

TARAI FOODS LIMITED



Tarai

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10TH

A N N U A L R E P O R T

1999 - 2000

NO COUPONS/GIFTS WILL BE DISTRIBUTED AT OR BEFORE THE MEETING

TARAI FOODS LIMITED

TARAI FOODS LIMITED

BOARD OF DIRECTORS

Mr. Gurprit Singh Sandhu	(Managing Director)
Mrs. Kiran Sandhu	(Director)
Mr. Inder Pratap Singh	(Director)
Mr. Mohan Lal	(Nominee IDBI)
Mr. Y.N Ramachandran	(Nominee RCTC)
Mr. Manoj Trehan	(Director)
Mr. D.S.Majithia	(Director)

AUDITORS

Jolly & Chanana
X-26, Hauz Khas
New Delhi 110016

BANKERS

State Bank of Travancore
Ansal Chamber I
Bhikaji Cama Place
R.K.Puram
New Delhi - 110066

REGISTERED OFFICE

B-200, Mount Kailash
East of Kailash
New Delhi - 110065

PLANT

Village Fazilpur Meharola
Tehsil Kiccha

CONTENTS

SHARE TRANSFER AGENTS:

Rudrapur
Distt. Udham Singh Nagar
Uttar Pradesh

SRG Infotech Limited
Devraha House
A-256, Indl. Area Phase-I
Okhla
New Delhi - 110020.

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TARAI FOODS LIMITED

NOTICE

Notice is hereby given that the 10th Annual General Meeting of the members of **TARAI FOODS LIMITED** will be held on Wednesday, the 29th day of November, 2000 at 9.30 a.m. at The Executive Club, 439, Village Shahoorpur P.O. Fatehpur Beri, New Delhi - 110 030 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st May, 2000 and Profit & Loss Account for the year ended on that date and the Report of the Directors and the Auditor's thereon.
2. To appoint a Director in place of Mr. G.S.Sandhu who retires by rotation and being eligible, offers himself for reappointment.
3. To consider, and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

"Resolved that Mr. Manoj Trehan, Director of the Company, who retires by rotation, but does not seek reappointment, be and is therefore, not re-appointed as Director of the Company.

"Resolved further that the vacancy on the Board so created not be filled for the time being."

4. To appoint Statutory Auditor of the Company who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"Resolved that M/s. Jolly & Chanana, X-26, Hauz Khas, New Delhi, Chartered Accountants, the retiring Statutory Auditors of the Company be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification(s) the following resolution as a **Special Resolution**:

"Resolved that pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company be and are hereby amended, altered and/or substituted in the manner to the extent as is set out herein below:

1. In Article 1 of the Articles of Association of the Company under the heading "INTERPRETATION" the following definitions be inserted/substituted at the appropriate places in the alphabetical order:

"Beneficial Owner" shall mean beneficial owner as defined in clause (a) of sub-section (1) of section 2 of the Depositories Act, 1996.

"Bye-laws" means bye-laws made by a Depository under Section 26 of the Depositories Act, 1996.

"Depositories Act, 1996" shall include any statutory modification or re-enactment thereof.

"Depository" shall mean a Depository as defined in clause (e) of the sub-section (1) of Section 2 of the Depositories Act, 1996.

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"Member" means members of the Company holding a share or shares of any class and includes the beneficial owner in the records of the Depository.

"Record" includes the records maintained in the form of Books or stores in a computer or in such other form as may be determined by Regulations.

"Regulations" means the regulations made by SEBI.

"SEBI" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.

"Security" means such security as may be specified by SEBI from time to time.

"The Register" means the Register of Members to be kept in pursuant to the Act and where shares are held in dematerialised forms. The Register includes the Register of Beneficial owners maintained by a Depository.

New Article 28 (i) as under be substituted for the existing Article 28(i):

"Every person whose name is entered as a member in the Register shall be entitled to receive within two months after allotment one or more certificates in the marketable lot for all the shares registered in his name or if the Directors so approve to several certificates each for one or more of such shares; provided, however, that no share certificate(s) shall be issued in respect of the shares held in dematerialised form."

The following Articles 28(iv), 28(v), 28(vi), 28(vii), and 28(viii) shall be inserted after the existing Article 28(iii):

Dematerialisation of Securities:

28(iv): "Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing shares, debentures and other securities, rematerialise its shares, debentures and other securities held in the Depositories and/or offer its fresh shares, debentures and other securities, in a dematerialised form pursuant to the Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996."

28(v): "Every person subscribing to the securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificate of securities.

If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security."

28(vi): "All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, 1956, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owner.

28(vii): "Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner."

Save as otherwise provided above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

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The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository."

28(viii): "Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs."

BY ORDER OF THE BOARD
For TARAI FOODS LIMITED

Place : New Delhi
Date : 01.11.2000

(G.S.SANDHU)
MANAGING DIRECTOR

NOTES :

1. 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. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 27.11.99 to 29.11.99. (both days inclusive).
3. The documents referred to in the proposed resolutions are open for inspection at the Registered Office of the Company during the working hours between 11.00 A.M. to 1.00 P.M. except on holidays.
4. Members seeking further information about the accounts are requested to write atleast 10 days before the date of meeting so that it may be convenient to get the information ready at the meeting.
5. The Members are requested to bring their copies of Annual Report to the meeting. No copies will be made available at the meeting venue.
6. The Explanatory Statement required under Section 173(2) of the Companies Act, 1956 is annexed hereto and forms part of the notice.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 5

The Depository Act, 1996 has amended some of the provisions of the Companies Act, 1956 and other related laws pertaining to the issue, holding, transfer and dealing in shares and other securities as also issue of relevant certificates so as to facilitate the introduction and implementation of the Depository system.

