

10TH ANNUAL REPORT

2002-2003

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BAJWA AGRO INDUSTRIES LIMITED

BAJWA AGRO INDUSTRIES LIMITED**BOARD OF DIRECTORS**

Mr. Kripa Shankar Saroj, IAS (Chairman)
Mr. Gaganjit Kashyap
Ms. Anjana Kapoor
Mrs. Gurbachan Kaur Bajwa
Mr. J.L. Sharma
Mr. Amrinder Singh
Mr. F. J. S. Bajwa (Managing Director)

AUDITORS

M/s Anoop Kumar Sharma & Associates
Chartered Accountants
SCO 2407 - 2408, 2nd floor,
Sector 22 - C, Chandigarh.

BANKERS

Punjab & Sind Bank
Canara Bank

Registered Office :

S.C.O. 477-478, 11nd Floor
Sector 35-C, Chandigarh.

WORKS

Buttar Road, Quadian,
Distt. Gurdaspur, Punjab - 143 516.

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BAJWA AGRO INDUSTRIES LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 10th Annual General Meeting of members of Bajwa Agro Industries Limited Industries Ltd. will be held on Tuesday the 30th day of September, 2003 at 11:30 AM at the registered office of the company at S.C.O. 477-478, Sector - 35 C, Chandigarh, to transact the following business: -

ORDINARY BUSINESS:

ITEM NO. 1

To receive consider and adopt the Audited Balance Sheet as at 31.03.2003 and Profit and Loss Account for the period ended 31.03.2003 along with the reports of Auditors and Directors thereon.

ITEM NO. 2

To appoint a Director in place of Mrs. Gurbachan Kaur who retires by rotation and does not offer herself for re-appointment.

ITEM NO. 3

To appoint a Director in place of Sh. Gaganjit Kashyap who retires by rotation and is eligible for reappointment.

ITEM NO. 4

To consider and if though fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION: -

" RESOLVED that M/s Anoop Kumar Sharma and Associates, Chartered Accountants, be and are hereby re-appointed as the Statutory Auditors of the company for the financial year 2003-2004 to hold such office from the conclusion of 10th Annual General Meeting until the conclusion of next Annual General Meeting at a remuneration as may be determined by the Board of Directors."

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For and on behalf of Board of Directors

Date: 27-8-2003
Place: Chandigarh

Sd/-
(F J S Bajwa)
Managing Director

NOTES: -

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and on a pole, to vote instead of himself/ herself and such a proxy need not be a member of the company. A proxy in order to be effective must be deposited at the Registered office of the company not less than 48 hours before the meeting. A blank a proxy form is enclosed herewith.
2. The register of members and share transfer books will remain closed from 26.09.2003 to 30.09.2003 (both days inclusive).
3. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
4. Members desirous of seeking any further information on this Annual Report are requested to send their queries in writing to the company at its Registered Office so as to reach 7 days before the date of meeting.
5. The shares of the company have been compulsorily dematerialized w.e.f. October 30th, 2000. Members desirous of getting their holding converted in to dematerialized form are requested to approach their depository participant for doing the needful.

BAJWA AGRO INDUSTRIES LIMITED

6. Explanatory statement pursuant to section 173 (2) of the Companies Act, 1956 is annexed

For and on behalf of Board of Directors

Date: 27-8-2003
Place: Chandigarh

Sd/-
(F J S Bajwa)
Managing Director

Explanatory statement pursuant to section 173 (2) of the Companies Act, 1956

M/s Anoop Kumar Sharma, Chartered Accountants, statutory auditors holds office up to the conclusion of ensuing Annual General Meeting and are eligible for re-appointment for the year 2003-2004.

Section 224A of the Companies Act 1956 provides that if more than 25% of the paid up capital of a company is held by a Govt. company, the appointment/ re-appointment of auditors shall be made by way of special resolution. Out of the present paid up capital of the company, shares to the tune of 35.72% of paid up capital of the company are held by Punjab Agro Industries Corporation Limited. Hence, the necessity of this resolution.

None of the Directors of the company is interested in the re-appointment of statutory auditors.

For and on behalf of Board of Directors

Date: 27-8-2003
Place: Chandigarh

Sd/-
(F J S Bajwa)
Managing Director

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BAJWA AGRO INDUSTRIES LIMITED**DIRECTOR'S REPORT**

Dear Members,

Your Directors have pleasure in presenting the 10th report together with the audited accounts of the company for the period ended 31st March 2003. The accounting period under review consists of 9 months.

