



NORTH-EASTERN REGIONAL AGRICULTURAL
MARKETING CORPORATION LIMITED

SEVENTEENTH
ANNUAL
REPORT
1998-99



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17TH ANNUAL REPORT 1998-99

NORTH EASTERN REGIONAL
AGRICULTURAL MARKETING
CORPORATION LIMITED

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BOARD OF DIRECTORS

(As on 31st March, 1999)

CHAIRMAN

Shri V. Thulasidas

MANAGING DIRECTOR

Shri Anthony Lianzuala

DIRECTORS

Shri R. Thansanga
Shri N. Diwakar
Shri L. Rynjah
Shri A.B. Jamir
Shri Ravi Kant
Shri Anil Misra
Shri F.R. Ingty
Shri P.J. Bazeley
Shri S. Kunjabihari Singh

EXECUTIVE DIRECTOR

Shri S. Bhattacharjee

COMPANY SECRETARY (ACTING)

Shri L. Rahman

AUDITORS

M/S.S.P. Sharma & Co.
Chartered Accountants
Sharma Bhawan
Murlidhar Sharma Road
Guwahati-781 001

BANKERS

State Bank of India
United Bank of India
Indian Bank
Vijaya Bank
Central Bank of India
ANZ Grindlays Bank
UCO Bank
Syndicate Bank

REGISTERED OFFICE

R.G. Barua Road,
Guwahati-781 005, Assam



CA/6/99/AGM-
October 28, 1999

N O T I C E

Notice is hereby given that the 17th Annual General Meeting for the year 1998-99 of North Eastern Regional Agricultural Marketing Corporation Limited (NERAMAC) will be held on Wednesday, 10th November 1999 at 15.00 hrs. at the Registered Office of the Corporation, R.G. Barua Road, Guwahati-781 005 to transact the following business :-

1. To receive and adopt the directors' Report and Audited Accounts for the year ended 31.03.99.
2. Any other business that may ordinarily be transacted with the permission of the Chair.

Place : Guwahati

Date : 28/10/99

By Order of the Board of Directors

Sd/-
(L. Rahman)
Company Secretary(Acting)

1. All Members of the Company
2. M/s. S.P. Sharma & Co.
Chartered Accountants,
Fancy Bazar, Guwahati-1

Copy to : All Directors

Notes :

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.

DIRECTORS' REPORT TO THE SHARE HOLDERS :

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 31.3.99.

FINANCIAL PERFORMANCE :

The Financial results of the Company for the year ended 31.3.99 are summarised below :-

| | 1998-99 ----- | 1997-98 ----- |
|---------------------------------------|------------------|------------------|
| Loss : Before interest & Depreciation | 44.75 | 75.01 |
| Add : Interest | 0.11 | 91.68 |
| Operational Loss | 44.86 | 166.69 |
| Add : Depreciation | 16.24 | 19.03 |
| Book loss | 61.10 | 185.72 |
| Transfer to General Reserve (-) | 61.10 | 185.72 |

During the year the turnover of the Company was Rs.144.62 lakhs as compared to Rs.137.18 lakhs during the previous year. The nominal increase in turnover was essentially on account of increased trading activities of Fruit products, Potato seeds, rubber, Minor Forest Product, etc.. Loss before interest and depreciation during the year was Rs.44.75 lakhs as compared to Rs.75.01 lakhs during the previous year. The Corporation incurred a net loss of Rs.61.10 lakhs during the year as compared to Rs.185.72 lakhs in the previous year. The loss was essentially due to low production activity at the Pineapple Juice Concentrate Plant, Lower sales realisation for the Pineapple Juice Concentrate and incidence of higher level of depreciation.

1. CAPITAL STRUCTURE :**Share Capital :**

The authorised Share Capital of the Corporation as on 31.3.99 remains same as in the previous year and stood at Rs.500 lakhs.

The paid up Capital of the Corporation as on 31.3.99 remains same as in the previous year and stood at Rs.369.00 lakhs.

2. LOAN CAPITAL :

| | | | |
|-----|--|---|--------|
| i) | Govt. of India | - | 478.00 |
| ii) | Interest Accrued and due on loan availed from Govt. of India and others. | - | 727.83 |

3. DIVIDEND :

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

4. PHYSICAL PERFORMANCE :

(i) FRUIT JUICE CONCENTRATION PLANT :

The Fruit Juice Concentration Plant at Nalkata could process 1273.62 MT of Pineapple fruits during the year 1998-99 and could produce 75.39 MT of Pineapple Juice Concentrate as against the production of 79.82 MT during the year 1998-99. The concentrate recovery ratio still continues to be higher than envisaged in the project report.

(ii) CASHEW PROCESSING UNIT :

The Cashew Processing Unit at Agartala could process 44.37 MTs of Raw Cashewnut and produce 13.57 MTs of Finished Product during the year 1998-99 as against the production of 16.59 MTs of finished Product during the year 1997-98.

(iii) TRADING ACTIVITIES :

The Corporation during the year 1998-99 could market 80.51 MTs of Pineapple Juice Concentrate as against marketing of 74.86 MTs of Pineapple Juice Concentrate during the year 1997-98.

Apart from Pineapple Juice Concentrate, the Corporation also marketed various other items such as Fruit Products, Rubber, Cashewnut, Fertilizer, Spices, Minor Forest Products, Arecanut etc., The total turnover on trading activities was Rs. 77.49 Lakhs during the year 1998-99 as against Rs. 63.14 lakhs during the previous year.

5. PARTICULARS OF THE EMPLOYEES :

None of the employees of the Corporation were in receipt of remuneration exceeding the limits (i.e. Rs. 25000/- per month in a year or part of the year) with whom the particulars are required to be given in the Director's Report U/S. 217 (2A) of the Companies Act, 1956 to this report.

6. AUDITORS OF THE COMPANY :

M/s S.P. Sharma & Co., Guwahati were appointed as Statutory Auditors of the Corporation for the Financial year 1998-99. Auditor's Report on the audit of accounts together with the Company's Replies to the observations made in their report are annexed to this report.

7. COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA :

Comments from the Office of the Comptroller and Auditor General of India U/s 619 (4) of the Companies Act, 1956 on the accounts of the Corporation for the year ended 31.3.99, are annexed to this report.

8. DIRECTORS :

The following changes took place among the Directors of the Company during the year 1998-99 :

NEW DIRECTORS

| | | | |
|----|---------------------------|--------|----------|
| 1. | Shri Ravi Kant | w.e.f. | 08.10.98 |
| 2. | Shri Anil Misra | w.e.f. | 08.10.98 |
| 3. | Shri Anthony Lianzuala | w.e.f. | 12.11.98 |
| 4. | Shri F.R. Ingty | w.e.f. | 12.11.98 |
| 5. | Shri P.J. Bazeley | w.e.f. | 12.11.98 |
| 6. | Shri S. Kunjabihari Singh | w.e.f. | 12.11.98 |

RETIRED DIRECTORS

| | | | |
|----|-------------------------|--------|----------|
| 1. | Dr. Rekha Pai | w.e.f. | 08.10.98 |
| 2. | Shri A.K. Deb | w.e.f. | 08.10.98 |
| 3. | Dr. A.G. Naik Kurade | w.e.f. | 12.11.98 |
| 4. | Dr. V.N. Asopa | w.e.f. | 12.11.98 |
| 5. | Shri Ch. Birendra Singh | w.e.f. | 12.11.98 |
| 6. | Smt. Shanti Sundharam | w.e.f. | 12.11.98 |
| 7. | Shri J. Tayeng | w.e.f. | 12.11.98 |
| 8. | Shri K.N. Hazarika | w.e.f. | 12.11.98 |

9. The Board of Directors have pleasure to put in record that the BIFR has cleared the revival Package of the Corporation to the tune of Rs. 10.36 crores with a view to build up marketing infrastructure and processing facilities in the NE Region and provide regular and systematic marketing arrangement for agro-horticultural products of the region. The package is for a period of ten years effective from 1.4.99.

10. ACKNOWLEDGEMENT :

The Board of Directors are grateful to the Govt. of India, to the various constituent States of North Eastern Region, Banks, Co-operatives, other Public Bodies and Corporations and who have extended their utmost co-operation. The Board is also thankful to the retiring Directors, 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 staffs of the Corporation.

On behalf of the Board of Directors

Sd/-

Date : 28.10.99
Place: Guwahati

Managing Director

CONFIDENTIAL

NO. 1257/DIR-I/01-28(NERAMAC)99-200

OFFICE OF THE
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD-I
1, COUNCIL HOUSE STREET,
CALCUTTA - 700 001

Dated 2nd November 1999

To
The Managing Director
North Eastern Regional Agricultural Marketing Corpn.Limited.
R.G. Baruah Road
Guwahati - 781 005

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 Corpn. Limited, Guwahati for the year ended
31st March 1999.

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 1999.

The receipt of this letter may please be acknowledged.

Yours faithfully

Enclo : As stated

Sd/-
(A. Pattanayak)
Principal Director of Commercial Audit
& Ex-Officio Member, Audit Board-I,
Calcutta

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 LIMITED, GUWAHATI FOR THE YEAR ENDED 31ST MARCH 1999.

The Comptroller & Auditor General of India has decided not to review the report of the Auditors for the year ended 31st March 1999 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.

Sd/-
(A. Pattanayak)
Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board-1
Calcutta

Dated, Calcutta
The 2nd November, 1999

S.P. SHARMA & CO.
CHARTERED ACCOUNTANTS

SHARMA BHAWAN
MURLIDHAR SHARMA ROAD
GUWAHATI - 781 001 (ASSAM)
PHONE (0361) 517582 540817

TO THE MEMBERS OF
NORTH EASTERN REGIONAL AGRICULTURAL MARKETING
CORPORATION LTD.

We have audited the attached Balance Sheet of NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION LIMITED, as at 31st March, 1999 and annexed Profit and Loss Account for the year ended on that date, which are in agreement with the books of account.

1. As required by the Manufacturing and other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the said order.

2. Further to the above and subject to our observation stated in Annexure 'X' we report that :

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of accounts have been kept by the company as required by Law so far as appears from our examination of books.
- c) The Balance Sheet and the Profit and Loss Account referred to in the report are in agreement with the books of accounts subject to Note 7 of Annexure -X regarding disagreement with the books of accounts.
- d) In our opinion, the Profit and Loss Account and the Balance Sheet comply with the mandatory accounting standards referred to in sub-section(3C) of Section 211 of the Companies Act, 1956
- e) In our opinion and to the best of our information and according to the explanations given to us the said accounts together with the schedules annexed thereto and notes thereon give the information required by the Companies Act, 1956 in the manner so required and gives a true and fair view:



- i) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 1999 ;
- ii) In case of Profit and Loss Account of the LOSS of the Company for the year ended 31st March, 1999.

