

NERAMAC 

**SIXTH
ANNUAL
REPORT
1987—88**

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Board of Directors

1.	Dr. L. Krishnaswamy	-	Chairman Cum Managing Director	
	Ex Officio Part time Directors			
2.	T.K. Bhattacharjee	-	Government of Arunachal Pradesh	
3.	P.J. Bazeley	-	Government of Meghalaya	
4.	R. Thansanga	-	Government of Mizoram	
5.	T. Imchen	-	Government of Nagaland	
6.	O.P. Grover	-	Ministry of Agriculture & Rural Development	From 4.5.87 - 87
7.	Dr. Anand G. Naik Khurade	-	President, All India Food Preservers Association	
8.	Dr. Vijendra Nath Asopa	-	Professor & Chairman, Centre for Management in Agriculture, Indian Institute of Management, Ahmedabad.	
9.	Dr. V.H. Potty	-	Coordinator, Industrial Development & Consultancy Services, Central Food Technological Research Institute, Mysore	
10.	Bhaskar Barua Ashok Saikia	-	Government of Assam	Upto 11.08.87
		-	- do -	From 12.08.87
		-	- do -	Upto 22.12.87
	P.C. Sarma	-	- do -	From 23.12.87
11.	B.K. Sinha	-	Government of Manipur	Upto 11.10.87
	H.V. Lalringa	-	- do -	From 12.10.87
12.	R. Dutta	-	North Eastern Council	Upto 11.01.88
	Y. Mahendra Singh	-	- do -	From 12.01.88
13.	D.P. Bagchi	-	Ministry of Commerce	Upto 31.08.87
	M.R. Sivaraman	-	- do -	From 01.09.87
14.	H.D. Bansal	-	Department of Food	Upto 31.05.87
	V.K. Duggal	-	- do -	From 15.07.87
15.	H.L. Dani	-	- do -	Upto 31.07.87
	C.V. Avadhani	-	- do -	From 25.02.88
16.	Brijeshwar Singh	-	Ministry of Home Affairs	Upto 21.07.87
	Mrs. Meenakshi Datta Ghosh	-	- do -	From 22.07.87
	R.K. Tandon	-	- do -	Upto 15.11.87
		-	- do -	From 16.11.87
		-	- do -	Upto 10.03.88
	Julius Sen	-	- do -	From 11.03.88
17.	V. Thulasidas	-	Government of Tripura	

Financial Adviser Cum Company Secretary
T.V. Sundaresan

Auditors

Messrs N.K. Dosi & Co., Chartered Accountants, Paltan Bazar, Guwahati

Bankers

State Bank of India
United Bank of India
Indian Bank
Punjab National Bank
Vijaya Bank

Registered Office

Rajgarh Road, Guwahati 781 003, Assam

NOTICE

'NOTICE is hereby given that the 6th Annual General Meeting of the Shareholders of the North Eastern Regional Agricultural Marketing Corporation Limited' will be held on Wednesday, the 28th September, 1988 at 4.00 P.M. at Registered Office of the Corporation at Rajgarh Road, Guwahati-3 to transact the following business.

1. To receive and adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year 1987-88. Comments of the Controller and Auditor General of India on the accounts will be placed on the table.
2. Any other business that may ordinarily be transacted with the permission of the Chair.

By Order of the Board of Directors

(T.V. SUNDARESAN)
Financial Adviser
cum Company Secretary

Place : Guwahati
Date : August 31, 1988.

To :

1. All Members of the Corporation.
2. M/s. DOSI & CO., Chartered Accountant, Paltan Bazar, Guwahati.

Note:

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.

Chairman's Statement

I welcome you this afternoon to the Sixth Annual General Meeting of North Eastern Regional Agricultural Marketing Corporation Limited. The Director's Report and the Audited Accounts along with the comments of the Comptroller and Auditor General of India for the year 1987-88 are before you for consideration.

I am pleased to inform you that during the year 1986-87 our Corporation was ranked 7th among all the Central Public Sector Enterprises in the country in respect of growth in the Capital Employed (65.1 per cent). In respect of performance also, the Corporation could show an upward shift from the rank of 184 in 1985-86 to the rank of 173 in the year 1986-87. Our Corporation was also ranked 28th in order of merit in obtaining such an upward trend. *

As far as the operating result of the Corporation is concerned, you would have noticed from the Director's Report that the turn-over during the year was Rs. 57.14 lakhs against Rs. 14.12 lakhs during the previous year. The higher turn-over during the year enabled the Corporation to make a trading profit of Rs. 1.05 lakhs against Rs. 0.76 lakh during the previous year. The net loss excluding interest, depreciation and provision for bad debts is Rs. 12.48 lakhs inspite of increased overhead expenditure against Rs. 12.21 lakhs in the previous year. Net loss including interest, depreciation and provision for bad debts is Rs. 33.04 lakhs.

As you may be aware, we have successfully completed the Fruit Juice Concentration Plant at Nalkata, in Tripura and trial runs were conducted in November/December 1987. The plant was made ready for inauguration during the following pineapple season, commencing June 1988.

NERAMAC also purchased the surplus quantity of pineapple from Tripura to meet the requirements of local processing unit by offering better prices to the cultivators.

NERAMAC opened its kiosk at Guwahati Airport in October 1987. The products manufactured by the processing units in Assam, Arunchal Pradesh, Meghalaya and Tripura are sold through this outlet in addition to other products like tea, honey etc. This proves to be a profitable venture and NERMAC plans to open series of such outlets. To begin with, we have finalised arrangements with the Guwahati Medical College authorities for opening another Kiosk which will start functioning very soon.

Though we were planning to open the Unit Offices of NERAMAC in Arunachal Pradesh and Mizoram during the year, as the results of the other Unit Offices were not encouraging, we have kept this decision in abeyance for the time being. It is contemplated to establish the Unit Offices during the next year in these states. Discussions with the State Government of Arunachal Pradesh on this are already on.

NERMAC is planning to set up atleast one processing unit in all the states of North Eastern Region. Towards this, we requested the Central Food Technological Research Institute (CFTRI) Mysore to conduct a Feasibility Study on Utilization of Agri-Horticultural Resources in the North Eastern Region and submit their report for formulating the strategy.

I am thankful to my colleagues on the Board of Directors for their valuable advice, co-operation and support. I am extremely grateful to the Government of India, especially the Department of Food and also North Eastern Council for their sustained support and active co-operation. I am thankful to the Governments of the constituent states of North Eastern Region for their cooperation. I place on record my sincere appreciation towards the excellent work done by the Managers and Staff of the Corporation. I thank you all for gracing the occasion.

Place : Guwahati
Date : September 28, 1988.

(Dr. L. Krishnaswamy)
Chairman-Cum-Managing Director

* According to the News item in Economic Times dated June 2, 1988.

Directors' Report

NERAMAC 

The Board of Directors have pleasure in placing the Annual Report on the working of the Corporation along with the statement of accounts and the Auditor's Report for the year ended 31st March, 1988.

FINANCIAL HIGHLIGHTS

During the year, the sales turnover amounted to Rs. 57.14 lakhs compared to Rs. 14.12 lakhs only in the previous year. This was mainly due to the increase in sales of citronella oil and cashew nut. The Corporation also dealt with other agri-horticultural products in significant quantities. Out of the turnover of Rs. 57.14 lakhs, the total sales relating to Horticultural products amounted to Rs. 34.87 lakhs which is the highest so far recorded. The Corporation could make trading profit of Rs. 1.05 lakhs against Rs. 76,276.00 in the previous year. Against the loss of Rs. 12.21 lakhs in the year 1986-87, the net loss on operations during the year without interest worked out to Rs. 12.48 lakhs only despite the increased overheads. Loss for the year before taxation is Rs. 33.04 lakhs due to the inclusion of interest, provision for bad and doubtful debts made in the previous years. It is heartening to note that the Corporation could earn a higher interest income of Rs. 10.95 lakhs against the interest income of Rs. 6.49 lakhs in the previous year though the Corporation made substantial investment to the tune of Rs. 3.34 crores for its Fruit Juice Concentration Plant in Tripura. This is mainly because of the optimal utilisation of fund with judicious financial efficiency.

