



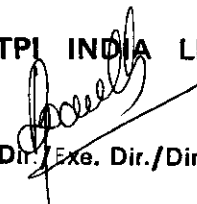
***TPI* INDIA LIMITED**

**17<sup>th</sup>**

Report  junction.com

**ANNUAL REPORT  
1998-99**

**FOR TPI INDIA LIMITED**

  
Mg. Dir./Exe. Dir./Director,



TPI INDIA LIMITED

**BOARD OF DIRECTORS**

H.C. Parekh  
B.C. Parekh  
S.H. Parekh  
V. Ramesh Babu

Chairman & Managing Director  
Executive Director  
Wholetime Director  
Nominee Director (IDBI)

**AUDITORS**

M.G. Dhankot & Co.  
Chartered Accountants

**BANKERS**

Indian Overseas Bank  
The Federal Bank Limited  
The South Indian Bank Limited  
Bank of Baroda

**REGISTERED OFFICE**

Plot No. G-1/2  
M.I.D.C. Area, Boisar  
Dist. Thane. (Maharashtra)

**HEAD OFFICE**

102, Atlanta, 10th Floor  
Nariman Point  
Mumbai 400 021.

**PLANTS**

- \* G-1/2, M.I.D.C. Area,  
Boisar, Dist. Thane.
- \* F-4 and F-54  
M.I.D.C. Industrial Area,  
Murbad, Dist. Thane.
- \* J-61, Additional MIDC,  
Murbad, Dist. Thane.
- \* A-1/2, G.D.D.I.D.C. Estate,  
Somnath, Daman.
- \* Gangadhara (T.V. Rly.)  
Taluka Palsana, Dist. Surat,  
Gujarat-394 310.

**LEGAL ADVISORS**

Wadia Ghandy & Co.

**SHARE TRANSFER AGENT**

Computronics Financial Services (I) Ltd.  
1, Mittal Chambers  
Nariman Point  
Mumbai 400 021.



## Notice of the Meeting

**TPI INDIA LIMITED**

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of TPI INDIA LIMITED will be held at the Registered Office of the Company situated at Plot No. G-1/2, MIDC Area, Boisar, Dist. Thane (Maharashtra) on Saturday, the 7th day of August, 1999 at 11.30 A.M. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 1999 and Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors' and Auditors' thereon.
2. To declare Dividend on the Equity Shares for the year ended 31st March, 1999, subject to the approval of Financial Institutions and Banks.
3. To appoint a Director in place of Mr. Sanjay H. Parekh, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint the Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

5. To consider and, if thought fit to pass with or without modification, the following resolution as a Special Resolution:  
 "RESOLVED THAT pursuant to the provisions of Section 61 of the Companies Act, 1956 and subject to such other approvals and permissions as may be necessary, the Consent of the Members of the Company be and is hereby given to delist the Equity Shares of the Company from Delhi, Calcutta and Ahmedabad Stock Exchanges.  
 RESOLVED FURTHER THAT the Executive Director of the Company be and is hereby authorised to comply with the necessary formalities for delisting the Equity Shares of the Company from Delhi, Calcutta and Ahmedabad Stock Exchanges."

By Order of the Board  
For TPI INDIA LIMITED

BHARAT C. PAREKH  
(Executive Director)

**Registered Office:** Plot No. G-1/2, MIDC Area,  
Boisar, Dist. Thane, Maharashtra

**Place:** Mumbai, **Dated:** 14th June, 1999

### NOTES:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (b) THE INSTRUMENT APPOINTING A PROXY, IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT PLOT NO. G-1/2, MIDC AREA, BOISAR, DIST. THANE, MAHARASHTRA AT LEAST 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
- (c) An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item No. 5 of the Notice set out above is annexed hereto.
- (d) The Register of Members and the Shares Transfer Books in respect of Equity Shares will remain closed from Tuesday, the 27th day of July, 1999 to Saturday, the 7th day of August, 1999 (both days inclusive).
- (e) The dividend, if sanctioned and approved by the Financial Institutions and Banks will be made payable on and after 18th September, 1999 to those Members whose name stand on the Register of Members on 7th August, 1999.
- (f) Pursuant to the provisions of Section 205A of the Companies Act, 1956, all unclaimed dividends upto the financial year 1994-95 have been transferred to the General Revenue Account of the Central Government. Members who have not encashed their dividend warrants pertaining to the said period may submit their claims in the prescribed Form No. II to the Registrar of Companies, Maharashtra at Mumbai.  
Those who have not encashed their dividend warrants for the financial year 1995-96, 1996-97 and 1997-98 may approach the Company immediately for revalidation or issuance of duplicate warrants.
- (g) Members who have multiple accounts in identical names or joint accounts in the same order in more than one folio, are requested to send the share certificate(s) to the Share Transfer Agent for consolidation of all such shareholding into one folio to facilitate better services.
- (h) Members desirous of having any information regarding accounts are requested to address their queries to the Company at the Registered Office of the Company at least 7 days before the date of meeting, so that the requisite information is made available at the meeting.
- (i) Members are requested to intimate the change of address, if any, to the Company and/or to the Share Transfer Agent of the Company immediately.