Place : Guwahati
Date : 14th September, 1999

For S.P. Sharma & Co.
Chartered Accountants

Sd/-
Surajit Kumar Dey
Partner.



ANNEXURE TO AUDITORS REPORT

(Referred to Paragraph 1 of our Report of even date)

- i) The Company has maintained proper records showing full particulars including quantitative details as well as situation of the fixed assets on a reasonable basis and physical verification has been conducted by the management and no material discrepancies were noticed on such verification.
- ii) None of the Fixed Assets of the Company have been revalued during the year.
- iii) The stock of raw materials, finished goods, stores and spares lying at various locations have been physically verified by the management during the year under audit.
- iv) In our opinion the procedures for physical verification of stock followed by the management are reasonable and is adequate in relation to the size of the company and the nature of the company .
- v) Shortage of stock valued at Rs. 58252/- as noticed on physical verification as compared to books of accounts at Zonal office Agartala Office have not been properly reflected in the books of accounts as the stock disclosed net off.
- vi) In our opinion and on the basis of our examination, the valuation of stock is fair and proper and in accordance with normally accepted accounting principles and is on the basis as in earlier years.
- vii) The Company has not taken, during the year any loans, secured or unsecured from companies, firms or other parties in which the Directors are interested.
- viii) The Company has not granted any loans, secured or unsecured, to Companies, firms or other parties listed in the register required to be maintained, under section 301 of the Companies Act, 1956.
- ix) The parties including employees to whom loans or advances in the nature of loans have been given by the company are generally repaying the principal amounts as stipulated/re-stipulated and are also regular in payment of interest where applicable. In case of various stagnant advances to employees where principal amount have not been repaid/adjusted as stipulated reasonable steps are being taken by the Corporation for its recovery thereof.

- x) In our opinion, and according to the information and explanations given to us, there is an internal control procedure commensurate with the size of the company and nature of its business for the purchase of stores, raw materials, plant and machinery, and other assets and for sale of goods.
- xi) There are no transactions of purchase of goods and materials made in pursuance of contracts or Arrangements entered in the Register required to be maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000/- or more in respect of each party.
- xii) As explained to us, the company has a regular procedure for the determination of unserviceable or damaged stores, raw materials or finished goods. A damage of pineapple juice concentrate at NALKATA PLANT of 8342 kgs. as reported was included in the closing stock of PJC amounting to Rs. 467152/-, no provision for such losses have been made in the books of accounts.
- xiii) The Company has not accepted any deposits from the public during the year.
- xiv) The Company did not have an internal audit system during the year.
- xv) The Company has maintained reasonable records for the sale and disposal of realisable scrap and by products.
- xvi) The Central Government has not prescribed under section 209(i)(d) of the Companies Act, 1956 the maintenance of cost records for the products of the Company.
- xvii) According to records of the Corporation there is a delay in depositing Provident Fund dues with the appropriate authorities.
- xviii) According to records of the Corporation and information and explanations given to us, there are no disputed amounts applicable in respect of Income Tax Act, Sales Tax, Excise Duty outstanding as at 31st March, 1999 which are outstanding for a period of more than six months from the date they become payable.
- xviii) During the course of our examination of the books of accounts, we have not come across any personal expenses which have been charged to Profit and Loss Account other than those payable under contractual obligation or in accordance with generally accepted business practice.



xix) The Company is a sick industrial company within the meaning of Clause(o) of Sub-section (1) of section 3 of the Sick Industrial Companies (Special Provision) Act, 1985. Reference has been made to the Board for Industrial and financial reconstruction .

Place : Guwahati
Date : 14th September, 1999

For S.P. Sharma & Co.
Chartered Accountants

Sd/-
Surajit Kumar Dey
Partner.

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION LTD.

ANNEXURE X :OBSERVATIONS

1. a) Trading purchases Consisting of Agarbati Sticks, Black Pepper, Brooms Fry fish, and fertilisers etc valued at Rs 7129050.09 has been shown under the head "MATERIAL AND MANUFACTURING EXPENSES ", Whereas the same are not manufacturing items of the Corporation.

b) Stock of Packing materials

(i) Stock of Packing Material valued Rs. 230000/- lying with M/s. Hindustan Packing Co. Ltd. were not verified by the management. The recoverable value of the same laminated paper is not ascertainable.

(ii) We were informed that provision of Rs 1774487.00 & Rs. 195774.45 towards stock of packing material have been made during the year 1993-94 & 1994-95 Respectively as Reported in the Balance Sheet.

d) No Proper Provision has been made for damaged stock amounting to Rs. 384252.44 lying in the store and the closing stock has been taken net off.

2. SUNDRY DEBTORS

a) No provision for doubtful debts have been made after 1992-93 though there are some old outstanding balances that appear to be doubtful ;

| Name ----- | Amount ----- |
|---|-----------------|
| Backward Area Development Society (H.O) | 157862.80 |
| Crown Marketing, Mysore (Agartala) | 63838.75 |
| Agril. Marketing Corpn. Aizawl | 950000.00 |

b) Balance due from NAROSA farm Rs. 2319474.90 is under litigation.

c) Amount recoverable from Statefed Rs. 2150638.00 is outstanding since 1995-96.

d) Rs. 133896/- recoverable from Mr. H.V. Patel were in litigation. We were informed that above debtors are considered as good.

3. ADVANCES

a) Advance given to employees Rs. 115575.00 to Mr. P.K. Singh and N.N. Singh were overdue. No action has been taken for the recovery.

b) Advance includes Rs. 347502.54 debited to Hindustan Packing Co. Ltd. being excess sales tax paid to them in the previous year.

4. SUNDRY CREDITORS

Rs. 1638785.90 payable to Modern Food Industry depending upon the realisation from Statefed as informed by the management.

5. NEGATIVE CASH BALANCES

While scrutinising cash book maintained at Imphal office negative balances of cash were noticed on the following dates :

07.05.98 14.05.98 20.05.98 29.05.98 01.06.98 04.06.98 11.06.98

6. MISCELLANEOUS EXPENDITURE

(i) Rs. 484269.51 included in Misc. Expenditure was paid to operating agency IDBI during 1998-99 to be written off over the period of its benefits.

(ii) Rs. 190960.80 in respect of official attending (BIFR) Court included under the head Miscellaneous Expenditure.

7. PROFIT/ LOSS ACCOUNT

The Profit and Loss Account of the Corporation dealt with by this report is in agreement with the books of accounts except in the following cases

| IMPHAL BRANCH | Balance as per Balance sheet | Correct Balance as per Books |
|------------------------------------|---------------------------------|---------------------------------|
| Advance to Staff (S.Das) | 4615.00 | 108.00 |
| Salaries & Wages | 294815.50 | 299913.50 |
| Travelling Allowance | 84568.50 | 85915.50 |
| Trial Difference (Suspense A1) | 5028.50 Dr | 119.50 Cr. |
| Sales Tax | 17338.00 | 17388.00 |
| Head office : | | |
| C P F | 470255.00 | 563621.00 |
| F P F | - | 112797.00 |
| Administrative Charges of C P F | 49574.00 | 36541.00 |
| D L I | 23755.00 | 28105.00 |
| Administrative Charges | | 560.00 |

9. INTEREST

Interest on unsecured loan from Government has not been provided for during 98-99 we were informed that interest on loan taken from the Govt. has been waived by the Central Government.

10. PROVIDENT FUND

i) In respect of wages paid to labour working at cashew nut processing plant, falling within the Employees Provident Fund Act 1952. No employees as well as employer's contribution towards P.F. has been deducted/paid by the Corporation during the year 1998-99.

ii) During the year 98-99 Employer's contribution towards CPF, PPF, DLI and administrative charges payable by the Corporation amounting to Rs.741624/- against which only Rs. 543584/- has been shown in the Financial statement. Net difference of Rs. 198040/- could not be identified.

iii) Rs. 125000/- has been wrongly credited to the P.F. account whereas the said amount relates to pay allowances.

On declaration of Pay revision by the Central Government with retrospective effect, an amount of Rs. 125000/- payable as Employer's contribution towards P.F. which was not provided for during the year ended 31st March, 1999.

iv) Excess paid to Employees as well as Employer's contribution of earlier year of Rs. 126586/- as intimated to Corporation included in CPF Account.

v) Short Payment of earlier year of Rs. 74495/- included in the CPF Account.

11. CONFIRMATION

i) Confirmation of Balances in the case of the following Bank Accounts were not available :

| | Bank | Branch | Balance as per Ledger | Remarks |
|----|--------------------------|-----------|--------------------------|-----------------------------|
| | ---- | ----- | ----- | ----- |
| A. | State Bank of India | Samuguri | 8391.83 | Bank Statement available |
| B. | - do - | Phulbari | 3170.00 | - |
| C. | Indian Bank | Dimapur | 522.70 | Inoperative A/c. |
| D. | Central Bank of India | New Delhi | 8300.85 | -do- |
| E. | - do - | Tinsukia | 572.05 | -do- |
| F. | ANZ Grindlays | Guwahati | 390.12 | -do- |

ii) Balance Confirmation of Sundry Debtors, Sundry Creditors and Advances were not available .

12. LEAVE ENCASHMENT

Rs. 150000/- for Leave Encashment benefits provided on estimation. No actuarial valuation has been done by the management/Corporation.



13. INCOME TAX

Debit balance of Rs. 1535/- on account of TDS on salary has been transferred to salary and pay allowances, it should be debited to Personnel accounts of Employees on whose behalf the Corporation has paid.

14. Sale includes the supply of fertilizers directly to various parties by the manufacturers for which the Corporation obtains the orders and receives commission only.

Place : Guwahati
Date : 14th September, 1999

For S.P. Sharma & Co.
Chartered Accountants.

Sd/-
Surajit Kumar Dey
Partner.