PROJECT

1987-88 was the year of record achievement for NERAMAC as far as its Fruit Juice Concentration Plant is concerned. The entire civil construction of the factory building was completed and the trial run of the plant was successfully conducted in November/December 1987. The project, the biggest and first of its kind in the country with the modern equipment and latest technology, was completed in a record time of 22 months, ready for its successful commissioning in the main pineapple season of 1988. However, the Aroma Recovery Plant and Centritherm are yet to meet the performance guarantee parameters. During the year, Rs. 124.64 lakhs were spent for the project against Rs. 146 lakhs spent during the previous year.

BUSINESS ACTIVITIES

Citronella Oil : The Corporation could continue to play a very useful role in the procurement operation of citronella oil helping many poor tribal farmers obtain better price for citronella grass. NERAMAC could successfully compete with the private traders and raise the procurement price of oil to over Rs. 135 per kg. which enabled the citronella grass growers also to obtain higher prices at 90 paise per kg. Though NERAMAC's procurement was very little with about 20 MT (19962 kg), its very presence in the procurement centre helped many poor farmers. As the demand for this product is increasing, efforts are being made by NERAMAC to strengthen the procurement set-up for ensuring better price to the cultivators in the growing areas and at the same time ensuring quality product to the consumers.

Cashewnut : As in the previous years, NERAMAC procured the entire quantity of raw cashewnut produced in Tripura with the active support of the State Government. NERAMAC could procure 334.3 quintals of raw cashewnut by paying the ever highest price ranging between Rs. 6.50 and Rs. 8.50 per kg. to the growers.

Pineapple : NERAMAC procured 2,20,898 pineapples valued at Rs. 2.01 lakhs from North Tripura with a view to help the cultivators, obtain better price and to feed the state-owned processing unit in Agartala.

Retail Outlets : NERAMAC had opened its kiosk at Guwahati Airport on 12.10.87. The fruit products manufactured by different units (both Government & Private) are being sold through this kiosk. It is proving to be a profitable venture to NERAMAC as well as beneficial to the manufacturers. This will be the forerunner of a series of such kiosks in all the airports of N.E. Region and in other regions, which would provide significant employment opportunities to the unemployed.

OTHER HORTICULTURAL PRODUCTS

In addition to the above products the Corporation has also dealt with a number of horticultural products like Honey, Turmeric, Ginger etc.

BOARD'S COMMENTS ON AUDITORS' REPORT

Boards comments on Auditors' Report are furnished in Annexure 'A'.

PARTICULARS OF EMPLOYEES

The statement giving particulars of employees as required under ec. 217 (2A) of the Companies Act 1956 is furnished in Annexure 'B'.

BOARD MEETINGS

The Board of Directors of the Corporation held five meetings during the year.

AUDITORS

M/s N.K. Dosi & Co. Chartered Accountants, Guwahati were re-appointed as auditors of the Corporation for the year 1987-88.

ACKNOWLEDGEMENTS

The Directors gratefully acknowledge the assistance and co-operation extended by the North Eastern Council, Ministry of Food & Civil Supplies, Ministry of Agriculture and Rural Development, Ministry of Home Affairs, Ministry of Commerce, other Ministries and Bureau of Public Enterprises, Government of India. The Directors are grateful to the Governments of all the constituent states of North Eastern Region, Co-operative and public secotr organisations and NAFED for their active cooperation. The Directors are thankful to the Government of Tripura, National Building Construcion Corporation Ltd. and the North Eastern Industrial and Technical Consultancy Organisation Ltd for their fullest support in the construction of the Corporation's Fruit Juice Concentration plant in Tripura. The Directors are also thankful to M/s N.K. Dosi & Co., Chartered Accountants, the Comptroller and Auditor General of India and the Company Law Board for their valuable guidance and advice. The Directors also place on record their appreciation of work done by the officers and staff of the Corporation.

On behalf of the Board of Directors

(Dr. L. Krishnaswamy)
Chairman-cum-Managing Director

Place : Guwahati
Date : August 30, 1988.

ANNEXURE "A"

Board comments on Remarks of the Auditors on the Annual Accounts of the Corporation

Para no. of Auditors' Report	Extracts of the concerned para of the Auditors' Report	Boards comments on Auditors Remarks
1	2	3
1. Para 2(d) of the Main Report	The Corporation's arrangement with NAFED and other state agencies for sharing profit/losses and its programme to incur capital expenditure on the basis of revised estimates need approval of the President of India under Article 19 of the Articles of Association of the Corporation.	Necessary action is being taken to obtain post facto approval of the President of India. This arrangement was not in force during the financial year under review.
2. Para 2(d) (ii) of the Main Report.	We are unable to comment as to whether dealings/trading in certain non-horticultural items by the Corporation are covered by the object clause of memorandum of Association of Corporation. We are unable to form any opinion over managements explanation that such dealings/trading are incidental to or ancilliary to the main objects of the Corporation thereby covered under sub-clause 24 of part B of clause III of the Memorandum of Association of the Corporation.	The activities being pursued by the Corporation are well within the ambit of sub-clause 2 and 7 of Part A, Main objects, sub-clauses 1, 2, 14 and 24 of Part B Incidental Objects and Sub-clause 1 of Part C - Other Objects of Clause III of the Memorandum and Articles of Association of the Corporation.
3. Para 2 (d) (iii) of the Main Report.	Advances amounting to Rs. 21,000.00 to two casual employees at Imphal are without approval.	The advances have been realised subsequently. Procedure for granting advances in favour of employees for procuring horticultural products in remote areas from small producer whose taxable income is nil under the Income Tax Act where no banking facilities are available nearby is being formulated.
4. Para 1 of Annexure to the Auditors Report	The Corporation has maintained proper records showing some particulars including quantative details and situation of Fixed Assets, except in respect of fixed assets at Nalkata for Fruits Juice Concentrate Plant under construction. The consolidated register for fixed assets since its incorporation showing depreciation and written down value of individual asset is yet to be prepared. As informed to us, a physical verification of fixed assets was conducted by the management, and no serious discrepancies were noticed on such verification.	The records are under preparation.

- | | | |
|--|---|--|
| 5. Para 3 of Annexure to the Auditors Report | As informed to us, stocks of finished goods in the Corporation's custody were physically verified by the management at the end of year. The stock of store materials lying at Nalkata for construction of Fruit Juice Concentration Plant were not physically verified by the management. The discrepancies noticed on physical verification at the year end between physical stocks and book records amounted to approximately Rs. 1.25 lakhs and have been properly dealt with in the books of accounts. In our opinion the valuation of the above mentioned stocks is fair and proper in accordance with the normally accepted accounting principles and, as informed, is on the same basis as in the previous year. | Periodical physical verification of stock is being introduced. |
| 6. Para 4 of the Annexure to the Auditors Report | The Corporation has not maintained registers under section 301 and 370 (I-C) of the Companies Act, 1956. However, it has been informed to us, that the Corporation has not taken any loans from Companies, firms or other parties required to be listed in the registers maintained under section 301 and 370 (1-C) of the Companies Act, 1956. | The Corporation has started maintaining registers under Sec. 301 and 370 of the Companies Act. |
| 7. Para 6 of Annexure to the Auditors Report. | In our opinion and according to the information and explanations given to us, the internal control procedures needs to be strengthened to make it adequate commensurate with the size of the Corporation and nature of the business. | The internal control procedures are being strengthened. |
| 8. Para 8 of Annexure to the Auditors Report. | The Corporation has not specifically determined any unserviceable or damaged stores raw materials and/or goods (purchased for resale) during the year. | The procedure for determining unserviceable and damaged stores, raw materials etc. is being formulated. |
| 9. Para 11 of Annexure to Auditors' Report. | The Corporation does not have an internal audit system commensurate with its size and nature of its business. | A firm of chartered Accountants is being considered for appointment as Internal Auditors of the Corporation. |
| 10. Para 13 of Annexure to the Auditors' Report. | According to the records of the Corporation, provident fund dues except in a few cases, have been regularly deposited during the year with the appropriate authorities. | For the regular employees of the Corporation, provident fund dues have been regularly deposited with the appropriate authorities during the year. In case of employees on deputation provident fund dues could not be deposited timely with the parent organisation in a few cases. Steps are being taken to avoid this in future. |

