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**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE **29<sup>th</sup> ANNUAL GENERAL MEETING** OF THE MEMBERS OF **SAGAR SOYA PRODUCTS LIMITED** WILL BE HELD ON **FRIDAY THE 30<sup>TH</sup> DAY OF SEPTEMBER, 2011** AT **1.00 P.M.** AT THE **REGISTERED OFFICE** OF THE COMPANY SITUATED AT C.J. COMPLEX, MAHATAMA GANDHI ROAD, SAGAR – 470002, MADHYA PRADESH, TO TRANSACT THE FOLLOWING BUSINESS.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited accounts for the year ended 31<sup>st</sup> March 2011 along with notes and schedules thereon as on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Umesh Richharia, Director of the Company who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion next Annual General Meeting and to fix their remuneration.

By Order Of the Board  
**FOR SAGAR SOYA PRODUCTS LIMITED**

Date : 20<sup>th</sup> August, 2011

Place : Sagar

Director

**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.**
2. **The Proxy Form to be effective should be deposited with the company not less than 48 hours before the time fixed for the commencement of the meeting.**
3. The Register of Members and Share Transfer Register shall remain closed from Saturday, the **24<sup>th</sup> Day of September, 2011** to Friday, the **30<sup>th</sup> September, 2011** (both days inclusive).
4. As a measure of economy, copies of the Annual Reports and Accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the meeting.
5. Members/Proxies are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
6. Members who are holding shares in identical order or names in more than one folio are requested to write to the company to enable the company to consolidate their holdings in one folio.

**SAGAR SOYA PRODUCTS LTD.****DIRECTORS' REPORT**

To,  
The Members  
Sagar Soya Products Limited

Your Directors have great pleasure in presenting **29<sup>TH</sup> ANNUAL REPORT** along with the Audited Balance Sheet and Profit And Loss Account, for the year ended 31<sup>st</sup> March, 2011.

**1. FINANCIAL RESULTS**

The financial Results are briefly indicated below:

PARTICULARS	(Amt in Rs.)	
	YEAR ENDED	
	31.03.2011	31.03.2010
Total Income	1083639	1514153.23
Total Expenditure	1204932	24506296.88
Profit/(Loss) before Taxation	(121,292.10)	(22,992,143.65)
Profit/(Loss) after Taxation	(121,292.10)	(23,182,666.65)
Profit/(Loss) Brought Forward	(124,024,443.08)	(100,841,776.43)
Balance carried to Balance Sheet	(124,145,735.18)	(124,024,443.08)

**2. REVIEW OF OPERATIONS**

The Company has incurred losses of **Rs. 121292.10/-** during the financial year. Your Directors expects to achieve better performance in the future and are taking maximum efforts to control the costs and optimize the results in the coming years.

**3. DIVIDEND**

In view of losses your Directors do not recommend any dividend as such.

**4. DEPOSITS**

The company has not accepted any deposits from the Public therefore provisions of Section 58A and Companies (Acceptance of Deposits) Rules 1975 are not applicable to the Company.

**5. PARTICULARS OF EMPLOYEES**

There were no employees during the whole or part of the year who were in receipt of remuneration in excess of limits as set out in terms of the provisions of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975 as amended.

**6. DIRECTORS**

There are no changes in Composition of Board of Directors under review.

Mr. Umesh Richharia, Director is retiring by rotation in terms of provisions of Companies Act, 1956 and is eligible for re-appointment. The resolution for appointment of Director is placed before you in the Annual General Meeting.

**7. SUBSIDIARIES:**

Since the Company has no subsidiaries, provision of section 212 of the Companies Act, 1956 is not applicable.

**8. DIRECTOR'S RESPONSIBILITY STATEMENT**

The Board of Directors hereby confirms:

- That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- That the Directors have selected such accounting policies and applied them consistently and made judgments 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 the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors have prepared the Annual accounts on a going concern basis.

**9. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION**

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 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the Annexure and marked as 'Annexure A' forming part of this report.

**10. FOREIGN EXCHANGE EARNINGS AND OUTGO.**

During the year under review, besides the transactions reported elsewhere, there were no other Foreign Exchange transactions.