In order to introduce the depository system into the Company and to bring the Articles of Association of the Company in conformity with the depository system, it is proposed to make certain changes to in the Articles of Association of the Company, subject to the approval of the shareholders in the General Meeting.

The Board recommends the Resolution for approval.

None of the Directors is concerned or interested in the passing of this Special Resolution.

A copy of the Articles of Association of the Company together with the proposed alterations, will be available for inspection of the members at the Registered office of the Company between 11 A.M. to 1 P.M. on any working day of the Company and will also be available at the Meeting.

BY ORDER OF THE BOARD
For TARAI FOODS LIMITED

Place : New Delhi
Date : 01.11.2000

(G.S.SANDHU)
MANAGING DIRECTOR

TARAI FOODS LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors present the 10th Annual Report together with the Audited Financial Accounts for the year ended May 31, 2000.

FINANCIAL RESULTS

	For the year ended 31.05.2000	For the year ended 31.05.99
	(Rs. in lacs)	
Gross Revenue	388	375
Operating Profit/(Loss) before interest		
Finance charges & Depreciation	(111)	26
Less: Interest & Finance Charges	182	138
Profit/(Loss) before Depreciation	(293)	(112)
Less: Depreciation	50	50
Net Profit/(Loss) for the year	(343)	(162)
Less: Provision for Taxation	-	-
Net Profit/(Loss) after taxation	(343)	(162)

DIVIDEND

Due to heavy losses incurred by your company, no dividend is recommended on the equity shares of the company.

PERFORMANCE & FUTURE PLANS

During the year there is a marginal increase in the sale turnover of the Company. The company has established itself in the consumer market by introducing small packs of its products i.e. frozen peas under the new brand name TARAI which is well received by the customers. The Company has also widened its marketing network to major cities and towns of U.P. by opening its representative offices at Lucknow, Kanpur, Allahabad etc. The marketing networks will be further expanded by appointing more dealers and opening representative offices in other major cities and towns of India.

Having available excellent facilities in terms of building, cold storage, the Company has successfully diversified its operations in the area of Mushroom growing & processing and established a project with production capacity of 400 TPA, which company is determined to fully utilize. The Company has also installed a canning line for processing mushrooms. Company is marketing fresh, frozen & canned mushrooms very successfully. Seeing the potential of mushrooms in domestic as well as export markets, the Company is planning to expand the existing mushroom production capacity of 400 TPA to 1000 TPA.

Besides above, the Company has been awarded a contract for supply of Bottled jam viz. strawberry, plum, apricot jams and Tinda in Brine, by the Defence services. This is another potential area, where the management is putting thrust.

DIRECTORS

Pursuant to Section 256 of the Companies Act, 1956, Mr. G. S. Sandhu, Director of the Company retire by rotation and being eligible, offer himself for reappointment. Mr. Manoj Trehan, Director of the Company retire by rotation and due to his pre-occupation, has expressed his inability to continue as Director of the Company and thus does not offer himself

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for reappointment. The Directors would like to place their deep appreciation for the contribution made by him during his tenure as the Director of the Company.

U.P.S.I.D.C. has also withdrawn their Nominee Director, Dr. P.N. Bajpai and Mr. Y.P. Singh from Board w.e.f. 30.11.1999. The Directors would like to place their sincere appreciation for the services rendered by these Directors during their tenure.

FIXED DEPOSITS

The Company has not accepted any Fixed Deposits in terms of section 58A of the Companies Act, 1956.

AUDITORS

a) Appointment:

M/s. Jolly & Chanana, Chartered Accountants, Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and offer themselves for re-appointment. The Company has received a Certificate from the Auditors to the effect their reappointment, if made, would be in accordance with the provisions of Section 224(1-B) of the Companies Act, 1956.

b) Remarks:

The remarks of the Auditors in their report read with notes attached to the accounts are self-explanatory and therefore no further comments are given.

EMPLOYEES

In accordance with the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, there had been no employees whose particulars have to be submitted under the said section of the Companies Act, 1956.

STOCK EXCHANGE LISTING AND DEMATERIALISATION OF SHARES

A) The shares of your Company are listed at the following Stock Exchanges and Annual Listing Fee for the year 2000-2001 have been paid:

1. The Delhi Stock Exchange Association Ltd., DSE House, 3/1, Asaf Ali Road, New Delhi 110002.
2. The Calcutta Stock Exchange Association Ltd., 7, Lyons Range Calcutta - 700001.
3. The Stock Exchange, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.
4. The Stock Exchange, Kandhenu Complex, Opposite Sahajanand College, Panjarapole, Ahmedabad.
5. The Jaipur Stock Exchange Ltd., Rajasthan Chamber Bhawan, MI Road, Jaipur - 302001.

B) We wish to inform you that the Securities and Exchange Board of India (SEBI) vide its circular No. SMDRP/Policy/CIR/2000 dated 29.05.2000 informed that the shares of your Company have been included in the list in which trading is compulsory in dematerialised form w.e.f. 26th February, 2001.

To facilitate the trading in demat form, your Company is intending to join the Depository system and establish connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (I) Limited (CDSL).

CONSERVATION OF ENERGY

The Company has provided energy saving devices and systems, wherever possible. The Company is making efforts to keep its staff and workmen aware of energy conservation and is exploring alternative energy systems, wherever necessary.