ANNEXURE "B"

PARTICULARS OF EMPLOYEES

Sl. No.	Name of the Employee	Designation	Remuneration	Nature of employment & other terms & condition	Qualification	Total experience	Nature of the duties	Date of commencement of employment	Age	Last Employment	Percentage of equity shares held
A. Employed throughout the financial year and in receipt of remuneration not less than Rs. 36,000/- in the aggregate for the year.											
1.	Dr.L.Krishna-swamy	Chairman-cum-MD	92,268.32	Tenure	M.Sc(Agri) MBA, Ph.D	26 yrs	Chief Executive	2.1.86	51	Jt. Agri. Marketing Adviser to Govt. of India.	Nil
2.	Shri V.P. Singh	Financial Adviser	69,808.36	On deputation	B.A.,BL (ICMA London)SAS	31 yrs.	Senior Executive	21.5.85	55	Jt. F.A.in BALCO, Corba	Nil
3.	Shri G.K.Dev Goswami	Marketing Manager	47,014.00	Regular	M.A.DCBM	12 yrs	Executive	15.12.82	33	Dy. Mktg. Manager STATEED, Ght.	Nil
4.	Shri L.Rahman	Senior Accounts Manager	49,354.54	Regular	M.Com	15 yrs	Executive	9.1.84	39	Dy. Accts. Officer STATEED, Ght.	Nil
5.	Shri D.B.Chakraborty	Assistant Engineer	39,581.25	on deputation	Matriculate	29 yrs	Governing Supervision of Civil Construction of Juice Concentration Plant Nalkata.	20.6.86	53	PWD, Govt.	Nil

Auditors' Report

NERAMAC 

We have audited the attached Balance Sheet of North Eastern Regional Agricultural Marketing Corporation Limited as at 31st March, 1988 and the Profit & Loss Account of the Corporation for the year ended on that date annexed thereto and report that :

1. As required by the Manufacturing and other companies (Audit Report) order, 1975 issued by the Company Law Board in terms of section 227(4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above :
 - a) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) Proper books of account as required by law have been kept by the Head Office of the Corporation so far as appears from our examination of the books of the head office.
 - c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
 - d)
 - i) The Corporation's arrangement with NAFED and other state agencies for sharing Profit/losses and its programme to incur capital expenditure on the basis of revised estimates needs approval of the president of India under Article 39 of the Articles of Association of the Corporation.
 - ii) We are unable to comment as to whether dealings/tradings in certain non-horticultural items by the Corporation are covered by the object clause of Memorandum of Association of Corporation as we are unable to form any opinion over management's explanations that such dealings/Trading are incidental to or ancillary to the main objects of the corporation thereby covered under sub-clause 24 of part B of clause III of the Memorandum of Association of the Corporation.
 - iii) Advances amounting to Rs. 21,000.00 to two casual employees at Imphal are without approval.
 - iv) Subject to the foregoing and subject to Notes-6 in the Annexure regarding (refers to in paragraph 1) Internal control procedures, and subject to Notes No 11, 14 and 15 in Schedule 17 of the accounts regarding non provision for leave salary contribution, adjustment regarding landed cost of imported machinery, and non-provision for outstanding liability of rent, in our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view;
 1. In the case of the Balance Sheet of the State of Affairs of the Corporation as at March 31st, 1988 and;
 2. In the case of the Profit & Loss account of the loss of the corporation for the year ended on that date.

For N.K. Dosi & Co.,
Chartered Accountants

Place : Guwahati
Date : July 5, 1988

(N.K. Dosi)
Proprietor

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in Paragraph 1 of our report to the members of NERAMAC Limited on the accounts for the year ended March 31st, 1988.

1. The Corporation has maintained proper records showing some particulars including quantitative details and situation of Fixed Assets, except in respect of fixed assets at Nalkata for Fruit Juice Concentration Plant under construction. The consolidated register for fixed assets since its incorporation showing depreciation and written down value of individual asset is yet to be prepared. As informed to us, a physical verification of fixed assets was conducted by the management, and no serious discrepancies were noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. As informed to us, stocks of finished goods in the Corporations' custody were physically verified by the management at the end of year. The stock of store materials lying at Nalkata for construction of Fruit Juice Concentration Plant were not physically verified by the management. The discrepancies noticed on physical verification at the year end between physical stocks and book records amounted to approximately Rs. 1.25 lakhs and have been properly dealt with in the books of accounts. In our opinion the valuation of the above mentioned stock is fair and proper in accordance with the normally accepted accounting principles and, as informed, is on the same basis as in the previous year.
4. The corporation has not maintained register under section 301 and 370 (1-C) of the Companies Act, 1956. However it has been informed to us, that the Corporation has not taken any loans from companies, firms or other parties required to be listed in the registers maintained under section 301 and 370(1-C) of the Companies Act, 1956.
5. The parties to whom loans and advances in the nature of loans have been given by the corporation are, except a few cases, repaying the principal amount as stipulated. However, no interest has been charged during the year.
6. In our opinion and according to the information and explanations given to us, the internal control procedures needs to be strengthened to make it adequate commensurate with the size of the Corporation and nature of its business.
7. No contract of purchase exceeding Rs. 10,000.00 in value for each type of goods has been listed in the register of contracts required to be maintained under section 301 of the Companies Act, 1956.
8. The Corporation has not specifically, determined any unserviceable or damaged stores, raw materials and/or goods (purchased for resale) during the year.
9. The Corporation has not accepted any deposits from the public to which the provision of section 58(a) of Companies Act, 1956, and the Companies (Acceptance of deposits) Rule 1975 apply.
10. As explained to us, the Corporation does not have any realisable by-product or scraps of any significant value.
11. The Corporation does not have an internal audit system commensurate with its size and nature of its business.

12. We are informed that Central Government has not prescribed the Maintenance of cost record under section 209 (1) (d) of the Companies Act, 1956, for any of the products of the corporation.
13. According to the records of the Corporation, provident fund dues except in a few cases, have been regularly deposited during the year with the appropriate authorities.

For N.K. Dosi & Co.
Chartered Accountants

Place: Guwahati
Date : July 5, 1988

(N.K. Dosi)
Proprietor

BALANCE SHEET AS AT 31ST MARCH 1988

	Schedule No.	As at 31.3.1988		As at 31.3.1987	
		Rs.	Rs.	Rs.	Rs.
Sources of Fund:					
1. Share holders fund:					
a) Share Capital	1	2,44,00,000.00		2,44,00,000.00	
b) Reserves & Surplus	2	<u>5,21,025.50</u>	2,49,21,025.50	<u>5,21,025.50</u>	2,49,21,025.50
2. Loan Funds:Unsecured	3		<u>2,67,55,000.00</u>		<u>2,57,96,000.00</u>
			<u>5,16,76,025.50</u>		<u>5,07,17,025.50</u>
Application of Fund:					
1. Fixed Assets					
a) Gross Block	4	16,25,669.52		13,10,930.09	
Less Depreciation		<u>5,78,156.50</u>	10,47,513.02	<u>4,17,068.50</u>	8,93,861.59
2. Capital work in progress, stores advance & Allocated pre-operative expenses	5		3,34,64,170.73		2,10,03,877.06
3. Current Assets, Loans & Advances					
a) Interest accrued on Term Deposits		82,809.64		60,772.94	
b) Inventories	6	20,09,426.89		11,23,668.23	
c) Sundry Debtors	7	16,13,677.38		15,75,051.00	
d) Cash & Bank Balances	8	1,34,47,925.02		2,50,68,842.03	
e) Loans & Advances	9	11,34,139.61		12,19,888.09	
		<u>1,82,87,978.54</u>		<u>2,90,48,222.29</u>	
Less:					
Current Liabilities & Provisions	10	<u>68,41,042.47</u>		<u>26,49,869.74</u>	
Net Current Assets			1,14,46,936.07		2,63,98,352.55

