# 8TH ANNUAL REPORT 2001-02

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Piccadily
Agro Industries
Limited

# piccadilly

## MCCADILY Agro Industries Ltd.

BOARD		-	 	
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Min. Vened Kumar Shama, Chairman.,

Sh. Sham Sunder Sharma, Director

Smt. Raj Rani, Director

Sh. Vinod Dada, Director

Sh. Siddhartha Vashishta

Sh. Harvinder Chopra; Director, Executive Director

Sh. KuldipSingh

Sk. Y.K. Bhatis, Nominee Director

Sh. S.C. Jolly

## AUDITORS .

Ws Jain & Associates

SCO: 819-820, Sector 22-B, Chandigarh

## BANKERS

Punjab National Bank Oriental Bank of Commerce

## REGISTERED OFFICE & FACTORY

Village Bhadson, Umri-Indri Road, Tehsil Indri Disti

Tehsil, Indri, Distt. Kamal

Haryana

## **CORPORATE OFFICE**

275, Capt. Gaur Marg. Sriniwas Puri, Okhla; New Delhi

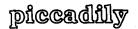
## SHARES DEPARTMENT

Piccadily Cinema, Sector 34, Chandigarh

## After could not

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## NOTICE

Notice is hereby given that the 8th Annual General Meeting of the Share Holders of the Company will be held on Monday i.e 30th Sept., 2002 at 9.00 A.M. at the Registered office of the company i.e. Umri-Indri Road, Distt. karnal Haryana to transact the lowing business:

#### **As Ordinary Business**

- To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2002 and the Profit & Loss Account of the Company for the year ended on that date and the Auditor's & Directors Report thereon.
- 2. Sh. Venod Kumar Sharma, who retires by rotation.
- 3. To appoint a Director in place of Smt. Raj Rani, who retires by rotation and being eligible offers herself for re-appointment.
- 4. To appoint a Director in place of Sh. Kuldip Singh, who retires by rotation and being eligible offers himselffor re-appointment.
- 5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:
  - "Resolved that M/s Jain & Associates, Chartered Accountants be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting."

#### **Special Business**

To consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution.

"Resolved that Sh. Siddhartha Vashishta who was appointed as Additional Director U/s 260 of the Companies Act 1956 and who holds office, up to the date of this Annual General Meeting and who is eligible for re-appointment and in respect of whom the company has received a notice in writing under section 257 of the Companies Act 1956 proposing his candidature for the office of the Director be and is hereby appointed as Director of the company liable to retire by rotation."

By Order of the Board For Piccadily Agro Industries Limited

Date : 31.07.2002 Place : Delhi Venod Kumar Sharma

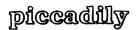
Chairman

## Notes :

- 1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company.
- 2. The Register of Member and Share Transfer Books of the Company will remain closed from 16th September 2002 to 30th September 2002.
- 3. Share holder's are requested to advise the company immediately of any changes in their address.
- 4. The proxy forms duly signed and completed must be received at the Registered office of the Company not less than 48 hours before the time and date fixed for the meeting.
- 5. Members are requested to bring at the meeting their copies of the Annual Report.
- 6. Members desiring of any information as regards to accounts are requested to write to the Company at an early date, so as to enable the management to keep the information ready.

## **Explanatory Statement**

Sh. Siddhartha Vashishta is a young and very energetic. He is a commerce graduate and can provide effective guidance for the efficient working of the company.



## DIRECTOR'S REPORT

#### Dear Share Holders.

Your Directors have pleasure in presenting their 8th Annual Report together with Audited Accounts of the company for the ended on 31st March, 2002.

#### Financial Results

Particulars	31/03/2002	31/03/2001
Sales & Other income	6688.24	5962.80
Profit Before Interest and depreciation	404.02	694.33
Less:		
Interest	659.67	726.85
Depreciation	267.30	266.99
Deferred Tax Asset	184.31	
Net Loss	(707.26)	(299.52)

#### Review of Operations & Indian Sugar Industry

The mill commenced crushing operation for the season 2001-2002 on 15th December. 2001 and closed on 10th May, 2002. The comparative operational results for the last two seasons are as follows:-

Particulars	Season	Season	
	2001-2002	2000-2001	
Duration (Days)	147	145	
Sugar Cane Crushed (in Quintals)	3010256	3700100	
Recovery (Percent)	9.50	9.74	
Sugar produced (in bags)	290460	362866	

