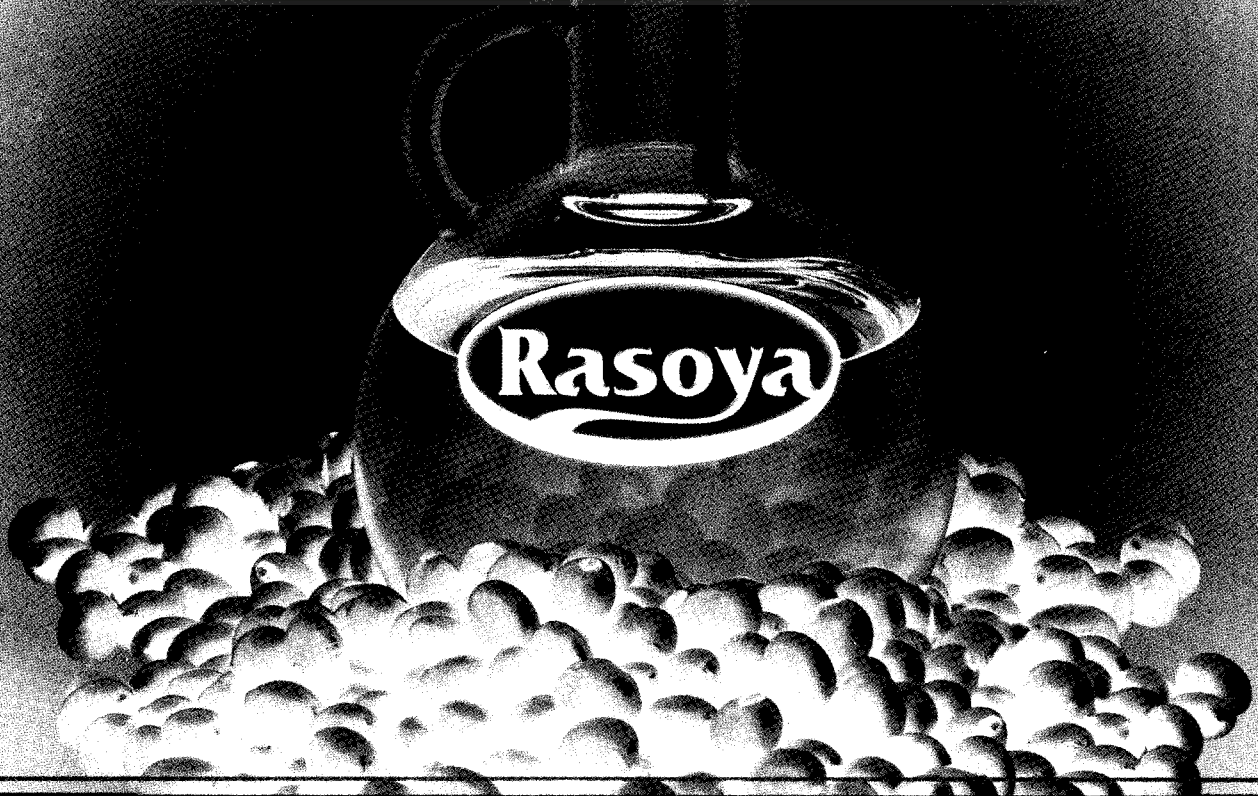


Rasoya Proteins Ltd.

15th Annual Report 2 0 0 6 - 2 0 0 7



Village : Wanjri, Taluka : Wani, Dist. : Yavatmal - 445304. Ph. : (07239) 225901/2/3/4. Fax : (07239) 226190

