

Tyroon Tea Company Limited

ANNUAL GENERAL MEETING

Date : 28th September, 2002

Day : Saturday

Time : 10.30 A. M.

Venue : Bharatiya Bhasha Parishad
36A, Shakespeare Sarani
Kolkata - 700 017

Directors :

A. K. JALAN

J. K. BHAGAT

S. ISSAR

B. K. SINGH

Company Secretary cum Cost Controller :

K. C. MISHRA

Auditors :

MESSRS. LODHA & CO.

CHARTERED ACCOUNTANTS

14, GOVERNMENT PLACE EAST

KOLKATA - 700 069

Registrars & Transfer Agents :

AMI COMPUTERS (I) LTD.

CORPORATE OFFICE :

60A & 60B CHOWRINGHEE ROAD

2ND FLOOR

KOLKATA - 700 020

Bankers :

ALLAHABAD BANK

Garden :

TYROON TEA ESTATE

P. O. KHARIKATIA

DIST. JORHAT

ASSAM

Registered Office :

3, NETAJI SUBHAS ROAD

KOLKATA - 700 001

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The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued as a measure of economy. Members are therefore requested to bring their copies of the Annual Report at the Meeting.

Tyroon Tea Company Limited

NOTICE

Notice is hereby given that the Annual General Meeting of TYROON TEA COMPANY LIMITED will be held as scheduled below :

Date : 28th September, 2002.
 Day : Saturday
 Place : Bharatiya Bhasha Parishad
 36A, Shakespeare Sarani, Kolkata 700 017
 Time : 10.30 A.M.

ORDINARY BUSINESS :

1. To receive, consider and adopt Reports of the Auditors and Directors and the Audited Accounts of the Company for the year ended 31st March, 2002.
2. To appoint a Director in place of Mr. A. K. Jalan, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

Registered Office :
 "McLeod House"
 3, Netaji Subhas Road,
 Kolkata 700 001
 The 24th day of August, 2002

By Order of the Board
 For Tyroon Tea Company Limited
 K. C. Mishra
 Company Secretary
 cum Cost Controller

Notes :

1. PROXY

A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxy in order to be effective must be deposited with the Company at its Registered Office at least fortyeight hours before the commencement of the meeting.

2. CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will remain closed from 21st September, 2002 to 28th September, 2002 both days inclusive.

3. DIVIDEND

a) UNPAID OR UNCLAIMED DIVIDEND

Pursuant to section 205A of the Companies Act, 1956 all unclaimed/unpaid dividends upto the year ended 31st March, 1995 have been transferred to General Revenue Account of Central Government. Shareholders who have not encashed the dividend warrant for the said period are requested to claim the amount from the Registrar of Companies, West Bengal at Kolkata.

- b) In terms of Section 205-C introduced by the Companies (Amendment) Act, 1999 read with Section 205A of the Companies Act, 1956 as amended, the amount of dividend remaining unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund. Members who have so far not encashed their Dividend Warrant(s) for the financial year ended 31st March, 1996 or any subsequent years are advised to submit their claim to the Company's Registrars and Transfer Agents immediately.

4. DEPOSITORY SYSTEM

The Company, consequent to introduction of the Depository System entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Members, therefore now have the option of holding and dealing in the shares of the Company in the electronic form through NSDL or CDSL.

Effective from 28th May 2001, trading in the shares of the Company on any stock exchanges is permitted only in the dematerialised form.

5. LODGMENT OF TRANSFER DOCUMENTS

The instruments of share transfer complete in all respects should reach the Company prior to closure of the Register of Members as stated above.

6. CONSOLIDATION OF MULTIPLE FOLIOS

Shareholders who are holding shares in identical order of names in more than one folio, are requested to write to the Company enclosing their Share Certificates to enable the Company to consolidate their holdings in one folio.

7. CHANGE OF ADDRESS

Members are requested to quote their Registered Folio Number in all correspondence with the Company and notify the Company immediately of change, if any, in their registered address and / or their mandates.

8. ATTENDANCE SLIP

Members are requested to handover the enclosed "Attendance Slip" duly signed in accordance with the specimen signatures registered with Company for admission to the Meeting Hall.

