



MD	✓		BKC	✓
CS	✓		DPY	NA
RO	✓		DIV	✓
TRA	NA		AC	✓
AGM	✓	✓	SHH	✓
YE	✓	✓		✓

# TCM Limited

(Formerly Travancore Chemical & Mfg. Co. Ltd.)

## 54th Annual Report

&

### Accounts

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**DIRECTORS**

R. G. N. SWAMY (CHAIRMAN)  
R. V. RAMANI  
S. K. JATIA  
VIKAS VIG  
O. P. GOENKA  
R. B. KISHORE

**MANAGING DIRECTOR**

N. R. SUPARNA

**COMPANY SECRETARY**

BIJU K. ELIAS

**AUDITORS**

M/s. SANKARAN & RAMAN  
Chartered Accountants

**BANKERS**

BANK OF BARODA

**REGISTERED OFFICE**

P.B. No. 19  
GLASS FACTORY ROAD  
KALAMASSERY - 683 104  
KERALA STATE

**FACTORIES AT**

KALAMASSERY  
KUNDARA  
METTUR DAM  
TUTICORIN



## NOTICE TO SHAREHOLDERS

Notice is hereby given that the FIFTY FOURTH Annual General Meeting of the Members of TCM Limited will be held on Tuesday the 22nd day of September 1998 at 14.00 Hrs at Bharat Hotel, Ernakulam to transact the following business.

### ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report, the Audited Balance Sheet and the Profit & Loss Account for the year ended 31st March 1998 and the Report of the Auditors thereon.
2. To declare a Dividend on the Equity Shares.
- 3 (a) To appoint a Director in the place of Shri. R.G.N. Swamy who is retiring by rotation. The retiring Director is eligible for reappointment.  
(b) To appoint a Director in the place of Shri. S. K. Jafia who is retiring by rotation. The retiring Director is eligible for reappointment.
4. To appoint Auditors for the ensuing year and to fix the remuneration, by passing the following resolution, with or without modification as a Special Resolution:

"RESOLVED that Messrs. Sankaran & Raman, Chartered Accountants be and are hereby reappointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a fee of Rs. 60,000/- (Rupees Sixty thousand only) plus actual travelling and halting expenses incurred by them"

### SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification the following resolution as special resolution:-

"RESOLVED that consent of the Company be and is hereby accorded, subject to the approval of the Central Government, for the payment of the sum of Rs. 35,324/- being the amount of remuneration payable to Shri N.R. Suparna, Managing Director for the year 1997-98 exceeding the limit prescribed by Schedule XIII of the Companies Act, 1956."

### NOTES

1. In connection with the payment of Dividend the Register of Members and Share Transfer Books of the Company will be closed from 20-9-98 to 22-9-98 (both days inclusive), and the Dividend which may be declared will be payable to the members whose names appear on the Register of Members of the company as on the date of Annual General Meeting.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF. A proxy need not be a member of the company. Completed proxy forms should reach the registered office of the company before 14.00 Hrs on 20-9-98.
3. Members are requested to intimate change of address, if any and to furnish dividend mandates, if any immediately to the company at its registered office quoting their folio numbers.



4. With a view to safeguard the interest of our shareholders from fraudulent encashment of dividend warrants by unscrupulous persons, the shareholders are advised to write to the company immediately but before 22-9-98, the name, address and account number of the bankers of the sole/first holder for incorporation on the dividend warrant.
5. Pursuant to section 205A of the Companies Act 1956 all unclaimed/unpaid dividends upto the year 1993-94 have been transferred to the General Revenue Account of the Central Government. Share holders who have not encashed the dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, Kerala at Ernakulam.

By Order of the Board  
For TCM Limited  
BIJU K. ELIAS  
Company Secretary

29th June, 1998  
Registered Office  
Kalamassery-683104





## EXPLANATORY STATEMENT

### PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT 1956

#### Item No. 5

Shri N. R. Suparna joined the Board in 1986 and has been the Managing Director since 1987. As per the terms and conditions set out in the resolution passed by the share holders in the meeting held on 30-8-1996, reappointing Shri. N.R. Suparna as Managing Director for a further period of 5 years from 1-1-97, the total remuneration payable for the year ended 31-03-98 will be Rs. 10,85,324/- excluding contribution to Provident and other Funds amounting to Rs. 1,61,050/- which are not to be treated as perquisites under Companies Act. As per Section II of Part II of the Schedule XIII of the Companies Act, 1956, the total remuneration will be limited to Rs. 10,50,000/- unless the excess amount of remuneration has the approval of the Shareholders and the Central Government. The Board decided to pay the excess amount of Rs. 35,324/- to the Managing Director subject to the approval of the Shareholders and Central Government.