DIRECTORS

Mr. A.N. Lonkar
Chairman & Managing Director

Mr. P.G. Duchakke
Executive Director

Mr. V.D. Bhagade
Independent & Non-Executive Director

Mr S.R. Khankhoje
Independent & Non-Executive Director

Mr. A.N. Deshpande
Independent & Non-Executive Director

REGISTERED OFFICE & WORKS

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

HEAD OFFICE

Rasoya House, Plot No.20/21,
Sita Nagar, Near New Sneh Nagar,
Nagpur - 440 025

AUDITORS

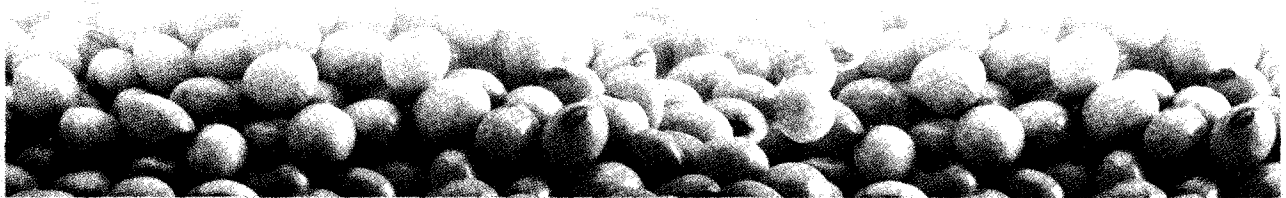
M/s. V.N. Bhuwania & Co.
Chartered Accountants,
Mumbai

SHARE REGISTRAR & TRANSFER AGENT

M/s. System Support Services
209, Shivai Ind. Estate,
Near Parke-Davis, 89, Andheri - Kurla Road,
Sakinaka, Mumbai - 400 072

BANKERS

- State Bank of India, IFB, Bharat Nagar,
Nagpur
- The Industrial Development Bank Of
India Ltd., Wani Branch, Wani
- The Industrial Development Bank Of
India Ltd., Dharampeth Branch, Nagpur



C O N T E N T S

AGM Notice

Director's Report

Corporate Governance

Auditor's Report

Balance Sheet

Profit & Loss Account

Schedules

Cash Flow Statement

Attendance Slip

Proxy Form

Notice is hereby given that the 15th Annual General Meeting of the Members of **Rasoya Proteins Limited** will be held at **Village-Wanjari, Taluka-Wani, Dist. Yeotmal, on Friday, 15th June 2007 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 2007.
2. To appoint a Director in place of **Mr. A. N. Deshpande**, who retires by rotation and being eligible, offers him self for reappointment.
3. To declare Final Dividend for the financial year ended 31st March 2007.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

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

'RESOLVED THAT' pursuant to the provisions of Section 149 (2A) and other applicable provisions of the Companies Act 1956, approval of shareholders be and is hereby accorded to the company for commencement of new business included as "Other Objects" for which the company is established at serial numbers 39, 77 and 79 in paragraph III (c) of the Memorandum and Articles of Association of the company.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to ascertain as is deem fit the mode, manner and time of commencement of such business.

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

'RESOLVED THAT' subject to compliance of the provisions of Section 269 of the Companies Act, 1956, Schedule XIII and other applicable provisions of the said Act, if any, Mr. Ajay Singh, be and is hereby appointed as the Executive Director of the Company, whose office shall be liable to retirement by rotation, with effect from 15th June 2007 on the terms and conditions as set out in the Agreement Dated 30th April 2007 (A Copy of which was placed before the meeting) entered into between the Company and Mr. Ajay Singh.


7. To consider, and if thought fit, to pass with or without modification/s, the following resolution as a Special Resolution -

RESOLVED THAT pursuant to the provisions of the section 310 and subject to compliance of the provisions of Section 269 of the Companies Act, 1956, Schedule XIII and other applicable provisions of the said Act, if any, the consent of the company be and is hereby accorded to the increase in the remuneration of Mr. Prashant Duchakke, the Executive Director of the company from Rs. 35000/- (Rupees Thirty Five Thousand only) per month to Rs.50000/- (Rupees Fifty Thousand Only) Per month by way of salary with effect from 1st April 2007, other terms and conditions remaining unchanged.

