

T & I Global Limited



GLOBAL

**Annual Report
2002-2003**

CORPORATE PROFILE

BOARD OF DIRECTORS

Sri Sajjan Bagaria	<i>Executive Chairman</i>
Sri Vineet Bagaria	<i>Managing Director</i>
Sri Vijay Bagaria	<i>Director</i>
Sri Ravi Choudhary	<i>Director</i>
Sri Deepak Pahwa	<i>Director</i>
Sri K.K. Nanda	<i>Executive Director (Marketing)</i>

COMPANY SECRETARY

Sri Ravi Joshi

AUDITORS

Tiwari & Company
107/1, Park Street,
Kolkata - 700016

PRINCIPAL BANKER

State Bank of India
Commercial Branch
24, Park Street,
Kolkata - 700016

REGISTRAR & TRANSFER AGENTS

AMI COMPUTERS (I) LTD.
60A & 60B Chowringhee Road
Kolkata 700 020

REGISTERED OFFICE

19, R.N. Mukherjee Road, Kolkata - 700001
Ph. : (91-33) 2248 2223/2224/8189/7426
Fax : (91-33) 2248 4142
E-mail : sales@tiglobal.com

BRANCH OFFICE

'KAIZEN HOUSE'
Tea Auction Committee Road,
Mallaguri, Siliguri - 734 403, West Bengal
Ph. : (91-0353) 251-4805

PLANTATION OFFICE

Village Brahmapur
(Near Changrabandha Town)
P.O. : Padomati 735 305
Dist. : Jalpaiguri, West Bengal
Ph. : (03584) 244451

FACTORY (CTC)

Karatoa, P.O. Mohanvita
Dist. : Jalpaiguri, West Bengal

FACTORY (GREEN TEA)

152, Panishala (Near Changrabandha Town)
Dist. : Coochbehar, West Bengal

MEMBERSHIPS

Engineering Export Promotion Council
Tea Research Association
Tea Association of India

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Thirteenth Annual General Meeting of the Members of T & I Global Limited will be held at 'Sir R. N. Mukherjee Hall, The Institute of Engineers (India), West Bengal State Centre, 8, Gokhale Road, Kolkata - 700 020 on Saturday the 27th day of September, 2003 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS

- 1) To receive, consider and adopt Reports of the Auditors and Directors and the Audited Accounts of the Company for the year ended 31st March, 2003.
- 2) To appoint a Director in place of Sri Vijay Bagaria who retires by rotation and, being eligible, offers himself for re-appointment.
- 3) To appoint Auditors and fix their remuneration. In this connection, to consider and, if thought fit, to pass, with or without modification, the following resolution which will be proposed as an Ordinary Resolution.

"RESOLVED that M/s. Tiwari & Co. Chartered Accountants, be and are hereby re-appointed as the Auditors of the Company to hold such office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at such remuneration as may be decided by the Board."

SPECIAL BUSINESS

- 4) To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

"RESOLVED THAT the re-appointment of Mr. Sajjan Bagaria as Executive Chairman of the Company for the further period of 5 (Five) years with effect from 1st August, 2003 be and is hereby approved by the Company on such remuneration as specified in the explanatory statement appended to the notice, with a liberty to the Committee / Board from time to time to alter, vary or modify in accordance with provisions of section 198, 269, 309 and all other applicable provisions, if any, and Schedule XIII of the Companies Act, 1956.

- 5) To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

"RESOLVED THAT the re-appointment of Mr. Vineet Bagaria as Managing Director of the Company for the further period of 5 (Five) years with effect from 1st August, 2003 be and is hereby approved by the Company on such remuneration as specified in the explanatory statement appended to the notice, with a liberty to the Committee / Board from time to time to alter, vary or modify in accordance with provisions of section 198, 269, 309 and all other applicable provisions, if any, and Schedule XIII of the Companies Act, 1956.

By order of the Board of Directors

Place : Kolkata
Date : 22nd August, 2003

Ravi Joshi
Company Secretary

NOTES

- 1) The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.
- 2) A member entitled to attend and vote at this Annual General Meeting may appoint a proxy to attend and vote and such proxy need not be a member of the Company. Proxies, in order to be effective, must be deposited at the Registered Office of the Company not less than Forty Eight Hours before the commencement of this Annual General Meeting.
- 3) The Register of Members and Share Transfer Books of the Company will be closed from 23rd September 2003 to 27th September, 2003 (both days inclusive).
- 4) Shareholders desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
- 5) Members are requested to produce the enclosed Attendance Slip at the entrance of the Hall and bring their copies of Annual Reports to the Meeting.
- 6) Members are requested to notify any change in their address immediately quoting their folio no.(s) to the Company's registrars & Transfer Agents.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. : 4

The Board of Directors has re-appointed Mr. Sajjan Bagaria as Executive Chairman of the Company for the period from 1st August, 2003 to 31st July, 2008.

