

**9th**

**Annual Report**

**2002-2003**

Report  Junction.com

**Piccadily**

**Agro Industries  
Limited**

**BOARD OF DIRECTORS**

Sh. Siddhartha Vashishta, Managing Director

Sh. Sham Sunder Sharma, Director

Smt. Raj Rani, Director

Sh. Vinod Dada, Director

Sh. Harvinder Chopra, Executive Director

Sh. Kuldip Singh, Director

Sh. Mahavir Singh, Nominee Director

**AUDITORS**

M/s Jain &amp; 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, Distt. Karnal

Haryana

**CORPORATE OFFICE**

275-276, Capt. Gaur Marg,

Srinivas puri, Okhla,

New Delhi

**AUDIT COMMITTEE**

Sh. Vinod Dada

Sh. Kuldeep Singh

Sh. Siddhartha Vashishta

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## NOTICE

Notice is hereby given that the 9<sup>th</sup> Annual General Meeting of the share holders of the company will be held on Tuesday i.e 30<sup>th</sup> Sept. 2003 at 11-00 A.M at the Registered office of the company i.e. Village : Bhadson. Umri-Indri Road . Distt Karnal. Haryana to transact the following business:-

**As Ordinary Business**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2003 and the Profit and Loss account of the company for the year ended on that date and the Auditor's and Director's Report thereon.
2. To appoint a Director in place of Sh. Sham Sunder Sharma, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Sh. Vinod Dada, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Sh. Harvinder Chopra, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint auditors and fix their remuneration.

**Special Business**

6. To consider and if thought fit, to pass with or without modification the following resolution as a special resolution: "Resolved that Subject to the provisions of the Companies Act 1956, Securities Contracts (Regulation) Act 1956 and the rules framed there under and in terms of the SEBI (Delisting of Securities) Guidelines 2003, the individual listing agreements with the Stock Exchanges listed below and all other applicable laws, rules regulations and Guidelines as may be applicable and modifications if any made to the above from time to time and subject to such approvals as may be necessary, consent of the shareholders be and is hereby accorded to the Board of Directors of the Company to delist the Equity Shares from the following Stock exchanges

- i. The Ludhiana Stock Exchange Association Ltd.
- ii. Delhi Stock Exchange Association Ltd.
- iii. Jaipur Stock Exchange Ltd.
- iv. Madras Stock Exchange Ltd.
- v. The Stock Exchange, Ahmedabad

Further resolved that the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds & things as may be necessary for the purpose to settle any questions, difficulties or doubts that may arise in this regard or accept to any term and condition of any Stock Exchange, to authorize any person to represent the company or to do any other act which may be deemed necessary for de-listing of shares from the above said Stock Exchanges."

7. To consider and if thought fit, to pass with or without modification the following resolution as a special resolution. "Resolved that pursuant to the provisions of sections 198, 269, 309, and Schedule XIII and other applicable provisions, if any, of the Companies Act 1956, Sh. Harvinder Chopra, be and is hereby appointed as Executive Director of the company for a period of Two years with effect from 2<sup>nd</sup> April 2003 on a monthly remuneration of Rs 20,000/- (Rupees Twenty Thousand only) and a House rent allowance of Rs 10000/- (Rupees Ten Thousand Only) Per mensem and other benefits as may be permitted by the rules & regulations of the company.

Further resolved that the Board of Directors of the company be & is here by authorized to alter terms and conditions of appointment, salary structure within the limits provided by Schedule XIII of Companies Act 1956 at any time."

8. To consider and if thought fit, to pass with or without modification the following resolution as a special resolution. "Resolved that pursuant to the provisions of sections 198, 269, 309, and Schedule XIII and other applicable provisions, if any, of the Companies Act 1956, Sh. Siddhartha Vashishta be and is hereby appointed as Managing Director of the company for a period of three years with effect from 30<sup>th</sup> June, 2003 on a monthly remuneration of Rs 50,000/- (Rupees Fifty Thousand only) Per mensem and other benefits as may be permitted by the rules & regulations of the company.

Further resolved that the Board of Directors of the company be & is here by authorized to alter terms and conditions of appointment, salary structure within the limits provided by Schedule XIII of Companies Act, 1956 at any time."

