

ANNUAL
REPORT
2004



BOARD OF DIRECTORS



B P Singh
Executive Chairman



Ravi Singh
Vice Chairman



A R Basu
Managing Director



Leela Poonawalla
Director



Rajinie Singh
Dy Managing Director



Usha Singh
Director



Harish Parekh
Director



R Srinivasan
Director



Philip John
Director



Arabinda Bose
Director



S K Jain
Director



Sajjan Bagaria
Director



Our Vision

To maintain consistent quality
in the production and
marketing of tea and coffee
globally and nationally

Our Mission

To diversify into
production of coffee

To enhance productivity

To foster teamwork

To motivate employees
and offer opportunities
for growth

To generate adequate
return on capital

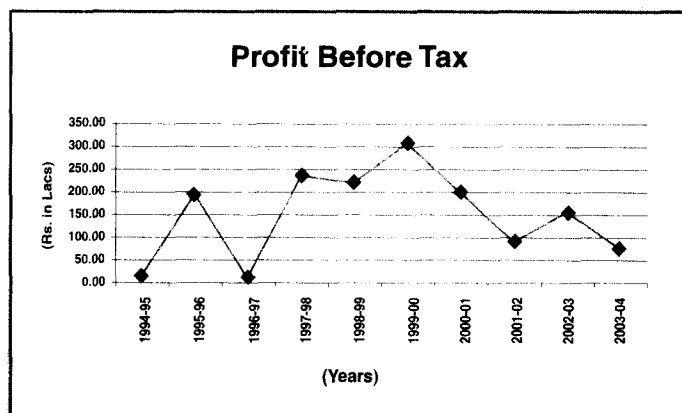
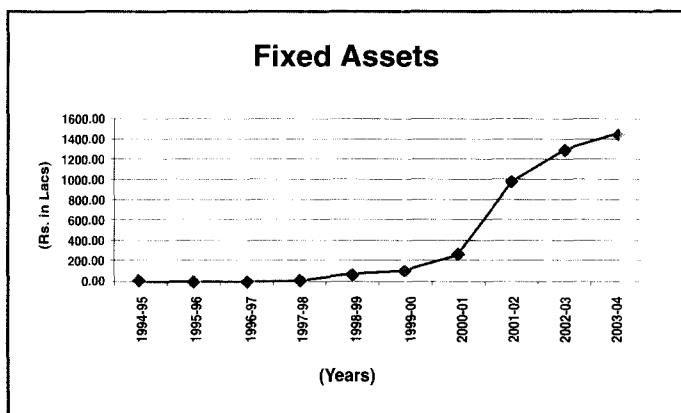
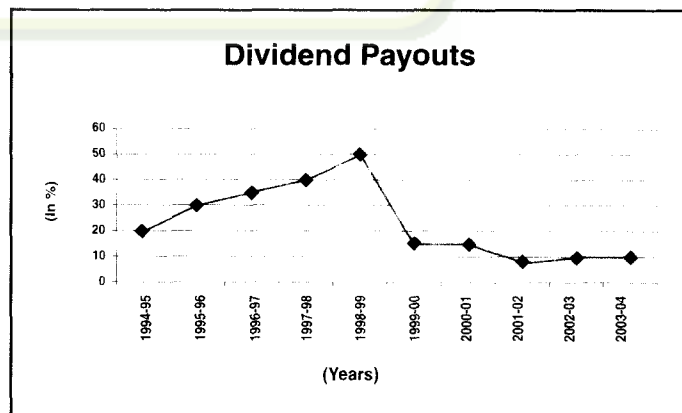
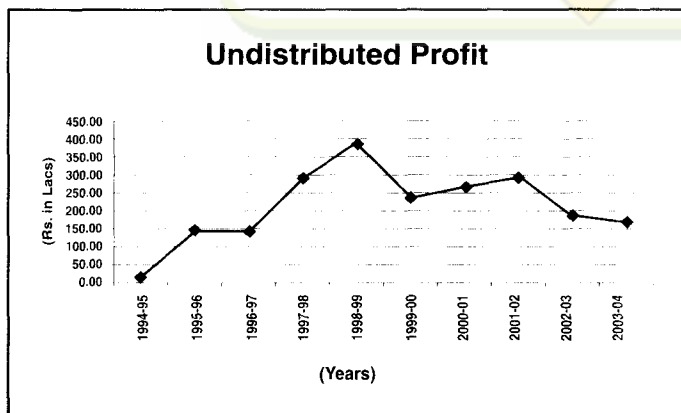
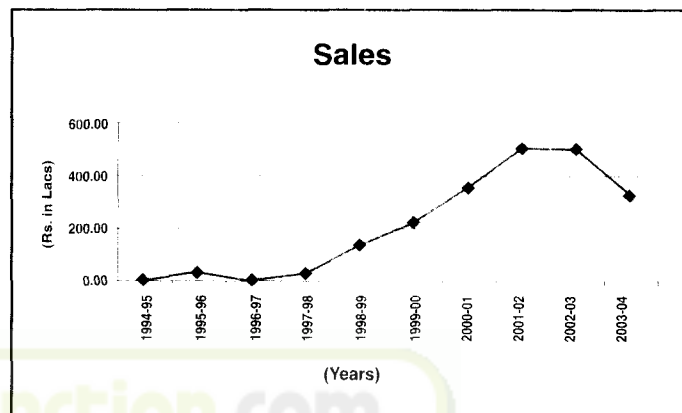
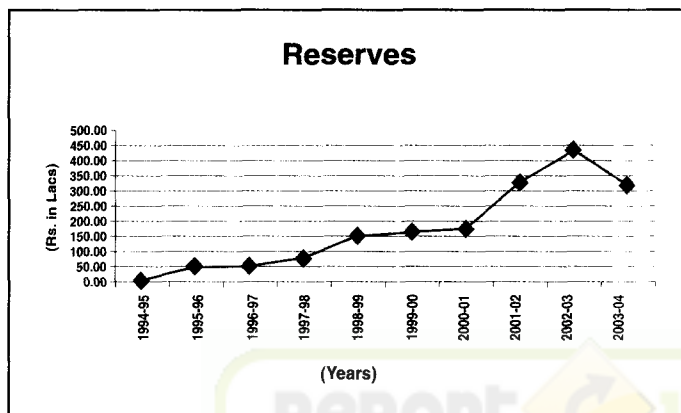
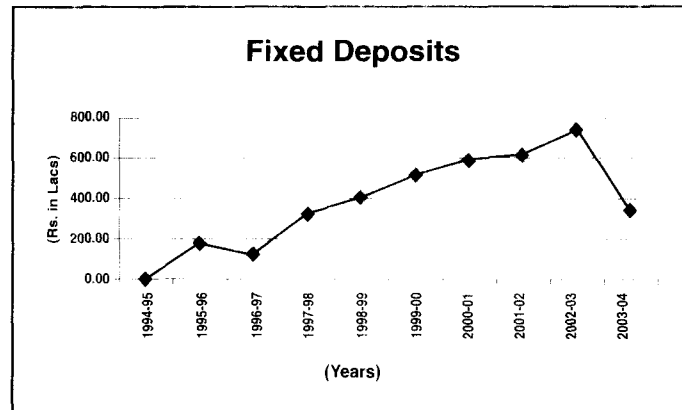
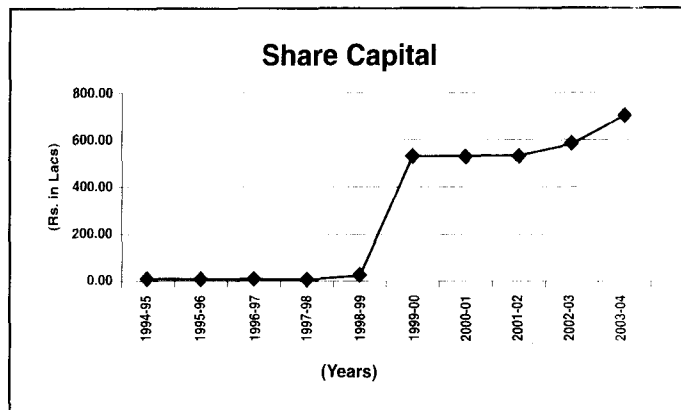
To aspire to greater
heights of excellence in
every sphere of activity

