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NERAMAC

**EIGHTH
ANNUAL
REPORT
1989-90**

NERAMAC

**EIGHTH
ANNUAL
REPORT
1989-90**

VERBODEN TOEGANG

**NORTH EASTERN REGIONAL AGRICULTURAL
MARKETING CORPORATION LIMITED**

BOARD OF DIRECTORS
(As on 22nd Feb., 1994)

8TH
ANNUAL REPORT 1989-90
NORTH EASTERN REGIONAL
AGRICULTURAL MARKETING
CORPORATION LIMITED

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CHAIRMAN-CUM-MANAGING DIRECTOR

Dr. M.M. Krishna

DIRECTORS :

Shri R. Thansanga

Dr. A.G. Naik Kurade

Dr. V.N. Asopa

Shri J. Tayeng

Shri H.V. Lalringa

Shri C.D. Deori

Mrs. Anita Menon

Shri Ashish Kumar

Shri Bhaskar Mushahary

Shri V. Thulsidas

Shri A.B. Jamir

COMPANY SECRETARY (ACTING)

Shri L. Rahman

AUDITORS

M/s H. Khound & Co.

Chartered Accountants

Panbazar

Guwahati-781001.

BANKERS

State Bank of India

United Bank of India

Indian Bank

Vijaya Bank

Central Bank of India

ANZ Grindlay's Bank

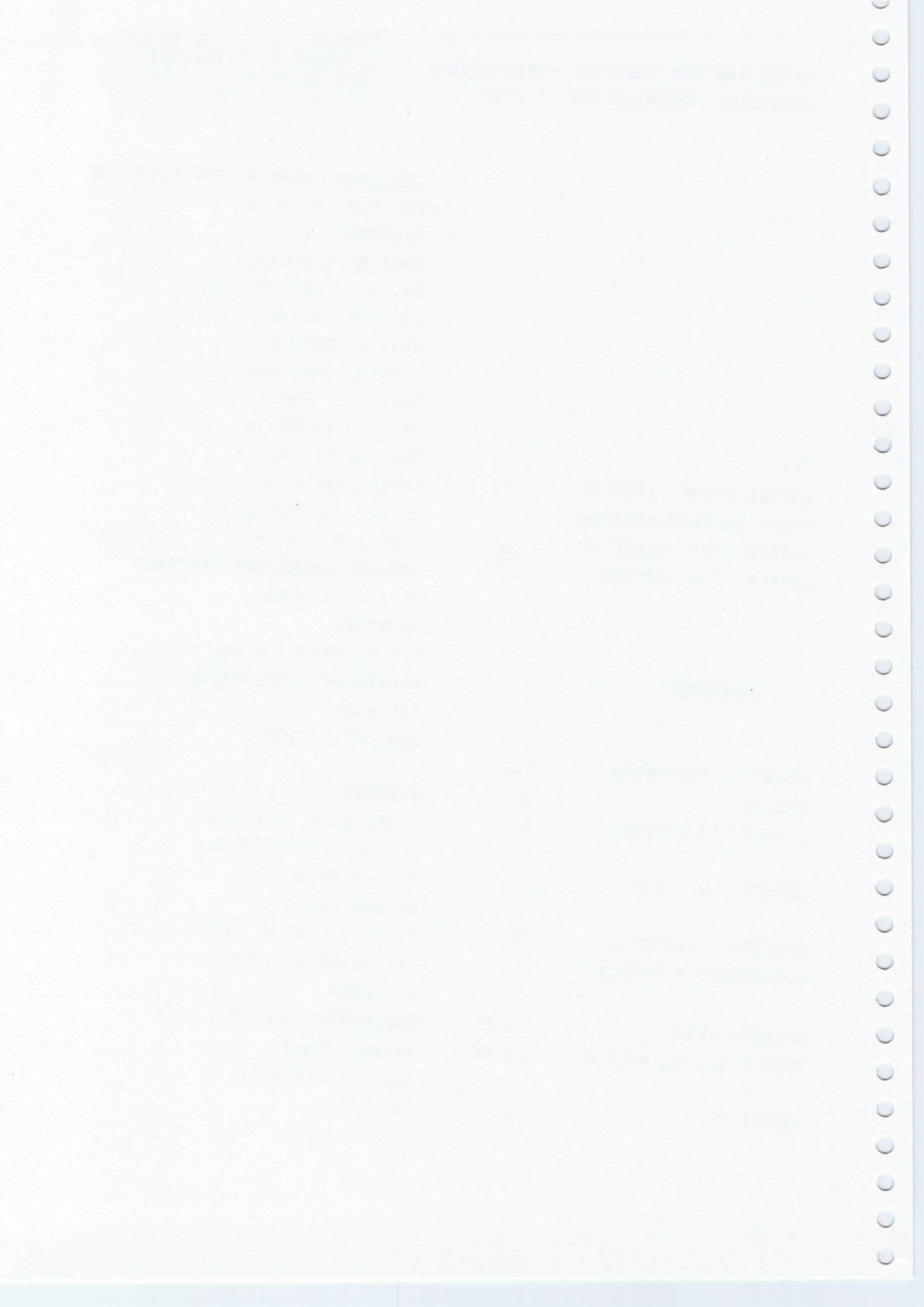
UCO Bank

REGISTERED OFFICE

Rajgarh Road

Guwahati-781003

(Assam).



**NORTH EASTERN REGIONAL AGRICULTURAL
MARKETING CORPORATION LIMITED**

BOARD OF DIRECTORS
(As on 31st March, 1990)

CHAIRMAN-CUM-MANAGING DIRECTOR

Dr. L. Krishnaswamy

DIRECTORS

Shri T. Imchen

Shri R. Thansanga

Shri O.P. Grover

Dr. Anand G. Naik Kurade

Dr. Vijendra Nath Asopa

Dr. V.H. Potty

Shri L. Rynjah

Shri D.V. Singh

Shri A.R. Kale

Shri Sunil Kumar

Shri P.K. Choudhury

Shri Syamal Ghosh

Kumari Archana Arora

Shri C.D. Tripathi

FINANCIAL ADVISER CUM

COMPANY SECRETARY

(Shri T.V. Sundaresan)

- till 6.5.90

AUDITORS

M/s H.Khound & Co.

Chartered Accountants

Panbazar

Guwahati-781001.

BANKERS

State Bank of India

United Bank of India

Indian Bank

Central Bank of India

Vijaya Bank

REGISTERED OFFICE

Rajgarh Road

Guwahati-78003.

(Assam).

UNITED STATES NATIONAL ARCHIVES
COLLECTION OF DOCUMENTS

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North Eastern Regional Agricultural Marketing Corporation Ltd.

(Govt. Of India Undertaking).

Phone : 27062

REF NO.....

DATE.....^{24.01.94}

N O T I C E

Notice is hereby given that the 8th Adjourned Annual General Meeting for the year 1989-90 of the North Eastern Regional Agricultural Marketing Corporation Limited will be held on Tuesday, 22nd February, 1994 at 3.00 PM at the Registered Office of the Company at Rajgarh Road, Guwahati, to transact the following business :

1. To receive and adopt the Directors' Report and Audited Accounts for the year ended 31st March, 1990.
2. Any other business that may ordinarily be transacted with the permission of the Chair.

By orders of the Board of Directors



(DR. M.M. KRISHNA)

CHAIRMAN-CUM-MANAGING DIRECTOR

Place : Guwahati

Date : January, 24, 1994

To : 1. All Members of the Company.

2. M/s H. Khound & Co.
Chartered Accountants,
Panbazar, Guwahati-781001.

- :-----:-

NOTE : A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company.

DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Board of Directors have pleasure in placing the Annual Report of the working of the Corporation alongwith the statement of accounts and the Auditors' Report for the year ended 31st March, 1990.

FINANCIAL PERFORMANCE

The financial results of the Company for the year ended 31st March, 1990 are summarised below:

	(Rupees in lakhs)	
	<u>1989-90</u>	<u>1988-89</u>
Profit/Loss before interest and depreciation	(108.99)	(54.76)
Less: Interest	61.36	45.12
Operational loss	(170.35)	(99.88)
Less: Depreciation	39.14	45.62
Book loss	(209.49)	(145.50)
Transfer to General Reserve	(209.49)	(145.50)

During the year the turnover of the Company was Rs.121.45 lakhs as compared to Rs.83.03 lakhs during the previous year. The increase in turnover was essentially on account of increased trading activity in oil seed cakes, pineapple juice in tetrapak (Pineap), fruit product, and fishery inputs. etc. Loss before interest and depreciation during the year was Rs.108.99 lakhs as compared to Rs.54.76 lakhs during the previous year. The corporation incurred a net loss of Rs.209.49 lakhs during the year as compared to Rs.145.50 lakhs in the previous year. The increase in losses was essentially due to very low production activity at the Pineapple Juice Concentrate Plant, disposal of Pineapple Juice Concentrate and Pineap below the cost of production and incidence of higher level of depreciation and interest as well as higher level of cost on account of rent, advertising, freight and handling and sales tax etc. during the year.

CAPITAL STRUCTURE

1. SHARE CAPITAL

The authorised share capital of the corporation as on 31.3.1990 remained same as in the previous year and stood at Rs.500.00 lakhs.

There is no change in the paid-up capital of the Corporation as on 31.3.1990 as compared to previous year and stood at Rs.244.00 lakhs.

2. LOAN CAPITAL

(Rupees in lakhs)

1. Government of India	281.00
2. Interest accrued and due on loan availed from Government of India.	153.00
3. Cash credit from Central Bank of India, Guwahati Branch.	0.03
4. Short term loan - from Modern Food Industries (India) Limited, New Delhi.	15.00

DIVIDEND

In view of losses during the year no Dividend has been recommended.

PHYSICAL PERFORMANCE

1. Fruit Juice Concentrate Plant:

Fruit Juice Concentrate Plant at Nalkata could process only 1023.60 MT Pineapple fruits during the year 1989-90 and could produce 62.82 MT Pineapple Juice Concentrate as against installed capacity of 634.00 MT concentrate. The output ratio is 16.29:1 as against 9.08:1 as envisaged in the Project Report.

Keeping in view the constraint in marketing the concentrate, the Corporation had decided to launch Ready-to-Serve beverages under the brand name 'PINEAP' to pave the way for utilization of pineapple juice concentrate. A total number of 87,053 trays of ready to serve beverages were processed by utilising 22.12 MT of concentrate during the year.

2. Trading Activities:

The Corporation during the year 1989-90 could marketed 94,956 trays of PINEAP as against marketing of 1715 trays of PINEAP during 1988-89.

Apart from Pineap, the Corporation also had marketed various other items such as oil cakes, citronella oil, Honey, cashewnuts, fruit products and fruit juice, quick lime, Fishery inputs etc. in addition to other traditional items. The total turnover on trading activities was 63.31 lakhs.

PARTICULARS OF THE EMPLOYEES:

The statement giving particulars of employees as required under Section 217(2A) of the Companies Act, 1956 is furnished in Annexure-I.

AUDITORS OF THE COMPANY:

M/S. H. Khound & Co., Chartered Accountants, Guwahati were appointed as Statutory Auditors of the Corporation for the financial year 1989-90. Auditors' Report on the Audit of Accounts together with the companies replies to the observation made in the report are annexed to this report.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA.

Comments from the office of the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956 on the accounts of the Corporation for the year ended 31st March, 1990 are annexed to this report.

