

ABC INDIA LTD.

ANNUAL REPORT  
2000-2001

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**CHAIRMAN** SHRI ANAND KUMAR AGARWAL

**WHOLETIME DIRECTOR** SHRI BINOY KRISHNA DHAR

**DIRECTORS** SHRI MADAN GOPAL TODI  
SHRI MAHENDRA KUMAR AGARWAL  
SHRI D. BANDOPADHYAY  
SHRI MANISH BHOOPAL

**SECRETARY** SHRI SUNDAR GOPAL DAS

**AUDITORS** M/S. V. N. PUROHIT & COMPANY

**SOLICITORS** M/S. P. D. HIMMATSINGKA & COMPANY  
KOLKATA - 700 013

**BANKERS** UCO Bank  
CITIBANK  
INDIAN OVERSEAS BANK  
CANARA BANK  
STATE BANK OF INDIA

**REGISTERED OFFICE** KEDAR ROAD  
GUWAHATI-781 001

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**Notice :**

Notice is hereby given that the 28th Annual General Meeting of the members of ABC India Limited will be held on Saturday, the 15th day of September, 2001 at Ritu Raj Hotel, Kedar Road, Guwahati, Assam at 1:00 PM to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt the Directors' Report, Auditors' Report and Profit & Loss Account of the Company for the year ended 31st March, 2001 together with the Balance Sheet as at that date.
2. To appoint Directors in place of Shri M.G.Todi and Shri D.Bandhopadhyay, who retire by rotation and being eligible offer themselves for re-appointment.
3. To appoint Auditors of the Company:

For this purpose to consider and, if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

"RESOLVED that Messrs. V.N.Purohit & Company, Chartered Accountants, be and are hereby reappointed as the Auditors of the Company to hold office from the conclusion of the 28th Annual General Meeting to the conclusion of the 29th Annual general meeting.

FURTHER RESOLVED THAT the Board of Directors be and are hereby authorised to fix the remuneration of the Auditors."

**Special Business:**

4. Nomination Facility to Investors:

To consider, and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED that subject to the provisions of Section 31 and other applicable provisions if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby amended and/or altered by inserting immediately after Article 8 a new Article numbered 8A with heading and marginal notes as follows:

**NOMINATION FACILITY**

- 8A. Notwithstanding anything contained in the Articles of Association or in any other law for the time being in force, where a nomination has been made in the manner prescribed in Section 109A of the Act, purporting to confer on any person the right to vest the shares in, or debentures or deposits of the Company, the nominee shall, on the death of the shareholder or debenture / deposit holder of the Company or, as the case may be, on the death of the joint holders, become entitled to all the rights in the shares or debentures or deposits of the Company including transmission thereof as the case may be, all the joint holders, in relation to such shares in, or debenture or deposits of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner and the provisions contained in Section 109A and 109B of the Act, shall be applicable to such cases."
- Nomination facility*

5. De-Materialisation of Securities:

To consider, and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED that subject to the provisions of Section 31 and other applicable provisions if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby amended and/or altered by inserting immediately after Article 8A a new Article numbered 8B with heading and marginal notes as follows:

**DEMATERIALISATION OF SECURITIES**

- 8B. (1) For the purpose of this Article :

"Beneficial Owner" means a person(s) whose name is recorded as such with a Depository;

"SEBI" means The Securities and Exchange Board of India established under Securities and Exchange Board of India Act, 1992;

"Depository" means a Company formed and registered under the Companies Act, 1956, and which has been granted a Certificate of Registration under the Securities and Exchange Board of India Act, 1992;

"Depositories Act" means Depositories Act, 1996 or any statutory modification or re-enactment thereof;

"Registered Owner" means a Depository whose name is entered as such in the records of the Company;

"Securities" means such securities as may be specified by the SEBI from time to time.

