



PDOIL

POONA DAL AND OIL INDUSTRIES LTD.



BOARD OF DIRECTORS

Mr. Sunil D. Parakh
Mr. Pradip P. Parakh
Mr. Mahendra S. Mehta
Mr. Jitendra H. Palnitkar
Mr. Pankaj C. Baldota
Mr. Rajendra D. Shetiya
Mr. Shailesh C. Doshi

Chairman
Managing Director
Director
Director
Works Director - (Shikrapur)
Works Director - (Chakan)
Works Director - (Kurkumbh)

BANKERS

Central Bank of India
Corporation Bank

AUDITORS

M/s. M. Z. Gandhi & Co.
Chartered Accountants,
801, Sadashiv Peth,
Gadgil Street,
Pune 411 030.

REGISTERED AND CORPORATE OFFICE

103/104, Hadapsar Industrial Estate, Pune 411 013

LOCATION OF PLANTS

Gat No.285/286, Nanekar Wadi, Chakan,
Tal-Khed, Dist. Pune-410 501.
Maharashtra (India)

Gat No. 366 Shikrapur
Tal Shirur, Dist Pune-412 208
Maharashtra (India)

E-2, MIDC, Kurkumbh, Tal-Daund,
Dist.-Pune - 413 801. Maharashtra (India)

REGISTRARS & TRANSFER AGENTS

(for Demat & Physical Shares)
SHAREX DYNAMIC (INDIA)PVT. LTD.
Unit 1, Luthra Ind. Premises, Safed Pool,
Andheri Kurla Road, Andheri (E),
MUMBAI 400 072



NOTICE IS HEREBY GIVEN THAT THE FIFTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF POONA DAL AND OIL INDUSTRIES LIMITED WILL BE HELD ON SATURDAY THE 22ND SEPTEMBER 2007 AT 03.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 103/104, HADAPSAR INDUSTRIAL ESTATE, PUNE- 411 013 TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Balance Sheet as at 31st March, 2007 and the Profit and Loss account for the year ended as on that date together with the Directors' Report and the Auditors' Report thereon.
- 2) To declare a dividend
- 3) To appoint a Director in place of Mr. Mahendra S. Mehta who retires by rotation and being eligible, offers himself for reappointment.
- 4) To appoint a Director in place of Mr. Jitendra H. Palnitkar who retires by rotation and being eligible offers himself for reappointment.
- 5) To appoint auditors and to fix their remuneration

SPECIAL BUSINESS

- 6) To consider and if though fit, to pass, with or without modification, the following Resolution as a Special Resolution:

RESOLVED THAT, pursuant to the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions if any of the Companies Act, 1956, subject to the approval of members in general meeting and subject to such approvals as may be required, the company hereby accords its approval to the re-appointment of Mr. Pradip P. Parakh as Managing Director of the Company for a further period of two years with effect from 01.07.2007 upon terms and conditions set out hereinafter with liberty to the Board to alter and vary the terms and conditions of the reappointment and so as not to exceed the limits specified in Schedule XIII of the Companies Act 1956 or any amendments thereto."

Salary : Rs. 15000/- per month

Perquisites : Provision of rent free accommodation at a monthly rent not exceeding Rs. 12000/-

The Managing Director shall not be liable for retirement by rotation.

- 7) To consider and if though fit, to pass, with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to Sections 198, 269, 309 Schedule XIII and other applicable provisions if any of the Companies Act, 1956 subject to the approval of the members in General Meeting and subject to such other approvals as may be required, Mr. Pankaj C. Baldota be and he is hereby re-appointed as Works Director for a period of two years with effect from 1st July 2007 upon the terms and conditions set out hereinafter with liberty to the Board to alter and vary the terms and conditions of the reappointment and also as not to exceed the limits specified in the Companies Act 1956 or any amendments thereto as may be made applicable to the company from time to time."

DUTIES AND FUNCTIONS

- The functioning of the Works Director shall be subject to the superintendence and control of the Board of Directors.
- The Works Director shall be responsible for the day to day management of the Company's Factory located at Gat Nos. 366, Keshar Nagar, Tal Shirur, Dist Pune.
- Matters relating to availment of finance and loan matters shall be decided by the Board of Directors and not by the Works Director.