9. MEMBERS' QUERIES

Members desiring any information regarding Accounts are requested to write seven days in advance to the Company before the date of Meeting to enable the Management to keep full information ready.

Tyroon Tea Company Limited

REPORT OF THE DIRECTORS

The Directors of the Company have pleasure in presenting the Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2002.

FINANCIAL RESULTS :

	Rs.	Rs.
Loss before Interest, Depreciation and Taxation		76,70,439
Add : Interest	12,47,290	
Depreciation	19,26,497	31,73,787
Profit / (loss) before Tax		(1,08,44,226)
Less : Provision for Taxation		—
Profit / (loss) after Tax		(1,08,44,226)
Add : Income Tax relating to earlier years		96,685
Deferred tax Liability Written back		35,46,833
		(72,00,708)
Add : Surplus brought forward from previous year		45,11,111
Loss carried to Balance Sheet		(26,89,597)

WORKING RESULTS REVIEW:

The total income for the year ended 31st March, 2002 was Rs.701.72 Lakhs in comparison to Rs. 737.87 Lakhs in the previous year. Difficult market conditions and substantially lower average price realisation resulted in higher losses as compared to the previous year.

PROSPECTS:

In the current year the production till date is marginally behind the previous year. In view of the domestic over supply situation, prices have softened. However the Company has taken corrective steps to improve quality and per unit realization. Global shortfall in season 2002 may lead to price stability in the second half of the current year.

DIVIDEND: In view of loss your Directors do not recommend any dividend on the equity shares for the year under review.

DIRECTORS:

Mr. A. K. Jalan retires by rotation and being eligible offer himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors confirm that:

- I. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- II. that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

- III. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- IV. that the directors had prepared the annual accounts on a going concern basis.

AUDITORS:

Messrs. Lodha & Co., Chartered Accountants will cease to hold office as Auditors of the Company at the conclusion of the forthcoming Annual General Meeting but being eligible offer themselves for reappointment. Necessary certificate has been obtained from the Auditors as per section 224 (1) of the Companies Act, 1956.

The other observations made in the Auditors' Report are self-explanatory and therefore, do not call for any further comments under Section 217 of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES:

No employee of the Company was in receipt of such remuneration as to disclose particulars U/S. 217(2A) of the Companies Act, 1956 and rules framed thereunder.

ENERGY, TECHNOLOGY, FOREIGN EXCHANGE:

The information in accordance with the provisions of Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure 'A' which forms part of this Report.

ACKNOWLEDGEMENT:The Directors wish to express their appreciation to all officers, members of staff and workmen of the Company for valuable services rendered and dedication exhibited by them. They also express their gratitude to Tea Board and Bankers for their co-operation and support extended to the Company and express their thanks to Shareholders for their confidence and understanding.

Registered Office :
McLeod House"
3, Netaji Subhas Road,
Kolkata - 700 001.
Kolkata, The 24th day of August, 2002

For and on behalf of the Board
A. K. JALAN | Directors
J. K. BHAGAT |



Tyroon Tea Company Limited

ANNEXURE "A"

ANNEXURE TO DIRECTORS' REPORT

Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988.

(A) CONSERVATION OF ENERGY

1. Energy Conservation Measure taken : (a) Replacement of old equipment
(b) Use of Energy efficient equipment
2. Additional investments and proposals if any, being implemented for reduction of consumption of energy : Based on the study made by the Company, order for necessary equipment/s for energy conservation has been / are being placed.
3. Impact of the measures at (1) and (2) above for reduction of energy consumption and consequent impact on the cost of production. : The cost of production is expected to reduce after installation of the energy saving equipments.

4. Power and Fuel Consumption	Current Year	Previous Year
1. Electricity		
a) Purchased Unit	9,87,900	9,92,960
Total Amount (Rs.)	42,58,428	40,92,984
Rate / Unit	4.31	4.12
b) Own generation		
i) Through diesel Generator		
Unit	96,188	1,26,524
ii) Units per Litre of diesel		
Oil		
Cost/Unit (Rs.)	9.75	7.40
2. Coal (specify quality and where used)		
Quantity (Kgs)	15,030	29,355
Total Cost (Rs)	27,778	54,013
Average Rate per Kg. (Khasi and ROM coal used in Drier)	1.85	1.84
3. (A) Furnace Oil		
Quantity (Litres)	2,62,850	2,55,585
Total Amount (Rs.)	30,24,272	32,65,439
Average Rate	11.51	12.78
(B) Consumption Per Unit of Production		
Black Tea (in Kgs.)	10,78,510	10,61,617
Electricity (In Unit)	0.92	0.94
Furnace Oil (In litres)	0.24	0.24
Coal (in Kgs.)	0.01	0.03

(B) RESEARCH AND DEVELOPMENT

1. Specific area in which R & D carried out by the Company -

The Tea Research Association (TRA) at Toklai, Assam is engaged in research at field and factory levels for improving yield and quality of Tea and the Company being a member of TRA also applied the result of R & D in the field and factory levels.

2. Benefits derived as a result of the above R & D

Benefits derived by TRA on R & D are being passed on to us for implementation in field and factory levels.

3. Future plan of action

Works are in hand to improve all aspects of field management and identify clones which will improve both quality and production.

4. Expenditure on R & D

(a) Capital

(b) Recurring

(c) Total R & D expenditure
as percentage of total turnover

The Company Subscribes to Tea Research Association which is registered under Section 35 (1) (ii) of the Income Tax Act, 1961 which carries out R & D activities for the Tea Industry.

(C) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts are being made towards technology absorption, adaptation and innovation :-

The Technology developed by TRA in the field and in manufacture is introduced by us.

2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development import substitution etc.

Cost reduction and improvement in quality were achieved as a result of above mentioned steps.

3. In case of imported technology (imported during the last 5 years from the beginning of the financial year) following information may be furnished :

(a) Technology imported (b) year of import (c) has technology been fully absorbed (d) if not fully absorbed areas where they have not taken place, reason and future plan of actions.

No Technology was imported during last 5 years.

FOREIGN EXCHANGE EARNING — Rs. Nil (Previous year Rs. Nil)

FOREIGN EXCHANGE OUTGO — Rs. Nil (Previous year Rs. 1,36,025)

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Registered Office :

"McLeod House "

3, Netaji Subhas Road ,
Kolkata - 700 001.

Kolkata, The 24th day of August, 2002.

For and on behalf of the Board

A. K. JALAN | Directors
J. K. BHAGAT

AUDITORS' REPORT TO THE MEMBERS

OF

Tyroon Tea Company Limited

We have audited the attached Balance Sheet of **TYROON TEA COMPANY LIMITED** as at 31st March 2002 and also the Profit & Loss Account for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that: -

- I. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and the information and explanations given to us during the course of our audit, we report that:
 1. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets. As explained to us physical verification of fixed assets was carried out by the management during the year and no material discrepancy was found on such verification.
 2. None of the Fixed Assets have been revalued during the year.
 3. The stock of finished goods, stores and spare parts except materials lying with third parties have been physically verified by the management at reasonable intervals during the year / at the year end.
 4. In our opinion and according to the information and explanations given to us the procedure of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 5. The discrepancies noticed on verification between the physical stocks and books records were not material having regard to the size of the operations of the Company and have been properly dealt with in books of account.
 6. On the basis of our examination of the stock records, in our opinion the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in proceeding year.
 7. The Company has not taken any loan, secured or unsecured from Companies, firm or other parties listed in the register maintained under section 301 of the Companies Act, 1956. As explained to us there is no Company under the same Management as defined under section 370(1-B) of the said Act.
 8. The Company has not granted any loan, secured or unsecured to Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. As explained to us, there is no Company under the same Management as defined under Section 370 (1-B) of the said Act.
 9. Loans given to certain bodies corporate and others amounting to Rs. 299.89 lacs (including interest thereon) as given in note no. 6 of schedule 15 have become overdue for payment and necessary steps have been initiated by the company for recovery of the same. Other loans including interest thereon aggregating to Rs. 462.00 Lacs have been stated to be repayable on demand. These loans together with interest accrued thereon till 31.3.2002 have not been recalled during the year. Excepting these, interest free advances in the nature of loan given by the company to its employees are generally repaying the principal amount as per stipulations.