4. Miscellaneous expenditure (to the extent not written off or adjusted)				
i) Preliminary Expenses	78,974.50		78,974.50	
Less written off	<u>47,384.70</u>		<u>39,487.25</u>	
	31,589.80		39,487.25	
Balance Brought forward				
ii) †from Profit & Loss Account	<u>56,85,815.88</u>	57,17,405.68	<u>23,81,447.05</u>	24,20,934.30
Total		<u>5,16,76,025.50</u>		<u>5,07,17,025.50</u>

Notes on Accounts 17
Schedules 1 to 17 form an integral part of accounts

For and on behalf of the Board

(O.P. Grover)
Ex-Officio
Director

(Dr. L.Krishnaswamy)
CMD

(T.V.Sundresan)
Financial Advisor Cum
Company Secretary

As per our report of even date

For N.K. Dosi & Co
Chartered Accountants

(N.K. Dosi)
Proprietor

Place : Guwahati
Date : July 5, 1988

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1988

	Schedule No.	As at 31.3.1988	As at 31.3.1987	
I. Income				
1. Sales	11	57,13,585.97		14,12,256.04
2. Less: Cost of Sale	12	<u>56,08,713.61</u>		<u>13,35,989.06</u>
3. Trading Profit & Loss		1,04,872.36		76,266.98
4. Other Income	13	<u>11,22,926.93</u>	12,27,799.29	<u>6,64,928.49</u> 7,41,195.47
II. Expenditure:				
5. Expenses	15	23,38,536.33		17,84,860.79
6. Interest on loan		15,17,340.00		--
7. Loss on sale of vehicle		--		1,521.64
8. Loss on Joint venture		5,637.57		--
9. Preliminary expenses written off		7,897.45		7,897.45
10. Depreciation	4	1,23,867.85		1,68,037.59
11. bad Debts written off		--		3,230.00
12. Expenditure for the year		<u>39,93,279.20</u>		<u>19,65,547.47</u>
Add:				
13. Provision for doubtful debts and advances		4,94,341.63		2,14,646.22
14. Prior period adjustments	14	<u>44,547.29</u>	<u>45,32,168.12</u>	<u>1,51,974.35</u> <u>23,32,168.84</u>
15. Loss before taxation			33,04,368.83	15,90,972.57
16. Balance of Loss Account brought forward from previous years			23,81,447.05	7,90,474.48
17. Net Loss carried to balance sheet			<u>56,85,815.88</u>	<u>23,81,447.05</u>
Notes on Accounts	17			

(O.P. Grover) (Dr. L. Krishnaswamy)
 Director Chairman-cum-Managing Director

(T.V. Sundaresan)
 Financial Adviser-cum-
 Company Secretary

As per our report of even date
 For N.K. DOSI & CO.
 Chartered Accountants

(N.K. DOSI)
 Proprietor

Place : Guwahati
 Dated : July 5, 1988

SCHEDULES FORMING PART OF THE BALANCE SHEET:

	As at 31.3.1988	As at 31.3.1987
Schedule - 1 : Share Capital		
Authorised:		
50,000 equity share of Rs. 1000/- each	<u>5,00,00,000.00</u>	<u>5,00,00,000.00</u>
Issued and Subscribed:		
24,400 equity share of Rs. 1000/- each	2,44,00,000.00	2,44,00,000.00
	<u>2,44,00,000.00</u>	<u>2,44,00,000.00</u>
Schedule - 2 : Reserves & Surplus		
Development Fund (as per last balance sheet)	5,21,025.50	5,21,025.50
	<u>5,21,025.50</u>	<u>5,21,025.50</u>
Schedule - 3 : Unsecured Loan		
i) Govt. loan (towards expenditure on schemes/programmes taken up for implementation during 1986-87 & 1987-88)	2,56,00,000.00	2,56,00,000.00
ii) Interest accrued & due	11,55,000.00	1,96,000.00
	<u>2,67,55,000.00</u>	<u>2,57,96,000.00</u>

SCHEDULE 4: FIXED ASSETS

Sl. No.	Particulars	Rate of depreciation	Cost as at		Additions	Reductions	Cost as at		Upto	Adjustment	During the year	Total upto	As at	
			Rs.	Rs.			31.3.87	31.3.88					31.3.88	31.3.87
1.	Vehicle	20%	682055.29	19400.00	98909.20	602546.09	241932.61	23813.85	73983.00	292101.76	310444.33	440122.68	313.88	313.87
2.	Air conditioner	15%	68867.43	47288.50	-	115155.93	28726.11	-	11227.89	39954.00	75201.93	39141.32	-	-
3.	Office equipment	15%	103700.76	14040.16	-	122740.92	40524.56	-	10874.59	51399.15	71341.77	68176.20	-	-
4.	Furniture & Fixture	10%	440873.37	158603.75	-	599477.12	103284.30	-	40509.65	143793.95	45683.17	337589.07	-	-
5.	Electrical equipment	15%	3483.24	1779.00	-	5262.24	1408.42	-	449.00	1857.42	3404.82	2074.82	-	-
6.	Juice Dispencer	15%	7950.00	-	-	7950.00	1192.50	-	1013.50	2206.00	5744.00	6757.50	-	-
7.	Bottle Cooler	15%	-	20785.06	-	20785.06	-	-	1443.06	1443.06	10342.00	-	-	-
8.	Lorry	30%	-	151752.16	-	151752.16	-	-	45401.16	45401.16	106351.00	-	-	-
	Total Rs.		1310930.09	413648.63	98909.20	1625669.52	417068.50	23813.85	184901.85	578156.50	1047513.02	893861.59		
	Total previous year		939685.76	467109.14	95864.81	1310930.09	305483.08	56452.17	168037.59	417068.50	893861.59	634202.68		

Note: I Out of Rs. 1,84,901.85 depreciation during financial year 1987-88, an amount of Rs. 61,034/- has been decided to be capitalised and accordingly charged to pre-operative.
 II Depreciation has been provided at rates as prescribed in the Companies Amendment Act, 1988 on the written down value of the assets.

SCHEDULE 5 : CAPITAL WORKS IN PROGRESS, STORES, ADVANCES AND ALLOCATED PRE-OPERATIVE EXPENSES

	As at 31.3.1988		As at 31.3.1987	
	Rs.	Rs.	Rs.	Rs.
A. Land Development (Plantation)		15,909.50		
B. Capital Works in progress:			1,31,38,893.22	
i) Plant & Machinery	1,57,86,087.91		1,05,067.60	
ii) Civil Works	1,07,16,642.83		4,66,831.69	1,37,10,792.51
iii) Others unclassified	<u>9,64,181.55</u>	<u>2,74,66,912.29</u>		
C. Capital Stores				
D. Pre-operative expenses allocated to Fixed Assets/Capital Works in progress:				
Balance Brought forward	13,32,520.05		3,56,954.27	
1) Travelling Allowances	92,554.60		15,067.80	
2) Consultancy Fees	54,900.00		9,075.00	
3) Pay & Allowance	4,07,071.60		1,11,428.17	
4) Wages	25,826.44		13,785.00	
5) Vehicle Maintenance	34,459.63		14,634.27	
6) Printing & Stationery	5,100.97		4,632.17	
7) Postage & Telegram	221.90		2,225.40	
8) Electrical fittings	--		2,520.70	
9) Books & Periodicals	289.40		2,420.75	
10) Rent	8,568.48		6,900.00	
11) Miscellaneous Expenses	3,999.98		2,732.92	
12) Entertainment Expenses	5,680.15		1,791.40	
13) Interest	23,74,000.00		8,07,836.00	
14) Telephone & Telex	--		2,043.32	
15) Interest accrued on TDR	--		14,571.54	
16) Bank charges	26.00		5.00	
17) Foundation stone laying ceremony	--		1,014.50	
18) Freight	3,05,474.64		150.00	
19) P.O.L.	1,24,755.98		42,443.14	
20) Advertisement	1,41,240.00		-	
21) Staff Welfare	500.00		-	
22) Licence Fee	1,631.00		-	
23) Overtime Allowances	8,242.65		-	
24) Interview Expenses	4,956.00		-	
25) Pineapple for trial run of factory	90,509.97		-	
26) Safety Equipments	7,343.00		-	
27) Accounting manual	15,000.00		-	
28) Insurance	1,93,358.00		-	
29) Temporary Hutments	2,297.00		-	
30) Consumable stores	1,03,904.46		-	
31) Seminar & conferences	7,150.00		-	

