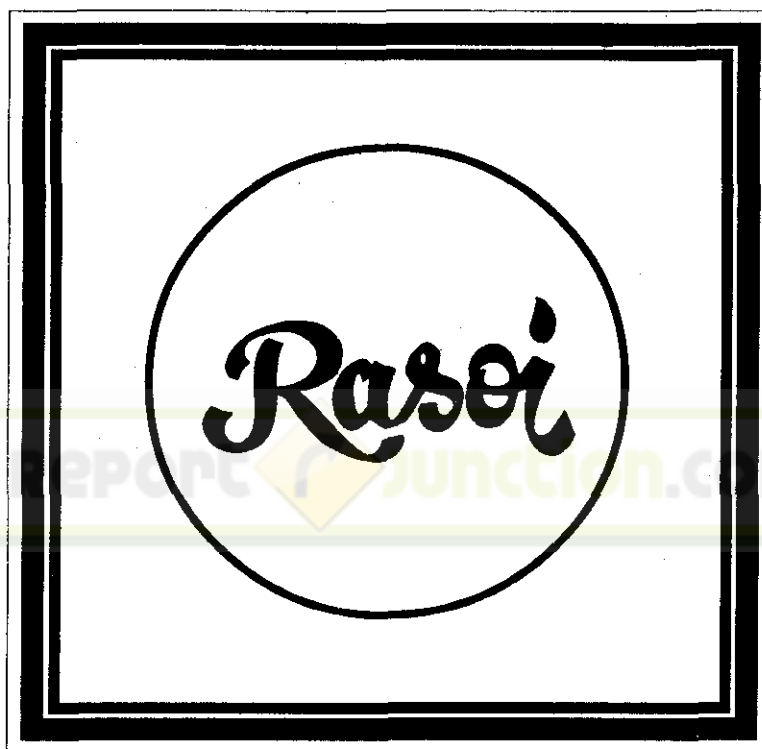


Rasoi Limited



Report and Accounts
1998-99



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Chairman

RAGHU MODY

Vice-Chairperson

SHASHI MODY

Managing Director

D. S. JAIN

Directors

S. P. BAGARIA

A. C. CHAKRABORTTI

PROF. M. M. CHAKRABARTY

SUDHIR JALAN

PRAMOD KHAITAN

President

S. L. BACHHAWAT

Company Secretary

S. SUBRAMANIAN

Asst. Company Secretary

A. R. LODHA

Vice-Presidents

KAPIL KAUL (Senior)

MANISH LOHIA (Senior)

Y. GOENKA

D. CHATTERJEE

R. N. PARBAT

Auditors

LODHA & COMPANY

Solicitors

KHAITAN & COMPANY

Bankers

ALLAHABAD BANK

BANQUE NATIONALE DE PARIS

Registered Office

RASOI COURT

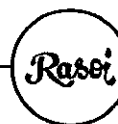
20, SIR R. N. MUKHERJEE ROAD

CALCUTTA - 700 001

Works

CALCUTTA (WEST BENGAL)

KUNDLI (HARYANA)



NOTICE

NOTICE is hereby given that the 95th Annual General Meeting of the Members of Rasoi Limited will be held at the Williamson Magor Hall of the Bengal Chamber of Commerce & Industry, 6 Netaji Subhas Road, Calcutta - 700 001 at 4.00 P. M. on Friday the 23rd July, 1999 to transact the following business :

ORDINARY BUSINESS :

1. To consider and adopt the Audited Profit and Loss Account for the financial year ended 31st March, 1999 and the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare Dividend for the financial year ended 31st March, 1999.
3. To appoint a Director in place of Shri Raghu Mody, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Pramod Khaitan, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

Registered Office :
Rasoi Court
20, Sir R. N. Mukherjee Road
Calcutta - 700 001
Date : 19th April, 1999

