

12th Annual Report 2008-09 Vol 189

MAHAAN GROUP



MAHAAN GROUP LIMITED

**MAHAAN FOODS LIMITED****BOARD OF DIRECTORS**

Shri Amar Nath Goyal	Chairman
Shri Rajiv Goyal	Managing Director
Shri Sanjeev Goyal	Director
Smt. Shashi Goel	Director
Dr. K.K. Khurana	Director
Shri H.C. Gandhi	Director

REGD. OFFICE & WORKS

Village Kunja
Rampur Road
Paonta Sahib
Distt : Sirmour
Himachal Pradesh (INDIA)
Phone : (01704) - 22313
Fax No. : (01704) - 22630

CORPORATE & HEAD OFFICE

78/3, Janpath
New Delhi - 110 001 (INDIA)
Phone : (011)3353191-94
Fax No.: (011)3718056

AUDITORS

M/s Dawar Mathur & Goel
Chartered Accountants
41, Vivekanand Puri,
Delhi - 110007.

BANKERS

State Bank of Patiala

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MAHAAN FOODS LIMITED

NOTICE

Notice is hereby given that the 12th Annual General Meeting of the Members of the Company will be held on Thursday, the 30th September, 1999 at 12.00 Noon at the registered office of the company at Milk Plant, Village Kunja, Rampur Road, Paonta Sahib, Distt. Sirmour, (H.P.) to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the annual statement of account for the year ended 31st March, 1999 and the report of the Directors and Auditors thereon.
2. To elect a Director in place of Shri Sanjeev Goyal, who retires by rotation and being eligible, offers himself for re-election.
3. To appoint Auditors and to fix their remuneration.

By Order of the Board
MAHAAN FOODS LIMITED

PLACE : New Delhi
DATED : 29.05.1999

RAJIV GOYAL
Managing Director

NOTES :

1. A member entitled to attend and vote is entitled a proxy. Proxies in order to be effective must be lodged at the Registered Office of the Company at least 48 hours before the meeting. A proxy need not be a Member of the Company.
2. Register of members and Share transfer Book of Company will remain close from 25.09.1999 to 30.09.1999 (both days inclusive.)
3. a) All members are requested to quote their Folio Number in all future correspondence with the Company.
b) All members are requested to notify their change of address to the Company.
c) M/s Alankit Assignments Limited is the Company's Share Transfer Agent. Shareholders may correspond directly at the following address :

M/s Alankit Assignment Ltd.
205-206, Anarkali Market
Jhandewalan Extension
New Delhi - 110 055.
Telephones : 3552001,3540641

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 12th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 1999 and Auditors' Report thereof.

	(Rs./ Lacs) 1998-99	1997-98
FINANCIAL RESULTS		
Sales Turnover & Other Income	5682.48	5530.95
Operating Profit	110.85	156.34
Interest	74.45	74.90
Depreciation	21.05	20.20
Net Profit before Tax	15.35	61.24
Provision for Tax	1.05	1.73
Net Profit after Tax	14.30	59.51

APPROPRIATIONS

Proposed Dividend	--	--
Transfer to General Reserve	14.30	59.51

OPERATIONS

The Country's economy had passed through a very critical phase of recession last year. The recessionary conditions were equally felt by dairy sector. Due to the recessionary conditions that prevailed last year the profitability of the company depleted sharply. The turnover of the Company for the year ended 31st March 1999 was recorded at Rs.56.82 crores as compared to Rs. 55.31 crores during the last year. The post tax profits have been recorded at Rs. 14.30 lacs compared to Rs. 59.51 lacs during the previous year.

Keeping in view the prevalent circumstances, your directors are taking conservative approach by not declaring dividend. Your directors are also contemplating the expansion cum diversification plans in the forthcoming time so as to increase productivity and control of the cost of products for increasing the profitability of your company.

FUTURE PROSPECTS

The Company's investments in Mahaan Proteins Limited are likely to give healthy returns in the near future. The Company's production facilities have completely been set and the export of the Products have started. The Company's products are well received in the international market.

DIRECTORS

Shri Sanjeev Goyal retires by rotation and being eligible offers himself for re-appointment.

AUDITORS

M/s. Dawar Mathur & Goel, Chartered Accountants, New Delhi retire at the ensuing general meeting and are eligible for re-appointment. The observations made by auditors in their report are self-explanatory and do not call for any further comment.

DEPOSITS

Your Company has not accepted any deposit within meaning of Section 58-A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 as modified from time to time.

Y2K COMPLIANCE

Your company has taken appropriate steps to ensure that all its hardware, software and application systems are year 2000(Y2k compliant). The financial impact on the company is not anticipated to be material to its financial position or results of operations.

PARTICULARS OF EMPLOYEES

The Board of Directors wish to express its appreciation to all employees of the Company for their outstanding contribution to the operation of the Company during the year.

