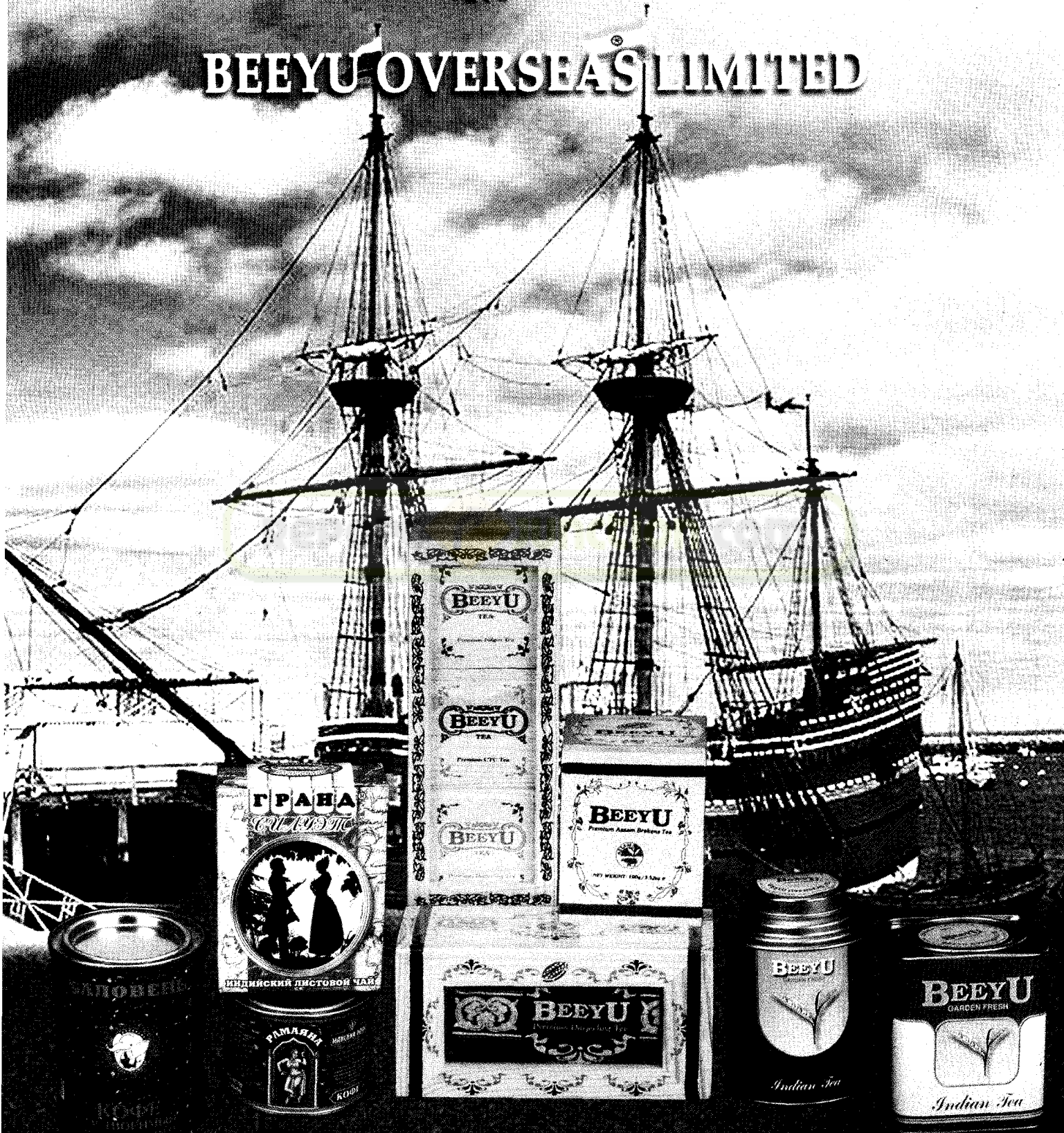




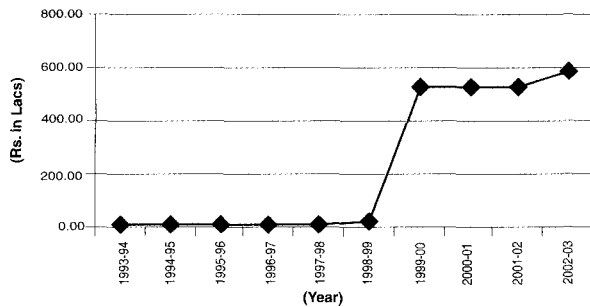
# BEEYU OVERSEAS LIMITED



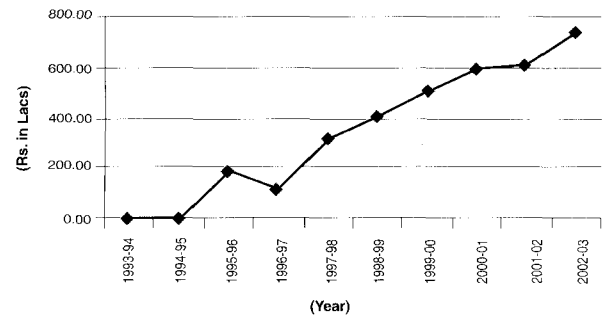
# 2002-2003 Annual Report

# Beeyu's performance in last 10 years

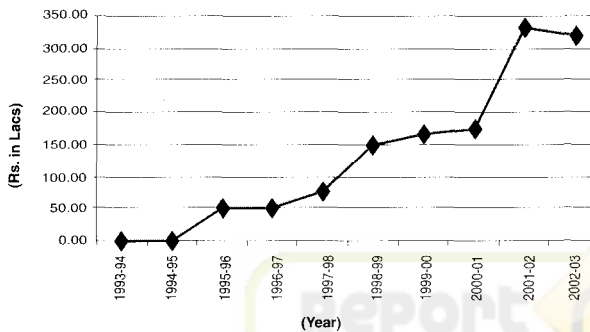
## Share Capital



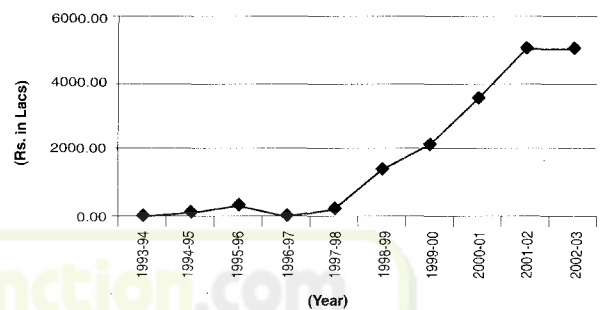
## Fixed Deposits



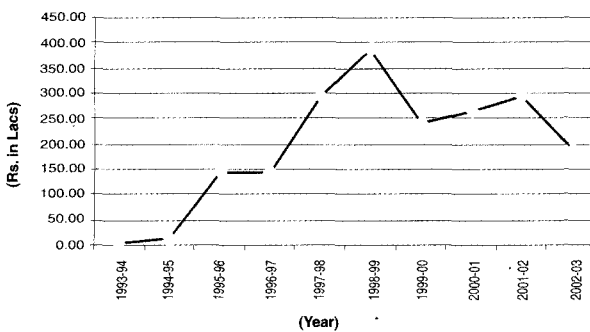
## Reserves



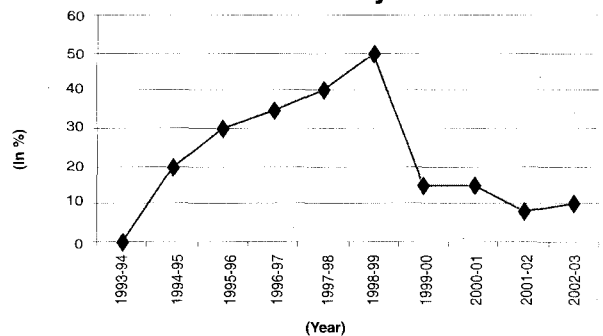
## Sales



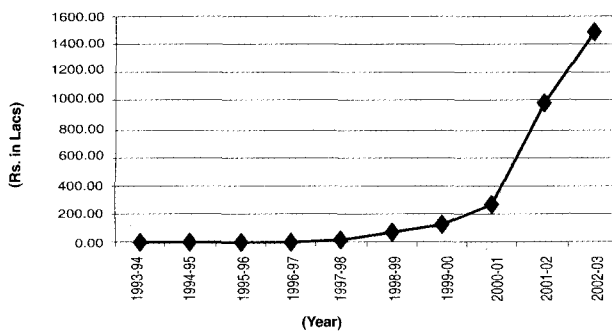
## Undistributed Profit



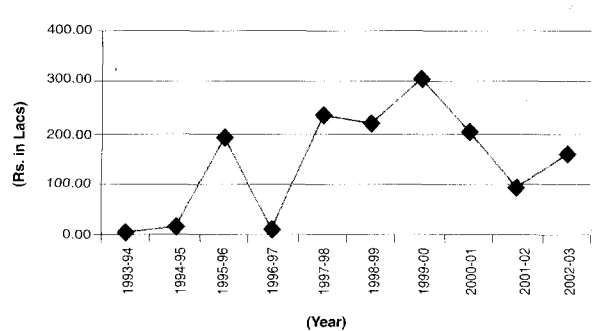
## Dividend Payouts



## Fixed Assets



## Profit before Tax





## NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of the members of Beeyu Overseas Limited will be held at Hotel Oberoi Grand, 15 Chowringhee Road, Kolkata - 700 015, on Saturday, the 20th September, 2003 at 11.00 a.m. to transact the following business :

### AS ORDINARY BUSINESS :

1. To consider and adopt the Balance Sheet as at 31st March, 2003, the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Arabinda Bose, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Dr. R. Srinivasan, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors for the current year and to fix their remuneration.

### AS SPECIAL BUSINESS :

To consider and if thought fit, to pass with or without modification(s) the following resolutions :-