By Order of the Board

S. SUBRAMANIAN
Company Secretary

NOTICE**NOTES :**

1. The Register of Members and Share Transfer Books of the Company will remain closed from 14th July, 1999 to 23rd July, 1999 (both days inclusive).
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS STEAD AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Dividend, if declared, will be paid on or after 24th July, 1999 to those Members, whose names appear on the Register of Members of the Company as on 23rd July, 1999 or to their Mandatees.
4. Members are requested to intimate/forward the following to the Company at its Registered Office :
 - (a) To inform immediately of change in their addresses and/or mandates, if any, quoting their folio numbers so as to reach the Company latest by 15th July, 1999.
 - (b) To send all Share Certificate(s) for consolidation of shareholdings presently in multiple accounts in identical names or joint names in same order, if any, into one account to facilitate better service.
 - (c) To address their queries for getting any information about the accounts and operations of the Company, if they so desire, to the Company Secretary well in advance as to reach him at least seven days before the date of the Meeting to enable the Management to keep the information required readily available at the Meeting. Members, unable to attend the Meeting, may also intimate their queries/requirements, if any, to the Company Secretary for clarification.
5. Pursuant to Section 205A of the Companies Act, 1956 all unclaimed dividends upto the Financial Year ended 31st March, 1995 have been transferred to the General Revenue Account of the Central Government. Those Members, who have so far not claimed their dividend for the said periods may claim the same by submitting an application in prescribed Form II to the Registrar of Companies, West Bengal.
6. We suggest our Members to include a joint-holder in their account(s), if they do not so have, as this will avoid administrative difficulties in case of transmission. Members, who are so desirous of, are requested to forward duly executed transfer deed(s) together with share certificate(s) to the Company at its Registered Office to enable the Company to take necessary action.
7. As a measure of economy, copies of the Annual Reports & Accounts and Attendance Slips will not be distributed at the Annual General Meeting. We therefore request the Members to bring their copies at the Meeting.



DIRECTORS' REPORT TO THE MEMBERS

The Directors of your company have pleasure in presenting the 95th Annual Report together with the Audited Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS

| | 1998-99 (Rs./Lacs) | 1997-98 (Rs./Lacs) |
|--|-----------------------|-----------------------|
| Sales and Other Income / Receipts | 12025 | 10336 |
| Profit before Interest, Depreciation & Taxation | 276 | 195 |
| Less : Interest | 24 | 31 |
| | 252 | 164 |
| Less : Depreciation | 43 | 41 |
| Profit before Taxation | 209 | 123 |
| Less : Provision for Taxation | 70 | 35 |
| Short Provision of Taxation for Earlier Year | 8 | 78 |
| | 1 | 36 |
| Profit available for appropriation | 131 | 87 |
| Appropriations : | | |
| Proposed Dividend on Equity Shares @ 25% | 45 | 45 |
| Dividend Tax | 4 | 9 |
| Transfer to General Reserve | 15 | 10 |
| Balance Carried to Balance Sheet | 67 | 23 |
| | 131 | 87 |

DIVIDEND

Your Directors are pleased to recommend Dividend @ 25% for the approval of Shareholders at the forthcoming Annual General Meeting.

RESERVES AND SURPLUS

The Balance in Reserves and Surplus stands at Rs. 1028.95 Lacs (Previous Year : Rs. 947.39 Lacs) after the appropriation as mentioned above.

PERFORMANCE

During the year under review there has been a marked improvement in the performance of your company. There was a distinct growth evidenced in the Turnover, resulting in a record performance of over Rs. 100 Crores.

With the help of judicious buying of imported & indigenous raw oils, as well as better efforts on the sales front, there is improvement in the profit margins as well. The Company's marketing division successfully launched Vanaspati in newly designed 15 Kg Poly Jar which has been well received by the consumers.

However, your company has to brace itself for the future — A brave New World is emerging. With the announcement of the new Exim Policy, the gap between International trade and domestic markets has further diminished. The prolific use of computerised information systems has heightened the dynamics influencing the future growth and survival of your company.

