

21st Annual Report 2012-2013



PDOIL

POONA DAL AND OIL INDUSTRIES LTD.



Board of Directors

Mr. Pradip P. Parakh	Chairman & Managing Director
Mr. Mahendra S. Metha	Director
Mr. Jitendra H. Palnitkar	Director
Mr. Ayushman Mehta	Director
Mr. Pankaj C. Baldota	Works Director
Mr. Shailesh C. Doshi	Works Director

Registered and Corporate Office

103/104, Industrial Estate, Hadapsar Pune 411 013, Maharashtra, India.
E-Mail: pdoil@pdbmggroup.com
Phone: (020) 26816020, 26816024
Fax: (020) 26816021

Location of Plant

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

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

Bankers

Central Bank of India, Pune
Corporation Bank, Pune


Auditors

M/s. M. Z. Gandhi & Co. (Chartered Accountants)
103, Ekta Complex, Sadashiv Peth, Pune 411 030

Registrars & Transfer Agents

SHAREX DYNAMIC (INDIA) PVT. LTD.

Unit 1, Luthra Ind. Premises, Safed Pool,
Andheri Kurla Road, Andheri (E), Mumbai 400 072
E-Mail: sharexindia@vsnl.com
Phone: (020)28515606, 28515644





NOTICE IS HEREBY GIVEN THAT THE TWENTY FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF POONA DAL AND OIL INDUSTRIES LIMITED WILL BE HELD ON SATURDAY THE 28TH SEPTEMBER, 2013 AT 3.00 P.M. AT 103/104, HADAPSAR INDUSTRIAL ESTATE, PUNE- 411013 TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Balance Sheet as at 31st March, 2013 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. Jitendra H. Palnitkar who retires by rotation and being eligible offers himself for reappointment.
- 4) To appoint a Director in place of Mr. Ayushman Mehta 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 thought fit, to pass, with or without modification, the following Resolution as Special Resolution:

"RESOLVED THAT pursuant to Sections 198, 269, 309 Schedule XIII and other applicable provisions if any of the Companies Act, 1956 and subject to such other approvals as may be required, the Company hereby accord its approval to the re-appointment of Mr. Pradip P. Parakh as Managing Director for a fresh period of two years with effect from 1st June, 2013 upon the terms and conditions set forth hereafter with liberty to the Board to alter and vary the terms and conditions of the appointment and so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956 or any amendments thereto."

"RESOLVED FURTHER THAT the Managing Director, during his tenure be entitled to remuneration of ₹ 50,000/- per month and to such perquisites and allowances as may be fixed by the remuneration committee and approved by the Board of Directors."

"RESOLVED FURTHER THAT the appointment as Managing 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."

"RESOLVED FURTHER THAT any Director of the Company be and is hereby severally authorised to file necessary forms/returns with the Registrar of Companies, Pune, Maharashtra and other statutory authorities and do all such acts, deeds and things as may be necessary and incidental for giving effect to this resolution."

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

"RESOLVED THAT pursuant to Section 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, the Board of Directors hereby appoints of Mr. Pankaj C. Baldota as Whole Time Director of the Company designated as Works Director of the Company's plant located at Gat no. 366, Shikrapur, Tal. Shirur, Dist. Pune – 412208 for a period of two years with effect from 1st June, 2013 upon the terms and conditions including remuneration finalized on the basis of recommendation of remuneration committee and as set out hereinafter with liberty to the Board to alter and vary the terms and conditions of the appointment and also as not to exceed the limits of remuneration as specified in the Companies Act, 1956 or any amendments thereto."

DUTIES AND FUNCTIONS

- The Works Director shall conduct the day-to-day management of and shall be responsible for operations of and will have the ultimate control of the affairs of the Company's plant located at Shikrapur subject to the supervision and control of the Managing Director and the Board of Directors of the Company.



- The functioning of the Works Director shall be subject to the superintendence and control of Board of Directors.
- 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. He shall be the responsible officer for the management and compliance of all Industrial and Labour Laws and regulations made thereunder applicable to the Company and its factory located at Shikrapur. He shall be responsible for registration of the establishment required under various Industrial and Labour Laws, submission of appropriate returns to several authorities and maintenance of appropriate records with regard to employees of the establishment under various labour legislations.
- Matters relating to availment of finance and loan matters shall be decided by the Board of Directors and not by the Works Director.
- The Works Director shall not engage directly or indirectly in any other business, occupation or employment. He shall not work with the competing company carrying on the same business as long as he is functioning in the Company.
- The Works Director shall not disclose any business secret, business plans, policies of the Company to any person, firm, companies and on termination of his employment for any reason whatsoever, he shall return all the documents, copies of literatures, map, to the Company.
- The Works Director shall be liable for retirement by rotation.

