SANSCO SERVICES

# ANNUAL REPORT & ACCOUNTS

2001-02

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**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* |
| Vinay Killa | *Director* |
| P. S. Rawat | *Director* (Alternate for Dasho Ugen Dorji) |

**Company Secretary**

R. Chakravorty

**Bankers**

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

**Auditors**

Ray & Ray
Chartered Accountants
Kolkata

**Solicitors**

H. K. Mitter
Kolkata

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**Registered Office**

53A, Mirza Ghalib Street,
Kolkata - 700 016

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## NOTICE

NOTICE is hereby given that the nineteenth Annual General Meeting of the members of Tai Industries Limited will be held at Kalakunj, 48, Shakespeare Sarani, Kolkata-700 017, on Tuesday, the 17th September, 2002 at 10.00 a.m. to transact the following business :

**ORDINARY BUSINESS**

1. To consider and adopt the Balance Sheet as at 31st March, 2002 and the Profit & Loss Account for the year ended on that date together with the reports of the Directors and the Auditors thereon.

2. To declare a dividend.

3. a) To appoint a Director in place of Mr. Prem Sagar, who retires by rotation and being eligible, offers himself for reappointment.

   b) To appoint a Director in place of Mr. Kanwal Nain Malhotra, who retires by rotation and being eligible, offers himself for reappointment.

4. To appoint Auditors and to fix their remuneration. Messrs Ray & Ray, the retiring Auditors are eligible for reappointment.

Registered Office :
53A, Mirza Ghalib Street,
3rd floor, Kolkata-700 016
28th June, 2002

By Order of the Board
R. Chakravorty
*Company Secretary*

**NOTE :**

a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a Poll, to vote instead of himself and such proxy need not be a member of the company. The instrument appointing the proxy to be valid shall be deposited at the Registered Office of the Company not later than fortyeight hours before thetime fixed for holding the meeting.

b) The Register of Members and the Share Transfer Register of the Company will remain closed from 26th August, 2002 to 17th September, 2002, both days inclusive.

c) The dividend on shares, if approved at the meeting, will be paid within the period prescribed under the Companies Act, 1956 to those members whose names appear :

   i) as members in the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company on or before 25th August, 2002;



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s Beneficial Owners as at the close of business on 25th August, 2002 as per the list to be rnished by the Central Depository Services (India) Limited (CDSL) and/or the National ecurities Depository Limited (NSDL) in respect of the shares held in electronic form through ur Registrars and Transfer Agent, MCS Limited.

d) Members/Proxies should bring the Attendance slip duly filled in for attending the meeting. For shares held in dematerialised form, the DP ID and Client ID numbers should be indicated in the attendance slip.

e) For shares held in physical form any change in address/other details may be intimated immediately to the Company by quoting folio number(s). For shares held in demat form, change in address/other details may be intimated directly to the members' DP.

f) As required under the provisions of Section 205C of the Companies Act, 1956, the Company will transfer the unpaid/unclaimed amount which became refundable in 1994-95 on account of share application to the Investor Education and Protection Fund established by the Central Government, after expiry of seven years. Upon such transfer, a member shall have no claim against the Fund or the Company regarding his unpaid share application money. Members may, therefore, promptly lodge their claims for the unpaid subscription money, if any, to the Company.

g) Members holding shares in physical form may nominate a person to whom the shares in the Company shall vest in the event of their death. Nomination form is available at the end of the Annual Report.

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## DIRECTORS' REPORT TO THE MEMBERS

*Your Directors have pleasure in presenting the 19th Annual Report and Audited Accounts for the year ended 31st March 2002.*

### FINANCIAL RESULTS

| For the year ended | (Rs. in lacs) 31.03.2002 | (Rs. in lacs) 31.03.2001 |
|---|---|---|
| Profit before depreciation | 158.48 | 118.45 |
| Less : Depreciation | 27.05 | 14.85 |
| Net Profit after Depreciation | 131.43 | 103.60 |
| Less : Provision for taxation including adjustment in earlier years | 41.42 | 35.13 |
| Profit after Taxation | 90.01 | 68.47 |
| Balance brought forward from previous year | 143.16 | 140.81 |
| | 233.17 | 209.28 |
| **APPROPRIATIONS** | | |
| Proposed Dividend | 60.00 | 60.00 |
| Interim Dividend | — | — |
| Tax on Dividend | — | 6.12 |
| Carried forward to General Reserve | — | — |
| Balance in Profit & Loss Account carried to Balance Sheet | 173.17 | 143.16 |
| | 233.17 | 209.28 |