#### 6. As an Ordinary Resolution :

"RESOLVED THAT subject to the provisions of Sections 198, 309 and 310 of the Companies Act, 1956 read with Schedule XIII to the said Act and subject to the approval of the Reserve Bank of India, as may be required, and such alterations and modifications, if any, that may be effected by the Reserve Bank of India in granting such approvals which the Board of Directors be and is hereby authorised to agree to, consent of the Company be and is hereby accorded to the provision of perquisites to Mr. Ravi Singh, Vice - Chairman of the Company for the period from 1st April, 2003 to 31st May, 2006 as per the terms and conditions set out in the Company's letter dated 24th May, 2003 addressed to Mr. Ravi Singh, a copy whereof is placed before the meeting duly initialled by the Chairman for the purpose of identification, and that the Board of Directors of the Company be and is hereby authorised to alter and vary the terms and conditions in accordance with the applicable laws for the time being in force as may be agreed to by the Board of Directors and Mr. Ravi Singh.

#### 7. As an Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956 and Article 59 of the Articles of Association of the Company, the Authorised Share Capital of the Company be increased from Rs. 6.00 crores divided into 60,00,000 equity shares of Rs. 10/- each to Rs. 7.25 crores by creation of 12,50,000 further equity shares of Rs. 10/- each ranking *pari passu* in all respects with and carrying the same rights as the existing equity shares.