*Definitions*

- (2) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise / re-materialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act. *Dematerialisation/ Re-materialisation of Securities*
- (3) Every person subscribing to securities offered by the Company shall have the option to receive the security certificate(s) or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can, at any time, opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificate(s) of securities. If a person opts to hold his securities with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of information, the Depository shall enter in its records the name of the allottee as the beneficial owner of the security. *Options for Investors*
- (4) All securities held by a Depository shall be dematerialized and shall be in fungible form. No certificate shall be issued for the securities held by the depository. Nothing contained in sections 153, 153A, 153B, 187B and 187C and 372A of the Companies Act, 1956, shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners. *Securities in Depositories to be in fungible form*
- (5) Nothing contained in Section 108 of the Companies Act, 1956 or these Articles shall apply to transfer of securities effected by a transferor and transferee, both of whom are entered as beneficial owner in the records of a Depository. *Transfer of securities*
- (6) Notwithstanding anything contained in the Companies Act, 1956 or these Articles, where the securities are dealt within or by a depository, the Company shall intimate the details of allotment of relevant securities to the depository immediately on allotment of such securities. *Allotment of Securities dealt within a Depository*
- (7) Nothing contained in the Companies Act, 1956 or these Articles regarding necessity of having distinctive numbers for securities issued by the Company shall apply to the securities held with a Depository. *Distinctive number of securities*
- (8) The Register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996, shall be deemed to be Register and the Index of Members and other security holders for the purpose of these Articles. *Register and Index of Beneficial Owners*
- (9) (a) Notwithstanding anything to the contrary contained in the Companies Act, 1956 or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owners. *Rights of Depositories and Beneficial owners*
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of securities shall not have any voting right or any other rights in respect of securities held by it.
- (c) Every person holding securities of the Company and whose name is entered as beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The Beneficial owners of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities held by a Depository.
- (10) Notwithstanding anything contained in the Companies Act, 1956 or these Articles to the contrary, where securities are held in a Depository, the notice of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs. *Service of documents*

#### 6. Revision in remuneration of Wholtime Director :

To consider, and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED that pursuant to the provisions of sections 198, 269 and 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the terms and conditions of appointment of Shri Binoy Krishna Dhar, Wholtime Director be revised w.e.f. 1.7.2001 for remaining tenure of his appointment upto 27.10.2003 as follows :

#### I Salary :

Rs.44,000/- (Rupees Forty four thousand only) per month with annual increment of Rs.3000/- (Rupees Three thousand only) with authority to the Board to grant more than one increment in a year.

Provided that the annual increments shall be effective from 1st of April every year.

**II Perquisites:**

- 1) Housing : Housing provision by the Company on the following terms & conditions :
  - (a) The expenditure by the Company on hiring accommodation will be subject to the ceiling of 35% of salary irrespective of place of posting.
  - (b) In case of making own arrangements for accommodation without requiring the Company to hire any accommodation, he shall be entitled to House Rent Allowance @ 35% of salary irrespective of place of posting.
- 2) Reimbursement of Medical expenses incurred for self and family in accordance with the rules of the Company.
- 3) Reimbursement of Soft Furnishing expenses in accordance with the rules of the Company.
- 4) Leave Travel Concession for self and family incurred once in a year, in accordance with the rules of the Company.
- 5) Children Education Allowance limited to maximum of Rs.5000/- per annum or actual expenses incurred, whichever is less. Such allowance is admissible upto a maximum of two children.
- 6) Journal Reimbursement limited to Rs.250/- per month or actual expenses incurred, whichever is less for subscribing to Newspapers, Business Journals etc.
- 7) Reimbursement of membership fee paid to social/cultural/health clubs upto a maximum of Rs.5,000/- (Rupees Five thousand only) per annum.
- 8) Reimbursement of membership fee paid to professional associations relevant to his field of work upto a maximum of Rs. 1,000/- (Rupees One thousand only) per annum
- 9) Personal accident Insurance as per the rules of the Company.
- 10) Mediclaim Insurance for self and family members as per rules of the Company.
- 11) Contribution by the Company to Provident Fund as per rules of the Company.
- 12) Leave with full pay and allowances, with right to accumulate the same in accordance with the rules of the Company.
- 13) Leave unavailed of is to be allowed to be encashed as per rules of the Company.
- 14) The Company shall provide Car with driver and telephone at his residence for use on Company's business.
- 15) Gratuity as per the provisions of the payment of Gratuity Act, or as per the Gratuity Scheme of the Company, whichever is higher.
- 16) Minimum Remuneration :  
In the event of loss or inadequacy of profits during the aforesaid period, the salary and perquisites as envisaged hereinabove shall nevertheless be paid by way of minimum remuneration without any reduction.
- 17) Refund of Excess Remuneration :  
If by way of remuneration any such sums in excess of the limits prescribed by or sanctioned by the Central Government is drawn or received, he shall refund such sums to the Company and until such sums are refunded, he shall hold the same in trust for the Company.
- 18) Dis-entitlement to Directors Fees :  
He shall not be paid any sitting fees for attending meetings of the Board or Committees thereof.
17. Convenats :  
In the event the Central Government revises and makes changes in the provisions contained in Schedule XIII to the Act, the Company may favorably consider such changes.
18. Either party hereto may, without assigning any reason, terminate this agreement by giving to the other party six months notice in writing, provided that the Company may terminate this Agreement by paying six months remuneration as enumerated in Clause I thereof, as far as permissible, in lieu of such notice.
19. Notwithstanding anything herein contained, the appointment hereunder shall be determined if, for any reason, Shri Dhar shall cease to be Director of the Company.
20. Subject to the Superintendence, control and directions of the board, he shall exercise substantial management powers in general and specific powers, as may, from time to time be lawfully entrusted to and conferred upon him by the Board."