Replies of the Management on the observations made by the Statutory Auditor
in Annexure to their Report 1998-99

| Para of Auditor's Report ----- | Extracts of the concerned para of Auditor's Report ----- | Replies of the Management ----- |
|--------------------------------------|--|---------------------------------------|
| Para i to Auditor's Report | The company has maintained proper records showing full particulars including quantitative details as well as situation of the fixed assets on a reasonable basis and physical verification has been conducted by the Management and no material discrepancies were noticed on such verification. | No comments. |
| Para ii to Auditor's Report | None of the Fixed Assets of the Company have been revalued during the year. | No comments. |
| Para iii to Auditor's Report | The stock of raw materials, finished goods, stores and spares lying at various locations have been physically verified by the Management during the year under audit. | No comments. |
| Para iv to Auditor's Report | In our opinion the procedures for physical verification of stock followed by the Management are reasonable and is adequate in relation to the size of the company and the nature of the company. | No comments. |
| Para v to Auditor's Report | Shortage of stock valued Rs. 58252/- as noticed on physical verification as compared to books of accounts at Zonal Office, Agartala Office have not been properly reflected in the books of accounts as the stock disclosed net off. | Noted. |

| | | |
|-------------------------------|---|--------------|
| Para vi to Auditor's Report | In our opinion and on the basis of our examination, the valuation of stock is fair and proper and in accordance with normally accepted accounting principles and is on the basis as in earlier years. | No comments |
| Para vii to Auditor's Report | The company has not taken, during the year any loans, secured or unsecured from companies, firms or other parties in which the Directors are interested. | No comments |
| Para viii to Auditor's Report | The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register required to be maintained, under section 301 of the Companies Act, 1956. | No comments. |
| Para ix to Auditor's Report | The parties including employees to whom loans and advances in nature of loans have been given by the Company are generally repaying the principal amounts as stipulated/restipulated and are also regular in payment of interest where applicable. In case of various stagnant advances to employees where principal amount have not been repaid/adjusted as stipulated reasonable steps are being taken by the Corporation for its recovery thereof. | No comments |
| Para x to Auditor's Report | In our opinion, and according to the information and explanations given to us, there is an internal control procedure commensurate with the size of the Company and nature of its business for the purchase of stores, raw materials, plant and machinery, and other assets and for sale of goods. | No comments |

Para xi to Auditor's Report

There are no transactions of purchase of goods and materials made in pursuance of contracts or Arrangements entered in the Register required to be maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000 or more in respect of each party.

No comments.

Para xii to Auditor's Report

As explained to us, the Company has a regular procedure for the determination of unserviceable or damaged stores, raw materials or finished goods. A damage of Pineapple Juice Concentrate at Nalkata Plant of 8342 Kgs. as reported was included in the closing stock of PJC amounting to Rs. 467152/-no provision for such losses have been made in the books of accounts.

A Committee is being constituted to identify the reported stock of PJC not fit for disposal/human consumption. AS and when the report is received the same will be dealt with in the books of accounts.

Para xiii to Auditor's Report

The Company has not accepted any deposits from the public during the year.

No comments.

Para xiv to Auditor's Report

The Company did not have an Internal Audit System during the year.

Noted.

Para xv to Auditor's Report

The Company has maintained reasonable records for the sale and disposal of realisable scrap and by products.

No comments.

Para xvi to Auditor's Report

The Central Government has not prescribed under section 209(I) (D) of the Companies Act, 1956 the maintenance of cost records for the products of the Company.

No comments.

Para xvii to Auditor's Report

According to records of the Corporation there is a delay in depositing Provident Fund dues with the appropriate authorities.

Noted.

Para xviii to Auditor's Report

According to records of the Corporation and information and explanations given to us, there are no disputed amounts applicable in respect of Income Tax Act, Sales Tax Excise Duty outstanding as at 31st March'1999 which are outstanding for a period of more than six months from the date they become payable.

No comments.

Para xiv to Auditor's Report

During the course of our examination of the books of accounts, we have not come across any personal expenses which have been charged to Profit and Loss account other than those payable under contractual obligation or in accordance with generally accepted business practice.

No comments

Para xv to Auditor's Report

The Company is a sick Industrial Company within the meaning of clause (0) of sub-section (1) of section 3 of the Sick Industrial Companies (special provision) Act, 1985. Reference has been made to the Board for Industrial and Financial Reconstruction.

No comments.

ANNEXURE X : OBSERVATIONS

Para 1 (a) to Auditor's Report

Trading purchases consisting of Agarbati Sticks, Black Pepper, Brooms, Dry-Fish and Fertilizer etc. valued at Rs. 7129050.09 has been shown under the head "MATERIAL AND MANUFACTURING EXPENSES" whereas the same are not manufacturing items of the Corporation.

Trading Purchase has been shown under the head "materials and manufacturing sub-head 'Trade goods': purchase. Further the details analysis of trade purchase itemwise has been shown under annexure 16 of the Accounts.

Para 1 (b) (i) to Auditor's Report

Stock of packing materials valued Rs. 230000/- lying with M/s. Hindustan Packing Co. Ltd. were not verified by the management. The recoverable value of the same laminated paper is not ascertainable.

The issue pertaining to packing materials valued Rs. 2.30 lacs has already be taken up with HPCL for necessary adjustment in the accounts.

Para 1 (b) (ii) Auditor's Report

We were informed that provision of Rs. 1774487/- and Rs. 195774.45 towards stock of packing material have been made during the year 1993-94 and 1994-95 respectively as reported in the Balance Sheet.

No Comments

Para 1 (c) Auditor's Report

No proper provision has been made for damaged stock amounting to Rs. 384252.44 lying in the store and the closing stock has been taken net off.

No comments

Para 2 (a) to Auditor's Report

No provision for doubtful debts have been made after 1992-93 though there are some old outstanding balances that appear to be doubtful.

The debtors as mentioned in the para are not time-bared debts. Follow up action is initiated to recover the amount at the earliest.

| Name | Amount |
|--|---------------|
| ---- | ----- |
| Backward Area Development Society (HO) | Rs. 157862.80 |

| | |
|------------------------------------|--------------|
| Crown Marketing, Mysore (Agartala) | Rs. 63838.75 |
|------------------------------------|--------------|

| | |
|-------------------------------|---------------|
| Agril. Marketing Corp. Aizwal | Rs. 950000.00 |
|-------------------------------|---------------|

Para 2 (b) to Auditor's Report

Balance due from NAROSA FARM Rs. 2319474.90 is under litigation.

No comments.



| | | |
|--------------------------------|---|---|
| Para 2 (c) to Auditor's Report | Amount recoverable from Statefed Rs. 2150838.00 is outstanding since 1995-96. | Follow up action is initiated to recover the amount at the earliest. |
| Para 2 (d) to Auditor's Report | Rs. 133896/- recoverable from M/s. M.V. Patel were in litigation. We are informed that above debtors are considered as good. | No comments. |
| Para 3 (a) to Auditor's Report | Advance given to employees Rs. 115575/- to Mr. P.K.Singh and Mr. N.N. Singh were over due. No action has been taken for the recovery. | Follow up action is initiated either to recover the amount from the employees concerned or otherwise to made a provision of doubtful advances with the approval of the Board. |
| Para 3 (b) to Auditor's Report | Advance includes Rs. 347502.54 debited to Hindustan Packing Co.Ltd. being excess Sales Tax paid to them in the previous year. | Management replies are given at para 1 (b) (i) to the auditor report above. |
| Para 4 to Auditor's Report | Rs. 1638785.90 payable to Modern Food Industry depending upon the realization from Statefed as informed by the management. | No comments |
| Para 5 to Auditor's Report | While scrutinising cash book maintained at Imphal Office negative balance of cash were noticed on the following dates :- 07.05.98, 14.05.98, 20.05.98, 29.05.98, 01.06.98, 04.06.98; 11.06.98. | Noted. |

Para 6 (a) (i) to Auditor's Report

Rs. 484269.51 included in Misc. Expenditure was paid to operating agency IDBI during 1998-99 to be written off over the period of its benefits.

No comments.

Para 6 (b) (ii) to Auditor's Report

Rs. 190960.80 in respect of official attending (BIFR) court included under the head Miscellaneous Expenditure.

No comments.

Para 7 to Auditor's Report

The Profit and Loss Account of the Corpn. dealt with by this report is in agreement with the books of accounts except in the following cases.

Noted.

| Imphal branch | Balance as per Balance sheet | Correct Balance As per books |
|------------------------------------|---------------------------------|---------------------------------|
| ----- | ----- | ----- |
| Advance to Staff (S.Das) | 4615.00 | 108.00 |
| Salaries & Wages | 294815.50 | 299913.50 |
| Travelling Allowance | 84568.50 | 85915.50 |
| Trial Difference (Suspense A1) | 5028.50 Dr | 119.50 Cr. |
| Sales Tax | 17338.00 | 17388.00 |
| Head Office : | | |
| ----- | | |
| C P F | 470255.00 | 563621.00 |
| F P F | - | 112797.00 |
| Administrative Charges of C P F | 49574.00 | 36541.00 |
| D L I | 23755.00 | 28105.00 |
| Administrative Charges | - | 560.00 |

Para 9 to Auditor's Report

Interest on unsecured loan from Government has not been provided for during 1998-99 we were informed that interest on loan taken from the Govt. has been waived by the Central Government.

No comments

Para 10 (i) to
Auditor's Report

In respect of wages paid to labour working at Cashewnut processing plant, falling within the Employees Provident Fund Act 1952. No employees as well as employer's contribution towards P.F. has been deducted/ paid by the Corporation during the year 1998-99.

Noted

Para 10 (ii),(iii),
(iv) & (v)
Auditor'd Report

During the year 1998-99 Employer's contribution towards CPF, PPF, DLI and administrative charges payable by the Corporation amounting to Rs.741624/- against which only Rs. 543584/- has been shown in the Financial statement. Net difference of Rs. 198040/- could not be identified.

PF Accounts has already been reconciled and is available for verification.

Rs. 125000/- has been wrongly credited to the P.F. account whereas the said amount relates to pay allowances.

On declaration to Pay revision by the Central Government with retrospective effect, an amount of Rs. 125000/- payable as employer's contribution towards P.F. which was not provided for during the year ended 31st March 1999.

Excess paid to Employees as well as Employer's contribution of earlier year of Rs. 126586/- as intimated to Corporation included in CPF Account.

Short Payment of earlier year of Rs. 74495/- included in the CPF Account.