The terms of re-appointment and remuneration including minimum remuneration payable to Mr. Sajjan Bagaria as approved by the Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 31st July, 2003 are as under:

i) **PERIOD** : 5 Years from 1st August, 2003.

ii) **SALARY** : Basic Rs. 20,000/- per month.

iii) **PERQUISITES & ALLOWANCES** :

In addition to the salary payable, the Executive Chairman shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, medical reimbursement, leave travel concession for the Executive Chairman and their family, club fees, personal accident insurance and such other perquisites and allowances in accordance with the Rules of the Company or as may be agreed to by the Board of Directors and Executive Chairman, such perquisites and allowances will be subject to a maximum of 100% of the annual salary of the Executive Chairman.

iv) **PROVIDENT FUND, SUPERANNUATION / ANNUITY FUND** :

Company's contribution to Provident Fund and Superannuation or Annuity Fund to the extent these either singly or together are not taxable under the Income Tax Act, gratuity payable as per the rules of the Company and encashment of leave at the end of his tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

v) **MINIMUM REMUNERATION** :

Notwithstanding anything herein, where in any financial year during the currency of the tenure of the Executive Chairman, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, subject to the requisite approvals, if any, being obtained.

The terms and conditions of the Executive Chairman's re-appointment may be varied, altered, increased, enhanced or widened from time to time by the Board as it may in its discretion deem fit, within the maximum amounts payable in accordance with the provisions of the Companies Act, 1956 or any amendments made hereafter in this regard.

In compliance with the provisions of the companies Act, 1956, the terms of remuneration specified above are now being placed before the members in General Meeting for their approval. The Board recommends the Resolution for acceptance by the members.

This may be treated as an abstract of the revision of term of re-appointment under section 302 of the Companies Act, 1956.

None of the Directors of the Company other than Mr. Sajjan Bagaria is concerned or interested in the aforesaid re-appointment.

ITEM NO. : 5

The Board of Directors has re-appointed Sri Vineet Bagaria as Managing Director of the Company for the period from 1st August, 2003 to 31st July, 2008.

The terms of re-appointment and remuneration including minimum remuneration payable to Sri Vineet Bagaria by the Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 31st July, 2003 are as under:

- i) **PERIOD** : 5 Years from 1st August, 2003.
- ii) **SALARY** : Basic Rs. 25,500/- per month.
- iii) **PERQUISITES & ALLOWANCES** :

In addition to the salary payable, the Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, medical reimbursement, leave travel concession for the Managing Director and their family, club fees, personal accident insurance and such other perquisites and allowances in accordance with the Rules of the Company or as may be agreed to by the Board of Directors and Managing Director, such perquisites and allowances will be subject to a maximum of 100% of the annual salary of the Managing Director.

- iv) **PROVIDENT FUND, SUPERANNUATION / ANNUITY FUND** :

Company's contribution to Provident Fund and Superannuation or Annuity Fund to the extent these either singly or together are not taxable under the Income Tax Act, gratuity payable as per the rules of the Company and encashment of leave at the end of his tenure shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

- v) **MINIMUM REMUNERATION** :

Notwithstanding anything herein, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, subject to the requisite approvals, if any, being obtained.

The terms and conditions of the Managing Director's re-appointment may be varied, altered increased, enhanced or widened from time to time by the Board as it may in its discretion deem fit, within the maximum amounts payable in accordance with the provisions of the Companies Act, 1956 or any amendments made hereafter in this regard.

In compliance with the provisions of the companies Act, 1956, the terms of remuneration specified above are now being placed before the members in General Meeting for their approval. The Board recommends the Resolution for acceptance by the members.

This may be treated as an abstract of the revision of term of re-appointment under section 302 of the Companies Act, 1956.

None of the Directors of the Company other than Mr. Vineet Bagaria is concerned or interested in the aforesaid re-appointment.

DIRECTORS' REPORT

Your Directors have pleasure in presenting their Thirteenth Annual Report on the business and operations of the Company, together with the audited financial accounts of the Company for the year ended 31st March, 2003.

FINANCIAL RESULTS

	2002-03 (Rs. in Lacs)	2001-02 (Rs. in Lacs)
Sales	1,318.80	1,269.87
Profit before Interest and Depreciation	135.07	114.83
Interest	54.46	47.48
Profit before Depreciation	80.61	67.35
Depreciation	59.41	46.42
Profit before Taxation	21.20	20.93
Profit after Taxation	22.14	28.29
Balance Brought Forward	222.78	194.49
Balance Carried to Balance Sheet	244.92	222.78

PERFORMANCE REVIEW

The Company achieved a turnover of Rs. 1318.80 lacs compared to Rs. 1269.87 lacs in the previous year. The gross profit before interest, depreciation and taxation is Rs. 135.07 lacs as against Rs. 114.83 lacs in the previous year. The overall performance suffered a setback due to the lower realisation of tea prices and reduction in export of tea machineries.

