

19TH ANNUAL REPORT AND ACCOUNTS, 2005



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 Prem Singh

Sri Manjit Singh

Secretary

Sri J. Tiwari

Auditors

Mantry & Associates

Bankers

State Bank of India

Allahabad Bank

Corporate Office

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

Registered Office & Works

Rajganj, Jalpaiguri, West Bengal, Pin : 735134

Share Registrar

Maheshwari 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 Nineteenth Annual General Meeting of Teesta Agro Industries Limited will be held at the Registered Office of the Company at Mazabari, Rajganj, Jalpaiguri, West Bengal on Friday, the 30th September 2005 at 3.00 P.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, 2005 and the Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon .
2. a) To appoint a Director in place of Mr. Paramdeep Singh who, retires by rotation and being eligible, offers himself for re - appointment.

b) 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, the following resolution as an ordinary resolution :-

“ Resolved that Mr. Prem 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 .”

Siliguri Office :
Kapil Centre,
2nd Mile, Sevoke Road
Siliguri - 734401
Date : The 26th August, 2005

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

Company Secretary



NOTES :-

1. Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 is enclosed .
2. 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 .
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 27th September, 2005 to 30th September, 2005 both days inclusive .
4. 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.
5. The details as per Listing Agreement with concerned Stock Exchange(s) regarding Directors retiring by rotation and being eligible for reappointment are as under :-

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Name	Date of Birth	Age	Qualification	Experience	Other Directorship and Membership of any Committee
Pramdeep Singh	22.10.79	25	Graduate	Six Year Experience in Manufacturing Industry	Nil
R. C. Wadhwa	01.03.44	61	Engineer	Twenty Years experience in Manufacturing Industry	Nil



TEESTA AGRO INDUSTRIES LIMITED

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

Item No. 4

Mr. Prem Singh was appointed as Additional Director of the company in the Board Meeting held on 28.03.2005 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. Prem Singh for the office of Directorship of the company . Mr. Prem 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 & except Mr. Prem Singh, no Director of the company is concerned or interested in the resolution being Item No. 4 in the notice.

Siliguri Office :
Kapil Centre,
2nd Mile, Sevoke Road
Siliguri - 734401
Date : The 26th August, 2005

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

Company Secretary



DIRECTORS' REPORT

TO THE MEMBERS OF TEESTA AGRO INDUSTRIES LIMITED

Your Directors take pleasure in presenting the Nineteenth Annual Report of the Company together with Audited Statement of Accounts for the year ended 31st March, 2005 .

1. FINANCIAL RESULTS

	Current Year	Previous year
	Rs. Lacs	Rs. Lacs
Total turnover & other receipts	3924.67	2988.16
Operating Profit before Interest, Depreciation and other non cash expenses	347.29	303.20
Less: Interest on Loan	95.42	101.18
Cash Profit / (Loss)	251.87	202.02
Less: Depreciation and other non cash expenses	142.30	132.34
Profit / (Loss) for the year	109.57	69.68
Provision for taxation	(39.44)	(27.38)
Profit / (Loss) after tax	70.13	42.30
Add : Profit / (Loss) brought forward from Previous year	544.37	613.57
Transferred to Capital Redemption Reserve Account	-	111.50
Profit/(Loss) carried forward to next year	614.50	544.37

2. DIVIDEND

Your Directors do not recommend payment of dividend in respect of the year ended 31st March 2005 mainly due to augmenting working capital requirements to partly fund the expansion and diversification programmes of the company at hand.

3. OPERATION

The turnover and other receipts of your Company has been Rs. 3924.67 lacs as against Rs.2988.16 lacs in the previous year. Profit after taxation stood at Rs. 70.13 lacs as against Rs. 42.30 lacs in the previous year. Your Directors are pleased to state that, in spite of cut throat competition, your company managed to scale up higher turnover due to effective marketing policies undertaken by your company . This directly affected the bottom line which clocked an increase of nearly Rs. 28.00 lacs over the previous year figure of Rs. 42.30 lacs.



TEESTA AGRO INDUSTRIES LIMITED

4. FUTURE PROSPECT

In view of India's growing economy and the Central Government's emphasis on Agriculture and Agri based industries, your Directors feel that your company will be able to capitalize on the growing economic scenario. Your company is poised to register top line and bottom line growth in future.

Your company, in collaboration with local company / individuals in Egypt, will soon form a company there. Your company's equity participation in the proposed joint venture company in Egypt will not be less than 51% . The proposed joint venture company will manufacture Di Ammonium Phosphate, Phosphoric Acid, Sulphuric Acid and will also engage in mining activities . The formation of joint venture company in Egypt will auger well for your company which will be the holding company of joint venture company .

