





BOARD OF DIRECTORS

Sobhagmal Maloo, Chairman
Satyanarayan Maloo, Managing Director
Nandlal Maloo
Bajranglal Maloo
Lalchand Maloo
Sunil Kumar Maloo
V. M. Shegokar, SICOM Nominee

COMPANY SECRETARY

V. Ravikumar

BANKERS

State Bank of Hyderabad
Oriental Bank of Commerce

AUDITORS

Demble Ramani & Co.,
Chartered Accountants,
Abhyankar Road, Sitabuldi, Nagpur.

FINANCIAL ADVISORS

Anand Chandak & Co.,
Chartered Accountants,
Nagpur.

REGISTERED OFFICE

101, Jai Bhawani Society, Central Avenue,
Wardhaman Nagar, Nagpur - 440 008.

MANUFACTURING FACILITIES AT

Agro Division
U-140/141, M.I.D.C.
Industrial Area, Hingna Road,
Nagpur - 440 016.

Paper Division
S. N. 115, Village Patansaongi,
Nagpur - Saoner Road,
Tahsil - Saoner, Dist - Nagpur.

Duplex Paper Division
S. N. 481, Village Vadoda,
Tahsil - Kamptee,
Dist. - Nagpur.

**MURLI AGRO PRODUCTS LIMITED**

NOTICE

NOTICE is hereby given that the Eight Annual General Meeting of MURLI AGRO PRODUCTS LIMITED will be held at the Registered Office of the Company at 101, Jai Bhawani Society, Central Avenue, Wardhaman Nagar, Nagpur - 440 008, on Thursday the 30th day of September, 1999 at 10.00 AM to transact the following business as :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 1999 and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Nandlal Maloo who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Sunil Kumar Maloo who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Demble Ramani & Co., Chartered Accountants who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS :

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Ordinary Resolution :

"RESOLVED THAT Shri Sobhagmal Maloo who was appointed by the Board of Directors as an Additional Director of the Company and in respect of whom the Company has received a notice from a Member under Section 257 of the Companies Act, 1956 proposing his candidature as a Director be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement by rotation."

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Ordinary Resolution(s) :

"RESOLVED THAT in supersession of the Ordinary Resolution adopted at the Extra-ordinary General Meeting held on 30th June, 1993 and pursuant to the provisions of Section 293 (1)(d) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow any sum or sums of money from time to time with or without security and upon such terms and conditions as they may think fit notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed aggregate of the paid-up-capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided however, that the total amount so borrowed by the Board of Directors shall not at any time exceed the sum of Rs. 50 crores (Rupees Fifty Crores) or equivalent amount in any foreign currency, borrowed and to be borrowed from Indian / Foreign Banks / Financial Institutions / Mutual Funds/ Development Agencies / Overseas Corporate Bodies and other persons / entities."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise the documents for borrowing the above sums of money and to do all such acts, deeds, matters and things as may be necessary or expedient for giving effect to this resolution."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Ordinary Resolution(s) :

"RESOLVED THAT in supersession of the Ordinary Resolution adopted at the Extra-ordinary General Meeting held on 30th June, 1993 and pursuant to the provisions of Section 293 (1)(a) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the creation by the Board of Directors of the Company of such mortgages, charges and / or hypothecation in addition to the existing mortgages / charges, hypothecations and other encumbrances, if any, created by the Company, as the Board may deem fit, on the assets of the Company, both present and future, for securing the sum or sums of moneys aggregating Rs. 50 Crores (Rupees Fifty Crores) or equivalent amount in any foreign currency, borrowed and to be borrowed by the Company from Banks, Financial Institutions and others as set out in the above Resolution."


MURLI AGRO PRODUCTS LIMITED

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise the documents for creating the aforesaid mortgages and/or charges to do all such acts, deeds, matters and things as may be necessary or expedient for giving effect to this resolution."

By Order of The Board Of Directors

Nandlal Maloo
Director

Registered Office :
101, Jai Bhawani Society,
Central Avenue,
Wardhaman Nagar,
Nagpur - 440 008

Dated, 27th August, 1999

NOTES :

1. The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect to Item No. 5 to 7 of the Notice set out above is annexed hereto.
2. 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.
3. The instrument appointing a proxy should however be deposited at the Registered Office of the Company not later than 48 hours before the Commencement of the Meeting.
4. Members are requested to inform immediately the change, if any, of their address registered with the Company.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday the 29th September, 1999 to Thursday the 30th September, 1999 (both the days inclusive).
6. All communications relating to shares are to be addressed to the Company Secretary at the Company's Registered Office at 101, Jai Bhawani Society, Central Avenue, Wardhaman Nagar, Nagpur - 440008.

