

ANNUAL REPORT OF TAI INDUSTRIES LTD.

FOR THE YEAR END 1981-1982



*TAI INDUSTRIES LTD.*

# TAT INDUSTRIES LIMITED

## Board of Directors

G.C. Bhura	Chairman
Dasho Wangchuk Dorji	Managing Director
Dasho Ugen Dorji	Director
Dasho Topgyal Dorji	Director
Prem Sagar	Director
Hardyal Doegar	Director
K.N. Malhotra	Director
D.S. Rawat	Director (Alternate to Dasho Ugen Dorji)
K.D. Nawakha	Director (Alternate to Dasho Topgyal Dorji)
A. Doegar	Director (Alternate to Hardyal Doegar)

## Company Secretary cum Finance Manager

R. Chakravorty

## Bankers

Canara Bank  
Standard Chartered Bank  
State Bank of India  
United Bank of India  
Vijaya Bank

## Auditors

Ray & Ray  
Chartered Accountants  
Calcutta

## Solicitors

H.K. Mitter  
Calcutta

## Registered Office

53A, Mirza Ghalib Street,  
Calcutta - 700 016

## TAI INDUSTRIES LIMITED

### NOTICE TO THE MEMBERS

**NOTICE** is hereby given that the sixteenth Annual General Meeting of the members of Tai Industries Limited will be held at Niranjana Sadan, Bijoygarh, P.O. Jadavpur, Calcutta-700 032 on Monday the 27th September, 1999 at 10.00 a.m. to transact the following business:

1. To consider and adopt the Balance Sheet as at 31st March 1999 and the Profit and Loss account for the year ended on that date together with the Report of the Directors and the Auditors.
2. To appoint a Director in place of Mr. Prem Sagar who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Hardyal Doegar who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration. Messers Ray & Ray, the retiring Auditors are eligible for re-appointment.

By order of the Board  
**Tai Industries Limited**

R. Chakravorty  
Company Secretary-cum-Finance Manager

Registered Office :  
53A, Mirza Ghalib Street  
Calcutta-700 016.  
28th July, 1999

### NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself and such proxy need not be a member of the Company.
2. Proxies in order to be effective must be received at the Registered Office of the Company at least 48 hours before the time for holding the meeting.
3. Members and proxies should bring the attendance slip duly filled in for attending the meeting.
4. Members are requested to notify immediately change of address, if any, quoting their folio numbers.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 1, 1999 to Monday, September 27, 1999, both days inclusive.

## TAT INDUSTRIES LIMITED

**DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting the 16th Annual Report and Audited Accounts for the year ended March 31, 1999.

**Financial Results**

		(Rs. in Lacs)
For the year ended	31.3.99	31.3.98
Profit before depreciation	108.26	56.35
Less : Depreciation	6.38	6.99
Net Profit after depreciation	101.88	49.36
Less : Provision for taxation including adjustment of earlier years	38.83	20.05
Balance brought forward from previous year	82.86	53.55
Less : Proposed Dividend	-	-
Less : Tax on Dividend	-	-
Carried forwards to General Reserve	-	-
Transfer to Capital Reserve	-	-
Balance in Profit & Loss Account	145.91	82.86

**Workings**

Working of the Company although reflects only 4.07% increase in sales, the Company is able to retain better margin over previous year which has resulted in increase of 106% in profitability over last year. The details of Sales/Income for operation are as follows :-

<u>Products</u>	<u>Sale in</u> <u>1998-99</u>	<u>Sale in</u> <u>1997-98</u>	<u>Increase</u> <u>in sales</u>	<u>Percentage</u> <u>increase</u>
Fruit Product	885.00	905.70	(20.70)	( 2.29%)
Calcium Carbide	224.40	311.52	(87.12)	(27.97%)
Ferro Silicon	36.18	9.18	27.00	294.12%
Charcoal	232.66	180.87	51.79	28.63%
Others	204.98	113.98	91.00	79.84%
<b>TOTAL</b>	<b>1583.22</b>	<b>1521.25</b>	<b>61.97</b>	<b>4.07%</b>

The Management of the Company after closely monitoring the all India fruit product scenario had decided to change the modus-operandi in certain states. As a result, the depot sales has reduced by 2.29% compared to last year due to closure of Cochin, Mumbai, Hyderabad and Jaipur Depot which were not viable. However, we are working as Indenting Agents in these areas and are earning commission on these turnovers..

Carbide sales suffered during the year due to shut down of manufacturer's plant for three months. Barring fruit products and carbides other areas registered growth to varying degrees. Development of a new market in eastern region contributed to increase in sales in Ferro Silicon.

## TAI INDUSTRIES LIMITED

### **Plans and prospects :**

The fruit products division has launched consumer oriented juices in 245 ml. cans and plans are underway for launching juices in Tetra Packs. Apart from our traditional fruit and vegetable business, efforts are also underway and further strengthen our distribution network by taking products of leading FMCG Companies. This will reduce the fixed expenses and will help in retaining overall margin in totality.

Various production units are identified at Delhi, Tamil Nadu and Nagpur so as to cut down the freight element and to make the product available in the market at a competitive price. Manpower utilisation is optimised by concentration in the high value areas in order to reduce the selling expenses at its minimum.

Efforts are on to identify new markets for the industrial products and we are confident of comfortable growth in this segment over the previous year.

### **Dividend :**

Due to insufficient profits Directors do not recommend any dividend for the year under review.

