S I D C

Provision for the interest on the principal amount of Rs. 16.34 borrowed from Madhay Pardesh State Industrial Development Corporation was made by Rs. 38.44 lacs as on date March 31st, 2009.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORTION AND FOREIGN EXCHANGE EARNINGS AND OUT GOES:

Information required to be disclosed under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 framed under Section 217 (1) (e) of the Companies Act, 1956 is furnished in Annexure attached here to.

PARTICULARS OF EMPLOYEES:

There are no employees in respect of whom particulars as required under Section 217 (2-A) of the Companies Act, 1956 need to be disclosed in the Directors' Report.

FIXED DEPOSITS:

The Company has not invited or accepted any fixed deposits within the meaning of Section 58-A of the Companies

Act, 1956.

INSURANCE:

All the properties and insurable interests' of the Company have been adequately insured to the extent required.

AUDITORS:

Members are requested to appoint Auditors to hold office until the conclusion of the next Annual General Meeting and fix their remuneration. The Company has received a letter from them to the effect that their appointment, if made, will be within the limits prescribed under Section 224 (1 B) of the Companies Act, 1956.

CORPORATE GOVERNANCE:

In terms of provisions of clause 49 of the listing agreement, the Corporate Governance Report is attached here in as Annexure 1.

LISTING OF SHARES:

The equity shares of the Company are listed at Vadodara Stock Exchange Limited, Vadodara, Bombay Stock Exchange Limited, Mumbai and M.P. Stock Exchanges, Indore.

AUDIT COMMITTEE:

Pursuant to the provisions of the newly introduced Section 292A of the Companies Act, 1956 the Audit Committee of the Board has been constituted.

DEMATERIALIZATION OF SHARES:

The Company has signed an agreement with Central Depository Services (India) limited. All the Valued Shareholders of the Company are requested to dematerialize their holding to take benefit of the transactions.

DIRECTORS' RESPONSIBILITY STATEMENT:

As per provisions of Section 217 (2M) of the Companies Act, 1956 the Board confirms that:

1. The financial statements are in full conformity with the companies Act, 1956 and applicable accounting standards had been followed along with proper explanation relating to material departures.
2. 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 at the end of the financial year and of the profit or loss of the company for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing

fraud and other irregularity.

4. The Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT :

Your Directors acknowledge the continued co-operation and assistance received from the state and central government authorities and company's bankers. Your Directors express their sincere appreciation and gratitude for the whole hearted support from the esteemed customers, tealers, business associates, shareholders and employees of the company.

Bhopal, 1st September, 2009

For and on behalf of the Board
Abdul Razak Dhanani
Chairman



ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217 (1) (e) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Director's report.

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| 1. Energy conservation measures taken | Nil |
| 2. Additional Investment and proposals if any, being implemented for reduction of consumption of energy | Nil |
| 3. Impact of measures at 1 and 2 above for reduction of energy consumption and consequent impact on the cost of production of goods. | Not applicable |
| 4. Total energy consumption and energy consumption per unit of production as perform A. | Information in form A is attached |
| 5. Effort made in technology absorption as per From B | Information against each item in Form B is Nil since the Company is not engaged in any research and development or technology absorption or Innovation. |
| 6. Activities relating to exports, initiatives taken to increase exports, developments of new export markets for products and services and export plans. | Nil |
| 7. Total foreign exchange used and earned | Nil |

ANNEXURE TO DIRECTORS' REPORT

Form "A"

Particulars with respect to Conservation of Energy.