Para 11 (i) to
Auditor's Report

Confirmation of Balances in
the case of the following
Bank Accounts were not
available :

Steps are
taken to close
the non-operative
Bank Account.

| | Bank | Branch | Balance as per Ledger | Remarks |
|----|--------------------------|-----------|--------------------------|-----------------------------|
| | ----- | ----- | ----- | ----- |
| A. | State Bank of India | Samuguri | 8391.83 | Bank Statement available |
| B. | - do - | Phulbari | 3170.00 | - |
| C. | Indian Bank | Dimapur | 522.70 | Inoperative A/C |
| D. | Central Bank of India | New Delhi | 8300.85 | - do - |
| E. | - do - | Tinsukia | 572.05 | - do - |
| F. | ANZ Grindlays Bank | Guwahati | 390.12 | - do - |

Para 11 (ii) to
Auditor's Report

Balance confirmation
of Sundry Debtors,
Sundry Creditors and
Advances were not
available.

It is a general
practice of the
Corporation to
write to the
parties at the
end of Financial
year for
submission balance
of confirmation
report. During the
year 1998-99 also
the Corporation
wrote to the
parties for
submission of
B a l a n c e
Confirmation
report which is
awaited.

Para 12 to
Auditor's Report

Rs. 150000/- for leave
encashment benefits
provided on estimation.
No actuarial valuation
management/Corporation.

Commensurate with
the size of the
Company, a
provision on
accounts of leave
encashment has
been made on
estimation basis.



Para 13 to
Auditor's Report

Debit Balance of Rs.
1535/- on account of
TDS on salary has been
transferred to salary
and pay and allowance,
it should be debited
to personnel accounts
of Employees on whose
behalf the Corporation
has paid.

Noted

Para 14 to
Auditor's Report

Sale includes the supply
of Fertilizer directly
to various parties by
the manufacturers for
which the Corporation
obtains the orders and
receives commission only.

No comments.

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION LTD., GUWAHATI

BALANCE SHEET AS AT 31ST MARCH 1999

(AMOUNT IN RUPEES)

| | SCHEDULE | 1998 - 99 | 1997 - 98 |
|----------------------------------|----------|-----------------------|-----------------------|
| I SOURCES OF FUNDS : | | | |
| 1. SHARE HOLDER'S FUNDS | | | |
| a) Share Capital | 1 | 36,900,000.00 | 36,900,000.00 |
| b) Reserve & Surplus | 2 | 521,025.50 | 521,025.50 |
| c) Subsidy/Grant-in-aid | 3 | 30741950.00 | 30,741,950.00 |
| | | <u>68,162,975.50</u> | <u>68,162,975.50</u> |
| 2. LOAN FUND : | | | |
| a) Secured Loan | 4 | 0.00 | 425,625.00 |
| b) Unsecured Loan | 5 | 120,532,366.00 | 120,532,366.00 |
| | | <u>188,695,341.50</u> | <u>189,120,966.50</u> |
| II APPLICATION OF FUNDS : | | | |
| 1. FIXED ASSETS : | | | |
| a) Gross Block | 6 | 41,494,475.49 | 41,423,031.99 |
| b) Less : Depreciation | | 30,215,799.48 | 28,591,869.11 |
| c) Net block | | <u>11,278,676.01</u> | <u>12,831,162.88</u> |
| d) Capital Work-in-progress | 7 | 1,354,852.46 | 1,402,973.96 |
| | | <u>12,633,528.47</u> | <u>14,234,136.84</u> |
| 2. INVESTMENT | 8 | <u>0.00</u> | <u>2,500.00</u> |

Sd/-
S. Bhattacharjee
Executive Director

Sd/-
L. Rynjah
Director

Sd/
A. Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants

Sd/-
Surajit Kr. Dey
Partner



III CURRENT ASSETS, LOANS & ADVANCES

| | | | |
|-------------------------|----|----------------------|----------------------|
| a) Inventories | 9 | 6,785,290.83 | 8,623,225.5 |
| b) Loose Tools (Net) | | 4,106.34 | 6,159.3 |
| c) Sundry Debtors | 10 | 8,346,087.64 | 7,513,164.9 |
| d) Intt. accrued on TD | | 0.00 | 508,745.00 |
| e) Loans & Advances | 11 | 1,681,866.70 | 2,166,638.70 |
| f) Cash & Bank Balances | 12 | 1,280,937.62 | 4,676,019.03 |
| | | <u>18,098,289.13</u> | <u>23,493,952.55</u> |

Less :
CURRENT LIABILITIES & PROV.

| | | | |
|------------------------|----|---------------------|----------------------|
| a) Current Liabilities | 13 | 12,252,851.24 | 12,129,243.63 |
| | | <u>5,845,437.89</u> | <u>11,364,708.92</u> |

IV a) Miscellaneous expenditure
to the extent not written
off or adjusted

1,364,935.98 777,854.17

b) PROFIT & LOSS ACCOUNT :

Debit Balance of Profit & Loss
as per Profit & Loss Account

168,851,439.16 162,741,766.57

TOTAL

188,695,341.50 189,120,966.50

Accounting Policies
Notes on Accounts

19
20

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 1999

| | Schedule | 1998-99 | (AMOUNT IN RUPEES) 1997-98 |
|---|----------|----------------------|-------------------------------|
| INCOME | | | |
| Sales | 14 | 14,461,947.38 | 13,718,002.04 |
| Other Income | 15 | 491,053.50 | 794,740.57 |
| | | <u>14,953,000.88</u> | <u>14,512,742.61</u> |
| EXPENDITURE | | | |
| Materials & Mfg.Expenses | 16 | 14,043,465.67 | 11,883,172.40 |
| Selling, Distribution, Administrative & Other Expns. | 17 | 3,415,911.90 | 3,690,448.98 |
| Expenses on Personnel | 18 | 8,380,748.58 | 7,139,206.91 |
| Interest | | 10,625.00 | 9,167,639.00 |
| Depreciation | 6 | 1,623,930.37 | 1,903,523.35 |
| Loose Tools :Written off | | 2,053.00 | 2,053.00 |
| | | <u>27,476,734.52</u> | <u>33,786,043.64</u> |

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

| | | | |
|--|--------------|-----------------------|-----------------------|
| Loss | | 12,523,733.64 | 19,273,301.03 |
| Less: | | | 701,179.37 |
| a) Prior Period adj(net) | 414,061.05 | | |
| b) Subsidy | 6,000,000.00 | 21 | |
| | | 6,414,061.05 | 18,572,121.66 |
| | | <u>6,109,672.59</u> | |
| Balance of loss brought forward from the previous year | | 162,741,766.57 | 144,169,644.91 |
| | | <u>168,851,439.16</u> | <u>162,741,766.57</u> |
| | | ===== | ===== |

Schedule and notes attached form an integral part of Accounts

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHAT

Schedule (1) forming part of the balance sheet as at 31/03/99

| | 1998-99 | 1997-98 |
|--|---------------|---------------|
| Share Capital | | |
| Authorised | | |
| 50,000 Equity Shares of Rs.1,000/- each | 50,000,000.00 | 50,000,000.00 |
| Issued & Subscribed | | |
| 36,900 Equity Shares of Rs.1,000/- each | 36,900,000.00 | 36,900,000.00 |
| | 36,900,000.00 | 36,900,000.00 |

Schedule (2) forming part of the balance sheet as at 31/03/99

| | 1998-99 | 1997-98 |
|---|------------|------------|
| RESERVE & SURPLUS | | |
| Development fund (as per last Balance Sheet) | 521,025.50 | 521,025.50 |
| TOTAL | 521,025.50 | 521,025.50 |

Schedule (3) forming part of the balance sheet as at 31/03/99

| | 1998-99 | 1997-98 |
|--|---------------|---------------|
| SUBSIDY/GRANT-IN-AID | | |
| I. Subsidy received from Govt. of India | 30,000,000.00 | 30,000,000.00 |
| II. Subsidy received from National Horti. Board | 250,000.00 | 250,000.00 |
| III. Grant-in-Aid received from NEC. | 491,950.00 | 491,950.00 |
| TOTAL | 30,741,950.00 | 30,741,950.00 |

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

Schedule (4) forming part of the balance sheet as at 31/03/99

| | 1998-99 | 1997-98 |
|--|---------|------------|
| <u>SECURED LOANS :</u> | | |
| I. Loan received from National Horticultural Board against Bank Guarantee | 0.00 | 375,000.00 |
| II. Interest accrued & due | 0.00 | 50,625.00 |
| TOTAL | 0.00 | 425,625.00 |

Schedule (5) forming part of the balance sheet as at 31/03/99

| | 1998-99 | 1997-98 |
|---|----------------|----------------|
| <u>UNSECURED LOAN :</u> | | |
| I. Govt. Loan (towards expenditure on scheme/ programmes taken up for implementation during 1986-87 and 1987-88) | 47,800,000.00 | 47,800,000.00 |
| II. Interest accrued and due | 72,732,366.00 | 72,732,366.00 |
| | 120,532,366.00 | 120,532,366.00 |

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/-
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr. Dey



NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION LIMITED, GUWAHATI

SCHEDULE - 6
(FIGURES IN RUPEES)

