

# **Annual Report**

## **2004 - 2005**



# **T & I Global Limited**

**CORPORATE PROFILE****BOARD OF DIRECTORS**

Sajjan Bagaria	<i>Executive Chairman</i>
Vineet Bagaria	<i>Managing Director</i>
Omprakash Bagaria	<i>Director</i>
D. P. Bagrodia	<i>Director</i>
Deepak Pahwa	<i>Director</i>
K.K. Nanda	<i>Executive Director</i> <i>(Marketing)</i>

**COMPANY SECRETARY**

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 Computer (I) Ltd.  
60A & 60B Chowringhee Road  
Kolkata - 700 020

**REGISTERED OFFICE**

11, Jassal House  
4A, Auckland Square  
Kolkata - 700 017  
Ph. : (91-33) 2283 3613/3614  
Fax : (91-33) 2283 3612  
E-mail : sales@tiglobal.com

**PLANTATION OFFICE & FACTORY :**

- 1) 152, Panishala  
(Near Changrabandha Town)  
Dist. : Coochbehar, West Bengal
- 2) Benaras Road, Howrah.

**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 Fifteenth 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 Thursday the **29<sup>th</sup> day of September, 2005** 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, 2005.
- 2) To appoint a Director in place of Sri Deepak Pahwa 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."

- 4) To appoint a Director in place of Mr. Omprakash Bagaria, who was appointed by the Board of Directors as Additional Director of the Company with effect from 30<sup>th</sup> November, 2004 and who hold office upto the date of the forthcoming Annual General Meeting of the Company under Section 260 of the Companies Act, 1956, but who is eligible for re-appointment and in respect of whom the Company has received notices in writing under section 257 of the Act from some members proposing his candidature for the office of Director.
- 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. Kalyan Kumar Nanda as Executive Director - Marketing of the Company for the further period of 5 (Five) years with effect from 1<sup>st</sup> October, 2005 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

Dated : 22<sup>nd</sup> August, 2005

**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 24<sup>th</sup> September 2005 to 29<sup>th</sup> September, 2005 (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 Registrar & Transfer Agents.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****ITEM NO. : 4**

The Board of Directors has appointed Mr. Omprakash Bagaria, as an Additional Director on the Board with effect from 30<sup>th</sup> November, 2004 under section 260 of the Companies Act, 1956. Mr. Omprakash Bagaria hold office as Director only upto the date of the forthcoming Annual General Meeting.

Notices under Section 257 of the Companies Act, 1956 have been received from some members signifying their intention to propose the appointment of Mr. Omprakash Bagaria as Director of the Company.

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

**ITEM NO. : 5**

The Board of Directors has reappointed Mr. Kalyan Kumar Nanda as Executive Director - Marketing of the Company for the period from 1<sup>st</sup> October, 2005 to 30<sup>th</sup> September, 2010.

The terms and conditions of remuneration including minimum remuneration payable to Mr. Kalyan Kumar Nanda as approved by the Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 30th July, 2005 are as under:

i) **SALARY** : Basic Rs. 22,500/- per month.

ii) **PERQUISITES & ALLOWANCES** :

In addition to the salary payable, the Executive Director – Marketing shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; medical reimbursement, 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 Director - Marketing, such perquisites and allowances will be subject to a maximum of 100% of the annual salary of the Executive Director - Marketing.

iii) **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.

iv) **MINIMUM REMUNERATION** :

Notwithstanding anything herein, where in any financial year during the currency of the tenure of the Executive Director - Marketing, 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 Director – Marketing's 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. Kalyan Kumar Nanda is concerned or interested in the aforesaid re-appointment.

By order of the Board of Directors

Place : Kolkata

Dated : 22<sup>nd</sup> August, 2005

**Ravi Joshi**

*Company Secretary*



**DIRECTORS' REPORT**

Your Directors have pleasure in presenting their Fifteenth 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, 2005.

**FINANCIAL RESULTS**

	<b>2004-05</b> <b>(Rs. in Lacs)</b>	<b>2003-04</b> <b>(Rs. in Lacs)</b>
Sales	<b>1,353.64</b>	1,192.17
<b>Profit before Interest and Depreciation</b>	<b>99.24</b>	105.32
Interest	<b>47.96</b>	42.61
<b>Profit before Depreciation</b>	<b>51.28</b>	62.71
Depreciation	<b>45.19</b>	57.19
Provision for Taxation - Current	<b>8.00</b>	—
<b>Profit after Taxation</b>	<b>5.59</b>	3.13
<b>Balance Brought Forward</b>	<b>248.06</b>	244.92
<b>Balance Carried to Balance Sheet</b>	<b>253.65</b>	248.06

**PERFORMANCE REVIEW**

The Company achieved a turnover of Rs. 1353.64 lacs compared to Rs. 1192.17 lacs in the previous year. The gross profit before interest, depreciation and taxation is Rs. 99.24 lacs as against Rs. 105.32 lacs in the previous year.