### **Auditors**

Messers Ray & Ray, Chartered Accountants, the Company's Auditors retire at the Annual General Meeting and being eligible, offer themselves for re-appointment.

### **Auditors' Report**

The comments in the Auditors' Report read with the notes to the accounts in schedule are self-explanatory and do not call for further explanation.

### **Directors :**

In accordance with the requirements of the Companies Act, 1956 Mr. Prem Sagar and Mr. Hardyal Doegar will retire by rotation at this Annual General Meeting and being eligible, offer themselves for re-appointment.

### **Public Deposits**

The Company has not accepted any public deposit from the public during the year.

### **Particulars of Employees Under Section 217 (2A) of the Companies Act 1956**

None of the employees of the Company was in receipt or entitled to receive remuneration in aggregate of Rs.25,000/- or more per month or Rs.3,00,000/- or more per annum during the year.

### **Conservation of energy, technology absorption and foreign exchange earning and outgoings :**

In accordance with the requirements of Section 217 (i) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 statement showing particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgoings are annexed hereto and form part of this Report.

**TAI INDUSTRIES LIMITED****Statement pursuant to Clause 43 of the Listing Agreement showing projected Profitability in the Prospectus versus Actuals :****For the year ended 31st March, 1998****(Rs. in Lacs)**

	<b>Projected</b>	<b>Actuals</b>
Sales	1750.00	1521.25
Other Income	188.00	4.97
Total Income	1938.00	1526.22
Total Expenses	1568.00	1476.86
Profit before tax	370.00	49.36
Provision for taxation	104.65	20.05
Profit after tax	265.35	29.31

Actual sale was much lower due to stiff competition from Multinationals and also local enterprises resulting in reduction of profit margin. Projected other income included dividend from Tai Chonbang Textile Industries Limited which was not received during the year.

**For the year ended 31st March 1999****(Rs. in Lacs)**

	<b>Projected</b>	<b>Actuals</b>
Sale	2520.00	1583.22
Other Income	219.50	3.59
Total Income	2739.50	1586.81
Total Expenses	2255.00	1484.93
Profit before tax	484.50	101.88
Provision for Taxation	143.52	38.84
Profit after tax	340.98	63.04

## TAI INDUSTRIES LIMITED

### Reasons for Variation

Total of sales and other income were considerably lower compared to projection. Expenses were also lower. But the proportionate fall in expenses was much lower than the proportionate fall in sales and other income resulting in considerable fall in profit.

### STOCK EXCHANGES WHERE OUR SHARES ARE LISTED

The Company's Shares are listed with the following Stock Exchanges :-

1. The Calcutta Stock Exchange Association Limited  
7, Lyons Range  
Calcutta-700 001
2. The Stock Exchange  
Mumbai  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai-400 001
3. The Stock Exchange  
Ahmedabad  
Kamdhenu Complex  
Opp. Sahajanand College  
Panjrapole  
Ahmedabad - 380 015.
4. Jaipur Stock Exchange Limited  
Indra Palace  
J.L.N. Marg  
Malviya Nagar

The Company has paid up to date listing fees to each of the above Stock Exchanges.

### Y2K Compliance

The Company has taken adequate and effective steps for Y2K compliance. Expenses already incurred for upgradation is Rs.0.30 lacs and further expenditure of Rs.2.70 lacs is expected aggregating to a total expenditure of Rs.3.00 lacs under this head.

### Acknowledgement :

Your Directors acknowledge with gratitude the co-operation extended by Central and State Governments, Banks, Investors, Employees and all those associated with the Company during the year under review.

By order of the Board

Place : Calcutta  
Date : 28th July, 1999

**Hardyal Doegar**  
Director

**Wangchuk Dorji**  
Managing Director

**TAT INDUSTRIES LIMITED****ANNEXURE TO THE DIRECTORS' REPORT**

Statement containing particulars pursuant to Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of Directors' Report.

		<u>Current Year 1998-99</u>	<u>Previous Year 1997-98</u>
1.	Power and Fuel Consumption	-	-
	a) Purchased (units)	-	-
	Total amount	-	-
	Avg. rate in Rs. (Approx)	-	-
	b) (i) Own generation units	Not Applicable	-
	Units per ltr. of diesel	since the	-
	Oil cost/Unit	Company has no	-
	Units per Ltr. of diesel	production unit	-
	Oil cost/unit.	-	-
2.	Coal (Low Ash Coal used in process	-	-
	quantity in Tonnes)	-	-
	Total cost (Rs. in lacs)	-	-
	Avg. Rate (Rs. in lacs)	-	-
3.	Furnace Oil Quantity (ltrs)	-	-
	Total Amount	-	-
	Avg. rate in Rs. (Approx)	-	-
4.	Other/internal generation	-	-
	Quantity (Tonnes)	-	-
	Total cost (Rs. in lacs)	-	-
	Avg. Rate	-	-
	a) Consumption per Kg of Production	-	-
	Electricity (In units)	-	-
	Furnace Oil (in ltrs)	-	-
	Coal (Quantity as above)	-	-
	Others	-	-
<b>Note</b>			
A)	Technology Absorption	-	-
	There was no technology absorption during the period	-do-	-
B)	Foreign Exchange Earnings & Outgoing	-	-
	Foreign Exchange Earnings	Nil	Nil
	Foreign Exchange Outgoings	Nil	Nil

By order of the Board

Place : Calcutta  
28th July, 1999

**Hardyal Doegar**  
Director

**Wangchuk Dorji**  
Managing Director