**7. De-listing of Equity Shares of the Company from certain Stock Exchanges:**

To consider, and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED that subject to such approvals, permissions and sanctions as may be necessary and compliance with such conditions and modifications as may be necessary, the Equity Shares of the Company be delisted from the The Stock Exchange, Ahmedabad and the Jaipur Stock Exchange Ltd., in accordance with the relevant laws, rules, regulations and

guidelines including any statutory modification(s) or re-enactments thereof for the time being in force and as may be enacted hereinafter.

RESOLVED FURTHER that the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred by the Board) be and is hereby authorised to seek voluntary de-listing, to take all necessary steps in this regard and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to de-listing of the Equity Shares and to execute all such deeds, documents, writings as may be necessary, desirable or expedient as may be deemed fit and for this purpose to delegate the authority and the duty vested in it by virtue hereof to the Chairman or the Company Secretary or any other person whom the Board may consider suitable to do the various acts, deeds and things required to be done in this behalf."

**8. Reduction of shareholding in Assam Bengal Carriers Limited, Subsidiary Company:**

To consider, and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED that pursuant to the provisions of the Companies Act, 1956, and subject to such approvals, permissions and sanctions as may be necessary and compliance with such conditions and modifications as may be necessary, whole or substantially the whole of the investment of the Company in the Equity Shares of Assam Bengal Carriers Limited, being a Subsidiary Company, be sold and or other wise disposed for such consideration and on such terms as the Chairman may consider beneficial to the Company.

RESOLVED FURTHER that the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred by the Board) be and is hereby authorised to take all necessary steps in this regard and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard, and to execute all such deeds, forms, undertakings, documents, writings as may be necessary, desirable or expedient as may be deemed fit and for this purpose to delegate the authority and the duty vested in it by virtue hereof to the Chairman or the Company Secretary or any other person whom the Board may consider suitable to do the various acts, deeds and things required to be done in this behalf."

**9. Reduction of shareholding in Utsav Prakashan Limited, Subsidiary Company:**

To consider, and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED that pursuant to the provisions of the Companies Act, 1956, and subject to such approvals, permissions and sanctions as may be necessary and compliance with such conditions and modifications as may be necessary, whole or substantially the whole of the investment of the Company in the Equity Shares of Utsav Prakashan Limited, being a Subsidiary Company, be sold and or other wise disposed for such consideration and on such terms as the Chairman may consider beneficial to the Company.

RESOLVED FURTHER that the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred by the Board) be and is hereby authorised to take all necessary steps in this regard and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard, and to execute all such deeds, forms, undertakings, documents, writings as may be necessary, desirable or expedient as may be deemed fit and for this purpose to delegate the authority and the duty vested in it by virtue hereof to the Chairman or the Company Secretary or any other person whom the Board may consider suitable to do the various acts, deeds and things required to be done in this behalf."