**FUTURE PROSPECTS**

Your Company is making all efforts to improve profitability and expects good performance during the current year.

**OPERATIONS**

During 2004-05, the Tea Machinery production was streamlined. The Company also took steps towards increase in production of Green Tea which will result into better performance during the current year.

The export of Tea Machinery suffered transaction and translation losses due to Rupee appreciation against the US\$ compared to previous year.

**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. Deepak Pahwa retires by rotation, and being eligible is recommended for reappointment.

The Board has appointed Mr. Om Prakash Bagaria as an Additional Director of the Board with effect from 30<sup>th</sup> November, 2004 in view of his vast and varied experience.

Accordingly, item 4 of the Notice in regard to his reappointment is commended to the members.

**AUDITORS**

The Auditor of the company M/s. Tiwari & Co. retires at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment. 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'**

	2004-05	2003-04
<b>A. Power &amp; Fuel Consumption</b>		
<b>1. Electricity</b>		
Purchased Units	461436	595030
Total Amount	2347471	3092031
Avg. rate per unit	5.08	5.20
<b>2. H.S.D.</b>		
Purchase Qty. (Ltr.)	34124	55980
Total Amount	984462	11281272
Rate per Ltr	28.84	22.89
<b>3. Coal</b>		
Qty. (Kgs.)	859245	1213752
Total Amount	2652184	2328638
Rate per Kgs.	3.08	1.92
<b>B. Consumption Per Unit of Production</b>	( Unit / Litre / Kg. )	
Production - Tea (Kgs.)	762526	1146785
Electricity	0.60	0.52
H.S.D	0.04	0.05
Coal	1.13	1.06

**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. 7,63,93,249/- and spent foreign exchange of Rs. 29,36,891/- 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 comprising of Shri Om Prakash Bagaria, Chairman, Shri Debi Prasad Bagrodia and Shri Deepak Pahwa, was reconstituted on 30.11.2004. 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 comprising Shri Om Prakash Bagaria, Chairman, Shri Debi Prasad Bagrodia and Sri Deepak Pahwa was re-constituted in accordance with schedule XIII of the Companies Act, 1956 to carry out functions as envisaged under the said schedule.

**DISCLOSURE REGARDING MANAGERIAL REMUNERATION**

Mr. Sajjan Bagaria in his capacity as the Executive Chairman of the Company received a remuneration of Rs. 7,24,900/- for the year ended 31st March, 2005.

Mr. Vineet Bagaria in his capacity as the Managing Director of the Company received a remuneration of Rs. 4,10,620/- for the year ended 31st March, 2005.

Mr. Kalyan Kumar Nanda in his capacity as the Executive Director (Marketing) of the Company received a remuneration of Rs. 3,93,703/- for the year ended 31st March, 2005.

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

**DIRECTOR'S RESPONSIBILITY 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 Directors 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 AGREEMENTS**

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.

**ACKNOWLEDGEMENT**

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.

On behalf of the Board

Place : Kolkata  
Date : 22<sup>nd</sup> August, 2005

**SAJJAN BAGARIA**  
Executive Chairman

**REPORT ON CORPORATE GOVERNANCE****Annexure to the Directors' Report****COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Your Company firmly believes in transparency in its dealings and lays emphasis on integrity and Regulatory compliance. Your Company considers good Corporate Governance a pre-requisite for meeting the needs and aspirations of its shareholders and other stakeholders in the Company. With this end in view, this year's Annual Report has made substantial disclosures on the Board, Board Committees as also on the financial and Stock performance.

**1. BOARD OF DIRECTORS**

Composition, Attendance at the Board Meetings and the last Annual General Meeting, Outside Directorships and Board Committee Memberships.

Above information as at 31<sup>st</sup> March, 2005 is tabulated hereunder:

Director	No of Board Meeting Attend	Attendance at Previous AGM on 30.09.2004	No of Outside Directorship Held *	No of Membership/ Chairmanship in other Board Committees	Executive/ Non-Executive/ Independent
Sajjan Bagaria	7	Present	2	2	Executive Chariman Executive Director
Vineet Bagaria	8	Present	1	—	Managing Director Executive Director
Om Prakash Bagaria**	3	N.A.	—	—	Independent Director Non Executive
Debi Prasad Bagrodia	5	Not Present	—	—	Independent Director Non Executive
Ravi Choudhary***	—	Not Present	2	—	Independent Director Non Executive
Deepak Pahwa	6	Not Present	—	1	Independent Director Non Executive
K.K. Nanda	7	Not Present	—	—	Wholetime Independent Director Executive Director

\*Excluding directorship in companies exempt under section 278 of the Companies Act, 1956.

