

**25TH
ANNUAL REPORT
AND ACCOUNTS, 2011**



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 A. K. Tripathy

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 Twentyfifth 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 Wednesday, 30th September 2011 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, 2011 and the Profit and Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon .
2. To declare dividend on Equity Shares of the company for the year ended 31st March, 2011.
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 a Director in place of Mr. Inderdeep Singh who retires by rotation and being eligible, offers himself for re appointment .
6. To appoint Auditors and to fix their remuneration

SPECIAL BUSINESS

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

“Resolved that Mr. A. K. Tripathy 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.”

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

“ Resolved 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 of Mr. A.K.Tripathy as Whole Time Director for a period of three years w.e.f. November 1st, 2010 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.”

By Order of the Board
For Teesta Agro Industries Limited

Place: 25, Bardhaman Road
Siliguri : 734005
Date: 06.09.2011

J. Tiwari
(Company Secretary)

**NOTES :**

1. Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act 1956 is annexed herewith and forms part of the Notice.
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 forty eight hours before the meeting.
3. The Register of Members and Share Transfer Books of the company will remain closed from 26th September, 2011 to 30th September, 2011 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 :-

NAME	Date of Birth	Age	Qualification	Experience	Other Directorship and Membership of any Committee
Prem Singh	01.01.1947	63	Graduate	Twenty two years experience in manufacturing industry	NIL
U.C.Sahoo	06.12.1956	54	MSC & MBA	Twenty two years experience in manufacturing industry	NIL
Inderdeep Singh	08.11.1977	33	MBA	Fourteen years experience in Manufacturing Industry	NIL

6. Copies of all the documents referred to in the accompanying explanatory statement are open to inspection at the Registered Office of the Company on all working days except holidays, between 11.00 A.M. and 1.00 P.M. and also during Annual General Meeting .

Siliguri Office
 25, Bardhaman Road
 Siliguri – 734005
 Date : The 6th September , 2011

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. 7

Mr. A.K.Tripathy was appointed as Additional Director of the company in the Board Meeting held on 30.10.2010. As per Section 260 of the Companies Act, 1956, he will hold office of Additional Director till the conclusion of this Annual General Meeting. However, 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. A.K.Tripathy for the office of the Director of the company. Mr. A.K.Tripathy has expressed his willingness to act as a Director, if elected, and has filled 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. A.K.Tripathy, no Director of the company is concerned or interested in the resolution being Item No. 7 in the Notice.

Item No. 8

Mr. A.K.Tripathy was appointed as Additional and Whole Time Director of the company in the Board Meeting held on 30.10.2010. As per Section 260 of the Companies Act, 1956, read with Schedule XIII to the said Act, his appointment is to be approved by the Members of the company.

The brief terms of appointment of Mr. A. K. Tripathy as Whole Time Director are as under:-

- i) The appointment is with effect from 01.11.2010 for a period of three years.
- ii) Salary @ Rs.75,000 p.m.
- iii) Company's Contribution to Provident Fund and Gratuity Fund will be as per the rules of the company.
- iv) Entitlement of leave will be as per the rules of the company.

The above will be the minimum remuneration payable to Mr. A.K.Tripathy 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. A.K.Tripathy'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. A.K.Tripathy, no Director of the company is concerned or interested in the resolution being Item No. 8 in the notice.

Siliguri Office
25, Bardhaman Road
Siliguri – 734005
Date : The 6th September , 2011

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 Twentyfifth Annual Report of the Company together with Audited Statement of Accounts for the year ended 31st March, 2011

01. FINANCIAL RESULTS

	Current Year Rs. Lacs.	Previous Year Rs. lacs.
Total turnover & other receipts	8993.75	6063.55
Operating Profit before interest, depreciation and other non cash expenses	302.72	280.67
Less : Interest on Loan	47.33	54.65
Cash Profit	255.39	226.02
Less: Depreciation and other noncash expenses	121.53	118.31
Profit for the year	133.86	107.71
Provision for taxation	(40.24)	(53.36)
Profit after tax	93.62	54.35
Add: Profit brought forward from Previous Year	957.62	903.27
Profit available for appropriation	1051.24	957.62
Proposed Dividend	44.56	—
Tax on Proposed Dividend	7.40	—
Transfer to General reserve	10.00	—
Profit carried forward to next year	989.28	957.62