5. DIRECTORS

Mr. Paramdeep Singh & Mr. R.C.Wadhwa retire by rotation in the forthcoming Annual General Meeting and both being eligible have offered themselves for reappointment.

Mr. Prem Singh was appointed Additional Director of the company with effect from 28.03.2005 and as per Section 260 of the Companies Act, 1956, he will hold office upto the conclusion of this Annual General Meeting . However, the company has received notice in writing from a Member under Section 257 of the Company's Act, 1956 expressing his intention to propose the name of Mr. Prem Singh for Directorship of the company in the forthcoming Annual General Meeting . Mr. Prem Singh has expressed his willingness to act as Director, if elected, and has filed requisite consent under Section 264(1) of the company's Act, 1956.

6. DIRECTORS' RESPONSIBILITY STATEMENT

As per newly inserted Section 217(2AA) of the Companies Act, 1956 your Directors state :-

- i. That in the preparation of Annual Accounts, the applicable Accounting Standards had been followed and no material departure have made from the same .
- ii. That the Directors had selected such accounting policies and applied them consistently and made judgement and estimates that are resonable and prudent so as to give a true and fair view of the state of affairs of the Company for the period .



- iii. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors had prepared the annual accounts on a going concern basis.

7. EMPLOYEES

No employee has been in receipt of salary of Rs. 24 lacs or more per annum or Rs. 2 lacs or more per month during any part of the year under review and hence the necessary details as per the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not required to be furnished.

8. CONSERVATION OF ENERGY

The necessary details under the captioned heading have been given as per Annexure:A

9. AUDITORS

M/s. Mantry & Associates, Chartered Accountants, Siliguri are the retiring auditors and, being eligible, have offered themselves for reappointment,

10. AUDITORS' REPORT

The Auditors' Report read with relevant Notes on Accounts are self - explanatory and does not call for further clarification.

11. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report including certificate of the auditors thereon is annexed and marked as Annexure B which forms part of this report.

12. MANAGEMENT DISCUSSION & ANALYSIS

A statement of management discussion and analysis is annexed and marked as Annexure C which forms part of this report.



TEESTA AGRO INDUSTRIES LIMITED

13. APPRECIATION

Your Directors wish to record their appreciation of the valuable co - operation and support received from the customers, Financial Institutions, Banks, Central Govt. and various State Govt. Your Directors are also grateful to shareholders and employees for the continued support to the Company .

Siliguri Office :
Kapil Centre
2nd Mile, Sevoke Road
Siliguri - 734401
Date : The 26th August, 2005

For and on Behalf of the Board of Directors

(Hardev Singh)
Chairman - cum - Managing Director





TEESTA AGRO INDUSTRIES LIMITED

ANNEXURE - A

Information under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors Rules), 1988 and forming part of Directors' Report

Conservation of Energy

- | | | |
|--|---|---|
| a) Energy Conservation measures taken | } | New motors/equipments added/replaced |
| b) Additional Investments/proposals, if any | } | during the year are energy efficient. One |
| c) Impact of the measures at (a) and (b) above | } | 0.8 MW steam turbine has been installed to generate power from waste steam. |

FORM A**Disclosure of particulars with respect to Conservation of Energy****A. Power & Fuel Consumption**

		2004-05		2003-04	
		FERTILISER	S.ACID	FERTILISER	S.ACID
1. Electricity					
(a) Purchased Units	'000 KWH	1793.694	842.514	1345.041	744.316
Total Amount	Rs.Lakhs	78.09	36.68	58.46	32.35
Rate/Unit	Rs.	4.35	4.35	4.35	4.35
(b) Own Generation Units	'000 KWH	25.979	12.486	40.959	18.684
Unit per litre of Diesel Oil KWH		2.61	2.61	2.74	2.74
Cost per Unit	Rs.	10.15	10.15	8.05	8.05
2. Coal		NA	NA	NA	NA
3. (a) HSD	'000 Ltrs.	29.150	9.00	22.400	7.320
(b) Total Amount	Rs.lakhs	7.72	2.39	5.46	1.61
4. (a) Furnace Oil	'000 Ltrs	84.00	-	36.000	-
(b) Total Amount	Rs. lakhs	12.48	-	7.56	-
5. Other internal generation		NA	NA	NA	NA

B. Consumption per unit of production

		Electricity	F.Oil/LDO/HSD		
		(KWH/Tonne)		(Litres/Tonne)	
		2004-05	2003-04	2004-05	2003-04
1.	Fertiliser	17.78	14.82	1.11	0.64
2.	S.Acid	24.41	27.92	0.26	0.27