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CS	NA		DPY	NA
RO	<input checked="" type="checkbox"/>		DIV	NA
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AGM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	SHI	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		



Indo Britain

Agro Farms Limited

OFFICE OF THE SECRETARY

Indo Britain Agro Farms Limited

*[Signature]*  
Director

**Fourth Annual Report  
1997-98**

## INDO BRITAIN AGRO FARMS LIMITED

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### BOARD OF DIRECTORS

SH. MUKESH KUMAR SHARMA  
(Nominee of HAIC Ltd.)

SH. R. K. GUPTA  
(Nominee Of HSIDC Ltd.)

SH. S. K. JAIN  
SH. S.K. BHATIA  
SH. S. P. SHARMA  
SH. OM PRAKASH AGGARWAL  
(Chairman & Managing Director)

### AUDITORS

M/S. M . K. G. ASSOCIATES  
CHARTERED ACCOUNTANTS  
67, 2ND FLOOR ARYA SMAJ MARKET,  
OUTSIDE NAGORIGATE, HISAR

### REGD. OFFICE :

1646, JYOTIPUR  
HISAR-125 001 (HARYANA)

### WORKS

13.6 K.M. STONE  
HISAR-CHANDIGARH ROAD  
VILLAGE JUGLAN, HISAR (HARYANA)

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## INDO BRITAIN AGRO FARMS LIMITED

### NOTICE

Notice is hereby given that the 4th Annual General Meeting of the Members of **Indo Britain Agro Farms Limited** will be held on Wednesday, the 30th September, 1998 at 10.00 A.M. at the registered office of the Company at 1646, Jyotipur, (Near Railway Station), Hisar -125 001 to transact the following business :

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as on 31st March, 1998 and the Profit and Loss Account for the year ending on that date and reports of auditors and the board of Directors.
2. To appoint a Director in place of Sh. S.P. Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sh. S.K. Jain, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors, to hold office from the conclusion of this meeting to the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS

5. To consider and, if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:  
"RESOLVED that in accordance with the provisions of section 198 and 309 read with Schedule XIII to the Companies Act, 1956, the consent of the Company be and is hereby accorded to re-appoint Sh. S.K.Bhatia Director as Whole Time Director and payment of remuneration and other perquisites to him for a period of one year w.e.f 25.03.1998, as per terms and conditions detailed in the Explanatory Statement, with liberty to the Board of Directors to alter or vary the same so as not to exceed the limits set out in Sections 198 and 309 read with Schedule XIII of the Companies Act, 1956 or any amendments thereto, as may be agreed to between the Board of Directors and Sh. S. K. Bhatia."
6. To consider and, if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:  
"RESOLVED that in accordance with the provisions of section 198 and 309 read with Schedule XIII to the Companies Act, 1956, the consent of the Company be and is hereby accorded to re-appoint Sh. S.P. Sharma, Director as Whole Time Director and payment of remuneration and other perquisites to him for a period of one year w.e.f 27.06.1998, as per terms and conditions detailed in the Explanatory Statement, with liberty to the Board of Directors to alter or vary the same so as not to exceed the limits set out in Sections 198 and 309 read with Schedule XIII of the Companies Act, 1956 or any amendments thereto, as may be agreed to between the Board of Directors and Sh. S.P. Sharma."
7. To consider and, if thought fit to pass with or without modification, the following resolution as a Special Resolution :  
Resolved that the consent of the Company be and is hereby accorded to Sh. Om Prakash Aggarwal, Chairman & Managing Director of the Company in terms of section 293 (1)(d) and other applicable provisions, if any, of the Companies Act, 1956 to borrow money on behalf of the company for the benefit of the company by way of term loan, working capital loan/limits, short term loan, bridge loan, lease finance, equipment lease finance, loan against subsidy/public issue, other financial assistance, B.D. limit, C.C. Limit, loan against book debts or any other kind of loan from commercial bank, National Horticulture Board, State/Central Financial Institutions, Corporations, HSIDC Limited, Haryana Financial Corporation/NBFC or private or General Public, or from any other person, Body Corporate, company, institution on such terms and conditions as may be considered suitable by him upto a maximum limit not exceeding the aggregate of the paid up shares capital and free reserves of the Company as at the date of raising loan."

