

21TH ANNUAL REPORT AND ACCOUNTS, 2007



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 Twenty first 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 Monday, the 17th December, 2007 at 10.00 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, 2007 and the Profit and Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon .
2. To appoint a Director in place of Mr. Inderdeep Singh who retires by rotation and being eligible, offers himself for re - appointment.
3. To appoint a Director in place of Mrs. Joginder Kaur who retires by rotation and being eligible, offers herself for re - appointment.
4. To appoint a Director in place of Mr. Paramdeep Singh who retires by rotation and being eligible, offers himself for re - appointment.
5. 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

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

“Resolved that pursuant to Section 16, 17 and all other applicable provisions, if any, of the Companies Act, 1956, the consent of the company is hereby accorded for alteration of the Object Clause of the Memorandum of Association of the company in as much as after the clause 3(a)(iii) thereof, the following new clause numbered as 3(a)(iv) be added :



TEESTA-AGRO INDUSTRIES LIMITED

3(a)(iv)

“To carry on all or any of the businesses of manufacturers, installers maintainers, repairers, importers, exporters, buyers, sellers, agents and distributors, of and traders in and dealers in all kinds of machinery equipment apparatus and accessories used or capable of being used in construction work including the business of manufacturers importers, exporters, buyers, sellers, agents, and distributors of and traders in cement, iron rods, bricks and paints and all other material of any kind or nature used in construction work.”

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 13th December, 2007 to 17th December, 2007 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. The details as per Listing Agreement with concerned Stock Exchange(s) regarding Directors retiring by rotation and being eligible for reappointment are as under :-

| Name | Date of Birth | Age | Qualification | Experience | Other Directorship and Membership of any Committee |
|-----------------|---------------|-----|---------------|---|--|
| Inderdeep Singh | 08.11.1977 | 30 | MBA | Ten years experience in manufacturing industry | Nil |
| Paramdeep Singh | 22.10.1979 | 28 | Graduate | Six Years experience in Manufacturing Industry | Nil |
| Joginder Kaur | 15.03.1954 | 53 | Graduate | Twenty Years experience in Manufacturing Industry | Nil |

Siliguri Office :
25, Bardhaman Road
Siliguri - 734005
Date : The 31st October, 2007

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



TEESTA AGRO INDUSTRIES LIMITED

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

ITEM NO. 6

It is proposed to alter the Object Clause of the Memorandum of Association of the Company, in the manner and mode, as per item No. 6 of the notice convening this Annual General Meeting, so as to enable the company to carry on with lines of business as detailed in the special resolution under Item No. 6 of this notice.

The Board of Directors recommends the special resolution being Item No. 6 of the notice for approval of the Members.

No Director of the company is concerned or interested in the special resolution being Item No. 6 of this notice.

Siliguri Office :
25, Bardhaman Road
Siliguri - 734005
Date : The 31st October, 2007

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 Twenty - first Annual Report of the Company together with Audited Statement of Accounts for the year ended 31st March, 2007.

1. FINANCIAL RESULTS

| | Current Year | Previous year |
|---|--------------|---------------|
| | Rs. Lacs | Rs. Lacs |
| Total turnover & other receipts | 4319.42 | 4266.09 |
| Operating Profit before Interest, | | |
| Depreciation and other non cash expenses | 308.19 | 362.76 |
| Less: Interest on Loan | 85.94 | 81.83 |
| Cash Profit | 222.25 | 280.93 |
| Less: Depreciation and other non cash expenses | 158.67 | 153.66 |
| Profit for the year | 63.58 | 127.27 |
| Provision for taxation | (19.89) | (32.05) |
| Profit after tax | 43.69 | 95.22 |
| Add : Profit brought forward from Previous year | 709.72 | 614.50 |
| Profit carried forward to next year | 753.41 | 709.72 |

2. DIVIDEND

Your Directors have not recommended for payment of any dividend in respect of the year ended 31st March, 2007, mainly because of decrease in profit as compared to previous year.

3. OPERATION

The turnover and other receipts of your company has been Rs. 4319.42 lacs as against Rs. 4266.09 lacs in the previous year. Profit after taxation stood at Rs. 43.69 lacs as against Rs. 95.22 lacs in the previous year.