With the import of RBD Palm Oil and other substitutes of Vanaspati being permitted, accompanied by the discontinuance of Industrial Promotion Assistance (IPA) by the Government of West Bengal, which lasted for only five years, your company will have to gear itself to run its operations - with a global perspective and local entrepreneurial ingenuity. In view of the drastic change in the trading environment it would be helpful if the Government of West Bengal were to have continued the IPA for another few years.

It is pertinent to note that our "RASOI" brand is the key to the success of your company in the future. The Era of "Branded" goods has well and truly arrived, and we are confident that our "RASOI" brand, which has been well nurtured over the years will undoubtedly bring added value to your company in the coming years.

India has changed, times have changed - the day has come for the survival of the fittest and the corporate sector has to endeavour to provide maximum benefits to the shareholders. Your company has, and is currently taking various proactive steps in increasing its growth and giving better Economic Value Addition (EVA) to its shareholders in the years to come.

We are indeed grateful to the unstinting co-operation and support received from our employees at all levels for making the past year so successful. We now look forward to receiving their commitment with renewed zeal and vigour in the liberalised India in transforming the new challenges into Bountiful opportunities for both our shareholders and employees alike. We look forward to a great entry into the next millennium.

DIRECTORS' REPORT**CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION**

In accordance with the requirements of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, a statement showing the particulars with respect to conservation of energy & technology absorption is annexed hereto forming part of this report.

FOREIGN EXCHANGE EARNINGS & OUTGO

There has been no foreign exchange earnings during the year. However, your Company has incurred an expenditure of Rs. 20.66 Lacs (Previous Year : Rs. 4.88 Lacs) in foreign exchange during the year.

AUDITORS' REPORT

The observations made by the Auditors in their Report is self-explanatory and has also been further clarified in Note 6 and Note 8 respectively of Schedule S to the Accounts.

CASH FLOW STATEMENT & DISCLOSURE OF STATUS ON Y2K PREPAREDNESS

In accordance with the requirement of Clause 32 of the Listing Agreement of the Stock Exchanges, a Cash Flow Statement duly verified by your Auditors together with their certificate is annexed hereto.

The Company is in the process of ensuring Year 2000 compliance in Computer hardware and software and all microprocessor based equipments. The Company expects that all computer systems will be Year 2000 compliant by September, 1999. The Company is also reviewing Year 2000 issues with suppliers, creditors, banks and other service providers. The Company has also drawn up contingency plans to ensure that there is no major adverse effect on its operations and systems on account of external failures.

COST AUDIT

Pursuant to the provisions of Section 233-B of the Companies Act, 1956 the Central Government had directed audit of the cost accounts relating to Calcutta's Vanaspati Unit for the year ended 31st March, 1999 and accordingly Shri T. P. Acharyya,

a qualified Cost Accountant of Calcutta, has been appointed the Cost Auditors subject to the approval of the Central Government which has since been received.

PUBLIC DEPOSITS

Two Deposits from Public aggregating to Rs. 3,000/- were due for payment on or before 31.03.1999, remain unclaimed.

PARTICULARS OF EMPLOYEES

The particulars of the employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, are given in the Annexure forming part of this Report.

DIRECTORS

Shri Raghu Mody and Shri Pramod Khaitan, Directors of your Company retire from office by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

AUDITORS

M/s. Lodha & Company, Chartered Accountants, Auditors of your Company, retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

ACKNOWLEDGEMENTS

The Directors gratefully acknowledge the support given by all the employees, shareholders and bankers and they look forward for their continued support.

SUBSIDIARY COMPANIES

The Statement required under Section 212 of the Companies Act, 1956 is attached.