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

Resolved that the Consent of the Company be and is hereby accorded to Sh. O.P. Aggarwal, Chairman & Managing Director of the Company in terms of section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to deliver and deposit all the title deeds, evidences and writing relating to the Company's immovable properties pertaining to its manufacturing unit at village Juglan, Hisar (Haryana) with the intent to create security thereon as well as on the buildings, structure, plant & machinery, equipments, installations, fixtures etc. thereon, both present and future by way of equitable mortgage, pledge, hypothecate and/or otherwise charge in favour of HSIDC/HFC/any other financial institution, National Horticulture Board, Scheduled Commercial Bank, Nationalised Bank or any other type of Bank or NBFC or any other person or body corporate (all the immovable & movable properties/assets of the Company wherever situated, present & future and whole of the undertaking of the Company or part thereof with power to take over the management of the business and concern of the Company) for the purpose of securing term loan/equipment re-finance, working capital loan, loan against goods in transit or book debts/B.D. limit, lease finance, bridge loan or loan against subsidy or any type of loan or financial assistance for the full implementation of the Project of the Company and for the benefit of the Company.

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

"RESOLVED that if and when permitted by the law and subject to all applicable provisions of the law and subject to such other approvals, permissions and sanctions as may be necessary, and subject to such conditions and modifications as may be considered necessary by the Board of Directors of the Company (hereinafter referred to as the "Board" which expression shall also include a Committee thereof), or as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to or accepted by the Board, the consent of the Company be and is hereby accorded to the Board, to purchase such number of Ordinary Shares or other Securities specified by the Government, of the Company, as may be thought fit, from the holders of the Ordinary Shares or other Securities of the Company in such proportion and manner as may be permitted by the law, from such funds of the Company, as are permitted to be used for this purpose or out of the proceeds of any issue made by the Company, on such terms and subject to such conditions as may be prescribed by the law.  
"RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts and things and give such directions as may be necessary or desirable and to settle all questions or difficulties whatsoever that may arise with regard to the said purchase of Ordinary Shares or other Securities.  
"RESOLVED FURTHER that nothing hereinabove contained shall confer any right on any shareholder to offer, or any obligation on the Company or the Board, to buy back any Ordinary Shares or securities."

### Regd. Office :

1646, Jyotipur,  
Hisar-125001(Haryana)

By order of the Board  
For Indo Britain Agro Farms Limited

DATED : August, 18,1998

Om Prakash Aggarwal  
Chairman & Managing Director

## INDO BRITAIN AGRO FARMS LIMITED

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. The Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item nos. 5 to 9 is annexed hereto and forms part of this Notice.
3. The instrument appointing proxy should be deposited at the Registered office of the Company not less than 48 hours before the commencement of the meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 28.09.1998 to 30.09.1998 (both days inclusive).
5. The share holders are advised :
  - a) To intimate the change in their addresses.
  - b) To consolidate two or more folios into one
  - c) To quote always their folio no. in their correspondence.
6. Members/Proxies should bring Attendance Slip and Annual Report for attending the meeting. The Annual Report will not be distributed at the Meeting.
7. Members desiring to obtain any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least 7 days before the meeting so that information required by the members may be made available at the meeting.
8. Documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days except holidays between 11 A.M. to 1.00 P.M. upto the date of Annual General Meeting.

### EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173(2) OF THE COMPANIES ACT, 1956.

#### ITEM NO. 5

The Board of Directors in their Meeting held on

06th day of March, 1998 have re-appointed Sh. Shiv Kumar Bhatia as Whole Time Director of the Company for a period of one year w.e.f. 25.03.1998 on remuneration mentioned below :

A) **SALARY** : Rupees 50,400/- per annum.

B) **PERQUISITES** :

#### **CATEGORY A**

1. Rent free, unfurnished, residential accomodation, the monetary value of which shall be evaluated as per Rule 3 of Income Tax Rules 1962.

#### 2. **MEDICAL BENEFITS FOR SELF & FAMILY**

Reimbursement of expneses actually incurred for self and family, the total cost of which should not exceed one months's salary per year or three months salary in a period of three years.

#### 3. **LEAVE TRAVEL CONCESSION**

For self, his wife and dependent children once in a year to & fro from any place in India subject to the condition that only actual fare and no hotel expenses etc. will be allowed.

#### **CATEGORY B**

#### **PROVIDENT FUND**

Participation in a recognised provident fund to which the Company shall contribute in accordance with the rules subject to the ceiling of 10% of salary.

#### **GRATUITY**

Gratuity not exceeding half month's salary for each completed year of service.