#### 8. As an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 16 and other applicable provisions, if any, of the Companies Act, 1956 the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V by the following clause.

"V. The Authorised Share Capital of the Company is Rs. 7,25,00,000/- (Rupees seven crores twenty five lacs only) divided into 72,50,000 equity shares of Rs. 10 each."

#### 9. As an Ordinary Resolution :

"RESOLVED THAT

- a) pursuant to the recommendations made by the Board of Directors in this behalf and pursuant further to Article 188 of the Articles of Association of the Company and subject to the guidelines prescribed by SEBI in this behalf and agreed to by the Board of Directors a sum of Rs. 1,17,03,340 (Rupees one crore seventeen lacs three thousand three hundred forty only) being a part of the amount standing to the credit of the Company's General Reserve Account in its Books be and the same is hereby capitalised and accordingly, the said sum of



Rs. 1,17,03,340 be transferred from the said account to Share Capital and the aforesaid sum of Rs. 1,17,03,340 be applied in making payment in full at par for 11,70,334 equity shares of Rs. 10 each in the capital of the Company, such shares to be distributed and credited as fully paid up among the holders of the existing 5851670 equity shares in the proportion of 1 (one) bonus share of Rs. 10/- each fully paid-up for every 5 (five) fully paid-up equity shares held by such holders respectively on the date to be determined and fixed by the Managing Director of the Company in that behalf;

