



**RAJ OIL MILLS LTD.**

———— Purity. Since 1943. ————

**Twelfth Annual Report**

**2013 - 2014**

**Chairman and Managing Director**

Shaukat S. Tharadra

**Executive Directors**

Azamkhan F. Lohani

Abdulla K. Musla

Rashid I. Tharadra

**Non-Executive Directors**

Mohammedi T. Singaporewala

R. H. Balasubramanya

**Auditors****Statutory**

M/s. B. M. Gattani &amp; Co

Chartered Accountants

**Bankers**

The Shamrao Vithal Co. Op. Bank Ltd.

Karur Vysya Bank Limited

**Plant Locations**

- 1) Manor, Dist. Thane  
Ten Village, (Manor), Tal. Palghar  
Maharashtra - 401104
- 2) Bagru, Dist. Jaipur  
F-9 /10, RIICO Industrial Area of Bagru,  
Extn-Phase II, Jaipur,  
Rajasthan

**Registered Office**

224-230, Bellasis Road

Mumbai- 400008

**Registrar and Transfer Agents**

Bigshare Services Private Limited

E-2/3, Ansa Industrial Estate

Sakivihar Road, Saki Naka,

Andheri (East), Mumbai - 400072

**Committees of the Board****Audit Committee****Name of the Director**

Mr. Dipakkumar R. Madia

Mr. Narotambhai V. Patel

Mr. Abdulla K. Musla

**Status**

Chairman (Independent Director)

Independent Director

Whole Time Director

**Remuneration Committee****Name of the Director**

Mr. Mohammedi T. Singaporewala

Mr. Narotambhai V. Patel

Mr. Abdulla K. Musla

**Status**

Chairman (Independent Director)

Independent Director

Whole Time Director

**Shareholders'/ Investors' Grievance Committee****Name of the Director**

Mr. Mohammedi T. Singaporewala

Mr. Narotambhai V. Patel

Mr. Abdulla K. Musla

**Status**

Chairman (Independent Director)

Independent Director

Whole Time Director

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## CHAIRMAN'S SPEECH

Dear Shareholders,

Before addressing the shareholders for the the financial year ended 2013-14, I would like to re-visit the speech that I made to the shareholders of the Company last year. I ended the speech saying that the management of Raj Oil Mills Limited will do whatever it takes to change the operational model to overcome the financial crisis which the Company was facing.

However, inspite of the best of efforts put in by the management to revive the RAJ brand, the Company succumbed to financial crisis and was unable to foster growth during the financial year under review. The Company is facing severe crisis in augmenting working capital and operating the Company on a continuous basis has been of grave concern for the management.

The Management of the Company found it increasingly difficult to have a continuous flow of operations resulting in partial running of plants. Manufacturing of products on continuous basis was adversely impacted. The Company was unable supply its products on periodic basis. As a result of this, relationship with the retail product market, consisting of outlets and depots, was severed, making recovery of money difficult. The writing off of dues receivable has resulted in the net worth of the Company being eroded by more than 50%.

It is under these circumstances that the Management is presenting the twelfth annual report of Raj Oil Mills Limited for the Financial Year ended March 31, 2014 to the shareholders of the Company.

At this juncture, I would like to quote a phrase from Quran, which says 'Never give hope of ALLAH's mercy. Certainly no one is desirous of ALLAH's mercy except the people who disbelieve'.

And it is the belief which will take this Company forward.

I still believe that the Raj Brand can survive this crisis if financial bottlenecks are avoided. The goodwill, which this brand has created over the past seventy years will help the Company market its products to reach its loyal customer base. The only requirement is substantial inflow and management of financial capital which will regularize the operating cycle.

Keeping financial restructuring in mind and pursuant to Section 15 of the Sick Industries Companies (Special Provisions) Act, 1985, the Board of Directors of the Company, at its Meeting held on June 6, 2014, filed an application with the Board of Industrial and Financial Reconstruction with a view of having a restructuring plan, as approved by the regulators of the land, to revive the Company.

With this re-structuring plan, the Management strives to achieve the following three fold objectives for the survival of the Company:

- (1) Allow breathing space for the working capital cycle to become normal;
- (2) To manage the working capital with the intervention of the regulator and
- (3) Restore the faith of the stakeholders.