DIRECTORS:

The following changes took place among the Directors of the Company during the year 1989-90:

New Directors joined:

Shri Jawahar Sirchar	w.e.f. 26.4.1989
Shri Dilip Singh	w.e.f. 30.6.1989
Dr. P.N. Gupta	w.e.f. 30.6.1989
Shri A.R. Kale	w.e.f. 30.6.1989
Shri C.D. Tripathi	w.e.f. 12.12.1989
Shri Sunil Kumar	w.e.f. 12.12.1989
Shri Shyamal Ghose	w.e.f. 5.3.1990
Kumari Archana Arora	w.e.f. 5.3.1990

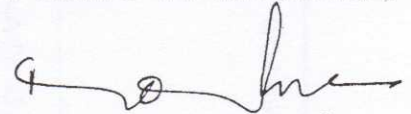
Retired Directors:

Shri M.R. Sivarama	w.e.f. 26.4.1989
Shri C.V. Avadhani	w.e.f. 30.6.1989
Shri P.J. Bazeley	w.e.f. 30.6.1989
Shri Y. Mahendra Singh	w.e.f. 30.6.1989
Shri Satish Chandra	w.e.f. 12.12.1989
Shri Dilip Singh	w.e.f. 12.12.1989
Shri T.K. Bhattacharjee	w.e.f. 5.3.1990
Shri R.N. Chakraborty	w.e.f. 5.3.1990

ACKNOWLEDGEMENT:

The Board of Directors are grateful to the Government of India, to the various constituent States of North Eastern Region, Banks, Co-operatives, other Public Bodies and Corporations who have extended their utmost co-operation for the various activities of the Corporation. The Board is also thankful to the Auditors of the Company, the Comptroller and Auditor General of India for their valuable guidance and advise. The Board places on record their appreciation of work done by the officers and staff of the Corporation.

On behalf of the Board of Directors



(DR. M.M. KRISHNA)
CHAIRMAN-CUM-MANAGING DIRECTOR

Place: Guwahati

Date: February 24, 1994

Particulars of employees :

Annexure -I

Sl. No.	Name of employees	Designation	Remuneration	Nature of employment & Terms & Conditions	Qualification	Total experience	Nature of duties	Date of joining	Age	Last employment	Percentage of equity shares held
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(A) EMPLOYED THROUGHOUT THE FINANCIAL YEAR AND IN RECEIPT OF REMUNERATION NOT LESS THAN Rs. 72,000/- PER ANNUM IN AGGREGATE FOR THE YEAR.

1.	Dr. L. Krishnaswamy	Chairman cum-Managing Director	Rs. 1,70,126.40	Tenure	M.Sc(Agril) MBA, PHD	28 yrs.	Chief Executive	02.01.96	53	Joint Agri/Mktg adviser to the Govt. of India	Nil
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(B) EMPLOYED FOR PART OF THE FINANCIAL YEAR AND IN RECEIPT OF REMUNERATION NOT LESS THAN Rs. 6,000/- PER MONTH.

- Nil -

सार/Telegram : "डिर्कार्मिट"/"DIRCOMIT"

टेलीफोन/Telephone :

प्रधान निदेशक/Pr. Director 289674

निदेशक/Director : 280375

लेखा-परीक्षा अधिकारी/Audit Director: 285630

REGISTERED/CONFIDENTIAL



संख्या/No. 2264 LA/CO
/AHS/NERMAC/89-90

प्रधान निदेशक, वाणिज्यिक लेखा-परीक्षा
नया पदेन सदस्य, लेखा-परीक्षा बोर्ड-1 का कार्यालय
1, काउन्सिल हाउस स्ट्रीट
कलकत्ता-700001

CHIEF OF THE
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD-I
1, COUNCIL HOUSE STREET,
CALCUTTA-700001

दिनांक/Dated..... 6-1-1994

To
The Chairman-cum-Managing Director,
North Eastern Regional Agricultural
Marketing Corporation Limited,
Rajgarh Road,
Guwahati - 781 003.

Sub : Comments of the Comptroller & Auditor General
of India under section 619(4) of the Companies
Act, 1956 on the accounts of North Eastern
Regional Agricultural Marketing Corporation Ltd.
for the year ended 31st March, 1990.

Sir,

I am to forward herewith the Non-review certificate
under section 619(4) of the Companies Act, 1956 on the accounts
of North Eastern Regional Agricultural Marketing Corporation
Limited for the year ended 31st March, 1990.

The receipt of this letter may please be acknowledged.

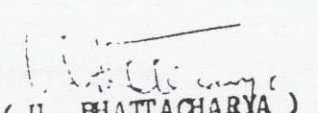
Yours faithfully,

(U. BHATTACHARYA)
PRINCIPAL DIRECTOR OF COMMERCIAL
AUDIT & EX-OFFICIO MEMBER, AUDIT
BOARD-I, CALCUTTA

Enclo : As stated

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF
INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT,
1956 ON THE ACCOUNTS OF NORTH EASTERN REGIONAL AG-
RICULTURAL MARKETING CORPORATION LIMITED, GUWAHATI
FOR THE YEAR ENDED 31ST MARCH, 1990

The Comptroller and Auditor General of
India has decided not to review the report of the
Auditors for the year ended 31st March 1990 on the
accounts of the 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.


(U. BHATTACHARYA)
PRINCIPAL DIRECTOR OF COMMERCIAL
AUDIT & EX-OFFICIO MEMBER, AUDIT
BOARD-I, CALCUTTA

Dated, Calcutta
The 1st January, 1994

H. Khaund & Co.
CHARTERED ACCOUNTANTS

Ranibari : Panbazar
GUWAHATI-781 001

AUDITORS' REPORT
TO THE MEMBERS

We have audited the attached Balance Sheet of North Eastern Regional Agricultural Marketing Corporation Limited as at 31st March 1990 and the Profit & Loss Account of the Corporation for the year ended on that date annexed there to and report that :-

1) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.

In our opinion, proper books of accounts as required by law have been kept by the Head office of the Corporation so far as appears from our examinations of the books.

3) The balance sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of account.

4) Further as required under the Manufacturing and other Companies (Auditor's Report) order 1988 issued u/s 227(4A) of the Companies Act, 1956, we annexed herewith a statement Annexure ('A') in the matter specified in the paragraph 4 & 5 of the said order.

In our opinion, and to the best of our information and according to the explanations given to us, the accounts, subject to and read with the notes annexed in the Annexure 'B' give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :

a) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 1990 and

b) In the case of the Profit and Loss Accounts of the Loss & for the year ended on that date.

For, H. Khaund & Co.
Chartered Accountants.

DATED : GUWAHATI
THE 26th November, 1993.

(H. KHAUND)
PROPRIETOR.

ANNEXURE TO THE AUDITOR'S REPORT

ANNEXURE 'A':

Annexure referred to in paragraph 4 of our report to the members of North Eastern Regional Agricultural Marketing Corpn. Limited on the accounts for year ended 31st March 1990 :-

✓ 1) The Corporation is maintaining proper records showing full particulars including quantitative details and situation of fixed assets including the fixed assets of plant and machinery of FJCP Nalkata.

We have checked the fixed assets register maintained by the Head office and found the same to be in order. ✓

ii) We have checked the physical verification statement of stock of finished goods, raw materials, including work in progress and found the same to be in order. .

iii) The various loans and advances paid to various person/parties are mostly T.A. advances. They are either recovered or adjustment subsequently.

We are of the view that there are adequate internal control procedure (subject to our additional note in the annexure B) commensurate with the size of the company and nature of its business with regards to purchase of stores, raw materials including companies plants and machinery, equipments and other assets. .

iv) We have observed that no stores, raw materials, or components including Rs. 50,000/- were purchased during the year from the subsidiaries firm or companies or other parties at which directors are interested.

✓ v) As per information provided to us by the management, during the year under audit the company did not have any unserviceable or damaged stores and raw materials, save and except as reported otherwise. ✓

✓ vi) The Corporation did not accept any deposit from the public to which the permission of section 58(a) of the Companies Act 1956 and the Companies (Acceptance and deposits) Rule 1975 apply. ✓

✓ vii) The Corporation does not have any realisable by products or scraps of any significant nature. ✓

|| viii) We are of the opinion that the Corporation has an internal audit system, under the supervision of qualified internal auditors commensurate with its size and nature of its business.

ix) The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act 1956 for any of the products of the corporation.

x) We have observed that the corporation has been regular in paying P.F. contribution to the authority concerned.

xi) We have gone through the sales tax and Corporation tax files and found the same to be in order. As far as Income tax is concerned we are unable to form any definite opinion as the relevant materials regarding those have not been produced before us for our verification. ✓

ANNEXURE TO THE AUDITORS REPORT :

ANNEXURE 'B'

The annexure referred to in paragraph 5 of our report to the members North Eastern Regional Agricultural Marketing Corpn. Limited on the accounts for the year ended 31st March 1990.

1) It was decided in a Board Meeting in 1987 that NERAMAC would stop all dealing/trading in certain non horticultural items but the board should have been more specific in directing the ~~sex~~ crops that should have been taking by the corporation. In view of this we are unable to comment upon the feasibility of the trading activities involving certain non horticultural items.

2) According to section 215 of the Companies Act, 1956 the draft balance sheet and profit and loss account should be signed by the Company Secretary before being authenticated by the Board of Directors for the purpose of audit but the same was not done in case of the company. As explained to us the terms of the Company Secretary was terminated before the finalisation of accounts.

3) We have observed that the estimated cost of completion for administrative building and underground tank were Rs. 10.95 lakhs and Rs. 3.57 lakhs respectively. But the cost incurred by NBCC including the year of audit is Rs. 16.73 lakhs. Works relating mostly to underground tank have been completed while the administrative building has only come up to the plinth level. As NBCC has not provided the break up of the cost incurred, we are unable to comment upon this excess expenditure. However, we are of the opinion that specific Board approval is necessary for this cost escalation.

- 4) It is not known whether the following advances can be recovered or not :
- a) Sri T.V.Sundaresan, Ex-FACS Rs. 30,486.90. The party has filled a case against the Corporation and the whole affairs is under litigation.
- b) Rs. 1,12,990.05 has been shown against Shri N.Nimai Singh while Rs. 83,158.25 has been shown against Sh. P.K. Singh. Both these persons have left service but correspondence regarding recovery of these amounts are going on with the parent department of N.Nimai Singh. We have observed that no amount has been recovered until now.
- c) Rs. 14,793.32 has been shown against M/S Ashim Chemicals. It has been informed that the proprietor of this firm has passed away. We are of the view that there should be board approval for writing off this amount.
- 5) The liability of Rs. 98,88,918.66 mainly involves payment due to processing unit, advertising agencies, pineap distributors, transporters and so on. We are of the view that this liability has been incurred mostly due to several wrong decisions taken by the management.
- 6) During the year of audit, 6,500 kgs of juice concentrate was dispatched to Sugam Dairy. Out of this 6,366 kgs was used to manufacture Pineap. Balance quantity of 134 kgs are still lying at the sugam dairy godown as Pineap production was stopped after Dec., 1989. Similarly 1,880 kgs of juice concentrate still remains in Vijaywada. We have observed that the corporation has not taken any definite steps to dispose of these remaining stock through which they can no longer be considered fit for human consumption.
- 7) We were informed that Pineap was also produced at Vijaywada but relevant documents regarding the agreement with this unit were not made available for our verification.
- 8) We have observed that as per the despatch schedule, quantity of Pineap sent to Head Office is 6,185 trays, but the Head office ~~xxxxxx~~ stock books shows the receipt of only 4,685 trays. We were informed that the remaining 1,500 trays were despatched from H.P.M.C., New Delhi, vide consignment note No. CS 6134378 dated 26.9.89 through East India Transport Corporation. Though this despatch was meant for H.O. it was unloaded by a private party, viz: Uttam Kothari, Guwahati at the instance of the C.M.D. This stock could not be disposed by the said party till 1991. It has been learnt that due to intervention of the Govt of Assam and Guwahati High Court, this stock was subsequently destroyed in January, 1991.

9) We are of the opinion that the Corporation . . . could not successfully cash in with the pineapple juice concentrate as well as pineap production projects, mainly due to the absence of a planned marketing policy. It has been observed that the management made no effort to chalk out an effective marketing policy. Consequently the necessary growth of the marketing department was very well nipped in the bud. Extensive losses, damages and shortage of stock suffered by the Corporation can be directly ~~xxx~~ attributed to the ~~for~~ flawed marketing techniques pursued by the management.

We are of the view that the selection of dealers/distributors for Pineap marketing is questionable in every case. It has been observed that they were personally selected by the C.M.D without adhering to the normal formalities to be observed. Moreover there has also been instances of the parties dictating terms to the Corporation ~~ix~~ irrespective of whether it is beneficial to the Corporation. Mention may be made of M/S Agpro Marketing.