- b) the said 11,70,334 new equity shares of Rs. 10/- each to be issued and allotted as fully paid-up bonus shares pursuant to this resolution shall be subject to the Memorandum & Articles of Association of the Company and shall rank *pari passu* in all respect with and carry the same rights as the existing equity shares;
- c) notwithstanding the date or dates of allotment, the said new bonus equity shares shall be entitled to participate in full in any dividends that may be declared for any financial year ending 31st March, 2004 and thereafter;
- d) the said 11,70,334 bonus equity shares of Rs. 10/- each shall also be treated for all purposes as an increase in the nominal amount of the capital of the Company held by each such member and not as income;
- e) in making the distribution of the new shares as aforesaid, the Board shall not issue fraction shares, but the new shares represented by the total number of such fractional shares shall be allotted to any person or persons, whether in the employment of the Company or not, appointed by the Board of Directors for this purpose who shall hold the shares so allotted as Trustee(s) for and on behalf of the members who would have been entitled to the fractional shares if they had been issued and that the said person or persons shall as soon as practicable sell the same and after deducting all expenses of sale distribute the net sale proceeds to the members entitled thereto in proportion to their respective fractional entitlements who shall accept the same in full satisfaction of their respective rights and interest in the said capitalised sum of Rs. 1,17,03,340/-;
- f) no letter of allotment shall be issued and the new shares allotted shall be credited to the accounts of the beneficiaries, in case of shares held in dematerialised form, and the certificates in respect of the new shares shall be ready for delivery, in case of shares held in physical form, within 3 months from the date of allotment;
- g) the Board of Directors of the Company be and are hereby authorised at their discretion to agree to and/or accept any change, modification, alteration, conditions or any other direction as to the amount to be capitalised or the proportion in which the bonus shares are to be allotted having regard to the existing holding, or the basis and/or the terms and conditions (including the entitlement as to the dividend) attached to the proposed issue of bonus shares, as may be prescribed by SEBI in their guidelines in this regard, and/or any other authority concerned without any further consent or concurrence of the shareholders in the General Meeting;
- h) for the purpose of giving effect to the resolution, the Board of Directors be and is hereby authorised to take all necessary steps and to do all acts, deeds and things and to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever which may arise in regard to the issue, allotment and distribution of the said new equity shares as they may think fit;

"RESOLVED FURTHER THAT subject to unforeseen or unavoidable adverse circumstances, the Directors intend to declare and/or to recommend the declaration of dividend at the rate of not less than 8% on the expanded paid-up share capital of the Company in the year immediately after the issue of bonus shares".

Registered Office :  
 'Beeyu House'  
 64A, Ballygunge Circular Road  
 Kolkata - 700 019  
 Dated : 24th May, 2003

By Order of the Board

R. Chattopadhyay  
 Secretary

**NOTES :**

- I. The Register of Members and the Share Transfer books of the Company shall remain closed from 08.09.2003 to 20.09.2003 (both days inclusive).
- II. A member entitled to attend and vote at a meeting is entitled to appoint a proxy and vote instead of himself/herself and the proxy need not be a member of the Company. A proxy may be sent in the form enclosed and in order to be effective must reach the Registered Office of the Company atleast 48 hours before the meeting.
- III. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item Nos. 6, 7, 8 & 9 is enclosed hereto and forms part of the notice.
- IV. Members are requested to :-
  - a) Notify change of address, if any.
  - b) Send queries, if any, regarding audited accounts atleast 10 days before the meeting.
  - c) Bring with them their copy of the Annual Report in the meeting.
  - d) Please note that as per the Notification of SEBI, the Company's Equity Shares have come under compulsory dematerialised trading with effect from 22nd September, 2000, for all investors. Members are, therefore, requested to get their Shares dematerialised to avoid inconvenience in future.

The information as required to be provided in terms of the Listing Agreement with the Stock Exchanges regarding the Directors who are proposed to be appointed/re-appointed is annexed.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****Item No. 6**

Members will recall that Mr. Ravi Singh's appointment as Deputy Managing Director of the Company for a period of 5 years with effect from 1st June, 2001 was approved at the Annual General Meeting held on 29th September, 2001. Mr. Ravi Singh has since been re-designated as Vice-Chairman of the Company at the Board Meeting held on 24th May, 2003. Mr. Ravi Singh is an NRI and based in the Company's office in Moscow. Mr. Ravi Singh being an NRI, does not draw any remuneration from the Company. In connection with the Company's business, Mr. Ravi Singh is required to visit India several times in one year. The Board of Directors, however, considers it fit to provide certain limited perquisites to Mr. Ravi Singh as detailed below:

1. Payment of air fares to Mrs. Ravi Singh and his child/children for travel to and from Moscow to India.
2. Reimbursement of medical expenses in India upto Rs. 60,000/- per annum to meet medical expenditure in India.

