

11th

Annual Report

2002-2003



RASOYA PROTEINS LIMITED

(Formerly Maharashtra Soya Industries Ltd.)

INCORPORATED UNDER THE COMPANIES ACT, 1956

REGD. OFFICE : Village Wanjari, Tal. Wani, District Yeotmal, Maharashtra 445 304.

(Formerly Maharashtra Soya Industries Ltd.)

**DIRECTORS**

Mr. A.N. Lonkar - Chairman & Managing Director
 Dr. S.D. Bhalerao
 Mr. A.N. Deshpande

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Village : Wanjari
 Taluka : Wani
 Dist. : Yavatmal (M.S.)
 PinCode : 445 304

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3rd Floor, Sharda Theatre Bldg.
 Dadar (E)
 Mumbai - 400 014

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Plot No.1, Bajaj Nagar,
 South Ambazari Road,
 Nagpur - 440 014

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State Bank Of India, IFB, Nagpur
 The United Western Bank Ltd., Wani Branch, Wani
 The United Western Bank Ltd., Dharampeth Branch, Nagpur

AUDITORS :

M/s V.N.BHUWANIA & CO.
 Chartered Accountants,
 Mumbai.

SHARE REGISTRAR & TRANSFER AGENT :

M/s. SYSTEM SUPPORT SERVICES
 209, Shivai Ind. Estate,
 Near Parke - Davis,
 89, Andheri - Kurla Road,
 Sakinaka
 Mumbai - 400 072

NOTICE

NOTICE is hereby given that the **Eleventh Annual General Meeting** of the member of **Rasoya Proteins Limited**, will be held at village-wanjari, taluka Wani Dist.- Yeotmal, on Monday, the **8th September, 2003** at **3.00 p.m.** for the purpose of transacting the following business:

1. To receive, consider and adopt the Audited Accounts of the company and the reports of the directors and Auditors for the year ended 31st March, 2003.
2. To appoint a Director in place of Mr. S.D.Bhalerao, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

Special Business:

4. To consider and if thought fit, to pass with or without modification, the following Resolution as an ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, approval be and is hereby given to the re-appointment of Mr. Anil N. Lonkar, as Managing Director of the Company for a period of five years from 1st July, 2003 to 30th June, 2008 upon the terms, condition and stipulation contained in an agreement to be entered into between the company and Mr. A.N.Lonkar, a copy of which is placed before the meeting and is initialed by the chairman for the purpose of identification and the board of directors be and is hereby authorized to vary the terms and conditions of the said appointment provided the variations referred above are in compliance with the provisions of the Companies Act, 1956.

5. To consider and if thought fit to pass, with or without modification/s, the following resolution as an Ordinary Resolution.

"RESOLVED THAT, due notice signifying the intention of a member to propose **Mr. Vishnu Bhagade**, as a Director having been received pursuant to Section 257 of the Companies Act, 1956 **Mr. Vishnu Bhagade** be and is hereby appointed as a Director of the company liable to retire by rotation."

6. To consider and if thought fit to pass, with or without modification/s the following resolution as an Ordinary Resolution.

"RESOLVED THAT, due notice signifying the intention of a member to propose **Mr. Sudhakar Khankhoje**, as a Director having been received pursuant to Section 257 of the Companies Act, 1956 **Mr. Sudhakar Khankhoje** be and is hereby appointed as a Director of the Company liable to retire by rotation."

By Order Of The Board Of Directors,

FOR RASOYA PROTEINS LIMITED

sd/-

(A.N.LONKAR)

Managing Director.

Place: Nagpur

Date : 31.07.2003

REGISTERED OFFICE & WORKS :

Village : Wanjari,

Taluka : Wani,

Dist. : Yeotmal (M.S)

Pin : 445 304.

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. The proxy form must be lodged at the Registered Office of the Company at least Forty Eight hours before the time of the meeting.
2. Members are requested to intimate to the Company changes, if any, in their registered address along with Pincode numbers immediately.
3. Members / Proxies should bring the attendance slip duly filled in for attending the meeting.
4. Shareholders seeking any information with regard to accounts are requested to write to the company at an early date so as to enable the management to keep the relevant information ready.
5. The Register of Members and Share Transfer books of the Company will remain closed from 28-08-2003 to 08-09-2003. (Both days inclusive).

By Order Of The Board Of Directors,

For RASOYA PROTEINS LIMITED.

sd/-

(A.N.LONKAR)

Managing Director

Place: Nagpur

Date : 31.07.2003

REGISTERED OFFICE & WORKS :

Village : Wanjari,

Taluka : Wani,

Dist. : Yeotmal (M.S)

Pin : 445 304.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 4 :

The tenure of Mr. Anil Lonkar as a Managing Director of the Company expired on 01-07-2003. He has been a Managing Director of the Company Since Incorporation and has rendered valuable guidance and advice to the company. The Terms and conditions of appointment including remuneration of Mr. Anil N. Lonkar, as Managing Director are subject to approval of the Share Holders in General Meeting. It is proposed to appoint him as a Managing Director on the following terms and Conditions :

The Managing Director Shall be entitled to the following emoluments, benefits and perquisites during the period of his employment subject to the ceiling laid down in section 198, 309 and Schedule XIII of the Companies Act, 1956.