FINANCIAL RESULTS:

	(Rs. In lacs)	
	2002-2003 (9 Months)	2001-2002 (15 Months)
Sales	15.01	12.72
Profit/(Loss) before Interest & Depreciation	(0.13)	(28.27)
Less: Interest & Financial Charges	305.86	433.14
Depreciation	38.41	68.48
Extra Ordinary Items	--	--
Net Profit/ (loss)	<u>344.27</u> <u>(344.40)</u>	<u>497.32</u> <u>(525.59)</u>

OPERATION

During the period under review, the refinery was in operation. The Solvent Extraction Plant has already been closed down for the last four years.

REFERENCE TO BIFR

The company has been declared sick industrial company within the meaning of section 3(1)(0) of the Sick Industrial Companies (Special Provisions) Act, 1985. The BIFR had passed order on 4th April 2000 directing IFCI to invite offer for Rehabilitation of the unit by change in Management, Takeover/ Lease/ Amalgamation / Merger. There is no further information on its status from IFCI.

The company has, of its own, initiated for one time settlement with Industrial Finance Corporation of India & Banks. The matter is under their consideration.

FINANCES:**DIVIDEND**

Due to continuous losses yours Directors do not recommend any dividend.

DEPOSITS

Your company has not accepted any deposits from public during the year under review.

BAJWA AGRO INDUSTRIES LIMITED

DIRECTORS

During the period under review, Sh. Rajiv Bali resigned and ceased to be the director of your company w.e.f. 01.04.2003. Your Board appreciated the contribution made by the outgoing director during his tenure.

Mrs. Gurbachan Kaur Bajwa and Sh. Gaganjit Kashyap, directors retire by rotation at the forthcoming Annual General Meeting. While Mrs. Gurbachan Kaur Bajwa has not offered herself for re-appointment at the Annual General Meeting, Mr. Gaganjit Kashyap, being eligible, offers himself for re-appointment as director.

DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance to the provision of section 217(2AA) of the Companies Act 1956 the Directors confirm that:-

1. In the preparation of accounts for the period ended 31.03.2003 the applicable accounting standards have been followed along with the proper explanations relating to material departure, if any.
2. The accounting policies as mentioned in schedule 19 A of the annual accounts have been selected and applied consistently and Directors have made judgments and estimates that are responsible and prudent so as to give a true & fair view of the state of affairs of the company as at 31st March 2003 and of the Loss of the Company for the period ended on that date.
3. The proper and sufficient care has been taken for the maintenance of adequate records in accordance with the provisions of Companies Act 1956 for safe guarding the assets of the company and for preventing and detecting frauds and other irregularities.
4. The annual accounts for the period ended 31.03.2003 have been prepared on going concern basis.

CORPORATE GOVERNANCE

The report on corporate governance is annexed and forms an integral part of this report.

AUDITORS

M/s Anoop Kumar Sharma & Associates, Chartered Accountants, retire at the conclusion of ensuing Annual General Meeting and being eligible, offers themselves for reappointment. The company has received certificate from the retiring auditors, that their reappointment, if made, will be within the prescribed limits of section 224(1B) of the Companies Act, 1956.

The notes on accounts as referred to in auditor's reports are self-explanatory and therefore do not call for any further comments.

PARTICULARS OF EMPLOYEES

The information as required under section 217(2A) of The Companies Act, 1956 has not been provided, as none of the employee is covered under the provisions of said section.

CONSERVATION OF ENERGY:

The particulars of energy conservation, technology absorption etc. required under the Companies Act, (Disclosure of particulars of the report of board of directors) rules 1988, are nil as the company did not carry any manufacturing activity during the period under review.

FOREIGN EXCHANGE:

Foreign exchange earning and out go during the period was nil.

INDUSTRIAL RELATIONS:

The industrial relation at the plant of the Company remained cordial during the period.

BAJWA AGRO INDUSTRIES LIMITED

ACKNOWLEDGEMENTS:

The Director's wish to records their appreciation of the services rendered and contribution made by the employees. The Directors also convey their grateful thanks to the financial institutions, Banks, Government Authorities, Shareholders for their continued assistance and co-operation.

For and on Behalf of the Board

Date: 27-8-2003
Place: Chandigarh

Sd/-
(Sh. J.L. Sharma)
Director

Sd/-
(Sh. F J S Bajwa)
Managing Director