Kolkata  
The 30th July, 2001

By order of the Board

S. G. DAS  
Company Secretary

**NOTES:**

- A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member of the Company.
- An explanatory statement pursuant to section 173 of the Companies Act, 1956 relating to the special business to be transacted at the meeting is appended hereto.
- Members are requested to notify changes of address, if any, immediately to the Company at its Registered Office.



**Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956:****Item No: 4**

Section 109A and 109B of the Companies Act, 1956 provides that a holder or joint holder of shares can nominate a person to whom all rights in the shares, debenture or deposits shall vest in the event of death of such holder(s). Such a nominee can elect either to be registered himself as the holder of the shares, debentures or deposits or make such transfer of the shares or debentures as the deceased holder(s) could have made it. It is therefore proposed to introduce a New Article in the Articles of Association of the Company by way of an enabling provision to provide for nomination facility in accordance with the provisions of section 109A and 109B of the Companies Act, 1956.

The board commends the resolution set out in item no: 4 of notice of this meeting for your approval.

None of the directors of the Company is interested in the resolution.

**Item No: 5**

With the introduction of the Depositories Act, and depository system, some provisions of the Companies Act, relating to the issue, holding, transfers, transmission of shares and other securities have been amended to facilitate the implementation of the new system. The depository system of holding and trading securities of a Company in electronic form is far safer and more convenient method. Your Company has progressed considerably in dematerialisation of shares in depository system. It is therefore proposed to suitably amend the articles as set out in the resolution.

The board commends the resolution set out in item no: 5 of notice of this meeting for your approval.

None of the directors of the Company is interested in the resolution.

**Item No: 6**

The Board of Directors at its meeting held on 28-10-1998 had appointed Shri Binoy Krishna Dhar as Wholetime Director of the Company w.e.f. 28-10-1998 to 27-10-2003. The said appointment was also duly confirmed by the shareholders in the Annual General Meeting held on 16th August, 1999. As per the said appointment Shri Binoy Krishna Dhar was to be given annual increments of Rs. 3000/- (Rupees Three thousand only) with authority to the Board to grant more than one increment at a time. It is proposed that the said annual increments to be effective from 1st April of each year with authority to the board to grant more than one increment in a year. Besides, the following perquisites, normally granted to other executives of the Company be also granted to Shri Binoy Krishna Dhar: (a). Children Education Allowance limited to maximum of Rs. 5000/- per annum or actual expenses incurred, whichever is less. Such allowance is admissible upto a maximum of two children; (b). Journal Reimbursement limited to Rs. 250/- per month or actual expenses incurred whichever is less for subscribing to Newspapers, Business Journals etc; (c). Reimbursement of membership fee paid to social/cultural/health clubs upto a maximum of Rs. 5,000/- per annum; (d). Reimbursement of membership fee paid to professional associations relevant to his field of work; and (e). Mediclaim Insurance for self and family members as per rules of the Company. The above revisions are within the limits laid down in Schedule XIII to the Companies Act, 1956.

This may also be treated as an abstract pursuant to Section 302 of the Companies Act, 1956 of the terms and conditions of the appointment. The relevant documents regarding his terms are available for inspection upto the date of Annual General Meeting at the Registered Office of the Company on any working day between 11:00 AM to 1:00 PM.

The board commends the resolution set out in item no: 6 of notice of this meeting for your approval.

None of the directors of the Company except Shri Binoy Krishna Dhar is interested in the resolution.

**Item No: 7**

At present, shares of the Company are listed with Stock Exchanges at Ahmedabad, Kolkata, Guwahati, Jaipur and Mumbai. Since, there has been virtually no trading at the Stock Exchanges at Ahmedabad and Jaipur, it has been proposed that the shares of the Company be got delisted from these exchanges. It shall not only result in savings in listing fees but also the time taken in complying in various regular formalities. Company's shares shall however continue to be listed at Kolkata, Guwahati and Mumbai Stock Exchanges. Therefore, there will be no adverse effect on liquidity and marketability of the Company's shares.