A total revamping of the entire marketing department is the sole need of the hour for effective future performance.

10) We have observed that in selecting sobhagya Advertising Agency and Jaikara Advertising as advertising agents for Pineap, the ~~ix~~ Corporation has once again deviated from the usual formalities to be performed. In fact, their appointment were made solely on the basis of the C.M.D.'s personal relations with them. No other quotations were called for and their rates compared.

It may be mentioned that the Corporation has incurred an expense of Rs. 27.80 lakhs approximately on advertisement. It could not be ascertained whether the expense incurred was comparable with other existing rates.

While going through the correspondence between Jaikara and the Corporation it becomes difficult to ascertain whether Jaikara was appointed by the Corporation or M/S Agpro Marketing, the sole distributors of Pineap in North India. Letters dated March, 20, 1989 and 16th Sept, 1989 respectively bears testimony to this. The corporation had paid on advance of Rs. 4.00 lakhs to them to 31.3.89. It was informed to us that the party executed the works during our year of audit and the bills adjusted accordingly. As per the corporation's records Rs. 4.51 lakhs still remains to be paid to Jaikara advertising. The case of Sobhagya advertising agency is more or less along the same lines. The party made an offer vide letter No. SAS/SS/321 dt. 6.5.88, the copy of which is not available in the corporation files. Also their letter

26/10/89

dated 25.5.88 placing their estimates could not be produced. Anyway, the C.M.D entrusted them with the work vide letter dated 26.5.88 and they completed works amounting to Rs. 22,30,860.85 out of Rs. 9,68,430.00 has been paid to them. Till date ~~Rs. 12,62,430.85~~ Rs. 12,62,430.85 is due to Sabhagya, It has been observed that this agency has filed a money suit against the Corporation.

11) At the end of the year Rs. 28,15,577.30 worth packing materials were laying in the Sugam Dairy store. Out of the stock of packing materials, aseptic bags worth around Rs. 7.00 lacks has been lying in that stores for almost one and half years. We were informed that those bags were to be used for pineapple meant to be exported. But since no import orders have been received. This have been just laying in the Sugam stores. Now, the question is how long does the Corporation expect this stock to be lying in the stores. Moreover by the time the bags are used will it be still eligible for this purpose.

12) We are of the view that internal control on T.A advance needs to be strengthened.

13) The CMD Dr. L. Krishnaswamy made a foreign tour for which the Corporation incurred an expense of Rs. 29,595.81. He went abroad the previous year also. Though we were informed that both these tours were arranged by the Ministry of Food Processing Industries the relevant documents regarding such arrangements made by the Govt Ministry were not produced before us. Only minutes of discussion on intentions for establishing co-operation between the SIO "Konserupromcomplan" (USSR) and NERAMAC, represented by the CMD was made available. It could not be ascertained why such ambitious plans were confined to mere paper work. In view of this we are of the view that the expense incurred for such foreign tours is just another example of reckless spending by the corporation.

14) As in most of the cases, M/S Tirupati Transporter were appointed as the sole transporters of P.J.C and Pineapp by the CMD ignoring the generally accepted procedure. No formal quotation was called for. The party was verbally called to quote rates for transportation and accordingly they submitted their rates vide letter dated 21.1.89 and the same was accepted vide NERAMAC's letter dated 23.1.89. ~~and it was accepted~~ We have observed that the Corporation has accepted Rs. 3,49,786/- as due to Tirupati Transporters against their claim of Rs. 4,04,418/- though Rs. 1,00,000/- has been paid till date. We are of the opinion that the contract should be regularised through the Board before payment of remaining amount.

15) The Corporation has spent Rs. 3.20 lakhs on storing pineap in Delhi. We are of the opinion that this expenditure could have been averted if the management spared a little effort in diverting its interest from the distributors toward the corporation. M/S Agro Marketing was appointed sole distributors of Pineap for North India. Pineap should have been despatched to them as and when they required whether from Boroda or Vijayawada. The logic behind allowing a them the obtain storage facilities at ~~HPMC~~ HPMC and M/S Super Poofers Company and thereby incurring a lot of unnecessary expenditure is well known to only the CMD at that time. Storing at the godown of HPMC (A Government of Himachal Pradesh undertaking) can be considered but that at M/S Super Roffers Company (P) Ltd is questionable. NERAMAC should have called for quotations from other private parties, warehouse or obtaining rates from government warehouse.

16) We are of the view that the whole procedure of purchase of Citronella oil is faulty. Citronella oil is procured/purchased as per order received by NERAMAC from different parties. ~~The~~ (The relevant correspondence regarding such order were not made available to us). Spot payment purchase of C.Oil is done. The dealer upon receiving the cheque or cash signs on or acknowledgement while going through such acknowledgement we have observed that no official seal or signature over revenue stamp was made even though the amounts paid were quite large. Authenticity of such documents is questionable. We have learnt that all through out the years, purchase was done by one man only, on orders the C.M.D the OSD (Procurement).

17) There was a purchase of Citronella Oil of 6,120 kg. worth Rs. 8,26,200.00 on 21/4/89 As per the explanation given to us by the OSD(P) NERAMAC, demand draft of Rs. 6,00,000.00 was paid to the seller, Ram Singh on 22/4/89. It is to be noted that through the seller received only Rs. 6,000/- he signed on the acknowledgement No. 457 dated 22/4/89 which clearly states that Rs. 8,26,200.00 was received by him. The OSDa also informed us that there was some sort of agreement befor hand between the CMD the seller and the party which palaced which placed the order hence the seller Ram Singh has signed on the mentioned acknowledgement without receiving the full amount. The OSD further informed us that the balance amount of Rs. 2,26,200/- was to be carried to Pangri (from where C.Oil is purchased) by a ~~xxx~~ certain Mr. U. Kothari. Further inquiries revealed that Mr. U. Kothari was in reality to Mr. Uttam Kothari and was in reality Mr. Kothari and he was the brother of the proprietor of M/S North East Corporation, with whom NERAMAC has closed dealings. It was also learnt that North East Corporation was the party to when this despatch of C.Oil has to be made.

18) We have gone through the agreement signed between Sugam Dairy of Boroda and NERAMAC and have the following observations to make.

1) In executing the agreement with the processing unit Sugam Dairy, Baroda, the matters were not properly cleared for which litigation started for a big sum of money. In our opinion in such agreement matters should be fully cleared for avoiding future litigation.

2) It has come to our notice that NERAMAC owes ~~should~~ Rs. 1.00 lacs as storage charge to Sugam Dairy which is contrary to the clause provided in the agreement signed wherein it has been stated that Sugam would let NERAMAC use a portion of its space for storing juice concentrate.

19) By going through the CMD's T.A. bills we have observed that the CMD was frequently travelling from one place to another for no specific reasons at all. The CMD's total TA comes Rs. 1,29,634.70. The enclosure with TA bills shows that expenditure was incurred for more than one persons. The validity of most of the enclosures is in doubt. Moreover it was observed that the CMD was allowed to draw actual total expenses including food-~~ing~~ and lodging.

20) It has been observed the branch offices are not manned by competent staff.

21) We are of the opinion that the H.O. of NERAMAC should have ~~batch~~ control over the various activities of the branch offices. Major part of trading activities were done by the other branch offices and quite a lot of irregularities observed but the H.O. could not exert proper control in curbing such activities.

22) Repairs to plants and machinery of Rs. 56,784.15 could not be verified.

The licenced as well as installed capacity of production of the Fruit Juice Concentration Plant at Nalkata was 48.00 MT of Juice Concentrate per day. Production was to be held for 120 days in the year. Production during the year under audit was 62.82 MT of Juice Concentrate. From these facts we can conclude that the plants is not producing even upto 5% percent of its capacity. As explained due to fund constraints, as well as adoption of a cautious marketing policy and lack of proper factory's production was so low.

23) It is to be noted that out of the total production 62.82 MT of Juice Concentrate, only 22.118 MT was used in the production pineapple. The quantitative statement goes as follows :

A. Opening stock	24.86 MT.	39,835 trays
B. Qty produced	62,182 "	87,053 "
C. Qty sold	1.44 "	94,956 "
D. Qty shortage/damage		
stealing	0.72 "	28,834 "
E. Qty internally	22.12	-
F. Qty in hand	63.40 "	3,098 "

Due to improper marketing techniques employed by the corporation such a large amount of closing stock of juice concentrate is still of closing stock in hand. Consequently the corporation is again spending considerable amount in storing those stock in hand.

24) We are of the opinion that due to improper stock policy pursued by the corporation, a significant quantity of stock has been seized by the food department as it has been no longer considered fit for human consumption.

25) We have observed that some of the audit observations raised in the previous years audit report has not been looked after by the management. Reference may be made here of observations nos. 6, 19, 20, 49. However it is stated that measures has been taken for mitigating the observations.

For, H. Khaund & Co.
Chartered Accountants.

DATED : GUWAHATI
THE 26/11/93 1993.

(H. KHAUND)
PROPRIETOR.

Replies of the management on the observations made by the
Statutory Auditor in Annexure to their report 1989-90

Para No. of Auditors report	Extracts of the concerned para of Auditors report	Reply of the Management
Para (1) of Annexure 'A' to Auditors report	<p>The Corporation is maintaining proper records showing full particulars including quantitative details and situation of fixed assets including the fixed assets of plant and machinery of RJCP Nalkata.</p> <p>We have checked the fixed assets register maintained by the head office and found the same to be in order.</p> <p>We have checked the physical verification statement of stock of finished goods, raw materials, including work in progress and found the same to be in order.</p>	: No comments
Para (ii) of Annexure 'A' to Auditors report	<p>The various loans and advances paid to various person/ parties are mostly T.A. advances. They are either recovered or adjustment subsequently.</p> <p>We are of the view that there are adequate internal control procedure (subject to our additional note in the annexure 'B') commensurate with the size of the company and nature of its business with regards to purchase of stores, raw materials including companies plants and machinery, equipments and other assets.</p>	: No comments
Para (iii) of Annexure 'A' to Auditors report	<p>We have observed that no stores, raw materials, or components including Rs. 50,000/- were purchased during the year from the subsidiaries firm or companies or other parties at which directors are interested.</p>	: No comments
Para (iv) of Annexure 'A' to Auditors report		

Para (v) of Annexure 'A' to Auditors report	As per information provided to us by the Management, during the year under audit the company did not have any unserviceable or damaged stores and raw materials, save and except as reported other wise.	: No comments
Para (vi) of Annexure 'A' to Auditors report	The Corporation did not accept any deposit from the public to which the permission of section 58 (a) of the Companies Act 1956 and the Companies (Acceptance and deposits) Rule 1975 apply.	: No comments
Para (vii) of Annexure 'A' to Auditors report	The Corporation does not have any realisable by-products or scraps of any significant nature.	: No comments
Para (viii) of Annexure 'A' to Auditors report	We are of the opinion that the Corporation has an internal audit system, under the supervision of qualified internal auditors commensurate with its size and nature of its business.	: No comments
Para (ix) of Annexure 'A' to Auditors report	The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act 1956 for any of the products of the Corporation.	: No comments
Para (x) of Annexure 'A' to Auditors report	We have observed that the Corporation has been regular in paying P.F. contribution to the authority concerned.	: No comments
Para (xi) of Annexure 'A' to Auditors report	We have gone through the sales tax and Corporation tax files and found the same to be in order. As far as Income Tax is concerned we are unable to form any definite opinion as the relevant materials regarding those have not been produced before us for our verification.	: Income tax of the employees since deducted at source is being deposited regularly.