I hope that the regulator up holds the plea put forward by the Management of the Company and helps the Company to revive its Brand.

The Board of Directors of the Company continue to uphold the decision of remuneration committee of not paying any remuneration to the Whole-Time Directors of the Company till the financial condition of the Company improves.

I also assure that the Management of this Company is aware that the fortunes of the Company are not only dependent on the intervention of the regulator but also the will of executing the plans related to reconstruction scheme. And our commitment to work for the survival of this brand is paramount.

With the best wishes of all associated with us I look forward in achieving the expectations from the customers and the industry as a long term player in the times to come. I apologize for grievances, caused due to delay in sharing of information, if any.

Just waiting for the tide to turn in our favour.

And with your good wishes we will make it turn in our favour.

Thanking You.

**Shaukat S. Tharadra**  
**Chairman & Managing Director**  
**DIN: 01598234**

## Raj Oil Mills Limited

**NOTICE** is hereby given that the Twelfth Annual General Meeting of the Members of **RAJ OIL MILLS LIMITED** will be held at 'AL-MOIN' Community Hall, 55 Mastan Tank Road, 1<sup>st</sup> Floor, Opp. Mastan Talav Ground, Nagpada, Mumbai - 400 008 on Tuesday September 30, 2014, at 9.30 a. m. to transact the following business:

### ORDINARY BUSINESS

- (1) To consider and adopt the Audited Profit and Loss Account, Cash Flow Statement for the year ended 31<sup>st</sup> March 2014, Balance Sheet as on date along with Auditors' Report, Directors' Report, Management Discussion and Analysis and Corporate Governance Report thereon.

- (2) To appoint M/s. B. M. Gattani & Co., Chartered Accountants, Mumbai, having ICAI Firm Registration No. 113536W, pursuant to provisions of Section 139 of the Companies Act, 2013, as Auditors of the Company for a period of three, being the balance tenure of their first term, to hold office from conclusion of this 12<sup>th</sup> Annual General Meeting until the conclusion of the 15<sup>th</sup> Annual General Meeting of the Company at such remuneration to be decided by the Board of Directors of the Company, based on the recommendation of the Audit Committee, in addition to reimbursement of all out of pocket expenses.

**By Order of the Board of Directors  
For Raj Oil Mills Limited**

Sd/-

**Shaukat S. Tharadra**

Chairman & Managing Director

DIN: 01598234

Date: September 4, 2014

Place: Mumbai

### NOTES

- (1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. MEMBER HOLDING MORE THAN TEN PERCENT, OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**
- (2) The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
- (3) The Register of Members and Share Transfer Books of the Company will remain closed from 25<sup>th</sup> September, 2014 to Tuesday, September 30, 2014 (both days inclusive) for the purpose of Annual General Meeting.
- (4) Members who attend the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the Meeting Hall.
- (5) Members are requested to bring their copy of the Annual Report at the time of attending the Annual General Meeting.
- (6) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- (7) Members who are holding shares in identical order of names in more than one folio are requested to send to the Company's Registrar and Transfer Agent, M/s. Bigshare Services Private Limited details of such folio together with

the share certificates for consolidating their holding in one folio. The share certificates will be returned to the Member/s. after making requisite changes thereon

- (8) Non-resident Indian Shareholders are requested to inform the Company immediately:
  - a. Change in residential status on return to India for permanent settlement.
  - b. Particulars of bank account maintained in India with complete name, branch, branch code, account type, account number and address of bank, if not furnished earlier.
  - c. Copy of Reserve Bank of India permission.
- (9) (a) Members holding shares in physical form are requested to advise immediately change in their address, if any, quoting their folio number(s) to the Registrar & Share Transfer Agent of the Company.  
(b) Members holding shares in the electronic form are requested to advise immediately change in their address, if any, quoting their Client ID number, to their respective Depository Participants.
- (10) Members may avail dematerialization facility by opening Demat Accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get the equity share certificates held by them dematerialized. The ISIN No. of the Company is **INE294G01018**.
- (11) Members desirous of getting any information in respect of accounts of the Company and proposed resolution, are requested to send their queries in writing to the Company at its registered office at least 7 days before the date of the meeting, so that the required information can be made available at the meeting.
- (12) Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company, a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
- (13) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested

to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar & Share Transfer Agent i.e. Bigshare Services Pvt. Ltd.