“RESOLVED FURTHER THAT the Works Director, during his tenure be entitled to remuneration of ₹ 30,000/- per month and to such perquisites and allowances as may be fixed by the remuneration committee and approved by the Board of Directors.”

“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.”

“RESOLVED FURTHER THAT any Director of the Company be and is hereby severally authorised to file necessary forms/returns with the Registrar of Companies, Pune, Maharashtra and other statutory authorities and do all such acts, deeds and things as may be necessary and incidental for giving effect to this resolution.”

For and on behalf of the Board of Directors

Sd/-

PRADIP P. PARAKH

CHAIRMAN & MANAGING DIRECTOR

Place : Pune

Date : 3rd August, 2013

Notes :

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy(s) to attend and vote in his stead and the proxy(s) 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. A proxy form is appended with the admission slip.**
2. Only registered Members of the Company may attend and vote at the Annual General Meeting. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
3. The Register of Members and Share Transfer Books will be closed from Monday, September 23, 2013 to Saturday, September 28, 2013 (both days inclusive).



4. Subject to the provisions of Section 206A of the Companies Act, 1956, dividend as recommended by the Board of Directors, if declared at the meeting, will be payable to those members whose names will appear on the Register of Members as on September 28, 2013 or to their mandates, to the extent eligible, and also to the beneficial owners of equity shares held in electronic form on the same date as per the details furnished by the Depositories for this purpose.
5. From the previous financial year, the Company had started payment of dividend under two modes viz; National Electronic Clearing System (NECS) and physical dispatch of Dividend Warrant. For opting payment of dividend by NECS, members are requested to give their mandate mentioning bank account details and bank branch address to our Registrars & Share Transfers Agent (R&TA) viz. Sharex Dynamic (India) Pvt. Ltd., Mumbai alongwith cancelled cheque or MICR No. pertaining to that account in case of physical holding and to the concerned DP for shares held in demat form. The Company will post dividend warrants to those members who have not opted for any of the above options of payment either at bank addresses where the member holds an account if registered with the Company's R&TA or at postal address of member in case no bank account details are provided. To avoid any kind of inconvenience, members are requested to register / update their correct bank account details with Company's R&TA for physical share holding and with concerned DP for demat holding, immediately. Kindly note that as per Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 it is mandatory for the Company to print the bank account details of the investors in dividend payment instrument. Hence, members are requested to register/update their correct bank account details with the Company's R&TA/Depository Participant, as the case may be.
6. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the financial year 2004-05, to the Investor Education and Protection Fund (the IEPF) established by the Central Government.
7. The Ministry of Corporate Affairs (MCA), Government of India, has taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing paperless compliances by Companies enabling it to serve documents to its members through electronic communication. In pursuance of such initiative SEBI vide its Circular (No. CIR/CFD/DIL/7/2011 dated 5.10.2011) has made mandatory to the listed companies to supply soft copies of full annual reports to all those members who have registered their e-mail ids for the purpose. Accordingly soft copy of Annual Report for the year ended 31st March, 2013 will be sent in due time before the date of Annual General Meeting to all the members who have registered their e-mail ids with the Company's R&TA unless any member has requested for a hard copy of the same. The members of the Company are requested to register their respective e-mail id(s) with their Depository Participant(s) if the shares are held in demat form or with Company's R&TA if the shares are held in physical form, to enable the Company to support widely the above said "Green Initiative" and henceforth send all the documents by electronic mail. The hard copy of the annual report will be supplied to those members who have not registered their e-mail ids.
8. As per Securities and Exchange Board of India (SEBI) notification, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market. Members holding shares in dematerialized mode are requested to submit the PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Company's R&TA.
9. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares. Members can contact the Company or its R&TA, for assistance in this regard.
10. Members holding shares in physical form and interested in availing nomination facility may obtain necessary application from Company's Registrar and Share Transfer Agent, Sharex Dynamic (India) Private Limited. Members holding shares in electronic form may give nomination request to their respective DP directly.
11. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of business under items no. 6 & 7 set out above is annexed to and forms part of this notice. The relevant details as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking reappointment as director forms part of Management's Discussion and Analysis, which forms part of Director's Report (Annexure II) and members are advised to refer the same.



EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IS ANEXED TO AND FORMS PART OF THIS NOTICE

ITEM 6 OF THE NOTICE

The term of the office of Mr. Pradip P. Parakh as Managing Director was revised and he was reappointed as Managing Director for a fresh period of two years with effect from 1st June, 2013, subject to the approval of the members in the ensuing general meeting. Mr. Pradip P. Parakh possesses vast experience and expertise in the business which has been beneficial to the Company. Mr. Pradip P. Parakh would be paid a salary of ₹ 50,000/- per month and 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. Parakh, none of the other Directors may be deemed to be concerned or interested in the resolution as proposed.

ITEM 7 OF THE NOTICE

It is proposed to reappoint Mr. Pankaj C. Baldota as Whole Time Director, designated as Works Director of the Company's plant located at Shikrapur for a fresh period of two years effective from 1st June, 2013. The working results of the Company, particularly the division at Shikrapur showed marked improvement during his tenure and your Directors are confident that his reappointment would be greatly beneficial to the Company.

Your Directors commend the adoption of the resolution as proposed.

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

For and on behalf of the Board of Directors

Sd/-

PRADIP P. PARAKH

CHAIRMAN & MANAGING DIRECTOR

Place : Pune

Date : 3rd August, 2013



DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty First Report together with the Audited Accounts of your Company for the year ended 31st March, 2013.

REVIEW OF PERFORMANCE

	2012-2013	(₹ In Lakhs) 2011-2012
Sales	36422.99	27990.17
Profit before tax	373.78	335.92
Profit after tax	258.78	225.92

COMPANY'S PERFORMANCE

The Company is an agro based company and operates into two segment viz. oil division and agro division. The year under review witnessed slowdown in the Indian economy which had an adverse impact on agro industries. In spite of the above, your Company increased its sales by ₹ 8432.82 lakhs during the fiscal year 2012-13 as compared to the fiscal year 2011-12.

The segment wise revenue of your Company from operations for the fiscal year 2012-13 is as follows :

Oil Division : ₹ 12803.02 Lakhs

Agro Division : ₹ 23619.97 Lakhs

Highlights of performance of both the segments of the Company are discussed in the Management Discussion and Analysis Report attached as Annexure II to this report.

RESULTS OF OPERATIONS

Your Company generated a profit after tax from operations of ₹ 258.78 lakhs as compared with ₹ 225.92 lakhs in the previous year. The earnings per share increased from ₹ 3.95 to ₹ 4.53 which showed an enhancement by 14.80%.

CURRENT YEAR'S WORKING

The first quarter of the current year resulted in a turnover of ₹ 6643.37 lakhs as compared with ₹ 4799.87 lakhs in the corresponding quarter of the previous year. Profit for the period also showed a significant increase in comparison with the corresponding quarter of previous year. Your Directors hope to maintain the trend for the rest of the financial year.

DIVIDEND

The Directors have recommended a Final Dividend of Re. 0.90 per Equity Share equivalent to 9% for the financial year 2012-13 subject to the approval of members. The final dividend will absorb an amount of ₹ 51,37,200/-, excluding Dividend Distribution Tax.

TRANSFER TO RESERVES

The Company proposed to transfer ₹ 15,00,000/- to the general reserve out of the amount available for the appropriation.

DIRECTORATE

At the Board Meeting held on 24th May, 2013, the Board of Directors approved the reappointment of Mr. Pradip P. Parakh as the Managing Director of the Company for the further period of two years with effect from 1st June, 2013, subject to the approval of the members in the ensuing General Meeting. Mr. Pankaj C. Baldota was also reappointed as the Whole-time Director of the Company, designated as "Works Director" of the Company's factory located at Shikrapur, with effect from 1st June, 2013 for a further period of two years, subject to the approval of the members in the ensuing General Meeting.

In accordance with the provisions of the Companies Act, 1956 and the Company's Article of Association, Mr. Jitendra H. Palnitkar and Mr. Ayushman Mehta retire by rotation and being eligible, offer themselves for re-appointment. Necessary resolutions for the appointment/ re-appointment of directors are being proposed in the notice convening the Twenty First Annual General Meeting.

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (i) in the preparation of the said financial statements, the applicable accounting standards have been followed and that there are no material departures;
- (ii) they have, in the selection of the accounting policies, consulted the Statutory Auditors and have 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 at 31st March, 2013 and of the profit of the Company for that year;
- (iii) they have taken proper and sufficient care, 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;
- (iv) they have prepared the annual accounts on a going concern basis.

