



Formerly Known as
ESSELS TEA EXPORTS LIMITED

ANNUAL REPORT & ACCOUNTS
2003-2004



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BOARD OF DIRECTORS

17th

Annual Report &
Accounts 2003-2004

Shri S. L. Agarwalla
Chairman

DIRECTORS

Shri S. K. Agarwal
Shri M. L. Kansal
Dr. H. P. Bezbrooah
Shri Basant Agarwal
Shri Binod Agarwal
Shri Sandeep Agarwal
Shri Kamal Kanti Agarwal

AUDITORS

Manoj Kr. Goyal
Chartered Accountants
1st Floor, Commerce Building
Bidhan Market Road, Siliguri

BANKERS

State Bank of Mysore
Punjab National Bank
Vijaya Bank
State Bank of Bikaner & Jaipur

SHARES TRANSFER

DEPARTMENT

S. K. Computers
34/1A, Sudhir Chatterjee Street
Kolkata - 6

REGISTERED OFFICE

264, M.G. Road
Siliguri (West Bengal)
Pin - 734405

GARDEN & FACTORY

Fatapukur, Dist. Jalpaiguri
(West Bengal)

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NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of Members of the Company will be held on Thursday, 30th September, 2004 at 10.00 A.M. of Meeting Hall of Hotel Embassy, Siliguri - 734401 to transact the following business :

ORDINARY BUSINESS : -

1. To receive, consider and adopt the audited Balance Sheet of the Company at 31st March, 2004 and the profit and Loss Account for the year ended as on that date and the report of the Board of Directors and of the Company's Auditors.
2. To appoint a Director in place of Shri Sandeep Agarwal, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Kamal Kant Agarwal, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri M. L. Kansal, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and fix their remuneration and for this purpose to consider and, if thought fit, to pass the following resolution with or without modification:

"RESOLVED the pursuant to the provisions of section 224 of the Companies Act 1956, M/s. Manoj Kumar Goyal be and is hereby appointed 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 of a remuneration to be decided mutually between the Board of Directors and the Auditors."

Special Business :

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

"Resolved that pursuant to the provisions of Section 61 and other applicable provisions, if any of the Companies Act, 1956 and Clause 6.1 and other applicable provisions of the Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003 (hereinafter referred to as "Delisting Guidelines") and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company ("Board" which term shall be deemed to include any Committee thereof) consent of the Company be and is hereby accorded to the Board to delist Equity Shares of the Company from the Madras Stock Exchange ("MSE"), The Jaipur Stock Exchange ("JSE") and The Calcutta Stock Exchange Association Ltd. ("CSE").

Resolved Further that the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in regard to the aforesaid voluntary Delisting of shares as it may in its absolute discretion deem fit without being required to seek any further approval of the Members or otherwise to the end and intend that the Members shall be deemed to have given their approval expressly by the authority of this resolution.

Resolved Further that the Board be and is hereby authorised to take all necessary steps in this



regard in order to comply with all the legal and procedural formalities and further to authorise any of its Directors or any of the Officers of the Company to do all such acts, deeds, matters and thing that may be necessary to implement this resolution."

Place : Siliguri
Date : 7th August, 2004

By Order of The Board
S. K. Agarwal
Director

NOTES :

1. Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member of the company.
2. A Instrument of proxies in order to be effective must be deposited with the company at its Registered office not less than 48 hours before the commencement of the meeting.
3. The register of members of the Company and Share Transfer Book will remain closed from 25th September 2004 to 30th September 2004 (both days inclusive).
4. The explanatory statement pursuant to the provisions of Sec. 173(2) of the Companies Act. 1956 is Annexed to this notice.
5. Members who have multiple registered folios in identical order on name(s) are requested to write to the Company quoting their Registered Folio No.(s) and enclosing their Share Certificate, for consolidation of all such shareholding into one registered folio to facilitate better service.
6. Members are requested to bring the attendance slip alongwith copies of Annual Reports to the Meeting.