FIXED ASSETS AS AT 31ST MARCH 1999

| GROSS BLOCK | | | DEPRECIATION | | | NET BLOCK | | |
|---------------|----------------------|--------------|---------------|--------------------------|---------------|---------------------------|-----------------------|--------------------------|
| SL. NO. | PARTICULARS | RATE In %age | AS ON 1/4/98 | ADDITION DURING THE YEAR | AS AT 31-3-99 | DEPRECIATION UPTO 31/3/98 | DEPR. DURING THE YEAR | TOTAL DEPR. UPTO 31/3/99 |
| 1. | Vehicle | 25.89 | 638,199.10 | --- | 638,199.10 | 453,053.93 | 47,934.08 | 500,988.01 |
| 2. | Air Conditioner | 13.91 | 237,294.93 | --- | 237,294.93 | 175,064.10 | 8,656.00 | 183,720.10 |
| 3. | Office Equipment | 13.91 | 355,042.35 | --- | 355,042.35 | 190,761.60 | 22,851.00 | 213,612.60 |
| 4. | Furniture & Fixture | 18.1 | 1,552,730.98 | 23,322.00 | 1,576,052.98 | 876,472.18 | 125,699.90 | 1,002,172.08 |
| 5. | Electrical Equipment | 13.91 | 11,875.70 | --- | 11,875.70 | 9,668.09 | 307.08 | 9,975.17 |
| 6. | Juice Dispenser | 13.91 | 1,010,208.00 | --- | 1,010,208.00 | 325,483.00 | 95,245.20 | 420,728.20 |
| 7. | Bottle Coller | 13.91 | 20,785.06 | --- | 20,785.06 | 16,777.30 | 557.50 | 17,334.80 |
| 8. | Lorry | 30 | 151,752.16 | --- | 151,752.16 | 148,752.66 | 899.85 | 149,652.51 |
| 9. | Laboratory Equipment | 13.91 | 293,525.71 | --- | 293,525.71 | 188,797.05 | 14,567.80 | 203,364.85 |
| 10. | Temporary hutment | 100 | 27,507.00 | --- | 27,507.00 | 27,507.00 | 0.00 | 27,507.00 |
| 11. | Factory building | 10 | 15,363,088.35 | 48,121.50 | 15,411,209.85 | 9,523,044.00 | 588,816.60 | 10,111,860.60 |
| 12. | Guest house building | 5 | 530,860.28 | --- | 530,860.28 | 213,013.95 | 15,892.32 | 228,906.27 |
| 13. | Plant & Machinery | 13.91 | 20,212,412.37 | --- | 20,212,412.37 | 15,989,597.70 | 587,393.50 | 16,576,991.20 |
| 14. | Deep tube well | 5 | 362,560.00 | --- | 362,560.00 | 145,481.65 | 10,853.90 | 156,335.55 |
| 15. | Vending KIOSKS | 100 | 48,342.00 | --- | 48,342.00 | 48,342.00 | 0.00 | 48,342.00 |
| 16. | Computer | 40 | 447,902.00 | --- | 447,902.00 | 233,197.40 | 85,881.84 | 319,079.24 |
| 17. | Auto Cashew Machine | 13.91 | 158,946.00 | --- | 158,946.00 | 26,855.50 | 18,373.80 | 45,229.30 |
| Previous year | | | 41,423,031.99 | 71,443.50 | 41,494,475.49 | 28,591,869.11 | 1,623,930.37 | 30,215,799.48 |
| | | | 41,398,575.99 | 24,456.00 | 41,423,031.99 | 26,688,345.76 | 1,903,523.35 | 28,591,869.11 |
| | | | | | | | | 12,831,162.88 |
| | | | | | | | | 14,710,230.23 |
| | | | | | | | | 185,145.17 |
| | | | | | | | | 53,574.83 |
| | | | | | | | | 141,429.75 |
| | | | | | | | | 573,880.90 |
| | | | | | | | | 1,900.53 |
| | | | | | | | | 589,479.80 |
| | | | | | | | | 3,450.26 |
| | | | | | | | | 2,099.65 |
| | | | | | | | | 90,160.86 |
| | | | | | | | | 0.00 |
| | | | | | | | | 5,299,349.25 |
| | | | | | | | | 301,954.01 |
| | | | | | | | | 4,222,814.67 |
| | | | | | | | | 217,078.35 |
| | | | | | | | | 0.00 |
| | | | | | | | | 128,822.76 |
| | | | | | | | | 113,716.70 |
| | | | | | | | | 132,090.50 |

Note : Depreciation has been provided at rates prescribed in the Companies Act 1956 as amended w.e.f. 16.12.93 on the written down value of the Assets.

Sd/-
S. Bhattacharjee
Executive Director

Sd/-
L. Rynjah
Director

Sd/-
A. Lianzuala
Managing Director

For S. P. Sharma & Co.
Chartered Accountants

Sd/-
Surajit Kr. Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

Schedule (7) forming part of the balance sheet as at 31/03/99

CAPITAL WORK-IN-PROGRESS, STORES & ADVANCES :

| | 1998-99 | 1997-98 |
|---|---------------------|---------------------|
| A) Land Development | 0.00 | 48,121.50 |
| B) Capital Works in Progress Civil Works (Admn. Building) | 1,354,852.46 | 977,038.80 |
| C) Capital Stores | 0.00 | 356,563.66 |
| D) Capital in advance (CPU considered good) | 0.00 | 21,250.00 |
| TOTAL | 1,354,852.46 | 1,402,973.96 |

Schedule (8) forming part of the balance sheet as at 31/03/99

INVESTMENTS (at cost):

| | | |
|---|-------------|-----------------|
| National Saving Certificate (Pledged with Excise Deptt.) | 0.00 | 2,500.00 |
| TOTAL | 0.00 | 2,500.00 |

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

Schedule (9) forming part of the balance sheet as at 31/03/99

| INVENTORIES | 1998-99 | 1997-98 |
|-------------------------------|--------------|--------------|
| A) Stock of Packing Materials | 1,279,748.10 | 1,273,617.25 |
| B) Stock of Finished Goods | 4,852,179.82 | 5,991,946.61 |
| C) Stock of Stores & Spares | 628,620.46 | 801,411.68 |
| D) Stock of Raw Materials | 24,742.45 | 556,250.00 |
| TOTAL | 6,785,290.83 | 8,623,225.54 |

Notes :

- a) Stock of finished goods has been valued at cost or market value whichever is lower and verified and certified by the management.
- b) Stock of other inventories other than finished goods has been valued at cost/realisable value and verified and certified by the management.
- c) Provision for Rs.17,74,487.00 and Rs.1,95,774.45 towards stock of packing materials has been made during the year 1993-94 & 1994-95 respectively

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

Schedule (10) forming part of the balance sheet as at 31/03/99

| | 1998-99 | 1997-98 |
|---|--|---|
| SUNDRY DEBTORS : | | |
| A) Unsecured, considered good | | |
| i) Debtors outstanding for a period exceeding six months but not more than one year | 1,616,742.06 | 1,988,305.10 |
| ii) Debtors outstanding for a period exceeding one year but not more than two years | 1,243,395.24 | 3,153,466.59 |
| iii) Other Debtors-unsecured considered good | 5,485,950.34 | 2,371,393.25 |
| TOTAL | 8,346,087.64 | 7,513,164.94 |
| B) Unsecured : Considered doubtful | 1,574,972.49 | 1,574,972.49 |
| Less : Provision for doubtful debt | 1,574,972.49 | 1,574,972.49 |
| TOTAL | 8,346,087.64 | 7,513,164.94 |
| Sd/- S.Bhattacharjee Executive Director | Sd/- L.Rynjah Director | Sd/ A.Lianzuala Managing Director |
| | For S.P.Sharma & Co. Chartered Accountants Sd/- Surajit Kr.Dey Partner | |

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

Schedule (11) forming part of the balance sheet as at 31/03/99

| | 1998-99 | 1997-98 |
|--|--------------|--------------|
| LOANS AND ADVANCES : | | |
| (Recoverable in cash or in kind for value to be received) | | |
| A) Unsecured : Considered good | | |
| i) Advance | 905,256.13 | 1,316,544.40 |
| ii) Advance to staff | 15,970.00 | 18,421.50 |
| iii) Deposits | 476,016.25 | 506,306.25 |
| iv) Advance payment to Corporation Tax | 52,859.00 | 52,859.00 |
| Less : Provision for Taxation | 52,859.00 | 52,859.00 |
| | 0.00 | 0.00 |
| v) Payment to Corporation Tax (Under revision) | 167,800.00 | 167,800.00 |
| vi) Receivable from Ministry | 115,368.00 | 156,110.23 |
| vii) Balance with Excise Deptt. | 1,456.32 | 1,456.32 |
| Sub-Total | 1,681,866.70 | 2,166,638.70 |

| | | |
|---|--------------|--------------|
| B) Unsecured : Considered doubtful | 214,646.22 | 214,646.22 |
| Less : Provision for doubtful advances | 214,646.22 | 214,646.22 |
| | 0.00 | 0.00 |
| Total | 1,681,866.70 | 2,166,638.70 |

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

Schedule (12) forming part of the balance sheet as at 31/03/99

| CASH AND BANK BALANCES | (AMOUNT IN RUPEES) | |
|-----------------------------------|--------------------|----------------|
| | AS AT 31/03/99 | AS AT 31/03/98 |
| Cash and Cheque in Hand | 9,456.04 | 21,063.25 |
| Imprest Cash | 86,151.74 | 89,073.90 |
| Cash in Branches/Plant/Units | 792.00 | 1,506.00 |
| Postage in Hand | 240,210.00 | 0.00 |
| Draft in Transit | | |
| Bank Balances with Scheduled Bank | | |
| a) State Bank of India | | |
| New Guwahati Branch | 134,071.52 | 150,782.01 |
| in Current Account | | |
| Agartala Branch, Tripura | 42,139.51 | 62,069.25 |
| in Savings Account | | |
| Borjhar Branch, Guwahati | 5,957.54 | 39,452.31 |
| in Current Account | | |
| Kumarghat Branch, Tripura | 4,784.48 | 437,503.63 |
| in Current Account | | |
| Samuguri Branch | 8,391.83 | 57,813.63 |
| in Current Account | | |
| Phulbari Branch | 3,170.00 | 3,170.00 |
| in current accocunt | | |
| b) United Bank of India | | |
| Agartala Branch | 490.00 | 490.00 |
| in Current Account-I | | |
| in Current Account-II | 815.98 | 815.98 |
| Usha Market Branch | 18,211.25 | 93,085.25 |
| in Current Account | | |
| Sub - Total | 554,641.89 | 956,825.21 |

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

| | | |
|---|--------------|--------------|
| Sub - Total b/f | 554,641.89 | 956,825.21 |
| c) Syndicate Bank, Calcutta Br. in current account | 62,960.74 | 22,738.52 |
| d) Indian Bank Dimapur Branch in Current Account | 522.70 | 522.70 |
| e) Vijaya Bank, Imphal Branch in Current Account | 415,099.70 | 264,040.90 |
| f) Central Bank of India Dispur Chariali Branch, Guwahati, in Current Account | 74,940.94 | |
| New Delhi Branch in Current Account | 8,300.85 | 8,300.85 |
| Tinsukia Branch in Current Account | 572.05 | 572.05 |
| Agartala Branch in Current Account | 146,232.88 | 315,284.53 |
| g) ANZ Grindlays Bank, Guwahati in Current Account | 390.12 | 390.12 |
| h) UCO Bank, Bangagarh Branch in Current Account | 17,275.75 | 17,344.15 |
| i) TDR with CBI, Guwahati Br. | 0.00 | 3,000,000.00 |
| j) TDR with SBI, Borjhar Br. | 0.00 | 0.00 |
| k) TDR with UCO Bank, Rajgarh Br. | 0.00 | 90,000.00 |
| | 1,280,937.62 | 4,676,019.03 |