FUTURE PROSPECTS

Tea market continues to be sluggish. Export of tea machineries is also not growing. However, efforts are being made to tap new markets.

PLANTATION PROJECT

Commercial Production of Green Tea has commenced. With this the Company hopes to improve the bottom line. In the meanwhile efforts continue to improve performance of earlier planted areas.

DEPOSITS

Your Company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956 and the Rules made thereunder.

DIRECTORS

In accordance with provisions of the Companies Act, 1956, and the Company's Articles of Association, Mr. Vijay Bagaria retires by rotation, and being eligible is recommended for re-appointment.

AUDITORS

The Auditors of the company M/s. Tiwari & Co. retires at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. They have confirmed their eligibility under section 224(1-B) of the Companies Act, 1956.

AUDITORS' REPORT

Note referred to the Auditors' Report are self-explanatory.

PARTICULARS REQUIRED UNDER THE COMPANIES (Disclosure of particulars in the report of Board of Directors) RULES, 1988

Particulars with Respect to Conservation of Energy - Form 'A'

	2002-03	2001-02
A. POWER & FUEL CONSUMPTION		
1 Electricity		
Purchased Units	555010	383905
Total Amount	2685175	1846558
Avg. rate per unit	4.84	4.81
2 H.S.D.		
Purchase Qty. (Ltr.)	118869	109808
Total Amount	2702757	1895235
Rate per Ltr.	22.74	17.26
3 Furnace Oil		
Qty.(Ltr.)	88422	196607
Total Amount	848519	2069829
Rate per Ltr.	9.60	10.53
4 Coal		
Qty.(Kgs.)	1085997	418741
Total Amount	2257953	1332421
Rate per Kgs.	2.08	3.18

B. Consumption Per Unit of Production**(Unit / Litre / Kg.)**

Production - Tea (Kgs.)	1062679	853886
Electricity	0.52	0.45
H.S.D.	0.11	0.13
Furnace Oil	0.08	0.23
Coal	1.02	0.49

TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

There is no information to submit in respect of absorption of technology.

The Company has earned foreign exchange of Rs. 8,10,66,071/- and spent foreign exchange of Rs. 58,49,754/- during the year.

PERSONNEL

The particulars of employees pursuant to Section 217(2A) of the Companies Act, 1956 and the rules made thereunder are not applicable to your Company.

CORPORATE GOVERNANCE

Your Company is committed to good Corporate Governance. A detailed Report appears in the Annexure to the Directors Report.

AUDIT COMMITTEE

The Audit Committee comprises of Shri Vijay Bagaria, Chairman, Shri Vineet Bagaria and Shri Deepak Pahwa. The role, term of reference, the authority and power of the Audit Committee are as laid down under the Companies Act, 1956.

REMUNERATION COMMITTEE

The Remuneration Committee of the Company comprises of Shri Vijay Bagaria, Chairman, Shri Ravi Choudhary and Sri Deepak Pahwa to carry out functions as envisaged under the schedule XIII of the Companies Act, 1956.

DISCLOSURE REGARDING MANAGERIAL REMUNERATION

Mr. Sajjan Bagaria in his capacity as the Executive Chairman of the Company received a remuneration of Rs. 3,87,500/- for the year ended 31st March, 2003.

Mr. Vineet Bagaria in his capacity as the Managing Director of the Company received a remuneration of Rs. 4,08,120/- for the year ended 31st March, 2003.

Mr. Kalyan Kumar Nanda in his capacity as the Executive Director (Marketing) of the Company received a remuneration of Rs. 3,44,801/- for the year ended 31st March, 2003.

Non-executive Directors are not paid any remuneration. No sitting fees are paid to any Director.

DIRECTOR'S RESPONSIBILITIES STATEMENT

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors state:

- (i) That in the preparation of the annual accounts, the applicable standards have been followed;
- (ii) That your Director's have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) That your Directors have 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 your Company and for preventing and detecting fraud and other irregularities;
- (iv) That your Directors have prepared the annual accounts on a going concern basis.

LISTING ARRANGEMENTS

The Company's shares are listed on Calcutta, Mumbai, Delhi and Ahmedabad Stock Exchange. The Annual listing fees in respect of all stock exchanges have been paid upto date.

ACKNOWLEDGEMENTS

The Directors place on record their appreciation of the excellent performance and hard work put in by the employees, consultants at all levels in the Company's growth and development. The Directors also convey their grateful thanks to the Government Authorities, Shareholders, Banks, Customers & Suppliers for their continued co-operation and patronage.

Place : Kolkata
Date : 22nd August, 2003

On behalf of the Board

Sajjan Bagaria
Executive Chairman