

**M.P.OILS AND FATS LTD.**

**RAIPUR**

**FINANCIAL ACCOUNTS**

**YEAR**

**Report  junction.com**

**2002-2003**

**PERIOD**

**01-04-2002 TO 31-03-2003**

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD ON MONDAY THE 29th SEPTEMBER, 2003 AT M/s. B.K. VITHLANI & Co., SHREE 31 R, LAXMI INDUSTRIAL ESTATE, NEW LINK ROAD, ANDHERI (W), MUMBAI - 400 053 AT 4.00 P.M. TO TRANSACT THE FOLLOWING BUSINESS :

## Ordinary Business :-

1. To receive, consider and adopt the Audited Balance Sheet as on 31.03.2003 and Profit and Loss Account for the year ended on that date and Report of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Sureshchandra D. Manik, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Jayantilal D. Manik, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Sudhirkumar D. Manik, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors and to authorise Board of Directors to fix their remuneration.

## Special Business :-

6. VOLUNTARY DELISTING OF THE COMPANY'S ORDINARY SHARES FROM CERTAIN STOCK EXCHANGES.

To consider and if thought fit, to pass the following resolution, with or without modification, as a Special Resolution :

"RESOLVED that, subject to the provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted hereinafter), the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to, by the Board of Directors of the Company, (hereinafter referred to as " the Board " ), consent is hereby accorded to the Board to delist the Company's Ordinary Shares from all or any of the following Stock Exchanges viz. The Stock Exchange Ahmedabad, at Ahmedabad and the Stock Exchange Indore, at Indore.

Place : Raipur.

Dated : 30/08/2003.

By Order of the Board  
for M.P. OILS AND FATS LTD.

( DIRECTOR )

*Certified*  
**TRUE-COPY**  
For, M. P. Oils And Fats Ltd.

*Director*

**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. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 26/09/2003 to 29/09/2003 (both days inclusive).
3. Members are requested to intimate any change in their address to the Company.
4. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their question in writing to the Board of Directors of the Company at least 7 days before the date of the meeting so that the information required may be made available at the meeting.
5. Members should bring their copies of Annual Reports to the Annual General Meeting. Copies will not be distributed at the Meeting as a measure of economy.
6. The Explanatory Statement u/s 173(2) of the Companies Act, 1956 in respect of Special Business under Item No.6 of the Notice is annexed herewith.

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By Order of the Board

for M.P. OILS AND FATS LTD.

Place : Raipur

Dated : 30/08/2003

( DIRECTOR )

*Certified*  
**TRUE-COPY**

For, M. P. Oils And Fats Ltd.

*Director*

## Annexure to the Notice

(Pursuant to Section 173 of the Companies Act, 1956.)

Item No.6 :

Presently the Company's securities are listed on The Stock Exchange Mumbai (BSE), at Mumbai, The Stock Exchange Ahmedabad, at Ahmedabad and The Stock Exchange Indore, at Indore.

With the wide and extensive networking of centre of the BSE, the investors have access to online dealings in the Company's securities across the country. There was no trading volumes of the Company's Equity Shares on the Stock Exchanges at Ahmedabad and Indore (hereinafter referred to as "the said Stock Exchanges") for past few years. Further the listing fees paid to the said Stock Exchanges do not now offer commensurate benefits to the Company/its investors in the changed scenario of the nationwide trading terminals set up by the BSE. The continued listing on the said Stock Exchanges is not considered necessary. It would further contribute to reduction in administrative costs/efforts of the Company. Further the proposed voluntary delisting of the Company's Equity Shares from the Stock Exchanges will not adversely affect any investors including the Members located in the regions where the said Stock Exchanges are situated.

Therefore, the Board of Directors, has decided to apply for the voluntary delisting of the Company's Equity Shares from the Stock Exchanges.

Pursuant to the SEBI (Delisting of Securities) Guidelines 2003, it is now proposed to seek the Members' approval by way of a Special Resolution for the voluntary delisting of the Company's Equity Shares from the said Two Stock Exchanges as set out in the Resolution at Item No.6. In terms of the said guidelines as the Company's Equity Shares shall continue to remain listed on BSE. No Exit Option is required to be offered to the shareholders.

The proposed delisting is in the interest of the Company and the Board therefore recommends the Resolution for acceptance by the Members.

None of the Directors of the Company is concerned or interested in the Resolution at Item No.6.

By Order of the Board.

For M.P. OILS AND FATS LIMITED

Place : Raipur

Date : 30/08/2003

( DIRECTOR )

*Certified*  
**TRUE-COPY**

For, M. P. Oils And Fats Ltd.

*Director*



22/55, Industrial Area, Bhanpuri, Raipur - 493 221

Phones : (0771) 2562002, 2562674, 2562770, Fax - 2562327

email : mpoll@mantrafreenet.com • email : cookmate@mantrafreenet.com

**DIRECTORS' REPORT**

The Members,

The Directors have pleasure in presenting the Twenty Fourth Annual Report together with the Audited Accounts for the year ended 31st March, 2003.

**FINANCIAL RESULTS :**

(Rs. in Lakhs)

Particulars	2002 - 2003	2001 - 2002
Income	1165.36	804.63
Expenditure	1035.68	757.88
Gross Profit	129.68	46.75
Less : Interest	22.46	24.44
Depreciation	15.33	15.89
Profit/(Loss) before tax	91.89	6.42
Provision for Taxation :		
Current Tax	6.00	-
Deferred Tax	(32.99)	(2.30)
Profit/Loss after Tax	52.90	4.12
Add : Balance b/f	(60.58)	(70.48)
Add : Deferred Tax Liability (opening)	--	(2.53)
Investment Allowance Reserve transferred	--	8.31
Balance c/f	(7.68)	(60.58)

**DIVIDEND :**

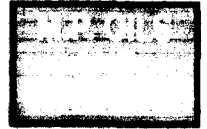
In view of the inadequate profit during the year under review, and carried forward losses of earlier years your Directors show their inability to recommend dividend for the year ended 31/03/2003.