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

(Amount in Rupees)
Schedule (13) forming part of the balance sheet as at 31/03/99

| | 1998-99 | 1997-98 |
|---|----------------------|----------------------|
| <u>CURRENT LIABILITIES & PROVISIONS</u> | | |
| <u>CURRENT LIABILITIES</u> | | |
| a) Sundry Creditors | 3,842,043.63 | 3,260,875.85 |
| b) Other Liabilities | 7,883,317.01 | 7,334,271.27 |
| c) Interest accrued but not due on loan | - | 805,524.00 |
| d) Security Deposits | 491,490.60 | 485,215.50 |
| e) Provision for Taxation | 52,859.00 | 52,859.00 |
| Less : Advance paid tax | 52,859.00 | 0.00 |
| | 0.00 | 52,859.00 |
| f) Inter-Branch Adjustment | 36,000.00 | 63,175.15 |
| g) Central Bank of India Dispur (O/D) | - | 180,181.86 |
| TOTAL | <u>12,252,851.24</u> | <u>12,129,243.63</u> |

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

Schedule (14) forming part of the profit & loss a/c for the year ended 31/03/99

| SALES | | AS ON 31/03/99 | | (Amount in Rs.) AS ON 31/03/98 | |
|--------------------------|------|----------------|---------------|-----------------------------------|---------------|
| | | Quantity | Value | Quantity | Value |
| Commodities | Unit | | | | |
| 1 Agarbati Bamboosticks | MT | 0.000 | 0.00 | 26.751 | 176,363.00 |
| 2 Black Pepper | Kgs | 0.000 | 0.00 | 112.400 | 10,678.00 |
| 3 Brooms | | 0.000 | 13,082.00 | | 27,757.00 |
| 4 Cashewnut | Kgs | 15,199.340 | 2,172,042.40 | 20,052.420 | 3,034,711.30 |
| 5 Citronella Oil | Kgs | 0.000 | 36,713.50 | 53.200 | 25,689.50 |
| 6 Dry Fish | MT | 20.977 | 424,775.15 | 0.000 | 0.00 |
| 7 Fertilizer | MT | 7,591.500 | 3,006,739.00 | 1,295.150 | 4,500,941.00 |
| 8 Fruit Product & Others | | | 643,002.38 | | 496,595.20 |
| 9 Groundnut Oil Cake | MT | 8.000 | 96,738.00 | 0.000 | 0.00 |
| 10 Polythene Sheet | Kgs | 2,995.000 | 205,098.00 | 1,180.000 | 88,488.00 |
| 11 Poultry & Cattle Feed | MT | 0.000 | 0.00 | 17.500 | 198,280.00 |
| 12 P/A Juice Concentrate | Kgs | 80513 | 4,541,209.65 | 74864.605 | 4,370,870.40 |
| 13 Rubber | MT | 66.35 | 1,791,495.65 | 19.00 | 535,280.00 |
| 14 Spices | | | 39,176.29 | | 186,622.64 |
| 15 Supari | MT | 0.000 | 11,540.00 | 1.370 | 10,200.00 |
| 16 Tea | Kgs | 0.000 | 50,115.75 | 687.000 | 55,526.00 |
| 17 Potato Seeds | MT | 74.70 | 1,195,232.00 | 0.00 | 0.00 |
| 18 Vegetables | | 0.00 | 29,580.86 | 0.00 | 0.00 |
| 19 Icecream Sticks | MT | 9.00 | 25,200.00 | 0.00 | 0.00 |
| 20 Soyabean Meal | MT | 5.00 | 79,206.75 | 0.00 | 0.00 |
| 21 Ginger | MT | 10.00 | 101,000.00 | 0.00 | 0.00 |
| Total | | | 14,461,947.38 | | 13,718,002.04 |

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD.
GUWAHATI (amount in Rupees)

Schedule (15) forming part of the Profit & Loss Account for
the year ended 31/3/99

| (AMOUNT IN RS.) | 1998-99 | 1997-98 |
|-------------------------------------|------------|------------|
| OTHER INCOME | | |
| 1 Interest | 486,010.00 | 255,422.82 |
| 2 Guest House Income | 4,752.00 | 4,825.00 |
| 3 Commission on consignment | 0.00 | 6,648.00 |
| 4 Sale of scrap materials | 291.50 | 2,242.75 |
| 5 Service Charges (COLD STORAGE) | 0.00 | 525,602.00 |
| TOTAL | 491,053.50 | 794,740.57 |

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

Schedule (16) forming part of the
Profit & Loss Account for the year ended 31/3/99

(Amt in Rupees)

| | 1998-99 | 1997-98 |
|---|---------------|---------------|
| MATERIALS & MANUFACTURING EXPENSES | | |
| Raw Materials consumed | 3,932,044.90 | 4,124,137.50 |
| Trade : Goods Purchased (As per Annexure 'A') | 7,129,050.09 | 5,689,457.55 |
| Goods Opening Stock (As per Annexure 'B') | 5,991,946.61 | |
| Less : Goods closing stock (As per annexure 'C') | 4,852,179.82 | |
| | 1,139,766.79 | 430,755.61 |
| Packing Materials consumed | 145,958.15 | 69,890.80 |
| Stores & Spare Parts | 698,645.40 | 575,818.03 |
| Power & Fuel | 517,949.44 | 577,884.05 |
| Factory Repairs & Maintenance | 92,955.80 | 70,209.00 |
| Factory Electricity | 216,200.00 | 216,240.00 |
| Freight & Handling (Factory) | 153,278.10 | 91,923.26 |
| Processing cost on Pickles | 17,617.00 | 36,856.60 |
| | 14,043,465.67 | 11,883,172.40 |

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

Schedule (16) (ANNEXURE 'A') forming part of the profit & Loss
Account for the year ended 31.3.99 (Amount in Rs.)

| PURCHASES | AS AT 31/03/99 | | | AS AT 31/03/98 | |
|---------------------------|----------------|----------|---------------------|----------------|---------------------|
| | Unit | Quantity | Value | Quantity | Value |
| Commodities | | | | | |
| 1 Agarbati Bamboosticks | Kgs. | 0.000 | 0.00 | 34.034 | 189,630.40 |
| 2 Black Pepper | MT | 0.000 | 0.00 | 112.400 | 4,610.00 |
| 3 Brooms | | - | 1,062.00 | | 19,907.00 |
| 4 Cashewnut | Kgs | 0.000 | 0.00 | 200.000 | 8,000.00 |
| 5 Citronella Oil | Kgs | 0.000 | 11,550.50 | 0.000 | 0.00 |
| 7 Dry Fish | MT | 20.977 | 372,344.00 | 0.000 | 0.00 |
| 8 Fertilizer | MT | 7591.500 | 2,968,220.00 | 1295.150 | 4,387,413.55 |
| 9 Fruit Product & Others | | 0.000 | 259,153.14 | 0.000 | 168,511.00 |
| 10 Groundnut Oil Cake | MT | 8.000 | 74,000.00 | 0.000 | 0.00 |
| 11 Polythin sheets | Kgs | 2995.00 | 194,851.00 | 1180.00 | 87,615.00 |
| 12 Poultry & Cattle Feeds | MT | 0.000 | 0.00 | 17.50 | 160,665.00 |
| 13 Rubber | MT | 66.355 | 1,766,316.00 | 19.000 | 528,000.00 |
| 14 Spices | | 0.000 | 9,669.00 | 0.000 | 111,104.60 |
| 15 Supari | | 0.000 | 12,680.00 | 1.370 | 10,001.00 |
| 16 Tea | Kgs | 0.000 | 53,923.50 | 200.00 | 14,000.00 |
| 17 Potato Seeds | MT | 74.700 | 1,120,530.00 | 0.000 | 0.00 |
| 18 Vegetables | MT | 0.000 | 27,950.95 | 0.000 | 0.00 |
| 19 Icecream Sticks | MT | 9.000 | 21600.00 | 0.000 | - |
| 20 Soyabean Meal | MT | 5.000 | 65000.00 | 0.000 | - |
| 21 Ginger | MT | 10.000 | 100000.00 | 0.000 | - |
| 22 Green Ginger | MT | 10.800 | 70200.00 | 0.000 | - |
| | | | <u>7,129,050.09</u> | | <u>5,689,457.55</u> |

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

(Amount in Rs.)

Schedule (16) (ANNEXURE 'B')
forming part of the Profit & Loss Account for the year ended 31/03/99

TRADE GOODS :
OPENING STOCKS

STOCK AS AT 31/03/98

STOCK AS AT 31/03/97

| Description | Unit | Quantity | Rate | Value in Rs. | Quantity | Rate | Value in Rs. |
|--------------------------------|------|------------|------|-----------------|------------|------|-----------------|
| Cashewnut | Kgs. | 2,622.150 | - | 380,211.75 | 7,987.670 | - | 1,054,372.44 |
| Citronella Oil | Kgs. | 189.630 | - | 45,511.20 | 242.830 | - | 60,707.50 |
| Fruit Products & Ors. | | - | - | 707,251.70 | - | - | 601,480.16 |
| Pineapple Juice Concentrate | Kgs. | 83,486.395 | - | 4,745,347.00 | 78,657.000 | - | 4,470,763.00 |
| Ice-cream sticks | MT | 0.000 | - | 0.00 | 0.862 | - | 4,103.12 |
| Agarbati sticks | MT | 7.719 | - | 42,995.00 | 0.000 | - | 0.00 |
| Tea | Kgs | 0.000 | - | 0.00 | 487.000 | - | 39,458.00 |
| Rubber | Kgs | 0.027 | - | 750.00 | 27.000 | - | 889.00 |
| Spices | Kgs | | - | 68,727.96 | | - | 190,929.00 |
| Broom | | | - | 1,152.00 | | - | |
| Total | | | | 5,991,946.61 | | | 6,422,702.22 |

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

Schedule (16) (ANNEXURE 'c')

forming part of the Profit & Loss Account for the year ended 31/03/99.

