

# Arrathigore Texi Company Ltd



**ANNUAL REPORT & ACCOUNTS  
FOR THE YEAR ENDED 31st MARCH  
1999**

## ARCUTTIPORE TEA COMPANY LIMITED

### NOTICE TO THE MEMBERS

NOTICE IS HEREBY GIVEN that the 130th Annual General Meeting of the Members of the Company will be held on Wednesday, the 29th September, 1999 at 1.30 p.m. at Gyan Manch Education Society, 11, Pretoria Street, Calcutta - 700 071.

#### ORDINARY BUSINESS

1. To consider and adopt the Directors' Report and audited Balance Sheet and Profit & Loss Account as at and for the year ended 31st March, 1999.
2. To declare dividend on Equity Shares.
3. To appoint Director in place of Shri S. K. Khaitan, who retires from office by rotation and being eligible, offers himself for re-election.
4. To appoint Auditors and fix their remuneration.

#### Registered Office :

S. B. Tower, 4th Floor,  
37, Shakespeare Sarani,  
Calcutta - 700 017

Dated : 1st September, 1999

By Order of the Board

**H. V. Bajoria**  
Managing Director

#### NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and such proxy need not be a member of the Company.
2. The instrument appointing a proxy has to be deposited at the Company's Registered Office at S. B. Tower, 4th Floor, 37, Shakespeare Sarani, Calcutta - 700 017, not less than 48 hours before the time for holding the aforesaid meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 1999 to 29th September, 1999 (both days inclusive).
4. Dividend on Equity Shares declared at the Annual General Meeting will be paid to those Shareholders, whose names stand on Register of Members of the Company on 29th September, 1999 and to them Dividend Warrants will be posted on or before 9th November, 1999.
5. The instrument of share transfer complete in all respects should be sent to the Company's Share Transfer Agents - M/s. Computech International Limited, 77-2A, Hazra Road, Calcutta - 700 029 well in advance, so as to reach them prior to book closing. Shares under any defective transfer (unless defect is removed prior to book closing) and/or instruments of transfer received during the period of Book Closing shall be considered after re-opening of the books.
6. Shareholders are requested to intimate the Company's Registrars and Transfer Agents as mentioned in Note 5 above, changes, if any, in their Registered addresses including Pin Code Number.
7. Pursuant to Section 205A of the Companies Act, 1956, all unclaimed Dividends upto Financial Year 1995-96 have been transferred to the Genral Revenue Account of the Central Government.
8. Members attending the meeting are requested to complete the enclosed slip and deliver the same at the entrance of the Meeting Hall.
9. Persons attending the Annual General Meeting are requested to bring their copies of Annual Reports.
10. For any further information regarding the said Accounts, advance intimation be given and the Members should ensure that it reaches the Company's Registered Office at least 7 days before the date of the ensuing meeting.

#### Registered Office :

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Calcutta - 700 017

Dated : 1st September, 1999

By Order of the Board

**H. V. Bajoria**  
Managing Director

# ARCUTTIPORE TEA COMPANY LIMITED

## **BOARD OF DIRECTORS :**

SHRI U. S. BAJORIA - Chairman  
SHRI HARSH BARDHAN KUMAR BAJORIA - Managing Director  
SHRI SHARAD KUMAR KHAITAN  
SHRI K. SRINIVASAN

## **AUDITORS :**

MESSRS. LODHA & CO.

## **BANKERS :**

CENTRAL BANK OF INDIA

## **REGISTERED OFFICE :**

S. B. TOWER, 4TH FLOOR  
37, SHAKESPEARE SARANI  
CALCUTTA - 700 017  
PHONE : 240 8565/8779

## **GARDEN :**

ARCUTTIPORE TEA ESTATE  
SILCHAR, CACHAR, ASSAM

**ARCUTTIPORE TEA COMPANY LIMITED****DIRECTORS' REPORT TO THE MEMBERS**

Your directors have pleasure in presenting their 130th Annual Report together with the Audited Accounts for the year ended 31st March, 1999.

**FINANCIAL RESULTS**

	For the year ended 31st March, 1999 Rs.	For the year ended 31st March, 1998 Rs.
Profit before Depreciation	5,309,634	5,916,521
Provision for Depreciation	1,405,177	1,222,375
Profit after Depreciation	3,904,457	4,694,146
Provision for Taxation	1,493,500	980,000
Profit after tax	2,410,957	3,714,146
Profit b/f from previous year	4,161,406	4,309,873
Transfer from Investment Allowance Reserve	52,550	—
Profit available for appropriation	6,624,913	8,024,019
Proposed Dividend	2,508,190	3,511,466
Tax on Proposed Dividend	275,901	351,147
Surplus carried to Balance Sheet	3,840,822	4,161,406
	6,624,913	8,024,019

**CROP**

Your directors have to report that total production of made tea during the year under review was 7,05,568 Kgs. out of which 27,069 Kgs. of tea was manufactured from purchased Green Leaves as compared to 6,75,235 Kgs. of made tea during last year which included 13,273 Kgs of Tea manufactured from purchased Green Leaves. The tea industry in Assam witnessed one of the worst draughts in its history with no rain fall over a continuous period of nearly four months. In spite of the bad climatic conditions the company has been able to increase its production during the year.