On behalf of the Board of Directors

Calcutta
the 19th day of April, 1999

SHASHI MODY
Vice-Chairperson



ANNEXURE TO DIRECTORS' REPORT

Particulars of Employees in terms of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of Directors' Report for the year ended 31st March, 1999.

| Name | Designation & Nature of Duties | Remuneration Received/ Receivable | Qualification & Experience | Age | Date of Com- mencement of Employment | Last Employment, Designation and Period |
|---------------------------------------|--------------------------------------|---|----------------------------------|-----|--|--|
| Employed Throughout the year : | | | | | | |
| 1. Smt. Shashi Mody | Vice- Chairperson | 6,14,760 | B. A. 9 Years | 41 | 02.04.1990 | — |
| 2. Shri D. S. Jain | Managing Director | 7,93,997 | M.Com. 39 Years | 58 | 08.07.1965 | Indian Die Casting Ltd. Officer-4 Months |

- Notes :**
1. The remuneration as shown above includes salary, contribution to provident & other funds and perquisites evaluated as per Income Tax Rules.
 2. Smt. Shashi Mody is related to Shri Raghu Mody & Shri S. P. Bagaria.
 3. Nature of employment is contractual.
 4. There was no employee in the Company employed for the part of the financial year who was in receipt of remuneration in the aggregate not less than Rs. 50,000/- per month.

ANNEXURE TO DIRECTORS' REPORT

Information as required under Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of Directors' Report for the year ended 31.03.1999.

**STATEMENT SHOWING PARTICULARS WITH RESPECT TO
CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION**

| | Current Year | Previous Year |
|---|-----------------|------------------|
| Conservation of Energy | | |
| (A) Power & Fuel Consumption | | |
| 1. Electricity | | |
| (a) Purchased | | |
| Unit ('000) | 7,302 | 8,497 |
| Total Amount (Rs./Lacs) | 339.79 | 298.32 |
| Rate/ Unit (Rs.) | 4.65 | 3.51 |
| (b) Own Generation | | |
| Through Diesel Generator | | |
| Unit ('000) | 24 | 10 |
| Units per Ltr. of Diesel oil | 1.44 | 1.32 |
| Cost / Unit (Rs.) | 6.90 | 7.21 |
| 2. Coal | | |
| Quantity (M/T) | 9,929 | 9,822 |
| Total Cost (Rs./Lacs) | 174.36 | 167.44 |
| Avg. Rate (Rs.) | 1,756 | 1,705 |
| 3. Furnace Oil | Nil | Nil |
| 4. Other/ Internal Generation | Nil | Nil |
| (B) Consumption per Unit of Production | | |
| Electricity (in Units) | 264 | 311 |
| Furnace Oil (in Ltrs.) | Nil | Nil |
| Coal (in Kgs.) | 357 | 349 |

Technology Absorption

The Company has not made use of any imported technology for its products.

However, the Company has been using process technologies developed in-house for processing of Rice Bran Oil economically and for its Special custom made products for the Bakeries and Margarine Industry.



FINANCIAL HIGHLIGHTS

(Rupees in Lacs)

| Particulars | 1998-99 | 1997-98 | 1996-97 | 1995-96 | 1994-95 | 1993-94 | 1992-93 | 1991-92 | 1990-91 | 1989-90 |
|-----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Operational Results | | | | | | | | | | |
| Sales & Other Income | 12150 | 10336 | 6012 | 9123 | 7239 | 6211 | 6419 | 6739 | 6544 | 6088 |
| Gross Profit | 252 | 164 | 144 | 264 | 210 | 161 | 116 | 161 | 193 | 164 |
| Depreciation | 43 | 41 | 39 | 45 | 46 | 44 | 56 | 58 | 53 | 55 |
| Net Profit | 209 | 123 | 105 | 219 | 164 | 117 | 60 | 103 | 140 | 109 |
| Dividend | 45 | 45 | 45 | 36 | 30 | 30 | 30 | 30 | 30 | 24 |
| Dividend % | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 20 |
| Transfer to General Reserve | 15 | 10 | 10 | 109 | 97 | 53 | 8 | 18 | 62 | 60 |
| Transfer to Balance Sheet | 67 | 23 | 26 | — | — | — | — | — | — | — |