	As at 31.3.1988		As at 31.3.1987	
	Rs.	Rs.	Rs.	Rs.
32) Depreciation	61,034.00			
33) Others	27,757.00			
	<u>54,40,372.98</u>		<u>14,12,231.65</u>	
Less Transferred to capital works in progress (NEITCO)	--	54,40,372.98	<u>79,711.60</u>	13,32,520.05
Capital in Advance (Net) (Unsecured, considered good)				
a) M/s Vulcan Laval Ltd.	--		23,80,000.00	
Less: 30% advance realised	--		<u>17,85,947.30</u>	5,94,052.70
b) M/s NBCC Ltd.				
i) Mobilization advance	--		7,19,000.00	
ii) Adhoc payment made to NBCC Ltd. against pending bill	--		<u>25,42,895.01</u>	32,61,895.01
c) M/s NEITCO (adhoc payment)	--			25,000.00
d) Advance for Industrial power line to Tripura State Electricity Board	--			63,944.00
e) Advance to Executive Engineer, PWD Agartala	<u>32791.00</u>	32,791.00		--
Total		<u>3,34,64,170.73</u>	<u>2,10,03,877.00</u>	

58
29
177
-28
5,08,184

SCHEDULE 6 : INVENTORIES

	As at 31.3.1988 Rs.	As at 31.3.1987 Rs.
A. Stores and Spare parts (at cost)	7,99,064.65	---
B. Loose Tools (at cost)	22,447.87	---
C. Laboratory Equipments (at cost)	2,225.60	---
D. Stock (as per particulars given below) (valued at cost price or market price which ever is lower)	11,85,688.77	11,23,668.23
	<u>20,09,425.89</u>	<u>11,23,668.23</u>

Details of Stock:

Description	Unit	Qty	Stock As at 31.3.1988		Qty.	Rate	As at 31.3.1987 Value
			Rate	Value			
1. OTS Cans (A2-1/2 size)	Pcs	17,800	3.25	57,850.00	1,17,520	3.25	3,81,940.00
2. Tall Cans	"	--	--	--	2,000	0.50(rust)	1,000.00
3. Lables	"	--	--	--	44,600	0.178	7,938.80
4. Carboys	"	996	140.00	1,39,440.00	996	140.00	1,39,440.00
5. Citronella Oil	Kg.	3296.25	134.92	4,44,730.05	4522.05	115.92	5,24,223.33
6. Cashewnuts (Kernal)	"	--	--	--	300.00	92.00	27,600.00
7. Onion	"	--	--	--	2581.50	1.31	3,381.76
8. Coconuts	pcs	--	--	--	16301.00	2.34	38,144.34
9. Dry Chillies	qtls	7.345	15.00	2,000.00	--	--	--
10. Sesame seed	"	41.20	26.20	700.00	--	--	--
				624.00	--	--	--
				380.00	--	--	--
11. Naga dal	"	64.00		375.00	--	--	--
		74.25		350.00	--	--	--
12. Ginger (including 85.80 qtls in transit to NAFED Delhi)	"	103.80	18.00		--	--	--
			85.80	358.00	--	--	--
				160.00	--	--	--
13. Maize	"	4.00		30,716.40	--	--	--
				640.00	--	--	--

14. Paddy					238.00	1,071.00		
15. Mustard seed		4.50			525.00	1,155.00		
16. Geraniol pure		2.20			280.00	1,31,600.00		
17. Citronella pure		470.00			280.00	30,800.00		
18. Geraniol Top		110.00			115.00	17,710.00		
19. Citronella Top		154.00			115.00	7,590.00		
20. Citronella residue		66.00			50.00	3,550.00		
21. Citronella oil residue		71.00			40.00	4,560.00		
22. Terpene		114.00			38.00	836.00		
23. Geraniol residue		22.00			50.00	4,600.00		
24. Tea		92.00			38.80	1,649.00		
25. Assam Honey		42.50			14.00	5,516.00		
26. Chilly pickle		355		B.316	28.00	—		
27. Fruit Products		53		B.39	10.75	569.75		
28. Aromatic products with ACAP (under process)		—			—	21,139.90		
29. Horticultural Tools & Implements		861.40			—	1,76,544.00		
30. Papaya Seed		—			—	3,029.12		
Total (Rs.)						390.00		
Stock of Ginger found short in 1984-85						11,85,688.77		11,23,668.23
Less: provision for loss						40,887.00		40,887.00
						40,887.00		40,887.00

Note: The Inventory has been verified, valued and certified by the management.

SCHEDULE 7 : SUNDRY DEBTORS

NERAMAC 

		As at 31.3.1988 Rs.	As at 31.3.1987 Rs.
A.	Unsecured; considered good		
i)	Debts outstanding for a period exceeding six months but less than one year	1,29,855.10	17,928.61
ii)	Debts outstanding for period exceeding one year but less than two years	17,928.61	7,56,202.43
iii)	Debts outstanding for a period exceeding two yrs.	8,73,859.20	7,79,949.96
iv)	Other debts - Unsecured, considered good	5,92,034.47	20,970.00
B.	Unsecured; considered doubtful	4,94,341.63	
	Less: Provision for doubtful debts	<u>4,94,341.63</u>	-
	Total	<u>16,13,677.38</u>	<u>15,75,051.00</u>

SCHEDULE 8 : CASH & BANK BALANCE

	As at 31.3.1988 Rs.	As at 31.3.1987 Rs.
A. Cash Balance on Hand :		
Cash & Cheque in hand (H.O)	3,82,372.19	15,027.00
Imprest cash	3,278.37	7,537.40
Cash at Branches/Plant/Units	13,064.04	20,222.21
Postage in hand	193.60	340.70
Imprest with Shri S. Murali & S.N. Bhat (employees)	--	210.95
Total (A)	<u>3,98,908.20</u>	<u>43,338.26</u>
B. Bank Balance with Scheduled Banks		
a)		
State Bank of India - New Guwahati Branch in Current Account	63,915.67	3,55,386.57
Agartala Branch, Tripura in savings Bank Account	17,13,856.64	1,29,955.53
Dhakuria Branch, Calcutta in Savings Bank Account	1,23,616.73	1,18,504.27
Haflong Branch, Haflong in current Account	--	604.00
Mahur Branch, Mahur in Current Account	--	3,940.10
Borjhar Branch, Guwahati in Current Account	1,48,336.05	---
Kumarghat Branch, Tripura in Current Account	81,285.84	---
Kumarghat Branch, Tripura in Term Deposit Account	9,22,243.39	---
b)		
United Bank of India Agartala Branch in Current Account - I	490.00	490.00
- do - II	2,366.40	11,39,518.85
G.S.Road Branch in Savings Bank Account	--	2,24,865.51

	G.S. Road Branch in Short Term Deposit	--	10,56,640.00
	Agartala Branch in Short Term Deposit	--	1,60,000.00
	Guwahati Branch in Short Term Deposit	--	25,20,000.00
c)	Indian Bank, Fancy Bazar Branch in Short Term Deposit Account	89,06,400.00	1,65,48,426.83
	Digboi Branch, Digboi in Current Account	2,58,421.45	95,109.85
	Shillong Branch in Current Account	41,861.00	47,951.00
	Dimapur Branch, Dimapur in Current Account	4,774.70	4,289.95
	Calcutta Brnach, Calcutta in Current Account	5,39,555.61	---
	Fancy Bazar Brnach, Guwahiti in current Account	66,667.51	14,70,086.46
d)	Punjab National Bank, Zoo Road Branch in Short Term Deposit	--	10,00,000.00
e)	Vijaya bank, Imphal Branch, Imphal in Current Account	75,225.83	1,49,734.85
	Imphal Branch in Short Term Deposit	1,00,000.00	---
	Total (B)	<u>1,30,49,016.82</u>	<u>2,50,25,503.77</u>
	Grand Total (A+B)	<u>1,34,47,925.02</u>	<u>2,50,68,842.03</u>