The above payments to be made subject to deduction of Income Tax at source at the rates applicable to an NRI. The provision of perquisites to Mr. Ravi Singh will require members approval and further subject to the regulations framed by the Reserve Bank of India for making payments to Non-Residents.

None of the Directors except Mr. Ravi Singh, Mr. B. P. Singh, Mrs. Usha Singh and Ms. Rajinie Singh are concerned or interested in the resolution.

The above may treated as an abstract of terms of Mr. Ravi Singh under Section 302 of the Companies Act, 1956.

Copy of Company's letter dated 24th May, 2003 addressed to Mr. Ravi Singh setting out the revised terms shall be available for inspection by the members of the Company on all working days prior to the date of the Meeting between 10 a.m. and 12 noon.

**Item Nos. 7 & 8**

The Authorised Capital of the Company at present is Rs. 6.00 crores divided into 60,00,000 equity shares of Rs. 10/- each. With the growing expansion of the Company's business it is desirable to bring the Authorised Capital of the Company in proper correlation with the magnitude of the Company's resources and size of its undertaking. Further, the issue of Bonus shares as proposed under item no. 9 it is necessary to increase the Authorised Capital of the Company. It is, therefore, considered advisable to increase the Authorised Capital of the Company from Rs. 6.00 crores to Rs. 7.25 crores by creation of 12,50,000 equity shares of Rs. 10/- each. Consequent upon the increase in Authorised Capital of the Company, the Memorandum of Association of the Company will require alteration so as to reflect the increase in share capital. Under Section 94 of the Companies Act, 1956 and Article 59 of the Articles of Association of the Company, amendment of the Memorandum of Association of the Company require the approval of the members in General Meeting and hence the resolutions as set out in Item Nos. 7 and 8 are proposed.

None of the Directors are concerned or interested in the passing of these resolutions except as holders of equity shares of the Company as set out below :

<u>Name of Directors</u>	<u>No. of Shares held</u>
Mr. B. P. Singh	2700405
Mr. A. R. Basu	6930
Mr. Arabinda Bose	6100
Mrs. Usha Singh	17270
Ms. Rajinie Singh	1760
Mr. S. K. Jain	550
Dr. R. Srinivasan	550

**Item No. 9**

The amount standing in the General Reserve as on 31.03.2003 as per the Balance Sheet is Rs. 43815151. In order to bring the paid-up share capital of the Company more in line with the capital employed, the Board of Directors consider that it is desirable to capitalise a sum of Rs. 1,17,03,340/- by withdrawing a sum of Rs. 1,17,03,340/- from the General Reserve Account and apply the same for allotment of 1170334 bonus equity shares of Rs. 10/- each credited as fully paid in the proportion of one new fully paid equity share as bonus share for every five existing equity shares fully paid-up to the holders of the existing 5851670 equity shares on a date to be fixed by the Managing Director.

The bonus shares proposed to be issued will rank *pari passu* in all respects and carry the same rights as the existing equity shares of the Company and will be entitled irrespective of the date or dates of their allotment to participate in full or in any dividend to be declared for any financial year ending 31st March, 2003 or thereafter. The date when determined by the Managing Director for the purpose of Bonus Issue as well as for the closure of the Register of Members for that purpose will be notified in the press and to the Stock Exchanges in Kolkata, Cochin and Coimbatore.

With the view to avoid difficulties which may arise by issue of fractional certificates, the Board of Directors has decided not to issue fractional certificates. All fractions, shall, however, be consolidated into full shares, which shall be allotted at the discretion of the Directors to any person or persons in trust for the benefit of the members entitled to such fractional entitlements for the purpose of selling such consolidated full bonus shares and the sale proceed of such consolidated full bonus shares shall, after deducting all costs, charges and expenses in connection with sale, be divided and distributed proportionately amongst the members otherwise entitled to fractions. The proposed resolution provides for dealing conveniently with fractional entitlements.

No allotment letter will be issued and the new shares shall be credited to the Accounts of the beneficial owners, in case of shares held in dematerialised form and the certificates, in case of shares held in physical form shall be delivered within 3 months from the date of allotment. In order that the bonus shares are issued expeditiously and for the sake of administrative convenience, it is proposed to empower the Board of Directors to take necessary action as they deem fit to implement these resolutions.