To improve the conditions of
Life of not only our own
people but of neighbouring
villages in and around our
production centres

To strive to emerge as an
exemplary corporate in the
private sector



Beeyu's performance in last 10 years





BEEYU OVERSEAS LIMITED

BOARD OF DIRECTORS

Mr. B. P. Singh, *Executive Chairman*

Mr. Ravi Singh, *Vice Chairman*

Mr. A. R. Basu, *Managing Director*

Ms. Rajinie Singh, *Dy. Managing Director*

Mrs. U. Singh

Mrs. L. F. Poonawalla

Dr. R. Srinivasan

Mr. H. Parekh

Mr. P. John

Mr. A. Bose

Mr. S. K. Jain

Mr. S. Bagaria

SECRETARY

Mr. R. Chattopadhyay

AUDITORS

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

REGISTRAR & SHARE TRANSFER AGENT

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. COONDOOR

58/A, Roe Hampton
Church Road,
Coondoor - 643 101

TEA ESTATE

3. OOTY

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

BANKERS

1. ICICI Bank Limited
2. State Bank of India
3. Global Trust Bank Limited
4. UTI Bank Limited

REGISTERED OFFICE

Beeyu House
64A, Ballygunge Circular Road
(Promothes Barua Sarani)
Kolkata - 700 019

OVERSEAS

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

FINANCIAL HIGHLIGHTS

Rs. in Lakhs

| | 2003-04 | 2002-03 | 2001-02 | 2000-01 | 1999-00 |
|--------------------|----------------|----------------|----------------|----------------|----------------|
| Total Income | 3333.89 | 5101.47 | 5078.30 | 3650.99 | 2322.75 |
| Profit before Tax | 76.64 | 156.44 | 90.78 | 200.41 | 307.18 |
| Tax | 8.50 | 34.51 | 7.43 | 64.50 | 60.00 |
| Profit after Tax | 68.14 | 121.93 | 83.35 | 135.91 | 247.18 |
| Dividend Payout* | 79.21 | 66.01 | 42.56 | 97.40 | 44.36 |
| Equity Capital | 702.47 | 585.44 | 532.24 | 532.24 | 530.63 |
| Reserves & Surplus | 668.29 | 801.92 | 625.56 | 443.38 | 404.86 |
| Shareholders' Fund | 1370.76 | 1387.36 | 1157.81 | 975.62 | 935.49 |
| Borrowings | 494.26 | 952.85 | 794.40 | 803.46 | 706.42 |
| Capital Employed | 1865.02 | 2365.21 | 1952.21 | 1779.08 | 1641.91 |
| Net Block | 1458.12 | 1311.05 | 990.53 | 145.58 | 102.69 |
| Bonus Issue | — | 1 : 05 | 1 : 10 | — | — |

* Includes Tax on Dividend

KEY FINANCIAL PARAMETERS

| | 2003-04 | 2002-03 | 2001-02 | 2000-01 | 1999-00 |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|
| Return on Equity (%) | 4.97 | 8.79 | 7.20 | 13.93 | 26.42 |
| Book value per share (Rs.) | 19.51 | 23.70 | 21.76 | 18.32 | 17.57 |
| Earnings per share (Rs.)* | 0.97 | 1.74 | 1.18 | 1.93 | 3.52 |
| Dividend per share (Rs.) | 1.00 | 1.00 | 0.80 | 1.50 | 1.50 |
| Profit before Tax to Turnover (%) | 2.30 | 3.07 | 1.79 | 5.49 | 13.22 |
| Profit after Tax to Turnover (%) | 2.04 | 2.39 | 1.64 | 3.72 | 10.64 |
| Capital Turnover ratio | 2.43 | 3.68 | 4.39 | 3.74 | 2.48 |
| Stock Turnover ratio | 24.93 | 35.15 | 24.30 | 8.59 | 6.46 |
| Working Capital Turnover | 8.84 | 4.75 | 5.66 | 2.60 | 1.70 |
| Fixed Assets to Shareholders Fund | 1.06 | 0.94 | 0.86 | 0.15 | 0.11 |
| Current Ratio | 2.18 | 3.00 | 3.54 | 3.90 | 3.06 |
| Debt-Equity Ratio | 0.36 | 0.69 | 0.69 | 0.82 | 0.76 |

* Adjusted for bonus issue.