Replies of the management on the observation made by the
Statutory Auditors in Annexure to their report - 1989-90

Para No. of Auditors report	Extracts of the concerned para of Auditors report	Reply of the management
para 1 of Annexure 'B' to Auditors report	<p>1) It was decided in a Board Meeting in 1987 that NEKAMAC would stop all dealing/trading in certain non horticultural items but the board should have been more specific in directing the crops that should have been taking by the Corporation. In view of this we are unable to comment upon the feasibility of the trading activities involving certain non horticultural items.</p>	<p>Noted. Dealing/trading in certain non-horticultural items will be placed before the Board for specific direction.</p>
Para 2 of Annexure 'B' to Auditors report	<p>According to section 215 of the Companies Act, 1956 the draft balance sheet and profit and loss account should be signed by the Company Secretary before being authenticated by the Board of Directors for the purpose of audit but the same was not done in case of the Company. As explained to us the terms of the Company Secretary was terminated before the finalisation of accounts.</p>	<p>No comments.</p>
para 3 of the Annexure 'B' to Auditors report	<p>We have observed that the estimated cost of completion for administrative building and underground tank were Rs. 10.95 lakhs and Rs. 3.57 lakhs respectively. But the cost incurred by NBCC including the year of audit is Rs. 1,673 lakhs. Works relating mostly to</p>	<p>The same would be brought to the notice of the Board.</p>

underground tank have been completed while the administrative building has only come up to the plinth level. As NBCC has not provided the break up of the cost incurred we are unable to comment upon this excess expenditure. However, we are of the opinion that specific Board approval is necessary for this cost escalation.

Para 4 of Annexure 'B'
to Auditors report

It is not known whether the following advances can be recovered or not :

a) Sri T.V. Sundaresan, Ex-FACS Rs. 30,486.90.

The party has filed a case against the Corporation and the whole affairs is under litigation.

No comments since the issue is sub-judice.

b) Rs. 1,12,990.05 has been shown against Shri N.

Nimai Singh while Rs. 83,158.25 has been shown against Sh. P.K. Singh. Both these person have left service but correspondence regarding recovery of these amounts are going on with the parent department of N. Nimai Singh. We have observed that no amount has been recovered upto now.

Steps has been taken either to recover the amounts or to file money suit against the defaulter ex-employees.

c) Rs. 14,793.32 has been shown against M/S Ashim Chemicals. It has been informed that the proprietor of this firm has passed away. We are of the view that there should be board approval for writing off this amount.

Since the unit has been closed and the proprietor of the unit has passed away, it is proposed to place the issue before the next Board meeting for write off.

para 5 of Annexure 'B'
to Auditors report

The liability of Rs. 98,88,918.66 mainly involves payment due to processing unit, advertising agencies, pineap distributors, transporters and so on. We are of the view that this liability has been incurred mostly due to several wrong decisions taken by the management.

para 6 of Annexure 'B'
to Auditors report

During the year of audit, 6,500 kgs of juice concentrate was dispatched to Sugam Dairy. Out of this 6,366 kgs was used to manufacture pineap. Balance quantity of 134 kgs are still lying at the Sugam dairy godown as pineap production was stopped after Dec., 1989 similarly 1,880 kgs of juice concentrate still remains in Vijaywada. We have observed that the Corporation has not taken any definite steps to dispose of these remaining stock through they can no longer be considered fit for human consumption.

para 7 of Annexure 'B'
to Auditors report

We were informed that Pineap was also produced at Vijayawada but relevant documents regarding the agreement with this unit were not made available for our verification.

para 8 of Annexure 'B'
to Auditors report

We have observed that as per the despatch schedule, quantity of Pineap sent to Head office is 6,185 trays, but the Head office stock books shows the receipt of only 4,685 trays. We were informed that the remaining 1,500 trays were despatched from H.P.M.C. New Delhi, vide

The views of the Auditors will be kept in mind as and when payment would be released.

Steps are being taken either to dispose off stock of PJC lying at Sugam dairy and Vijayawada or to destroy the same after observing all procedural formalities.

Copy of agreement is now available for verification.

No comments, since the issue is sub-judice

consignment note No. CS 6134378 dated 26.9.79 through East India Transport Corporation. Though this despatch was meant for H.O. it was unloaded by a private party viz. Uttam Kothari, Guwahati at the instance of the C.M.D. This stock could not be disposed by the said party till 1991. It has been learnt that due intervention of the Govt. of Assam and Guwahati High Court, this stock was subsequently destroyed in January, 1991.

Noted.

Para 9 of Annexure 'B'
to Auditors report

We are of the opinion that the Corporation could not successfully cash in with the Pineapple juice concentrate as well as pineapple production projects, mainly due to the absence of a planned marketing policy. It has been observed that the management made no effort to chalk out an effective marketing policy. Consequently the necessary growth of the marketing department was very well nipped in the bud. Extensive lossess, damages and shortage of stock suffered by the Corporation can be directly attributed to the flawed marketing techniques pursued by the management.

We are of the view that the selection of dealers/distributors for pineapple marketing is questionable in every case. It has been observed that they were personally selected by the C.M.D. without adhering to the normal formalities to be observed. Moreover there has also been instances of the parties dictating terms to the Corporation irrespective of whether it is beneficial to the Corporation. Mention may be made of M/S Agro Marketing.

A total revamping of the entire marketing department is the sole need of the hour for effective future performance.

We have observed that in selecting Sbbhagya Advertising Agency and Jaikara Advertising as advertising agents for Pineap, the Corporation has once again deviated from the usual formalities to be performed. In fact, their appointment were made solely on the basis of the CMD's personal relations with them. No other quotations were called for and their rates compared.

It may be mentioned that the Corporation has incurred an expense of Rs. 27.80 lakhs approximately on advertisement. It could not be ascertained whether the expense incurred was comparable with other existing rates.

While going through the correspondence between Jaikara and the Corporation it becomes difficult to ascertain whether Jaikara was appointed by the Corporation or M/S Agpro marketing, the sole distributors of Pineap in North India. Letters dated March, 20, 1989 and 16th Sept, 1989 respectively bears testimony to this. The Corporation had paid on advance of Rs. 4.00 lakhs to them to 31.3.89. It was informed to us that the party executed the works

Noted. The issue pertaining to M/s Sobhagya Advertising Agency is sub-judice. As regards, M/S Jaikara advertising, payments due to the party is being held on due to lack of supporting documents.

during 1961 year of audit and the bills submitted accordingly. As per the Corporation's records Rs. 4.51 lakhs still remains to be paid to Jaikara advertising. The case of Sobhagya advertising agency is more or less along the same lines. The party made an offer vide letter no. SAS/SS/321 dt. 6.5.88, the copy of which is not available in the Corporation files. Also their letter dated 25.5.88 placing their estimates could not be produced. Anyway, the C.M.D. entrusted them with the work vide letter dated 26.5.88 and they completed works amounting to Rs.22,30,860.85 out of Rs. 9.68,430.00 has been paid to them. Till date Rs. 12,62,430.85 is due to Sobhagya, it has been observed that this agency has filed a money suit against the Corporation.

Noted. Steps are being taken to dispose off the packing materials lying with Sugam Diary, Baroda & other locations after conducting physical verification of the stocks.

Para 11 of Annexure 'B'
to Auditors report

At the end of the year Rs. 28,15,577.30 worth packing materials were laying in the Sugam Dairy store. Out of the stock of packing materials, aseptic bags worth around Rs. 7.00 lacs has been lying in that stores for almost one and half years. We were informed that those bags were to be used for pineapple meant to be exported. But since no export orders have been received. This have been just laying in the Sugam stores. Now, the question is how long does the Corporation expect this stock to be lying in the stores. Moreover by the time the bags are used will it be still eligible for this purpose.

Para 12 of Annexure 'B'
to Auditors report

We are of the view that internal control on T.A. advance needs to be strengthened.

Noted.

Para 13 of Annexure 'B'
to Auditors report

The CMD Dr. L. Krishnaswamy made a foreign tour for which the Corporation incurred an expense of Rs. 29,595.81. He went abroad the previous year also. Though we were informed that both these tours were arranged by the Ministry of Food Processing Industries the relevant documents regarding such arrangements made by the good Ministry were not produced before us.

The foreign tour was undertaken with due approval from the Government.

Only minutes of discussion on intentions for establishing co-operation between the SIO

"Konserupromcplen" (USSR) and NERAMAC, represented by the CMD was made available. It could not be ascertained why such ambitions plans were confined to mere paper work. In view of this we are of the view that the expense incurred for such foreign tours is just another example of reckless spending by the Corporation.

Para 14 of Annexure 'B'
to Auditors report

As in most of the cases, M/S Tirupati Transporter were appointed as the sole transporters of P.J.C. and Pineap by the CMD ignoring the generally accepted procedure. No formal quotation was called for. The party was verbally called to quote rates for transportation and accordingly they submitted their rates vide letter dated 21.1.89 and the same was accepted vide NERAMAC's.

Noted. The issue has been put up to the Board.

letter dated 23.1.89. We have observed that the Corporation has accepted Rs. 3,49,736/- as due to Tirupati Transporters against their claim of Rs. 4,04,412/- through Rs. 1,00,000/- has been paid till date. We are of the opinion that the contract should be regularised through the Board before payment of remaining amount.

Para 15 of Annexure 'B'
to Auditors Report

The Corporation has spent Rs. 3.20 lakhs on storing pineap in Delhi. We are of the opinion that this expenditure could have been averted if the management spared a little effort in diverting its interest from the distributors toward the Corporation. M/S Agpro Marketing was appointed sole distributors of Pineap for North India. Pineap should have been despatched to them as and when they required whether from Baroda or Vijayawada. The logic behind allowing a them the obtain storage facilities at a HPMC and M/S Super Poofers Company and thereby incurring a lot of

Noted. The amount of Rs. 3.20 lakh provided in the books pertaining to dues payable to M/S Super Roofer Company, New Delhi have not yet been released due to lack of Supporting documents/papers etc.

Para 18 of Annexure 'B'
to Auditors report

We have gone through the agreement signed between Sugam Diary of Baroda, and NERAMAC and have the following observations to make.

1) In executing the agreement with the processing unit Sugam Diary, Baroda, the matters were not preparily cleared for which litigation started for a big sum of money. In our opinion in such agreement matters should be fully cleared for avoiding future litigation.

2) It has came to our notice that NERAMAC owes Rs. 1.00 lacs as storage charge to Sugam Diary which is contrary to the clause provided in the agreement signed wherein it has been stated that Sugam would let NERAMAC use a portion of its space for storing juice concentrate.

Para 19 of Annexure 'B'
to Auditors report

By going through the CMD's T.A. bills we have observed that the CMD was frequently travelling from one place to another for no specific reasons at all. The CMD's total TA comes Rs. 1,29,634.70. The enclosure with TA bills shows that expenditure was incurred for more than one persons. The validity of most of the enclosure is in doubt. Moreover it was observed that the CMD was allowed to draw actual total expenses including food and lodging.

Para 20 of Annexure 'B'
to Auditors report

It has been observed the branch offices are not maned by competent staff.

Noted. The issue pertaining to payment dues to Sugam Diary for processing Pineap will be released keeping in vdw audit observations made by the auditors.

No comments. The position will be reviewed by the Board and if necessary amendments of TA rules will be made to bring the entitlements at par with BPE/Govt. guidelines and as per the limit existing in other similar PSUs.

No comments.

Para 21 of Annexure 'B'
to Auditors report

We are of the opinion that the H.O. of NE MAC should have hettch control over the various activities of the branch offices. Major part of trading activities were done by the other branch offices and quite a lot of irregularities observed but the H.O. could not exert proper control in curbing such activities.

No comments.

Para 22 of Annexure 'B'
to Auditors report

Repairs to plants and machinery of Rs.56,784.15 could not be verified.

Noted. Details of expenditure pertaining to repairs to plant and machinery are available for verification at FJCP Nalkata.

The licenced as well as installed capacity of production of the Fruit Juice Concentration Plant at Nalkata was 48.00 MT of Juice Concentrate per day. Production was to be held for 120 days in the year. Production during the year under audit was 62.82 MT the of Juice concentrate. From these facts we can conclude that the plants is not producing even upto 5% percent of its capacity. As explained due to fund constraints, as well as adoption of a cautious marketing policy and lack of proper factory's production was so low.

Para 23 of Annexure 'B'
to Auditors report

It is to be noted that out of the total production 62.82 MT of Juice Concentrate, only 22.118 MT was used in the production Pineap. The quantitative statement goes as follows :

Noted. Steps has been taken to dispose off the stock.