STATUTORY AUDITORS

The term of Office of the Statutory Auditors M/s. M. Z. Gandhi & Co., Chartered Accountants (Firm Reg. No.117819W) expire at the conclusion of the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment. Your Company has received necessary certificate from them confirming that their appointment, if made, will be in accordance with the provisions of Section 224(1B) of the Companies Act, 1956.

COST AUDITORS

The Company has reappointed M/s. M.R. Pandit & Co., Cost Accountants (Partnership Firm no. 00268) as cost auditors of the Company to conduct cost audit of the cost accounting records maintained by the Company relating to the financial year 2013-14 pursuant to the Companies Act, 1956 and subject to the Central Government's order directing the same.

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 there under.

INFORMATION UNDER SECTION 217 OF THE COMPANIES ACT, 1956

- Conservation of Energy: - The conservation measures have been implemented wherever possible. The Company is making sincere efforts towards conservation of energy through improved operational methods and by all possible means. The Information as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are forming part of this report and are annexed as Annexure I.
- Technology Absorption – The Company is taking care of advancement in technology from time to time. The Company has setup Laboratory and Quality Control Department to ensure the quality of different products manufactured. The Company has carried out Research & Development in process developments to minimize energy consumption.
- Foreign Exchange earnings and outgo – During the year under review, no foreign exchange earnings were earned (Previous Year NIL) and the foreign exchange outgo was ₹ 20767.96 lakhs (Previous Year ₹ 8736.47 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 there under and hence no details are required to be furnished.

HEALTH AND SAFETY PERFORMANCE

Awareness for health and safety is being created.

CORPORATE GOVERNANCE

As per clause 49 of the Listing Agreement entered with the Stock Exchange, the report on Corporate Governance alongwith statutory auditor's certificate thereon and the report on Management's discussion and Analysis are forming part of this Report and are annexed as Annexure II and Annexure III.

**CHIEF FINANCIAL OFFICER**

Mr. Abhijit Rathod has been appointed as Chief Financial Officer of the Company with effect from 24th May, 2013. Mr. Abhijit Rathod has 11 years of experience and has been with the Company since 2002. He has been working in fields of marketing, sales and finance of the Company till day. He is a Masters in Business Administration in the stream of marketing.

CREDIT RATING

ICRA Limited has reaffirmed the [ICRA] BBB (Pronounced as ICRA triple B) rating assigned to the long term based cash-credit facility and has revised the outlook on the long term rating to 'Positive' from 'Stable'. ICRA Limited has also upgraded the short term rating assigned to non-fund based facilities to [ICRA] A2 (Pronounced as ICRA A two) from [ICRA] A3+ (Pronounced as ICRA A three Plus).

CASH FLOW STATEMENT

As required under Clause 32 of the listing agreement, a cash flow statement is attached to and forms part of the balance sheet.

ACKNOWLEDGEMENTS

The Directors wish to convey their appreciation to all of the Company's employees for their enormous personal efforts as well as their collective contribution to the Company's record performance. The Directors would also like to thank the shareholders, customers, dealers, suppliers, bankers, Government and all other business associates for the continuous support given by them to the Company and their confidence in the management.

For and on behalf of the Board of Directors

Sd/-

PRADIP P. PARAKH

CHAIRMAN & MANAGING DIRECTOR

Place : Pune

Date : 3rd August, 2013


ANNEXURE - I
Total energy consumption & energy consumption per unit of production as per Form – A
Form – A

	As at 31.03.2013	As at 31.03.2012
A. POWER AND FUEL CONSUMPTION:		
1) Electricity		
a) Purchased	1179509	1305491
Unit-KWh		
Rs. Lakhs	96.20	93.50
MD and other charges		
Charges	96.20	93.50
Rate/ Unit Rs.	8.16	7.16
2) Coal		
Quantity–mts	693.51	522.44
Total Cost Rs. Lakhs	48.95	35.99
Average Rate – Rs./mts	7058	6889
3) Others		
Quantity – mts	6180.30	4328.79
Total Cost Rs. Lakhs	157.03	86.42
Average Rate – Rs. /mts	2541	1996
B. CONSUMPTION PER UNIT OF PRODUCTION :		
Electricity– KWh	45.18 Kwh/MT	51.04 Kwh/MT
Coal	26.54 Kg/MT	20.43Kg/MT
Other	236.51Kg/MT	169.26 Kg/MT