

12th **Annual Report** **2 0 0 3 - 2 0 0 4**

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RASOYA PROTEINS LIMITED

- Regd. Office -

Village Wanjari, Taluka Wani, District Yeotmal (M.S.) - 445 304

Ph.: (07239) 225901- 04

**DIRECTORS**

Mr. A.N. Lonkar - Chairman & Managing Director
 Dr. S.D. Bhalerao
 Mr. A.N. Deshpande
 Mr. Vishnu Bhagade (w.e.f. 8/09/2003)
 Mr S.R. Khankhoje (w.e.f. 8/09/2003)

REGISTERED OFFICE & WORKS

Village - Wanjari, Taluka - Wani
 Dist - Yavatmal (M.S.) - 445 304

HEAD OFFICE

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

BANKERS

- State Bank of India, IFB, Bharat Nagar, 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

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NOTICE

Notice is hereby given that the 12th Annual General Meeting of the Members of Rasoya Proteins Limited, will be held at Village-Wanjari, Tal-Wani, Dist. Yeotmal, on Wednesday, the 30th June, 2004 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 2004.
2. To appoint a Director in place of Mr. A. N. Deshpande, 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 modifications, the following Resolution as Special Resolution.

RESOLVED THAT subject to such consents, permissions or sanctions as may be required from any authority, statutory or otherwise, particularly from the Securities and Exchange Board of India (SEBI) and pursuant to Section 61 and all other applicable provisions of the Companies Act, 1956 and Guidelines, Rules framed by SEBI in this regard, the Board of Directors of the Company be and is hereby authorized to seek Voluntary Delisting of its Equity Shares listed at the Delhi Stock Exchange, Delhi and Ahmedabad Stock Exchange, Ahmedabad and for that matter to apply to the respective stock exchanges and / or any other concerned authority/ies for Voluntary Delisting of the Equity Shares from the said Stock exchanges.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle all questions, difficulties or doubts as may arise, including power to accept or reject final exit price with regard to the voluntary Delisting of shares as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the board of directors be and is hereby authorized to take all necessary steps in this regard in order to comply with all the legal and procedural formalities and further to authorize any of its committee or director(s) or officers of the company to do all such acts, deeds, or things, as may be necessary, to give effect to this resolution.

By Order of the Board of Directors,
For Rasoya Proteins Ltd.,

Sd/-
(A.N. LONKAR)
Managing Director
Place: Nagpur.
Date: 06.05.2004

Registered Office.
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 the PIN code numbers immediately.
3. Members /proxies should bring the attendance slip duly filled in for attending the meeting.
4. Shareholders seeking any information with regards 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 27/06/2004 to 02/07/2004(both days inclusive).

By Order of the Board of Directors,
For RASOYA PROTEINS LIMITED

Sd/-
(A. N. LONKAR)
Managing Director

Place: Nagpur.
Date: 06.05.2004

Registered Office.
Village- Wanjari,
Taluka-Wani,
Dist. Yeotmal (M.S.)
Pin. : 445 304.

EXPLANATORY STATEMENT***Item No. 4 -***

It is observed from the records that out of total shareholding of the company only 1.936% is held by members residing in and around city of Ahmedabad and in case of Delhi, that percentage is even negligible. It is interesting to note that after the public issue of the company in 1996, very negligible activity in terms of trading in the company's shares was carried out in both the Stock Exchanges.

Under the circumstances it is uneconomical and unremunerative in terms of service to the members to continue the Listing of the company's securities on these Stock Exchanges. Hence it is proposed to delist the Company's Share from the Delhi and Ahmedabad Stock Exchanges after complying with the prescribed procedure.

Your Directors recommend passing of the resolution as special resolution.

None of the Directors are interested in above resolution.

By Order of the Board of Directors,
For RASOYA PROTEINS LIMITED

Sd/-

(A. N. LONKAR)
Managing Director

Place: Nagpur.
Date: 06.05.2004

Registered Office.

Village- Wanjari,
Taluka-Wani,
Dist. Yeotmal (M.S.)
Pin. : 445 304.



DIRECTOR'S REPORT

Dear members,

Your Director's have pleasure in presenting the 12th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2004.

FINANCIAL RESULTS -

(Rs. In Lakh)

Particulars.	2003-2004	2002-2003
Sales.	8880.91	6671.09
Profit/(Loss) before taxation.	357.28	111.98
Provision for Taxation.	27.33	8.82
Profit/(Loss) after Current Tax.	329.95	103.16
Deferred Tax Adjustment (Current Year).	94.90	30.43
Deferred Tax Adjustment (Earlier Years).	00.00	51.84
Short Provision of Tax (Earlier Year.)	1.33	00.67
Prior Period Adjustments.	00.00	00.87
Transferred to General Reserve/ Profit & Loss Account.	233.72	19.35

NEW PROJECTS -

- A) Your Directors have pleasure in informing you that during the financial year 2003-04, the company has installed Vegetable Oil Refinery having a capacity of 45TPD with a total project outlay of Rs. 183.54 Lakh. From February 2004 the commercial production of Oil Refinery has been started and the company has received very encouraging response from the customers especially residing in and around Vidarbha and Yeotmal District. During February and March 2004 the company has achieved a turnover of Rs. 216.98 Lakh and expect to further improve performance of its Refinery Division in the coming financial years.
- B) Your directors have pleasure in further informing you that from last few years the availability of Soya seed, which is the main raw material, has been excellent and with the farmers getting remunerative prices, the years to come will see a substantial growth in the availability of Seed. At the same time the demand for Soya Oil and Soya De-meal is also picking up and the rates have also gone up especially of Soya oil which is now become the main substitute for Ground- Nut Oil. Thus the overall industrial scenario has been very encouraging with the international market improving favorable to India. In Vidarbha itself, where our plant is situated, the crop is expected to grow at least 20 to 25% every year. Such encouraging scenario in solvent industry is likely to prevail for at least another 5 to 6 years. Therefore your directors have decided to take the advantage of the situation and proposed to set up a new Solvent Extraction plant with a capacity of 300 TPD at the same existing site at village Wanjari; Taluka wani; District Yeotmal; Maharashtra State.

