



**AKASH AGRO
INDUSTRIES LTD.**

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***12th Annual Report
2002-2003***

12TH ANNUAL REPORT

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Venue:

Basement of Supath Flats,
Vijay Char Rasta,
Navrangpura,
Ahmedabad.


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NOTES :

1. All the correspondence relating to shares of the Company may please be addressed to the company's Registered office at 603, Supath, Vijay Char Rasta, Navrangpura, Ahmedabad 380 009.
2. Member are requested to bring their copy of the Annual Report to the Meeting.
3. Member seeking any further information about the Accounts and/or operations of the Company are requested to send their queries to the Company at its Registered Office at least 10 days before the date of Meeting.

AKASH AGRO INDUSTRIES LIMITED

BOARD OF DIRECTORS : Shri Bhupendra B. Patel
Shri Ajay N.Sheth
Shri Rajnikant B. Patel
Shri Rajendra B.Shah

AUDITORS : M/s Ashok Jethanand Gidwani
Chartered Accountants

BANKERS : The Jammu & Kashmir Bank Ltd
The Kadi Nagrik Sahkari Bank

REGISTERED OFFICE : 603, Supath Flats,
Vijay Char Rasta,
Navrangpura,
Ahmedabad

FACTORY : 1068, Kadi Road,
Chhatral (N.G.)

NOTICE

NOTICE is hereby given that the Twelveth Annual General Meeting of the Members of AKASH AGRO INDUSTRIES LIMITED will be held at Basement of Supath Flats, Vijay Char Rasta, Navrangpura, Ahmedabad-09 on Tuesday 30th September, 2003 at 11.00 A.M. to transact the following business :

ORDINARY BUSINESS :

1. To receive consider and adopt the Audited Balance Sheet as at 31st March, 2003 and Profit and Loss Account for the year ended on that date and the reports of the Directors and the Auditors thereon.
2. To appoint a Director Shri Bhupendra B. Patel who retires by rotation and being eligible offer himself for re-appointment.
3. To appoint a Director Shri Rajendra B. Shah who retires by rotation and being eligible offer himself for re-appointment.
4. To appoint Auditors of the company to hold office upto the conclusion of the next Annual General Meeting and to fix their remuneration.

On behalf of the Board

Place : Ahmedabad

Date : 27-08-03

BHUPENDRA B. PATEL

Chairman

NOTES :

1. A member entitled to attend and vote at the meeting is also entitled to appoint proxy to attend and vote instead of himself and such proxy need not be a member of the company. The proxies in order to be effective must be lodged with the company not less than 48 hours before the meeting.
2. Members are requested to notify immediately any change in their address to the Company's Registered Office.
3. Members are requested to bring their copies of the Annual Report to the meeting.
4. The Members/Proxies should bring the Attendance Slip sent herewith duly filled for attending the meeting.

AKASH AGRO INDUSTRIES LIMITED**DIRECTORS REPORT**

To

The Shareholder,

Your Directors have pleasure in presenting their Twelveth Annual Report together with AUDITED ACCOUNTS for the year ended on 31st March 2003.

FINANCIAL RESULT	YEAR ENDED 31.3.2003	YEAR ENDED 31.03.2002
Sales	69,21,86,690.41	50,07,44,009.71
Other Income	20,87,469.00	74,144.00
Profit Before depreciation and taxation	51,64,629.59	33,62,575.93
Depreciation charged	15,73,598.79	17,45,386.39
Profit before taxation	35,91,030.80	16,17,189.54
Profit after taxation	25,41,030.80	9,67,189.54
Defered Tax liabilities	3,88,227.32	5,75,647.45
Total	21,52,803.48	3,91,542.09
Add : Opening balnace of Profit & Loss Account	2,14,86,255.22	2,11,18,300.13
Profit available for Appropriation.	2,36,39058.70	2,15,09,842.22
Less : Prior Period Adjustment	2,30,972.00	23587.00
Profit Carried to Balance	2,34,08,086.70	2,14,86,255.22

REVIEW OF OPERATIONS:**DIVIDEND**

As a measure of abundant precaution and in order to retain the surplus for growth and expansion your Directors do not propose any dividend for the financial year 2002-2003.

