

## Annual Report 1997



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**GODDARD & GODDARD Limited**

**ANNUAL REPORT**

**1997**



**Godwin Group Limited**

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**Goodswick Group Limited**

### **BOARD OF DIRECTORS**

P.A. Leggatt, M.B.E. - *Chairman*  
 S.K. Bhasin - *Managing Director*  
 D.K. Mehra - *Wholetime Director*  
 K.S. David - *Wholetime Director*  
 P. Majumdar  
 P.E. Hill  
 A.K. Mathur

### **COMPANY SECRETARY**

D.P. Chakravarti

### **MANAGEMENT**

S.K. Bhasin - *Managing Director*  
 D.K. Mehra - *Wholetime Director*  
 K.S. David - *Wholetime Director*  
 J.C. Pande - *Vice President*  
 A.K. Jain - *General Manager (Marketing)*  
 B.N. Ghosh - *Chief Accountant*  
 B.B. Bhagat - *Sr. Group Engineer*  
 S.P. Chaudhari - *Sr. Manager (Operations)*  
 J. Mitra - *Manager (Internal Audit)*  
 R.S. Mukherjee - *Manager (Finance)*  
 D.P. Chakravarti - *Company Secretary*

### **BANKERS**

The Hongkong & Shanghai Banking Corporation Ltd.  
 Bank of Baroda  
 Canara Bank  
 Deutsche Bank A.G.  
 Centurion Bank Ltd.

### **AUDITORS**

Lovelock & Lewes

### **REGISTRARS & SHARE TRANSFER AGENTS**

Robson Black & Ghosh (Management Consultants) Pvt. Ltd.  
 R.C.T.C. Building, 11 Russell Street, Calcutta 700 071

### **REGISTERED OFFICE**

"Camellia House", 14 Gurusaday Road, Calcutta 700 019



**Goodricke Group Limited**

## NOTICE

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NOTICE is hereby given that the Twentysecond Annual General Meeting of the Members of Goodricke Group Limited will be held at Science City, Main Auditorium, East Topsia Road, P.O. G.K. Road, Calcutta - 700 046 on Friday, the 6th March, 1998 at 10.00 a.m. to transact the following business:

### Ordinary Business

1. To consider and adopt the Profit & Loss Account of the Company for the year ended 31st December, 1997 and the Balance Sheet as at that date and the Reports of Directors and Auditors thereon.
2. To declare a Dividend for the year ended 31st December, 1997.
3. To appoint a Director in place of Mr. P. Majumdar who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. P.E. Hill who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors and to authorise the Board of Directors to fix their remuneration.

The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, the 26th February, 1998 to Friday, the 6th March, 1998, both days inclusive.

Regd. Office  
"Camellia House",  
14, Gurusaday Road,  
Calcutta - 700 019  
5th February, 1998

By Order of the Board

D.P. Chakravarti  
*Company Secretary*



Godwin & Co. Limited

## NOTES

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a Member of the Company. Proxies, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the Meeting.
2. Dividend that may be declared by the Company will be paid on and from 6th April, 1998 to those members whose names appear on the Company's Register of Members on 6th March, 1998 or to their mandatees, subject, however, to the provisions of Section 206A of the Companies Act, 1956.
3. Members are requested to:
  - (i) Quote their Registered Folio Number in all correspondences with the Company or its Registrars, Robson Black & Ghosh (MC) Pvt Ltd, RCTC Building, 11 Russell Street, Calcutta 700 071. Telephone Nos: 29-9668/8937; Fax No. 245-7532.
  - (ii) Notify the Company or its Registrars immediately of change, if any, in their registered address or of their mandatees. Intimation of change of address must state the Pin Code for proper delivery.
  - (iii) Notify the Company or Registrars if not done earlier, the name of the Banker, Branch and Account Number for the safety of Dividend Warrant in transit.
4. Those members who have not so far encashed their Dividend Warrants for the Accounting Years ended, 31st December, 1994, 31st December, 1995 and 31st December, 1996 may immediately approach the Company/Registrars for revalidation of unclaimed Dividend Warrants. The unclaimed Dividend for the year ended 31st December, 1994 would fall due for deposit to the credit of General Revenue Account of Central Government on 14th June, 1998.
5. Pursuant to Section 205A of the Companies Act, 1956 all unclaimed/unpaid Dividends upto the Dividend for the period ended 31st December, 1993 have been transferred to the General Revenue Account of the Central Government. Any claim for payment of such unpaid/unclaimed Dividend should be made by an application in the prescribed form to the Registrar of Companies, West Bengal, at the address given below:

Nizam Palace  
11 M.S.O. Building  
234/4, Acharya Jagadish Chandra Bose Road  
Calcutta 700 020.



**GOODRICKE GROUP LIMITED**

## DIRECTORS' REPORT

Your Directors have pleasure in presenting their Twenty-Second Annual Report and Accounts for the year ended 31st December, 1997

### FINANCIAL RESULTS

	<b>For the year ended 31st December</b>	
	<b>1997</b>	<b>1996</b>
	<b>Rs.</b>	<b>Rs.</b>
Profit before Taxation	<b>142,053,230</b>	52,387,074
Less: Provision for Tax	<b>28,000,000</b>	19,541,596
<b>PROFIT AFTER TAXATION</b>	<b>114,053,230</b>	32,845,478
Add: Profit brought forward from last year	<b>5,454,288</b>	608,810
<b>AVAILABLE FOR APPROPRIATIONS</b>	<b>119,507,518</b>	33,454,288
General Reserve	<b>60,000,000</b>	1,000,000
Proposed Dividend	<b>43,200,000</b>	27,000,000
Tax on Dividend	<b>7,020,000</b>	—
(Including 2,700,000/- for previous year)		
Balance carried forward	<b>9,287,518</b>	5,454,288

### TURNOVER

Turnover for the year 1997 increased by 20.86% to Rs. 1460 million compared to Rs. 1208 million in the previous year.