(A)	Power and Fuel Consumption	2008-2009	2007-2008
1.	Electricity		
	(a) Purchased, unit KWH Total Amount Rs.		
	Rebate/ Unit Rs. per KWH (b) Own Generation	-	-
	(b) Own Generation	Nil	Nil
2.	Coal	Nil	Nil
3.	Furnace Oil	-	-
	(Quantity K. Ltrs)		
	Total Amount Rs.	-	-
	(Net of PPA Concession)		
	Average Rate Rs. Per Liter	-	-
(B)	Consumption per Unit of production		
	Standards		
	Products (Mts of NPK Mixtures)	-	-
	Electricity	-	-
	Furnace Oil Liters/Mt.	-	-
	Coal	-	-
	Others	-	-

Bhopal, 1st September, 2009

By Order of the Board of Director
Abdul Razak Dhanani
Chairman

Corporate Governance Report**Annexure -I**

The Board of Directors of the Company continued to lay great emphasis on the broad principles of Corporate Governance. Our pursuit towards achieving good governance is an on going process. In so far as compliance with the requirements under Clause 49 of the Stock Exchange Listing Agreement, the Company is in full compliance with the norms and disclosure that have to be made in Corporate Governance format.

1. Company's philosophy on Code of Governance

M. P. Agro industries Ltd. believes that good Corporate Governance is essential to achieving long term corporate goals and to enhancing stakeholders' value. In this pursuit, your Company's philosophy on Corporate Governance is led by a strong emphasis on transparency, accountability and integrity and your Company has been practicing the principles of Corporate Governance over the years. All employees are bound by a Code of Conduct that sets forth Company's policies on important issues, including our relationship with consumers, shareholders and Governance.

2. Composition of Board

The composition of the Board is in conformity with the listing agreement with stock exchange Mumbai. The composition of the Board and other relevant details relating to Directors are given below:

Name of Director	Category	Directorships Excluding Private Ltd. Companies Directorships	NO. of Memberships of other Board Committees	NO. of other Board Committees of which, The Director is a Chairperson
Mr. Abdul Razak Dhanani	Chairman	<ul style="list-style-type: none"> - Bharat Equity Services Ltd. - Liberty Fertilisers Ltd. - Liberty Construction & Leasing Ltd. - Sayaji Hotels Ltd. - Sayaji Airways Ltd. - Bhavnagar Agro Industries Ltd. 	Nil	Nil
Mr. Kantilal R. Patni	Director	<ul style="list-style-type: none"> - Liberty Fertilisers Ltd. - Liberty Construction & Leasing Ltd. - Bhavnagar Agro Industries Ltd. 	Nil	Nil
Mr. Yunus R. Memon	Director	<ul style="list-style-type: none"> - Liberty Construction & Leasing Ltd. - Bhavnagar Agro Industries Ltd. 	Nil	Nil

3. Attendance of each Director at Board Meeting and last Annual General Meeting

During The Year 2008- 2009, 4 Board Meeting were held on June 30,2008, July, 31,2008, October 30,2008 & January 24,2009, The Last Annual General Meeting of the Company was held on September, 27, 2008,

Name of Director	No. of Board Meeting Attended	Attendance at Last AGM
Mr. Abdul Razak Dhanani	5	Yes
Mr. Kantilal R. Patni	5	Yes
Mr. Yunus R. Memon	5	Yes

4. Audit Committee

The Audit Committee Constituted in April 2000 consists of three independent Non-executive Directors. The Members of the Committee are well versed in finance matters, accounts, company law and general business practices.

The Composition of the Audit Committee is as under:

- I. Mr. Abdul Razak D. Dhanani – Chairman of the Meeting
- II. Mr. Kantilal R. Patni
- III. Mr. Yunus R. Memon

The terms of reference of the Audit Committee include:

- a) To review financial statements and pre-publication announcements before submission to the Board.
- b) To ensure compliance of internal control systems and action taken on internal audit reports.
- c) To apprise the Board on the impact of accounting policies, accounting standards and legislation.
- d) To hold periodical discussion with statutory auditors on the scope and content of the audit.
- e) To review the Company's financial and risk management policies.

During the financial year 2008-09, 4 Audit Committee Meetings were held on June 26, 2008, August 26, 2008, October 25, 2008 & March 25, 2009. All the committee Members has attended 4 Audit Committee Meetings.