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956 :

The Explanatory Statement for Item No. 5 to 7 of the accompanying Notice set out hereinabove is as under ;

Item No. 5 :

The Board of Directors appointed Shri Sobhagmal Maloo as an Additional Director of the Company on 30th July, 1999 pursuant to Article 82 of the Articles of Association of the Company. Under Section 260 of the Companies Act, 1956, Shri Sobhagmal Maloo will hold office only upto the date of the forthcoming Annual General Meeting. A Notice has been received from a member under Section 257 intimating his intention to propose Shri Sobhagmal as candidate for the office of the Director with a deposit of Rs. 500/-. Shri Sobhagmal Maloo is a senior member of Maloo Family and renowned personality of Nagpur having interest in Trade, Business and Philanthropic activities.

The Directors accordingly commend this resolution for your approval. Sarvashri Satyanarayan Maloo, Nandlal Maloo, Bajranglal Maloo, Lalchand Maloo & Sunil Kumar Maloo are deemed to be interested in the resolution as they are related to Shri Sobhagmal Maloo.

Item No. 6 & 7

The Members have approved the Increase in Borrowing Powers from, and the Creation of Mortgages/ Charges on the Company's Movable/ Immovable properties in favour of, Term Lending Financial Institutions and Banks at an Extra Ordinary General Meeting held on 30th June, 1993 for an amount not exceeding Rs. 25.00 Crores.

Since the Company is going for a diversification into a new Business of setting up an Duplex Paper Project near Nagpur and expansion of existing capacities of its Agro Division, the Company will require further Borrowings from various Financial Institutions, Banks, Promoters and General Public.

In terms of Section 293(1)(d) & 293(1)(a) of the Companies Act, 1956, the Shareholders approval is required to increase the Borrowing Powers and create mortgages and / or charges on the assets of the Company. This resolution will enable the company to borrow from and create mortgage in favour of Term Lending Financial Institutions and Banks to the extent of Rs. 50 Crores.

The Directors accordingly commend this resolution for your approval. None of the Directors are concerned or interested in these resolutions.

By Order of The Board of Directors

Place : Nagpur,
Dated : 27th August, 1999

Nandlal Maloo
Director

**MURLI AGRO PRODUCTS LIMITED**

DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting their Eight Annual Report and Audited Statement of Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS :

	(Rs.in Lakhs)	
	1998-99	1997-98
1. Sales and Other Income	10088.01	8679.09
2. Profit Before Interest and Depreciation	340.52	375.25
3. Interest	171.18	200.11
4. Profit Before Depreciation	169.34	175.14
5. Depreciation	151.66	164.64
6. Profit Before Tax	17.68	10.50
7. Provision for Taxation	2.00	---
8. Profit After Tax	15.68	10.50
9. Profit brought forward from Previous Year	240.64	230.14
10. Surplus available for Appropriation	256.32	240.64
11. Surplus carried forward to Balance Sheet	256.32	240.64

PERFORMANCE REVIEW :

During the year under review your company has crossed the Rs. 100 Crores Sales Turnover mark as against Rs. 86.79 Crores for the Previous Year. The Net Profit After Tax was Rs. 15.68 Lacs as against Rs. 10.50 Lacs for the Previous Year.

AGRO DIVISION :

During the year under review your Company has achieved a record production of 45109 Mts of De-Oiled Cakes (DOC) as against 36063 Mts of De-Oiled Cakes in the previous year, recording an increased production of about 25%. The Company has made a Sales Turnover of Rs. 2480 Lacs

in the DOC Market as against the previous years turnover of Rs. 3304 Lacs. Sales in the DOC market have been lower compared to previous year mainly due to recessionary trends prevailing in the domestic and world markets. Bumper crops of Soyabean in Brazil, Argentina & USA has also contributed to the down fall in DOC prices.

During the Year under review the Company has made exports of about 15532 Mts of De-Oiled Cakes to various Countries like South Korea, Thailand, Indonesia & Veitnam. The Company has achieved an Export Sales of Rs. 822 Lacs by earning valuable Foreign Exchange of about US \$ 19,39,677.