OPERATIONS

During the year under review, the Company's income was Rs. 25.41 Lacs against Rs. 9.67 Lacs during the previous year. Higher turnover was possible on account of stringent efforts made by management at all the levels inspite of the continuous sluggish trend prevailing in the last couple of years.

FUTURE PLANS & DIVERSIONS

Your company is continuing to improve its performance because of its management's total focus on key strategic initiatives. Apart from this, the management has been aggressively examining the process by taking full advantage of technology to bring down costs across the organization to generate additional funds to fuel growth. The initiative have been successfully implemented by outstanding work force of the company to which the Board acknowledges its appreciation and gratitude.

PERSONNEL

There was no employee drawing remuneration as mentioned under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

DIRECTORS

Shri Bhupendra B. Patel and Shri Rajendra B. Shah retires by rotation at this annual general meeting and being eligible offers themselves for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 as amended by Companies (Amendment) Act, 2000 with respect to Directors Responsibility Statement, it is hereby confirmed;

- (i) that in the preparation of the accounts for the financial year ended 31st March 2003, the applicable accounting standards have been followed along with proper explanation relating to the material departures,

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- (ii) 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 the year under review,
- (iii) that 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,
- (iv) that the Directors have prepared the annual accounts on a 'going concern' basis.

LISTING AGREEMENT

Your Company is committed to good corporate governance practices. Under clause 49 of the listing agreement, your Directors are pleased to inform that your Company has implemented all the major stipulations prescribed under clause 49 of the listing agreement with the Stock Exchange(s). A certificate from the Statutory Auditors of the Company in line with clause 49 is annexed to and forms part of the Director's Report.

FIXED DEPOSITS

The company has not accepted deposit from public.

AUDITORS

You are requested to appoint the auditors for the current year and to fix their remuneration. The retiring auditors Ashok Jethanand Gidwani Chartered Accountants, are eligible and offer themselves for re-appointment. The Company has received a certificate from Ashok Jethanand Gidwani to the effect that their re-appointment, if made, will be within the prescribed limits specified in Section 224(1-B) of the Companies Act, 1956.

AUDITORS REPORT

The observations of the Auditors are explained wherever necessary in the appropriate notes annexed to the accounts. The explanations contained in the notes may be treated as information/explanations submitted by the Board as contemplated U/s.217(3) of the Companies Act, 1956.

POWER AND FUEL CONSUMPTION

Pursuant to Section 217 (1) of the Companies Act 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 the following information is provided.

Consumption of Energy	2003	2002
1. Coal Consumption :		
Coal Consumed (kg)	1642885	1355860
Amount (Rs)	21,61,021.00	17,27,703.00
Rate (Rs/Kg)	1.32	1.27
2. Electricity		
Unit Consumption	760943	602232
Amount (Rs.)	36,19,457.00	29,01,381.80
Rate (Rs/Unit)	4.75	4.81

ACKNOWLEDGEMENT

Your Directors wish to thank all the Executives, Employees and consultants of the company for rendering impeccable service to ever constituent of the company's clientele, their hard work, dedication and commitment.

For and on behalf of the Board of Directors

Date : 27-08-03
Place : Ahmedabad

BHUPENDRA B. PATEL
Chairman

AKASH AGRO INDUSTRIES LIMITED**CORPORATE GOVERNANCE UNDER CLAUSE 49 OF LISTING AGREEMENT**

Your Company is committed to the highest standards of corporate governance in all its activities.

Company's Philosophy on code of governance :

The Company's Philosophy of corporate governance is aimed at assisting the top management of the company in the efficient conduct of its business and in meeting its obligation to stakeholders.

Board of Directors :**a) Composition**

The Board of Directors of the Company consists of 4 Members comprising of.

