

Sanwaria Agro Oil Ltd.

5TH ANNUAL REPORT 1998-99
SANWARIA

BOARD OF DIRECTORS

SHRI RAM NARAYAN AGRAWAL	CHAIRMAN AND MANAGING DIRECTOR
SHRI SATISH AGRAWAL	DIRECTOR
SHRI ANIL AGRAWAL	DIRECTOR
SHRI ASHOK AGRAWAL	DIRECTOR
SHRI GULAB CHAND AGRAWAL	DIRECTOR
SHRI DAGRULAL GOYAL	DIRECTOR
SHRI SHYAM BABU AGRAWAL	DIRECTOR
SHRI H. K. AGRAWAL	DIRECTOR
SHRI UMA SHANKAR AGRAWAL	DIRECTOR

AUDITORS

MUNSHI & CO.
CHARTERED ACCOUNTANTS,
103, NAVNEET PLAZA,
4/2 OLD PALASIA,
INDORE (M.P.)

BANKERS

PUNJAB NATIONAL BANK JAYS, AMBH CH OWK, ITARSI	PUNJAB NATIONAL BANK SHAHUPURA BHOPAL	PUNJAB NATIONAL BANK NEW MARKET BHOPAL
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REGISTERED OFFICE & WORKS

24-26, INDUSTRIAL AREA,
KHEDA, ITARSI

PH: (07572) 30045, 30083
FAX (07572) 30082/37484

CORPORATE OFFICE

E-6/MID-127,
ARERA COLONY
BHOPAL

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EIGHTH ANNUAL REPORT 1998-99**SANWARIA****NOTICE**

Notice is hereby given that the 8th Annual General Meeting of the Members of M/s Sanwaria Agro Oils Limited will be held on 15th September 1999 at 4 P.M. at the Registered Office of the Company at 24-28 Industrial Area, Kheda, Itarsi (M.P.) to transact the following business :

ORDINARY BUSINESS

1. To receive consider and adopt the audited Balance Sheet as at 31st March 1999 and Profit and Loss Account for the year ended on that date and the reports of Directors and Auditors thereon
2. To appoint a Director in place of Shri Anil Agrawal who retires by rotation & being eligible offers himself for reappointment.
3. To appoint a Director in place of Shri Shyam Babu Agrawal, who retires by rotation & being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri Gulab Chand Agrawal, who retires by rotation & being eligible offers himself for re-appointment.
5. To appoint Auditors and to authorise Directors to fix their remuneration M/s M.Munshi & Co. Chartered Accountants, retire at this Annual General Meeting and are eligible for re-appointment.

SPECIAL BUSINESS

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

"RESOLVED that Subject provision of the Securities Contract Regulation Act, and other applicable provisions if any of the Companies Act 1956, and SEBI guidelines, Company be and is hereby accord its consent to the Board of Directors of the Companies to delist its shares from the Ahmedabad Stock Exchange and Delhi Stock Exchange"

Resolved further that the Board be and is hereby authorise to settle all questions and matters arising out of and incidental to the proposal and take all steps which the Board, in its absolute discretion, considers necessary, proper or expedient for implementing this resolution.

7. To consider and if thought fit, to pass the following resolution with or without modification, as a SPECIAL RESOLUTION:

"That pursuant to section 81 and other applicable provisions, if any, of the companies Act, 1956 (including any amendment or re-enactment thereof), and in accordance with the provisions of the memorandum and Articles of Association of the company and subject to such other approvals, permissions and sanctions as may be necessary, the consent of the company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee which the board may constitute to exercise its powers, including the powers conferred by this resolution) to issue upto 44,70,000 preference share of the face value of Rs. 10/- each at par for an aggregate nominal account of up to Rs. 4,47,00,000 in one or more branches, with such term of payment of dividend and period of redemption as may be decided by the Board from time to time, to residents and / or non-residents (whether institute and/ or incorporated bodies and/or individual and/or trustees or otherwise), on private placement basis or by prospectus and whether or nor such investors are members of the company, in such form, manner and within such period and upon such terms and conditions as the Board may in its absolute direction, deem fit"

"That for the purpose of giving effect to the above resolution, the board be and is hereby authorised to take such actions and to give all such directors or to do all such acts, deeds, matter and things as may be necessary or desirable and to settle any question or difficulty that may raise in regard to the issue and allotment of the new preference shares and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary in connection with such issue"

