

**A N N U A L
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Rasoi Limited



Annual Report 2006-2007

BOARD OF DIRECTORS

RAGHU MODY
SHASHI MODY
KAPIL KAUL
YOGENDRA GOENKA
A C CHAKRABORTTI
N G KHAITAN
R S VAIDYANATHAN

CHAIRMAN
VICE-CHAIRPERSON
DIRECTOR CORPORATE AFFAIRS
DIRECTOR OPERATIONS

AUDITORS

LODHA & COMPANY

BANKERS

ALLAHABAD BANK
ORIENTAL BANK OF COMMERCE

SOLICITORS

KHAITAN & COMPANY

REGISTERED OFFICE

RASOI COURT
20, SIR R N MUKHERJEE ROAD
KOLKATA-700 001
PHONE : 033 2248 0114/5
FAX-033 2248 1200
e-mail : secdept@therasoigroup.com
Website : www.therasoigroup.com

EQUITY SHARES LISTED ON

MUMBAI AND CALCUTTA STOCK EXCHANGE

REGISTRAR & SHARE TRANSFER AGENT

C B Management Services(Pvt)Ltd
P-22 Bondel Road,Kolkata - 700019.
PHONE : 033 2280 6692/93/95/2486/2937
FAX-033 2287 0263
Email-cbmsl1@cal2.vsnl.net.in

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NOTICE

NOTICE is hereby given that 103rd Annual General Meeting of RASOI LIMITED will be held on Friday, the 28th day of September, 2007 at 3.30 P.M., at Kalakunj (Kalamandir Basement), 48 Shakespeare Sarani, Kolkata 700 017, to transact the following business:

1. To receive, consider and adopt the Audited Profit and Loss Account of the Company for the financial year ended 31st March, 2007 and the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare a Dividend.
3. To appoint a Director in place of Shri Raghu Nandan Mody, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri A C Chakrabortti, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED that pursuant to Sections 198, 269, 309 and 314 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force) consent of the Company be and is hereby accorded to the re-appointment of Smt Shashi Mody, as Wholetime Director and Vice Chairperson of the Company for period of 3 (three) years with effect from 1st August, 2007 on the terms and conditions of the appointment and remuneration, as set out in the explanatory statement as attached to the notice."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to revise the terms and conditions of the re-appointment of Smt. Shashi Mody including her basic salary, allowances, perquisites etc. within the overall limits prescribed in the Companies Act, 1956, as amended or modified from time to time."



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Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The proxies to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
2. An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, relating to the Special Business to be transacted at the meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will be closed from Tuesday 18th September, 2007 to Friday 28th September, 2007 (both days inclusive) in connection with the Annual General Meeting.
4. Members are requested to bring their copies of the Annual Report, as copies of the Report will not be distributed again at the Meeting.
5. Members seeking any information with regard to the accounts of the Company are requested to write to the company so as to reach at its registered office at least 10 days before the date of Meeting to enable the Management to keep the information ready.
6. The relevant documents are available for inspection by the Members of the Company at the Registered Office from 10.30 a.m. to 12.30 p.m., on any working day, except Saturdays upto the date of the Annual General Meeting.
7. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their holding in electronic form and to C B Management Services Pvt Ltd, P-22, Bondel Road, Kolkata 700019 in respect of their physical share folios, if any.
8. Members are requested to produce the enclosed attendance slip duly signed as per the specimen signature recorded with the Company for admission to the meeting hall.
9. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
10. Members holding shares in electronic form may kindly note that their Bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable regulations of the Depositories, and that the



Company will not entertain any direct request from such members for deletion or/change in such Bank details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to dividend paid on shares in electronic form. Members may, therefore, give instructions regarding Bank accounts in which they wish to receive dividend, directly to their Depository Participants.

11. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956 dividends which remain Unpaid/Unclaimed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended March 31, 2001 or any subsequent financial years are requested to make their claim to C B Management Services Pvt Ltd. Shareholders are requested to note that no claims shall lie against the said Fund or the Company in respect of any amounts transferred to IEPF.

Registered Office :

Rasoi Court
20 Sir R N Mukherjee Road
KOLKATA 700 001
Date : 30th May, 2007

By Order of the Board

KAPIL KAUL
Director



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EXPLANATORY STATEMENT UNDER SECTION 173 OF THE COMPANIES ACT, 1956

As required by Section 173 of the Companies Act, 1956, (hereinafter referred to as the "Act") the following Explanatory statement set out all material facts relating to the business mentioned under item No.6 mentioned under the heading as SPECIAL BUSINESS of the accompanying Notice dated 30th May, 2007.

