

13th
Annual Report
2002-2003



For Ashiana Agro Industries Ltd

[Signature]
Company Secretary

ASHIANA AGRO INDUSTRIES LIMITED



ASHIANA AGRO INDUSTRIES LIMITED

BOARD OF DIRECTORS

Shri Prem Prakash Gupta

Managing Director

Shri M.B. Pareek

Nominee- Rajasthan Financial Coporation

Smt Veena Gupta

Shri Pawan Kumar

Shri Nand Kishore Agarwal

COMPANY SECRETARY

Shri E.D. M. Menon

REGISTERED OFFICE & WORKS

A-784, RIICO Industrial Area

Bhiwadi, Distt. Alwar

RAJASTHAN

ADMN. & HEAD OFFICE

S-440, G.F., Front Portion

Gr. Kailash-II, New Delhi-110048

AUDITORS

M/s Vikram Kumar & Co.

Chartered Accountants

Jagdish Bhawan, 1st Floor,

Exhibition Road, Patna-800 001

REGISTRAR & SHARE TRANSFER AGENTS

M/s Skyline Financial Services Pvt. Ltd.,

123 Vinoba Puri, Lajpat Nagar-II,

New Delhi 110024.



ASHIANA AGRO INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the thirteenth Annual General Meeting of the Members of the Company will be held on Monday, the 29th September, 2003 at 11 AM at A-784, RIICO Industrial Area, Bhiwadi, Distt. Alwar, Rajasthan to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2003 and the Profit & Loss Account for the year ended on that date together with Reports of Auditors and Directors thereon.
2. To appoint a Director in place of Smt. Veena Gupta, who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint statutory Auditors of the Company and to fix their remuneration. M/s. Vikram Kumar & Co. Chartered Accountant, Patna retires at the ensuing Annual General meeting and being eligible offer themselves for re-appointment.

SPECIAL BUSINESS

4. To Consider and if thought fit to pass, with or without modifications(s), the following Resolution as Ordinary Resolution:
"RESOLVED THAT Shri Pawan Kumar, a Director who was appointed as an Additional Director as per provisions of Section 260 of the Companies, Act, 1956 and Article 77 of the Articles of Association by the Board of Directors in their meeting held on 27.01.2003 and who holds office up to the date of the ensuing Annual General Meeting and in respect of whom notice under Section 257 of the Companies, Act, 1956 have been received from Member Signifying their intention to propose Shri Pawan Kumar as a candidate for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation".
5. To consider and if thought fit to pass, with or without modification(s), the following Resolution as ordinary Resolution:-
"RESOLVED THAT Shri Nand Kishore Agarwal, a Director who was appointed as an Additional Director as per provisions of Sections 260 of the Companies, Act, 1956 and Article 77 of the Articles of Association by the Board of Directors in their meeting held on 27.07-2003 and who holds office up to date of the ensuing Annual General Meeting and in respect of whom notice under Section 257 of the Companies' act, 1956 have been received from members signifying their intention to propose Shri Nand Kishore Agarwal as a candidate for the office of the Director of the company be and is hereby appointed as a Director liable to retire by rotation".
6. To consider and if thought fit to pass, with without modifications, the following resolution as Special Resolution:
"RESOLVED THAT in terms of SEBI (Delisting of Securities) Guidelines, 2003, and also guidelines/ notifications issued/ to be issued by SEBI form time to time and subject to the provisions of the Companies' Act, 1956 (including any statutory modification(s) or reenactment thereof for the time being in force and as may be enacted hereinafter) and subject to such approvals, permissions and sanction, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Directors of the Company (herein after referred to as 'the Board', which term shall deem to include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution), consent is hereby accorded to the Board to get the Equity Shares of the Company delisted from the Stock Exchanges, Magadh Stock Exchange Association, Patna, Delhi Stock Exchange Association Ltd., New Delhi and Jaipur Stock Exchange Ltd., Jaipur".

By Order of the Board of Director

Sd/-

(PREM PRAKASH GUPTA)
MANAGING DIRECTOR

Place : New Delhi

Date : 28.7.2003

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF. PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.



