



From the desk of MD



I am happy to learn that the first issue of our Agro Division newsletter is being published by our team at BTL. It is probably just a small way of keeping all of you informed about what we are doing - and what we are achieving.

BTL has come a long way since inception and it is the combined effort of all that has helped this company to grow to this position of eminence. Yes, we are midway on our journey and have many more miles to go before we reach our destination.

We are constantly changing - to adopt and attain a level of perfection. It is this process that compels us to think and exemplify our actions in the best possible manner. With dedication and innovation being the essence of BTL, we are able to accept and overcome challenges constructively. For all of us at BTL, each day is a new beginning - a beginning which abounds with opportunities to grow and excel.

Ravi Todi

From the Desk of CEO



Heartiest Puja & Diwali greetings to all while we unveil the inaugural issue of our Agro Division newsletter.

The Agro Division has been steadily marching ahead since its inception in 1992. Slightly more than a decade old now, it firmly occupies the No.3 position in Power Tiller market in India. Though this is a laudable achievement, we do not want to rest on our laurels and have therefore set our sights higher with a dream to occupy the 'Numero Uno' position in the near future.

We believe that we can achieve the "market leader" position within the next few years. This follows our continued sales growth over the last 3 years, from 1300 units to 2800 now. Last year's performance was phenomenal and marked a 60% rise in sales.

In Agro Division we firmly believe that "Nothing is impossible" & "Sky is the limit" and so we "Dare to Dream".

S. K. Nag

Shrachi Group - A brief history



To trace the roots of the Shrachi Group, one has to travel down memory lane, to the times of an undivided Bengal with the late Shri Brijlal Todi, at the young age of 25, taking over the reins of Hardeo Glass Aluminum Enamel and Silicate Works — an establishment founded by his father, the late Shri Ganesh Narayan Todi.

Just as a journey of a thousand miles begins with a single step, it was from this humble beginning in rolling mills, utensils, enamelware, ceramics and hospital supplies that the Group has today evolved into a Rs.1000 crore entity, with a total manpower of 2000. As a well diversified business conglomerate The Shrachi Group is involved in various businesses that range from agro-machinery, engineering, real estate, information technology, financial services to healthcare services.

With offices spread across New Delhi, Chennai and Mumbai, the Shrachi Group is a pioneering effort at seamlessly blending the finest traditions of Indian business ethos with upto date corporate methodologies in line with global advancements. It symbolizes a confluence of experience and wisdom of older generations with the dynamism and enthusiasm of the youth of today.



Bengal Tools - Agro Division

The genesis...



Shrachi Group founded its Agro Machinery Division — Bengal Tools Limited in 1992. Since then it has been importing Chinese power tillers under the "Shrachi" brand name and selling them through an elaborate dealer network all over the country. The company has already sold 20,000 Power Tillers since its inception, the demand for which is ever increasing rapidly on a continuous basis.

An ISO 9001 company, the Division began its manufacturing operations at Dum Dum in West Bengal with an installed capacity of 1800 power tillers and has gradually expanded its operations to Pondicherry in South India. All the tillers have passed tests at CFMTTI, BUDNI and ARAI, Pune with excellent results.

Shrachi Power Tillers are approved by Ministry of Agriculture, Government of India and also by most of the State Agriculture departments & Agro Industries Corporation for distribution under subsidy schemes. There is a steady demand for Shrachi Power Tillers which the small and marginal farmers can avail under various Government and semi-Government subsidy schemes.

The division registered a sale of 3000 units last year achieving 60% growth from the previous year and enjoying significant market leadership in India.



Financing tie-up with SBI



State Bank of India (SBI), the premier nationalized Bank of India which is also on the Fortune 500 list has signed a financial tie-up agreement with Bengal Tools Limited (BTL) - Agro Division for financing of Shrachi Power Tillers through their branches all over India.

The MOU was signed on 3rd Aug, 2006 at SBI, Kolkata between their Head of Agri Business Division, Mr. Anup Banerjee and Mr. S.K. Nag of BTL - Agro Division.

This tie-up is expected to give a big boost to all India sales since bank financing plays a very crucial role in power tiller sales amongst farmers - rural sector populace. This is expected to open up avenues for similar tie-ups with other leading banks in India.

Tsunami Tender

Ravaged by the Tsunami in December 2004, the Andaman & Nicobar Islands Administration needed quality tiller machinery to reconstruct the affected areas but on a cost-effective basis. They floated a tender for purchase of



Power Tillers which was to be provided for the affected areas. The entire programme was handled by the Implementation Cell for Rajiv Gandhi Rehabilitation Package.