#### **LEAVE**

One month's leave with full pay for every completed 11 months of service.

#### **CATEGORY C**

Mode of transportation for use of Factory and company business.

Under Schedule XIII of the Companies Act, 1956 the appointment, re-appointment and remuneration are subject to approval of the Shareholders. Hence the Directors commend

## INDO BRITAIN AGRO FARMS LIMITED

the proposed resolution for your approval.

The above may also be treated as an abstract of the terms of contract/agreement between the Company and Sh. S. K. Bhatia pursuant to section 302 of the Companies Act, 1956.

Sh. S. K. Bhatia, Director may be deemed to be concerned or interested in the resolution which pertains to his re-appointment and remuneration payable to him. None of the other Directors of the Company is, in any way concerned or interested in the said resolution.

### ITEM NO.6

The Board of Directors in their meeting held on 28th day of May, 1998 have re-appointed Sh. S.P. Sharma as Whole-Time Director for a period of one year w.e.f. 27.06.1998 on the salary as follows :

A) **SALARY** : Rupees 50,400/- per annum.

B) **PERQUISITES** :

### **CATEGORY A**

1. Rent free, unfurnished, residential accomodation, the monetary value of which shall be evaluated as per Rule 3 of Income-Tax Rules 1962.

### 2. MEDICAL BENEFITS FOR SELF & FAMILY

Reimbursement of expneses actually incurred for self and family, the total cost of which should not exceed one months's salary per year or three months salary in a period of three years.

### 3. LEAVE TRAVEL CONCESSION

For self, his wife and dependent children once in a year to & fro from any place in India subject to the condition that only actual fare and no hotel expenses etc. will be allowed.

### **CATEGORY B**

### PROVIDENT FUND

Participation in a recognised provident fund to which the Company shall contribute in accordance with the rules subject to the ceiling of 10% of salary.

### GRATUITY

Gratuity not exceeding half month's salary for each completed year of service.

### LEAVE

One month's leave with full pay for every completed 11 months of service.

### **CATEGORY C**

Mode of transportation for use of Factory and company business.

Under Schedule XIII of the Companies Act, 1956 the appointment, re-appointment and remuneration are subject to approval of the Shareholders. Hence the Directors commend the proposed resolution for your approval.

The above may also be treated as an abstract of the terms of contract/agreement between the Company and Sh. S. P. Sharma pursuant to section 302 of the Companies Act, 1956.

Sh. S.P. Sharma, Director may be deemed to be concerned or interested in the resolution which pertains to his re-appointment and remuneration payable to him. None of the other Directors of the Company is, in any way concerned or interested in the said resolution.

### ITEM NO. 7

The company has however already accorded its consent to Sh. Om Prakash Aggarwal, Chairman & Managing Director of the Company to borrow the money in the resolution already passed in the Board meeting held on 20.10.1994. In the said resolution name of some financial institution like "National Horiculture Board", Scheduled Commercial bank etc. were left out due to oversight. Original project provided for loan of Rs. 150.00 Lacs (Including working capital ) and it is unviable to run the project at about 1/3rd capacity. Lease rentals on lease finance is increased from Rs. 25.40/Rs. 1000/- P.M. to Rs. 28.80/Rs. 1000/- P.M. whereas Term loan is provided at 16% to 17%, National Horticulture Board is Provides finance at 4% to 5%.

The Board of Directors commend the said resolution for neceesary approval of share holders of the Company.

## INDO BRITAIN AGRO FARMS LIMITED

None of the Directors of the Company is in any way interested or concerned in the resolution except Sh. O.P. Aggarwal, Chairman & Managing Director as he may be deemed to be concerned or interested in the resolution to the extent that he is being authorised to borrow on behalf of the Company for the benefit of the Company.

### **ITEM NO.8**

The Board of Directors in the meeting held on 25.01.1997 had authorised Sh. O.P. Aggarwal, C.M.D. of the Company to deliver and deposit all the title deeds, evidences and writing related to the Companies; immovable properties pertaining to its manufacturing unit at village Juglan, Hisar (Haryana) with the intent to create security thereon as well as on the Building, Structure, Plant & machinery, equipments, installation, fixture etc. thereon, both present and future by way of equitable mortgage to secure the obligation of the Company under the agreement as to the payment of lease rentals, interest, thereon and other charges and to furnish the declaration and undertaking in this respect to the Haryana State Industrial Corpn. Ltd." and now since it may be necessary to raise loan from other money lending sources including nationalised bank, National Horticulture Board or N.B.F.C./Scheduled Commercial Bank etc. and since description/name of these financing bodies are not covered in the resolution of Board Meeting dt. 25.01.1997. hence the Director commend the resolution for acceptance of the members, of the Company.

