

SHREE RAJIV LOCHAN OIL EXTRACTION LIMITED

ANNUAL REPORT FOR YEAR

Report 2007-2008.com

M/S SHREE RAJIV LOCHAN OIL EXTRACTION LTD.

BOARD OF DIRECTORS

Shri Prakash Chand Raheja
Shri Sanjay Raheja
Shri Harish Raheja
Shri Jitendra Jaiswani
Shri Ravi Guiwani

AUDITORS

S.K. Bhamkar & Associates
Chartered Accountants
410, III Floor, Eskay Plaza,
Near Anand talkies,
Moudha Para,
Raipur (C.G.)

BANKERS

State Bank of Saurashtra, Raipur
Union Bank, Raipur
Dena Bank, Raipur
Indusind Bank, Raipur

**REGISTERED
OFFICE**

27/3, Jawahar Nagar, Raipur
Raipur (C.G.)

FACTORY

I
671-678, Urla Industrial Area,
Distt. Raipur (C.G.)

SHREE RAJIVLOCHAN OIL EXTRACTION LIMITED
Regd office 27/3, Jawahar Nagar, Near Agrasen Bhawan, Raipur (CG) 492001

NOTICE OF ANNUAL GENERAL MEETING

TO ALL THE MEMBERS OF
SHREE RAJIVLOCHAN OIL EXTRACTION LIMITED

NOTICE is hereby given that the Annual General Meeting of the Members of **SHREE RAJIV LOCHAN OIL EXTRACTION LIMITED** will be held on Tuesday the 26th September, 2008 at 11 a.m. at 27/3, Jawahar Nagar, Raipur (Chhattisgarh) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account of the company for the year ended 31st March 2008 and the Balance Sheet as at that date along with the reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Sanjay Raheja who retires by rotation and being eligible for reappointment offers himself for reappointment.
3. To appoint a Director in place of Mr. Jitendra Jaswani who retires by rotation and being eligible for reappointment offers himself for reappointment.
4. To consider and, if thought fit, to pass the following resolution, with or without modification as an ordinary resolution:

Factory: 671-678 Industrial Area Urla, Raipur (CG) 493221

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“RESOLVED THAT M/s S.K. Bhamkar & Associates, Chartered Accountants, Raipur, be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company on remuneration to be decided mutually by the Board of Directors and the Auditors.”

Place: Raipur

BY ORDER OF THE BOARD

Date: 25th August, 2008

(P.C. RAHEJA)
Managing Director

NOTES :

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1. Proxy.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself on a poll only and the proxy need not be a member of the company. Proxy forms should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.

2. Book Closure

The Register of Members and share transfer books of the Company shall remain closed from 27th September, 2007 to 30th September, 2007 (both days inclusive).

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DIRECTORS' REPORT
FOR THE YEAR 31st MARCH 2008

Dear Shareholders,

M/S SHREE RAJIV LOCHAN OIL EXTRACTION LIMITED

Your Directors have pleasure in presenting the Annual Report of the Company with the Audited Statement of Accounts and the Auditors' Report thereon for the Financial year ended 31st March, 2008.

The summarized financial result for the year ended 31st March 2008 are as under:

FINANCIAL RESULTS:

Particulars	Year ended 31.03.2008 (Rs. in lacs)	Year ended 31.03.2007 (Rs. in lacs)
Sales	697.93	616.70
Other Income	7.19	13.62
Total Income from Operations	705.12	630.32
Profit before Interest, Depreciation and Tax	16.82	12.88
Interest for the year	1.05	0.70
Depreciation for the year	6.55	7.10
Profit before Tax	9.22	5.07
Less: Provision for Income Tax & Fringe Benefit Tax	3.78	3.67
Add: Net Deferred Tax Asset	1.32	1.33
Net Profit after Tax	6.76	2.73
Add: Balance brought forward from previous year	1.86	-0.87

DIVIDEND AND TRANSFER TO RESERVES:

Your Directors decided to plough back the profit of the Company for its further development and investments therefore they do not recommend any dividend on the equity share capital of the Company for the year ended 31st March, 2008.

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OPERATIONS:

Your company has produced 797.800 M. T of Crude Oil in comparison to 976.055 M. T during the previous year. Your Company had also produced 6482.100 M. T of Deoiled Cake in comparison to 7952.339 M. T during the previous year and 131.400 M. T of R. B. Refined Oil during the year. The reason for decline in production was sluggish market demand during the year.

The Company's Gross Turnover for the Financial Year 2007-08 was Rs. 697.93 lacs as compared to 616.70 lacs during the previous year.

FOREIGN EXCHANGE EARNINGS AND OUTGO :

There is no Foreign Exchange earnings or expenditure during the year under report.

PARTICULARS OF EMPLOYEES :

None of the employees of the Company was in receipt of remuneration in excess of limits prescribed under Section 217(2A) of the Companies Act, 1956. Hence, particulars as required under the Companies (Particulars of Employees) Rules, 1975 are not given.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association Shri Sanjay Raheja and Shri Jitendra Jaswani, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state:

- (i) That in the preparation of the annual accounts, the applicable accounting standards have been followed:
- (ii) That your Directors have selected such accounting policies and applied them consistently and made judgment 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 your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your company and for preventing and detecting fraud and

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other irregularities; and

(iv) That your Directors have prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION :

Information on Conservation of Energy, required to be disclosed under Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988, is provided as Annexure to this report.

