

17th
ANNUAL REPORT
AND ACCOUNTS, 2003



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TEESTA AGRO INDUSTRIES LIMITED

TEESTA AGRO INDUSTRIES LIMITED



BOARD OF DIRECTORS

Chairman-Cum-Managing Director
Sri Hardev Singh

Directors

Smt. Joginder Kaur
Sri Paramdeep Singh
Sri R. C. Wadhwa
Sri Inderdeep Singh
Sri U. C. Sahoo
Sri Thakur Singh
Sri U. S. Goel
Sri Manjit Singh

Secretary

Sri J. Tiwari

Auditors

Mantry & Associates

Bankers

State Bank of India
Allahabad Bank
Union Bank of India

Corporate Office

63/1/2, Sarat Bose Road, Kolkata - 700 025

Registered Office & Works

Rajganj, Jalpaiguri, West Bengal, Pin : 735134

Share Registrar

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



TEESTA AGRO INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of Teesta Agro Industries Limited will be held at the Registered Office of the Company at Mazabari, Raiganj, Jalpaiguri, West Bengal on Thursday, the 30th October 2003 at 11.00 A.M. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2003 and the Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon .
2. To appoint a Director in place of Mr. R. C. Wadhwa who, retires by rotation and being eligible, offers himself for re - appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to pass, with or without modification(s), the following resolution as an ordinary resolution :-

" RESOLVED that M/s. Mantry and Associates, Chartered Accountants, Siliguri be and are hereby appointed Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors of the Company including the terms of payment."

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution :-

" Resolved that Mr. Thakur Singh be and is hereby appointed as a Director of the Company, whose period of office shall be liable to determination by retirement of Directors, by rotation ."
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution :-

" Resolved that Mr. U. S. Goel be and is hereby appointed as a Director of the company, whose period of office shall be liable to determination by retirement of Directors, by rotation ."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution :-

" Resolved that Mr. Manjit Singh be and is hereby appointed as a Director of the company, whose period of office shall be liable to determination by retirement of Directors, by rotation ."

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7. To consider and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution :-

" Resolved that Mr. U.C. Sahoo be and is hereby appointed as a Director of the company, whose period of office shall be liable to determination by retirement of Directors by rotation and further that in accordance with the Provisions of Section 198, 269, 309 and all other applicable provisions of the companies Act, 1956 including Schedule XIII to the said Act, the company hereby approves his appointment and remuneration as whole time Director for a period of five years w.e.f. December 1st, 2002 on the terms and conditions as laid down in the Explanatory Statement and further that the remuneration payable to him will be the minimum remuneration payable even in case of loss or inadequacy of profit in any financial year during his tenure ."

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

" Resolved that, in accordance with the applicable provisions of the Companies Act, 1956, the Listing Agreement with Stock Exchanges and the provisions of the Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003, or any amendment or modification thereof, and subject to such other approvals, permissions and sanctions as may be necessary, and such conditions and modifications as may be prescribed or imposed by any Authority while granting such approvals, permissions or sanctions which may be agreed to by the Board of Directors of the Company (the Board") or any Committee / person(s) authorized by the Board, consent be and is hereby accorded to delist the Ordinary Shares of the Company from the Stock Exchanges at Ludhiana, Delhi and Kolkata .

Resolved further that authority be and is hereby accorded to the Board or any Committee/ person(s) authorized by the Board, to settle all questions, difficulties or doubts that may arise in this regard and to do all such acts, deeds and things as may be necessary, expedient and desirable, for the purpose of giving effect to this Resolution."

Siliguri Office :
Kapil Centre, 2nd Mile
Sevoke Road
Siliguri - 734401
Date : The 20 th September, 2003

By the Order of the Board
For Teesta Agro Industries Ltd.
J. Tiwari
Company Secretary



TEESTA AGRO INDUSTRIES LIMITED

NOTES :-

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company . The proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting .
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 27th October, 2003 to 30th October, 2003, both days inclusive .
3. Members are requested to notify immediately any change in their address to the Company's Registered Office or to the Company's Registrar M/s. Maheshwari Datamatics Pvt. Ltd.
4. Explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 is annexed.
5. Details regarding Directors as per Clause 49 of the Listing Agreement seeking appointment / reappointment are as under:-

Name	Date of Birth	Age	Qualification	Experience	Other Directorship and Membership of any Committee
U.C.Sahoo	06.12.56	47	M.S.C & M.B.A.	25 years as senior Exec. Officer	Nil
Thakur Singh	24.08.54	49	Matriculate	Experience In Mechanical Field	Nil
U.S.Goel	01.04.69	34	Chemical Engineer	Experience In S.A. Plant	Nil
Manjit Singh	15.03.59	44	Matriculate	Experience In agriculture	Nil

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Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

Item No. 4

Mr. Thakur Singh was appointed Additional director of the Company in the Board Meeting held on 30.11.02 . As per Section 260 of the Companies Act, 1956, he will hold office till the conclusion of this Annual General Meeting . The Company has received Notice in writing from a Member of the Company under Section 257 of the Companies Act, 1956, expressing his intention to propose the name of Mr. Thakur Singh for the office of Directorship of the Company. Mr. Thakur Singh has expressed his willingness to act as a Director, if elected, and has filed his consent in this regard with the Company under Section 264(1) of the Companies Act, 1956 .