During the year under review the company has incurred a loss of Rs. 707.26 lacs. The loss has been incurred mainly due to illegal strike of workers, falling prices of sugar & huge cane purchase prices. Sugar cane crushing season 2001-2002 in the country began with an all time record opening stocks of 11 million tones. The sugar output for the year 2001-2002 is around 17.76 million tonnes. Total sugar availability in the country after adding the opening stock of sugar and production for the year comes to 28.76 million tones. Internal consumption of sugar is around 16.5 million tones and export is at an one million tones. Thus the huge gap between the production & consumption (including exports) is resulting in un remunerative sales prices. More over the company has purchased the sugar cane at state advised price at an average rate of Rs. 105.57 per quintal as compared to Rs. 73 per quintal being the statutory minimum price recommended by the Central Government.

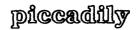
#### **Expansion Programme**

The expansion programme for enhancing the crushing capacity from 2500 TCD to 5000 TCD is in full swing. The erection of Semi Kesener and boiler had been completed and have started functioning from mid of February 2002. The civil work relating to godown and other miscellaneous utilities is in the final stage of completion. It is expected that the company will crush the sugarcane at the expanded capacity of 4000 TCD in the ensuing crushing season.

#### Directors

Sh. Siddhartha Vashishta has joined the Board as an Additional Director on 29/06/2002 holds the office upto the date of forthcoming Annual General Meeting. The company received a notice u/s 257 of the

## PICCADILY Agro Industries Ltd.



Companies Act 1956 from a share holder proposing his candidature for the position of Director of the company.

Sh. Venod Kumar Sharma retires by rotation & does not offer himself for re-appointment.

Sh. Kuldip Singh and Smt. Raj Rani Director of the company retire(s) by rotation and are eligible for the reappointment.

#### **Fixed Deposits**

During the year company has not accepted any fixed deposits u/s 58-A of Companies Act 1956.

#### **Auditors**

M/s Jain & Associates, Chartered Accountants, Chandigarh, the Statutory Auditors of the company retiring at the conclusion of this Annual General Meeting and being eligible offer themselves for reappointment. The Board recommend their reappointment as statutory Auditors of the company for the year 2002-2003.

#### **Corporate Governance**

The report on corporate Governance is annexed as part of this report.

#### Personnel

The particulars of employees, as per Section 217(2A) of Companies Act 1956 read with the Companies (Particulars of Employees) Rules 1975 is nil.

#### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo

As required under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rule 1988, the information relating to the conservation of energy, technology absorption of foreign exchange earning and outgo is annexed and forms part of the report.

#### **Directors Responsibility Statement**

Pursuant to the provisions of Section 217 (2AA) of the Companies Act 1956, the Directors give hereunder the Directors responsibility statement relating to the Accounts of the Company.

- All the applicable Accounting standards have been followed in the preparations of the accompanying
  accounts.
- The Directors have selected such accounting policies and applied them consistently and made
  judgements and estimates that are reasonable and prudent so as to give true and fair view of the
  state of affairs of the company at the end of the financial year March 31, 2002 and of the profit and
  loss of the company for the said period.
- The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities and
- 4. The directors have prepared the Annual Accounts on going concern basis.

#### **Acknowledgment**

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Suppliers, customers and all other concerned with the company during the year under review.

By Order of the Board For Piccadily Agro Industries Limited

Date : 31.07.2002 Place : Delhi Venod Kumar Sharma (Chairman)

#### **ANNEXURE TO THE DIRECTORS REPORT FOR THE YEAR 2001-2002**

INFORMATION AS PER SECTION 217(1) (e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31st MARCH, 2002.

#### 1. CONSERVATION OF ENERGY

- a) As regards energy conservation your company is giving high priority to conservation of energy since very beginning, with the result the figures of steam consumption and power consumption per ton cane crushing per hour have been achieved quite appreciable. Some of the significant measures taken are:-
  - 1) In order to increase profitability and minimize energy conservation installed, D.C. motors which are highly energy efficient in place of conventional steam turbine for driving the mills and boilers are maintained. High pressure boilers, double effect pre-evaporator system alongwith vapour lime juice heater and plate type heat exchangers were also maintained.
  - 2) On Account of above measures and their efficient working the considerable saving of bagasse and energy saving have been achieved during the financial year.
- b) The data achieved with regards to conservation of energy is furnished below:-

The company has commenced crushing operation w.e.f. 15/12/2001 and all the necessary steps have been taken by the company to conserve the energy at all the levels by optimum utilization.