8. To consider, and if thought fit, to pass with or without modification/s, the following resolution as a Special Resolution -

RESOLVED THAT pursuant to the provisions of the section 310 and subject to compliance of the provisions of Section 269 of the Companies Act, 1956, Schedule XIII and other applicable provisions of the said Act, if any, the consent of the company be and is hereby accorded to the increase in the remuneration of Mr. Anil Narayan Lonkar, the Managing Director of the company from Rs. 40000/- (Rupees Forty Thousand only) per month to Rs. 75000/- (Rupees Seventy Five Thousand Only) Per month by way of salary with effect from 1st April 2007, other terms and conditions remaining unchanged.

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



(A.N. LONKAR)
Managing Director

Place : Nagpur

Date : 30th April, 2007.

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 10th June 2007 to 15th June 2007 (both days inclusive).

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



(A.N. LONKAR)
Managing Director

Place : Nagpur

Date : 30th April, 2007.

ITEM NO. 5

The Board of Directors have identified after conducting in-depth survey, that your Company's Diversification into the field of Electricity Generation and Cotton Spinning Activities would help it to take the advantage of the Economic Growth. Locating the proposed Factory Premises at Wani would have geographical advantage in terms of availability of Raw Material, Captive Consumption and other factors. The above referred activities are enumerated in Serial No. 39,77 & 79 in Paragraph III-C of the Memorandum of Association of the Company. The provision of Section 149 (2A) and other applicable provision of the Companies Act, 1956 requires passing of special resolution by the members in the general meeting so as to enable the Company to undertake the activities mentioned in the above referred clauses.

Your Directors recommended passing of the resolution as Special Resolution.

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

ITEM NO. 6

Mr. Ajay Singh is presently associated with the Company in the capacity of Vice President Operations. He has Masters Degree in Chemistry and Mathematics and has over 15 years' extensive and wide experience in the field of Oil Industry. Keeping in view the expansion and diversification activities undertaken by your Company, the Board is of the opinion that assigning more responsibilities and delegating more powers to Mr. Ajay Singh in areas of his core competence would be immensely useful for the Company. As such, it is proposed to appoint him as an Executive Director of the Company on the terms and conditions set out in the copy of Agreement entered into between him and the Company. The provisions of the Section 269 of the Companies Act, 1956 and that of Schedule XIII to the Act stipulate obtaining the members' consent to such appointment by way of passing a special resolution in the general meeting. Your directors recommend passing of this resolution as Special Resolution.

The Copy of the Agreement referred above is available for inspection during working hours at the Registered Office of the Company.

None of the Directors of the Company is interested in passing of above resolution.

ITEM NO. 7

Shri Prashant Duchakke was appointed as the Executive Director of your Company on 8th July 2006 for a period of five years. Owing to his dynamic style of working, the company has made remarkable progress and has been able to better its financial performance. Owing to his vast experience and incessant hard work your company has been able to undertake various diversification and expansion programmes. In view of the above your Directors propose to increase his salary from present Rs. 35000/- Per month to Rs. 50000/- Per month while keeping the other

terms and conditions of the appointment unchanged. It may be noted that the proposed increase in his remuneration is within the limits prescribed under Schedule XIII of the Companies Act 1956 and the said schedule stipulates obtaining of the member's consent in a general meeting to the above referred amendment in his remuneration. Your Directors recommend passing of this resolution as Special Resolution.

Mr. Prashant Duchakke, The Executive Director is interested in passing of above resolution

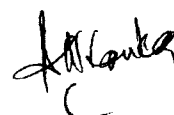
ITEM NO. 8

Shri Anil Narayan Lonkar was appointed as the Managing Director of your Company on 1st July 2003 for a period of five years. Under his dynamic leadership the company has been making remarkable progress and has been able to better its financial performance. Owing to his vast experience and incessant hard work your company has been able to undertake various diversification and expansion programmes. In view of the above your Directors propose to increase his salary from present Rs. 40000/- (Rupees Forty Thousand only) per month to Rs. 75000/- (Rupees Seventy Five Thousand Only) per month by way of salary with effect from 1st April 2007 while keeping the other terms and conditions of the appointment unchanged. It may be noted that the proposed increase in his remuneration is within the limits prescribed under Schedule XIII of the Companies Act 1956 and the said schedule stipulates obtaining of the member's consent in a general meeting to the above referred amendment in his remuneration. Your Directors recommend passing of this resolution as Special Resolution.