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The Company has also made a Sales Turnover of Rs. 6117 Lacs in the Edible Oil Market as against Previous Year Turnover of Rs. 4245 Lacs. There is a substantial increase of about 44% in the Oil Sales due to better utilisation of idle capacities and greater out sourcing of Raw Soya Crude Oil.

It is reported by the Industry sources that the ensuing Crop Season beginning from October, 1999 is expecting a better crop. In such situation the Company hopes that it will be in a position to fare well in the coming season.

KRAFT PAPER DIVISION :

During the year under review the MG Kraft Paper Division has manufactured about 10156 Mts of MG Kraft Paper and has achieved a Turnover of Rs. 1355 Lacs. The Company manufactures different types of Kraft Papers with different ranges of Burst Factors and GSM having utilities in packaging industries for making Corrugated Cartons, Boxes and Boards. To produce good quality paper company uses Wastepapers imported from various developed countries. Your Company's Kraft Paper quality is very well accepted by the Packaging Industry.

NEW DUPLEX PAPER PROJECT :

Members are aware that your Company has successfully diversified into Kraft Paper Industry. Considering the ever increasing demand of quality paper by the Paper Market your Company has identified a new proposal to set up Duplex Paper Plant at Village Vadoda, Tahsil Kamptee, Nagpur District at a Project Cost of Rs. 12.60 Crores. This new project has been appraised by SICOM LTD, Mumbai and will be financed by Company's Internal Accruals and a Term Loan of Rs. 7.50 Crores from SICOM LTD, Mumbai.

Your Company has acquired a piece of Land at Village Vadoda, near Nagpur and has already placed Purchase Orders for all Major Plant & Machineries and are expected to arrive at the Project Site in the month of September,

1999. The Civil construction & erection work at the new project site is under completion and the Company expects to commission the Plant in the month of December, 1999.

Your Directors are of the view that this new business can be conveniently and advantageously combined with the Company's present business and that it would enable the company to carry on its business more economically and efficiently.

FUTURE OUTLOOK :

Your Company has set an ambitious plan of becoming one of the Major Company in Solvent and Paper Industries in the Central India and is poised to increase its existing capacities and range of products manufactured. Setting up of the Duplex Paper Plant near Nagpur is one such step in this direction. Your Company is also considering to increase its capacities in Solvent Extraction Plant and Oil Refinery by either hiring production facilities on rental basis or acquiring such facilities on an outright purchase basis in the near future. This added facilities will help the company increasing its Production and Market Share and enabling us to extend our market penetration.

DIRECTORS :

Shri Sobhagmal Maloo has been appointed as Additional Director and Chairman of the Company with effect from 30th July, 1999, subject to the confirmation of this Annual General Meeting for which the resolution has been set out at Item No.5 of Notice to this Meeting.

Shri Nandlal Maloo & Shri Sunil Kumar Maloo retire by rotation and being eligible offer themselves for re-appointment.

AUDITORS :

M/s. Demble Ramani & Company, Chartered Accountants, Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for


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re-appointment. They have signified their willingness to accept re-appointment and have further confirmed their eligibility under Section 224 (1B) of the Companies Act, 1956.

and co-operation extended to the Company by various Government Agencies, Financial Institutions, Banks, the large family of Shareholders, the dedicated employees and all others who are continuing to assist your Company.

For and on behalf of The Board of Directors

DISCLOSURES :

Disclosures in terms of Companies (Particulars of Employees) Rules, 1975 and Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 in respect of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are annexed to this Report.

Sobhagmal Maloo
Chairman

Nagpur,
Dated 27th August, 1999

Satyanarayan Maloo
Managing Director

ACKNOWLEDGEMENT :

The Board wishes to express its grateful appreciation and place on record their gratitude for the confidence reposed

ANNEXURE TO THE DIRECTORS' REPORT

Statement of Particulars of Employees Pursuant to the Provisions of Section 217(2A) of the Companies Act, 1956 and forming part of the Directors' Report for the year ended 31st March 1999.

Name	Age	Qualification & Experience	Designation Nature of Duties of Employment	Date of Commen- cement	Remuneration	Last Employment Held
Mr. S.N. Maloo	47	B.Com. 27 years	Managing Director	07/02/92	Rs. 3,00,000	Managing Partner, Nandlal Enterprises

For and on behalf of The Board of Directors

Sobhagmal Maloo
Chairman

Nagpur,
Dated, 27th August, 1999

Satyanarayan Maloo
Managing Director