

M.P.OILS AND FATS LTD.

RAIPUR

FINANCIAL ACCOUNTS

Report  junction.com

YEAR

2003-2004

PERIOD

01-04-2003 TO 31-03-2004

Certified
TRUE COPY

For, M. P. Oils And Fats Ltd.



Director

N O T I C E

NOTICE IS HEREBY GIVEN THAT THE TWENTY FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD ON TUESDAY THE 28th SEPTEMBER, 2004 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 31.03.2004 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. Paresh Kumar D. Manik, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Rohit Narula, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Adhir G. Bhagwani, 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.

Place : Raipur

Dated : 30/08/2004

By Order of the Board
for **H.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 27/09/2004 to 28/09/2004 (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.

Place : Raipur

Dated : 30/08/2004

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


(DIRECTOR)

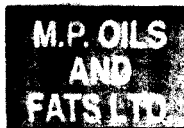
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For, M. P. Oils And Fats Ltd.


Director



22/55, Industrial Area, Bhanpuri, Raipur - 493 221
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 email : mpoll@mantrafreenet.com • email : cookmate@mantrafreenet.com



DIRECTORS' REPORT

The Members,

The Directors have pleasure in presenting the Twenty Fifth Annual Report together with Audited Accounts for the year ended 31st March, 2004.

FINANCIAL RESULTS :

(Rs. in Lakhs)

Particulars	2003 - 2004	2002 - 2003
Income	761.31	1165.36
Expenditure	748.82	1035.68
Gross Profit	12.49	129.68
Less : Interest	20.49	22.46
Depreciation	14.86	15.33
Profit/(Loss) before tax	(22.86)	91.89
Provision for Taxation :		
Current Tax	-	6.00
Deferred Tax	(8.18)	(32.99)
Profit/Loss after Tax	(14.68)	52.90
Add : Balance b/f	(7.68)	(60.58)
Add : Deferred Tax Liability (opening)	--	--
Investment Allowance Reserve transferred	--	--
Balance c/f	(22.36)	(7.68)

DIVIDEND :

In view of the Loss during the year under review, your Directors show their inability to recommend dividend for the year ended 31/03/2004.

Regd. Office : C/o. M/s. B.K. VITHLANI & Co., Shree 31 R, Laxmi Industrial Estate
 New Link Road, Andheri West, Mumbai - 400 053



OPERATIONS :

During the year under review the Company has processed 3185.009 MT Crude Oils as against 4057.474 MT crude oils of previous year due to high competition in the market and 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 Loss 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

During the year under review total Income of the Company has come down to Rs.761.31 as against Rs.1135.36 of previous year due to High Competition in the market and Lower margin between Crude Oils and Refined Oils.



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

Net current assets as at 31st March, 2004 were Rs.796.43 lacs which was Rs.11.09 lacs lower than the previous year.

The book debts decreased by Rs.70.72 lacs. Debts outstanding for more than 6 months amounted to Rs.31.28 lacs as compared to Rs.106.74 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.

**Cautionary Statement**

Statement in the management Discuss 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 with 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 :

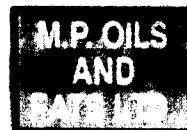
The Company has neither invited nor accepted any Deposits from the public, within the meaning of the provisions of section 58 A of the Companies Act, 1956, and the Rules made thereunder, including changes made therein, if any, from time to time.

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.

**PERSONNEL :**

Our Company's human resources have been playing 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	509379 Units	445121
Quantity of Crude Oil processed (MT)	3185.009	4057.474
No. of units consumed per MT of Crude oil processed	159.93 Units	109.70

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. Paresh Kumar D. Manik, Mr. Rohit Narula & Adhir Bhagwani retires 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 :

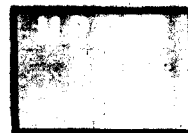
Shri Paresh Kumar D. Manik (57) hold a Post Graduate has over 37 years experience in the areas of trading of oils and bidi leaves, manufacture of bidies, solvent extraction and edible oil refining.

Shri Rohit Narula (47) has over 15 years experience as a Tax Consultant.

Shri Adhir G. Bhagwanani (42) has over 11 years experience in the trading business.

AUDIT COMMITTEE :

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

**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.

DIRECTORS' RESPONSIBILITY STATEMENT :

The Board states

- (a) that in the preparation of the annual accounts, the applicable accounting standards had been followed except to the extent as specified by the Auditors in their Report;
- (b) that the Directors had selected such accounting policies and applied them consistently and made judgements 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 on 31st March, 2004 and of the Loss of the Company for that period;
- (c) that the Directors had 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 preventing and detecting fraud and other irregularities;
- (d) that the Directors had prepared the annual accounts on a going concern basis.

AUDITORS :

At the ensuing Annual General Meeting the Company's Auditors M/s. Parikh & Shah, Chartered Accountants, Mumbai retire and being eligible offer themselves for reappointment.