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**OPERATIONS :**

During the year under review, Total Income of the Company has gone up from Rs.804.63 Lacs in 2001-2002 to Rs.1165.36 Lacs in 2002-2003. However due to high competition in the market, there is still pressure on margin.

**EXPANSION AND MODERNISATION :**

The Company has not carried out any expansion and modernisation activities during the year under review.

**MANAGEMENT DISCUSSION AND ANALYSIS :****Overview**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and Accounting Standards issued by the Institute of Chartered Accountant of India. There are no material departures from prescribed accounting standards in the adoption of the accounting standards. The management of M.P. Oils And Fats Ltd., accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgements used therein. These estimates and judgements relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect a true and fair manner the state of affairs and profits for the year.

**Segmentwise or productwise performance**

The Company is mainly engaged in the business of Refining of Crude Oils, so the Management considers Refining of Crude Oils as the only business segment of the Company.

**Financial Performance**

Total income of Rs.1165.36 lacs for the year ended 31st March, 2003 showed an increase of 44.83% over Rs.804.63 lacs earned during the previous year.



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**Resource Allocation :****Working Capital**

Net current assets as at 31st March, 2003 were Rs.807.52 lacs which was Rs.73.81 lacs higher than the previous year.

The book debts decreased by Rs.12.53 lacs. Debts outstanding for more than 6 months amounted to Rs.106.74 lacs as compared to Rs.138.74 lacs of last year.

**Internal Control System**

The Company has an adequate system of internal controls for achieving efficiency in operation, optimum utilisation of resources and effective monitoring of compliance of applicable laws.

The system comprises a well-defined organisation structure, pre-identified authority levels and documented policy guidelines and manuals for delegation of authority.

A qualified and independent audit committee of the Board of Directors reviews the adequacy of internal controls.

**Safety**

Utmost importance was attached to maintain safety standards at all installation of the Company. No major accident was reported during the year under review.

**Environment**

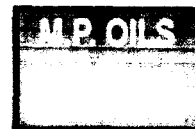
The Company continued to strive toward its commitment to protect and promote the environment. On environmental matters, all plants of the Company continues to perform well beyond the stringent operational norms prescribed by the Chhattisgarh Pollution Control Board.



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### Cautionary Statement

Statement in the management Discussion and Analysis describing the company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Important factor that could influence the company's operation include Changes in government regulation, Tax laws, economic development within the country and such other factors.

### RESEARCH AND DEVELOPMENT :

The Company has not carried out any research and development activities during the year under review.

### PUBLIC DEPOSITS :

The Company has neither invited nor accepted any Deposits from the public, within the meaning of the provisions of section 58 A of the Companies Act, 1956, and the Rules made thereunder, including changes made therein, if any, from time to time.

### MARKETING :

Your Company has already established brands of edible oils, which have been sold through wholesale dealers in Madhya Pradesh, Orissa, Chhattisgarh, Andhra Pradesh and Bihar.

### OBSERVATIONS IN THE AUDITORS REPORT :

The observations made by the Auditors in their Audit Report have been duly clarified/explained in the relevant notes forming part of the Annual Accounts which are self explanatory and do not need any further clarification.





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**PERSONNEL :**

Our Company's human resources have been playing a vital role in achieving organisational objectives.

The Company's growth and progress is the result of hard work and devotion of all the employees.

None of the employees of the Company was in receipt of remuneration in excess of the limits prescribed u/s 217(2A) of the Companies Act, 1956.

**PARTICULARS U/S 217(1)(e) OF THE COMPANIES ACT, 1956 :**

As required u/s. 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules 1988 the relevant information is given below :

**A. CONSERVATION OF ENERGY :**

Power Consumption	Current Year	Previous Year
Total No. of Power units consumed	445121	644962
Quantity of Crude Oil processed (MT)	4057.474	4330.258
No. of units consumed per MT of Crude oil processed	109.70	148.94

**B. TECHNOLOGY ABSORPTION :**

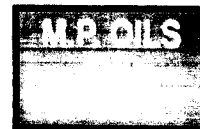
As there is no new technology involved in the process and hence the question of absorption of upgraded technology does not arise.



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**C. FOREIGN EXCHANGE EARNING/OUTGO :**

	Current Year	Previous Year
Earning	Nil	Nil
Outgoing	Nil	Nil

**DIRECTORS :**

Mr. Sureshchandra D. Manik, Mr. Jayantilal D. Manik and Mr. Sudhirkumar D. Manik retire by rotation and being eligible offer themselves for reappointment.

The relevant details of directors seeking re-appointment above, as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges are as under:

Shri Jayantilal D. Manik (74) hold a B.A. Degree and has over 51 years experience in the areas of trading of oils and bidi leaves, manufacture of bidders, solvent extraction and edible oil refining.

Shri Sureshchandra D. Manik has over 40 years experience in the areas of trading of Oils & bidi leaves, manufacture of bidders, solvent extraction and edible oil refining.

Shri Sudhir Kumar D. Manik (55) holds a B.Sc. qualification and has over 33 years business experience in bidi and oil industries.

**AUDIT COMMITTEE :**

Pursuant to Section 292A of the Companies Act, 1956, the Board has constituted an Audit Committee consisting of Mr. Adhir G. Bhagwanani, Mr. Rohit D. Narula and Mr. Sureshchandra D. Manik.

**CORPORATE GOVERNANCE :**

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, a Management Discussion and Analysis, Corporate Governance Report and Auditor's Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report. A note on the Company's efforts to discharge its social responsibility is also included.