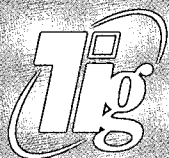


Report  Junction.com

Annual Report

2006 - 2007



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> |
| Harish Mittal | <i>Director</i> |
| Manish Kumar Newar | <i>Director</i> |

COMPANY SECRETARY & CFO

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

R & D Infotech Pvt. Ltd.
22/4, Nakuleshwar Bhattacharya Lane
Kolkata - 700 026

REGISTERED OFFICE

11, Jassal House
4A, Auckland Square
Kolkata - 700 017
Ph. : (91-33) 3028 3626/29
Fax : (91-33) 2283 3612
E-mail : secretarial_tiglobal@yahoo.com

PLANTATION OFFICE & FACTORY :

Mainak Hills, Tea Estate
Changrabandha
Dist. : Coochbehar, West Bengal

ENGINEERING DIVISION

Benaras Road, Howrah.

MEMBERSHIPS

Engineering Export Promotion Council
Tea Research Association
Tea Association of India

CONTENTS

| | |
|----------------------------------|----|
| Notice of Annual General Meeting | 2 |
| Directors' Report | 6 |
| Auditors' Report | 17 |
| Balance Sheet | 20 |
| Profit & Loss Account | 21 |
| Schedule of Accounts | 22 |
| Cash Flow Statement | 35 |

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of T & I Global Limited will be held at 'Sir R. N. Mookerjee Hall, The Institute of Engineers (India), West Bengal State Centre, 8, Gokhale Road, Kolkata - 700 020 on Saturday the 29th day of September, 2007 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, 2007.
- 2) To appoint a Director in place of Sri Om Prakash Bagaria who retires by rotation and, being eligible, offers himself for re-appointment.
- 3) To appoint a Director in place of Sri Deepak Pahwa who retires by rotation and, being eligible, offers himself for re-appointment.
- 4) 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

- 5) To appoint a Director in place of Shri Harish Mittal, who was appointed by the Board of Directors as Additional Director of the Company with effect from 31st January, 2007 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 notice in writing under Section 257 of the Act from a member proposing his candidature for the office of the Director.
- 6) To appoint a Director in place of Shri Manish Kumar Newar, who was appointed by the Board of Directors as Additional Director of the Company with effect from 31st January, 2007 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 notice in writing under Section 257 of the Act from a member proposing his candidature for the office of the Director.

By order of the Board of Directors

Place : Kolkata

Dated : 29th August, 2007

Ravi Joshi

Company Secretary

T & I Global Limited**Annual Report 2006-2007****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 on a Poll on his behalf. A 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 25th September 2007 to 29th September, 2007 (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 Investor Cell.
- 7) Shri Om Prakash Bagaria and Shri Deepak Pahwa, Directors due to retire by rotation and are eligible for reappointment at this Annual General Meeting. Brief resumes of the said Directors are as under:

| Name | Om Prakash Bagaria | Deepak Pahwa |
|---|---|---|
| Age | 67 Years | 58 Years |
| Expertise in Specific Functional Area | He is associated with Tea Industry for last 40 years. He has been associated in modern and technologically advanced machineries and has led the group to become a market leader in manufacture and trading of Tea Processing Machineries. | He has vast & extensive experience of 30 years in Tea Industry. |
| Date of Appointment on the Board of the Company | 30-11-2004 | 05-07-1994 |
| Name(s) of the other companies in which Directorships held (as per Sections 275 and 278 of the Companies Act, 1956) | Nil | Nil |

T & I Global Limited**Annual Report 2006-2007**

| | | |
|--|---|--|
| Name(s) of the Companies in which Committee Membership(s) /Chairmanship(s) held (as per Clause 49 of the Listing Agreement with the Stock Exchanges) | <ol style="list-style-type: none"> 1. T & I Global Ltd. Chairman, Audit Committee upto 31.01.2007. 2. T & I Global Ltd. Chairman Remuneration Committee upto 31.01.2007. 3. T & I Global Ltd. Chairman, Investors Grievance Committee upto 31.01.2007. | <ol style="list-style-type: none"> 1. T & I Global Ltd. Member, Audit Committee 2. T & I Global Ltd. Member, Remuneration Committee 3. T & I Global Ltd. Member, Investors Grievances Committee |
| No. of Shares held in the Company | Nil | Nil |