NOTICE

NOTICE is hereby given that the Eleventh Annual General Meeting of the members of Beeyu Overseas Limited will be held at Gyan Manch, 11, Pretoria Street, Kolkata - 700 071, on Monday, the 6th September, 2004 at 10.00 a.m. to transact the following business :

AS ORDINARY BUSINESS :

1. To consider and adopt the Balance Sheet as at 31st March, 2004, 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 a dividend on equity shares.
3. To appoint a Director in place of Mr. Harish Parekh, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. S. K. Jain, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. Usha Singh, who retires by rotation and being eligible offers herself for re-appointment.
6. 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 :

7. As an Ordinary Resolution :

"RESOLVED THAT Mrs. L. Poonawala be and is hereby re-appointed a Director of the Company."

8. As an Ordinary Resolution :

"RESOLVED THAT Mr. S. Bagaria be and is hereby re-appointed a Director of the Company."

9. As a Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 17 of the Companies Act, the Object clause of the Memorandum of Association of the Company be and is hereby altered by addition of the following clause (c) after the existing clause (b) thereof :

- (c) To grow, raise, tend, cultivate tea, coffee, cinchona, rubber and other produce and to establish, acquire, maintain and carry on the business of planters, cultivators, manufacturers, producers, growers, processors, re-processors, sellers, retailers, whole-sellers, suppliers, indenters, packers, movers, preservers, stockists, agents, sub-agents, merchants, consignors, jobbers, brokers, concessionaries and dealers in and with all kinds of tea, tea seeds, tea leaves, tea plants, coffee, coffee beans, coffee plants, coffee seeds, cinchona, rubber, vegetable, oil seeds, cotton sugar, jute, vegetable oil, edible oil, minerals, petrol, chemicals and other produce of the soil in all or any of its branches to prepare, manufacture and render marketable any such produce and to sell, export, dispose off and deal in any such produce either, in its prepared, manufactured or raw state and to manufacture and sell tea boxes, seed boxes, tea machineries and spare parts, insecticides, germicides, fungicides, pesticides, general stores, tractors, trailers, power tillers, irrigation equipments all kinds of farm and agricultural machinery, implements and other articles in connection with the cultivation, manufacture, packing and sale of tea, coffee and other produce of the soil.

10. As a Special Resolution :

"RESOLVED THAT in accordance with the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, (including any amendment thereto or re-enactment thereof) and subject to the approval of the Securities and Exchange Board of India (SEBI)/Government of India (GOI)/Reserve Bank of India (RBI) and subject also to the consents, permissions and sanctions of such other appropriate authorities, Institution or Bodies as may be necessary, consent, authority and approval of the Company be and the same is hereby accorded to the Board of Directors of the Company (hereinafter called "The Board" which expression shall deem to include any committee which the Board may have constituted or hereafter constitute to exercise its powers including the powers conferred by this resolution) with the power to delegate such authority to such person(s) as the Board may deem fit and substitute such authority to issue and allot through prospectus and/or letter of offer and/or circular and/or any other document and/or on private placement basis and/or by firm or preferential allotment to Indian Financial Institutions, Indian Mutual Funds, Foreign Institutional Investors (FII), Non-resident Indians (NRI), Overseas Corporate Bodies (OCB) and/or to the shareholders of the Company or to the public or to any person or person(s) of the promoter or management group, their friends, associates and associate companies as the Board may in its absolute discretion decide to be subscribed in Indian currency Equity Shares for an aggregate value of Rs. 10,00,00,000/- (Inclusive of such premium as may be fixed by the Board on the said securities), such offer, issue and allotment to be made in such time or times, in such tranche or tranches, at such price or prices and in such manner as the Board may in its absolute discretion think fit in consultation with the Lead Managers and/or Merchant Banker and/or Underwriters and/or Advisors, with the power to settle details as to the form and terms of the issue of the Equity Shares, and all other terms, conditions and matters connected therewith and to accept any modification in the proposal as may be required by the authorities/parties involved in such issues, but subject to such conditions as the SEBI/GOI/RBI or such other appropriate authorities



may impose at the time of according/granting their approvals, consents, permissions and sanctions as may be required and agreed to by the Board.