By order of the Board  
For Piccadilly Agro Industries Limited

Date : New Delhi  
Place : 30-07-2003

Siddhartha Vashishta  
Managing Director

Raj Rani  
Director

**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 Members and shares transfer Books of the company will remain closed from 16<sup>th</sup> September 2003 to 30<sup>th</sup> September 2003.
3. Share holders 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**

**ITEM NO. 6** . Recently the Securities and Exchange Board of India issued (De-listing of Securities) Guidelines – 2003. According to these guidelines the company can de-list shares by passing a special resolution in its General meeting. Since from the last few years trading in equity shares of the company on The Ludhiana Stock Exchange Association Ltd., The Delhi Stock Exchange Ltd., The Jaipur Stock Exchange Ltd., The Madras Stock Exchange Ltd. & The Stock Exchange, Ahmedabad is rare and negligible and is disproportionate to the listing fees paid by the company to said exchanges. The company has been spending considerable amount of money on listing fees and compliance of other conditions of listing agreements. Further the shares continue to be listed at The Stock Exchange –Mumbai ( BSE), which is having nationwide terminals & is fulfilling the requirements. Hence investors/members interest is not effected in anyway.

None of the directors is interested in the resolution.

Consent of the members is required in pursuant to clause 5.2 of the Sebi (De-listing of Securities) guidelines – 2003 & other applicable provisions and guidelines.

**ITEM NO. 7** . Brief profile of Sh. Harvinder Chopra

Sh. Harvinder Chopra, Executive Director of the Company, whose term has matured on 1.4.2003 as Executive Director of the Company. Sh. Harvinder Chopra is a Chartered Accountant and is having wide experience in Finance, Accounts, Administration and other fields. He brings with him more than two decades experience in the above captioned spheres. He has been managing the affairs of company from the start of the Mill. He is also Director of Victor Textiles Ltd, K. N. Land Development Ltd. & Piccadily Sugar and Allied Industries Ltd. His appointment for a period of two years will be beneficial and in the interest of the Company.

None of the directors except Sh. Harvinder Chopra is interested in the resolution.

**ITEM NO. 8** . Brief profile of Sh. Siddhartha Vashishta

Sh. Siddhartha Vashishta is a young and energetic entrepreneur. He is a commerce graduate and has been successfully looking after the affairs of the following companies as Director:

1. Piccadily Hotels Private Ltd.
2. Piccadily Holiday Resorts Ltd.
3. Piccadily Sugar & Allied Industries Ltd.
4. Soon-N-Sure Holdings Ltd.

The Board has appointed Sh. Siddhartha Vashishta as Managing Director of the Company with effect from 30-06-2003 for a period of 3 years subject to the approval of share holders.

None of the directors except Sh. Siddhartha Vashishta is interested in the resolution.

Consent of the members is required for passing the special resolution.

**DIRECTOR'S REPORT****Dear Share holders**

Your Directors have pleasure in presenting their 9<sup>th</sup> Annual Report together with Audited Accounts of the company for the year ended on 31<sup>st</sup> March, 2003.

**FINANCIAL RESULTS**

(Rs in Lacs)

Particulars	31/03/2003	31/03/2002
Sales & Other Income	6174.91	6688.24
Profit before Interest & Depreciation	522.55	219.71
Less: Interest	409.14	659.67
Depreciation	287.91	267.30
Net loss	(174.50)	(707.26)

**Review of the operations & Indian Sugar Industry**

The Mill commenced crushing operations for the season 2002-2003 on 1<sup>st</sup> December 2002 & closed on 26<sup>th</sup> May 2003. During this period Mill has achieved highest Sugarcane crushing as compared to any other previous season from the start of Mill. The comparative operational results for the last two seasons are as follows:

Particulars	Season 2002-2003	Season 2001-02
Duration (Days)	177	147
Sugarcane Crushed (Qtls)	48,32,570	30,10,256
Recovery (Percent)	9.75	9.50
Sugar Produced (in bags)	472387	2,90,460

The Sugar Production in the country from the last 6 consecutive years have increased progressively from 128.5 Lac tones in 1997-98 to 195.00 Lac tones in 2002-2003. Such large increase in the production of sugar only gave to accentuate the dis-equilibrium between supply & demand for Sugar in the domestic market & thereby putting the sugar sector under great pressure. The prices of Sugar in domestic market have steeply declined by Rs 2500/- to Rs 3000/- per tone in the last 2 years severely effecting the profitability of sugar mills across the country. Lower price realizations of sugar has thus resulted in a Net loss of Rs 174.50 lacs. In the last month the sale price of sugar have again taken upward trend and the company is hope full that it will continue.