ASHIANA AGRO INDUSTRIES LIMITED

2. The Register of Members and Share Transfer Register shall remain closed for a day, i.e., on 26th September, 2003.
3. The Shareholders are requested to communicate to the Registrar & Transfer Agent, change in address, if any at the address given in the Annual Report.
4. Members are requested to preferably send their queries to the Registered Office seven days before the date of AGM.
5. Shareholders are requested to bring their copy of Annual Report to the Meeting.
6. Members/Proxies should fill Attendance Slip for attending the meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting.
9. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the Regd. Office of the Company on all working days between 11.00 AM and 2.00 PM upto the date of the Annual General Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES' ACT, 1956

Item No.4 & 5

Mr Pawan Kumar is a graduate with experience in commercial and general management matters. Mr Nand Kishore Agarwal is B.Sc. LLB with long years experience in Accounting and Financial management.

The Board recommends passing the Resolutions. None of the Directors of the Company are interested in the proposed Resolutions.

Item No.6.

At present the equity shares of your Company are listed on the following Stock Exchanges;

1. The Stock Exchange, Mumbai
2. The Jaipur Stock Exchange Ltd., Jaipur
3. The Delhi Stock Exchange Association Ltd. New Delhi.
4. Magadh Stock Exchange Association, Patna

Trading volumes on Magadh, Jaipur and Delhi Stock Exchanges are negligible or nil. Your Company's shares are listed with Mumbai Stock Exchange having nation wide terminals. With net working facilities of BSE, the members of the Company have access to on-line dealings in Company's Equity shares across the country.

SEBI vide Circular No.SMD/Policy/Cir-7/2003 dt.17th Feb.03 issued fresh guidelines for Delisting of Securities. Pursuant to clause 5.2 relating to delisting of Securities (Voluntary) of a listed Company, an EXIT opportunity need not be given in cases where securities continue to be listed in a Stock Exchange having nationwide terminals.

Board of Directors considering the matters relating to non-trading of shares, cost reduction measures and availability of nation wide net working facilities of BSE decided to delist the shares from Stock Exchanges Patna, Jaipur and Delhi. The proposed delisting of the Company's Equity Shares from Patna, Jaipur and Delhi stock exchanges will not adversely affect any investor including the members in these regions because Company's Equity shares will continue to be listed on the Stock Exchange, Mumbai having nation wide terminals.

The Board recommends passing the Resolution.

None of the Directors is in any way interested or concerned in the resolution.

By Order of the Board of Director
Sd/-

(PREM PRAKASH GUPTA)
MANAGING DIRECTOR

Place : New Delhi
Date : 28.7.2003



ASHIANA AGRO INDUSTRIES LIMITED

DIRECTORS REPORT

To the Members

Your Directors take pleasure in presenting their Thirteenth Annual Report and Audited Accounts of the Company for the year ended 31st March 2003.

FINANCIAL HIGHLIGHTS

The summarised financial results for the year ended 31st March 2003 are as follows:-

	(Rupees in Lacs)	
	2001-2002	2002-2003
Total Income	16.14	13.43
Profit (+)/Loss (-) before Interest & Depreciation	(+) 6.45	(+) 5.16
Interest:	0.81	0.80
Depreciation :	4.43 (-) 5.24	4.43 (-) 5.23
Profit (+)/Loss (-) for the year	(+) 1.21	(-) 0.07
Add: Tax adjustments in respect of Earlier years	—	(+) 0.04
Balance Loss (-) brought Forward from previous year	(-) 307.13	(-) 305.92
Balance carried to Balance Sheet (Loss)	(-) 305.92	(-) 305.95

The relevant notes on the Accounts of the Company referred to in the Auditors' Report are self-explanatory.

DIVIDEND

Keeping in view the losses, the directors are unable to recommend payment of any dividend for the year under review.

REVIEW OF OPERATIONS

As you are aware the factory unit of your company has been lying closed for the last over six years. The efforts of your management to revive the Unit has not been successful so far. The accumulated losses at the end of the financial year stands at Rs. 305.95 lacs. Your management is in the process of identifying alternate business ventures so that operations of the company is carried forward for the benefit of shareholders.