- Three Promoters Directors who are in the Whole time employment of the Company.
- One Promoter Director.

b) Other Directorship / Committee memberships held :

No. of Directorships/

Name of Director	Category	Designation	Committee Memberships held in other companies	
			Director	Committee Member
Mr Bhupendra B. Patel	Promoter	W.T.D	One	Nil
Mr Rajendra B. Shah	Promoter	Director	Seven	Two
Mr Ajay N. Sheth	Promoter	W.T.D	Nil	Nil
Mr Rajnikant K. Patel	Promoter	W.T.D.	Nil	Nil

c) Board Meeting held during the year:

S. No.	Date of Board Meeting
1.	30/04/2002
2.	30/07/2002
3.	27/08/2002
4.	31/12/2002
5.	31/01/2003

d) Attendance of Directors at Board Meetings and Last Annual General Meeting :

Name of Director	Meetings Attended	Attendance at last AGM
Mr Bhupendra B. Patel	5	Yes
Mr Rajendra B. Shah	5	Yes
Mr Ajay N. Sheth	5	Yes
Mr Rajnikant K. Patel	5	Yes

Audit Committee**(a) Terms of Reference**

The Audit Committee Provides the Board with additional Assurance as to the adequacy of the Company's internal control systems and financial disclosures. The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors, and the Board of Directors. The Broad terms of reference of the Audit Committee are to review with the Management and / or Internal Auditors and / or Statutory Auditors in the following areas.

- i. Overview of Company's financial reporting process and financial information disclosures.
- ii. Review with Management, external and internal audits, the adequacy of internal control systems.
- iii. Review the adequacy and effectiveness of accounting and financial controls of the Company, compliance with the company's policies and applicable laws and regulations.
- iv. Review with Management, the Annual financial statement before submission to the Board.
- v. Recommending the appointment / removal of external and internal auditors, fixation of Audit fees.

NOTE:- No Independent Directors were available. The Company is making efforts to recruit Independent Directors to join the Audit Committee as required Under Clause 49 of Listing Agreement. At present the Company has form the Audit Committee consisting of Mr. Rajendra B. Shah Non Executive Director as Chairman and Mr. Bhupendra B. Patel the Executive Director of the Company.

12TH ANNUAL REPORT**(b) Composition, name of members and Chairman**

The Audit Committee of the Company comprises two members. The names of the members of the Audit Committee are as follows.

1. Shri Bhupendra Patel
 2. Shri R.B. Shah
- the Chairman of Audit Committee.

Meetings and Attendance During the Year

Name of the Director	No. of Meetings Held	No. of Meetings Attended
Shri Bhupendra Patel	3	3
Shri R.B. Shah	3	3

Remuneration policy

The Company does not have a Remuneration Committee. The Remuneration payable to whole-time Directors and Non-executive Directors are decided by the Board of Directors, subject to the approval of the Members. Details of Remuneration to Directors paid / payable for the Financial year 2002-03 is as follows.

a) Executive Directors		(Amount in Rupees)
Particulars	Designation	Amount in Rs.
Shri Bhupendra Patel	W.T.D.	1,96,000
Shri Ajay Sheth	W.T.D.	1,64,000
Shri Rajnikant Patel	W.T.D.	1,96,000

b) Non-Executive Directors

Non-Executive Directors are not paid sitting fees for attending Board and Committee meetings.

Shareholders / Investors Grievance Committee

As a measure of Good corporate Governance and to focus on the shareholder's grievances and towards strengthening investor relations, an investor's Grievance Committee has been constituted as sub committee of the Board.

a) The functions of the Committee include :

To specifically look into redressing investor's grievances pertaining to;

1. Transfer of shares
2. Dividend
3. Dematerialisation of Shares
4. Replacement of lost / stolen / mutilated Share Certificates.
5. Non-receipt of rights / bonus / split share certificates
6. Any other related issues

b) Constitution and composition

The committee was constituted with two directors under the Chairmanship of Non executive Director as follow.

1. Shri Bhupendra B. Patel
2. Shri Rajendra B. Shah - Non Executive Director

c) Others

Name and Designation of compliance officer:
Shri R.B. Shah

Investor Complaints Received and resolved during the year

Nature of Complaints	2002-2003
One Change of Address	Resolved

General Body Meetings**a) Particulars of last three Annual General Meetings:**

Venue	Date	Time	No. of Special Resolutions
Basement, Supath Flats, Vijay Char Rasta, Navrangpura, Ahmedabad.	30.09.00	11.00 AM	NIL