FURTHER RESOLVED THAT except in case of private placement or preferential allotment the equity shares be offered for subscription to the persons as aforesaid by an Offering Document as may be approved by the Board stating the terms of the offer including a provision therein that the offer if not accepted within such time as may be specified in the Offering Document or within such further time as may from time to time be extended by the Board shall be deemed to have been declined.

FURTHER RESOLVED THAT the equity shares so allotted shall rank *pari passu* in all respects with the existing Equity Shares of the Company including entitlement to dividend that may be declared for the financial year in which the allotment of shares shall become effective.

FURTHER RESOLVED THAT for the purpose of giving effect to the above, the Board be and is hereby authorised to agree to and make and accept all such conditions, modifications and alterations stipulated by any relevant authorities while according approval or consents to the issues as may be considered necessary, proper or expedient resolve and settle all questions and difficulties that may arise relating to the proposed issues and allotment or allotments of the new securities and to do all acts, deeds, matter and things as it may in its discretion deem necessary or desirable for all such purpose and to execute such documents or writings as they may consider necessary or proper, incidental to these resolutions.

11. As a 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. 7.25 Crores divided into 72,50,000 equity shares of Rs. 10/- each to Rs. 15.50 Crores by creation of 82,50,000 further equity shares of Rs. 10/- each ranking *pari passu* in all respects with and carrying the same rights as the existing equity shares.

12. 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. 15,50,00,000/- (Rupees fifteen crores fifty lacs only) divided into 1,55,00,000 equity shares of Rs. 10 each."

13. As an Ordinary Resolution :

RESOLVED THAT in supersession of the resolution passed by the Company pursuant to Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company be and is hereby authorised to borrow money (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) for the purpose of the business of the Company in excess of the aggregate of the paid-up capital and its free reserves (that is to say, reserves not set apart for any specific purpose), provided however that the total amount of such borrowings shall not exceed the sum of Rs. 80 crores and that for the implementation of this resolution the Board may act through any member thereof or any other person duly authorised by the Board in that behalf.

Registered Office :

'Beeyu House'

64A, Ballygunge Circular Road

Kolkata - 700 019

Dated : 29th May, 2004

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 01.09.2004 to 06.09.2004 (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 a 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. 7, 8, 9, 10, 11, 12 and 13 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.

- V. 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. 7

Mrs. L. Poonawalla was appointed as Additional Director of the Company at the meeting of the Board of Directors held on 30th January, 2004. As Additional Director she retires at the conclusion of the ensuing Annual General Meeting. The Company has received a notice from a member pursuant to Section 257 of the Companies Act, 1956, proposing her re-appointment as Director of the Company. Mrs. L. Poonawalla has vast experience in the industry and her appointment as Director would immensely benefit the Company. Accordingly, the Board recommends that the resolution be adopted.

None of the Directors of the Company except Mrs. L. Poonawalla is concerned or interested in the resolution.

Item No. 8

Mr. S. Bagaria was appointed as Additional Director of the Company at the meeting of the Board of Directors held on 29th May, 2004. As Additional Director he retires at the conclusion of the ensuing Annual General Meeting. The Company has received a notice from a member pursuant to Section 257 of the Companies Act, 1956, proposing his appointment as Director of the Company. Mr. S. Bagaria has vast experience in tea machineries and his reappointment as Director would be benefit to the Company. Accordingly, the Board recommends that the resolution be adopted.

None of the Directors of the Company except Mr. S. Bagaria is concerned or interested in the resolution.