Period Of Appointment : A period of 5 years commencing from 1st July 2003.

Remuneration : Rs. 25,000/- (Rupees Twenty Five Thousand) Per Month.

The Managing Director shall be entitled to such annual increment as may be decided by the Board of Directors subject however to the compliance of Schedule XIII and other applicable provisions of the Companies Act, 1956.

None of the Directors of the Company except Mr. A.N. Lonkar are concerned or interested in the resolution.

The Directors recommend passing of the resolution set out at Item No.4 of accompanying notice.

The explanation together with the accompanying Notice is to be regarded as an Abstract of Terms and Memorandum of interest under section 302 of the Act.

The said draft agreement referred to in the Resolution at Item No. 4 is available for inspection to the Members at the Registered Office of the Company on any working day (excluding Sunday) between 11 a.m to 1 p.m upto and Including the day of the Annual General Meeting

ITEM NO.5 :

As required by Section 257 of the Companies Act, 1956, the Company has received a notice from a member of the Company together with the requisite deposit, signifying his intension to proposed Mr. Vishnu Bhagade as a candidate for the Office of a Director of the Company.

Mr. Vishu Bhagade, a practicing Chartered Accountant possesses extensive experience in accounts, Finance & Corporate Management of about 34 years. It is, therefore, considered desirable to avail his services as a member of the Board.

Your's Directors recommend that the resolution set out at Item No.5 of the annexed notice be passed in the interest of the company.

None of the Directors of the Company are interested in the resolution.

ITEM NO. 6 :

As required by Section 257 of the Companies Act, 1956, the Company has received a notice from a member of the Company together with the requisite deposit. Signifying his intension to proposed Mr. Sudharkar Khankhoje as a Candidate for the Office of a Director of the Company.

Mr. Sudharkar Khankhoje, was a Zonal Manager of Central Bank Of India, and he possesses extensive experience in Banking, Project Finance & Management of about 35 years. It is, therefore, considered desirable to avail his services as a member of the Board.

Your's Directors recommend that the resolution set out at Item No.6 of the annexed notice be passed in the interest of the company.

None of the Directors are interested in the resolution.

By Order of the Board of Directors.

For RASOYA PROTEINS LIMITED

sd/-

(A.N. LONKAR)

MANAGING DIRECTOR

PLACE : NAGPUR

DATE : 31-07-2003

Registered Office & Works

Village : Wanjari,

Taluka : Wani,

Dist . : Yavatmal (M.S.)

PinCode : 445 304



DIRECTOR'S REPORT

Dear Members,

Yours Directors have pleasure in presenting the Eleventh Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2003.

FINANCIAL RESULTS :

(Rs. in Lakh)

<u>Particulars</u>	<u>2002-2003</u>	<u>2001-2002</u>
Sales	6671.09	5412.97
Profit/(Loss) before Taxation	111.98	40.16
Provision for Taxation	8.82	3.07
Profit/(Loss) after Current Tax	103.16	37.08
Deffered Tax adjustment (Current Year)	30.43	00.00
Deffered Tax adjustment (Earlier Years)	51.84	00.00
Short Povision of Tax (Earlier Year)	00.67	00.00
Prior period Adjustments	00.87	00.00
Transferred to General Reserve/ Profit & Loss Account	19.35	37.08

DIVIDEND :

Directors do not recommend dividend for the year in view of insufficient profit.

OPERATIONS :

Your Directors have pleasure in informing you that Company's performance during April to June, 2003 is as under :

Product	(Rs. in Lakh)			
	April 03 to June 03		April 02 to June 02	
	Qty(MT)	Value	Qty(MT)	Value
1. Soya meal (DOC)	9506.00	1006.77	7024.35	604.47
2. Soya Crude Oil	1748.00	729.30	1155.77	355.39
3. Other Sales	563.70	73.39	550.91	64.07
TOTAL Rs.		1809.47		1023.93

DIRECTORS:

During the period under review Mr.S.D.Bhalerao liable to retire by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting.