4. FUTURE PROSPECT

Your company has started trading in some agricultural products in the current year and it hopes to further diversify in future in the business of sale of construction equipments and construction materials.



TEESTA AGRO INDUSTRIES LIMITED

5. DIRECTORS

Mrs. Joginder Kaur, Mr. Inderdeep Singh & Mr. Paramdeep Singh retire by rotation in the forthcoming Annual General Meeting and, all being eligible, have offered themselves for reappointment.

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.

13. APPRECIATION

Your Directors wish to record their appreciation of the valuable co - operation and support received from the customers, 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 :
25, Bardhaman Road
Siliguri - 734005
Date : The 31st October, 2007

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 light fittings added/ |
| b) Additional Investments/proposals, if any | } | replaced during this year are energy efficient. |
| c) Impact of the measures at (a) and (b) above | } | Our waste heat steam turbine generates 0.5 MW eco-friendly power for our captive need. |

FORM A**Disclosure of particulars with respect to Conservation of Energy**

| A. Power & Fuel Consumption | | 2006-07 | | 2005-06 | |
|--|------------|----------------------------|---------|---------------------------------|---------|
| | | FERTILISER | S.ACID | FERTILISER | S.ACID |
| 1. Electricity | | | | | |
| (a) Purchased Units | '000 KWH | 1040.201 | 797.603 | 1608.278 | 698.581 |
| Total Amount | Rs.Lakhs | 49.99 | 38.33 | 75.46 | 32.78 |
| Rate/Unit | Rs. | 4.81 | 4.81 | 4.69 | 4.69 |
| (b) Own Generation Units | '000 KWH | 15.366 | 11.950 | 24.166 | 6.519 |
| Unit per litre of Diesel Oil | KWH | 1.48 | 1.48 | 1.67 | 1.67 |
| Cost per Unit | Rs. | 11.82 | 11.82 | 19.11 | 19.11 |
| 2. Coal | | NA | NA | NA | NA |
| 3.(a) HSD | '000 Ltrs. | | 9.000 | | 9.000 |
| (b) Total Amount | Rs.lakhs | | 3.26 | | 2.87 |
| 4.(a) Furnace Oil | '000 Ltrs. | 96.000 | - | 78.000 | - |
| (b) Total Amount | Rs.lakhs | 21.48 | - | 15.40 | - |
| 5. Other internal generation (Power from waste steam) | | | | | |
| Own Generation Units | '000 KWH | 801.533 | 579.547 | - | 729.900 |
| Cost per Unit | Rs. | 1.58 | 1.58 | - | 1.92 |
| B. Consumption per unit of production | | | | | |
| | | Electricity (KWH/Tonne) | | F.Oil/LDO/HSD (Litres/Tonne) | |
| | | 2006-07 | 2005-06 | 2006-07 | 2005-06 |
| 1. Fertiliser | | 11.08 | 20.36 | 1.02 | 0.82 |
| 2. S.Acid | | 19.40 | 37.00 | 0.22 | 0.25 |

**FORM B****Disclosure of particulars with respect of technology absorption Research & Development (R&D)**

- | | |
|---|-----|
| 1. Specific areas in which R&D carried by the Company | Nil |
| 2. Benefits derived as a result of the above R & D | NA |
| 3. Future Plan of action | Nil |
| 4. Expenditure on R & D | |
| (a) Capital | Nil |
| (b) Recurring | Nil |
| (c) Total | Nil |
| (d) Total R&D expenditure as a percentage of total turnover, Technology Absorption, Adaption and Innovation. | Nil |
| 1. Efforts in brief, made towards technology absorption, adaption and innovation : | NA |
| 2. Benefits derived as a result of the above effects : | NA |

Foreign Exchange Earnings and Outgo :

| 2006-07 | 2005-06 |
|---------|---------|
|---------|---------|

| | | | |
|----------------------------------|-----------|---------|---------|
| i) Earnings | | Nil | Nil |
| ii) Outgo | | | |
| CIF value of imports | Rs./Lakhs | 1047.14 | 1767.30 |
| Travelling, Periodicals & Others | Rs./Lakhs | 1.34 | 4.56 |