SCHEDULE 9 : LOANS & ADVANCES

		As at 31.3.88	As at 31.3.87
		Rs.	Rs.
(Recoverable in cash or kind for value to be received)			
A. Unsecured: Considered Good			
i)	Advances	6,06,744.57	8,82,580.05
ii)	T.A. advance to employees (including Rs. 12,754.18 for CMD)	1,02,090.60	54,402.45
iii)	Advance to Staff	43,626.00	7,000.00
iv)	Deposits	1,32,141.75	1,07,764.25
v)	Bank Suspense	6,641.34	341.34
vi)	Advance payment to Corpn. tax	52,859.00	6,57,425.00
	Less: Provision for Taxation	<u>52,859.00</u>	<u>6,57,425.00</u>
vii)	Payment to Corporation Tax (under revision)	1,67,800.00	1,67,800.00
viii)	Insurance claim on vehicle	75,095.35	---
B. Unsecured : Considered doubtful			
		2,14,646.22	2,14,646.22
	Less: Provision for doubtful advance	2,14,646.22	2,14,646.22
		<u>11,34,139.61</u>	<u>12,19,888.09</u>

SCHEDULE 10 : CURRENT LIABILITIES AND PROVISIONS

	As at 31.3.1988 Rs.	As at 31.3.1987 Rs.
Current Liabilities :		
a) Sundry Creditors	6,00,408.38	9,34,371.78
b) Other Liabilities	25,63,725.25	3,79,681.06
c) Interest accrued but not due on loan	36,55,869.00	7,23,529.00
d) Security Deposits	4,253.60	3,800.00
e) Provision for taxation	52,859.00	6,57,425.00
Less: Advance tax paid	<u>52,859.00</u> —	<u>6,57,425.00</u> —
f) Retention Money	16,786.24	6,08,487.90
	<u>68,41,042.47</u>	<u>26,49,869.74</u>

SCHEDULE 11 : SALES

Sl.	Commodities	Unit	31.3.1988		31.3.1987	
			Qty	Value	Qty	Value
1.	Pineapple	pcs	1,91,910	1,89,741.18	-	-
2.	OTS Cans	"	97,665	3,86,838.75	42840	1,59,400.05
3.	Tall Cans	"	-	-	4279	11,767.25
4.	Coconut	"	11,635	34,293.95	13,846	41,092.50
5.	Citronella oil	kg	16,806.52	22,93,387.65	6529.85	7,82,842.86
6.	Cotton seed	Qtls	-	-	116.15	13,938.00
7.	Cashewnuts (Kernal)	Kgs	269.75	20,903.05	-	-
8.	Coconut seednut	pcs	-	-	19,762	1,31,691.70
9.	Onion	Qtls	231.64	61,413.90	90.85	24,432.89
10.	Vegetables	"	-	2,535.51	-	77,228.34
11.	Maize	"	683.10	1,07,748.10	-	-
12.	Geraniol for Soap	Kg	9.05	1,009.03	-	-
13.	Geraniol pure	"	590.65	1,67,320.02	-	-
14.	Terpene	"	40.00	1,623.03	-	-
15.	Dry Chillies	Qtls	2.55	5,853.50	-	-
16.	M.Oil Cake	"	3,300.69	11,68,605.85	-	-
17.	Naga dal	"	64.60	24,573.00	-	-
18.	Quick Lime	"	1,502.84	3,90,166.64	-	-
19.	Geronial Top	Kg	158.270	22,704.85	-	-
20.	Sesame seed	Qtls	10.26	7,438.50	-	-
21.	Paddy	"	240.00	62,372.50	-	-
22.	Ground Nut	"	0.30	220.00	-	-
23.	Cashewnut (Raw)	"	322.95	3,06,360.30	278.62	2,39,412.05
24.	Potato	"	7.85	1,686.00	-	-
25.	Soyabean	"	198.50	75,430.00	-	-
26.	Citronella pure	Kg	370.20	1,05,491.88	-	-
27.	Citronella Tops	"	38.25	92.46	-	-
28.	Citronella residue	"	88.40	4,420.00	-	-
29.	Citronella oil residue	"	234.60	9,384.00	-	-
30.	Geronial residue	"	71.30	3,567.50	-	-
31.	Ginger	Qtls	103.05	60,513.27	-	-
32.	Turmeric	"	95.00	33,915.00	-	-
33.	Assam Honey	Bottle	2387	47,556.00	-	-
34.	Assa Tea	Kg.	276.00	16,985.20	-	-

35. Mango Pickle	Bottle	66	986.00	-	-
36. Supari	Kg	15.70	649.00	-	-
37. Chilli Pickle	Bottle	155	2,325.00	-	-
38. Fruit Products	"	-	92,970.55	-	-
39. Horticultural Tools & Implements		-	<u>2,504.80</u>	-	<u>-</u>
Less :			<u>57,13,585.97</u>		<u>14,81,805.64</u>
Sales return:					
a) Tall Cans 5279				10,269.60	
b) OTS Cans 18240			--	<u>59,280.00</u>	69,549.60
Total			<u>57,13,585.97</u>		<u>14,12,256.04</u>

NOTE:

Sales for the current year has been shown at gross value, inclusive of Sales Tax, whereas Sales for previous year has been shown at net value.

SCHEDULE 12 : COST OF SALES

	As at 31.3.1988 Rs.	As at 31.3. 1987 Rs.
Opening Stock (as per Annexure A)	11,23,668.23	9,60,904.29
Purchases (as per Annexure B)	50,13,452.26 ✓	14,02,774.55
Freight & Handling	4,56,816.05	82,694.65
Cost of drums	40,547.43 ✓	11,245.00
Octroi duty	15,690.00 ✓	6,935.20
Cost of gunny bags	21,626.91 ✓	2,368.00
Entry Tax	7,112.00 ✓	---
Collection charges (Citronella oil)	3,784.50 ✓	---
Processing cost (Citronella Oil)	1,11,705.00 ✓	---
	67,94,402.38	24,66,921.69
Less:		
Closing stock (at cost or market price whichever is lower) as per Schedule 6	11,85,688.77	11,23,668.23
Stock Adjustment (Cartons)	- <u> </u>	<u>7,264.40</u> 11,30,932.63
Total	<u>56,08,713.61</u>	<u>13,35,989.06</u>

Note: Shortages found in stock has been adjusted against closing stock.

ANNEXURE "A" TO SCHEDULE 12: OPENING STOCK

Description	Unit	Qty	Rate	As at 31.3.1988		As at 31.3.87	
				Qty	Value	Qty	Value
1. OTS Cans (A2-1/2 size)	Pcs	1,17,520	3.25	3,81,940.00	1,42,120	4,61,890.00	
2. Tails Cans	"	2,000	0.50 (rusted)	1,000.00	1,000	2,380.00	
3. Cartons (Inset)	"	--	--	--	635	7,264.40	
4. Labels	"	44,600	0.178	7,938.80	44,600	7,938.80	
5. Carboys	"	996	140.00	1,39,440.00	996	1,39,440.00	
6. Inset for cartons	"	--	--	--	290	307.40	
7. Citronella oil	Kg	4,522.05	115.92	5,24,223.33	3,040.37	3,12,121.09	
8. Cotton seed	Qtis	--	--	--	117.30	29,562.60	
9. Cashewnuts	Kg	300.00	92.00	27,600.00	--	--	
10. Onion	"	2,581.50	1.31	3,381.76	--	--	
11. Coconuts	Pcs	16,301	2.34	38,144.34	--	--	
Total				<u>11,23,668.23</u>		<u>9,60,904.29</u>	
Stock of ginger found short in 1984-85				40,887.00		40,887.00	
Less : Provision for loss				40,887.00		40,887.00	
						<u> </u>	

N.B.: Stock has been valued at cost price or market price whichever is lower.