*Annexure to Notice*

TPI INDIA LIMITED

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

As per the terms of the Prospectus issued in respect of Equity Shares of the Company to the Public, the Company had listed its Equity Shares with Mumbai (Regional Stock Exchange), Delhi, Calcutta and Ahmedabad Stock Exchanges. However it has been observed that the Equity Shares of the Company were hardly quoted / traded on the Delhi, Calcutta and Ahmedabad Stock Exchanges from the date of the Listing. As the general purpose of listing i.e. liquidity with these Exchanges is not served, your Directors recommend to delist the Company's Equity Shares from Delhi, Calcutta and Ahmedabad Stock Exchanges.

None of the Directors is interested in the said Resolution.

By Order of the Board  
For TPI INDIA LIMITED

BHARAT C. PAREKH  
(Executive Director)

**Registered Office:** Plot No. G-1/2, MIDC Area,  
Boisar, Dist. Thane, Maharashtra  
*Place: Mumbai, Dated: 14th June, 1999*



**FOR TPI INDIA LIMITED**

Mg. Dir./Exe. Dir./Director,



## Directors' Report

**TPI INDIA LIMITED**

Dear Members,

Your Directors present their Seventeenth Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March, 1999.

### FINANCIAL RESULTS:

	<b>1998-99</b> <b>(Rs. in Lacs)</b>	1997-98 (Rs. in Lacs)
Sales and Other Income	<b>5685.25</b>	5449.91
Profit Before Interest, Depreciation and Tax	<b>586.85</b>	997.52
Less: Interest	<b>554.62</b>	616.99
Depreciation on Fixed Assets	<b>115.44</b>	91.46
Provision for Taxes	<b>Nil</b>	24.57
Prior Years' Adjustments	<b>7.59</b>	2.25
Profit before Extraordinary items	<b>(90.80)</b>	262.25
Less: Foreign Exchange Fluctuation	<b>58.79</b>	55.04
Shortfall in Insurance Claim	<b>11.42</b>	Nil
Net Profit/(Loss)	<b>(161.01)</b>	207.21
Add: Profit brought forward from Previous year	<b>340.07</b>	259.88
Amount Available for Appropriations	<b>179.06</b>	467.09
Less: Appropriations		
(i) Transfer to General Reserve	<b>Nil</b>	25.00
(ii) Proposed Dividend on Preference Shares	<b>Nil</b>	15.37
(iii) Proposed Dividend on Equity Shares	<b>19.43</b>	77.38
(iv) Tax on Dividend	<b>2.14</b>	9.27
Leaving a balance to be carried forward	<b>157.49</b>	340.07

### OPERATIONS REVIEW:

Fiscal 1998-99 has not been a happy experience for the Company. Non-performing projects (Paper Mill at Surat), liquidity constraints, high cost of interest have taken heavy toll of the Company's financial strengths. As a result, your Directors regret to advise that working results of the Company reveals a cash loss of Rs. 37.98 Lacs and after providing depreciation and write off of Rs. 115.44 Lacs and Rs. 7.59 Lacs respectively, a net loss of Rs. 161.01 Lacs.

Your Directors are confident to report improved performance for the Current Year as a result of cost saving measures.

### CONTRIBUTION TO EXCHEQUER:

The Company has paid Rs. 765.43 Lacs to the Government Exchequer by way of Excise Duty, Sales Tax and Income Tax.

### DIVIDEND:

Your Directors regret to maintain past dividend track record of the Company in view of the loss incurred. However as a token of goodwill gesture, your Directors recommend a dividend of 30 Paise per Equity Share (Rs. 1.20 per Equity Share for the Previous Year) aggregating to Rs. 19.43 Lacs and nil dividend on 2,50,000 12% Cumulative Convertible Preference Shares of Rs. 100/- each.

The Equity Shares arising out of conversion of Preference Shares are entitled for *pro rata* dividend. Further the dividend payment is subject to the approval of Financial Institutions and Banks.

The total outgo on account of Equity Dividend would be Rs. 21.57 Lacs including Corporate Tax on Dividend as against Rs. 102.02 Lacs in the previous year ended 31st March, 1998 (including dividend on Preference Shares).

### CONVERSION OF 12% 2,50,000 CUMULATIVE CONVERTIBLE PREFERENCE SHARES:

The promoters of the Company had brought in Rs. 250 Lacs by way of further participation in the Share Capital of the Company for strengthening Capital Base of the Company for meeting its capital expenditure programmes undertaken during the last few years.

The promoters had been allotted 2,50,000, 12% Cumulative Convertible Preference Shares of Rs. 100/- on 26th day of September, 1997, which got converted into 15,15,150 Equity Shares of Rs. 10/- each on 25th March, 1999 at a premium of Rs. 6.50 per Equity Share, in conformity with the guidelines prescribed by SEBI on the subject. The said Equity Shares are not transferable for a period of



TPI INDIA LIMITED

three years upto 24th March, 2002. The promoters have been allotted these Equity Shares at a price of Rs. 16.50 per Equity Share as compared to prevailing market price of about Rs. 8.00 per Equity Share.