| TRADE GOODS : CLOSING STOCKS ----- | | | | STOCK AS AT 31/03/99 ----- | | Amount in Rs STOCK AS AT 31/03/98 ----- | |
|--|------|------------|------|-------------------------------|--|---|-----------------|
| Description | Unit | Quantity | Rate | Value in Rs. | Quantity | Rate | Value in Rs. |
| Cashewnut | Kgs. | 922.350 | - | 133,740.75 | 2622.150 | - | 380,211.75 |
| Citronella Oil | Kgs. | 0.000 | - | 48,130.00 | 189.630 | - | 45,511.20 |
| Fruit Products & Others | | - | - | 108,322.97 | - | - | 707,251.70 |
| Pineapple Juice Concentrate | Kgs. | 77,893.395 | - | 4,427,460.00 | 83,486.395 | - | 4,745,347.00 |
| Agarbati sticks | MT | 7.719 | - | 42,995.00 | 7.719 | - | 42,995.00 |
| Rubber | Kgs | 1.000 | | 47.00 | 27.000 | | 750.00 |
| Spices | Kgs | - | | 13,524.00 | | | 68,727.96 |
| Broom | | - | | 152.00 | | | 1,152.00 |
| Tea | Kgs | - | | 7,608.10 | | | |
| Green Ginger | MT | 10.80 | | 70,200.00 | | | |
| Total | | | | 4,852,179.82 | 5,991,946.61 | | |
| | | | | ===== | ===== | | |
| Sd/- S. Bhattacharjee Executive Director | | | | Sd/- L. Rynjah Director | Sd/ A. Lianzuala Managing Director | | |

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

Schedule (17)

forming part of the Profit & Loss Account for the year ended
31/03/99

SELLING , DISTRIBUTION, ADMINISTRATION & OTHER EXPENSES

| ITEMS | FIGURES AS AT 31/03/99 | FIGURES AS AT 31/03/98 |
|-------------------------------|---------------------------|---------------------------|
| Rent | 265,204.00 | 334,116.00 |
| Insurance | 118,234.00 | 93,592.15 |
| Printing & Stationary | 124,938.80 | 126,335.87 |
| Telephone/Fax | 410,459.09 | 453,993.25 |
| Travelling allowances | 376,378.84 | 355,950.35 |
| Books & Periodicals | 18,411.70 | 15,822.50 |
| Bank Commission | 45,359.80 | 43,653.71 |
| Advertisement Expns. | 2,450.00 | 4,577.00 |
| Seminar & Conference | 40,944.20 | 3,873.00 |
| Miscellaneous Expns. | 47,249.04 | 64,710.09 |
| Electrical Fittings | 56,685.40 | 13,566.00 |
| Vehicle Running & Maintenance | 166,372.02 | 239,481.78 |
| Entertainment Expns. | 12,285.50 | 14,486.75 |
| Guest House Maintenance | 9,917.90 | 4,725.60 |
| Elect. charges | 32,458.55 | 32,001.40 |
| Sales Commission | 107,582.00 | 58,135.00 |
| Rates & Taxes | 801.00 | |
| Filing Fee | | 1,920.00 |
| Membership fee | 10,960.00 | 7,965.00 |
| Freight & Handling | 177,258.20 | 305,368.45 |
| Postage & Telegram | 54,452.80 | 58,930.51 |
| Licence Fee | 1,055.00 | 4,223.00 |
| Sales Tax | 237,258.00 | 304,336.50 |
| Conveyance | 59,165.75 | 50,101.95 |
| Statutory Audit Fee | 12,600.00 | 12,000.00 |
| Stall Expenses | 54,485.25 | 120,484.22 |
| Consultancy Fee | 8,750.00 | 0.00 |
| Tax Audit Fee | 6,600.00 | 6,000.00 |
| Board Meeting Expns. | 136,215.59 | 128,629.81 |
| Internal Audit Fee | 0.00 | 15,000.00 |
| Repair & Maintenance | 65,657.50 | 54,345.25 |
| Trade Fairs & Exhibitions | 99,121.65 | 116,321.80 |
| Purchase Tax | 0.00 | 21,303.00 |
| Security Expns. | 0.00 | 52,186.00 |
| Legal Expns. | 171,796.17 | 137,151.62 |
| Registration fees | 27,560.00 | - |
| Wages | 457,244.15 | 435,161.42 |
| | 3,415,911.90 | 3,690,448.98 |

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr.Dey

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

Schedule (18)

forming part of the Profit & Loss Account for the year
ended 31/03/99

Amount in Rs

PERSONNEL PAYMENT TO AND PROVISIONS FOR EMPLOYEES

| | AS AT 31/3/99 | AS AT 31/3/98 |
|--------------------------------|---------------|---------------|
| Salaries & Wages | 6,997,759.30 | 5,842,260.41 |
| Contribution to Provident Fund | 470,255.00 | 469,929.00 |
| Gratuity | 98,692.00 | 46,663.00 |
| Staff Welfare | 337,631.58 | 247,755.10 |
| Bonus | 150,000.00 | 120,000.00 |
| Admn. Charges towards CPF/DLI | 73,349.00 | 47,421.00 |
| TTA | 40,059.70 | 165,719.50 |
| HTLTC | 17,140.00 | 26,479.00 |
| Liveries to staff | 7,370.00 | 35,619.90 |
| Contribution to other Corpn. | 38,492.00 | 11,290.00 |
| Leave Encashment | 150,000.00 | 126,070.00 |
| Total | 8,380,748.58 | 7,139,206.91 |

Sd/-
S.Bhattacharjee
Executive DirectorSd/-
L.Rynjah
DirectorSd/
A.Lianzuala
Managing DirectorFor S.P.Sharma & Co.
Chartered AccountantsSd/-
Surajit Kr.Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION LTD. GUWAHATI

MANUFACTURING AND PROFIT & LOSS IN RESPECT OF PINEAPPLE JUICE CONCENTRATE AND CASHEWNUT PROCESSING PLANT FOR THE YEAR ENDED 31/03/99

| | | (Amount in Rs.) | |
|---|--|-----------------|--------------|
| A | Prime Cost (Including direct factory overheads) | PJC | CASHEWNUT |
| | 1 Opening stock | 4,745,347.00 | 380,211.75 |
| | 2 Raw Materials consumed | 2,030,584.00 | 1,363,912.35 |
| | 3 Stores & Spare Parts | 698,645.40 | - |
| | 4 Power & Fuel | 517,949.44 | - |
| | 5 Factory Wages | 242,423.00 | 214,821.15 |
| | 6 Factory Electricity | 216,200.00 | - |
| | 7 Factory Freight & handling | 100,928.10 | - |
| | 8 Packing Materials consumed | 145,958.15 | - |
| | Total | 8,698,035.09 | 1,958,945.25 |
| B | Less : Closing Stock | 4,427,460.00 | 133,740.75 |
| C | Prime cost allocation for goods sold | 4,270,575.09 | 1,825,204.50 |
| D | Factory Personnel (incl. Admn. Staff) | 2,532,136.45 | - |
| E | Admn. & Selling Overheads | 422,890.40 | - |
| G | Depreciation | 1,366,131.26 | 22,824.50 |
| H | Total cost of goods sold | 8,591,733.20 | 1,848,029.00 |
| I | Sales | 4,541,209.65 | 2,172,042.40 |
| J | Net Profit/(Loss) | (4,050,523.55) | 324,013.40 |

| QUANTITATIVE STATEMENT | | (In Kgs.) | PJC | Cashewnuts |
|------------------------|---------------------|-----------|------------|------------|
| A | Opening Stock | | 83,486.395 | 2,622.150 |
| B | Quantity Produced | | 75,396.000 | 13,573.800 |
| C | Quantity sold | | 80,513.000 | 15,199.300 |
| D | Qty. Shrinkage etc. | | 476.000 | 74.260 |
| F | Closing Stock | | 77,893.395 | 922.340 |

Sd/-
S. Bhattacharjee
Executive Director

Sd/-
L. Rynjah
Director

Sd/
A. Lianzuala
Managing Director

For S.P. Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr. Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION LTD.. GUWAHATI

FACTORY PERSONNEL AND ADMINISTRATION & SELLING OVERHEADS AS ON 31/03/99

| (AMOUNT IN RS.) | FACTORY PERSONNEL | ADMINISTRATIVE & SELLING EXPENSES |
|---------------------------|----------------------|--------------------------------------|
| HEAD OF ACCOUNT | PJC | PJC |
| 1 Guest House Maintenance | - | 9,917.90 |
| 2 Conveyance | - | 14,871.75 |
| 3 Printing & Stationary | - | 8,342.10 |
| 4 Upkeep of Vehicles | - | 38,523.85 |
| 5 Bank charges | - | 15,237.00 |
| 6 Postage & Telegram | - | 3,851.55 |
| 7 Renewal Fee | - | 4,010.00 |
| 8 Pay | 2,220,177.60 | - |
| 9 Staff Welfare | 58,332.85 | - |
| 10 Insurance | - | 92,539.00 |
| 11 Misc. Expenses | - | 992.35 |
| 12 T A | - | 78,915.00 |
| 13 Papers & Periodicals | - | 1,456.70 |
| 14 Telephone | - | 9,133.05 |
| 15 Entertainment | - | 1,790.50 |
| 16 Wages | 246,256.00 | - |
| 17 Freight & Handling | - | 75,797.00 |
| 18 Repair & Maintenance | - | 5,019.00 |
| 19 Sales Tax | - | 7,388.00 |
| 20 Staff Liveries | 7,370.00 | - |
| 21 Elect. Fittings | - | 52,763.90 |
| 22 Selling Expns. | - | 2,341.75 |
| | 2,532,136.45 | 422,890.40 |
| | ===== | ===== |

Sd/-
S.Bhattacharjee
Executive Director

Sd/-
L.Rynjah
Director

Sd/-
A.Lianzuala
Managing Director

For S.P.Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr. Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION LIMITED

GUWAHATI

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31.3.1999
ACCOUNTING POLICIES

SCHEDULE NO 19

A. CAPITALIZATION OF PROJECT EXPENSES

1. Pre operative expenses on capital project as identified, relating to projects are allocated on Pro-rata basis of the cost of building, plant and machinery on commissioning of project.

B. FIXED ASSETS, VALUATION AND DEPRECIATION

1. Fixed assets are valued at their historical cost.
2. In respect of fixed asset sold, necessary adjustment entries are passed by effecting the original cost of such assets and depreciation will be charged upto the previous year, working out the profit or loss on such sale of fixed assets for booking the sale in the year of accounting in which the sale of fixed assets has taken place.

C. VALUATION OF INVENTORIES

- | | |
|--------------------------|---|
| 1. Stores & Spares | At cost |
| 2. Loose Tools | At cost |
| 3. Fuel, Oil & Lubricant | At cost |
| 4. Raw materials | At cost |
| 5. Goods in transit | At cost |
| 6. Finished goods | At cost (Cost price or Market price Whichever is lower) |
| 7. Empty goods | At cost |
| 8. Packing Materials | At cost |

D. STAFF BENEFIT/WELFARE

1. Liabilities in respect of Bonus has been made in account on estimated basis and as per provision of payment of Bonus Act 1965.