PLACE : ITARSI
DATE : 22.08.99

By the order of the Board
Anil Agrawal
Director

EIGHTH ANNUAL REPORT 1998-99**SANWARLA****NOTES**

1. The Register of member and share transfer books of the Company shall remain closed from 11th September 1999 to 15th September 1999 both days (inclusive).
2. Members desiring any information on the accounts are requested to write to the Company at its Registered Office at 24-28, Industrial Area Kheda, Itarsi (M.P.) latest by 10 days before the Annual General Meeting to enable the Management to keep the information ready.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. The proxies, in order to be effective must be received by the company not less than 48 hours before the meeting.
4. Members proxies for their own convenience are requested to bring their copy of Annual report and the attendance slip duly filled in for attending the meeting.
5. Members are requested to notify without delay any change in their address or any other query about equity shares to the Company. Further the members who are holding shares in identical order names in more than one folios together with share certificates along with above said profarma to enable the company to consolidate the total holding into particular folio. The share certificates will be returned to the Members after making the necessary endorsements in due course.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE / COMPANIES ACT 1956.**ITEM NO 6**

- Recently, the Securities and Exchange Board of India has been framed guidelines for de-listing of Shares by the listed Company from stock exchanges except the regional stock exchange.

The Board of Directors of the Company at their meeting held on 20/8/98 decided that to minimise the over heads of the Company it would be propose to Company to de-list their equity shares from those stock exchanges. Where trading volume of the Company's Shares is nil or negligible. Board of Directors has been decided to de-list company's shares from Delhi and Ahmedabad stock exchanges.

Since the SEBI has been permitted to the Bombay stock exchange to operate their BOLT terminal nation wide and our Company's shares are listed on Bombay stock exchange, so there will be no difficulty to the share holders of the Company in trading of the Company's shares. Board of Directors of the Company has recommended for approval. None of the Director is concerned or interested in the Resolution.

None of the Directors is concerned or interest in the resolution.

ITEM NO 7

Section 81 of the Companies Act, 1956 provided inter-alia that when ever it is proposed to increase the subscribed capital of the company by allotment of further shares, such further shares shall be offered to the persons, who on the date of offer are the holders of the ordinary shares of the company in proportion to the capital paid up on the date unless the members in General Meeting decided otherwise. The listing agreements executed by the company with the various Stock Exchanges also provided that the company shall, in the first instance, offer all securities for subscription pro-rate to the unless the members in a general meeting. Unless the members in a General Meeting decide otherwise. The consent of the members are, therefore, sought to authorise the Board of Directors as set out in resolution herein above to issue preference shares at par on private placement basis to residents and/or non-residents (whether institutions and/or incorporated bodies and/or Trustees and/or Promoters or otherwise) and whether or not such investors are members of the company or by prospectus to the Indian Public, in such form, manner and within such period and upon such terms and conditions as the Board may, in its absolute discretion deem fit.

To meet the requirement of capital expenditure for expansion and modernisation of the company, it is now further proposed to issue and allot in one or more tranches preference shares for the amount not exceeding Rs. 4,47,00,000/- and hence the said resolution is recommended for shareholder's approval.

None of the directors of the company is concerned or interested in all the above resolutions.

EIGHTH ANNUAL REPORT 1998-99***SANWARIA*****DIRECTORS' REPORT**

The Members,
Sanwaria Agro Oils Limited

Your Directors have pleasure in presenting before you the 8th Annual Report and the Audited Statement of Accounts for the year ended on 31st March, 1999.

1. OPERATIONAL PERFORMANCE

Your Company has achieved turnover of Rs. 8251.72 Lacs during the year against 8603.89 Lacs of last year. The Profit After Tax for the year is Rs. 77.76 Lacs against 83.72 lacs of last year, turnover of the your company has been reduced in value terms during the year due to worldwide recession in the economy and record lower prices of soya deoiled cake worldwide but the turnover has been increased in Quantity terms by 23.77% over last year.

Profit After Tax has been same as last year in percentage terms although reduced slightly in above terms due to pressure on margin and turnover.

2. FUTURE PROSPECTS

Your Board of director's are fairly confident of better overall performance during the current year and decided to undertake expansion of capacity and to put up a 50 TPD continuous refinery as a forward integration step. This will further improve company's competitive power and margins. Your Board also decided to study possibility of production of value added items like de-fatted /full fatty value added flour and other products mainly based on Soya.

3. PUBLIC DEPOSIT

The Company has not invited or accepted any deposit from the public during the year under section 58A of the Companies Act, 1956.

4. DIRECTORS

Shri Anil Agrawal, Shri Shyam Babu Agrawal and Shri Gulab Chand Agrawal retire by rotation and being eligible to offer themselves for re-appointment

EIGHTH ANNUAL REPORT 1998-99**SANWARLA**

5. PARTICULARS OF EMPLOYEES

The information required under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rule, 1975, as amended is not given as none of the employees attract provisions of section 217(2A) of the Companies Act 1956.