- (14) Members may also note that the Notice of the 12th Annual General Meeting and the Annual Report for 2014 will also be available on the Company's website [www.rajoilmillsltd.com](http://www.rajoilmillsltd.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [cs@rajoilmillsltd.com](mailto:cs@rajoilmillsltd.com).

**(15) Voting through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

**The instructions for members for voting electronically are as under:-**

In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:
 

For Members holding shares in Demat Form and Physical Form

Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)-

  - Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field.
  - In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.

**DOB** Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

**Dividend Bank Details** Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they

have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins at 9.00 a.m. on September 26, 2014 and ends at 6.00 p.m. on the same day i.e. September 26, 2014. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date August 29, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or

write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**For members who wish to vote using ballot form:**

Pursuant to Clause 35B of the listing agreement, Members may fill in the ballot form enclosed with the Notice (a copy of the same is also part of the soft copy of the Notice) and submit the same in a sealed envelope to the Scrutinizer, Mr. Amit R. Dadheech, C/o Raj Oil Mills Limited 224-230 Bellasis Road, Mumbai 400 008, so as to reach by 6.00 p.m. on September 26, 2014. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.

In the event, a member casts his votes through both the processes i.e. e-voting and ballot form, the votes in the electronic system would be considered and the ballot form would be ignored.

**By Order of the Board of Directors  
For Raj Oil Mills Limited**

Sd/-

**Shaukat S. Tharadra**

Chairman & Managing Director

DIN: 01598234

Date: September 4, 2014

Place: Mumbai

## DIRECTORS' REPORT

To The Members,

### RAJ OIL MILLS LIMITED

We are pleased to present the 12<sup>th</sup> Annual Report together with the audited statements of accounts of the Company for the financial year ended March 31, 2014.

### FINANCIAL RESULTS

The financial performance of the Company for the Financial Year ended March 31, 2014 is summarized below:

	<b>(Rs. in Lakhs except EPS)</b>	
	<b>Financial Year Ended March 31, 2014</b>	<b>Financial Year Ended March 31, 2013</b>
Total Income	<b>6906.12</b>	12848.40
Profit before Depreciation and Tax	<b>(2096.20)</b>	(1353.16)
Less : Depreciation	<b>439.45</b>	443.64
Net Profit before Tax	<b>(2535.64)</b>	(1796.80)
Less : Provision for Current Tax	<b>Nil</b>	Nil
Net Profit before Deferred Tax	<b>(2535.64)</b>	(1796.80)
Less/(Add): Deferred Tax	<b>Nil</b>	275.63
Net Profit after Deferred Tax	<b>(2535.64)</b>	(2072.43)
Add : Balance b/f from Previous Year	<b>7270.48</b>	9342.91
Total Profit available for Appropriation	<b>(21779.07)</b>	7270.48
<b>Appropriation</b>		
Balance carried to Balance Sheet	<b>(21779.07)</b>	7270.48
<b>Earning Per Share</b>		
- Basic	<b>(40.91)</b>	(2.92)
- Diluted	<b>(40.91)</b>	(2.28)

### OPERATIONS& OUTLOOK

The sales of the company decreased by 46% from Rs. 1,27,39,09,989 in the financial year 2012-13 to Rs. 67,98,52,346 in 2013-14. The net loss before tax increased by 41% from Rs.17,96,80,765 in financial year 2012-13 to Rs. 25,35,64,876 in 2013-14.

As a result of the above stated financial performance, the EPS has decreased from Rs.(2.92) in the financial year 2012-13 to Rs. (40.91) in 2013-14.

### SHARE CAPITAL

At present, the Company has only one class of shares, viz. Equity Shares of Rs.10 each.

### CONVERSION OF WARRANTS

The Board of Directors at their meeting held on May 5, 2014 have converted 39,33,330 warrants into equity shares of Rs. 10/- each out of 2,00,00,000 warrants allotted to Non – Promoters (Person Acting in Concert).

### FORFEITURE OF WARRANTS

The Board of Directors at their meeting held on May 5, 2014 have forfeited 1,60,66,670 warrants due to non-payment of pending warrant call money. There are no pending warrants due for conversion into equity shares of the company.

