

M.P.OILS AND FATS LTD.

RAIPUR

FINANCIAL ACCOUNTS

Report  junction.com

YEAR

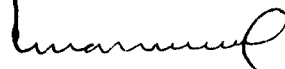
2004-2005

PERIOD

01-04-2004 TO 31-03-2005

Certified
TRUE-COPY

For, M. P. Oils And Fats Ltd.



Director



DIRECTORS' REPORT

The Members,

The Directors have pleasure in presenting the Twenty Sixth Annual Report together with Audited Accounts for the year ended 31st March, 2005.

FINANCIAL RESULTS :

(Rs. in Lakhs)

Particulars	2004 - 2005	2003 - 2004
Income	1098.20	761.31
Expenditure	1153.00	748.82
Gross Profit	(54.80)	12.49
Less : Interest	16.97	20.49
Depreciation	14.53	14.86
Profit/(Loss) before tax	(86.30)	(22.86)
Provision for Taxation :		
Current Tax	-	-
Deferred Tax	(2.88)	(8.18)
Profit/Loss after Tax	(83.42)	(14.68)
Add : Balance b/f	(22.36)	(7.68)
Add : Deferred Tax Liability (opening)	--	--
Investment Allowance Reserve transferred	--	--
Balance c/f	(105.78)	(22.36)

DIVIDEND :

In view of the Loss during the year under review, your Directors show their inability to recommend dividend for the year ended 31/03/2005.

**OPERATIONS :**

During the year under review the Company has processed 3334.385 MT Crude Oils as against 3185.009 MT crude oils of previous year. Company has retrenched all the employees from its factory w.e.f. 01/05/2005.

EXPANSION AND MODERNISATION :

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

MANAGEMENT DISCUSSION AND ANALYSIS :**Overview**

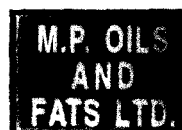
The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and Accounting Standards issued by the Institute of Chartered Accountant of India. There are no material departures from prescribed accounting standards in the adoption of the accounting standards. 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 increased to Rs.1098.20 Lacs as against Rs.761.31 Lacs of previous year. However the net loss has ~~been~~ increased from Rs.22.86 Lacs to Rs.86.30 Lacs as compared to the last year.

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

Net current assets as at 31st March, 2005 were Rs.687.79 lacs which was Rs.108.64 lacs lower than the previous year.

The book debts decreased by Rs.25.78 lacs. Debts outstanding for more than 6 months amounted to Rs.17.22 lacs as compared to Rs.31.28 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.

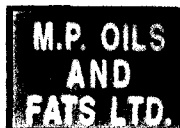
A qualified and independent audit committee of the Board of Directors reviews the adequacy of internal controls.

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 :

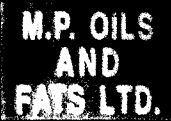
The Company has neither invited nor accepted any Deposits from the public, within the meaning of the provisions of section 58 A of the Companies Act, 1956, and the Rules made thereunder, including changes made therein, if any, from time to time.

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 :**

Due to continues losses since last three years company has retrenched all its employees from the factory and suspend manufacturing operations temporarily w.e.f. 01/05/05.

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	566275 Units	509379
Quantity of Crude Oil processed (MT)	3334.385	3185.009
No. of units consumed per MT of Crude oil processed	169.83 Units	159.93

**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.

C. FOREIGN EXCHANGE EARNING/OUTGO :

	Current Year	Previous Year
Earning	Nil	Nil
Outgoing	Nil	Nil

DIRECTORS :

Mr. Jaswantlal D. Manik, Mr. Hemendrakumar D. Manik & Mr. Prabhulal Vyas 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 Jaswantlal D. Manik (67) has over 47 years experience in the areas of trading of oils and bidi leaves, manufacture of bidies, solvent extraction and edible oil refining.

Shri Hemendrakumar D. Manik (66) has over 46 years experience in the areas of trading of oils and bidi leaves, manufacture of bidies, solvent extraction and edible oil refining.

Shri Prabhulal Vyas (68) has over 48 years experience in the trading business.



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

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**M.P. OILS
AND
FATS LTD.****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, 2005 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;



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

- (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.

ACKNOWLEDGEMENT :

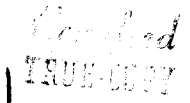
The Directors place on record their appreciation for assistance and support from Union Bank of India.

The Directors also express their gratitude to the shareholders of the company for their continued support to the Management.

ON BEHALF OF THE BOARD OF DIRECTORS

Place : Raipur

Date : 31 / 08 / 2005


SURESHCHANDRA D. MANIK
CHAIRMAN
For, M. P. Oils And Fats Ltd.
Director

H. S. PARIKH, B.Com., F.C.A.
D. B. MOHINI, B.Com., F.C.A.
V. M. PARIKH, B.Com., F.C.A.
H. K. DESAI, B.Com., F.C.A.

Bhupati Chambers, 1st Floor
Mathew Road, Opera House
MUMBAI - 400 004.

AUDITORS' REPORT

TO
THE MEMBERS OF
M.P.OILS AND FATS LIMITED

We have audited the attached Balance Sheet of the M.P. OILS AND FATS LIMITED, as at 31st March, 2005 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management, our responsibility is to express an opinion on these financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India, which requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, and also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the over all financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks of books and records of the Company as considered appropriate and as per the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to in paragraph (1) above :

- 1) we have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit;
- 2) 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;