- For the purposes of the Factories Act 1948, the Works Director shall be deemed to be the occupier and notices in this regard shall be given to the Chief Inspector of Factories.
- The Works Director may be empowered to hire staff and workmen upto the level of Ten Workmen but he shall not be entitled to vary the terms of service or dismiss from service any staff or workmen without the consent of the Board of Directors.

REMUNERATION

Salary : Rs. 25000/- per month

RESOLVED FURTHER that the appointment as Works Director shall cease upon him ceasing to be a director; he may however continue in employment at the pleasure of the Board of Directors of the Company."

8) To consider and if though fit, to pass, with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to Sections 198, 269, 309 Schedule XIII and other applicable provisions if any of the Companies Act, 1956 subject to the approval of the members in General Meeting and subject to such other approvals as may be required, Mr. Rajendra D. Shetiya be and he is hereby re-appointed as Works Director for a period of two years with effect from 1st July 2007 upon the terms and conditions set out hereinafter with liberty to the Board to alter and vary the terms and conditions of the reappointment and also as not to exceed the limits specified in the Companies Act 1956 or any amendments thereto as may be made applicable to the company from time to time."

DUTIES AND FUNCTIONS

The functioning of the Works Director shall be subject to the superintendence and control of the Board of Directors.

The Works Director shall be responsible for the day to day management of the Company's Factory located at Gat Nos. 285/286, Chakan, Taluka Khed, Dist, Pune 410 501.

Matters relating to availment of finance and loan matters shall be decided by the Board of Directors and not by the Works Director.

For the purposes of the Factories Act 1948, the Works Director shall be deemed to be the occupier and notices in this regard shall be given to the Chief Inspector of Factories.

The Works Director may be empowered to hire staff and workmen upto the level of Ten Workmen but he shall not be entitled to vary the terms of service or dismiss from service any staff or workmen without the consent of the Board of Directors.

REMUNERATION

Salary : Rs. 15000/- per month

RESOLVED FURTHER that the appointment as Works Director shall cease upon him ceasing to be a director; he may however continue in employment at the pleasure of the Board of Directors of the Company."

For and on behalf of the Board of Directors

Place: Pune
Date: 23 June 2007

SUNIL D. PARAKH
CHAIRMAN

15th Annual Report 2006-07**POONA DAL AND OIL INDUSTRIES LTD.****Notes:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead and the proxy need not be a member of the Company. The instrument appointing the proxy should however be deposited not later than 48 hours before the commencement of the meeting at the registered office of the Company.
2. The Register of members and Share Transfer Books will be closed from 13th September 2007 to 22nd September 2007, (both days inclusive)
3. Dividend as and when declared, will be paid to those members whose names will appear on the Register of Members on 22nd September 2007
4. All correspondence pertaining to shares and requests for dematerialization/ transfer of shares may kindly be forwarded direct to the Registrars and Share Transfer Agents, Sharex Dynamic (India) Pvt. Ltd
5. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed to and forms part of this notice.
6. Members who are interested in availing nomination facility may obtain necessary application form from Sharex Dynamic (India) Pvt. Ltd

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**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****ITEM 6 OF THE NOTICE**

The term of office of Mr Pradip P Parakh as Managing Director expired on 30th June 2007 and at the board meeting held on 23rd June 2007, he was re appointed as Managing Director for a further period of two years, subject to the approval of the members in general meeting. Mr Pradip P. Parakh possesses vast experience and expertise in the business, which has been beneficial to the company. During his tenure the company has made impressive strides in its performance, which is evidenced by the working results in the previous two years. Mr. Pradip P Parakh would be paid a salary of Rs. 15000/- per month and provision of rent free accommodation at a monthly rent not exceeding Rs. 12000/- . He will not be liable for retirement by rotation. This explanatory statement may also be treated as an abstract pursuant to Section 302 of the Companies Act, 1956

Your Directors commend the adoption of the resolution as proposed

Except Mr. Pradip P. Parakah none of the other directors may be deemed to be concerned in or interested in the resolutions as proposed

ITEMS 7 AND 8 OF THE NOTICE

It is proposed to reappoint Mr. Pankaj C. Baldota and Mr. Rajendra D. Shetiya as Works Directors for a fresh period of two years both effective from 1st July 2007. The working results of the company showed marked improvement during their tenure and your directors are confident that their reappointment would be greatly beneficial to the Company.