**Directors**

Sh. Vinod Dada, Sh. Sham Sunder Sharma and Sh. Harvinder Chopra, Directors of the company retire(s) by rotation and are eligible for the re-appointment.

**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 2003-2004.

**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 and foreign exchange earning and outgo is annexed and forms part of the report.

**Director's Responsibility Statement**

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the directors give hereunder the Director's responsibility statement relating to the Accounts of the company :-

1. All the applicable Accounting standards have been followed in the preparations of the accompanying accounts.
2. The Directors have selected such accounting policies and applied them consistently and made judgments 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, 2003 and of the Profit and Loss of the company for the said period.
3. 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 fraud and other irregularities.
4. The Directors have prepared the Annual Accounts on going concern basis.

**Acknowledgement**

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.

**For Piccadily Agro Industries Limited**

Date : 30-07-2003  
Place: New Delhi

Siddhartha Vashishta  
Managing Director

Raj Rani  
Director

**Annexure to the Director's Report for the year 2002-2003**

INFORMATION AS PER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTOR'S ) RULES 1988 AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2003.

**A. 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 achieving quite appreciable. Some of the significant measures taken are:-

- 1) In order to increase profitability and minimize energy conservation, D.C motors have been installed 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 along with vapour line 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 1/12/2002 and all the necessary steps have been taken by the company to conserve the energy at all the levels by optimum utilization.

1.	ELECTRICITY	2002-2003	2001-2002
	<b>(a) PURCHASED</b>		
	Unit	KWH	KWH
	Total Units	NIL	259010
	Total Amount(Rs.)	NIL	2556000
	Rate per unit(Rs.)	NIL	9 86
	<b>(b) OWN GENERATION</b>		
	i) Through Diesel Generator		
	Unit	KWH	KWH
	Total Unit	5457768	502300
	Units per Litre of Diesel Oil	8.8	12.60
	Cost Per Unit(Rs.)	2.13	2.51
	ii) Through steam Turbine/Generator		
	Unit	KWH	KWH
	Total Units	16632000	14822400
	Units per Ton of fuel(Bagasse)	Steam	Steam
	Cost per Unit(Rs.)	produced by	produced by
		use of own bagasse	use of own bagasse
2.	Coal/Furnance Oil	N.A.	N.A.
3.	Other	N.A.	N.A.
4.	Consumption of Per Unit of Production		
	Sugar (Qtls)	440271	250195
	Electricity(Units)	57	62
	Other(Specify)	NIL	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 manufacture of sugar.

**C. FOREIGN EXCHANGE EARNING AND OUTGO**

Foreign Exchange earning	Nil
Foreign Exchange Outgo	Nil

For Piccadily Agro Industries Limited

Date : 30-07-2003

Place: New Delhi

Siddhartha Vashishta  
Managing Director

Raj Rani  
Director

## CORPORATE GOVERNANCE

Piccadilly Agro Industries Limited's net objective is to create shareholders value by consistently practiced 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, employees, 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 judgment to the company.

### 1. (A) General Body Meeting

Location and time for last 3 Annual General Meetings:

Year	Meeting	Location	Date	Time
2000	AGM	Piccadilly Agro Industries Limited Village :Bhadson, Umri-Indri Road, Tehsil Indri, Distt Karnal, Haryana	Wednesday 27/09/2000	11 A.M
2001	AGM	Piccadilly Agro Industries Limited Village :Bhadson, Umri-Indri Road, Tehsil Indri, Distt Karnal, Haryana	Saturday 29/09/2001	9.00 A.M
2002	AGM	Piccadilly Agro Industries Limited Village :Bhadson, Umri-Indri Road, Tehsil Indri, Distt Karnal, Haryana	Monday 30/09/2002	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 : 16<sup>th</sup> September, to 30<sup>th</sup> September, 2003.

(C) Dividend Payment Date : The company has not declared any dividend.

### 2. Means of Communication

The quarterly results are published in The Hindustan Times, Indian Express & Dainik Tribune.

### 3. Board of Directors

The Board consists of Seven 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 judgment to the company. The names of the directors are following:-

Name of Directors	Nature
1. Sh. Sham Sunder Sharma	Promoter Director
2. Smt. Raj Rani	Promoter Director
3. Sh. Vinod Dada	Independent Director
4. Sh. Siddhartha Vashishta	Independent Director
5. Sh. Harvinder Chopra	Independent Director
6. Sh. Kuldip Singh	Independent Director
7. Sh. Mahavir Singh	Nominee Director