### DIVIDEND

In view of current year loss, your Directors regret their inability to recommend any dividend for the financial year under review.

### FIXED DEPOSITS

During the year under review, the Company had defaulted in payment of principal and interest amount due to the deposit holders before the due date. In this regard the Company has also received notices from the Company law Board and the Registrar of Companies for which suitable representations and replies have been given.

During the financial year under review the Company has not accepted any fresh deposits.

### INTERNAL CONTROL SYSTEM

The Company has adequate Internal Control Systems which ensures that all assets are protected against loss from unauthorized use and all transactions are recorded and reported correctly. During the period under review, your Company appointed Chartered Accountants, as Internal Auditors of the Company.

### DIRECTORS

During the year under review, Mr. Deepak Madia, Mr. N. V. Patel (Non- Executive Independent Directors) have resigned from the directorship of the Company on January 1, 2014 and Mr. M. Singaporewala (Non- Executive Independent Director) has resigned on May 3, 2014 from the directorship of the Company.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant of Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure.
- Appropriate accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year ended March, 31, 2014 and Loss of the Company for the year ended on that date.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities: and,
- The annual accounts have been prepared on a going concern basis.

### EMPLOYEE STOCK OPTION PLAN (ESOP), 2012

The Board of Directors at their meeting held on 26th August, 2011, and the Shareholders at their meeting held on September 27, 2011 approved the Employee Stock Option Scheme titled as "ESOP 2011", granting stock options to the eligible employees of the Company. However the Company has so far not allotted any shares as part of ESOP 2011.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year

under review, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges is presented in a separate section forming part of the Annual Report.

### CORPORATE GOVERNANCE

The Company is committed to maintain the highest standard of Corporate Governance and adhere to the Corporate Governance requirements as set out by SEBI.

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite Certificate from a Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance is attached to this Report.

### AUDITOR & AUDITORS' REPORT

You are requested to appoint Auditors for the current year and to authorize the Board to fix their remuneration. The retiring auditors, B. M. Gattani & Co, Chartered Accountants, are eligible for reappointment. A certificate from the Auditors has been received to the effect that their reappointment, if made, would be within the limits prescribed under Section 139 of the Companies Act, 2013.

M/s. B. M. Gattani & Co. are proposed to be re-appointed as Auditors, to hold office up-to the conclusion of the 15<sup>th</sup> Annual General Meeting.

Pursuant to the provisions of Companies (Audit and Auditors) Rules, 2014, M/s. B. M. Gattani & Co., Chartered Accountants have certified that:

- a. They are eligible for appointment and are not disqualified for appointment under the Companies Act, 2013, the Chartered Accountants Act, 1949 and rules/regulations made thereunder;
- b. The proposed appointment is as per the term provided under the Companies Act, 2013;
- c. The proposed appointment is within the limits laid down by or under the authority of the Companies Act, 2013;
- d. There are no proceedings against the audit firm or any partner of the audit firm pending with respect to professional matters of conduct.

The Board of Directors recommends to the shareholders the appointment of M/s. B. M. Gattani & Co., Chartered Accountants, as Auditors of the Company.

Observations made in the annexure to the Auditors' Report are self explanatory and therefore do not call for any further comments under the provisions of the Companies Act, 1956 and hence do not call for any further information and explanation under 217(3) of the Companies Act, 1956.

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

Particulars required under section 217 (1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are as follows:

#### (a) Conservation of Energy

Company makes evaluation on a continuous basis to

explore new technologies and techniques to make the operations of crushing and filtration more energy efficient. This includes regular maintenance of machineries and regular check-up of energy consuming devices. Total energy consumption and energy consumption per unit of production is prescribed in Form A of Annexure I to this report.

#### (b) Research and Development

Company has made efforts in developing new packaging and new products to make its products duplicate proof and tamper proof, which has yielded good response from the customers.

#### (c) Technology absorption and Adaptation

Your Company has continuously adapted latest technology and best practices from the industry and efforts will continue in future.