We Owned

| | | | | | | | | | | |
|----------------------------------|------|------|------|------|------|------|------|------|------|------|
| Gross Block | 1072 | 1065 | 999 | 1015 | 1023 | 1082 | 942 | 894 | 784 | 734 |
| Net Block | 537 | 548 | 520 | 556 | 569 | 594 | 494 | 500 | 444 | 444 |
| Capital Work-in-progress | 22 | 28 | 1 | — | 2 | — | — | — | — | — |
| Investments | 249 | 250 | 251 | 269 | 275 | 819 | 181 | 179 | 147 | 85 |
| Current Assets, Loans & Advances | 2045 | 2054 | 1975 | 1613 | 1635 | 1324 | 1603 | 1759 | 1630 | 1513 |
| | 2853 | 2880 | 2747 | 2438 | 2481 | 2737 | 2278 | 2438 | 2221 | 2042 |

We Owed

| | | | | | | | | | | |
|----------------------------------|------|------|------|------|------|------|------|------|------|------|
| Loans & Deposits | 199 | 212 | 284 | 242 | 362 | 798 | 311 | 370 | 363 | 349 |
| Current Liabilities & Provisions | 1445 | 1541 | 1369 | 1124 | 1150 | 1059 | 1138 | 1240 | 1035 | 917 |
| | 1644 | 1753 | 1653 | 1366 | 1512 | 1857 | 1449 | 1610 | 1398 | 1266 |
| NetWorth | 1209 | 1127 | 1094 | 1072 | 969 | 880 | 829 | 828 | 823 | 776 |
| Represented by : | | | | | | | | | | |
| Equity Share Capital | 180 | 180 | 180 | 180 | 120 | 120 | 120 | 120 | 120 | 120 |
| Reserves | 1029 | 947 | 914 | 892 | 849 | 760 | 709 | 708 | 703 | 656 |

AUDITORS' REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of RASOI LIMITED as at 31st March, 1999 and the Profit & Loss Account for the year ended on that date and report that :

1. As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988 issued by the Central Government under Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in Paragraph '1' above :
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit ;
 - (b) proper books of account as required by law have been kept by the Company so far as appears from our examination of such books ;
 - (c) the Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the books of account ;
 - (d) except as given in Note 8 of Schedule S regarding accounting of claims in respect of Industrial Promotion Assistance to the extent received on sanction by the State Government, in our opinion, the Profit & Loss Account and Balance Sheet of the Company comply with the accounting standards specified by The Institute of Chartered Accountants Of India ;

(e) in our opinion and to the best of our information and according to the explanations given to us the said Accounts subject to the following notes in Schedule S regarding (i) accounting of claims in respect of Industrial Promotion Assistance to the extent these have been received on sanction by the State Government and non accounting of the balance amount thereof, the impact of which has not been ascertained (Note 8) and (ii) non-provision of certain overdue loans and advances in respect of which amounts recoverable and consequential adjustments are presently not ascertainable (Note 6) together with its resultant impact and read together with other notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :—

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 1999 and
- (ii) in the case of Profit & Loss Account, of the profit for the year ended on that date.

For LODHA & COMPANY
Chartered Accountants
R. P. SINGH
Partner

14, Government Place East
Calcutta, the 19th day of April, 1999

ANNEXURE**ANNEXURE Referred to in Para 1 of our report**

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. There is a phased programme of verification of such assets, based on which physical verification of fixed assets has been carried out during the year. Discrepancies in respect of the assets verified during the year were not material.
2. None of the fixed assets have been revalued during the year.
3. The stock of finished goods, stores, spare parts and raw materials have been physically verified during the year by the management except stock with third parties for which confirmations were awaited.
4. In our opinion, the procedure of physical verification of these 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 physical verification of stocks as compared to book records were not material and the same have been properly dealt with in the books of account.
6. In our opinion and on the basis of our examination, the valuation of stocks is fair and proper and is 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 listed in the Register maintained under Section 301 of the Companies Act, 1956. As explained, there is no Company under the same management as defined under erstwhile Section 370 (1B) of the Companies Act, 1956.