EXPL STATEMENT

Item No. 6 :

The Securities and Exchange Board of India vide its SMD/Policy? CIR-7/2003, issued "Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003" on 17-02-2003. As per the Guidelines, with the approval of the shareholders, a listed company can delist its securities voluntarily if the securities of the Company have been listed for a minimum period of 3 years on any stock exchange and the securities continue to be listed in a stock exchange having nationwide terminals.

Presently, the Company's shares are listed on The Bombay Stock Exchange ("BSE") and Stock Exchange of Madras, Jaipur and Calcutta. At the time of listing of the shares in the Stock Exchanges at Madras, Jaipur and Calcutta, BSE was not having nationwide terminals for servicing the investors.

Now, BSE is having their trading terminals all over India. Hence the de-listing of shares in the Stock Exchanges at Madras, Jaipur and Calcutta would not affect the interest of the shareholders. Thus with the approval of shareholders, it is proposed to de-list the shares of the Company at the Stock Exchange of Madras, Jaipur and Calcutta in terms of Guidelines of SEBI.

Accordingly the Board Commends passing of the resolutions as set out at Item No. 6 of the accompanying notice.

None of the Directors of the Company is, in any way, concerned or interested in the said Resolution.



Additional Information required to be furnished under the listing agreement :

As required under the listing agreement, the particulars of Directors who are proposed to be appointed/re-appointed are given below :

1. Name : Sri Sandeep Agarwal
Age : 28 Years
Qualification : B. A. (Hons.), L.L.B.
Expertise : In finance & Accounts.
Other Directorship : None
2. Name : Sri Kamal Kant Agarwal
Age : 30 years
Qualifications : Graduate
Expertise : In Tea Manufacturing & Plantation since last 5 years.
Other Directorships : Nil
3. Name : Sri M. L. Kansal
Age : 45 year
Qualifications : F. C. A.
Expertise : In Finance & Accounts
Other Directorship : Nil



DIRECTORS REPORT TO THE MEMBERS OF BANSISONS TEA INDUSTRIES LIMITED

Dear Shareholders,

Yours Directors present herewith your Company's Fifteenth Annual Report together with the Audited Accounts for the year ended 31st march 2004.

Financial Result	(Rupees in Lakhs)	
	31/03/04	31/03/03
Net Sales / Income from operations	41.04	105.10
Other Income-Interest (Net)	0.01	0.93
Total Expenditure	70.83	136.04
Gross Profit / (Loss) After Interest but before depreciation and Taxation	(29.79)	(30.01)
Depreciation	11.52	11.92
Profit/ (Loss) for the year after Depreciation	(41.30)	(41.93)
Profit / (Loss) before Tax	(41.30)	(41.93)
Provision for Taxation	Nil	Nil
Taxation	Nil	Nil
Profit/ (Loss) after Tax	41.30	41.93
Paid-Up Equity Share Capital	619.75	619.75
Reserves Excluding Revaluation	9.83	49.13

MANAGEMENT DISCUSSION AND ANALYSIS:

Pursuant to clause 49 of the Listing Agreement a Management Analysis Report is given below:

A. INDUSTRY BACKGROUND

Tea is one of the oldest industries in India started during the British rule. India is not only the largest producer of tea but is also the largest consumer. Tea is an important industry for India since it earns a substantial amount of foreign exchange by way of exports even though the quantum and value of exports has been coming down over the last few years.

B. INDUSTRY OUTLOOK

The Company has a long experience of tea plantation, production and marketing. The availability of land for tea cultivation is limited and not all land is suitable for tea cultivation. The Company has inducted into the Board the well experienced people. Government regulation and control also affect the tea industry., The multiplicity of taxes on the industry also affect



Directors Report (Contd....)

profitability. Production of tea is highly dependent on climatic and soil conditions. The Government of India is expected to continue to support the industry, which is a major foreign exchange earner.

C. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The Company has adequate internal control systems commensurate with the size of its operations and for the purpose of exercising adequate controls on the day-to-day operations. Systems are regularly reviewed to ensure effectiveness.

D. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS :

During the year there are no material developments in Human Resources. Due to labour problem there was a lock-out between 20/06/2003 to 22/04/2004

OPERATIONS:

The Company has concentrated its main activities in increasing the tea plantation maintenance of the bushes and tea manufacturing.

DIVIDEND

Due to non-availability of distributable profitability your Directors regret their inability to recommend any dividend in respect of Equity shares for the year under review.

DIRECTORS

In terms of article of Association of your Company read with Section 255 of the companies Act, 1956. Shri Sandeep Agarwal, Kamal Kant Agarwal and M. L. Kansal retires at the forthcoming Annual General Meeting, but being eligible offers themselves for reappointment.

AUDITORES

M/s. Monoj Kumar Goyal, Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The Company has received a certificate from the Auditors that they are qualified under section 224(1B) of the Companies Act 1956, to Act as the Auditors of the Company, if re-appointed.

PERSONNEL

None of the employee of the Company is drawing remuneration exceeding the limits specified under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.



Directors Report (Contd.....)

PUBLIC DEPOSIT

Your Company has not accepted any deposit(s) within the meaning of Sec-58A of the Companies Act, 1956 and the rules made thereof.

RESPONSIBILITY STATEMENT

The Directors Confirms,

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. that the directors had selected such accounting policies and applied them consistently and made judgements 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;
3. that the directors had 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 the company and for preventing and detecting fraud and other irregularities;
4. that the directors had prepared the annual accounts on a going concern basis.

SUBSIDIARY

The Company does not have any subsidiary within the meaning of Sec-4 of the Companies Act, 1956.

STATEMENT PURSUANT TO LISTING AGREEMENT

Presently the Company's share are listed at the stock exchange mumbai(BSE), Calcutta stock exchange, madras stock exchange and Jaipur stock exchange.

CORPORATE GOVERNANCE

Your Company has always been committed to the best practices in the governance of its affairs. The Board is taking efforts to comply the same. Kindly refer to ANNEXURE 'A' to Directors Report. The Auditors Certificate on compliance with the mandatory requirements of Corporate Governance is given in Annexure "A" to this Report.

AUDITORS REPORT

With reference to the observations made by the Auditors in their report, the directors are to state that the notes submitted by the Board as contemplated under section 217(3) of the Companies Act, 1956; forming part of Company's Accounts are self explanatory and therefore do not call for any further clarification.

Directors Report (Contd.....)



Directors Report (Contd.....)

INFORMATION PURSUANT TO SECTION 217(1)(E) OF THE COMPANIES ACT, 1956

As per sec-217(1)(e) of the Companies Act, 1956 read with the companies 9Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 the relevant data pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo are setout as hereunder;

PARTICULARS	Year ended 31st March 2004	Year ended 31st March, 2003
	Rs.	Rs.
A. Power & Fuel Consumption		
1. Electricity		
Unit	Nil	1,31,195
Total Amount (In Lakhs)	Nil	8.00
Rate in (Rs)/ unit	Nil	6.10
2. Own Generation (Estimated)		
Through Diesel Generator (Unit)	35809	1,14,300
Unit per Ltr. of Diesel oil	4.37	3.97
3. Furnance Oil (Including L.D.O.& Diesel)		
Quantity (Ltrs)	14853	1,00,828
Total Amount (Rs.)	210912	13,88,680
Average Rate (Rs.)	14.20	13.77
B. Consumption per unit production :		
Products (with) details unit:		
Electricity	Nil	4.88
Own Generation (D.G. Set)	4.37	3.97
Furnance Oil (Including L.D.O.)(Rs.)	4.73	4.59
Coal (Specified Quality)	Nil	Nil
Other (Specified)	Nil	Nil