### **Registered Office :**

1646, Jyotipur

Hisar-125 001 (Haryana)

DATED : August 18, 1998

None of the Directors of the Company is in any way interested or concerned in the resolution except Sh. O.P. Aggarwal, Chairman & Managing Director as he may be deemed to be concerned or interested in the resolution to the extent that he is being authorised to secure the lending organisation on behalf of the Company for the benefit of the Company.

### **ITEM NO.9**

The Companies Act, 1956 presently prohibits a company from purchasing its own Shares and securities. However, it is anticipated that the law may in future permit a company to buy back its own securities (buy-back of securities).

Subject to the buy-back of securities being legally permissible, it is proposed to enable the Company to buy-back its Ordinary Shares or such other permissible securities not exceeding such percentage of the capital of the Company as may be permitted by the law from the Members, either from the open market or from the holders of odd lots or from the holders of the Ordinary Shares that may be issued under the Employee's Stock Option Scheme or as permitted by the law.

The buy-back of shares or securities would be at the rate and from the funds permitted by the law as set out in the Resolution.

The Resolution, if approved, may be given effect to within time limit laid down by the law.

The Directors commend the Resolution for acceptance of the Members.

By order of the Board  
For Indo Britain Agro Farms Limited

Om Parkash Aggarwal  
Chairman & Managing Director



## INDO BRITAIN AGRO FARMS LIMITED

### DIRECTORS' REPORT

Dear Shareholders,

The Directors of your Company have pleasure in presenting their 4th Annual Report together with the Audited Statements of Account for the period ended on 31st March, 1998.

### 1. FINANCIAL RESULTS

	Year ending 31st March, 1998 (Rs. in Lacs)	Year ending 31st March, 1997 (Rs. in Lacs)
Turnover	46.88	80.72
Profit/(Loss) after interest and Depreciation	(22.27)	(20.33)
Less: Provision for taxation	-	-
Profit/(Loss) after tax	(22.27)	(20.33)

### 2. PROJECTIONS Vs ACTUAL PERFORMANCE

	ACTUALS (Rs. in lacs) Actual for the 01.04.97 to 31.03.98	PROJECTIONS (Rs. in lacs) Projected in the prospectus dt. 18.04.95
Turn-over	46.88	468.20
Profit/(Loss) after tax	(22.27)	182.02
Earning per share(Rs.)	-	2.73

Projected sales and profitability could not be achieved due to following reasons :

- i) HSIDC had re-sanctioned Rs. 79.18 Lacs (in place of Rs. 100.00 Lacs already sanctioned vide letter no. HSIDC : MBD : AGM : GSC : 94/6528) condition of buying back shares against firm allotment was put and the rate of lease rentals were increased from Rs. 25.40/Rs. 1000/- P.M. to Rs. 28.80/Rs. 1000/- P.M. by HSIDC - which being very high and thus the full plant could not be commissioned and hence the full production could not be attained - the company is trying to obtain loan at lower rate of interest for better future of the Company.

- ii) HFC had sanctioned working capital of Rs. 50.00 Lacs vide its letter no.HFC/SLTF/94/637. Due to closure of scheme of providing working capital by HFC. the company faced the problem of production & marketing. Now the company is trying to arrange working capital from Banks.

### 3. DIVIDEND

In view of profits not made by Company during year under review, your Directors have not recommended any dividend.

### 4. DEPOSITS

The Company has not accepted any fixed deposits from the public during the year under review.

### 5. DIRECTORS

Sh. S.P. Sharma and Sh. S.K. Jain, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

### 6. AUDITORS

M/s M.K.G. Associates, Chartered Accountants Auditors' of the Company retire at the conclusion of ensuing Annual General Meeting & eligible, offer themselves for re- appointment.

### 7. CONSERVATION OF ENERGY & TECHNOLOGY

Steps are being taken to conserve energy by installing capacitors and insulating of Plant, Research activities are also under progress for generating bio-gas from the waste compost. Company is modifying air conditioning system to reduce power cost.

### 8. PARTICULARS AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956.

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies