

55th ANNUAL REPORT

1998-99



TCM Limited



TCM Limited

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

55th Annual Report

&

Report Accounts

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DIRECTORS

R. G. N. SWAMY (CHAIRMAN)

R. V. RAMANI

S. K. JATIA

O. P. GOENKA

R. B. KISHORE

MANAGING DIRECTOR

N. R. SUPARNA

COMPANY SECRETARY

BIJU K. ELIAS

AUDITORS

M/s. SANKARAN & RAMAN

Chartered Accountants

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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 FIFTH Annual General Meeting of the Members of TCM Limited will be held on Monday the 20th day of September 1999 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, the Profit & Loss Account for the year ended 31st March 1999 and the Report of the Auditors thereon.
2. To appoint a Director in the place of Shri. O.P. Goenka who is retiring by rotation. The retiring Director is eligible for reappointment.
3. 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

4. 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 Rs. 20,161/- being the amount of remuneration payable to Shri. N. R. Suparna, Managing Director for the financial year 1998-99 exceeding the limit prescribed by Schedule XIII of the Companies Act 1956."

NOTES

1. In connection with the General Meeting, the Register of Members and Share Transfer Books of the Company will be closed from 16-9-1999 to 20-9-1999 (both days inclusive).
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 18-9-1999.



3. Members are requested to intimate change of address, if any, immediately to the Company at its Registered Office quoting their folio numbers.
4. 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

30th May, 1999
Registered Office
Kalamassery-683104

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EXPLANATORY STATEMENT

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

Item No. 4

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 shareholders 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 31-03-99 will be Rs. 10,70,161/- excluding contribution to Provident Fund amounting to Rs. 1,82,250/- 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. 20,161/- 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

30th May, 1999

Kalamassery



DIRECTORS' REPORT

Your Directors have pleasure in presenting the 55th Annual Report with Audited Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS

The Company has achieved a Turnover of Rs. 4808 Lakhs as Compared to Rs. 5074 Lakhs last year. After providing for depreciation of Rs. 114 lakhs, finance charges of Rs. 242 lakhs and taxation of Rs. 14 lakhs the operations have yielded a surplus of Rs. 14 lakhs as compared to Rs. 131 lakhs last year. Together with the last year's surplus brought forward, the amount available for appropriation is Rs. 119 lakhs as compared to Rs. 242 lakhs last year.

OPERATIONS

The Company's operations were affected by all round squeeze on margins, steep fall in chlorate prices, labour unrest at its Mettur unit and the general liquidity constraints in the market. On 15-5-1999 the Kerala State Electricity Board raised the power tariff by over 40% and the Industry Associations as well as Trade Union bodies have taken up this strongly with the Government.

While the normalcy has been restored at the Mettur unit, the pressure on margin continues. To face these challenges in the coming year, the company has taken up an across the board cost control programme. In addition, the company plans to conserve its resources and focus on products that have better potential.

DIVIDEND

In view of the above, the Directors do not recommend payment of dividend to its shareholders for the year 1998-99.

PUBLIC DEPOSITS

As on 31st March 1999 five deposits amounting to Rs. 15,000/- 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. Vikas Vig resigned from the Directorship with effect from 21-4-1998. The Board wishes to place on record its appreciation of the valuable services rendered by Shri. Vikas Vig. The Board decided not to fill up this vacancy for the present.

Shri. O. P. Goenka is liable to retire by rotation and being eligible, offers himself for re-appointment.

Y2K COMPLIANCE

Company does not foresee any risk of Y2K issue. However it is taking all precautions and expects completion of Y2K compliance by 30-9-1999. Cost of correction, if any, will not be significant.



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 May 1999



Annexure to Directors' Report

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

Sl. No.	Name	Age	Designation	Remuneration Rs.	Qualification	Experi-ence (Years)	Date of commencement of employment	Last employment
1	Shri. N. R. Suparna	51	Managing Director	12,52,411	B.E. (Mech) P.G. Diploma in Business Administration	29	01.01.1987	Vice-President Wimco Ltd.