

# **TARAI FOODS LIMITED**



## **Tarai**

Report  junction.com

**11th**

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

## **2000-2001**

## Tarai Foods Limited

### TARAI FOODS LIMITED

Board of Directors	Mr. Gurpreet Singh Sandhu	(Managing Director)
	Mrs. Kiran Sandhu	(Director)
	Mr. Inder Pratap Singh	(Director)
	Mr. Mohan Lal	(Nominee IDBI)
	Mr. Dilip S. Majithia	(Director)

Audit Committee	Mr. Gurpreet Singh Sandhu
	Mrs. Kiran Sandhu
	Mr. Dilip S. Majithia

Auditors	M/s. Jolly & Chanana
	X-26, Hauz Khas
	New Delhi 110016

Bankers	State Bank of Travancore
	Ansai Chamber I
	Bhikaji Cama Place
	R K Puram
	New Delhi 110 066

Regd. Office	B-200 Mount Kailash
	East of Kailash
	New Delhi 110065

Plant	Village Fazilpur Meharola
	Tehsil Kiccha
	Rudrapur
	Distt. Udham Singh Nagar
	Uttanchal

Share Transfer Agent	SRG Infotech Limited
	Devraha House
	A-256, Indl. Area Phase I
	Okhla
	New Delhi 110 020.

ISIN No.	INE 906C01016
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#### INDEX

Contents .....	Page No.
Notice .....	1
Directors' Report .....	2
Auditor's Report .....	5
Balance Sheet .....	7
Profit & Loss Account .....	8
Schedules '1' to '20' .....	9-15
Balance Sheet Abstract .....	16
Cash Flow Statement .....	17

## **Tarai Foods Limited**

### **NOTICE**

Notice is hereby given that the 11th Annual General Meeting of the members of Tarai Foods Limited will be held on Thursday, the 11th day of October, 2001 at 9.30 am at The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi 110030 to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as on 31<sup>st</sup> March, 2001 and the Profit and Loss Account for the period ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Kiran Sandhu who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint a Director in place of Mr. D. S. Majithia who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Statutory Auditors 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 the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors of the Company".**

**By order of the Board  
For Tarai Foods Limited**

Place: New Delhi  
Date : 25.07.2001.

**G. S. Sandhu  
Managing Director.**

#### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE 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 Share Transfer Books of the Company will remain closed from 01.10.2001 to 11.10.2001 (both days inclusive).
3. Members seeking further information about the accounts are requested to write at least 10 days before the date of meeting so that it may be convenient to get the information ready at the meeting.
4. Members are requested to bring their copies of Annual Report to the meeting. No copies will be made available at the meeting venue.

## Tarai Foods Limited

### DIRECTORS' REPORT

Dear Members,

Your Directors present the 11<sup>th</sup> Annual Report together with the Audited Financial Accounts for the year ended 31<sup>st</sup> March, 2001.

Financial Results	(Rupees in lacs)	
Particulars	For the period ended 31-03-2001.	For the period ended 31-05-2000.
Gross Revenue	356	388
Operating Profit/(Loss) before Interest, Finance charges and Depreciation	(218)	(111)
Less: Interest & Finance Charges	160	182
Profit/(Loss) before Depreciation	(377)	(293)
Less: Depreciation	41	50
Net Profit/(Loss) for the year	(419)	(343)
Less: Provision for Taxation	-	-
Net Profit/(Loss) after Taxation	(419)	(343)

#### CHANGE OF FINANCIAL YEAR

During the period under review, the Company has changed its financial year from year ending 31<sup>st</sup> May to year ending 31<sup>st</sup> March for the purpose of coinciding the financial year of the Company with the financial year for Income Tax purposes.

#### DIVIDEND

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

#### REVIEW OF OPERATIONS DURING THE YEAR

The Company faced a very bad liquidity crunch on account of working capital shortage. Exorbitant increase in raw material prices due to less rains made the Company, process for others rather than producing for ourselves. Due to the earthquake of March, 1999, having epicenter at Chamoli, the roof of cold store was damaged and therefore insulation of cold store has been affected adversely, resulting in difficulty in maintaining the desired temperature levels in the cold store and also resulting in increased consumption of electricity and fuel for the same. With the sudden breakdown of DG Set in February, 2001, the stocks lying at cold store have deteriorated and were destroyed as they were unfit for human consumption. This has resulted in huge losses suffered by the Company.

The Company has lodged an Insurance claim with the National Insurance Company India Limited. This has also ended up in shortage of working capital as the Company does not have adequate inventory levels to back the working capital funding from the Bank. The Banker, State Bank of Travancore has recalled the entire working capital to the tune of Rs. 197 lacs.

The Company has also received a Notice u/s 434 of the Companies Act, 1956 from ICICI for repayment of term loan and interest and other dues due thereon.

## Tarai Foods Limited

The Company having its network fully eroded has become a sick company within the meaning of clause (O) of subsection 1 of the section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985 and has approached Board for Industrial and Financial Reconstruction.

### FUTURE PLANS

Due to a liquidity crunch, Company has focussed its area from own production to processing for others. The Company hopes to get a good order for processing from the Fruit & Vegetable Project for which it had processed a trial order of approx. 700 tonnes successfully. The Company is also concentrating on using its canning facilities for others.

Besides this, Uttaranchal Government has approached the Company for supply of compost for Mushroom and marketing of the Mushrooms.

### DIRECTORS

Pursuant to Section 256 of the Companies Act 1956, Mrs. Kiran Sandhu and Mr. D. S. Majithia, Directors of the Company retire by rotation and being eligible, offer themselves for reappointment.

R.C.T.C. has withdrawn its nominee Director Mr. Y. N. Ramachandran, w.e.f. 28<sup>th</sup> March, 2001. Directors place their sincere appreciation for the services rendered by him during his tenure.

### FIXED DEPOSITS

The Company has not accepted any fixed deposits in terms of Section 58A of the Companies Act, 1956.

### AUDITORS

M/s. Jolly & Chanana, X-26, Hauz Khas, New Delhi, 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 that their reappointment, if made, would be in accordance with the provisions of Section 224(1-B) of the Companies Act, 1956.

The remarks of the Auditors in their report read with notes attached to the accounts are self-explanatory and therefore do not call for any further comments.

### EMPLOYEES

There are no employees whose particulars have to be submitted in accordance with provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

### STOCK EXCHANGE LISTING

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

1. The Delhi Stock Exchange Association Limited, DSE House, 3/1, Asaf Ali Road. New Delhi 110002.
2. The Calcutta Stock Exchange Association Limited, 7, Lyons Range, Calcutta-700 001.
3. The Stock Exchange, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.
4. The Stock Exchange, Kamdhenu Complex, Opposite Sahajanand College, Panjarapole, Ahmedabad.
5. The Jaipur Stock Exchange Limited, Rajasthan Chamber Bhawan, MI. Road, Jaipur-302 001.

### CONSERVATION OF ENERGY

The Company has provided energy saving devices and systems, wherever possible. The company is making efforts to keep

## Tarai Foods Limited

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its staff and workmen aware of energy conservation and is exploring alternative energy systems, wherever necessary.

### TECHNOLOGY ABSORPTION

The technology used by the Company is purely indigenous. Continuous flow of information on latest development and improvement in technology absorption have been established.

### FOREIGN EXCHANGE EARNINGS & OUTGO

During the year under review the Company has earned foreign exchange of NIL and used Rs.1,41,487/- of foreign exchange on account of travelling.

### STATEMENT UNDER SEC. 217(2AA)

Your Directors hereby state that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. Such accounting policies had been selected and applied consistently and judgments and estimates are reasonable and prudent so as to give a true and fair view of the profits or loss of the Company at the end of the financial year and of the profit or loss of the company for that period;
3. Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The annual accounts had been prepared on a going concern basis.

### APPRECIATION

We wish to convey our sincere thanks to the Shareholders and various agencies of the Central Government, State Governments, Financial Institutions, Company's Banker and Business Associates for their continued cooperation extended to the Company. We also wish to record our deep appreciation of the contribution made by the employees at all levels.

For and on behalf of the Board of Directors

Place: New Delhi  
Date: 25.07.2001

**Kiran Sandhu**  
Director

**G. S. Sandhu**  
Managing Director