ITEM NO.6

Smt. Shashi Mody was re-appointed as Wholetime Director and Vice Chairperson for a period of 5 years with effect from 1st August 2002 at the Annual General Meeting held on 25th September, 2002. The term of Smt Shashi Mody as Wholetime Director and Vice Chairperson of the Company expires on 31st July, 2007.

The Board of Directors at its meeting held on 30th May, 2007 have re-appointed Smt. Shashi Mody as Wholetime Director and Vice Chairperson subject to the approval of the Members of the Company for a period of three years from 1st August, 2007 on the terms and conditions as set out in the Agreement entered into between the Company and Smt. Shashi Mody. The material terms of the Agreement are as follows :

1 Period of Agreement

As Wholetime Director and Vice Chairperson of the Company for a period of three years commencing from 1st August 2007 and ending on 31st July, 2010.

2 Remuneration

Salary – Rs. 50,000/- per month with an annual increase, which may be decided, altered, increase or decreased by the Board of Directors from time to time within the limits, specified in Schedule XIII of the Companies Act, 1956.

3 Perquisite & Amenities:

In addition to the salary, Smt Shashi Mody shall be entitled to the following perquisites and allowances which shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost:



- (a) Fully furnished residential accommodation or house rent allowance at the rate of 60% (sixty percent) of salary or such other suitable amount as may be decided by the Board of Directors. Expenses pertaining to Gas, Electricity, Water, other utilities, upkeep and maintenance etc. will be borne/reimbursed by the Company.
- (b) Reimbursement of medical expenses incurred by Smt Shashi Mody in India and/or abroad and including hospitalization, nursing home and surgical charges, cost of travel and stay for self and family.
- (c) Personal Accident and Mediclaim Insurance as per Rules of the Company.
- (d) Provision of Motor Car with Driver.
- (e) Leave Travel Concession: Re-imbusement of actual traveling expenses for proceeding on leave once in a year in respect of self and family.
- (f) Fees/Subscriptions of two clubs other than admission/Life Membership Fees.
- (g) Provision of telephone, telefax, and other communication facilities at the residence.
- (h) Company's contribution towards Provident, Superannuation, Pension Funds as per the rules of the Company.
- (i) Gratuity: As per rules of the Company's Scheme.
- (j) Encashment of Leave accumulated as per the rules of the Company.
- (k) Other Perquisites: Subject to the overall ceiling on remuneration mentioned herein below, other allowances, benefits and perquisites as the Board of Directors may from time to time decide.

Overall Remuneration:

The aggregate of salary and perquisites in any financial year shall not exceed the limits prescribed from time to time under Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may for the time being, be in force.



Minimum Remuneration:

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of Smt Shashi Mody, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule XIII of the Companies Act, 1956.

None of the Directors of the Company, save and except Smt. Shashi Mody and Shri Raghu Mody, are in any way, concerned or interested in the Resolution at item no. 6.

Registered Office :

Rasoi Court
20 Sir R N Mukherjee Road
KOLKATA 700 001
Date : 30th May, 2007

By Order of the Board

KAPIL KAUL
Director

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DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting their 103rd Annual Report and Audited Accounts for the year ended 31st March 2007.

FINANCIAL HIGHLIGHTS:

	(Rs in Lacs)	
	31st March, 2007	31st March, 2006
Production (in Mt)	31020	28544
Sales and Other Income/Receipts	15155	12319
Profit before Interest		
Depreciation & Taxation	466	533
Interest	(178)	(151)
Depreciation	(196)	(206)
Profit before Taxation	92	176
Provision for Taxation	(7)	(4)
Provision for Deferred Tax	2	(38)
Fringe Benefit Tax	(2)	(5)
Profit after Tax	85	129
Add : Balance Brought Forward from Last Account	763	689
Profit Available for Appropriation	848	818
Proposed Dividend	19	36
Dividend Tax	4	5
Transfer to General Reserve	9	14
Balance carried to Balance Sheet	816	763
	848	818

DIVIDEND

The Directors are happy to recommend a dividend of Rs 1/- being 10% of the paid-up equity capital of the Company, out of the profits for the year (Previous year – 20%).