The board commends the resolution set out in item no: 7 of notice of this meeting for your approval.

None of the directors of the Company is interested in the resolution.

**Item No: 8**

It is proposed to reduce the investment of the Company in shares of Assam Bengal Carriers, a Subsidiary of the Company.

The board commends the resolution set out in item no: 8 of notice of this meeting for your approval.

None of the directors except Shri Binoy Krishna Dhar (who is also a director of Assam Bengal Carriers Limited and accordingly may be deemed to be interested to that extent) of the Company is interested in the resolution.

**Item No: 9**

It is proposed to reduce the investment of the Company in shares of Utsav Prakashan Limited, a subsidiary of the Company. Some cases of this subsidiary company mostly relating to labour matters are pending in Courts and quasi-judicial authorities. The Board of Directors of the Company being a holding Company is taking all necessary steps to resolve all such pending matters, and in this regard may be required to provide undertakings etc., to such Courts and quasi judicial authorities.

The board commends the resolution set out in item no: 8 of notice of this meeting for your approval.

None of the directors of the Company is interested in the resolution.



### Chairman's Communication

At a time when we are celebrating 38 years of our continuous working together, the road transport industry is plagued from severe recession due to various reasons. Although some operators in the industry may be doing well, but majority of the operators are facing hard times and are in much trouble. We, for the last 38 years, have been serving the industry untiringly with our mite and for improvement of the infrastructure for the industry available in our country. In the process, we received invaluable support from our shareholders and esteemed customers and co-operation from staff members and other well wishers. During all these years we shared both the good and bad times together.

The growth in road transport industry has been soggy with recession stretching far too long much to the chagrin of the people. The operators in the road transport sector, in the face of such unfavorable condition are striving hard to keep themselves alive, but in the process many find it difficult to survive and faded away.

The biggest problem for the transport industry is that there is considerable drop in cargo movement across the country between the ports, factories, Godown, warehouses and mandis due to recession. The performance of the industries during the last year, as a whole, showed downward trend. For many companies, the production was much less than previous years. The industrial output growth fell to 4.9 percent in the financial year 2000-01. Last year, the industry recorded a growth of 8.3 percent. Consequently, it has also affected the import/export trade of India.

With the performance of industries and cargo movements between the various centers taking a severe battering, the impact on the transporters is bound to be heavy. The problem at the moment for the transporters, is not the problem of being troubles, but the problem is how to get out of it. Transporters can do nothing to increase industrial output and imports/exports. They also are unable to reduce the fixed costs and overheads and operational costs are on the rise day by day. Whatever business are available, the consignors are demanding for reduction in freight rates and making delay in payment of their dues. The position, as it stands, the transporter who used to earn reasonable profit margin in the past, now has to be content with just making both ends meet. Lack of unity and cut throat, unhealthy and uneconomic competition amongst the transporters has been responsible for weakening their position and the consignors have taken the advantage of the situation.

We hope that in the coming year 2001-02 the condition of the transporters will improve, for which we have to work hard and to eliminate unhealthy competition amongst transporters. I expect that all our compatriot transporters across the country would rise on the occasion and understand the call of the day.

It is unfortunate to note that, in our country, the importance of road transport as supplementary to rail transport has not been given due recognition by the Central and State Governments. Transporters' community was not given their due honour and status till recent past. Various transporters' organisations and their associations have put forward their legitimate demand of

recognising transportation as an industry, so vital for other industries like manufacturing, mining, steel etc. and for agricultural produces. Their demand was so long not considered on a positive note, but of late, the government has conceded the demand for recognising transportation as an industry and to allow them their due status. Let us all hope that their policy regarding this would be implemented soon.

Of the numerous problems faced by the transporters, major ones are imposition of various taxes and octroi duties coupled with harassment and rampant corruption in these matters. With the passage of time, these have grown in proportions and these apart, the biggest menace in road transport now a days, are highway robberies. Incidences of this nature are growing in phenomenal proportion, almost unchecked and to combat this menace, the Government is groping in dark about solution.

