

22ND ANNUAL REPORT AND ACCOUNTS, 2008



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 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 Second 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 Saturday, 27th September 2008 at 10 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, 2008 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. R.C.Wadhwa who retires by rotation and being eligible, offers himself for re appointment .
3. To appoint a Director in place of Mr. Prem Singh who retires by rotation and being eligible, offers himself for re appointment .
4. To appoint a Director in place of Mr. U.C.Sahoo who retires by rotation and being eligible, offers himself for re appointment .
5. To appoint Auditors and to fix their remuneration

Siliguri Office
25, Bardhaman Road
Siliguri – 734005
Date : The 23rd August, 2008

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 Share Transfer Books of the company will remain closed from 25th September, 2008 to 27th September, 2008 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
R.C.Wadhwa	01.03.1944	63	Engineer	Twenty years experience in manufacturing industry	NIL
Prem Singh	01.01.1947	61	Graduate	Twenty years experience in manufacturing industry	NIL
U.C.Sahoo	06.12.1956	52	MSC & MBA	Twenty years experience in manufacturing industry	NIL

Siliguri Office
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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 – second Annual Report of the Company together with Audited Statement of Accounts for the year ended 31st March, 2008

1. FINANCIAL RESULTS

	Current Year Rs. Lacs	Previous Year Rs. Lacs
Total Turnover & other Receipts	3964.44	4319.42
Operating Profit before Interest, Depreciation and other non cash expenses	328.37	308.19
Less : Interest on Loan	128.56	85.94
Cash Profit	199.81	222.25
Less : Depreciation and other non cash expenses	110.19	158.67
Profit for the year	89.62	63.58
Provision for Taxation	(12.68)	(19.89)
Profit after Tax	76.94	43.69
Add: Profit brought forward from Previous year	753.41	709.72
Profit carried forward to next year	830.35	753.41

2. DIVIDEND

Your Directors have not recommended for payment of any dividend in respect of the year ended 31st March, 2008, mainly because of decrease in profit as compared to previous year.

3. OPERATION

The turnover and other receipts of your company has been Rs. 3964.44 lacs as against Rs. 4319.42 lacs in the previous year . Profit after taxation stood at Rs. 76.94 lacs as against Rs. 43.69 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 .

5. DIRECTORS

Mr. R.C.Wadhwa, Mr. Prem Singh & Mr. U.C.Sahoo retires 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 :-

1. That in the preparation of Annual Accounts, the applicable Accounting Standards had been followed and no material departure have made from the same.
2. That the Directors had selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company for the period.
3. 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.
4. 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(A) 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 the report.



TEESTA AGRO INDUSTRIES LIMITED

12. MANAGEMENT DISCUSSION & ANALYSIS

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

13. APPRECIATION

Your Directors wish to record their appreciation of the valuable co operation and support received from the customers, Banks, Central Government and various State Government. 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 23rd August, 2008

For and on Behalf of the Board of Directors

(Hardev Singh)
Chairman - cum - Managing Director

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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/
	}	replaced during this year are energy efficient.
b) Additional Investments/proposals, if any	}	Our waste heat steam turbine generates 0.5
	}	MW eco-friendly power for our captive need.
c) Impact of the measures at (a) and (b) above	}	Per Tonne Power consumption remained high
	}	due to low production in some of the months.

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

A Power & Fuel Consumption		2007-08		2006-07	
		FERTILISER	S.ACID	FERTILISER	S.ACID
1. Electricity					
(a) Purchased Units	'000 KWH	1528.058	1324.929	1040.201	797.603
Total Amount	Rs.Lakhs	72.93	63.24	49.99	38.33
Rate/Unit	Rs.	4.77	4.77	4.81	4.81
(b) Own Generation Units	'000 KWH	34.197	30.853	15.366	11.950
Unit per litre of Diesel Oil	KWH	3.59	3.59	1.48	1.48
Cost per Unit	Rs.	9.39	9.39	11.82	11.82
2. Coal		NA	NA	NA	NA
3.(a) HSD	'000 Ltrs.	12.881	6.400		9.000
(b) Total Amount	Rs.lakhs	4.35	2.16		3.26
4.(a) Furnace Oil	'000 Ltrs.	111.072	-	96.000	-
(b) Total Amount	Rs.lakhs	28.14	-	21.48	-
5. Other internal generation (Power from waste steam)					
Own Generation Units	'000 KWH	328.395	342.218	801.533	579.547
Cost per Unit	Rs.	1.40	1.40	1.58	1.58
B. Consumption per unit of production					
		Electricity (KWH/Tonne)		F.Oil/LDO/HSD (Litres/Tonne)	
		2007-08	2006-07	2007-08	2006-07
1.	Fertiliser	13.80	11.08	1.12	1.02
2.	S.Acid	31.79	19.40	0.15	0.22



TEESTA AGRO INDUSTRIES LIMITED

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 :

2007-08	2006-07
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i) Earnings		Nil	Nil
ii) Outgo			
CIF value of imports	Rs./Lakhs	1821.08	1047.14
Travelling, Periodicals & Others	Rs./Lakhs	1.11	1.34



TEESTA AGRO INDUSTRIES LIMITED

ANNEXURE – B

CORPORATE GOVERNANCE REPORT

Company's Philosophy on the code of Governance

Corporate Governance primarily involves transparency, full disclosure, independent monitoring the state of affairs and being fair to all the shareholders. The corporate governance code introduced by the Securities and Exchange Board of India, has been incorporated in Clause 49 in the Listing Agreement of the Stock Exchanges and in the Companies (Amendment) Act, 2000.

The objective of your company is not only to meet the statutory requirements of the code but to go well beyond it by instituting such systems and procedures as are in accordance with the latest global trend of making management completely transparent and institutionally sound.

Your company has always believed in the concept of good corporate governance involving transparency, empowerment, accountability and integrity with a view to enhancing shareholder value. The company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

Board of Directors

Composition :

The company has a combination of Executive and non Executive Directors. The Company has an Executive Chairman and more than 50% of the total number of Directors are Independent Directors. Further, more than 50% of the Directors comprise of non executive Directors.

None of the Directors on the board is a member of more than ten committees and Chairman of more than five committees as per Clause 49(iv)(B), across all the companies in which he is a Director. All the Directors have made requisite disclosures regarding committee positions occupied by them in other companies.

The Company's Board at present has nine Directors comprising of one Managing Director, two Executive Directors and six non Executive Directors.

The Board met six times on the following dates during the Financial Year 2007 – 2008 and the gap between the two meetings did not exceed four months.

- a) April 30th, 2007
- b) June 30th, 2007