In accordance with Article 188 of the Articles of Association of the Company, approval of the members is required for capitalisation of profits and hence the resolution set out here is proposed.

The directors of Company may be deemed to be interested in the said resolution to the extent of bonus shares which may be proportionately allotted to them on the existing shareholdings in the Company.

Registered Office :  
'Beeyu House'  
64A, Ballygunge Circular Road  
Kolkata - 700 019

Dated : 24th May, 2003

By Order of the Board

R. Chattopadhyay  
Secretary

**Particulars relating to Directors proposed to be appointed/re-appointed :**

1. Name	: Mr. Arabinda Bose
Age	: 52 years
Qualification	: —
Expertise	: Mr. Arabinda Bose has vast experience in the Tea Industry, especially in the export market.
<u>Other Directorships</u>	<u>Committee Memberships, if any, with position</u>
None	None
2. Name	: Dr. R. Srinivasan
Age	: 72 years
Qualification	: Chartered Accountant
Expertise	: Dr. Srinivasan is an eminent banker and has held positions as chairman of renowned Indian Banks.
<u>Other Directorships</u>	<u>Committee Memberships, if any, with position</u>
Name of Company	
J. L. Morison (India) Ltd.	—
Graphite India Ltd.	Audit Committee and Shareholders and Investors Grievance Committee
Elder Pharmaceuticals Ltd.	Audit Committee and Shareholders and Investors Grievance Committee
Goldiam International Ltd.	Audit Committee
Eveready Industries India Ltd.	Audit Committee and Remuneration Committee

**BOARD OF DIRECTORS**

Mr. B. P. Singh	<i>Executive Chairman</i>
Mr. Ravi Singh	<i>Vice Chairman</i>
Mr. A. R. Basu	<i>Managing Director</i>
Ms. Rajinie Singh	<i>Dy. Managing Director</i>
Mrs. Usha Singh	
Mr. Arabinda Bose	
Mr. Philip John	
Mr. S. K. Jain	
Dr. R. Srinivasan	
Mr. Harish Parekh	

**SECRETARY :**

Mr. R. Chattopadhyay

**AUDITORS :**

Pricewaterhouse  
Plot No. Y-14, Block-EP  
Sector V  
Bidhan Nagar  
Kolkata - 700 091

**REGISTRARS & SHARE TRANSFER AGENTS :**

Maheshwari Datamatics Pvt. Ltd.  
6, Mangoe Lane (Surendra Mohan Ghosh Sarani)  
2nd Floor  
Kolkata 700 001

**OFFICES IN INDIA :**

1. COCHIN  
Darragh Smail Centre  
3rd Floor, 5th Cross Road  
Willingdon Island  
Cochin - 682 003
2. COONOR  
58/A, Roe Hampton  
Church Road,  
Coonor - 643 101

**TEA ESTATE**

3. OOTY  
Ooty Rural, Doddabetta  
Panchayat,  
Near Government  
Chincona Plantations,  
Ooty - 643 002  
Tamil Nadu

**BANKERS :**

1. UTI BANK LIMITED
2. STATE BANK OF INDIA
3. GLOBAL TRUST BANK LIMITED
4. ICICI BANK LIMITED

**REGISTERED OFFICE :**

Beeyu House  
64A, Ballygunge Circular Road  
Kolkata - 700 019

**OVERSEAS**

MOSCOW :  
Hotel Cosmos  
Room Nos. 448, 449 & 450  
150, Prospect Mira  
Moscow, Russia - 129366

**FINANCIAL HIGHLIGHTS**

Rs. in Lakhs

	<b>2002-03</b>	<b>2001-02</b>	<b>2000-01</b>	<b>1999-00</b>	<b>1998-99</b>
Total Income	<b>5095.48</b>	5078.30	3650.99	2322.75	1408.99
Profit before Tax	<b>156.44</b>	90.78	200.41	307.18	218.63
Tax	<b>34.51</b>	7.43	64.50	60.00	62.50
Profit after Tax	<b>121.93</b>	83.35	135.91	247.18	156.13
Dividend Payout*	<b>66.01</b>	42.56	97.40	44.36	13.20
Equity Capital	<b>585.44</b>	532.24	532.24	530.63	24.00
Retained Earnings	<b>40.79</b>	10.00	10.00	68.00	50.00
Reserves & Surplus	<b>867.94</b>	625.56	443.38	404.86	538.04
Shareholders' Fund	<b>1478.38</b>	1157.81	975.62	935.49	562.04
Borrowings	<b>952.85</b>	794.40	803.46	706.42	302.24
Capital Employed	<b>2431.22</b>	1952.21	1779.08	1641.91	864.29
Net Block	<b>1311.05</b>	990.53	145.58	102.69	63.65
Bonus Issue	<b>1:5</b>	1:10	—	—	14:1