DIRECTORS

Shri S.K. Ambastha resigned from the Board w.e.f. 27.01.2003. Shri Nand Kishore Agarwal and Shri Pawan Kumar were appointed as Additional Directors w.e.f. 27.7.03 and 27.1.03 respectively. These Directors hold office upto the ensuing AGM. Smt. Veena Gupta retires by rotation and is eligible for re-election. The Company has received notices under Section 257 of the Companies' Act 1956 signifying their intention to propose Shri Pawan Kumar and Shri Nand Kishore Agarwal as Candidates for the office of Directors.

FIXED DEPOSITS

Your Company has not accepted or invited any fixed deposits during the period under review.

AUDITORS

M/s. Vikram Kumar & Co., Chartered Accountants, Patna retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

PARTICULARS OF EMPLOYEES

There are no employees whose particulars are to be furnished pursuant to Section 217 (2A) of the Companies' Act (Particulars of Employees) Rules 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There are no particulars which are required to be furnished pursuant to 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 as the production activities of the Company remained suspended since April 1997. The Company has neither earned nor utilised any foreign exchange during the year under review.



ASHIANA AGRO INDUSTRIES LIMITED

LISTING OF SHARES

At present the Securities of the Company are listed with Magadh Stock Exchange Assn., Patna, the Jaipur Stock Exchange Ltd., Jaipur, The Delhi Stock Exchange Assn. Ltd., New Delhi and the Stock Exchange, Mumbai.

The Company proposes to delist the Shares from all the Stock Exchanges, except the Stock Exchange, Mumbai and the Board of Directors of the Company is seeking shareholders approval in this Annual General Meeting to delist the Equity Shares from all stock Exchanges except the Stock Exchange, Mumbai complying with the provisions of SEBI Circular No. SMD/Policy/Cir-7/2003 or any other Rules as applicable at the time of delisting takes place

DEPOSITORY SYSTEM

As per the SEBI Guidelines to have a common Share Transfer Agent for all services relating to physical and demat form of shares, M/S.Skyline Financial Services Pvt.Ltd. 123 Vinoba Puri, Lajpat Nagar-II, New Delhi 110024 have been appointed as Share Transfer Agent. All the members are requested to contact them for any kinds of share related matters.

IMPLEMENTATION OF THE CORPORATE GOVERNANCE:

As per Clause 49 of the Listing Agreement, Company has constituted the following committees:-

Shareholders Grievances Committee:

Shri Nand Kishore Agarwal, Director is the Chairman and Smt. Veena Gupta and Shri Pawan Kumar are members of the committee. Meeting of the shareholders grievance committee will be held at regular intervals to sort out all kinds of grievances of investors.

Remuneration Committee

Shri Pawan Kumar, Director is the Chairman and Shri Prem Prakash Gupta and Shri Nand Kishore Agarwal, Directors are the members of the Committee. The Committee will hold meetings at regular intervals and will review the remuneration of Directors and top executives.

Audit Committee

Shri Nand Kishore Agarwal, Director is the Chairman and Smt. Veena Gupta and Shri Pawan Kumar, Directors are the members of the Committee. The duties, responsibilities and powers of the committee has been defined by the Board at the time of its constitution in accordance with listing Guidelines.

DIRECTORS RESPONSIBILITY STATEMENT:

While preparing the Annual Financial statements the Company has adhered to the following:

1. In the preparation of the said financial statements the Company has followed the applicable accounting standards, referred to in Section 211(3-C) of the Companies' Act, 1956.
2. The Company has followed the said Accounting Standards and has been applying them consistently and has made judgement and estimates that are reasonable, prudent and are in the interest of the company's business, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2003 and of the profit/loss of the Company, for the said period.
3. 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.
4. The Directors have prepared the financial statements on a going concern basis.

OBSERVATION OF THE AUDITORS IN THE ANNUAL ACCOUNTS

The Auditors have made no comment in their Report.

By order of the Board of Directors

Sd/-

(PREM PRAKASH GUPTA)
MANAGING DIRECTOR

Sd/-

(SMT. VEENA GUPTA)
DIRECTOR

Place : New Delhi

Date : 28.7.03