			2001-2002	2000-2001
A.1.	ELE	CTRICITY		
	a)	Purchased		
		Unit	KWH	KWH
		Total Units	259010	209970
		Total Amount (Rs.)	2556000	1677928
		Rate per Unit (Rs.)	9.86	7.99
В.	ow	N GENERATION		
	i)	Through Diesel Generator		
		Unit	KWH	KWH
		Total Unit	502300	386680
		Units per litre of Diesel oil	12.60	7.52
		Cost per unit	2.51	2.17
	ii)	Through Steam Turbine/Gen erator		
	•	Unit	KWH	KWH
		Total Units	14822400	14368194
		Units per Ton of fuel (Bagasse)	Steam	Steam
		Cost per Unit (Rs.)	produced	produced
			by use of own	by use of own
			bagasse	bagasse
2.	Coa	l/Furnance Oil	N.A.	N.A.
3.	Oth	er	N.A.	N.A.

## PICCADILY Agro Industries Ltd.

piccadilly

4. Consumption of Per Unit of

**Production** 

 Sugar (Qtls)
 250195
 327641

 Electricity (Units)
 62
 46

Other (Specify)

Nil

#### B. Technology Absorption

#### i) Research and Development

No research and development work has been carried out by the company therefore, there is no expenditure under this head.

#### ii) Technology Adaptation & Innovation

The company has not imported any technology for its plant. The company is using well proved indigenous technology for sugar.

#### C. Foreign Exchange Earning and outgo

Foreign Exchange earning

Nil

Nil

Foreign Exchange Outgo

Nii

By Order of the Board For Piccadily Agro industries Limited

Date : 31.07.2002

Place : Delhi

Venod Kumar Sharma

(Chairman)

## CORPORATE GOVERNANCE

Piccadily Agro Industries Limited net objective is to create shareholders value by consistently practicing good corporate governance, values of transparency, professionalism and accountability. Our corporate Governance policies recognize the accountability of the Board and the importance of its decisions to all our constituents including investors, bankers etc. The company's essential character and complexion are shaped by the very values of transparency, professionalism and accountability.

The non-executive directors on our Board are highly qualified and experienced individuals, who are active participants in the decision making process and provide strategic guidance and objective judgement to the company.

#### 1. General Body Meeting

Location and time for last three Annual General Meetings:

Year	Meeting	Location	Date	Time
1999	AGM	Piccadily Agro Industries Limited Umir-Indri Road, Tehsil Indri Distt. Karnal, Haryana	Thursday 30/9/99	4.00 p.m.
2000	AGM	Piccadily Agro Industries Limited Umir-Indri Road, Tehsil Indri Distt. Karnal, Haryana	Wednesday 27/9/2000	11.30 a.m.
2001	AGM	Piccadily Agro Industries Limited Umir-Indri Road, Tehsil Indri Distt. Karnal, Haryana	Saturday 29/9/2001	9.00 a.m.

No postal ballot were used/invited for voting at these meetings in respect of special resolution passed in these meetings.

- (B) Book Closure Date: 16th September 2002 to 30th September 2002.
- (C) Dividend Payment Date: The company had not declared any dividend.
- 2. Means of Communication

The quarterly results are published in the Hindustan Times & Danik Bhaskar & Amar Ujala.

#### 3. Board of Directors

The Board consists of Nine Directors. The Directors on our board are highly qualified and experienced individuals who are active participants in the decision making process and provide guidance and objective judgement to the company. The name of the director are following:

#### Name of Directors

1.	Sh. Venod Kumar Sharma	2.	Sh. Sham Sunder Sharma
3.	Smt. Raj Rani	4.	Sh. Vinod Dada
5.	Sh. Siddhartha Vashishta	6.	Sh. Harvinder Chopra
7.	Sh. Kuldip Singh	8.	Sh. Y.K. Bhatia, Nominee Director
		9.	Sh. S.C. Jolly

Attendance of each director at the Board meeting, last Annual General Meeting and number of other directorship of each Director in various companies.