

**26 TH
ANNUAL REPORT
AND ACCOUNTS, 2012**



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 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 Twenty Sixth 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, 31st August 2012 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, 2012, The Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon .
2. To appoint a Director in place of Mr. Thakur Singh 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 Mrs. Joginder Kaur who retires by rotation and being eligible, offers herself for re appointment .
5. To appoint Auditors and to fix their remuneration

SPECIAL BUSINESS

Item No. 6

To consider and if thought fit, to pass with or without modification(s), the following resolution as an special 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 the reappointment of Mr. Hardev Singh as Managing Director for a period of three years w.e.f. August 9th, 2012 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 case of loss or inadequacy of profit in any financial year during his tenure. "

Item No. 7

To consider and if thought fit, to pass with or without modification(s), the following resolution as an special 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 the reappointment of Mr. Paramdeep Singh as Director for a period of three years w.e.f. August 9th, 2012 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 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: 06.09.2012

J. Tiwari
(Company Secretary)

**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 28th August, 2012 to 31st August, 2012 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 :-

<i>NAME</i>	<i>Date of Birth</i>	<i>Age</i>	<i>Qualification</i>	<i>Experience</i>	<i>Other Directorship and Membership of any Committee</i>
Thakur Singh	24.08.1954	58	Graduate	Seventeen years experience in manufacturing industry	NIL
Prem Singh	01.01.1947	65	Graduate	Twenty four years experience in manufacturing industry	NIL
Joginder Kaur	15.03.1954	58	Graduate	Twenty four years experience in Manufacturing Industry	Director in HSB Agro Industries Ltd.
Hardev Singh	01.10.1944	67	Graduate	Forty years experience in Manufacturing Industry	Director in HSB Agro Industries Ltd.
Paramdeep Singh	22.10.1979	32	Graduate	Ten years experience in Manufacturing Industry	Director in HSB Agro Industries Ltd.

5. Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act 1956 annexed herewith and forms part of the Notice.
6. A copy 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. up to the date of AGM.

Siliguri Office
25, Bardhaman Road
Siliguri - 734005
Date : The 2nd August , 2012

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

Mr. Hardev Singh has been reappointed as Managing Director of the company for a period of three years w.e.f. 09.08.2012 in the Board Meeting held on 30.06.2012. The Remuneration committee also recommended for his reappointment in its meeting held on 28.06.2012. The brief terms of his reappointment are as under :

- a) Period of Appointment : 3 Years w.e.f. 09.08.2012
- b) Remuneration : Rs. 650,000 per month
- c) Duties : Mr. Hardev Singh shall carry out such duties as may be entrusted to him by the Board of Directors subject to its supervision and control.

This appointment may be terminated by either side giving the other side three months notice in writing. The above may be treated as extract Under Section 302 of the Companies Act, 1956. The Board recommends his reappointment for approval of the Members.

Save and Except Mr. Hardev Singh, Smt. Joginder Kaur, Mr. Paramdeep Singh and Mr. Inderdeep Singh, no Director of the company is concerned and interested in the Special Resolution being Item No.6 in the Notice convening the Annual General Meeting of the Members of the company.

Item No 7

Mr. Paramdeep Singh has been reappointed as Whole Time Director of the company for a period of three years w.e.f. 09.08.2012 in the Board Meeting held on 30.06.2012. The Remuneration committee also recommended for his reappointment in its meeting held on 28.06.2012. The brief terms of his reappointment are as under :

- a) Period of Appointment : 3 Years w.e.f. 09.08.2012
- b) Remuneration : Rs. 50,000 per month
- c) Duties : Paramdeep Singh shall carry out such duties as may be entrusted to him by the Board of Directors subject to its supervision and control.

This appointment may be terminated by either side giving the other side three months notice in writing. The above may be treated as extract Under Section 302 of the Companies Act, 1956. The Board recommends his reappointment for approval of the Members.

Save and Except Mr. Paramdeep Singh, Mr. Hardev Singh, Smt. Joginder Kaur, and Mr. Inderdeep Singh, no Director of the company is concerned and interested in the Special Resolution being Item No.7 in the Notice convening the Annual General Meeting of the Members of the company.