2. DIVIDEND

Your Directors have recommended payment of dividend @ 10% on the Equity Share Capital of the company in respect of the year ended 31st March, 2011

3. OPERATION

The turnover and other receipts of your company has been Rs. 8993.75 lacs as against Rs. 6063.55 lacs in the previous year . Profit after taxation stood at Rs. 93.62 lacs as against Rs. 54.35 lacs in the previous year.

4. FUTURE PROSPECT

Subsidised Maximum Retail Price of SSP fertilizer is very low in comparison with other substitute fertilizers. Hence due to low price, demand for SSP fertilizer is growing day by day. To encash the growth potential of this sector, we have decided to set up a green field SSP fertilizer manufacturing unit near Chittorgarh in the State of Rajasthan. This will be our second SSP Unit. We have chosen Chittorgarh because this place is very nearer to the raw material location and we can produce SSP



fertilizer at a lower cost there at. Commercial production of SSP fertilizer from our second unit is expected within October, 2012.

5. DIRECTORS

Mr. Prem Singh, Mr. U.C.Sahoo and Mr. Inderdeep Singh retires by rotation in the forthcoming Annual General Meeting and, all being eligible, have offered themselves for re appointment.

Mr. A.K.Tripathy, was appointed Additional Director in the Board Meeting held on 30.10.2010. He would hold office of Additional Director up to the conclusion of this Annual General Meeting, as per Section 260 of the Companies Act 1956. However, the company has received notice in writing, from a shareholder, under section 257 of the Companies Act, 1956 to the effect that he would propose the name of Mr. A.K.Tripathy for position of Director in the forthcoming Annual General Meeting of the Members of the Company. The resolution, under Item No.6 of the Notice, convening the Annual General Meeting, is intended for the purpose.

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

Save and except Mr. A.K.Tripathy, no Director of the company is concerned or interested in the resolution, being Item No.6 of the Notice convening this Annual General Meeting of the Members of the company.

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.

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 6th September, 2011

For and on behalf of the Board of Directors

(Hardev Singh)

Managing Director



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		2010-11		2009-10	
		FERTILISER	S.ACID	FERTILISER	S.ACID
1. Electricity					
(a) Purchased Units	'000 KWH	1252.688	1068.045	1673.184	1168.237
Total Amount	Rs.Lakhs	85.54	72.93	85.69	59.83
Rate/Unit	Rs.	6.83	6.83	5.12	5.12
(b) Own Generation Units	'000 KWH	15.272	11.777	15.402	9.944
Unit per litre of Diesel Oil	KWH	3.27	3.27	4.46	4.46
Cost per Unit	Rs.	12.05	12.05	7.82	7.82
2. Coal	'000 Kgs.	199.400	NA	478.895	NA
	Rs.lakhs	10.43	NA	25.80	NA
3.(a) HSD	'000 Ltrs.	24.363	8.400	22.457	8.800
(b) Total Amount	Rs.lakhs	9.61	3.32	7.83	3.07
4.(a) Furnace Oil	'000 Ltrs.	-	-	-	-
(b) Total Amount	Rs.lakhs	-	-	-	-
5. Other internal generation (Power from waste steam)					
Own Generation Units	'000 KWH	753.177	743.972	480.114	565.719
Cost per Unit	Rs.	0.70	0.70	0.75	0.75
B. Consumption per unit of production					
		Electricity (KWH/Tonne)		F.Oil/LDO/HSD (Litres/Tonne)	
		2010-11	2009-10	2010-11	2009-10
1. Fertiliser		16.92	15.58	0.21	0.27
2. S.Acid		42.49	31.51	0.21	0.36

**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 :

		2010-11	2009-10
i) Earnings		Nil	Nil
ii) Outgo			
CIF value of imports	Rs./Lakhs	4386.42	4067.77
Travelling, Periodicals & Others	Rs./Lakhs	--	--