A. Opening stock	24.86 MT	39,835 trays
B. Qty. produced	62,182 "	87,053 "
C. Qty. sold	1.44 "	94,956 "
D. Qty. shortage/ damage spoiling	0.72 "	28,834 "
E. Qty. internally	22.12	-
F. Qty. in hand	63.40 "	3,098 "

Due to improper marketing techniques employed by the Corporation such a large amount of closing stock of juice concentrate is still of closing stock in hand. Consequently the Corporation is again spending considerable amount in storing those stock in hand.

Para 24 of Annexure 'B' to Auditors report

Noted.

Para 25 of Annexure 'B' to Auditors report

We have observed that some of the audit observations raised in the previous years audit report has not been looked after by the management. Reference may be made here of observations nos. 6,19,20,49. However it is stated that measures has been taken for mitigating the observations.

Previous years audit observation no. 6,19,20, 49 have already been replied to.

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING

CORPORATION LIMITED

STATEMENT

OF
**

ACCOUNTS

1989-90

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NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION LIMITED, GUWAHATI

BALANCE SHEET AS AT 31ST MARCH, 1990

<u>Schedule</u>		As at 31/3/1990	As at 31/3/1989
<u>Source of fund :</u>		Rs.	Rs.
Share holders fund :			
a) Share capital	1	2,44,00,000.00	2,44,00,000.00
b) Reserve & Surplus	2	5,21,025.50	5,21,025.50
		2,49,21,025.50	2,49,21,025.50
Loan funds : Unsecured			
	3	4,49,03,028.13	3,76,16,561.00
		6,98,24,053.63	6,25,37,586.50
<u>Application of fund :</u>			
Fixed Assets			
a) Gross block	4	3,59,07,146.92	3,58,86,951.62
Less Depreciation		89,79,388.76	50,65,525.76
		2,69,27,758.16	3,08,21,425.86
Investment account (at cost, NSC pledged with excise department)			
		2,500.00	2,500.00
Capital-work-in-progress stores advance			
	5	29,79,208.44	24,03,508.20
Current Assets, loans & advances :			
a) Interest accrued on TD		51,448.30	18,249.18
b) Loose Tools		18,249.18	49,13,484.16
c) Inventories	6	59,51,652.30	30,58,913.04
d) Sundry debtors	7	21,01,990.11	14,01,397.57
e) Cash & Bank balance	8	6,26,924.06	30,72,984.88
f) Loans & advances	9	10,15,448.53	1,24,65,028.83
		97,65,712.48	

Less : Current liabilities
and provisions

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1,19,26,811.27 (-) 21,61,098.79

45,77,813.13

78,87,215.70

Miscellaneous expenditure
(to the extent not written
off or adjusted)

a) Preliminary expenses 78,974.50

Less : Written off 63,179.60

15,794.90

23,692.35

b) Deferred revenue
expenditure 14,56,249.41

Less : Written
off 5,81,981.00

8,74,268.41

11,62,926.89

c) Balance brought
forward from Profit
& Loss account

4,11,85,622.51

2,02,36,317.50

2,14,22,936.74

Total Rs. 6,98,24,053.63

6,25,37,586.50

(L. Kynjah)
Director
NERAMAC Ltd.

Director
North Eastern Regional Agricultural,
Marketing Corporation Limited

(T.K. Dewan)
Chairman cum Managing Director
NERAMAC Ltd.

Chairman cum Managing Director,
North Eastern Regional Agricultural,
Marketing Corporation Limited

Signed in terms of our annexed report
and observation of even date.

For, H. Khanna & Co.

Chartered Accountants.

DATED : GUWAHATI
THE 26th NOV. 1993.

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NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION LIMITED, GUWAHATI

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1990

	Schedule	As at 31/3/1990 Rs.	As at 31/3/89 Rs.
I. INCOME			
1. Sales	11	1,20,11,748.76	80,71,156.57
2. Other Income	12	1,33,416.64	1,21,45,165.40
			2,32,377.17
			83,03,533.74
II. EXPENDITURE			
3. Materials & Manufacturing exp.	13	1,35,20,006.80	77,24,132.57
4. Personnel	14	30,52,420.67	22,22,957.34
5. Selling, distribution, administration and other expenses	15	60,89,633.58	26,41,567.79
6. Interest		61,36,544.00	45,12,672.00
7. Preliminary expenses written off		7,897.45	7,897.45
8. Deferred revenue expenditure written off		2,91,250.00	2,90,731.00
9. Depreciation		39,13,863.00	45,62,825.10
10. Expenditure for the year		3,30,11,615.50	2,19,62,783.25
11. Provision for doubtful debts & advance		-	8,55,854.80
12. Prior period adjustment	16	82,854.91	3,30,94,470.41
			35,397.31
			2,28,54,035.36

13. Loss before taxation	2,09,49,305.01	1,45,50,501.62
14. Balance of loss brought forward from previous year	2,02,36,317.50	56,85,815.88
15. Net loss carried to balance sheet	4,11,85,622.51	2,02,36,317.50
Notes on accounts 18		

(L. Rynjah)
Director
NERAMAC Ltd.

Director,
North Eastern Regional Agricultural
Marketing Corporation Limited

(T.K. Dewan)
Chairman cum Managing Director
NERAMAC Ltd.
Chairman-cum-Managing Director,
North Eastern Regional Agricultural
Marketing Corporation Limited.

Signed in terms of our report annexed
report and observation of even date.
For, H.Khaund & Co.
Chartered Accountants

DATED : GUWAHATI
THE 26th Nov. 1993.

H. Khaund 26/11/93

(H.KHAUND)
PROPRIETOR.

**NORTH EASTERN REGIONAL AGRICULTURAL MARKETING
CORPORATION LIMITED, GUWAHATI.**

SCHEDULE 1

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31/3/90

	<u>1989-90</u> Rs.	<u>1988-89</u> Rs.
Share capital : Authorised		
50,000 Equity shares of Rs. 1,000/- each	<u>5,00,00,000.00</u>	<u>5,00,00,000.00</u>
Issued and subscribed :		
24,000 Equity shares of Rs. 1,000/- each	<u>2,44,00,000.00</u>	<u>2,44,00,000.00</u>
Total	<u>Rs. 2,44,00,000.00</u>	<u>2,44,00,000.00</u>

Reserves & Surplus :

Development fund (as per
last balance sheet)

Rs. 5,21,025.50

5,21,025.00

SCHEDULE 2

Unsecured loan

i) Govt. loan (towards
expenditure on scheme/
programmes taken up
for implementation
during 1986-87 and
1987-88)

2,81,00,000.00

2,56,00,000.00

ii) Interest accrued and due

1,52,99,818.00

96,72,000.00

iii) Short term loan - From
Modern Food Industries
Ltd., New Delhi

15,00,000.00

iv) Cash credit : From Central
Bank of India, Guwahati

3,210.13

23,44,561.00

Total

Rs. 4,49,03,028.13

3,76,16,561.00

(L. Rynjah)
Director
NERAMAC Ltd

(P.K. Dewan)
Chairman cum Managing Director
NERAMAC Ltd
Chairman-cum-Managing Director,
North Eastern Regional Agricultural
Marketing Corporation Limited

SCHEDULE 4 : FIXED ASSETS

Particulars	Cost as at 31/3/89	Additions	Total cost as at 31/3/89	Total depreciation upto 31/3/89	Depreciation during the year	Total depreciation upto 31/3/90	As at 31/3/90	As at 31/3/89
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1. Vehicle 20%	521003.98	-	521003.98	287441.62	46712.00	334153.62	186050.36	233562.36
2. Air condition 15%	199239.93	-	199239.93	63847.00	20309.00	84156.00	115083.93	135392.93
3. Office equipment 15%	143436.29	15261.60	158697.89	64252.15	12960.00	77212.15	81485.74	79184.14
4. Furniture & fixture 10%	771595.21	3603.70	775198.91	201048.58	57311.00	258359.58	516839.33	570546.63
5. Electrical equipment 15%	10545.70	1330.00	11875.70	2924.19	1255.00	4179.19	7696.51	7621.51
6. Juice dispenser 15%	7950.00	-	7950.00	3068.00	732.00	3800.00	4150.00	4882.00
7. Bottle cooler 15%	20785.06	-	20785.06	4344.06	2466.00	6810.06	13975.00	16441.00
8. Lorry 30%	151752.16	-	151752.16	77306.16	22334.00	99640.16	52112.00	74446.00
9. Laboratory equipment	293525.71	-	293525.71	-	-	-	293525.71	293525.71
10. Temporary hutments 100%	27507.00	-	27507.00	27507.00	-	27507.00	-	-
11. Factory building 10%	12803747.93	-	12803747.93	1279441.00	1152431.00	2431872.00	10371875.93	11514969.30
12. Guest house building 5%	530860.28	-	530860.28	26543.00	25216.00	51759.00	479101.28	504317.28
13. Plant & Machinery 15%	20042442.37	-	20042442.37	3009675.00	2554915.00	5554590.00	14477852.37	17054830.16
14. Deep Tubewell 5%	362560.00	-	362560.00	18128.00	17222.00	35350.00	377210.00	344432.00
Total	Rs. 35886951.62	20195.30	35907146.92	5065525.76	3913863.00	8979388.76	26927758.16	30834151.02
Previous year	1625669.52	34366254.21	35622924.73	35886951.62	578156.50	5065525.76	30821425.86	1047513.02

Note : Depreciation has been provided at rates prescribed in the Companies Amendment Act 1988 on the written down value of the Assets.

(L. Rynjah)
Director
NEKAPAC

(T.K. Dewan)
Chairman cum Managing Director
NEKAPAC Ltd.
Jalandhar

(Signature)

**NORTH EASTERN REGIONAL AGRICULTURAL MARKETING
CORPORATION LIMITED, GUWAHATI**

SCHEDULE 5

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31/3/90

CAPITAL WORKS IN PROGRESS, STORES & ADVANCES :

	<u>1989-90</u> Rs.	<u>1988-89</u> Rs.
A. Land Development (Plantation)	48,121.50	48,121.50
B. Capital works in progress :		
1) Civil works (Administrative building)	16,73,828.33	14,93,482.47
C. Capital stores	3,56,563.66	3,50,179.66
D. Capital-in-advance (CPW) (considered good)	9,00,694.95	5,11,724.57
Total	<u>Rs. 29,79,208.44</u>	<u>24,03,508.20</u>

(L. Rynjah)
Director
NERAMAC Ltd.

Director,
North Eastern Regional Agricultural
Marketing Corporation Limited

(T.K. Dewan)
Chairman cum Managing Director
NERAMAC Ltd.

Chairman-cum-Managing Director
North Eastern Regional Agricultural
Marketing Corporation Limited.

**NORTH EASTERN REGIONAL AGRICULTURAL MARKETING
CORPORATION LIMITED, GUWAHATI**

SCHEDULE 6

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31/3/1990

	<u>1989-90</u> Rs.	<u>1988-89</u> Rs.
<u>INVENTORIES :</u>		
A. Stock of packing materials (at cost)	28,15,577.30	14,24,550.60
B. Stock of raw materials (at cost)	2,54,328.00	58,823.00
C. Stock of finished goods (at cost)	25,19,445.00	31,81,502.50
D. Stock of stores & spares	3,62,302.00	2,48,608.06
Total	Rs. 59,51,652.30	49,13,484.16

- Note :**
- a) Stock of finished goods other than Pineap has been valued at cost or market value whichever is lower and verified and certified by the management.
 - b) Stock of Pineap has been taken and valued on the basis of subsequent realization.
 - c) Stock of other inventories other than finished goods has been valued at cost and verified and certified by the management

(D. Rynjah)
Director
NERAMAC Ltd

Director,
North Eastern Regional Agricultural
Marketing Corporation Limited


(T.K. Dewan)
Chairman-cum-Managing Director
NERAMAC Ltd.
~~Chairman-cum-Managing Director~~
North Eastern Regional Agricultural
Marketing Corporation Limited.

**NORTH EASTERN REGIONAL AGRICULTURAL MARKETING
CORPORATION LIMITED, GUWAHATI.**


SCHEDULE 7

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31/3/1990

	<u>1989-90</u> Rs.	<u>1988-89</u> Rs.
<u>SUNDRY DEBTORS :</u>		
A. Unsecured, considered good		
i) Debts outstanding for a period exceeding six months but less than one year	6,270.00	1,15,906.13
ii) Debts outstanding for a period exceeding one year but less than two years	34,456.13	79,326.70
iii) Debts outstanding for a period exceeding two years	79,326.70	-
iv) Other debts - unsecured, considered good	19,81,937.28	28,63,680.21
Sub total	Rs. <u>21,01,990.11</u>	<u>30,58,913.04</u>
B. Unsecured considered doubtful	13,50,196.63	13,50,196.63
Less : Provision for doubtful debt	<u>13,50,196.63</u>	<u>13,50,196.63</u>
Sub total	Rs. <u>-</u>	<u>-</u>
Total	Rs. <u>21,01,990.11</u>	<u>30,58,913.04</u>


(L. Rynjah)
Director
NERAMAC Ltd.

Director
 North Eastern Regional Agricultural
 Marketing Corporation Limited.


(T.K. Dewan)
Chairman-cum-Managing Director
NERAMAC Ltd.

Joint Managing Director
 North Eastern Regional Agricultural
 Marketing Corporation Limited.

**NORTH EASTERN REGIONAL AGRICULTURAL MARKETING
CORPORATION LIMITED, GUWAHATI.**

SCHEDULE 8

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31/3/1990

	<u>As at 31/3/1990</u> Rs.	<u>As at 31/3/89</u> Rs.
CASH & BANK BALANCE		
CASH & CHEQUE IN HAND :		
Cash & Cheque in hand (HO)	36,500.00	165.00
Imprest cash	9,158.36	13,091.48
Cash at branches/Plant/Units	17,861.35	23,141.41
Postage in hand	104.65	390.10
Cash/draft in transit	-	2,76,000.00
Bank balance with Schedule bank :		
a) State Bank of India, New Guwahati Branch in current account	9,922.41	85,451.39
Agartala branch, Tripura, in saving bank account	4,945.85	2,159.26
Borjhar branch, Guwahati, in current account	9,519.05	16,339.05
Kumarghat branch, Tripura, in current account	3,742.54	1,512.08
b) United Bank of India, Agartala, in current account -I	490.00	490.00
- do - -II	20,937.92	125.15
c) Indian Bank, Fancy bazar branch, in short term deposit	-	-
Digboi branch, Digboi, in current account	5,366.60	61,966.60
Dimapur branch, Dimapur, in current account	522.70	4,774.70
Calcutta branch, Calcutta, in current account	573.31	10,392.28
Fancy bazar branch, Guwahati, in current account	983.93	5,639.38
d) Vijaya Bank, Imphal branch, Imphal in current account	593.90	26,099.69
e) Central Bank of India, Panbazar branch, Guwahati, in term deposit account	5,00,000.00	5,00,000.00
New Delhi branch, in current account	1,955.05	3,73,660.00
Tinsukia branch, in current account	622.05	-
Agartala branch, in current account	3,124.39	-
Total	Rs. 6,26,924.06	14,01,397.57

(L. Rynjah)
Director
NERAMAC Ltd.

Director

(T.K. Dewan)
Chairman-cum-Managing Director
NERAMAC Ltd
Chairman-cum-Managing Director,
North Eastern Regional Agricultural
Marketing Corporation

**NORTH EASTERN REGIONAL AGRICULTURAL MARKETING
CORPORATION LIMITED, GUWAHATI.**

SCHEDULE 9

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31/3/1990

LOAN & ADVANCE :

	<u>1989-90</u>	<u>1988-89</u>
	<u>Rs.</u>	<u>Rs.</u>
(Recoverable in cash or kind for value to be received)		
A. Unsecured : Considered good,		
i) Advance	5,88,557.46	23,20,192.08
ii) T.A. Advance (including CMD Rs. 20,000/-)	97,644.56	2,33,183.92
iii) Advance to staff	3,810.00	27,930.00
iv) Deposits	1,56,641.75	1,56,641.75
v) Bank suspenses	641.34	641.34
vi) Advance payment to Corporation tax	52,859.00	52,859.00
Less : Provision for taxation	<u>52,859.00</u>	<u>52,859.00</u>
vii) Payment to Corporation tax (under revision)	1,67,800.00	1,67,800.00
viii) Insurance claim on vehicle	-	1,30,291.00
ix) Balance with excise department	353.42	36,304.79
B. Unsecured : Considered doubtful	2,14,646.22	2,14,646.22
Less : Provision for doubtful debts	<u>2,14,646.22</u>	<u>2,14,646.22</u>
Total	<u>Rs. 10,15,448.53</u>	<u>30,72,984.88</u>

(L. Rynjah)
Director
NERAMAC Ltd.

(T.K. Dewan)
Chairman-cum-Managing Director
NERAMAC Ltd.
Chairman-cum-Managing Director,
North Eastern Regional Agricultural
Marketing Corporation Limited.

16/4/90

**NORTH EASTERN REGIONAL AGRICULTURAL MARKETING
CORPORATION LIMITED, GUWAHATI**

SCHEDULE 10

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31/3/1990

CURRENT LIABILITIES & PROVISIONS

	<u>1989-90</u> Rs.	<u>1988-89</u> Rs.
<u>CURRENT LIABILITIES</u>		
a) Sundry creditors	17,25,409.31	19,34,826.65
b) Other liabilities	98,88,918.66	23,04,627.24
c) Interest accrued but not due on loan	2,20,000.00	1,12,000.00
d) Security deposits	49,754.00	13,500.00
e) Provision for taxation	52,859.00	52,859.00
Less : Advance paid tax	52,859.00	52,859.00
f) Retention money	16,786.24	16,786.24
g) Advance against sale	-	1,96,073.00
h) Inter branch adjustment	25,943.06	-
Total	1,19,26,811.27	45,77,813.13

(L. Kynjah)
Director
NERAMAC Ltd.

Director
North Eastern Regional Agricultural
Marketing Corporation Limited

(T.K. Dewan)
Chairman-cum-Managing Director
NERAMAC Ltd.

Chairman-cum-Managing Director
North Eastern Regional Agricultural
Marketing Corporation Limited

76/11/77

SCHEDULE 11

SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31/3/90

SALES :

Commodities	Unit	Qty.	31/3/1990 Value (Rs)	Qty.	31/3/1989 Value (Rs)
OTS Cans	PCS	1.420	6,485.65	2500	11,423.98
OTS Cans	"	-	-	4440	3,804.50
Citronella oil	Kg	8,903.35	12,35,820.10	19,779.525	28,61,398.57
Vegetables	qtls	-	-	-	5,445.50
Maize	"	-	-	203.00	32,050.00
Geraniol pure	kg	-	-	470.00	1,20,881.70
Terpene	"	-	-	22.00	889.10
M. oil cake	qtls.	4,598.69	13,56,608.04	5523.365	16,98,464.72
Naga Dal	"	6.25	2,375.00	132.00	56,100.00
Quick lime	"	2,407.51	8,57,458.25	2,391.65	6,46,836.06
Geraniol top	"	-	-	156.00	16,544.00
Sesame seed	"	-	-	41.20	28,881.00
Paddy	"	24.80	6,200.00	25.00	6,475.00
Soyabean	"	-	-	118.5150	82,367.92
Citronella pure	"	-	-	110.00	28,886.00
Citronella top	"	-	-	58.70	6,225.00
Citronella oil residue	"	-	-	113.60	4,589.00
Citronella residue	"	-	-	69.10	2,792.00
Geraniol residue	"	-	-	88.15	3,561.00
Ginger	"	-	-	103.80	45,195.72
Assam Honey	bottles	2863	69,493.00	3,086	86,155.00
Rickle	"	697	11,997.00	382	5,553.00
Fruit products	kg	-	1,17,112.45	-	2,47,863.41

Horticultural tools/ Implements

	Kg	-	-	-	3,419.57
Pineapple Juice concentrate		1437.65	1,59,778.00	335	24,895.00
Pineap	tray	94.956	55,21,249.17	1715	1,04,861.50
Soft drink	"	-	-	6	86.00
Birds eye chilly	qtis.	-	-	7,345	16,628.75
M. Seed	kg	-	-	20	1,320.00
Rajmah	"	-	-	75.00	445.00
Fry carrier	No.	2,048	44,712.00	4,556	79,700.00
Polythene	kg	32,200	1,31,400.00	7,756.50	2,88,019.31
Papaya seed	"	-	-	10	2,719.00
Tili oil cake	"	24,411	1,45,977.80	461.78	2,75,793.72
Assam Tea	"	251.25	15,775.00	922.25	58,290.00
Yellow maize	"	23,489	79,860.60	232280.5	7,41,312.36
GMC (Ground nut cake)	"	10,847.50	55,864.60	47,463	2,44,434.44
Raw Cashew	"	7684.40	69,159.60	21,477	2,04,031.50
Chemicals	"	-	41,721.90	-	22,418.19
Fishery inputs	No.	4025	18,84,951.40	-	-
Limestone	kg	3960	11,286.00	-	-
Dry fish	"	24861.5	1,86,461.20	-	-
Total			Rs. 1,20,11,748.76		80,71,156.57

(
Rynjah)
Director
NERAMAC Ltd.

(T.K. Dewan)
Chairman cum Managing Director
NERAMAC Ltd.

Chairman cum Managing Director
NERAMAC Ltd.
North Eastern Regional Agricultural
Marketing Corporation Limited

Director
North Eastern Regional Agricultural
Marketing Corporation Limited

**NORTH EASTERN REGIONAL AGRICULTURAL MARKETING
CORPORATION LIMITED, GUWAHATI**

SCHEDULE 12

**SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31/3/90**

	<u>1989-90</u> Rs.	<u>1988-89</u> Rs.
<u>OTHER INCOME :</u>		
1. Interest from Bank	52,927.57	1,63,032.75
2. Guest house Income	24,764.05	19,753.80
3. Miscellaneous Income	21,114.02	1,318.82
4. Commission on consignment	1,106.00	8,942.54
5. Insurance claim	33,505.00	2,555.00
6. Cash discount	-	15,384.88
7. Profit on sale of vehicle	-	21,389.38
Total	Rs. 1,33,416.64	2,32,377.17

(L. Rynjah)
Director
NERAMAC Ltd.

(T.K. Dewan)
Chairman cum Managing Director
NERAMAC Ltd.

Director,
North Eastern Regional Agricultural
Marketing Corporation Limited

	1989-90 Rs.	1988-89 Rs.
MATERIALS & MANUFACTURING EXPENSES		
Raw materials consumed	15,68,786.62	6,66,153.50
Trade : Goods purchases (as per Annexure 'A')	55,83,184.73	61,35,082.25
Trade : Goods opening stock (as per Annexure B)	31,81,502.50	
Trade : Goods closing stocks : (as per Annexure 'C')	25,19,445.00	(-) 19,95,813.73
Packing materials consumed	20,65,344.13	11,83,643.81
Stores & Spares parts	1,59,835.08	4,57,678.47
Power & Fuel	1,70,255.39	1,25,370.95
Excise duty	6,20,000.45	67,197.72
Octroi charges	45,674.50	51,075.00
Processing cost	23,98,909.50	5,81,104.00
Factory electricity	56,487.50	52,574.90
Freight & Handling (Factory)	60,921.25	3,87,130.50
Repairs to Plant & Machinery	56,784.15	11,710.00
Cost of gunny bags		
Entry tax	71,116.00	1,225.20
Collection charges		
Total	Rs. 1,35,20,006.80	77,24,132.57

(L. Rynjah)
Director
NERAMAC Ltd.

Director/
North Eastern Regional Agricultural
Marketing Corporation Limited

(T.K. Dewan)
Chairman cum Managing Director
NERAMAC Ltd.
Chairman cum Managing Director,
North Eastern Regional Agricultural
Marketing Corporation Limited.