AUDITORS:

M/s S.K. Bhamkar & Associates, Chartered Accountants, Raipur (CG) Auditors of the Company, hold office until the conclusion of the forthcoming Annual General Meeting and being eligible have offered themselves for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956.

AUDITORS' REPORT:

The Auditors in their Report have not made any qualifying remark..

CORPORATE GOVERNANCE:

A Management Discussion and Analysis, Corporate Governance Report and a Certificate from the Auditors' regarding compliance with the code of Corporate Governance as required as per Clause 49 of the Listing Agreement with the Stock exchanges are made part of the Annual Report.

ACKNOWLEDGEMENT:

The Board expresses its sincere gratitude to the shareholders, bankers especially State Bank of Saurashtra, Union Bank, HDFC Bank, Dena Bank, Indusind Bank, State and Central Government Officials and clients for their continued support. The Board also wholeheartedly acknowledges with thanks the dedicated efforts of all the staff and employees of the Company.

For and on behalf of the Board of Directors

Date : 25th August, 2008

(SANJAY RAHEJA)
Chairman

Place : Raipur

Factory: 671-678 Industrial Area Urla, Raipur (CG) 493221

SHREE RAJIVLOCHAN OIL EXTRACTION LIMITED**Regd office 27/3, Jawahar Nagar, Near Agrasen Bhawan, Raipur (CG) 492001****ANNEXURE-"A" TO THE DIRECTOR'S REPORT.****STATEMENT CONTAINING PARTICULARS PURSUANT TO COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF DIRECTOR(S) RULES, 1988 AND FORMING PART OF DIRECTOR'S REPORT.****A. CONSERVATION OF ENERGY**

(A) Energy Conservation Measures Taken:

Your company has not undertaken any energy conservation measures.

(B) Additional Investments and proposals, if any being implemented for the reduction of energy consumption:

None at present

(C) The impact of measures at (A) and (B) above, for reduction of energy consumption and consequent impact on the cost of production of goods: Not applicable

(D) The required data in form A of the Annexure to the aforesaid Rules as applicable are furnished below:

I. POWER AND FUEL CONSUMPTION

Particulars	Units in KWA in lacs		Total Amount. Rs. In lacs		Average Amount per Unit/ Ltr/ MT	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Electricity Purchased (No. of units in lacs)	437816	605710	2126518	2694632	4.85	4.45

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SHREE RAJIVLOCHAN OIL EXTRACTION LIMITED**Regd office 27/3, Jawahar Nagar, Near Agrasen Bhawan, Raipur (CG) 492001****II. CONSUMPTION PER UNIT OF PRODUCTION**

PARTICULARS	PRODUCTION		CONSUMPTION		PER UNIT CONSUMPTION	
	(Units in MTs/units) Current Year	(Units in MTs/units) Previous Year	(Units in MTs/units) Current Year	(Units in MTs/units) Previous Year	(Units in MTs/units) Current Year	(Units in MTs/units) Previous Year
Electricity	00	00	437816	605710		
Crude Oil	797.80	976.055	797.80	976.055	548.78	620.57
Deoiled Cake	6482.10	7952.339	6482.10	7952.339	67.54	76.17

B. TECHNOLOGY ABSORPTION :**RESEARCH AND DEVELOPMENT (R & D)****(a) Research and Development :**

- Specific Area in R& D carried out by the Company : The Company has not taken up any R & D activities.
- Benefits derived as a result of the Above R & D : Not Applicable
- Future plan of action : Not yet decided
- Expenditure on R & D. : Nil

For and on behalf of the Board of Directors**Date : 25th August, 2008****(SANJAY RAHEJA)
Chairman****Place : Raipur****Factory: 671-678 Industrial Area Urla, Raipur (CG) 493221**

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MANAGEMENT DISCUSSION AND ANALYSIS

The management of your Company is pleased to present the discussions and analysis on the industry structure, developments, future outlook and operating and financial performance.

I - INDUSTRY STRUCTURE AND DEVELOPMENT

a) Industry Scenario:

The per capita consumption of vegetable oil is relatively low in India leaving a scope for market expansion consistent with high disposal income in future. Keeping in view the rising input costs on account of imports, various measures are being taken by the Government to step up the domestic oil seed production and moderate import duties with a view to ensure adequate availability and price stability, taking into account the equitable view towards various stakeholders such as domestic farmers, industry, consumers etc.

b) Industry out look:

The introduction of Value Added Tax has brought in the much needed uniformity and transparency in the edible oil industry. The industry is in the process of consolidation with the large domestic and multinational entities having strong business capabilities, efficiencies in logistics, operations in strategic locations and strong consumer focus and seeking opportunities to expand the growing market share.

c) Risks and Concerns:

Your company's business is exposed to price fluctuations on its major raw materials with bulk of them being agro based and subject to market price variations during the year. Prices of these commodities continue to be linked to both domestic and international prices, which depend on the various external factors like good monsoon in the country, import/exports, international crop size etc. The setting up of commodity exchange and introduction of commodity futures and other hedge strategies in the country has opened up reasonable opportunities for the industry to hedge and manage the impact of these price fluctuations.

II - ANALYSIS & DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Your company has produced 797.800 Quintals of Crude Oil in comparison to 976.055 Quintals during the previous year. Your Company also produced 6482.100 Quintals of Deoiled Cake in comparison to 7952.339 Quintals during the previous year and also

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