#### (d) Foreign Exchange Earning and Outgo:

The relevant information in respect of the foreign exchanges earnings and outgo for the year ended on 31<sup>st</sup> March, 2014 are as follows:

Foreign Exchange Earnings -Rs. NIL(Previous Year: Rs. NIL)

Foreign Exchange Outgo -Rs. NIL (Previous Year: Rs. 1.30 crore)

### PARTICULARS OF EMPLOYEES

In terms of provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time, the Company has no employees who were in receipt of the remuneration of Rs. 60,00,000/- or more per annum during the financial year ended 31<sup>st</sup> March, 2014 or Rs. 5,00,000/- or more per month during any part of the said year.

### EMPLOYEE RELATIONS & HUMAN RESOURCES

Employee relations were cordial during the year and the Board would like to place on record its deep appreciation to all the employees of the Company for their dedicated services and performance in quantitative and qualitative parameters. The Company believes that its employees are a key differentiator, especially in FMCG sector and a competitive business environment.

### COMPANY SECRETARY

The Company is required to appoint a Company Secretary in Whole-time employment of the Company under section 383A (1) of the Companies Act, 1956 (corresponding relevant section 203 of the Companies Act, 2013). The Company is finalizing the suitable candidate holding a membership of the Institute of the Company Secretaries of India.

### REFERRAL TO THE BOARD FOR INDUSTRIAL RECONSTRUCTION

The Board of Directors of the Company at their meeting held on May 29, 2014 had approved the audited financial accounts for the year March 31, 2014. The Company had incurred major losses and the net-worth of the Company have been totally eroded. Further, looking at the financial position of the Company the Board of Directors of the Company at their meeting held on June 6, 2014 has decided to refer the Company to the Board of BIFR and the application to the BIFR Board was submitted on June 9, 2014. However, the Board of



BIFR has still not accepted the application of the Company. Further the Board of Directors of the Company has made application to the AIFR for reviewing the decision of the BIFR, for admission of Company's application.

**PENDING LEGAL SUITS**

Apart from the notices received by the Company from the Company Law Bench, Mumbai Region and Registrar of Companies, Mumbai, for default in re-payment of interest and principal amount of the public deposits, the Company has received notices, including notices for winding up, from its secured creditors for non-payment of installments on continuous basis. The legal representatives / consultants / lawyer have replied to various notices on timely basis and relevant suits filed against the Company are pending before Hon'ble High Court of judicature at Bombay.

**ACKNOWLEDGEMENTS**

We would like to express our deep sense of appreciation for the assistance and co-operation received from our Bankers, Government Authorities, Stakeholders, Investors, Clients, Distributors, Vendors and Other Business Associates during the year under review.

We also take this opportunity to appreciate the contribution made by our Employees at all levels for their dedicated service. Our consistent growth was made possible by their hard work, solidarity, co-operation and support.

For and on behalf of the Board of Directors  
**For Raj Oil Mills Limited**

Place: Mumbai  
Date: September 4, 2014

**Shaukat S. Tharadra**  
Chairman & Managing Director  
DIN: 01598234

**ANNEXURE TO DIRECTORS' REPORT**
**Annexure I**
**FORM – A**
**(A) Power and Fuel consumption in respect of**

	<b>Financial Year Ended March 31, 2014</b>	<b>Financial Year Ended March 31, 2013</b>
<b>1 Electricity</b>		
<b>(a) Purchased</b>		
Units (KWH in lakhs)	<b>2.79</b>	3.90
Total Amount (Rs. in lakhs)	<b>28.00</b>	41.28
Rate per unit (Rs./ Unit)	<b>10.02</b>	10.58
<b>(b) Own generation Through Diesel Generator</b>		
Units (KWH in lakhs)	<b>0.07</b>	0.29
Total Amount (Rs. in lakhs)	<b>3.78</b>	4.15
Cost per unit (Rs. / Unit)	<b>57.11</b>	14.29
<b>2 Furnance Oil/LSHS/LDO/HSD</b>		
Qty. (K. Ltrs.)	<b>12.99</b>	32.07
Total Amount (Rs. in lakhs)	<b>7.22</b>	18.21
Average rate (Rs. / Ltrs.)	<b>59.38</b>	56.78

**(B) Consumption per unit of Production**

It is not feasible to maintain product category wise, energy & fuel consumption data, since the Company manufacture/ pack a large range of products having different energy & fuel requirements.