Particulars of employees in receipt of remuneration as contemplated under Section 217 (2-A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are annexed at Annexure - I.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As required by Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 the relevant data pertaining to conservation of energy and technology absorption, foreign exchange earning and outgo are given in Annexure - II of this report.



MAHAAN FOODS LIMITED

ACKNOWLEDGMENTS

The Directors wish to place on record their gratitude to all Financial Institutions, Banks, Government Authorities for their valuable support. Your Directors also wish to place on record their gratitude to the valued shareholders of the Company to take these strides in such a short span of time. The Board also records the appreciation to the contribution of their dedicated employees and dealers of the Company.

For and on behalf of the Board of Directors

PLACE : New Delhi

DATED : 29.05.1999

A.N.GOYAL

Chairman

ANNEXURE - I TO DIRECTORS' REPORT

Statement of particulars of employees pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975.

Persons employed throughout the year:

Sl. No.	Name	Age (Yrs.)	Designation/ Date of Commencement of employment	Remuneration (Rs.)	Qualification	Experience (Yrs.)	Last Organisation	Employment Position Held	Duration (Yrs)
1.	Mr. Rajiv Goyal	33	Managing Director 1.1.97	7,47,809/-	MBA (Finance & Marketing)	11 yrs.	Mahaan Dairies Limited	Chief Executive	7.5 yrs.

Note : There was no employee who was employed for any part of the year and was in receipt of the remuneration as prescribed in Section 217 (2A) (a) (i).

ANNEXURE - II TO DIRECTORS' REPORT

Statement of particulars pursuant to Companies (Disclosure of particulars in the Report of Directors) Rules, 1968.

1. CONSERVATION OF ENERGY

In addition to steps already taken by your Company to conserve energy, studies are continuing to improve further by use of latest devices and developments.

A. Power and fuel consumption

Current Year

Previous Year

I. Electricity

a. Purchased

Total units (in lacs)	17.63	16.07
Total amount (Rs. in lacs)	34.92	28.95
Rate/Unit (Rs.)	1.98	1.80

b. Own generation

i. Through diesel generator

Units (in lacs)	1.88	1.56
Units per ltr. of diesel oil		
Cost/Unit (Rs.)	2.50	2.45

ii Fuel used in Boiler

Quantity (in tonnes)	9872	17125
Total Cost (Rs. in lacs)	107.75	131.81
Average Rate (Rs./tonnes)	1091	770

II. Consumption per unit of production

Products (Milk Products/tonnes)	6309	6643
Electricity/tonnes(KWH)	554	436
Fuel (tonnes)	1.56	2.58

B. TECHNOLOGY ABSORPTION

Efforts are continuing in this direction. Our products continue to get preferential acceptance. R & D is continuing endeavoring to upgrade its manufacturing technology to improve Plant capacity.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

i. Foreign Exchange earnings	--	--
ii. Foreign exchange outgo	2,16,393	1,11,887

For and on behalf of the Board of Directors

PLACE : New Delhi

DATED : 29.05.1999

A.N. GOYAL

Chairman

**MAHAAN FOODS LIMITED**

DAWAR MATHUR & GOEL
CHARTERED ACCOUNTANTS
 41, VIVEKANAND PURI,
 DELHI - 110 007.

AUDITORS' REPORT

The Members of Mahaan Foods Limited.

We have audited the attached Balance Sheet of Mahaan Foods Limited as at 31st March, 1999 and the Profit and Loss Account for the year ended on that date annexed thereto and report that :

1. As required by the Manufacturing and Other Companies (Auditor's Report) order 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred in paragraph 1 above, we state that :
 - i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of such books.
 - iii. The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the books of account.
 - iv. In our opinion the Balance Sheet and Profit and Loss Account comply with the accounting standards referred in sub section (3C) of section 211 of the Companies Act, 1956.
 - v. In our opinion and to the best of our information and according to the explanations given to us, the said Accounts read together with 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 insofar as it relates to the Balance Sheet, of the state of affairs of the company as at 31.03.1999, and
 - b insofar as it relates to the Profit and Loss Account, of the PROFIT of the company for the year ended on that date.

For **DAWAR MATHUR & GOEL**
 Chartered Accountants

PLACE : New Delhi
 DATED : 29.05.1999

ARUN K. GOEL
 Partner

REG. : MAHAAN FOODS LIMITED

Annexure to Auditors' Report dated 29.05.1999

1. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets. According to the information and explanations given to us the fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on verification.
2. None of the fixed assets have been revalued during the year.
3. According to the information and explanations given to us the stocks of finished goods, stores, spare parts and raw material have been physically verified during the year by the management at reasonable intervals.
4. In our opinion 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. The discrepancies noticed on verification between the physical stocks as compared to the book records which were not material and have been properly dealt within the books of account.
6. On the basis of our examination of stock records, we are of the opinion that the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles, and is on the same basis as in the preceding year.
7. The Company has not taken any loan from companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956 or from the Companies under the same management as defined under sub-section (1B) of section 370 of the Companies Act, 1956.