#### **FIXED DEPOSITS:**

The Company has accepted fixed deposits from the Public within the meaning of Section 58A of the Companies Act, 1956 and complied with the rules made thereunder and there are no outstanding overdue fixed deposits.

#### **DIRECTORS:**

Mr. Sanjay H. Parekh, Director of the Company retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for reappointment. His reappointment is recommended.

SICOM Limited withdrawn the nomination of Mr. Ketan P. Gupte as its Nominee Director, as all its outstanding loans were fully repaid during the last year.

Further Mr. Anand S. Bhatt, Mr. Arun P. Sheth and Mr. K. G. Toolsidass, all directors of the Company resigned due to their pre-occupation.

The Board of Directors places on record its appreciation for the valuable services rendered by them during their tenure as Directors of the Company.

#### **COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975:**

Particulars pursuant to Section 217(2-A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and Section 217(1)(e) of the said Act read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are given in the Annexures forming part of this report.

#### **AUDITORS:**

M/s. M.G. Dhankot & Co., Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment for the current year. You are requested to appoint them on a remuneration to be fixed by your Directors.

The resolution for their re-appointment is set out at Item No. 4 of the Notice of the Annual General Meeting. Your Directors recommend their re-appointment.

#### **EMPLOYEE RELATIONS:**

Your Directors wishes to place on record their appreciation to all employees of your Company for their sustained efforts and immense contribution to achieve high level of performance and growth of the business during the year.

During the year under review, industrial relations remained extremely cordial and harmonious at all Units of the Company.

#### **ACKNOWLEDGEMENT:**

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from various departments of Central and State Governments, IDBI, SICOM, MSFC, Indian Overseas Bank, Bank of Baroda, The Federal Bank Limited, The South Indian Bank Limited without whose support, co-operation and assistance, the Company could not have achieved a level of eminence in its field of operation.

Your Directors also acknowledge with thanks the continued support and confidence reposed in the management by the Company's shareholders, customers and suppliers.

**FOR TPI INDIA LIMITED**

For and on behalf of the Board

Place: Mumbai, Dated: 14th June, 1999

Mg. Dir./Exe. Dir./Director,

**H.C. PAREKH**  
Chairman & Managing Director



## Information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

**A. CONSERVATION OF ENERGY:**

- a. Energy Conservation measures taken
  1. Added power capacitors and systems with automatic monitoring and control for improving the power factor.
  2. Regular monitoring of consumption, efforts for increase of power factor and upto date maintenance.
  3. Adopted use of natural lights wherever possible.
  4. Improved operational methods helped in achieving better productivity which in turn reduced power consumption per unit of output.
  5. Greater employee awareness made about need of energy conservation which in turn resulted in switching off lights, fans and machinery when not required.
- b. Additional investments and proposals, if any, being implemented for reduction of consumption of energy.  
Proposal for Energy Audit and adequate energy conservation measures with help of expert Consultancy are under consideration.
- c. Impact of the measures at (a) and (b) above for reduction of energy conservation and consequent impact on the cost of production of goods.  
Impact has not been measured.

**B. TECHNOLOGY ABSORPTION:**

## (a) RESEARCH AND DEVELOPMENT

The Company continues to lay emphasis on improving quality, upgradation of existing formulations, minimising dependence on scarce and imported raw materials and development of new products.

As a result of these efforts, the Company has been able to produce better products and these have been well received by the market.

The Company will continue its efforts to improve the quality of the products.

The Revenue expenditure incurred have been charged under primary heads of accounts and hence are not identifiable separately. No capital expenditure on R & D has been incurred in the year.

## (b) TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

## (i) Efforts in brief made towards technology absorption, adoption and innovation.

The technology imported has been fully absorbed

## (ii) Benefits derived as a result of the above efforts.

The FIBCs manufactured with imported technology facilitate bulk transport of materials. The FIBCs have good export potential.

## (iii) Technology imported during the last five years : NIL

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

	(Rs. in Lakhs)
Foreign Exchange Earned	578.77
Foreign Exchange Used	559.79



TPI INDIA LIMITED

**Statement of Particulars of Employees pursuant to the provision of Section 217(2-A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.**

Name, Qualification Age	Designation	Gross Remuneration	Experience (Years)	Date of Commencement of Employment	Last Employment
Mr. Hasmukh C. Parekh B.Com. 56 Years	Chairman and Managing Director	4,87,129	35	1st February, 1982	Warden & Co. (P) Limited
Mr. Bharat C. Parekh B.Com. 36 Years	Executive Director	4,06,081	13	2nd May, 1986	Not Applicable
Mr. Sanjay H. Parekh B.Com. 29 Years	Wholetime Director	3,26,220	05	31st May, 1994	Not Applicable

**Notes.**

1. Terms of Employment of the above employees are contractual.
2. Remuneration includes salary, house rent allowance and other perquisites.

For and on behalf of the Board

Place : Mumbai  
Date : 14th June, 1999

**H.C. PAREKH**  
Chairman & Managing Director