### WORKINGS

Working of the Company reflects of 40.4% rise in total sales of the Company compared to the previous year. The details of Sales/Income from operations are as follows :

| Products | Sale in 2001-2002 (Rs. in lacs) | Sale in 2000-2001 (Rs. in lacs) | Increase in Sales (Rs. in lacs) | Percentage increase/ (decrease) |
|---|---|---|---|---|
| Fruit Products | 1,379.14 | 791.22 | 587.92 | 74.3% |
| Calcium Carbide | 309.10 | 234.12 | 74.98 | 32.0% |
| Ferro Silicon | — | — | — | — |
| Charcoal | 278.50 | 300.45 | (21.95) | (7.3%) |
| Soft Drinks | 19.29 | 33.14 | (13.85) | (41.8%) |
| Consumer & Cosmetic Products | 142.18 | 138.39 | 3.79 | 2.7% |
| Indenting Commission | 123.90 | 106.80 | 17.10 | 16.0% |
| Total Turnover | 2,252.11 | 1,604.12 | 647.99 | 40.41% |

Sale of fruit products and Calcium Carbide reflected comfortable growth whilst sale of Charcoal and Soft drinks suffered considerably.



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## PLANS AND PROSPECTS

The company has identified the growth path this fiscal through various areas each having its own contribution to the overall. The major areas are as under :

1. Consolidation of the product range which hit the market last year and got expanded gradually. The products are Mango Panna, Corn Flakes, Family of Sauces, Honey and Pickles. We intend to double the turn over from these categories which already fetched us about 10% of the business this year.

   The parent range of products which have grown considerably last fiscal is expected to grow unabated behind innovative promotions countering competitive resource which will be implemented from time to time.

2. Coverage expansion through the entry into new geographies

   We have started operations in eastern U.P. and Chattisgarh for which full distribution network is being laid behind appointment of C&F and Consignee Agents. Kolkata direct coverage experiments are giving positive results and distributor elimination has resulted in better control over the retail.

3. Training of manpower behind basic training modules are being imparted across all regions resulting in significant control and monitoring on sales on a day to day basis and increase in productivity from the front line sales organisation.

   The Company's Calcium Carbide business is running satisfactorily.

## DIVIDEND

Your Directors have pleasure in recommending a dividend of 10% (Re.1/- per share) subject to the shareholders' approval at the forthcoming Annual General Meeting.

## CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement, the Company will be required to comply with the conditions of corporate governance from the financial year 2002-2003.

## DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that :

a) in preparing the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure ;

b) they had selected such accounting policies and applied them consistently and made judgements 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;

c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and

d) they had prepared the annual accounts on a going concern basis.



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## AUDITORS

Messrs Ray & Ray, Chartered Accountants, Auditors of the Company, retire at the conclusion of the Annual General Meeting, and being eligible, offer themselves for reappointment.

## ACKNOWLEDGEMENT

The Directors express their sincere thanks for the cooperation extended by the Central and the State Governments, banks and the investors. Your Directors also desire to place on record their appreciation of the services rendered by its employees.

By Order of the Board

Wangchuk Dorji
*Managing Director*

Vinay Killa
*Director*

Place : Kolkata
Dated : 28th June, 2002

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## AUDIT COMMITTEE

The Audit Committee constituted on 30th April, 2001 consists of two independent non executive Directors. The Committee met three terms during the year.

The attendance record of each Director was as under :

| Sl.No. | Name of the Director | No. of Committee Meetings attended |
|---|---|---|
| 1. | Mr. Hardyal Doegar | 3 |
| 2. | Mr. Gulab Chand Bhura | 2 |
| 3. | Mr. Vinay Killa | 3 |

## LISTING WITH THE STOCK EXCHANGES

The Company is listed with the Calcutta Stock Exchange Association Limited, Kolkata, the Stock Exchange, Mumbai, the Stock Exchange, Ahmedabad and Jaipur Stock Exchange Limited, Jaipur. The annual listing fees for the year 2002-2003, have been paid to each of these Stock Exchanges.

## DEMATERIALIZATION OF SECURITIES

As per the direction of the Stock Exchange, Mumbai, the Company's shares have been dematerialized from July, 2001. About 30% of the shares have been dematerilized as at end June, 2002. However, the Company's shares continue to be traded in the physical form also.

## DIRECTORS

In accordance with article 56 of the Articles of Association of the Company, Mr. Prem Sagar and Mr. Kanwal Nain Malhotra, retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

## PARTICULARS OF EMPLOYEES

None of the employees of the Company receives remuneration attracting provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

a) Conservation of energy - Not applicable

b) Technology absorption - Not applicable

c) Foreign Exchange earnings and outgo - There was no foreign exchange earnings and outgo during the year.



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ii) as Beneficial Owners as at the close of business on 25th August, 2002 as per the list to be furnished by the Central Depository Services (India) Limited (CDSL) and/or the National Securities Depository Limited (NSDL) in respect of the shares held in electronic form through our Registrars and Transfer Agent, MCS Limited.

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