PURCHASES
Commodities

Commodities	Unit	As at 31/3/1990		As at 31/3/1989	
		Quantity	Value Rs.	Quantity	Value Rs.
Citronella oil	kg	8,906.40	12,11,270.10	16,525.75	22,02,548.85
Cashew Nuts (Raw)	qtls.	76.84	65,317.40	214.77	1,83,466.50
Vegetables	-	-	-	-	2,783.50
Maize	-	-	-	190.10	30,230.00
Paddy	-	-	-	46.20	11,550.00
Soyabean	-	-	-	118.515	79,997.63
K. Oil Cake	-	4,598.69	12,56,840.59	5557.1495	13,75,621.17
Quick lime	-	2,407.51	5,93,219.37	2363.43	4,15,250.57
Tea	kg	224.00	8,485.30	1,043.50	45,082.90
Assam Honey	bottles	1162	20,514.00	4,315	65,903.94
Pickle	-	1224	15,051.84	1790	15,166.70
Fruit products	-	-	67,289.08	-	1,47,428.53
Papaya seeds	kg	-	-	10	2,100.00
Masala	-	-	-	25	350.00
Rajmah	-	-	-	100	450.00
Soft drink	tray	-	-	6	390.00
Fry carrier polythene	No.	2048	31,744.00	4,556	55,568.75
Ground nut oil cake	kg/No.	32,200	1,15,350.00	7,756.5	2,74,381.50
Yellow maize	kg	10,847.5	54,778.86	47,463	2,32,568.70
Till oil cake	-	23,489	76,339.25	2,32,280.5	7,08,268.34
Chemical/Instruments	-	24,411	1,40,193.25	461.78	2,65,153.02
Fishery inputs	No.	-	31,681.69	-	20,821.65
Dry fish	kg	4025	17,10,624.00	-	-
Limestone	kg	24,861.50	1,73,992.00	-	-
		3960	10,494.00	-	-
	Total		Rs.55,83,184.73		61,35,082.25

(L. Rynjah)
Director
NERAMAC Ltd.

(T.K. Dewan)
Chairman Managing Director
North Eastern Regional Agricultural
Marketing Corporation Limited

Director
North Eastern Regional Agricultural
Marketing Corporation Limited

Horticultural tools/ Implements

	Kg	-	-	-	3,419.57
Pineapple Juice concentrate	"	1437.65	1,59,778.00	335	24,895.00
Pineap	tray	94.956	55,21,249.17	1715	1,04,861.50
Soft drink	"	-	-	6	486.00
Birds eye chilly	qtls.	-	-	7,345	16,628.75
M. Seed	kg	-	-	2.20	1,320.00
Rajmah	"	-	-	75.00	445.00
Fry carrier	No.	2,048	44,712.00	4,556	79,700.00
Polythene	kg	32,200	1,31,400.00	7,756.50	2,88,019.21
Papaya seed	"	-	-	10	2,719.05
Till oil cake	"	24,411	1,45,977.80	461.78	2,75,793.72
Assam Tea	"	251.25	15,775.00	922.25	58,290.00
Yellow maize	"	23,489	79,862.60	232280.5	7,41,312.36
GMC (Ground nut cake)	"	10,847.50	55,864.60	47,463	2,44,434.44
Raw Cashew	"	7684.40	69,159.60	21,477	2,04,031.50
Chemicals	"	-	41,721.90	-	22,418.19
Fishery inputs	No.	4025	18,84,951.40	-	-
Limestone	kg.	3960	11,286.00	-	-
Dry fish	"	24861.5	1,86,461.20	-	-
Total			Rs. 1,20,11,748.76		80,71,156.57

(L. Bynjah)
Director
NERAMAC Ltd.

(T.K. Dewan)
Chairman cum Managing Director
NERAMAC Ltd.

Director
North Eastern Regional Agricultural
Marketing Corporation Limited

Chairman cum Managing Director
North Eastern Regional Agricultural
Marketing Corporation Limited

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION LIMITED, GUWAHATI

TRADE GOODS OPENING STOCKS :

<u>Description</u>		<u>Unit</u>	<u>Qty.</u>	<u>Rate</u>	<u>Value</u>	<u>Qty.</u>	<u>Rate</u>	<u>Value</u>
OTS Cans (A2 1/2 size)		Pcs	15300	3.25	49,725.00	17800	3.25	57,950.00
Tall cans		"						
Carboys		"	996	140.00	1,39,440.00	996	140.00	1,39,440.00
Citronella oil		kg	-	-	-	3290.25	134.92	4,44,730.05
Cashewnuts (Kernal)		-	-	-	-	-	-	-
Dry chillies		qtls	-	-	-	7.345	2000.00	14,690.00
Sesame seed		"	-	-	-	41.20	651.66	2,684.30
Naga dal		"	6.25	380.00	2,375.00	64.00	380.00	24,320.00
Ginger		"	-	-	-	74.25	375.00	27,843.75
Paddy		"	24.80	250.00	6,200.00	103.00	356.60	37,016.40
Maize		"	-	-	-	4.50	238.00	1,071.00
Mustard seed		"	-	-	-	4.00	160.00	640.00
Geronial pure		"	-	-	-	2.20	525.00	1,155.00
Citronella pure		kg	-	-	-	470.00	280.00	1,31,600.00
Geronial top		"	-	-	-	110.00	280.00	30,800.00
Citronella top		"	-	-	-	134.00	115.00	17,710.00
Citronella residue		"	-	-	-	66.00	115.00	7,590.00
Citronella oil residue		"	-	-	-	71.00	50.00	3,550.00
Terpene		"	-	-	-	114.00	40.00	4,560.00
Geraniol residue		"	-	-	-	2.00	38.00	830.00
Tea		"	54.00	34.00	986.00	92.00	50.00	4,600.00
						42.50	38.80	1,649.00

[Signature]
16/11/73

Assam Honey	bottle	1447	38.80 28.00	970.00 40,516.00	355	316 (14.00)	5,516.00
Chilly pickle	tin	2	14.00 10.75	14.00	53	10.75	569.75
Fruit products	-	-	-	-	-	-	21,139.90
Aromatic products with ACAP (under process)	-	-	-	-	861.40	-	1,76,544.00
Horticultural tools and implements	-	-	-	-	-	-	3,029.12
Papaya seed	-	104.00 (Cal)	35.00	-	-	-	390.00
Pineapple juice concentrate	kg	11133.50 (B) 295.00 (ND) 13095.00 (FUCP) 338.00 (Agt)	35.00 X 33.00 X 31.00 X 35.00 X	8,21,412.50	-	-	-
Pineap	tray	24222 (ND) 15613 (B)	54/- 52/-	21,19,864.00	-	-	-
Total				Rs. 31,81,502.50	11,85,688.77		

Stock of Ginger fund short in 84-85
Less : Provision for loss

40,887.00	40,887.00
40,887.00	40,887.00
-	-

(L. Rynjan)
Director
NERAMAC Ltd

(T.K. Dewan)
Chairman cum Managing Director
NERAMAC Ltd

Director,
North Eastern Regional Agricultural
Marketing Corporation Limited

Chairman cum Managing Director,
North Eastern Regional Agricultural
Marketing Corporation Limited

TRADE GOODS CLOSING STOCK

SCHEDULE 13
Annexure C

Description	Unit	Stock as on 31/3/90		Stock as at 31/3/89		Value (Rs)
		Qty.	Rate	Qty.	Rate	
OTS Cans A2½ size	Pcs	11,380	3.25	15300	3.25	49,725.00
Carboys	"	996	140	996	140	1,39,440.00
Naga Dal	qtls.	-	-	6.25	380	2,375.00
Paddy	"	-	-	24.80	250	6,200.00
Tea	kg	-	-	54	34 X 38 X	986.00 970.00
Honey	bottles	327	-	1447	28 X 14 X	40,516.00 14.00
Pickle	tin	498	-	2	10.75	-
Papaya seeds (Cal.)	"	-	-	104	35	-
Pineapple Juice concentrate	kg	X 62305 (FJCP) X 77.75 (Airport & GMC) X 2014.80 (Baroda)	32.50 35.00 35.00	20,24,912.00 2,721.00 70,518.00	35 X 33 X 31 X 35 X 54 X 52 X	8,21,412.50 21,19,864.00
Pineap	tray	3098	-	2,24,207.00	-	-
Fruit products & others	-	-	-	10,985.00	-	-
Total		Rs. 25,19,445.00		31,81,502.50		-

Notes : (1) Stock of Pineap has been taken and valued on the basis of subsequent realization.

(L. Rynjah)
Director
NERAMAC Ltd.

(T.K. Dewan)
Chairman cum Managing Director
NERAMAC Ltd.

Director;
North Eastern Regional Agricultural
Marketing Corporation Limited

General Manager-Edupatse, Guwahati,
North Eastern Region Agricultural
Marketing Corporation Limited.

**NORTH EASTERN REGIONAL AGRICULTURAL MARKETING
CORPORATION LIMITED, GUWAHATI**

SCHEDULE 14

PERSONNEL PAYMENT TO AND PROVISIONS FOR EMPLOYEES

	<u>As at 31/3/90</u> Rs.	<u>As at 31/3/89</u> Rs.
Salaries and wages	27,03,745.47	19,52,262.97
Contribution to Provident Fund	1,63,309.72	1,14,029.00
Gratuity	28,425.90	10,000.00
Staff welfare	32,644.30	41,207.76
Bonus	1,08,057.35	84,705.61
Administrative charges towards CPF/DLI	9,607.43	17,144.00
Leave salary contribution	5,481.60	-
Liveries to staff	1,148.90	3,608.00
Total	<u>Rs. 30,52,420.67</u>	<u>22,22,957.34</u>

(L. Rynjah)
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North Eastern Regional Agricultural
Marketing Corporation Limited.

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION LTD.
GUWAHATI

SCHEDULE 15

SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31/3/90

SELLING, DISTRIBUTION, ADMINISTRATION &
OTHER EXPENSES

	<u>As at 31/3/1990</u> Rs.	<u>As at 31/3/1989</u> Rs.
Rent	6,60,464.40	2,95,469.05
Insurance	1,65,470.45	1,49,904.65
Printing & Stationery	36,018.88	62,313.68
Telephone & Telex	1,03,909.38	1,70,047.60
Airport stall expenses	9,948.20	4,596.00
Travelling allowance (including Directors TA of Rs. 2,09,109.46)	5,21,313.28	5,42,884.74
Subscription fee	150.00	-
Books & Periodicals	6,524.10	24,342.13
Bank commission	15,388.59	16,580.16
Advertisement expenses	27,79,781.70	13,185.00
Seminar & Conference	6,590.00	53,742.14
Miscellaneous expenses	11,781.23	29,794.94
Brokerage/commission	-	3,000.00
Electrical fittings	486.60	13,688.99
Vehicle running and maintenance expenses	1,38,364.78	2,47,482.43
Security expenses	20,326.30	10,711.40
Entertainment expenses (including CMD Rs.6000/-)	23,674.78	68,150.55
Guest house expenses	6,526.12	38,936.10
Electric charges	15,737.32	20,749.23
Maintenance and servicing of office equipment (repair & electricals)	4,253.00	8,756.62
Commission on sales	38,515.40	69,751.04
Tools & Implements	576.00	133.00
Rates & Taxes	1,972.85	3,421.50
Selling expenses (Trade fair & sales promotion)	18,423.50	1,433.50
GMC Stall	3,078.65	1,798.85

26/11/93

Filing fee	705.00	2,140.00
Membership fee	1,500.00	1,510.00
Freight & Handling	7,22,251.81	3,56,170.28
Postage & Telegram	20,360.00	20,385.21
Launching expenses	19,252.90	22,567.30
Licence fee	500.00	1,550.00
Sales tax	5,01,204.36	1,74,691.60
Conveyance	17,322.60	13,774.60
Internal Audit fee	18,000.00	18,000.00
Statutory Audit fee	12,000.00	12,000.00
Demurage charge	-	1,963.00
newal fee	5,180.00	1,760.00
Professional & legal expenses	1,28,726.00	91,350.00
Tax audit fee	4,000.00	4,000.00
Export promotion expenses	-	68,832.50
Board meeting expenses	27,725.96	-
Fine & Penalties	15,000.00	-
Repairs & maintenance	6,629.44	-
Total	Rs. 60,89,633.58	26,41,567.79

(L. Rynjah)
Director
NERAMAC Ltd.