The Board of Directors recommends the resolution for approval of the Members of the Company.

Save and except Mr. Thakur Singh, no Director of the Company is concerned or interested in the resolution being item no. 4 in the notice .

Item No. 5

Mr. U.S. Goel was appointed Additional Director of the Company in the Board Meeting held on 20.02.03 . As per Section 260 of the Companies Act, 1956, he will hold office till the conclusion of this Annual General Meeting . The Company has received Notice in writing from a Member of the Company under Section 257 of the Companies Act, 1956, expressing his intention to propose the name of Mr. U.S. Goel for the office of Directorship of the Company . Mr. U. S. Goel has expressed his willingness to act as a Director , if elected, and has filed his consent in this regard with the company under Section 264(1) of the Companies Act, 1956 .

The Board of Directors recommends the resolution for approval of the Members of the company.

Save and except Mr. U. S. Goel, no Director of the company is concerned or interested in the resolution being item no. 5 in the notice .

Item No. 6

Mr. Manjit Singh was appointed Additional Director of the company in the Board Meeting held on 19.03.03. As per Section 260 of the Companies Act, 1956, he will hold office till the conclusion of this Annual General Meeting . The company has received Notice in writing from a member of the company under Section 257 of the Companies Act, 1956, expressing his intention to propose the name of Mr. Manjit Singh for the office of Directorship of the company . Mr. Manjit Singh has expressed his willingness to act as a Director, if elected, and has filed his consent in this regard with the company under Section 264(1) of the Companies Act, 1956 .



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The Board of Directors recommends the resolution for approval of the members of the company.

Save and except Mr. Manjit Singh, no Director of the company is concerned or interested in the resolution being item no. 6 in the notice .

Item No. 7

Mr. U.C. Sahoo was appointed as Additional and whole time Director of the company in the Board Meeting held on 30.11.02 . As per Section 260 of the Companies Act, 1956, he will hold office till the conclusion of this Annual General Meeting . The company has received notice in writing from a member of the company under Section 257 of the companies Act, 1956 , expressing his intention to propose the name of Mr. U. C. Sahoo for the office of Directorship of the company . Mr. U. C. Sahoo has expressed his willingness to act as a Director, if elected, and has filed his consent in this regard with the company under Section 264(1) of the Companies Act, 1956 .

Further the brief terms of appointment of Mr. U. C. Sahoo as Whole Time Director are as under :

- i) The appointment is with effect from 01.12.02 for a period of five years .
- ii) Salary @ Rs. 50,000 p.m.
- iii) Free use of telephone at residence . Personal long distance calls made by Mr. U.C.Sahoo will be billed to him by the company .
- iv) Company's contribution to Provident Fund and Gratuity Fund will be as per the rules of the company.
- v) Entitlement of leave will be as per the rules of the company .

The above will be the minimum remuneration payable to Mr. U. C. Sahoo even in case of loss or inadequacy of profit in any financial year during his tenure

The above may be treated as abstract of Mr. U. C. Sahoo's terms of appointment as Whole Time Director as per Section 302 of the companies Act, 1956 .

The Board of Directors recommends the resolution for approval of the Members of the company.

Save and except Mr. U. C. Sahoo, no Director of the company is concerned or interested in the resolution being item no. 7 in the notice .

Item No. 8

The Ordinary Shares of Rs. 10/- each of your company , commonly known as ' Equity Shares ' , are presently listed on the following four Stock Exchanges in India :

- a) The Stock Exchange , Mumbai (BSE)
- b) The Delhi Stock Exchange Association Ltd.
- c) The Calcutta Stock Exchange Association Limited .
- d) The Ludhiana Stock Exchange Association Limited .

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Data on trading volumes indicates that the company's shares, are not traded in material volumes at Stock Exchanges other than BSE . BSE accounts for more than 95% of the traded volumes of the company's shares and has extensive networking of trading terminals, which facilitates trading by Members / Investors across the country . The trading volumes in the Company's shares on other Stock Exchanges are either nil or insignificant . Continued listing on such Stock Exchanges neither serves the interest of the Members / Investors nor that of the company .

The Board of Directors of your company (the Board) at its meeting held on 30th July, 2003, accordingly recommended for the approval of the Members, the proposal to voluntarily delist the company's shares from the Stock Exchanges at Kolkata, Delhi and Ludhiana . The company's shares will however continue to be listed on the BSE .

Delisting of the company's shares from the aforesaid Stock Exchanges would result in administrative convenience and saving in costs on account of listing fees etc.