**PERFORMANCE**

During the year the profit before tax was Rs. 39,04,457/- as against Rs. 46,94,146/- in the previous year.

There was a steady decline in the price of tea from 3rd Quarter of 1998-99. The prices were substantially lower than the prevailing price during the same period last year. Due to fall in tea price realisation and increase in wages and other input costs, the company's profitability has been affected adversely.

**DIVIDEND**

Your Directors have recommended dividend on Equity Shares at the rate of Re.0.50 per share. Due to lower bottom line during the year and utilization of company's fund for diversified business activities, your directors are unable to recommend higher dividend.

**FUTURE PROSPECTS****A. TEA DIVISION**

The climatic condition in the tea belt in Assam has become normal since June, 1999 and the company expects to have normal tea crop during the year. The price of tea is also firming up and your directors are expecting that the tea prices should be better from the 3rd Quarter of the Current year in comparison to last year.

The company has undertaken development of about 100 acres of new barren land for tea cultivation. After successful tea plantation the company expects to increase its production by another 1 lac Kgs. per annum.

The Company has also undertaken job contract for development of another 650 Acres of land for tea cultivation i.e. NATHSOL tea estate 350 Acres and SRIKONA TEA ESTATE 300 Acres at a contracted fee of Rs.60 lacs payable in five years. This will help the company to improve its bottom line substantially.

The company has also entered into an agreement with the owner of the above two tea estates for purchase of their entire green leaf production at a price 20% less than the prevailing Market price. The two tea estates should produce about 25 lac Kgs. of green leaf in one year. The Company's present production capacity of made tea will be well utilised to convert the green leaf into made tea without any significant Capital Expenditure.

**B. EXPORTS**

The company has been exporting tea to Russia and Middle East countries. Export to Russia is declining due to their economic problem. However, with the help of continuous and vigorous efforts made during the current year the company has been able to explore the market in European countries. The company has also received firm orders from Germany and Norway for high value tea in special packaging. The company hopes to make substantial in road in this sector and expects to improve its bottom line significantly.

## **C. OTHERS**

During the year under review the company made trading in steel to the tune of Rs. 82.04 lacs. However due to depressed steel market the company has suspended further business in steel. The company has diversified its activities by entering into construction business. The company has entered into a joint venture with a Private Limited Company for construction of 15000 Sq. Ft. of saleable Office/ Market space. Further it has also invested its funds in some construction projects in Calcutta and Indore. Though at present the property market is depressed, with the general economic growth the demand in property is certainly going to rise and the company expects reasonable return from these projects.

## **DIRECTORS**

Shri. S.K.Khaitan, retires from the Board by rotation and being eligible offers himself for re-election.

## **PERSONNEL**

Cordial relation was maintained with staffs and workmen during the year.

## **STATUTORY STATEMENT**

The company had no employee drawing more than Rs.3,00,000/- p.a. or Rs.25,000/- p.m., during the year and as such no particulars as required under Section 217(2A) of the Companies Act, 1956, has been furnished.

## **AUDITORS**

M/s Lodha & Co., Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible are recommended for re-appointment.

## **AUDITORS' REPORT**

The notes referred to by the Auditors in their Report are self-explanatory and do not require any further clarification.

Calcutta,  
Dated : 1st September, 1999

On behalf of the Board  
**U. S. Bajoria**  
Chairman

# ARCUTTIPORE TEA COMPANY LIMITED

## ANNEXURE TO THE DIRECTORS' REPORT

### STATEMENT OF PARTICULARS UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

#### 1. CONSERVATION OF ENERGY :

- a) Energy Conservation Measures Taken : All possible measures and precautions are being taken to reduce the consumption of Energy.
- b) Additional Investment and Proposals, if any, being implemented for reduction of consumption of energy : NIL
- c) Impacts of measures taken at (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods : Not Ascertainable.
- d) The relevant figures are given below :

	1998-99	1997-98
<b>A. Power and Fuel Consumption :</b>		
1. Electricity :		
a) Purchased-Units	4,73,254	4,13,159
Total Amount	Rs. 16,78,281	Rs. 13,28,238
Rate/unit	Rs. 3.55	Rs. 3.21
b) Own Generation :-		
from D G Sets - Units	1,34,219	1,35,118
Units/ltr of Diesel	1.96	1.88
Cost/unit	Rs. 5.27	Rs. 5.18
2. Furnace Oil for Tea Processing in withering and Drying		
Quantity (K. Ltrs.)	370.63	318.64
Total cost	Rs. 26,17,321	Rs. 23,07,636
Average Rate (Per K. Ltr.)	Rs. 7,062	Rs. 7,242
3. Coal :		
Quantity (M. T.)	13.00	26.19
Total cost	Rs. 16,732	Rs. 33,699
Average Rate (Rs. per M.T.)	Rs. 1,287	Rs. 1,287
4. H. S. D. Oil for Transport and Material Handling		
Quantity (K. Ltrs.)	15.68	10.87
Total cost	Rs. 1,62,049	Rs. 1,08,272
Average Rate (Per K. Ltr.)	Rs. 10,335	Rs. 9,961