INSURANCE:

All the assets (fixed/current) of your Company are adequately insured.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGOINGS :

Additional information in accordance with the provisions of 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 and forming part of the Directors Report :

1. CONSERVATION OF ENERGY :

A) The Company closely monitors energy consuming equipments and make optimum use of steam by reusing the condensate from Solvent Plant for Boiler. The measure taken above for reduction in energy consumption are expected to bring about a saving in cost of production. Total energy consumption per unit of Production is as follows :

" FORM A "

Form for Disclosure of Particulars with respect to Conservation of Energy

a. POWER AND FUEL CONSUMPTION

Particulars	2002-03	2001-02
1. Electricity		
a) Purchased units (K.W.H)	15,75,975	21,04,845
Total Amount (Rs.)	64,83,648	84,83,773
Rate (Rs./Unit)	4.11	4.03
b) Own Generation	Nil	Nil
2. Coal for generation of steam (Usage in Boiler)		
Quality of coal used : "STEAM & ROM"		
Quantity in MT	3411.650	3229.410
Total Cost (RS.)	43,90,466	41,83,410
Average Rate (Rs./MT)	1287	1295

b. CONSUMPTION PER TON OF RAW MATERIAL PROCESSED (OIL SEED PROCESSED)

Year	2002-03	2001-02
1. Weight in MT:	44343	42973
1. ELECTRICITY	35.54	48.98
(Units/MT of Input)		
2. COAL/FUEL CONSUMPTION	0.076	0.075
(in MT/MT of Input)		

"FORM B"

Form for disclosure of particulars in respect of Technology / Absorption, Adaptation and Innovation.

a. RESEARCH AND DEVELOPMENT:

1. The Company is keeping a close watch on activities conducted by SOPA for developing and identifying new, high-yielding varieties of Soyaseeds. Besides this the company also carries out research & development activities for developing various value added soya based health products.

2. During the year the Company has received status of In-House R & D unit from Government of India, Ministry of Science & Technology (Dept. Of Scientific & Industrial Research) New Delhi.
3. The Company associates with SOPA to make quality seeds available to the farmers.
4. Apart from the above, future R & D Plans of the Company shall consist of reduction in Coal, Power and Hexane consumption per Ton of Raw materials processed by improving the production process and/or expanding production capacity.

5. Expenditure on R & D

i)	Capital	:	00.45 Lakh
ii)	Recurring	:	03.06 Lakh
iii)	Total	:	03.51 Lakh
iv)	As % of turnover	:	00.05%

b. TECHNOLOGY ABSORPTION AND INNOVATION

No technology has been imported by the Company as yet.

c. FOREIGN EXCHANGE EARNINGS & OUTGOINGS

Earning:

During the year the Company has Exported Soya Flour Amounting to Rs. 5,51,692/- to Srilanka and realization through Export Bills was US\$ 16860 (Rs. 8,18,399/-)

Outgoing:

During the year the Company has incurred Rs. 1,17,147/- on Foreign Travelling Expenses of Mr. A.N. Lonkar, Managing Director for attending seminars organised by the American Soyabean Association. During his visit he met various Soya Food manufacturers and acquired knowledge about the development that had taken place in US.

D. PARTICULARS OF EMPLOYEES:

There is no employee earning Rs.24,00,000/- or more p.a , if employed throughout the year or Rs.2,00,000/- or more p.m. if employed for part of the year. Hence details required under section 217(2A) of the Companies Act, 1956 are not given.

E: PUBLIC DEPOSITS:

The Company does not have nor has it invited any public deposit.

F. AUDITORS:

The Company's Auditors M/s V.N. BHUWANIA & CO., Chartered Accountants will retire at the ensuring Annual General Meeting but are eligible for reappointment. A letter has been received from them stating that if appointed, the appointment will be in accordance with provision of Section 224A of the Companies Act, 1956.

G. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibilities Statement, it is hereby confirmed.

- i) that in the preparation of the annual accounts for the financial year ended 31st March, 2003 the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) that the directors have selected such accounting policies and applied them consistently and made judgements and estimates that were 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 the year under review.
- iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) that the directors have prepared the accounts for the financial year ended 31st March, 2003 on a 'going concern' basis.

H. AUDITORS REMARKS

1. Stock Valuation:

During the year the company has changed the method of allocation of joint cost over DOC and Crude oil. Earlier the allocation of joint cost over DOC and Oil was made on the basis of their production ratio. Now your Directors are of the opinion that this method of allocation needs to be changed due to economic changes that has taken place in Solvent Industries. In view of the rising prices of Oil it is prudent to allocate the joint cost on the basis of their relative sales ratios after production. This method of allocation of joint cost is also in conformity with the requirements of Accounting Standard AS-2 "Valuation of Inventories" issued by the Institute of Chartered Accountants of India. This method, in our opinion will reflect the fairest possible approximation to the cost incurred in bringing the items of inventories to their present location and condition.

2. Revenue Recognition of waiver of IDBI Term Loan:

During the year, the company had applied for revision in repayment schedule under the One Time Settlement Scheme. IDBI had vide its letter bearing reference nos. 4684/ IDBI/MBO/CFD/ SV dated January 3rd, 2003 approved the revision in repayment schedule subject to timely repayment of the settlement amount before 15th March 2004. The difference between the balances appearing in the Balance Sheet towards outstanding liability payable to IDBI and the settlements amount has not been adjusted pending the total compliance of all the terms of IDBI. Hence impact of reduction in liabilities on Waiver of Term Loan from IDBI will be recognized only after complete repayment of loan as per revised repayment schedule.

3. Internal Audit:

Under the changed economic scenario the company has identified certain additional important areas which needs to be covered under the Internal Audit System so as to make it