None of the Directors is interested in this resolution except Shri. N. R. Suparna.

For and on behalf of the Board

For TCM Limited

BIJU K. ELIAS

Company Secretary

29th June, 1998

Kalamassery

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## DIRECTORS' REPORT

Your Directors have pleasure in presenting the 54th Annual Report with Audited Accounts for the year ended 31st March, 1998.

### FINANCIAL RESULTS

The Company has achieved a Turnover of Rs. 5074 Lakhs as Compared to Rs. 4666 Lakhs last year representing a growth of 8.74%. Your Company pursued an aggressive marketing strategy with lower prices to meet the competition from imports and this has resulted in increasing the sales turnover both in value and quantity. After providing for depreciation of Rs. 109 lakhs, finance charges of Rs. 241 lakhs and taxation of Rs. 15 lakhs, the operations have yielded a surplus of Rs. 131 lakhs as compared to Rs. 126 lakhs last year. The amount available for appropriation for the year under review is Rs. 242 lakhs as compared to Rs. 249 lakhs last year.

### OPERATIONS

The Company's operations in Kerala had faced a minimum of 30% power cut all through the year. The Company has now created adequate own generation capacity to maintain reasonable production levels. To face the globalisation and liberalisation of the economy, the company has embarked on a programme of rationalisation of its manufacturing facilities and other cost cutting measures. Consequently, the company's chlorate operations in Kundara have been closed down with effect from 1st April 1998 and the surplus workmen retrenched as per law. This step is expected to yield enduring benefits in the years to come.

### DIVIDEND

After reviewing the performance of the company for the year, the Board recommends, subject to the approval of the shareholders, a Dividend of 10% on the paid up equity share capital of the Company for the year under review, absorbing Rs. 37.40 lakhs including Rs. 3.39 lakhs as Dividend Tax. A Sum of Rs. 100 lakhs is transferred to the General Reserve and Rs. 105 lakhs is retained in surplus account.

### RESEARCH & DEVELOPMENT

During the year under review, your Company has continued its research and development efforts under SPREAD (Sponsored Research and Development Programme) financed by ICICI for the production of Barium Carbonate through alternative cost saving route. The R & D project has progressed satisfactorily at your Mettur facility. The Company's Research facilities at Kalamassery and Tuticorin have received extension of their recognition by Department of Scientific and Industrial Research till March 2001.

### PUBLIC DEPOSITS

As on 31st March, 1998, six deposits amounting to Rs. 25,000/- remained unclaimed.

### PARTICULARS OF EMPLOYEES

A statement of Employees under the amended section 217(2A) of the Companies Act 1956 is annexed and it forms part of this report.



## DIRECTORS

Shri R.G.N. Swamy is liable for retirement by rotation and being eligible, offers himself for reappointment.

Shri S.K. Jatia is liable for retirement by rotation and being eligible, offers himself for reappointment.

## AUDITORS

M/s. Sankaran & Raman, Chartered Accountants, retiring as Statutory Auditors have furnished Certificate of their eligibility for re-appointment as required by Section 224(1) of the Companies Act 1956. The Appointment of Auditors has to be made by Special Resolution in terms of Section 224A of the Companies Act, 1956.

## ACKNOWLEDGEMENTS

Your Directors wish to place on record their gratitude to Company's customers for their continued patronage and Bank of Baroda, Bank of Rajasthan Ltd., The Shamrao Vithal Co-operative Bank Ltd., Federal Bank Ltd., ICICI Ltd., IFCI Ltd. for their consistent guidance and co-operation.

For and on behalf of the Board

For TCM Limited

R.G.N.SWAMY  
CHAIRMAN

Bangalore  
29th June 1998

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### Annexure to Directors' Report Particulars of Employees Under Section 217 (2A) of the Companies Act 1956

Sl. No.	Name	Age	Designation	Remuneration Rs.	Qualification	Experience (Years)	Date of commencement of employment	Last employment
1	Shri. N. R. Suparna	50	Managing Director	12,46,374	B.E. (Mech) P.G. Diploma in Business Administration	28	01.01.1987	Vice-President Wimco Ltd.