Item No. 9

The Company exports approximately 4,000 tons of coffee to Russia and CIS, which the Company procures from Tata Coffee Limited. As a measure of backward integration, your Company has now decided to set up manufacturing facilities for coffee. The Special Resolution being item no. 8 set out in the Notice convening the meeting is intended to alter the object clause of the Memorandum of Association of the Company to enable it to engage in the business of manufacture of coffee.

The Board recommends that the Special Resolution be adopted.

None of the Directors of the Company is concerned or interested in the resolution.

Item No. 10

The Company has drawn up plans for expansion and modernization of its factories and also setting up new manufacturing units for manufacture of additional tea and coffee. To meet the cost it is proposed to part finance the expansion project it may be necessary for the Company to go in for a public issue of equity shares of an aggregate value not exceeding Rs. 10 crores.

The special resolution set out under item no. 10 of the Notice is an enabling resolution in nature intended to obtain the approval of the shareholders to the proposed issue of equity shares subject however to consents/approvals/sanctions/permissions mentioned therein and the Board recommends the acceptance thereof.

None of the Directors of the Company is concerned or interested in the resolution.

Item Nos. 11 & 12

The Authorised Capital of the Company at present is Rs. 7.25 Crores divided into 72,50,000 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, for the public issue of equity shares in future as proposed under item no. 10 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. 7.25 crores to Rs. 15.50 crores by creation of 82,50,000 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. The resolutions as set out in Item Nos. 11 and 12 are proposed to meet this end.

The Board recommends that both the resolutions be adopted.

None of the directors are concerned or interested in resolutions.

Item No. 13

At the Annual General Meeting held on 18.09.2000, the Board of Directors of the Company (the Board) was authorised to borrow monies from time to time, in excess of the aggregate of the paid-up capital of the Company and its free reserves subject to a maximum limit of Rs. 20 crores. The Board considers that the said limit of Rs. 20 crores is not sufficient to meet the present and immediate future financial



requirements of the Company in view of its proposed expansion, modernisation and diversification programmes. The Board accordingly recommends that the said limit be raised to Rs. 80 crores. The Ordinary Resolution being item no. 13 set out in the Notice convening the meeting is intended to modify the aforementioned ordinary resolution so that the Board may be empowered to borrow money as and when considered necessary by the Company subject, however, to the limit specified therein.

The Board recommends that the Ordinary Resolution be adopted.

None of the Directors of the Company is concerned or interested in the proposed resolution.

Registered Office :

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

Dated : 29th May, 2004

By Order of the Board

R. Chattopadhyay
Secretary

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

1. Name : Mr. Harish Parekh
Age : 67 years
Qualification : B. Com. (Hons.)
Expertise : 40 years experience in Tea Industry in various fields
Other Directorships : Committee Memberships, if any, with position
a. The Methoni Tea Co. Ltd. : None
b. The Jutlibari Tea Co. Ltd.
c. Gujrat Tea Processors & Packers Ltd.
d. Rossel Tea Ltd.
e. Trans Global Projects (India) Ltd.
f. The Moran Tea Co. (India) Ltd.
2. Name : Mr. Sharat Kumar Jain
Age : 71 years
Qualification : Chartered Accountant
Expertise : Accounts and Taxation
Other Directorships : Committee Memberships, if any, with position
Name of Company : None
None : None
3. Name : Mrs. Usha Singh
Age : 58 years
Qualification :
Expertise : Promoter Director
Other Directorships : Committee Memberships, if any, with position
Name of Company : None
None : None
4. Name : Mrs. L. Poonawalla
Age : 59 years
Qualification : Engineer
Expertise : Management Consultant, awarded Padmashree for best management of ALFA LAVAL TETRA PACK
Other Directorships : Committee Memberships, if any, with position
Neillsoft Ltd.
Seacom Solutions (I) Ltd.
Ella Rozil Exports Pvt. Ltd.
Delaval Pvt. Ltd.
5. Name : Mr. S. Bagaria
Age : 60 years
Qualification :
Expertise : Expertise in Tea Industry in various fields
Other Directorships : Committee Memberships, if any, with position
Name of Company : None
T & I Projects Ltd. : None
T & I Plantations Ltd. : None