\* Includes Tax on Dividend

**KEY FINANCIAL PARAMETERS**

	<b>2002-03</b>	<b>2001-02</b>	<b>2000-01</b>	<b>1999-00</b>	<b>1998-99</b>
Return on Equity (%)	<b>8.25</b>	7.20	13.93	26.42	27.78
Book value per share (Rs.)	<b>22.30</b>	21.76	18.32	17.57	234.18
Earnings per share (Rs.)	<b>2.08</b>	1.56	2.55	4.64	6.51
Dividend per share (Rs.)	<b>1.00</b>	0.80	1.50	1.50	5.00
Dividend Cover	<b>2.08</b>	1.95	1.70	3.09	1.30
Profitability before Tax (%)	<b>3.07</b>	1.79	5.49	13.22	15.52
Profitability after Tax (%)	<b>2.39</b>	1.64	3.72	10.64	11.08
Capital Turnover	<b>3.45</b>	4.39	3.74	2.48	2.51
Stock Turnover	<b>35.11</b>	24.30	8.59	6.46	21.90
Working Capital Turnover	<b>4.75</b>	5.66	2.60	1.70	1.76
Fixed Assets to Shareholders Fund	<b>0.89</b>	0.86	0.15	0.11	0.11
Current Ratio	<b>3.45</b>	3.54	3.90	3.06	4.40
Debt-Equity Ratio	<b>0.64</b>	0.69	0.82	0.76	0.54



## Management Team

### Head Office :

Mr. B. P. Singh

Mr. Ravi Singh

Mr. A. R. Basu

Mr. S. K. Kothari

Mr. N. Banerji

Mr. R. Chattopadhyay

Mr. A. S. Biswas

Mr. A. K. Sarawagi

Mr. S. Ray

Mr. P. Dangaich

### Ooty :

Ms. Rajinie Singh

Mr. M. Agha

Mr. T. Bhaskar

Mr. G. Kalyanam

Mr. G. Kumar

Mr. Ganeshmurthy

Mr. P. Ramesh

Mr. L. Pradeep

Ms. V. Renuka

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**DIRECTORS' REPORT**

Your Directors' have the pleasure in presenting the Tenth Annual Report to the members together with the Audited Accounts for the year ended 31st March, 2003.

**FINANCIAL RESULTS**

	Year ended 31st March, 2003 Rs. in lacs	Year ended 31st March, 2002 Rs. in lacs
Profit for the year	156.43	90.78
Less : Provision for Taxation : Current Tax	29.33	8.17
Deferred Tax	5.17	(0.73)
	121.93	83.34
Add : Balance Brought Forward from last year	294.21	268.38
Amount available for Appropriations	416.14	351.72
<b>APPROPRIATIONS</b>		
General Reserve	160.00	10.00
Dividend	58.51	42.56
Income Tax on Dividend	7.50	—
Balance carried to Balance Sheet	190.13	299.16
	416.14	351.72

**OPERATING RESULTS**

The Company earned higher profit before tax of Rs 1.56 crores for the year ended 31st March, 2003. The market for both tea and coffee remained depressed throughout the year. The situation was aggravated by increase in costs. However, despite adverse market conditions, your Company could register a higher profit by taking serious cost cutting measures. The gross income of the Company improved marginally to Rs 50.95 crores from Rs 50.78 crores.

**DIVIDEND**

Your Directors recommend a dividend at the rate of Re 1/- per share for the year ended 31st March, 2003.

**BONUS ISSUE**

The Board of Directors at its meeting held on 24th May, 2003 has recommended, subject to the approval of the Shareholders, Bonus Issue of Equity Shares to the existing Shareholders in the ratio of one fully paid Bonus Share for every five shares held. The entire issue of Bonus Share will be out of the General Reserve of the Company.

**PERFORMANCE**

Your Company continues to operate primarily in the Russian and CIS markets and inspite of severe and cut-throat competition has been able to hold out its share in the market both in tea and coffee.