RESERVES AND SURPLUS

The Balance in Reserves and Surplus stands at Rs 2236 Lacs (Previous Year Rs 1659 Lacs) after the appropriation as mentioned above.

OPERATIONS

During the year under review your company recorded a total production of 31020 MT as compared to 28544 MT recording a increase of 8.67%. The turnover also increased by 22.13% from Rs 112.66 Crores to Rs.137.59 Crores.

Over past few years the Vanaspati Industry in Eastern India has been facing tough competition from Nepalese Vanaspati which is continuously dumped in India. With the reduction of import duty on palm oil by the Indian government, the dumping of

Vanaspati from Nepal has reduced and we are hopeful that benefit due to this, will be reaped in the financial year 2007-08. The diversion of palm oil for Bio Diesel continues, which will also increase the demand for palm oil in the years to come.

With the demand for Soyabean Oil increasing due to preference of retail consumers, your company is geared up to ensure supplies during the next financial year.

Yours Company's free flow iodised salt has been well accepted into the market as such the turnover has increased from Rs.21.25 Lac in financial year 2005-06 to Rs.96.76 Lac in financial year 2006-07. Your Company plans to increase it further in the financial year 2007-08.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Information pursuant to Section 217(1)(e) of the Companies Act, 1956, is annexed hereto forming part of this report.

FOREIGN EXCHANGE EARNINGS & OUTGO

During the year your Company earned foreign exchange amounting to Rs Nil (Previous Year Rs Nil). Your Company also incurred an expenditure of Rs Nil (Previous Year Rs 2.14 Lacs) in foreign exchange during the year.

SECRETARIAL COMPLIANCE CERTIFICATE

As required under Section 383A of the Companies Act, 1956, Secretarial Compliance Report for the financial year 2006-2007 is annexed forming part of this Report.

PERSONNEL

During the year, there were no employees in respect of whom information as per Sec 217 (2A) of the Companies Act, 1956 is required to be annexed with this report.

DIRECTORS

In terms of the provisions of the Articles of Association, Shri Raghu Nandan Mody and Shri A C Chakrabortti, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

The term of Smt. Shashi Mody as Wholetime Director & Vice Chairperson expires on 31st July 2007. The Board of Directors re-appointed Smt. Shashi Mody as Wholetime Director & Vice Chairperson for a period of 3 years w.e.f. 1st August 2007, subject to confirmation at the ensuing Annual General Meeting.

AUDITORS' REPORT

The observations made by the Auditors in their Report is self explanatory and has been further clarified in Schedule S to the Accounts.



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DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state:

- i) That in the preparation of the annual accounts, the applicable accounting standards have been followed and wherever required, proper explanations relating to material departures have been given;
- ii) That they have selected such accounting policies and applied them consistently and made judgements 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 the end of the financial year and of the profit or loss of the company for that period;
- iii) That 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 your Company and for preventing and detecting fraud and other irregularities;

- iv) That they have prepared the annual accounts on a going concern basis.

AUDITORS

M/s Lodha & Co., retire as auditors of the Company and, being eligible, offer themselves for reappointment.

LISTING ARRANGEMENTS

The Company's shares are listed on the Calcutta and Mumbai Stock Exchanges. The Annual Listing Fees in respect of all the exchanges have been paid up to date.

ACKNOWLEDGEMENTS

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

On behalf of the Board of Directors

Kolkata
the 30th day of May, 2007

RAGHU MODY
CHAIRMAN

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 31st March, 2007

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO

Conservation of Energy & Technology Absorption

(A) Power & Fuel Consumption

	<u>Current Year</u>	<u>Previous Year</u>
1 Electricity		
(a) Purchased		
Unit('000)	3,768	3,842
Total Amount (Rs./Lacs)	121.09	125.58
Rate/Unit (Rs.)	3.21	3.27
(b) Own generation		
Through Diesel Generator		
Unit('000)	77	55
Units per Ltr. Of Diesel Oil	2.49	2.15
Cost/ Unit (Rs.)	16.86	12.33
2 Coal		
Quantity (M/T)	7,498	6,454
Total Cost (Rs./Lacs)	18,794	19,387
Avg. Rate (Rs.)	2,507	2,539
3 Furnace Oil	Nil	Nil
4 Other / Internal Generation	Nil	Nil
(B) Consumption per Unit of Production		
Electricity (in Units)	124	136
Furnace Oil (in Ltrs)	Nil	Nil
Coal (in Kgs.)	242	225

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.