### OPERATIONS

In spite of an early drought in all regions the total crop at 17.58 m kg was only marginally lower than the previous year's figure of 17.67 m kgs. The year commenced with a firm upward movement in prices and auction levels ruled high throughout the year particularly for quality teas.

The Company's products with higher value addition i.e. Packet Teas received encouraging market response and turnover exceeded Rs. 500 million for the first time. Export earnings were also substantially higher than previous year. Better prices coupled with steady production has resulted in a higher trading profit for 1997.

### 1977 THROUGH 1997

The Company completes 20 years of operation since amalgamation of the eight Sterling Tea Companies in 1977. This 20 Year period is marked with numerous milestones. We have built up on our area of Core Competence— Tea cultivation and manufacturing. We have, in this period,

- increased shareholders' values,
- strengthened significantly the quality and efficiency of field and factory operations,
- introduced value added products with a thrust on Packet Tea and Instant Tea,
- promoted successful Joint Ventures/Subsidiary Companies,
- been in the forefront of strengthening our human resources with better quality of life and have given equal emphasis on ensuring eco-friendly environment in our Gardens.

Above all, we have created a genuine bank of goodwill for the name 'GOODRICKE'.





**Goodricke Group Limited**

## **WELFARE AND ENVIRONMENT**

The Company maintained its excellent tradition of creating welfare measures in all its gardens much beyond statutory requirements. Garden Hospitals and the Referral Hospital at Aibheel are constantly upgraded thus assuring the best medical care for all employees in North Bengal.

The Company continued sponsoring various sporting activities in Calcutta as well as in the tea districts, with a view to developing promising young sportsmen in various disciplines.

## **COMMUNITY SERVICE**

Your Company continued to support various social and community welfare programmes—

Sponsored AIDS Awareness programme in Assam.

Contributed to the Chief Minister's Relief Funds in Bengal and Assam.

Supported orphan childrens' education and maintenance under the umbrella of the International Brotherhood Mission in Dibrugarh.

Goodricke School for Special Education situated in Siliguri provides help to dis-advantaged children in North Bengal.

Supported a social service organisation "Interlink" which promotes educational and cultural activities for handicapped children in Calcutta.

Contributed to various social service organisations such as Future Hope, Rhino Foundation, Armed Forces Welfare, Ram Krishna Mission, Oxford Mission, Cheshire Homes etc.

Sponsored Eye Camps and other health related camps in various gardens.

## **DIVIDEND**

The Board is pleased to recommend a dividend of Rs. 2/- per share (previous year Rs. 1.25) for the year ended 31st December, 1997. The recommended Dividend, on declaration, will be paid to those members registered in the books of the Company as at close of business on 6th March, 1998, subject however, to the provisions of Section 206A of the Companies Act, 1956.

## **PROSPECTS**

1998 has started with normal weather conditions with auction prices and export prospects at an encouraging level. Although it is early to predict, indications are that, barring unforeseen circumstances, we can look forward to good trading results in 1998.

## **AUDIT COMMITTEE**

The Audit Committee of the Board set up in 1996 and consisting of four Non-Executive Directors, continues to render valuable service. The guidance and the insight to important issues has made the Audit Committee an important tool for good Corporate Governance.

## **SUBSIDIARY COMPANY**

Particulars as required to be disclosed with regard to Tiru Tea Limited, the subsidiary of the Company, under section 212 of the Companies Act 1956, have been annexed with the Accounts of the Company.



**Goodwill Group Limited**

## **PERSONNEL**

The Board wishes to place on record its sincere appreciation of the dedication and contribution made by all personnel in ensuring a high level of performance. Harmonious relations prevailed at all the Company's establishments. The Board is particularly proud of the Company's personnel located in remote areas who have to work under great stress and often in adverse conditions.

## **PARTICULARS IN TERMS OF SECTION 217 OF THE COMPANIES ACT, 1956**

The particulars of Conservation of Energy and technology absorption in terms of Section 217(1)(e) are given in Annexures 'A' and 'B'. The particulars of employees in terms of Section 217(2A) of the Companies Act, 1956 are given in Annexure 'C'. All the Annexures form part of the Report.

## **NOTES IN THE AUDITORS' REPORT**

With regard to the observations made by the Auditors in Point Nos. 3(i) and 3 (ii) the Notes to the Accounts are self-explanatory.

## **DIRECTORS**

Mr P. Majumdar and Mr P.E. Hill retire by rotation and being eligible, offer themselves for reappointment.

## **AUDITORS**

The Auditors, Messrs Lovelock & Lewes, Chartered Accountants, retire and are eligible for reappointment.

Calcutta  
5th February 1998

On Behalf of the Board

S. K. Bhasin  
*Managing Director*  
D. K. Mehra  
*Wholetime Director*  
P. Majumdar  
*Director*