ANNEXURE 'B' TO SCHEDULE 12 : PURCHASES

Sl. No.	Commodities	Unit	As at 31.3.1988		As at 31.3.1987	
			Qty.	Value Rs.	Qty	Value Rs.
1.	Coconut	Pcs	6519	15721.50	33985	74,650.50
2.	Citronella oil	kgs	19,962.725	26,06,130.17	8074.975	9,08,831.22
3.	Cashewnuts(Raw)	qtls	334.29	2,39,396.35	28,094.90	2,03,907.83
4.	Vegetables	-	-	2,450.30	-	73,949.30
5.	Onion	qtls	238.23	1,11,512.05	150.00	19,625.00
6.	Coconut(seednuts)	pcs	-	-	19762	1,21,810.70
7.	Pineapple	"	2,20,898	2,01,023.36	-	-
8.	Groundnuts	qtls	0.30	210.00	-	-
9.	Dry Chillies	"	10,295	20,120.00	-	-
10.	Sesame seed	"	53.38	34,451.00	-	-
11.	Naga dal	"	207.00	77,945.00	-	-
12.	Ginger	"	228.20	83,698.50	-	-
13.	Maize	"	687.19	1,00,306.40	-	-
14.	Potato	"	7.85	1,669.14	-	-
15.	Paddy	"	244.80	62,116.00	-	-
16.	Soyabean	"	198.50	74,437.50	-	-
17.	M. Oil Cake	"	3308.35	9,23,079.75	-	-
18.	Quick lime	"	1511.24	2,99,226.82	-	-
19.	M. Seed	"	2.20	1,155.00	-	-
20.	Turmeric	"	95.00	33,250.00	-	-
21.	Supari	kgs	26.00	657.00	-	-
22.	Tea	"	325.00	13,742.66	-	-
23.	Assam Honey	Bottle	2732	37,944.00	-	-
24.	Mango pickle	"	66	696.66	-	-
25.	Chilly pickle.	Tins	216	2,371.36	-	-
26.	Fruit products	-	-	64,318.14	-	-
27.	Horticultutural Tools & Implements	-	-	5,433.60	-	-
28.	(Papaya) Seeds	-	-	390.00	-	-
	Total			<u>50,13,452.26</u>		<u>14,02,774.55</u>

SCHEDULE 13 : OTHER INCOME

NERAMAC 

	As at 31.3.1988 Rs.	As at 31.3. 1987 Rs.
1. Interest from Banks	10,95,287.37	6,48,808.64
2. Guest House Rent (cash basis)	6,747.70	10,562.25
3. Commission & Brokerage	--	479.95
4. Miscellaneous Income	5,405.27	3,077.70
5. Profit on Joint Venture	12,092.26	1,999.95
6. Commission on Consignment Sale	3,394.33	---
Total	<u>11,22,926.93</u>	<u>6,64,928.49</u>

SCHEDULE 14 : PRIOR PERIOD ADJUSTMENTS

	As at 31.3.1988		As at 31.3.1987	
	Rs	Rs.	Rs.	Rs.
I. Receipts				
1) Sales	720.00		—	
2) Other Income	<u>523.20</u>	1,243.20	<u>1,994.29</u>	1,994.29
II. Expenses				
1) Medical Expenses	444.95		36,206.25	
2) Travelling expenses	--		5,273.02	
3) Special Duty Allowance	--		4,967.71	
4) Purchases	--		5,038.66	
5) Pay & Allowances	5,655.20		3,277.08	
6) Bank charges	--		925.53	
7) Miscellaneous expenses	--		900.00	
8) Loss on Consignment sales	--		14,469.55	
9) Rent	3,500.00		101.84	
10) Sale price variance adjustment	--		82,809.00	
11) Sales Tax	427.75		---	
12) Gratuity	13,550.10		---	
13) Push Carts	3,000.00		---	
14) Professional Tax	525.00		---	
15) Interest accrued	4,348.49		---	
16) Advertisement	10,004.00		---	
17) Telegram/ Telex Expenses	<u>1,474.00</u>	<u>42,929.49</u>	-	<u>1,53,968.64</u>
		(-)41,686.29		1,51,974.55
III. Income Tax relating to earlier years				
		2,861.00	---	
Total		<u>44,547.29</u>		<u>1,51,974.55</u>

SCHEDULE 15 : EXPENSES

NERAMAC 

	As at 31.3.1988 Rs.	As at 31.3.1987 Rs.
A. ESTABLISHMENT		
Pay and Allowances	8,35,353.50	6,73,327.43
Wages	80,903.97	44,634.65
Employers contribution towards provident fund & family pension	72,658.00	38,387.00
Staff Welfare	39,241.56	28,380.20
Gratuity contribution	12,387.20	10,699.20
Leave Salary Contribution	5488.00	900.40
Group Insurance	1,200.00	1,200.00
Administrative charges towards CPF/DLI	5,922.00	4,572.00
Honorarium	7,050.00	1,800.00
Bonus	76,585.00	---
Total	<u>11,36,789.23</u>	<u>8,03,900.88</u>
B. ADMINISTRATIVE & SELLING EXPENSES		
Rent (including storage charges)	1,77,922.05 ✓	1,96,276.70
Electricity charges	8,875.00 ✓	5,387.20
Postage & Telegram	12,444.60 ✓	4,756.25
Telephone & Telex	72,312.50 ✓	60,488.38
Books & Periodicals	7,985.60 ✓	5,487.90
Travelling expenses (including LTC, TTA, TA & Directors TA of Rs. 1,10,713.66)	3,23,653.21 ✓	3,34,657.37
Rates & Taxes	11,137.00 ✓	5,221.00
Insurance	47,964.66 ✓	40,587.24
Statutory Audit Fee	7,000.00 ✓	7,000.00
Laboratory Testing	751.50 ✓	---
Conveyance	14,489.60 ✓	9,856.20
Miscellaneous Expenses	48,052.98 ✓	23,470.00
Printing & Stationery	44,206.21 ✓	28,386.01
Electrical Fittings	5,649.85 ✓	10,463.91
Vehicle running & Maintenance	1,32,050.25 ✓	1,16,890.41
Membership Fees	2,075.00 ✓	3,237.00
Filling & Registration Fees	600.00 ✓	670.00
Tools & Implements	3,169.35 ✓	5,007.41
Water & Sanitary fittings	---	9,065.62
Inauguration of Z.O.Imphal	3,845.10 ✓	---
Tax Audit Fees	4,000.00 ✓	4,000.00
Liveries	1,862.65	3,707.64

Guest House maintenance	6,176.20 ✓	15,990.41
Maintenance of office building	1,042.70 ✓	1,000.00
Professional & Legal Expenses	27,759.35 ✓	15,075.00
Advertisement	69,856.50 ✓	4,230.00
Bank charges	9,672.95 ✓	9,156.98
Entertainment Expenses	50,809.17 ✓	26,450.88
Sales Expenses (including wages to casual sales man)	--	18,532.50
Seminars & Conferences	--	2,500.00
Maintenance and servicing of office equipments	1,161.00 ✓	1,573.40
Sales Tax	45,678.03 ✓	---
Cost of Banners	--	5,310.00
Cost of Pushcart	--	6,524.50
Commission on Sales	32,380.09 ✓	---
Logo	27,137.00 ✓	---
Total	<u>12,01,747.10</u>	<u>9,80,959.91</u>
Grand Total (A+B)	<u>23,38,536.33</u>	<u>17,84,860.79</u>