6. AUDITORS

The statutory auditors M/s M.Munshi & Co., Chartered Accountants retire on the conclusion of Eighth Annual General Meeting and being eligible to offer themselves for re-appointment.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS/OUTGO

Particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as per section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 for the year ended on 31st March, 1999 are annexed to this report.

8. Y2K STATUS

Your company is fully Y2K complainant and all Systems / Software being used by the Company are Free from Y2K Problem.

9. ACKNOWLEDGEMENT

Your Directors place on record their sense of gratitude to all share holders and customers for their support and co-operation in all the activities. Your Directors thank and deeply acknowledge the co-operation and assistance received by the Company from various agencies, particularly from Company's banker.

Your Directors express their deep appreciation for the dedicated and sincere services rendered by the officers and other employees of the Company.

PLACE : ITARSI
DATE : 22.08.99

For and on behalf of the Board
R. N. Agrawal
Chairman

EIGHTH ANNUAL REPORT 1998-99**SANWARIA****INFORMATION REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF DIRECTORS) RULES, 1998****ANNEXURE****FORM - A**

(Form for disclosure of particulars with respect to conservation of energy)

A. POWER & FUEL CONSUMPTION

	Current Year	Previous Year
1. ELECTRICITY		
a) Purchased Unit (KWH)	2051643	1758984
Total Amount	75,46,618	64,17,337
Average Rate/Rs. Per Unit	3.67	3.65
Own Generation	358436	342300
a) Total Amount	9,10,111	8,584,424
b) Average Rate/Rs. Per Unit	2.54	2.51
2. COAL 'C' and 'D' Grade for Steam Generation		
Quantity (MT)	7276.88	6559.90
Total Cost (Rs.)	97,22,828.11	87,78,255.25
Average Cost per MT/(Rs.)	1330.13	1330.06
3. FURNACE OIL	---	---
4. OTHERS/INTERNAL GENERATIONS	---	---

B. CONSUMPTION PER UNIT OF PRODUCTION

Standard (if any) products (with details unit)

Electricity UNIT (KWH)/MT	26.52	29.10
Furnace Oil LITRE/MT	---	---
Coal (Specify) MT	0.094	0.091
Others (Specify) MT	---	---

FORM - B**A. CONSERVATION OF ENERGY :**

Your Company is trying for further conservation and optimum utilisation of energy through a series of audit programmes and continuous monitoring of process of manufacturing.

B. TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT :

Your Company is continuously trying to reduce the costs and for betterment of final products in terms of quality and value realisation, through various inhouse studies and efforts.

C. IMPACT OF MEASURES TAKEN :

Your company has achieved least possible among the industry average consumption of energy.

D. FOREIGN EXCHANGE EARNING AND OUTGO :

The Company has earned foreign exchange US\$ 679955/- during the year 1998-99. Your Company has taken several steps and initiatives to increase the exports. The Company's exports in 1999-2000 are likely double in 1998-99 in value terms.

PLACE : ITARSI
DATE : 22.08.99

For and on behalf of the Board
R. N. Agrawal
Chairman

EIGHTH ANNUAL REPORT 1998-99***SANWARIA*****AUDITORS REPORT TO THE SHARE HOLDERS**

We have audited the attached Balance Sheet of M/S. SANWARIA AGRO OILS LIMITED, Regd. Office 24-28, Industrial Estate Kheda, Itarsi (M.P.) as at 31st March 1999 and also the Profit & Loss Account for the period ended on that date annexed thereto and report that :

1. As required by the Manufacturing and Other Companies (Auditors Report) Order, 1988 issued by the Central Government under section 227(4-A) of The Companies Act, 1956. We enclose in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said order.
2. Subject to our comments in the Annexure referred to in paragraph 1 above and notes on account as per Schedule - R :
 - i. We have obtained all the information and explanation which to the best of our knowledge and belief are necessary for the purpose of our audit.
 - ii. In our opinion, proper books of Account as required by law have been kept by the company so far as appear from our examination of such books.
 - iii. In our opinion the Balance Sheet and profit and Loss Account comply with the mandatory Accounting standards specified by the Institute of Chartered Accountants of India as referred to in sub-section 3C of section 211 of the Companies Act, 1956.
3. The Balance sheet and profit & loss account referred to in report are in agreement with the books of account.
4. In our opinion and to the best of our information and according to explanation given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :-
 - (a) In the case of Balance Sheet of the state of affairs of the company as at 31st March 1999, and
 - (b) In the case of Profit and Loss account of the profit for the period ended on that date.

Place : Indore
Date : 02 06 99

for : **M. Munshi & Co.**
Chartered Accountants

Sunil Saraf
Partner