E. METHOD OF ACCOUNTING OF MAJOR ITEMS

1. LDO/Furnace oil is to be booked under "Power & Fuel".
2. The expenditure incurred on capital project will be shown as capital work in progress, till the project is complete and commissioned from year to year.
3. Claims against the company not acknowledged as debts, estimated amount of contract remaining to be executed on capital account, contingent Liabilities, any other important asset of operation/marketing/accounting etc. Noted at the time of finalization of accounts will form part of the noted to the annual accounts of the company for that year.

F. PRIOR YEAR INCOME AND EXPENDITURE

1. Income & Expenditure pertaining to prior year are shown in accounts on net basis whether debit or credit whichever is in excess as the case may be.

Sd/-
S. Bhattacharjee
Executive Director

Sd/-
L. Rynjah
Director

Sd/-
A. Lianzuala
Managing Director

For S.P. Sharma & Co.
Chartered Accountants

Sd/-
Surajit Kr. Dey
Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPORATION LIMITED GUWAHATI

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31.3.199
NOTES TO ACCOUNTS

SCHEDULE NO 20

1. The corporation owns 1.64 hectares of land in CS plot no 377 (new) of mouza Nalkata, under Kailashahar sub division, Tripura which has been allotted free of cost by the Govt of Tripura and whose value has been taken as a nil.

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

3. Payment to and provision in respect of payment to statutory auditors ;

| | Current year Rs | Previous year Rs |
|---------------|-----------------|------------------|
| As audit fees | 12000.00 | 12000.00 |

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

5. Capacity and production:

| | <u>Current year</u> | | <u>Previous Year</u> | |
|------------------------|----------------------|-------------------------|----------------------|-------------------------|
| | Pineapple Crushed | Raw Cashew Processed | Pineapple Crushed | Raw Cashew Processed |
| a) Licensed Capacity | 48MT/day | 0.50MT/day | 48MT/day | 0.50MT/day |
| b) Installed Capacity | --do-- | --do-- | - | - |
| c) Actual Prodn(in MT) | | | | |

| | | | | |
|-------------------------|-------|-------|-------|-------|
| i. Juice Concentrate | 75.39 | - | 79.82 | - |
| ii) Finished Cashewnuts | - | 13.57 | - | 16.59 |

6. Analysis of raw materials consumed :

| <u>Item</u> | <u>Consumption(in MT)</u> | <u>Value.</u> |
|--------------------------------|---------------------------|---------------|
| Pineapple | 1273.62 | 2030584.00 |
| Raw Cashewnut | 44.37 | 1363912.35 |
| Other Products (Litchi Squash) | 0.863 | 6041.00 |

7. The previous figure has re-grouped and re-arranged wherever necessary.

8. Breakup of expenditure of employees who are in receipt of remuneration in the aggregate of Rs 300000.00 or more per annum if employed for full year and of Rs 25000.00 or more per month if employed for part of the year.

| | <u>Employed for Full year</u> | <u>Employed for Part of the year</u> |
|---------------------|-----------------------------------|--|
| Number of employees | Nil | Nil |

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Managing Director

For S.P. Sharma & Co.
Chartered Accountants

Sd/-
Surajit Kr. Dey
Partner

9. Investment allowance reserve will be credited in the year of assessable profits.
10. Claims against the corporation acknowledge as debts:-
 - a. The Income tax authority have raised a demand of Rs 167800.00 for the assessment year 1983-84. The corporation has filed revision petition before the Commissioner of Income Tax where the matter is subjudiced.
 - b. Legal and Professional fees payable but not claimed (amount not ascertainable).
11. Some Creditors have filed money suit/writ petition against the corporation because the corporation has not accepted the quantum of their claims.
12. The estimated account of contract remaining to be executed on capital account (Admn Building) is Rs 8.40 lacs.
13. The company is a sick industrial company under sec 3 (1)(O) OF the sick industrial companies (Spl Provision) act 1985. The company had made a reference for the same. The final hearing/clearance from BIFR is awaited.
14. Payment to and provision in respect of payment of Managing Director:-

| | 1998-99 | 1997-98 |
|--------------------------|---------|--------------------|
| | Rs | (1.4.97 to 2.6.97) |
| | Rs | Rs |
| a. Pay & Allowances | - | 30984.00 |
| b. Medical Reimbursement | - | 1714.00 |
| c. CPF | - | 3065.00 |
| d. T A | - | 1796.00 |
| e. Leave Encashment | - | 18089.00 |
| f. Entertainment Exp | - | 9000.00 |

15. In absence of actuary, leave encashment has been provided in accounts on estimation.
16. Interest on govt loan were not charged in Profit and Loss account in view of decision of the govt.
17. Provision for group gratuity has been done in the schedule of accounts on the basis of liability schedule received from the LIC.
18. Working capital subsidy received during the year has been charged to Profit & Loss account.

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Chartered Accountants
Sd/-
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Partner

NORTH EASTERN REGIONAL AGRICULTURAL MARKETING CORPN.LTD., GUWAHATI

Schedule (21)

PRIOR PERIOD ADJUSTMENT : 1998-99

| SL. NO. | NAME OF THE ITEM | DEBIT AS ON 31/03/99 | CREDIT | DEBIT AS ON 31/03/98 | CREDIT |
|---------|----------------------|-------------------------|------------|-------------------------|------------|
| 1 | T A | 11,479.75 | 0.00 | 104,928.14 | 0.00 |
| 2 | Pay & Allowance | 0.00 | 0.00 | 71,676.00 | 0.00 |
| 3 | Repair & Maintenance | 0.00 | 0.00 | 0.00 | 0.00 |
| 4 | Sales (Return) | 0.00 | 8,188.00 | 0.00 | 33,999.60 |
| 5 | Purchase (Return) | 0.00 | 10,805.59 | 8,080.70 | 0.00 |
| 6 | Bonus | 0.00 | 0.00 | 6,696.00 | 0.00 |
| 7 | Prof. Tax | 0.00 | 0.00 | 23,250.00 | 0.00 |
| 8 | Board Meeting Expns. | 0.00 | 0.00 | 1,097.00 | 0.00 |
| 9 | Sample Adjustment | 0.00 | 0.00 | 0.00 | 0.00 |
| 10 | Feight & Handling | 0.00 | 0.00 | 0.00 | 0.00 |
| 11 | Retention Money | 0.00 | 0.00 | 0.00 | 0.00 |
| 12 | Bank Commission | 20.75 | 0.00 | 0.00 | 1,474.90 |
| 13 | Advertisement | 0.00 | 0.00 | 0.00 | 0.00 |
| 14 | Interest | 0.00 | 137,718.31 | 0.00 | 0.00 |
| 15 | Sales Tax | 0.00 | 0.00 | 0.00 | 245,924.54 |
| 16 | Sales Commission | 110,373.00 | 0.00 | 34,580.00 | 0.00 |
| 17 | Insurance | 0.00 | 0.00 | 0.00 | 36,099.00 |
| 18 | Sundry Creditors | 0.00 | 0.00 | 0.00 | 633,989.17 |
| 19 | Staff welfare | 0.00 | 12,169.00 | 0.00 | 0.00 |
| 20 | Loan Recovery | 0.00 | 1,000.00 | 0.00 | 0.00 |
| 21 | Advance | 0.00 | 15,570.00 | 0.00 | 0.00 |
| 22 | LIC | 0.00 | 1,911.50 | 0.00 | 0.00 |
| 23 | Electricity Charges | 0.00 | 348,572.15 | 0.00 | 0.00 |
| 24 | | | | | |
| | | 121,873.50 | 535,934.55 | 250,307.84 | 951,487.21 |

Credit Rs.

414,061.05

701,179.37

Sd/-
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L. Rynjah
Director

Sd/
A. Lianzuala
Managing Director

For S.P. Sharma & Co.
Chartered Accountants
Sd/-
Surajit Kr. Dey
Partner

INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL PROFILE

Balance Sheet Abstract and Company's General Business Profile
(in terms of amendment of Schedule VI part IV)

I. Registration Details

| | | | |
|--------------------|---------------|------------|-------|
| Registration No | 1 9 3 2 | State Code | 0 2 |
| Balance Sheet Date | 3 1 | 0 3 | 9 9 |
| | Date | Month | Year |

II. Capital raised during the year (amount in thousands)

| | |
|--------------|-------------------|
| Public Issue | Rights Issue |
| N I L | N I L |
| Bonus Issue | Private Placement |
| N I L | N I L |

III. Position of Mobilisation and Deployment of Funds (Amount in Thousands)

| | |
|------------------------------------|---|
| Total Liabilities | Total Assets |
| 1 8 8 6 9 5 | 1 8 8 6 9 5 |
| Source of Funds Paid up capital | Reserves & surplus including Susidy/ Grant-in-Aid |
| 3 6 9 0 0 | 3 1 2 6 3 |
| Secured Loan | Unsecured Loan |
| - - - - - | 1 2 0 5 3 2 |

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Chartered Accountants
Sd/-
Surajit Kr. Dey
Partner

Application of Fund

Net Fixed Assets

1 1 2 16 1 3 13 1

Net Current Assets

1 - 1 5 18 13 10 1

Accumulated Losses

1 1 1 6 1 8 1 8 16 1

Investment

1 - 1 - 1 - 1 - 1 - 1

Misc Expenditure

1 - 1 1 1 3 1 6 15 1

IV. Performance of the company (amountn in Rs. Thousands) Turnover & Other Income Total Expenditure

1 2 1 0 1 9 1 5 13 1

12 17 14 1 9 11 1

+ -

Profit/Loss Before Tax

+ -

Profit/Loss after Tax

1 1 1

1 1 6 11 12 15 1

1 1 1

1 16 1 1 2 15 1

Earning Per Share

1 N 1 I 1 L 1 1

Dividend rate %

1 - 1 - 1 - 1 - 1 - 1

V. Generic Names of Three Principal Products/ Services of the Company(as per the monetary items)

Items code
(ITC Code)

1 1 1 1 1 1 1 1 1 1 1 1

Prodcut
Description

1 P 1 N 1 E 1 A 1 P 1 P 1 L 1 E 1 J 1 U 1 I 1 C 1 E 1

1 C 1 O 1 N 1 C 1 E 1 N 1 T 1 R 1 A 1 T 1 E 1

1 C 1 A 1 S 1 H 1 E 1 W 1 I 1 N 1 U 1 I 1 T 1

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