- 8) Shri Harish Mittal and Shri Manish Kumar Newar, Directors who were appointed by the Board of Directors as Additional Director of the Company with effect from 31st January, 2007 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 the Director. Brief resumes of the said Directors are as under:

| | | |
|--|---|--|
| Name | Harish Mittal | Manish Kumar Newar |
| Age | 43 Years | 38 Years |
| Expertise in Specific Functional Area | Started a clothing manufacturing Company in 1990 and continue to be in the field. Having specialized as a Shirt technologist. Bringing the concept of mass customization to reality in a business model that eliminates minimums from a trade that thrives on volumes. Pushing the frontiers of bespoke tailoring by offering remote manufacturing and global delivery model and extending the concept to women's Shirts. | More than 10 years experience in Tea Industry. |
| Date of Appointment on the Board of the Company | 31-01-2007 | 31-01-2007 |
| Name(s) of the other companies in which Directorships held (as per Sections 275 and 278 of the Companies Act, 1956) | 1. Camellia Cloting Ltd. | <ol style="list-style-type: none"> 1. Arvind Press Caps Ltd. 2. Umang Commercial Co. Ltd. 3. Sambhaw Finance and Trading Company Ltd. 4. Nilkanth Engineering Ltd. 5. Kool Kidz Products Ltd. |
| Name(s) of the Companies in which Committee Membership(s) /Chairmanship(s) held (as per Clause 49 of the Listing Agreement with the Stock Exchanges) | <ol style="list-style-type: none"> 1. T & I Global Ltd. Member, Audit Committee 2. T & I Global Ltd. Member, Remuneration Committee 3. T & I Global Ltd. Member, Investors Grievances Committee | |
| No. of Shares held in the Company | Nil | Nil |

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**ITEM NO. : 5**

The Board of Directors has appointed Shri Harish Mittal as an Additional Director on the Board with effect from 31st January, 2007 under Section 260 of the Companies Act, 1956. Shri Harish Mittal 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 a member signifying his intention to propose the appointment of Shri Harish Mittal as Director of the Company.

None of the Directors of the Company other than Shri Harish Mittal is concerned or interested in the aforesaid appointment.

ITEM NO. : 6

The Board of Directors has appointed Shri Manish Kumar Newar as an Additional Director on the Board with effect from 31st January, 2007 under Section 260 of the Companies Act, 1956. Shri Manish Kumar Newar 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 a member signifying his intention to propose the appointment of Shri Manish Kumar Newar as Director of the Company.

None of the Directors of the Company other than Shri Manish Kumar Newar is concerned or interested in the aforesaid appointment.

Report  junction.com

DIRECTORS' REPORT AND MANAGEMENT DISCUSSIONS AND ANALYSIS

Your Directors have pleasure in presenting their Seventeenth 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, 2007.

FINANCIAL RESULTS

| | 2006-07 (Rs. in Lacs) | 2005-06 (Rs. in Lacs) |
|---|--------------------------|--------------------------|
| Sales | 1,704.75 | 1,512.70 |
| Profit before Interest and Depreciation | 97.90 | 93.00 |
| Interest | 44.26 | 40.78 |
| Profit before Depreciation | 53.64 | 52.22 |
| Depreciation | 31.65 | 31.02 |
| Profit before Taxation | 21.99 | 21.20 |
| Profit after Taxation | 3.73 | 6.17 |
| Balance Brought Forward | 259.82 | 253.65 |
| Balance Carried forward to Balance Sheet | 263.55 | 259.82 |

PERFORMANCE REVIEW

Your Company's turnover has increased to Rs. 1704.75 Lac compared to Rs. 1512.70 Lac in previous year. The Profit before tax has increased marginally to Rs 21.99 Lac compared to 21.20 Lac in previous year. Increased in input costs have impacted the profitability of the Company.

AWARDS AND CERTIFICATES

Your Company has again received Export Excellence Award for the year 2006-07 from Engineering Export Promotion Council, Eastern Region.

DIVIDEND

Your Directors are not recommending any dividend for the year and have thought it fit to retain profits as a small sacrifice in the interest of larger gains and long-term benefits.

FUTURE PROSPECTS

Your Company has also started manufacturing CTC Tea. Maximum stress is being given to the production of better quality teas. The Company's efforts to produce better quality of Green Tea and CTC Tea are expected to give better return in future. However the availability of poor quality teas at cheaper rates, rupee appreciation of nearly 7% against the US Dollar in the first quarter of the current year and increased production of CTC Tea in Kenya may have a negative impact on the pricing.

MACHINERY DIVISION

The Export of Tea Machinery has increased to Rs. 8.60 Crore in the 2006-07 compared to Rs. 8.53 Crore in the previous year. The rupee appreciation against Dollar has affected export and profit margins. However, with new markets and more efforts your Company expects to improve its performance.

Apart from the Export Sale the Company has also developed the Domestic market for sale of its Tea Machinery. The domestic sale of Tea Machinery has increased to 5.54 Crore compared to 3.94 Crore in the previous year. Increased production and cost reduction are the main priorities of the Company to make it more profitable.

PLANTATION PROJECT

The Company has setup a CTC Tea Factory at its Mainak Hills Tea Estate with a capacity of producing 600000 Kgs of CTC Tea per year with a total invest of about Rs. 200 lacs. The plantation project is progressing well. The Company has already planted a total area of about 750 acres, which is absolutely on target. The yield per Hectare is now showing a good rise. The Company is now concentrating in consolidation and improvement.

T & I Global Limited**Annual Report 2006-2007****TEA FACTORY**

The Company has produced 340379 Kgs of Tea during the year 2006-07 and is expected to produce 8,00,000 Kgs. of Tea during the current year.