In accordance with the Securities and Exchange Board of India (Delisting of securities) Guidelines 2003, consent of the Members by way of a Special Resolution is required for voluntary delisting of the company's shares from the aforesaid Stock Exchanges .

The Board of Directors recommends the Special Resolution for approval of the Members . No Director of the company is concerned or interested in the Special Resolution being item no. 8 in the Notice .

Siliguri Office :
Kapil Centre
2nd Mile, Sevoke Road
Siliguri - 734401
Date : September 20th, 2003

By the Order of the Board
For Teesta Agro Industries Ltd.
J. Tiwari
Company Secretary



TEESTA AGRO INDUSTRIES LIMITED

DIRECTORS' REPORT

TO THE MEMBERS OF TEESTA AGRO INDUSTRIES LIMITED

Your Directors' take pleasure in presenting the Seventeenth Annual Report of the Company together with Audited Statement of Accounts for the year ended 31st March 2003 .

1. FINANCIAL RESULTS

	Current Year Rs. Lacs	Previous Year Rs. Lacs
Total turnover & other receipts	3395.40	3920.22
Operating Profit before Interest, Depreciation and other non cash expenses	107.72	163.18
Less : Interest on Loan	51.90	77.42
Cash Profit/(Loss)	55.82	85.76
Less : Depreciation and other non cash expenses	113.59	109.59
Profit / (Loss) for the year	(57.77)	(23.83)
Provision for taxation	23.45	3.90
Profit / (Loss) after tax	(34.32)	(19.84)
Interest waiver as per BIFR sanctioned scheme	-	1576.80
Add : Profit / (Loss) brought forward from Previous year	647.89	(750.82)
Addition to loss due to deferred tax accounting	-	(158.25)
Profit / (Loss) carried forward to next year	613.57	647.89

2. DIVIDEND

Taking into consideration the overall financial position of the Company, your Directors do not recommend to the Members of the Company for payment of any dividend in respect of the year ended 31st March, 2003 .

3. OPERATION

During the year under review, the turnover and other receipts of your Company stood at Rs. 3395.40 lacs as against Rs. 3920.22 lacs in the previous year .The decline in turnover has been mainly due to sluggishness in the Indian Economy, which adversely affected the agricultural sector. Since your Company's operations are directly related to the agricultural sector, it could not insulate itself from the adverse financial performance .

Loss after taxation stood at Rs. 34.32 lacs as against Rs. 19.84 lacs in the previous year.

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4. FUTURE PROSPECT

Your Directors expect better financial result in the years to come . The Company has already commence the exercise of cost control which has already started yielding result. There are also plans for expansion and diversification. In this regard your Directors are presently considering the total capital expenditure to be incurred and consequent resource mobilization avenues .

5. BIFR

Hon'ble Board for Industrial and Financial Reconstruction (BIFR) had declared the Company as a sick industrial unit on 11.06.1999 . The BIFR vide its order dated 21.01.2002 had sanctioned a Rehabilitation Scheme. The Company has given effect to the sanctioned Rehabilitation Scheme in the accounts of 2001 - 02 but following benefits has not been given effect till date due to pending approval of the same from the respective authorities :-

i) The State Government of West Bengal has been represented to consider waiver of sales tax upto 31.03.2001 and to consider remission of sales tax for a further period of 9 years from 01.04.2001. These reliefs and concessions have not yet has been sanctioned by the State Government,

ii) The West Bengal State Electricity Board (WBSEB) has been represented to consider waiving of electricity duty on the electricity consumption for a period of 5 years from 01.04.2001 which has not yet been sanctioned by the WBSEB

iii) The Central Board of Direct Taxes (CBDT) has been represented to consider exempting the Company from the provisions of Section 41(1), 45, 115JA, 115JB, and 155(5) of the Income Tax Act, 1961, in respect of concessions allowed by institutions and other agencies under the Sanctioned Rehabilitation Scheme. These reliefs and concessions have not yet been sanctioned by the CBDT .

In terms of BIFR order dated 24th July, 2003, the company has ceased to be a sick industrial company within the meaning of Section 3(1)(0) of the Sick Industrial Companies (Special Provisions) Act, 1985 .

6. DIRECTORS

Mr. R.C. Wadhwa retires by rotation at the forth coming Annual General Meeting and being eligible has offered himself for reappointment.

Mr. U. C. Sahoo , Mr. Thakur Singh , Mr. U. S. Goel and Mr. Manjit Singh were appointed as Additional Directors in the Board Meetings held on 30.11.02 , 30.11.02, 20.02.03 and 19.03.03 respectively. The company has received four seprate Notices in writing from the Members of the company, to the effect that they would propose the respective names of Mr. U.C.Sahoo, Mr. Thakur Singh, Mr. U.S Goel and Mr. Manjit Singh for the office of Director in the forth coming Annual General Meeting. The above Notices have been sent under section 257 of the Companies Act, 1956.