**11. AUDITORS**

**M/s O. T. Gandhi & Co., Chartered Accountants, Indore**, Statutory Auditors of your company holds office until the conclusion of the forthcoming Annual General Meeting. They have signified their willingness to accept re-appointment as Statutory Auditors of the Company and further have confirmed their eligibility under Section 224 (1B) of the Companies Act, 1956.

**12. AUDITORS REPORT:**

Since notes to account are self explanatory, no further explanation is given by the Board as such.

**13. COMMITTEES OF THE BOARD**

Pursuant to Section 292A of the Companies Act, 1956 and clause 49 of Listing Agreement the Company has formed Audit Committee. Besides this the Company has also formed Shareholder / Investor Grievance Committee to redress investors' complaint, if any.

**14. CORPORATE GOVERNANCE REPORT**

The Company has obtained Corporate Governance Report from **M/s O. T. Gandhi & Co., Statutory Auditors** and is annexed hereto and forming part to this Report. A separate section of Corporate Governance as complied by the Company is annexed hereto marked as Annexure B and forming part of this report.

**15. ACKNOWLEDGEMENTS**

Your Company wishes to sincerely thank all the customers, commercial banks, financial institution, creditors etc. for their continuing support and co-operation.

Your Directors express their appreciation for the dedicated and sincere services rendered by the employees of the company and also sincerely thank the shareholders for the confidence reposed by them in the company and from the continued support and co-operation extended by them. .

By Order Of The Board  
**For SAGAR SOYA PRODUCTS LIMITED**

Date : 20<sup>th</sup> August, 2011  
Place : Sagar

**ARVIND C. PATEL**  
CHAIRMAN

**SAGAR SOYA PRODUCTS LTD.**

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**ANNEXURE-"A" to the Report of Board of Directors**

**A Conservation of Energy**

- a. Company is using power connection obtained from MPEB. However your company has taken steps like optimization of outputs, controlling idle running of machine etc. to conserve the energy consumption.
- b. Additional investments and proposal, if any being implemented for reduction of consumption of energy are not proposed at this stage, as it is not feasible economically.
- c. Impact of above measures:  
There has been reduction in the cost of production as batches of production could be undertaken in shorter period.
- d. Total energy consumption per unit of production as per Form-A is given hereunder.

**B. Form-B regarding Research and development and technology absorption is not enclosed due to the fact that there is at present no scope for R&D and absorbing any new technology in view of type of product which is accepted by the customers. However, your company shall certainly go for it in future if any new development in technology takes place.**

**C. Foreign exchange earning and outgo:**

Earnings	Earnings	Outgo	Outgo
C.Y.	P.Y.	C.Y.	P.Y.
-	-	-	-

By Order Of The Board  
**For SAGAR SOYA PRODUCTS LIMITED**

Date : 20<sup>th</sup> August, 2011  
Place : Sagar

**ARVIND C. PATEL**  
CHAIRMAN

**ANNEXURE**  
**FORM-A (See rule 2)**

Disclosure of particulars with respect to conservation of energy

**A. Power & Fuel Consumption**

		<u>Current Year</u>	<u>Previous Year</u>
<b><u>Electricity</u></b>			
a	Purchased Units	-	-
	Total Amount	339573	1936651
b	<b><u>Diesel</u></b> :		
	Units	-	-
	Amount	-	-
c	<b><u>Hexagane</u></b> :		
	Units	-	-
	Amount	-	-
d	<b><u>Gas</u></b> :		
	Units	-	-
	Total Amount	-	-
	Rate/Unit	-	-
e	<b><u>Coal</u></b> :		
	Quantity(MT)	-	-
	Total cost	-	-
	Amount	-	-
f	<b><u>Furnace oil</u></b> :		
	Quantity	-	-
	Total cost	-	-
	Average rate	-	-
g	<b><u>Others/internal generation</u></b> :		
	Total cost	-	-
	Cost /unit	-	-

By Order Of The Board  
For **SAGAR SOYA PRODUCTS LIMITED**

Date : 20<sup>th</sup> August, 2011  
Place : Sagar

**ARVIND C. PATEL**  
CHAIRMAN

## SAGAR SOYA PRODUCTS LTD.

### ANNEXURE B TO THE DIRECTORS REPORT

#### COMPANY'S PHILOSOPHY:

The Corporate Governance code as introduced by Security and Exchange Board of India (SEBI) in pursuance of clause 49 of Listing Agreement is became applicable to the company by December 2005. The same has been implemented by the Company from December 2005.