\*\* Appointed on 30<sup>th</sup> November, 2004

\*\*\* Resigned on 30<sup>th</sup> November, 2004

**Board Meetings**

During the year under review, 8 Board Meetings were held, the dates being 30<sup>th</sup>, April 2004; 28<sup>th</sup> May 2004; 31<sup>st</sup> July 2004; 30<sup>th</sup> August 2004; 30<sup>th</sup> October, 2004; 30<sup>th</sup> November, 2004; 31<sup>st</sup> January 2005, and 31<sup>st</sup> March, 2005.

**2. BOARD COMMITTEE****(a) Audit Committee :**

The Audit Committee was reconstituted on 30/11/2004 by inducting Mr. Omprakash Bagaria, Director of the Company in place of Mr. Ravi Choudhary,

The terms of reference to the Audit Committee are wide enough to cover all matters specified under the Listing Agreement and the Companies Act, 1956.



During the year under review, three Meetings of the Audit Committee were held, the dates being 30<sup>th</sup> August 2004, 6<sup>th</sup> December, 2004 and 18<sup>th</sup> March, 2005.

The attendance of the members at the Audit Committee Meetings was as follows :

Name	No. of Audit Committee Meetings Attended
Omprakash Bagaria *	2
Depak Pahwa	2
Vineet Bagaria	3
Debi Prasad Bagrodia	2
Ravi Choudhary **	—

\* Appointed on 30<sup>th</sup> November, 2004

\*\* Resigned on 30<sup>th</sup> November, 2004

**(b) Remuneration Committee :**

The Remuneration Committee was reconstituted on 30/11/2004 by inducting Mr. Omprakash Bagaria, Director of the Company in places of Mr. Ravi Choudhary.

The Remuneration Committee consists of 3 Independent Directors.

The Details of Remuneration Committee Meetings held

Sl. No.	Date of the Meeting
1	30.08.2004

Composition of Remuneration Committee and Meeting Attendance

Name	No. of Meetings Attended
Omprakash Bagaria	N.A. *
Debi Prasad Bagrodia	1
Ravi Choudhary	1
Depak Pahwa	1

- Since appointed as a member by the board at the meeting held on 30<sup>th</sup> November, 2004

In the Meeting held on 30.08.2004 the committee has considered the reappointment of Mr. Kalyan Kumar Nanda, as Executive Director (Marketing).

The aggregate value of Salary and perquisites for the period from 01.04.2004 to 31.03.2005 paid to the Executive Chairman & Managing Director is Rs. 11,35,520/-

The aggregate value of Salary and perquisites for the period from 01.04.2004 to 31.03.2005 paid to the Executive Director (Marketing) is Rs. 3,93,703/-.

No Remuneration paid to non-executive Directors.

**(c) Shareholders / Investor Grievance Committee**

The Shareholders / Investor Grievance Committee was reconstituted by inducting Mr Omprakash Bagaria in place of Mr. Ravi Choudhary on 30<sup>th</sup> November, 2004 .

The Shareholders / Investor Grievance Committee consists of 3 Independent Directors.

## Composition of Shareholders/ Investor Grievance Committee

Sl. No.	Members
1	Debi Prasad Bagrodia
2	Omprakash Bagaria
3	Deepak Pahwa

**Compliance Officer**

Sri Ravi Joshi, Company Secretary.

No of Shareholders' complaints received during the year 10

No of Complaints not resolved to the satisfaction of shareholders Nil

The number of pending share transfers as on 31<sup>st</sup> March, 2005 were 3 for 2200 Shares. These were completed by 11<sup>th</sup> April, 2005.

**4. GENERAL BODY MEETING****Location and time of Last Three Annual General Meetings held.**

Financial Year Ending	Date	Time	Venue
31.03.2002	21.09.2002	11.00 A.M.	Bhartiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata - 700 071
31.03.2003	27.09.2003	11.00 A.M.	Sir R. N. Mukherjee Hall, The Institute of Engineers (India), West Bengal State Centre, 8, Gokhale Road, Kolkata - 700 020
31.03.2004	30.09.2004	11.00 A.M.	Sir R. N. Mukherjee Hall, The Institute of Engineers (India), West Bengal State Centre, 8, Gokhale Road, Kolkata - 700 020

Whether Special Resolution were put through postal ballot, last year No

Any Voting proposal to be conducted through postal ballot, this year No

**5. DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTION.**

The Company had not entered into any transaction of a material nature which will have a conflict with its interest during the year.

Full disclosure of related party transactions as per Accounting Standard 18 issued by the Institute of Chartered Accountants of India is given under Note No. 4 of Notes on the Accounts. All the transaction covered under related party transaction were fair, transparent and at arms length.

Details of Non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any Statutory authorities on any matter related to capital markets during the last three years. NONE

**6. MEANS OF COMMUNICATION**

i) Half yearly Report sent to each : No.  
house hold of each share holders

Quarterly, Unaudited Financial Results are published in leading National News Papers and in Regional News Papers.

ii) Quarterly Results published in News Papers. : Yes. Details of Publication for the period 01.04.2004 to 31.03.2005 is as under.