Your Directors commend the adoption of the resolutions at item Nos. 7 and 8.

None of the other Directors may be deemed to be concerned or interested in the resolutions as proposed.

For and on behalf of the Board of Directors

Place: Pune
Date: 23 June 2007

SUNIL D. PARAKH
CHAIRMAN



DIRECTORS' REPORT

Your Directors have pleasure in presenting the Fifteenth Annual Report together with the Audited Accounts of your company for the year ended 31st March 2007

REVIEW OF PERFORMANCE

	(Rs. In Lakhs)	
	2006-2007	2005-2006
Sales	38004.38	19120.44
Profit before tax	315.50	146.94
Profit after tax	210.50	121.94

Sales during the year was Rs. 38004.38 lakhs compared with Rs. 19120.44 lakhs in the previous year. Profit before tax was Rs. 315.50 lakhs compared with the previous years figure of Rs. 146.94 lakhs; The significant improvement in performance is on account of stress on quality and implementation of various cost control measures, leading to increase in margins. However with a view to building up internal resources in order to reduce dependence on borrowings, your directors have decided to maintain the rate of dividend at 9% on the paid up equity share capital of Rs. 5.708 Crores.

CURRENT YEAR'S WORKING:

Working during the first quarter of the current year is quite encouraging

DIVERSIFICATION

As mentioned in the previous report, the company had taken over the property and assets of a plant at Kurkumbh, engaged in a similar line of business. Your directors are pleased to inform that the said plant has re-commenced production and would in the long run contribute significantly to the profitability of the company

DIRECTORATE

During the period under review, Mr. Pankaj C. Baldota and Mr. Rajendra D. Shetiya were reappointed as works directors of the company, subject to the approval of the members in general meeting. It is also proposed to re-appoint Mr. Pradip P. Parakh as Managing Director for a further period of two years with effect from 1st July 2007. Mr. Mahendra S Mehta and Mr. Jitendra H Palnitkar retire at the ensuing annual general meeting and are eligible for re-appointment. Necessary resolutions for this purpose are being proposed in the notice convening the Fifteenth Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

While preparing the annual financial statements, the Company has adhered to the following

- in the preparation of the said financial statements the company has followed the applicable accounting standards referred to in Section 211(3-C) of the Companies Act, 1956
- company has followed the said Accounting Standards and applied them consistently and has 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 as at 31st March 2007 and of the profit of the company for that period;
- the directors have 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 for preventing and detecting fraud and other irregularities;
- the directors have prepared the financial statements on a going concern basis."



AUDITORS

The term of Office of the auditor M/s. M. Z. Gandhi & Co., Chartered Accountants expire at the conclusion of the ensuing Annual General Meeting and being eligible and available offer themselves for reappointment.

DEPOSITS

The company has not accepted any deposits from the public as envisaged under Section 58A of the Companies Act 1956 and the rules made thereunder.

INFORMATION UNDER SECTION 217 OF THE COMPANIES ACTS, 1956.

- Conservation of Energy: - Efforts are being continued at Chakan, Shikrapur and Kurkumbh plants and at the Corporate Office to optimize utilization of Power & Fuel. Please see Annexure I for consumption of energy.
- Technology Absorption : Not applicable
- Foreign Exchange earnings and outgo

Foreign Exchange Earnings:	Rs. Nil
CIF Value of imports:	Rs. 13855.50 lakhs

PARTICULARS OF EMPLOYEES

None of the employees of the company was in receipt of remuneration as specified in Section 217(2A) of the Companies Act, 1956 and the rules made thereunder.

HEALTH AND SAFETY PERFORMANCE

Awareness for health and safety is being created.