The Company believes in maximum utilization of resources at minimum cost and attaining maximum long-term shareholders value.

#### BOARD OF DIRECTORS:

The Board of the Company comprises of 5 (Five) Directors, out of which 3 (Three) Directors are Executive Directors and 2 (Two) are Independent Non Executive Directors of the Company. There is no nominee or Institutional Directors in the Company.

None of Directors has pecuniary or Business relationship with the Company other than as mentioned elsewhere in Annual Report. No Director of the Company is either member in more than 10 (Ten) committees and/or Chairman of more than 5 (Five) committees across all Companies in which he is Director. The Board is in process of inducting an Independent Director soon in compliance with Clause 49 of the Listing Agreement.

During the year, there were in total **8 (Eight)** Board Meetings were held. The time gap between the two meetings was not more than 4 months. All the information required to be furnished to the Board was made available to them along with detailed Agenda notes. The dates on which the Board Meeting was held are as follows:

**27.04.2010 ; 30.07.2010; 01.09.2010; 28.10.2010; 23.12.2010 28.01.2011 and 24.03.2011**

The following table gives the attendance of the Directors at Board Meetings of the Company and also other Directorship in other Companies and Chairmanship/Membership in Board Committees of public limited companies:

Sr. No.	Name of Director	Category	No. of Board meetings Attended	Attendance at Last AGM	No. Of Other Directorship	No. of Other Committee membership in other Companies
1.	Mr. Arvindbhai C Patel	Chairman	8	Yes	3	Nil
2.	Mrs. Naina Ben Patel	Whole time Director & CFO	8	Yes	1	Nil
3.	Mr. Gaurav D Patel	Director & CEO	8	Yes	Nil	Nil
4.	Mr. Chandrakant Patel	Independent Non Executive Director	8	Yes	Nil	Nil
5.	Mr. Umesh Richharia	Independent Non Executive Director	8	Yes	Nil	Nil

None of the Non-executive Directors are paid any remuneration as defined as per the provisions of Companies Act, 1956.

#### COMMITTEES OF THE BOARD:

##### A. Audit Committee

Pursuant to the provisions of section 292(A) of the Companies Act, 1956 & Clause 49 II of Listing Agreement, an Audit Committee comprising of 3 Directors as members and two – third of whom being Non -Executive Directors has been constituted as under:

Mrs. Naina Ben Patel	Chairman
Mr. Chandrakant Patel	Member
Mr. Umesh Richharia	Member

During the year, there were in total 5 (Five) Audit Committee Meetings were held on **27.04.2010 ; 30.07.2010; 01.09.2010; 28.10.2010; and 28.01.2011**

The following table gives the attendance of the members at Audit Committee Meetings of the Board of Directors of the Company:

Name of the Member	Status	No. of Meeting held	No. of Meetings attended
Mrs. Naina Ben Patel	Chairman	5	5
Mr. Chandrakant Patel	Member	5	5
Mr. Umesh Richharia	Member	5	5

**B. Shareholders/Investors Grievance Committee**

The Shareholders/Investors Grievance Committee comprises of 3 (**Three**) Members, majority of whom are Non Executive Directors. As required by clause 49 of Listing Agreement, the Chairman of the Shareholder/ Committee is Independent, Non Executive Director. The composition of the Shareholders/Investors Grievance Committee as on 31<sup>st</sup> March, 2011 is as follows:

Mr. Chandrakant Patel	Chairman
Mr. Umesh Richharia	Member
Mr. Arvindbhai C Patel	Member

During the year, there were in total 4 (Four) Shareholders/Investors Grievance Committee Meetings were held on **27.04.2010 ; 30.07.2010; 28.10.2010; and 28.01.2011**