Director
North Eastern Regional Agriculture
Marketing Corporation Limited

(T.K. Dewan)
Chairman cum Managing Director
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Chairman cum Managing Director,
North Eastern Regional Agriculture
Marketing Corporation Limited

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION LTD.
GUWAHATI

SCHEDULE 16

PRIOR PERIOD ADJUSTMENTS

	<u>31/3/90</u> Rs.	<u>31/3/89</u> Rs.	
I. Receipts			
a) Sales	-	-	-
b) Other Income	-	5,956.16	5,956.16
II. Expenses			
1. OTA	-	187.35	-
2. Membership fee	-	4,125.00	-
3. Medical expenses	1,908.25	509.55	-
4. Travelling exp.	-	4,468.07	-
5. GPF/CPF	-	1,391.00	-
6. Purchases	-	2,539.00	-
7. Pay & allowances	38,804.46	10,012.30	-
8. Books & Periodicals	-	31.60	-
9. Miscellaneous expenses	480.70	84.40	-
10. Rent	3,000.00	12,871.60	-
11. Sales commission	212.00	-	-
12. Consultation fee	4,650.00	-	-
13. Entertainment	79.00	-	-
14. Professional tax	-	2,150.00	-
15. Freight & Handling	7,000.00	-	-
16. Wages	2,840.00	-	-
17. Telephone & Telex	10,519.50	2,892.50	-
18. Electricity charges	-	91.10	41,353.47
III. Gratuity	13,361.00	-	-
Total	<u>Rs. 82,854.91</u>	<u>35,397.31</u>	

(L. Rynjah)
Director
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(T.K. Dewan)
Chairman cum Managing Director
NERAMAC Ltd.

26/4/97

SHORTAGE IN STOCK

SCHEDULE 17

Particulars	Unit	Stock as per records on 31.3.90	Stock as per physical verification on 31.3.90	Shortage for the year ended 31.3.90	Rate	Value	Stock as per records as on 31.3.89	Stock as per physical verification on 31.3.89	Shortage	Rate	Value		
		1	2	3	4	5	6	7	8	9	10	11	12
Rs.													
OTS Cans	No.	13,880	11,880	2000		3.25	6500.00	15,300	15,300	-	-	-	-
Naga Dal	qtls.	-	-	-	-	-	-	6.25	6.25	-	-	-	-
M. 11 cake	"	-	-	-	-	-	-	34.13	34.13	-	-	-	-
Paddy	"	-	-	-	-	-	-	24.80	24.80	-	-	-	-
Citronella oil	kg.	3.25	-	3.05	-	136	414.80	42.47	42.47	-	42.47	135	5,734.13
Citronella top	"	-	-	-	-	-	-	7.30	7.30	-	7.30	261.60	1,909.66
Citronella residue	"	-	-	-	-	-	-	1.90	1.90	-	1.90	50	95.00
Citronella oil residue	"	-	-	-	-	-	-	0.40	0.40	-	0.40	-	-
Geraniol residue	"	-	-	-	-	-	-	3.85	3.85	-	3.85	50	192.50
Tea	"	26.75	-	26.75	-	38.00	1016.50	163.75	54	109.75	10.75	34	3,731.50
Pickle	tin	529	498.00	31.00	-	12.00	372.00	1461	2	1,459	136	28	15,684.25
Assam honey	bottle	-	-	-	-	-	-	1584	1448	-	861.40	205	3,808.00
Aromatic products	"	-	-	-	-	-	-	861.40	-	-	25	14.00	1,76,544.00
M ala	kg	-	-	-	-	-	-	25	-	-	25	56	350.00
Pineapple juice	tray	-	-	28,834	-	56	1614704.00	40,330	39835	-	7	56	3,752.00
Pineapple concentrate	"	-	-	727.60	-	35	25466.00	-	-	-	-	-	-
				Total			Rs. 1648473.30						2,11,801.00

(L. Rynjah)
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(T.K. Dewan)
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North Eastern Regional Agricultural Marketing Corporation Limited

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION LTD.
GUWAHATI.

SCHEDULE 18

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31/3/90

NOTES TO ACCOUNTS :

1. The Corporation owns 3.64 hectare of land in CS plot No. 377 (New) of Mauza Nalkata, under Kailashar Sub-Division, Tripura, which has been allotted free of cost by the Govt. of Tripura and whose value has been taken as nil.

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

<u>3. CIF value of Imports</u>	<u>Current yr.</u> Rs.	<u>Previous yr.</u> Rs.
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a) Packing materials (Asceptic bags)	-	3.20 lacs
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<u>4. Payment to and provisions in respect of payments to Statutory Auditors :</u>	<u>Current yr.</u> Rs.	<u>Previous yr.</u> Rs.
--	---------------------------	----------------------------

As audit fee	12,000.00	12,000.00
	12,000.00	12,000.00

5. Payment to and provisions in respect of payments of Chairman cum Managing Director :-

	<u>CURRENT YR.</u> Rs.	<u>PREVIOUS YR.</u> Rs.
1. Pay & allowances	83,232.30	78,463.05
2. Entertainment	6,000.00	6,000.00
3. Medical benefits	698.60	1,149.80
4. CPF	8,019.00	11,448.00

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

7. Expenditure in foreign currency (on cash basis)

	<u>Current yr.</u> Rs.	<u>Previous yr.</u> Rs.
Payment on account of CMD's foreign tour	29,595.81	67,122.89

8. Capacity and production :

	<u>Current yr.</u> Rs.	<u>Previous yr.</u> Rs.
1. Licensed capacity	48.00 MT per day	48.00 per day
2. Installed capacity	48.00 -do-	48.00 -do-
3. Actual production		
1) Juice concentrate	62.82 MT	36.05 MT
ii) Pineap	47,008.62 KL	227.043 KL

9. Analysis of Raw materials consumed

Item	Consumption	Value
		Rs.
Pineapple	1023.60	10,91,464.00
Citric Acid	806.50	39,735.00
Sugar	54.27	4,14,392.00
Flavour	139.60	23,196.00
		<u>15,68,787.00</u>

Note : 22.118 MT juice concentrate manufactured at Nalkata Plant has been consumed in the production of PINEAP.

10. Leave salary contribution of the following incumbents' department could not be provided due to non receipt of detailed statement of accounts from the incumbents concerned.

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

11. The previous year figures have been re-grouped and re-arranged wherever necessary.

12. Cost of Plant & 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 US Dollars and Swedish Kroners between the period of opening of L/C and the period of clearing the imported materials. The necessary adjustment limiting the landed cost of imported machinery Rs.62.90 lakhs (as per terms) of agreement 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.

13. Break up of expenditure of employees who are in receipt of remuneration amount in the aggregate of Rs. 72,000/- or more per annum if employed for full year and of Rs. 6,000/- or more per month if employed for part of the year.

	Employment for full year		Employment for part of the year	
	Current yr.	Previous yr.	Current yr.	Previous yr.
1. No. of employees	2	-	1	-
2. Salaries/allowances	1,55,858.40	78,463.05	13,727.00	-
3. Contribution to P.F.	14,268.00	11,448.00	1,270.00	-
14. Investment allowance reserve will be created in the year of assessable profits.				

15. Claims against the Corporation not acknowledged as debts :-

- (a) The Income Tax authorities have raised a demand of Rs. 1,67,800/- for the assessment year 1983-84. The Corporation has filed revision petition before the Commissioner of Income Tax where the matter is subjudiced.
- (b) Contingent liabilities in respect of purchase of Laboratory equipments supplied by Indian Equipment Corporation is estimated to around Rs. 0.12 lakhs which has not been accepted by the Corporation on account of quality/shortage claim.
- (c) Contingent liabilities in respect of claims raised by the customer amounting to Rs. 29.94 lakhs on account of product (Pineap) issued for sampling, launching of product, product return from the market, product for extra-scheme display and product lying at various destinations.
- (d) Contingent liabilities in respect of claims of Rs. 1.85 lakhs preferred by an ex-senior employee of the Corporation before the Guwahati High Court.
- (e) Legal and professional fees payable but not claimed (amount not ascertainable)

5. Some creditors have filed petitions for the winding up of the Corporation because the Corporation has not accepted the quantum of their claims.

17. The shortage as mentioned in Schedule No. 17 to the accounts, includes stock of Pineap which has been destroyed, seized, expired or for which different kinds of claims has been received from the customer after the date of Balance Sheet i.e. after the close of the financial year 1989-90.

18. Insurance has been accounted for on cash basis.

L. Rynjah)
Director
NERAMAC Ltd.

(T.K. Dewan)
Chairman cum Managing Director
NERAMAC Ltd.

Director,
North Eastern Regional Agricultural
Marketing Corporation Limited

Chairman-cum-Managing Director,
North Eastern Regional Agriculture
Marketing Corporation Limited.

Signed in terms of our annexed
report and observation of even
date.

For, H. Khaund & Co.
Chartered Accountants.

DATED : GUWAHATI
THE 26th Nov. 1993.

(H. KHAUND)
PROPRIETOR.

**MANUFACTURING & PROFIT & LOSS ACCOUNT IN RESPECT OF PINEAPPLE
JUICE CONCENTRATE AND PINEAP FOR THE YEAR ENDED 31/3/90**

Particulars	Concentrate		Pineap	
	Rs.	Rs.	Rs.	Rs.
A. Prime cost (including direct factory overhead)				
Opening stock	8,21,412.50		21,19,864.00	
Raw materials consumed	10,91,464.20		4,77,322.42	
Packing materials consumed	83,706.60		19,81,637.53	
Stores & spare parts	1,71,937.08		-	
Power & Fuel	1,70,255.39		-	
Wages (Productiv)	1,90,643.30		-	
Processing sot	-		23,98,909.50	
Factory electricity	56,487.50		-	
Freight & Handling (raw materials)	96,665.65		5,45,458.38	
Repairs to Plant & Machinery	56,784.15		-	
Factory personnel			-	
Cost of concentrate consumed for Pineap	7,46,142.00		-	
	-	34,85,498.37	7,74,200.00	82,97,391.83
B. Less :				
1) Closing stock	20,65,651.00			2,24,207.00
11) Cost of concentrate transferred to Pineap	7,74,200.00	28,39,851.00		
C. Prime cost allocation for good sold.				
		6,45,647.37		80,73,184.83
D. Administrative & Selling personnel				
		1,86,535.48		2,01,065.15
E. Administrative & Selling overheads				
		2,49,977.59		37,97,478.39

26/11/90

F. Interest	57,35,818.00	
G. Depreciation	37,49,784.00	
H. Excise duty less modvat realised	36,832.00	5,83,168.45
I. Inaguration ex- penses	2,91,250.00	-
J. Total cost of goods sold	1,08,95,844.44	1,26,54,896.82
K. Sales	1,59,778.00	55,21,249.17
L. Net loss	1,07,36,066.44	71,33,647.65

Quantitative Statement

A. Opening stock	24.86 MT	39,835 tray
B. Qty. produces	61.82 "	88,053 "
C. Qty. sold	1.44	94,956 "
D. Qty. shortage/dama- ge sampling	0.72	28,834 "
E. Qty. internally consumed	22.12	
F. Qty. inhand	63.40"	3,098 "

(L. RYNJAN)
DIRECTOR
NERAMAC LTD.

Director

North Eastern Regional Agricultural
Marketing Corporation Limited

(T K DEVAN)
CHAIRMAN CUM MANAGING DIRECTOR
NERAMAC LTD.

Chairman-cum-Managing Director,
North Eastern Regional Agricultural
Marketing Corporation Limited.

Signed in terms of our annexed
report and observation of even
date.

For, H. Khaund & Co.
Chartered Accountants

DATED : GUWAHATI
THE 26/11-NOV 1993.

(H. KHAUND)
PROPRIETOR.