Siliguri Office
25, Bardhaman Road
Siliguri - 734005
Date : The 2nd August, 2012

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 Twenty - Sixth Annual Report of the Company together with Audited Statement of Accounts for the year ended 31st March, 2012

1. FINANCIAL RESULTS

	Current Year ₹ Lacs	Previous Year ₹ Lacs
Total Turnover & other Receipts	13,184	8981
Operating Profit before Interest, Depreciation and other non cash expenses	319	303
Less : Interest on Loan	38	47
Cash Profit	281	256
Less : Depreciation and other non cash expenses	130	122
Profit for the year	151	134
Provision for Taxation	(47)	(40)
Profit after Tax	104	94
Add: Profit brought forward from Previous year	989	957
Profit available for appropriation	1093	1051
Proposed Dividend	6	45
Tax on Proposed Dividend	1	7
Transfer to General Reserve	-	10
Profit carried forward to next year	1086	989

2. DIVIDEND

Your Directors have not recommended dividend for the year ended 31st March 2012 in order to plough back profit to meet the capital expenditure for Greenfield SSP Fertilizer Manufacturing Project at Chittorgarh in Rajasthan.

3. OPERATION

The turnover and other receipts of your company has been ₹ 13,184 lacs as against ₹ 8981 Lacs in the previous year. Profit after taxation stood at ₹ 104 lacs as against ₹ 94 lacs in the previous year.

4. FUTURE PROSPECT

Subsidised Maximum Retail Price of SSP fertilizer is very low in comparison to 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, your Directors have decided to set up a green field SSP fertilizer manufacturing unit near Chittorgarh in the state of Rajasthan. This will be the company's second SSP unit. We have chosen Chittorgarh because this place is very near to the raw material location and your company can produce SSP fertilizer at a lower cost there at. Commercial production of SSP fertilizer from the second unit is expected within March, 2013



TEESTA AGRO INDUSTRIES LIMITED

5. CAPITAL

The paid up capital of your company is increased from ₹ 504.00 lac to ₹ 557.00 lac due to allotment of 530,000 number of Equity shares, on preferential basis, during the year under review.

6. DIRECTORS

Mr. Thakur Singh, Mr. Prem Singh & Mrs. Joginder Kaur retires by rotation in the forthcoming Annual General Meeting and, all being eligible, have offered themselves for re appointment.

7. 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.

8. EMPLOYEES

No employee has been in receipt of salary of ₹ 60.00 lacs or more per annum or Rs. 5.00 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.

9. CONSERVATION OF ENERGY

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

10. AUDITORS

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

11. AUDITORS' REPORT

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



12. 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

13. MANAGEMENT DISCUSSION & ANALYSIS

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

14. 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 :

For and on behalf of the Board of Directors

25, Bardhaman Road

Siliguri - 734005

Date: The 2nd August, 2012

(Hardev Singh)

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

FORM A

Disclosure of particulars with respect to Conservation of Energy

A. Power & Fuel Consumption		2011-12		2010-11	
		FERTILISER	S.ACID	FERTILISER	S.ACID
1. Electricity					
(a) Purchased Units	000 KWH	1342.637	1007.263	1252.688	1068.045
Total Amount ₹ Lakhs		87.63	65.75	85.54	72.93
Rate/Unit ₹		6.53	6.53	6.83	6.83
(b) Own Generation Units	'000 KWH	14.272	12.048	15.272	11.777
Unit per litre of Diesel Oil	KWH	4.7	4.7	3.27	3.27
Cost per Unit .	₹	9.18	9.18	12.05	12.05
2. Coal					
'000 Kgs.		604.350	NA	199.400	NA
₹ lakhs		40.28	NA	10.43	NA
3.(a) HSD					
'000 Ltrs.		31.475	-	24.363	8.400
(b) Total Amount	₹ lakhs	13.58	-	9.61	3.32
4.(a) Furnace Oil					
'000 Ltrs.		-	-	-	-
(b) Total Amount	₹ lakhs	-	-	-	-
5. Other internal generation (Power from waste steam)					
Own Generation Units	'000 KWH	609.790	666.690	753.177	743.972
Cost per Unit	₹	0.70	0.70	0.70	0.70
B.Consumption per unit of production					
		Electricity		F.Oil/LDO/HSD	
		(KWH/Tonne)		(Litres/Tonne)	
		2011-12	2010-11	2011-12	2010-11
1. Fertiliser		15.22	16.92	0.27	0.21
2. S.Acid		49.27	42.49	0.08	0.21

**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 :

	2011-12	2010-11
i) Earnings	Nil	Nil
ii) Outgo		
CIF value of imports ₹ /Lakh	2660.53	4386.42
Travelling, Periodicals & Others	-	-