The following table gives the attendance of the members at Shareholders/Investors Grievance Committee Meetings of the Board of Directors of the Company:

Name of the Member	Status	No. of Meeting held	No. of Meetings attended
Mr. Chandrakant Patel	Chairman	4	4
Mr. Umesh Richharia	Member	4	4
Mr. Arvindbhai C Patel	Member	4	4

**GENERAL BODY MEETINGS:**

Details of last 3 (**Three**) Annual General Meetings are given below:

Financial Year	Date	Time	Venue	Special Resolution(s)
2009-2010	30.09.10	1.00 p.m	Registered Office	No
2008-2009	30.09.09	1.00 p.m	Registered Office	No
2007-2008	30.09.08	1.00 p.m	Registered Office	No

**DISCLOSURES:**

During the year under review, besides the transactions reported elsewhere, there were no other related party transactions of material nature with the promoters, Directors, the management or their subsidiaries or relatives during the year that may have potential conflict with the interest of the company at large.

**MEANS OF COMMUNICATION:**

The yearly/quarterly results were duly approved by the Board of Directors of the Company; however the same has not been submitted to BSE. The Company doesn't have its website and in the process of making its own website.

No presentation was made during the year either to Institutional Investors or to the analysts.

Management Discussion & Analysis Report is attached herewith forming part of the Annual Report.

**GENERAL SHAREHOLDERS INFORMATION:**

- The Annual General Meeting is scheduled to be held on Friday, the 30<sup>th</sup> September, 2011 at 1.00 p.m. at the Regd. Office of the Company.

## SAGAR SOYA PRODUCTS LTD.

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- ii. The Financial year of the company is from April to March. The financial calendar is as per following.
- |   |                                   |
|---|-----------------------------------|
| First quarter results (30 <sup>th</sup> June)       | End of July                       |
| Mailing of Annual Reports                           | 1 <sup>st</sup> week of September |
| Annual General Meeting                              | 30 <sup>th</sup> September, 2011  |
| Payment of Dividend                                 | N.A.                              |
| Second quarter results (30 <sup>th</sup> September) | End of October                    |
| Third quarter results (31 <sup>st</sup> December)   | End of January                    |
| Fourth quarter / Annual Results                     | End of July                       |
- iii. Book Closure dates are from **Saturday, the 24th Day of September, 2011 to Friday, the 30th September, 2011** (both days inclusive).
- iv. The Board of Directors has not proposed any dividend for the current financial year.
- v. The company's shares are listed at Bombay Stock Exchange, Ahmedabad Stock Exchange and Madhya Pradesh Stock Exchange. The trading of its securities on the said Exchange(s) has been suspended due to non-compliance of the Listing Agreements. The Board is in process of complying with the same and revocation of suspension.
- vi. The Stock Exchange, Mumbai  
Security in Physical Form No. BSE- 507663  
Electronic Form No. Nil  
Scrip Name: SAGRSOY-B  
  
The Ahmedabad Stock Exchange,  
Security in Physical Form ASE - 51110  
Electronic Form No. Nil  
Scrip Name: SAGAR SOYA PRODUCTS LTD.  
  
The Madhya Pradesh Stock Exchange  
Security in Physical Form No. 1363  
Electronic Form No. Nil  
Scrip Name: SAGAR SOYA PRODUCTS LTD.
- vii. Market price data:  
  
Since the Company Shares were suspended for trading the market price data is not available.
- viii. Share Transfer System  
  
The Company has not yet appointed Registrar and Transfer agent. The Company has currently in-house Share transfer system to register the transfer.  
  
However it is in process of appointing a Registrar and Transfer agent to carry out the above functions.
- ix. Dematerialization of securities  
  
The company's shares currently are in physical mode but the Company is in the process of dematerialization of shares.
- x. Company has not issued either ESOP or any GDRs/ADRs/Warrants/Convertible instrument.
- xi. Address for correspondence:  
  
Shareholders of the company can send correspondence at the Regd. office of the company situated at following address:  
  
C.J. Complex,  
Mahatama Gandhi Road  
Sagar – 470002  
Madhya Pradesh