SCHEDULE 16: SHORTAGES IN STOCK

Sl. No.	Particulars	Stock as per book records as on 31.3.88	Stock as per physical verification as on 31.3.88	Shortage for the year ended on 31.3.88	Rate	Value	Value	Stock as per book records as on 31.3.87	Stock as per physical verification as on 31.3.87	Shortage for the year ended on 31.3.87	Rate
1.	OTS Cans (A2-1/2 size)	19,855 pcs	17,800	2055	3.25	6678.75	1,17,520	117520	-	-	-
2.	Ginger	125.15 qtls	103.80	21.35	354.00	7557.90	-	-	-	-	-
3.	Pineapple *	28,988 pcs	7.35	28,988	0.85	24639.80	-	-	-	-	-
4.	Dry Chillies	7.75 qtls	41.20	0.41	2000.00	810.00	-	-	-	-	-
5.	Sesam Seed	43.12 "	138.25	1.92	662.00	1271.04	-	-	-	-	-
6.	Naga dal	142.40 "	4.00	4.15	377.00	1564.55	-	-	-	-	-
7.	Maize	4.09 "	4.50	0.09	160.00	14.40	-	-	-	-	-
8.	Paddy	4.80 "	7.67 "	0.30	238.00	71.40	-	-	-	-	-
9.	M.Oil Cake	7.67 "	8.403 "	7.67	279.00	2138.53	-	-	-	-	-
10.	Quick lime	8.403 "	30.25 kg	8.403	198.00	1664.00	-	290	-	-	-
11.	Inset for cartons	30.25 kg	479.35 "	30.25	92.00	2783.00	-	-	-	-	-
12.	Cashew Kernel	479.35 "	2000 pcs	9.35	261.60	2445.96	-	-	1.15	252.03	289.83
13.	Geraniol Pure	-	11,185 "	-	-	1000.00	2000	2000	-	-	-
14.	Cotton seeds	-	32.41 qtls	2000	0.50	1000.00	20139	16,301	3838	2.34	8980.92
15.	Tail Cans	-	3347.56 kg	11,185	2.40	26844.00	5,914.20	2581.50	3332.70	1.31	4365.83
16.	Coconuts	-	44,600 pcs	32.41	468.00	15167.88	4,583.21	4522.05	61.17	115.92	7090.82
17.	Onions *	-	996 "	51.31	134.92	5922.74	44,600.00	44600.00	-	-	-
18.	Citronella oil *	-	1134.00 kg	44600	0.178	7938.80	996	996	-	-	-
19.	Labels	-	110.00	1134.00	7.16	8119.44	300	300	-	-	-
20.	Carboys	-	110.00	11.60	280.00	3248.00	-	-	-	-	-
21.	Cashewnut	-	154.00	4.73	115.00	543.95	-	-	-	-	-
22.	Citronella Pure	-	66.00	1.75	115.00	201.25	-	-	-	-	-
23.	Geraniol top	-	71.90 "	0.90	50.00	45.00	-	-	-	-	-
24.	Citronella top	-	114.00	3.40	40.00	136.00	-	-	-	-	-
25.	Citronella residue	-	22.00	0.70	38.00	26.60	-	-	-	-	-
26.	Citronella oil residue	-	0.35 "	0.35	120.00	42.00	-	-	-	-	-
27.	Terpene	-	10.30 "	10.30	25.26	260.17	-	-	-	-	-
28.	Geraniol for soap	-	49.00 Kg	6.50	38.80	3260.47	-	-	-	-	-
29.	Supari	-	61 tins	8.00	10.75	252.20	-	-	-	-	-
30.	Fruits Products	-	42.50	-	38.80	86.00	-	-	-	-	-
31.	Tea	-	53	-	10.75	86.00	-	-	-	-	-
32.	Chilly Pickle	-	-	-	-	-	-	-	-	-	-
						1,25,733.83				20,727.40	

Total (Rs.)

* Includes damaged Stocks.

SCHEDULE 17 : NOTES TO ACCOUNTS

1. Claims against the Corporation not acknowledged as debts :

The Income Tax authorities have raised a demand of Rs. 1,67,800.00 for the assessment year 1983-84. The Corporation has filed revision petition before the Commissioner of Income Tax where the matter is subjudiced.

2. The estimated amount of contract remaining to be executed on capital account is Rs. 30 lakhs (preious year Rs. 46.29 lakhs).

3. The fruit juice concentrate plant of Nalkata has been inaugurated on 10th June 88. The capital expenditure incurred upto 31st March, 1988 has been included in Schedule 5. Pre operative expenses allocated to capital work in progress will be allocated to building, plant and machinery etc. after commissioning of the project. Expenditure incurred in respect of Administrative work at Site including recruitment expenses of employees has been treated as pre-operative expenses. 50% of Vehicle Running and Maintenance expenses incurred at Agartala during 1st April 1987 to 31st March, 88 have also been treated as pre-operative expenses.

4. The Corporation has been allotted 3.64 hectare of land in C S Plot No. 377 (new) of Mauza Nalkata, under Kailashkar Sub-Division. Tripura free of cost by the Govt. of Tripura for the construction of Fruti Juice concentrate plant at Nalkata. The title of ownership is yet to be tranferred and therefore no adjustment has been made in the books of accounts.

5. a) The Insurance claim on account of shortage of stock are accounted for as and when settled due to uncertainty of settlement.

b) The Insurance claim on motor vehicle which relates to a Maruti Gypsy, which met with an accident is accounted for on the written down value of the vehicle.

6. CIF Value of Imports	Current Year Rs.	Previous Year Rs.
Spare parts	3345/-	Nil
Capital goods	--	42.90 lakhs
Packing materials (aseptic bags)	3.03 lakhs	---

7. Break up of expenditure on employees who are in receipt of remuneration amounting in the aggregate to Rs. 36,000/- or more per annum if employed for full year and of Rs3,000/- or more per month if employed for part of the year.

	Employed for full year		Employed for part of the year	
	Current Year	Previous Year	Current Year	Previous Year
i) No. of employees	5	4	4	2
ii) Salaries & Allowances	2,64,610.49	2,11,133.41	1,20,446.55	71,493.30

iii) Contribution to PF	19,115.00	15,675.00	501.00	1,390.00
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8. Payment to and provisions in respect of payments to statutory auditors.

	Current Year Rs.	Previous Year Rs.
As Audit fee	7,000.00	7,000.00
In other capacity:		
1. Tax audit fee	4,000.00	4,000.00
2. Management services	15,000.00	---
	<u>26,000.00</u>	<u>11,000.00</u>

9. Payment to and provisions in respect of payments chairman-cum-Managing Director.

	Current Year Rs.	Previous Year Rs.
1. Pay & Allowances	74,576.09	78,165.70
2. Entertainment	6,000.00	6,000.00
3. Medical Benefits	<u>7,344.23</u>	<u>1,673.04</u>
4. C.P.F.	7,970.00	5,778.00
5. T.T.A.	--	14,960.00
6. L.T.C.	2,378.00	4,266.00

10. No provision for taxation has been made in the accounts for the current year in view of loss incurred.

11. Leave salary contribution of the following incumbents departments could not be provided due to non-receipt of detailed statement of accounts from the incumbent's concerned.

1. Shri D.B. Chakraborty, A.E., Nalkata
2. Shri Tapan Acharjee, AMM, Nalkata
3. Shri J. Darlong, AMM, Nalkata
4. Shri N. Nimai Singh, AMM, Imphal

12. Guest house rental receipts are accounted for on cash basis.

13. The previous year figures have been re-grouped wherever necessary.

14. Capital works in progress (Plant and Machinery) includes a payment of Rs. 71.46 lakhs to M/s Vulcan Laval on account of imported machinery which includes customs duties and the differences in exchange rates both in U.S. Dollars and Swedish Kroners between the period of opening of Letter of Credit and the period of clearing the imported materials. The necessary adjustments limiting the landed cost of imported machinery to Rs. 62.90 lakhs (as per terms of

agreement equivalent to CIF US \$ 3.20 lakhs on the date of clearance) will be done at the time of final settlement during arbitration with the contractors....

15. Provisions for outstanding liabilities in respect of rent payable for Dimapur and Imphal offices has not been made as the matter is under discussion with the respective State Governments and the Corporation is hopeful of getting the office accommodation free of rent for one year.

Signatures for Schedules 1 to 17.

For and on behalf of Board

As per our report of even date

(O.P. Grover)
Director

(Dr. L. Krishnaswamy)
Chairman-cum-Managing Director

(T.V. Sundaresan)
Financial Adviser-
cum-Company Secretary

For N.K. Dosi & Co.,
Chartered Accountants

(N.K. Dosi)
Partner

Place: Guwahati
Date : July 5, 1988.

COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF NORTHEASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH 1988.

The comptroller & Auditor General of India has decided not to review the report of the Auditors for the year ended 31st March, 1988 on the Accounts of North Eastern Regional Agricultural Marketing Corporation Limited and as such he has no comments to make under Section 619(4) of the Companies Act, 1956.

(K. Krishnan)
Member, Audit Board & Ex-Officio
Director of Commercial Audit II
Calcutta

Place : Calcutta
Date : August 5, 1988