With improved technological support, designing of chassis and bodies of truck have undergone a sea change, in comparison to earlier designed models. Today, apart from the improved engines and motors, importance is given to men behind the wheels i.e. drivers of the trucks, whose physical comfort while driving has been taken care for better productivity.

However, the conditions of Indian roads are pitiable in general. The roads in many areas are not easily motorable, especially with loaded trucks full of merchandise. Of late, the palpable road condition has come to urgent notice of the government authorities and some steps are being taken to improve the condition of the roads. The whole process may take at least 3-4 years before we can have good motorable roads all over the country. It seems that it has been realised by the authorities that unless we improve the infrastructure for road transport, primarily the roads and other amenities, full potential of this industry cannot be explored to our benefit. The efforts put in by the government in this direction are praiseworthy.

Good roads and ignorant drivers do not go hand in hand for safe driving. This is one gray area that has been overlooked by everyone - from the government right down to the transporters and the drivers themselves. Some organisations have been organising short and useful courses for safe driving. However it is regrettable to note that attendance of truck drivers at these courses are appalling. Curiously, the transporters or vehicle owners too, have not shown much interest in these courses as they think it as waste of time for participation.

#### Performance:

Several external constraints and impediments continued to adversely affect the performance of your company during the year under review. The unprecedented recession has not spared any segment of transport industry. In addition, problems of unremunerative rates, cash crunch, unprincipled and unethical competition coupled with high interest rates continued to depress our margins and consequently the profitability. We have withstood many challenges in the past, and I feel, if we all unite, we will come out of this recession also successfully. Let us face the challenge unitedly and win over this situation once again.

**Project Division:**

Although the Project Division could not achieve substantial growth during the year under review, the division continued to show its strength by executing some prestigious jobs successfully. The experience thus gained shall certainly provide us long mileage in the future. The workings of Joint venture Company floated by our company with Nissin Corporation of Japan are going on smoothly and highly satisfactorily.

**Organisational transformation:**

We continued to emphasise on building up strategic strength by practicing organisational transformation. Initiatives were taken for increased profitability and savings in overhead cost. Our dedicated workforce reinforced with youthful talent is our strong asset in the form of intellectual capital. We have placed substantial emphasis on teamwork culture and development of human resources. Your company always recognised the manpower as its key resources. Its workforce is highly motivated and charged and is the main driving force behind your company's satisfactory performance at difficult times. A large in-house pool of intellectual capital is one of our fundamental competitive strengths.

**Total quality management, kaizen and staff education:**

Customer focus oriented with total quality management is the key factors that integrate the human resources practices of your company. Participative planning and strategy formulation process has helped us to improve involvement and alignments amongst the employees. Constant in-house training and development programs and continuous learning process is absolutely necessary for ensuring retention of the best talent, besides providing us with a sustainable platform for overall growth in the business environment.

Our training programs have been formulated to develop cross-functional skills amongst the workforce. The objective is to provide our workforce with an opportunity to acquaint with the areas, not immediately relevant to their job profile, which is important from the perspective of all round development.

The Company continued to organise in-house training programs regularly for motivation, team building, quality consciousness and overall personality development through quality circles and quality improvement teams. Through these training programs, specific case studies are made relating to our company and its various projects. Supplementary sessions are also conducted in these matters which is supervised by our executives. Our staff members are regularly deputed for attending training courses organised externally by reputed organisations / associations.

In order to develop our company into a learning organisation, our entire team with internal initiative, determination and oneness of purpose continues to redefine the manner in which our company conducts its business albeit maintaining its values and traditions.

We place on record that we have immensely benefited by the expert guidance of the consultant-faculty from the Indian Institute of Management, Kolkata, who imparted and enlightened us with various conceptual and practical knowledge of Strategic Marketing Management techniques. This program will continue for next two years to develop our sales-force compatible with technology oriented marketing.

I appreciate the services of all our staff members, at all levels, under stress and strain. I extend my thanks to all our customers, who reposed high confidence in us.

I deeply thank our Shareholders, who will be our inspiring spirit in the future to come. I also thank the members of the Board, who have guided me at all times.

With my best and warmest wishes to each of you.

Kolkata,  
The 30th day of July, 2001

A.K. Agarwal  
Chairman