**DIVIDEND -**

In view of company's new expansion project and the additional capital outlay required for the same, your directors do not recommend any dividend for the year under review.

DIRECTORS -

Mr. A. N. Deshpande, the Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

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 Director's Report:

1. CONSERVATION OF ENERGY :

- a) The Company closely monitors energy consuming equipment and makes optimum use of steam by reusing the condensates from Solvent Plant for Boiler. The measures 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		2003-04	2002-03
1.	Electricity		
a)	Purchased units (K.W.H).	2163850	1575975
	Total amount (Rs).	8120263	6483648
	Rate(Rs./Unit).	3.75	4.11
b)	Own Generation.	NIL	NIL
2.	Coal for generation of steam (Usage in Boiler)		
	Quality of Coal used: "STEAM & ROM"		
	Quantity(inMT).	4082.980	3411.650
	TotalCost(Rs.).	5334078	4390466
	Average Rate (Rs. /MT).	1306	1287

**B. CONSUMPTION PER TON OF RAW MATERIALS PROCESSED (OIL SEEDS PROCESSED)**

PARTICULARS		2003-04	2002-03
	Weight in MT:.	55657	44343
1.	ELECTRICITY. (Units per MT of Input)	38.88	35.54
2.	COAL/FUEL CONSUMPTION (In MT per MT of Input)	0.073	0.076

"FORM B"

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

A. RESEARCH AND DEVELOPMENT:

- The Company is keeping a close watch on activities conducted by SOPA for developing and identifying new, high yielding varieties of Soya seeds. Besides this the company also carries out research & development activities for developing various value added Soya based health products.
- During the year the company has renewed its status of In-house R&D unit from Government of India, Ministry of Science & Technology (Department of Scientific and Industrial Research) New Delhi.
- The company associates with SOPA to make quality seeds available to the farmers.
- 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.
- Expenditure on R&D.

i) Capital	:	Nil	
ii) Recurring	:	00.74	Lakh
iii) Total	:	00.74	Lakh
iv) As % of turnover	:	0.008	%

B. TECHNOLOGY ABSORPTION AND INNOVATION:

No technology has been imported by the Company as yet.

C. FOREIGN EXCHANGE EARNINGS & OUTGOINGS:

Earning/Outgoings:

There were no Foreign Exchange Earnings/Outgoing during the financial year.

**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 Deposits.

F. AUDITORS :

The Company's Auditors M/S. V.N.BHUWANIA & CO., Chartered Accountants will retire at the ensuing 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 224 A of the Companies Act, 1956.

G. DIRECTOR'S RESPONSIBILITY STATEMENT:

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

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2004, 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 safeguarding 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, 2004 on a 'going-concern' basis.

H. REVENUE RECOGNITION OF WAIVER OF IDBI TERM LOAN :

During the year, the company had completely repaid its entire Term Loan to the Industrial Development Bank of India Mumbai as per the revised repayment schedule under the One Time Settlement Scheme under reference nos. 4684/IDBI/MBO/CFD/SV dated January 3, 2003.



Consequently after complete repayment of term loan, the difference between the balances appearing in the Balance Sheet towards outstanding liability payable to IDBI and the amount repaid as per settlement amount is recognized as a revenue as on 31st March 2004.

I. CORPORATE GOVERNANCE

The Company has been proactive in following the principles and practice of good corporate governance. The company has taken adequate steps to ensure that the conditions of Corporate governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchange are complied with.

A separate statement on corporate governance is enclosed as a part of the Annual Report along with the Auditor's Certificate on its compliance.

J. RELATED PARTY DISCLOSURE

Disclosure as required by the Accounting Standard-18 "Related Party Disclosure" is given in Schedule "T" (point no.15) Notes to Accounts.

K. LISTING OF SHARES

The Shares of the company is listed on Delhi, Mumbai and Ahmedabad Stock Exchange. Listing fees for the financial year 2004-05 has been paid to the Mumbai and Ahmedabad Stock Exchange in advance.

L. ACKNOWLEDGEMENT

Yours Directors wish to thank and acknowledge the co-operation and the assistance extended by the Government of India, Government of Maharashtra, The Industrial Development Bank of India (IDBI), State Bank of India, Industrial Finance Branch Nagpur, The United Western Bank Ltd. Wani, The United Western Bank Limited Dharampeth branch Nagpur, Technology Development Board, New Delhi; Ministry of food processing Industry, Government of India New Delhi and the Shareholders.

Yours Directors also wish to place on record their deep sense of appreciation for the dedicated services rendered by Executives, staff and workers of the Company.

For and on behalf of the Board of Directors,

Sd/-

(A.N. LONKAR)

Chairman & Managing Director.

Place : Nagpur

Date : 06.05.2004