DEPOSITS

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

DIRECTORS

In accordance with provisions of the Companies Act, 1956, and the Company's Articles of Association, Mr. Om Prakash Bagaria and Mr. Deepak Pahwa retires by rotation, and being eligible are recommended for reappointment.

AUDITORS

The Auditors 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

Notes 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'**

| | 2006-07 | 2005-06 |
|--|------------------------|---------|
| A. Power & Fuel Consumption | | |
| 1. Electricity | | |
| Purchased Units | 145416 | 102600 |
| Total Amount | 786863 | 459657 |
| Avg. rate per unit | 5.41 | 4.48 |
| 2. H.S.D. | | |
| Purchase Qty. (Ltr.) | 7749 | 3974 |
| Total Amount | 256733 | 127313 |
| Rate per Ltr | 33.13 | 32.04 |
| 3. Coal | | |
| Qty. (Kgs.) | 356715 | 402860 |
| Total Amount | 1084894 | 1150801 |
| Rate per Kgs. | 3.04 | 2.86 |
| B. Consumption Per Unit of Production | (Unit / Litre / Kg.) | |
| Production - Tea (Kgs.) | 340379 | 326389 |
| Electricity | 0.43 | 0.3 |
| H.S.D | 0.02 | 0.01 |
| Coal | 1.04 | 1.23 |

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. 9,24,27,007/- and spent foreign exchange of Rs.55,35,417/- during the year.

PERSONNEL

The particulars of employees pursuant to Section 217(2A) of the Companies Act, 1956 and the rules made there under 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 was re-constituted with Shri Debi Prasad Bagrodia, Chairman, Shri Deepak Pahwa and Shri Harish Mittal. 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 comprising Shri Debi Prasad Bagrodia, Chairman, Shri Deepak Pahwa and Shri Harish Mittal 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 FOR THE YEAR ENDED 31ST MARCH, 2007

Mr. Sajjan Bagaria, Executive Chairman received a remuneration of Rs. 7,27,200/-.

Mr. Vineet Bagaria, Managing Director received a remuneration of Rs. 4,13,820/-.

Mr. Kalyan Kumar Nanda, Executive Director (Marketing) received a remuneration of Rs. 4,54,263/-.

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

DIRECTOR 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 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.

HUMAN RESOURCES

The Human Resources are a vital resources in giving the Company a competitive edge in the current business environment. The management recognizes that it is only through motivated and committed employees that the Company will achieve its aims. Hence, the Company endeavours to take care of the welfare and betterment of the employees. Total no. of employees in the Company was 645 as on 31st March, 2007 as against 565 as on 31st March, 2006.

INTERNAL CONTROL SYSTEM

The Company has an internal audit and risk management department, manned by qualified and competent personnel, and adequate internal control systems, which safeguard assets from possible losses and unauthorized use, and ensure the transactions being authorised, recorded and reported properly.

CAUTIONARY STATEMENT

This Report contains forward-looking statement that involves risks and uncertainties. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statement. Important factors that would make a difference in the Company's operations include raw material prices, changes in government regulations, tax regimes, economic developments within the country.

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.

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 : 29th August, 2007

On behalf of the Board

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 31st March, 2007 is tabulated hereunder:

| Director | No of Board Meeting Attend | Attendance at Previous AGM on 27.09.2006 | No of Outside Directorship Held * | No of Membership/ Chairmanship in other Board Committees | Executive/ Non-Executive/ Independent |
|----------------------|----------------------------|--|-----------------------------------|--|--|
| Sajjan Bagaria | 7 | Present | 2 | 1 | Executive Chairman Executive Director |
| Vineet Bagaria | 7 | Present | 1 | 1 | Managing Director Executive Director |
| Om Prakash Bagaria | 6 | Not Present | — | 1 | Independent Director Non-Executive |
| Debi Prasad Bagrodia | 6 | Not Present | — | — | Independent Director Non-Executive |
| Deepak Pahwa | 7 | Not Present | — | 1 | Independent Director Non-Executive |
| K.K. Nanda | 7 | Not Present | — | — | Independent Director Non-Executive |
| Harish Mittal ** | 2 | Not Present | — | — | Independent Director Non-Executive |
| Manish Kumar Newar** | 2 | Not Present | — | — | Independent Director Non-Executive |

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

** Appointed on 31st January, 2007

Board Meetings

During the year under review, 8 Board Meetings were held, the dates being 1st April, 2006; 29th April, 2006; 20th July, 2006; 31st July 2006; 31st October, 2006; 31st January 2007, 28th February, 2007 and 31st March, 2007.

2. BOARD COMMITTEE

(a) Audit Committee:

The Audit Committee was reconstituted on 31/01/2007 by inducting Shri Harish Mittal, Director of the Company in place of Shri Om Prakash Bagaria and Sri Debi Prasad Bagrodia was appointed as the Chairman of the Audit Committee.