Mr. Anil Narayan Lonkar, The Managing Director is interested in passing of above resolution

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



(A.N. LONKAR)

Managing Director

Place: Nagpur

Date: 30th April, 2007.

Abstract of Memorandum & Memorandum of Interest

To,
The Members of
Rasoya Proteins Limited

ABSTRACT OF MEMORANDUM UNDER SECTION 302 OF THE COMPANIES ACT 1956

The Board of Directors at its meeting held on 30th April, 2007 has, subject to the approval of the members, increased the remuneration of Mr. Prashant Duchakke, the Executive Director of your company from Rs. 35000/- (Thirty Five Thousand Only) Per month to Rs. 50000/- (Fifty Thousand) per month by way of salary with effect from 1st April 2007, other terms and conditions of his appointment such as Tenure of the Appointment, Nature of duties, other perquisites and allowances etc remains unchanged.

MEMORANDUM OF INTEREST

Mr. Prashant Duchakke, the Executive Director of your company is concerned or interested in increase in the remuneration mentioned above.

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



(A.N. LONKAR)

Managing Director

Place : Nagpur

Date : 30th April, 2007.

Abstract of Memorandum & Memorandum of Interest

To,
The Members of
Rasoya Proteins Limited

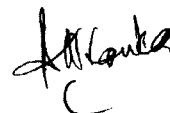
ABSTRACT OF MEMORANDUM UNDER SECTION 302 OF THE COMPANIES ACT 1956.

The Board of Directors at its meeting held on 30th April, 2007 has, subject to the approval of the members, increased the remuneration of Mr. Anil Narayan Lonkar the Managing Director of your company from Rs. 40000/- (Forty Thousand Only) Per month to Rs. 75000/- (Seventy Five Thousand) per month by way of salary with effect from 1st April 2007, other terms and conditions of his appointment such as Tenure of the Appointment, Nature of duties, other perquisites and allowances etc remains unchanged.

MEMORANDUM OF INTEREST

Mr. Anil Narayan Lonkar the Managing Director of your company is concern or interested in increase in the remuneration mentioned above.

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



(A.N. LONKAR)

Managing Director

Place : Nagpur

Date : 30th April, 2007.

Director's Report

Dear members,

Your Director's have pleasure in presenting the 15th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2007

FINANCIAL RESULTS :

PARTICULARS	FINANCIAL YEAR (Rs. in Lacs)	
	2006 - 2007	2005 - 2006
Net Sales/Income from operations	16532.15	9620.28
Other Income	8.98	18.85
Total Expenditure	15543.16	9191.71
Interest	279.39	129.51
Profit after interest but before Depreciation and taxes	718.61	317.91
Depreciation	100.61	75.52
Provision for Taxation (Including Deferred Tax and FBT)	167.10	58.73
Net profit	450.87	183.66
Transfer of profit to General Reserve	11.27	Nil
Paid Up Capital	1057.29	757.29
Reserves Excluding Revaluation Reserves	1547.95	557.32
Earning Per Share (Basic)	5.788	2.43
Earning Per Share (Diluted)	5.772	2.43
Cash Earning Per share (Basic)	7.080	3.42
Cash Earning Per Share (Diluted)	7.060	3.42
Dividend	12.5%	Nil

PERFORMANCE REVIEW :

During the year under review the company achieved turnover of Rs.165.32 Crores as against Rs 96.20 Crores in the previous year. Profit after interest but before depreciation and tax increased from Rs.3.18 Crores in year 2005-06 to Rs.7.19 crores in year 2006-07. There has been substantial improvement in the performance and profitability of the company during the year under review.