CORPORATE GOVERNANCE

The report on Management's discussion and Analysis and Report on Corporate Governance are forming part of this Report and are annexed as Annexure II and Annexure III. As required by the listing agreement, an Auditors' Report on Corporate Governance is also attached to the said report

CASH FLOW STATEMENT

As required under Clause 32 of the listing agreement, a cash flow statement is attached to the Balance Sheet alongwith the auditors certificate.

ACKNOWLEDGEMENTS

The Directors acknowledge with thanks the help and co-operation rendered by the Bankers of the company, the financial institutions, employees of the company at all levels and also the support of the shareholders of the company.

For and on behalf of the Board of Directors

Place: Pune
Date: 23 June 2007

SUNIL D. PARAKH
CHAIRMAN



ANNEXURE I

Total energy consumption & energy consumption per unit of production as per Form - A:

FORM - A

As at
31.03.2007

A. POWER AND FUEL CONSUMPTION :

1) Electricity

a) Purchased	1794220
Unit - KWh	
Rs. Laks	102.01
MD and other charges	
Total Charges	-
Rate / Unit Rs.	5.68

2 Coal

Quantity - mts	701.48
Total Cost Rs. lakhs	24.55
Average Rate - Rs/mts	3500

3 Others

Quantity - mts	6379.91
Total Cost Rs. lakhs	56.71
Average Rate - Rs/mts	889

B CONSUMPTION PER UNIT OF PRODUCTION

Electricity - kWh	123.71 Kwh / MT
Coal - Mts	46.95 KG / MT
Other - Mts	213.132 KG / MT



ANNEXURE II

REPORT ON MANAGEMENT'S DISCUSSIONS AND ANALYSIS

- **Industry structure and developments**

The products of the company fall into two segments namely oil and food grains. The oil industry consists of several players, both organized and unorganized. Severe recessionary conditions in previous years have taken a toll of some of these players and as mentioned in the previous annual report, the oil industry continues to be in the grip of a severe recession, which may persist for a year or two. Both oil and food grains depend to a large extent on the monsoons and a favourable monsoon would have a significant impact on both the industries.

- **Opportunities and threats**

The products of the company are largely agro based and performance, would depend to a large extent on the vagaries of the monsoon. A serious threat to the oil division is the availability of imported edible oil at comparatively lower prices, which continues to have a significant impact on the prospects of the company. However the company is able to sustain profitability by strict adherence to quality and standards.

- **Segmentwise or product-wise performance**

OIL DIVISION : Sales of the Oil Division were Rs. 14162.53 lakhs compared with Rs.13695.51 lakhs in the previous year. The increase in sales is on account of increase in margins.

AGRO DIVISION : The working of the Agro Division showed a significant improvement over that of the previous year. Sales were Rs. 23841.85 lacs, compared with Rs. 5424.93 lakhs in the previous year. The improvement in performance is on account of stress on quality and implementation of various cost control measures, leading to increase in margins

- **Outlook**

The future outlook particularly in the area of food grains is encouraging. However, given international trends, the oil division may come under some pressure, on account of low margins prevalent.

- **Internal control systems and their adequacy**

The company has adequate internal control systems with appropriate controls and checks. Effective measures are taken to ensure that all assets of the company are protected and all transactions are recorded in conformity with accepted accounting principles. As stated in the report of the board, it is implementation of systems, particularly cost control measures that has resulted in the increased profitability. The internal audit department regularly conducts review of the financial and operating controls in all areas of the Company's operations including transaction checks and significant issues, if any, are brought to the attention of the audit committee.

- **Discussions on financial performance with respect to operational performance.**

Sales during the year was Rs. 38004.38 lakhs compared with Rs. 19120.44 lakhs in the previous year. Profit before tax was Rs. 315.50 lakhs compared with the previous years figure of Rs. 146.94 lakhs; The significant improvement in performance is on account of stress on quality and implementation of various cost control measures, leading to increase in margins.

- **Material developments in Human Resources/Industrial Relations Front including number of people employed.**

The company continues to focus on its core values of quality, integrity, leadership, and respect for people. Relations between the company and the employees continue to be cordial at all locations.