Despite major suppliers participating in the tender, Shrachi won the bid and received a bulk order for supply of 310 Power Tillers to the different islands. Excellent implementation backed with timely delivery, gave a big relief to all the victims.



Visit to China

The Shrachi team comprising of MD, CEO and Manager (Ops.) visited China in Sept 2006. They went to the Yongkang Tractor Factory of Zhejiang Sifang Group to discuss the various commercial and technical issues. The deliberations between Mr. GuangPing Lin, Group President, Mr. Huang Zhimin, General Manager and Mr. Wang You, Manager Engineer were very fruitful and conclusive.



The Shrachi team also came to Shanghai and met some other reputed Power Tiller manufacturers of China to forge new tie-ups and commercial linkages.

Thailand... the search continues



After covering China, the Shrachi team went to Bangkok to visit the factory of M/s Siam Kubota Industry Co. Ltd., a subsidiary of Kubota Japan from whom Shrachi is importing superior quality engines for their new and recently launched premium model "Shrachi Kubota". They met the top officials of this company and discussed various relevant issues aimed at strengthening their existing business relationship.

The overall trip to China and Thailand was a grand success and will help the Agro Division to look for newer opportunities in the Power tiller market in India.

Annual Conference at Pattaya



For the first time in the history of the Agro Division, the Annual Conference for the current year was recently at Pattaya, Thailand on 12th September 2006 at Hotel Beverly Plaza.

In the Conference which was attended by a group of 20 people including the company's Managing Director and CEO, apart from the routine performance analysis and sales projection, brain-storming sessions on bank tie-ups, launching of the new Kubota model, issues on product quality improvement, brand and image building were taken up.

The landmark of the Conference was the address made by MD on motivational aspects and leadership, in which excerpts were shown from popular films - "Lagaan", "Naya Daur" and "Tora Tora Tora".

After a hard day's programme, there was an unwinding session, where everybody could let their hair down and enjoy the evening - in all its completeness. The next three days was spent in moving around Pattaya and Bangkok which was very enjoyable and helped the team to return home with their "batteries recharged".

Business as usual . . .

Dealer Conference in Karnataka

A Dealer Conference was organized at Hotel Atria in Bangalore on 4th May, 2006, where all the dealers of Karnataka participated. Sales, service and spare parts related issues were discussed and the current financial year's target was also fixed.



Dealer Conference in Andhra Pradesh



A Dealer Conference took place at Hotel Quality Inn, Hyderabad on 6th May, 2006 where all the dealers of Andhra Pradesh were present. Technical and commercial issues were discussed at length and performance of last year reviewed. This was followed by setting up of targets for the current financial year. Monitoring of competitors activities were done at length.

Dealer Conference in Tamil Nadu

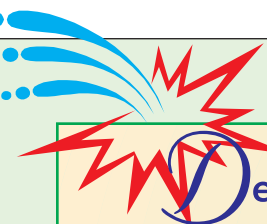


The Tamil Nadu Dealers Conference was organised at Hotel Shan Royal at Chennai on 7th May, 2006. The state's operations were reviewed thoroughly including that of the competitors. Plans and strategies for enhancing the market share of Shrachi Power Tiller were drawn up in details.

West Bengal Dealer Conference



West Bengal, which is by far the most important Power Tiller market in India, had its Dealer's Conference at Hotel Golden Park on 21st May, 2006. The landmark event of the Conference was the launching of "Shrachi Kubota" model in West Bengal market to grab the market share from the existing market leader, also capitalizing on Kubota technology tie-up. The name "Kubota" has become generic with Power Tillers and it is with this intention that this model was launched here by Shrachi to further their business growth process.



Dealers of Bengal Tools Limited - Agro Division

Mr. Kishore Biswas of M/s. Rushi Agro Chemicals, Andaman is a champion dealer of BTL - Agro Division for the last financial year 2005-06. He was instrumental in executing the Tsunami Tender order in Andaman & Nicobar Islands - most effectively. **Hats off to him...**



Mr. H. K. N. Gowda of M/S Sachitra Automobiles and Fabrications, Bangalore is the oldest dealer of Shrachi in the South through whom the Power Tiller was launched in Southern India. Headquartered in Bangalore, he runs multiple outlets in Bangalore (urban & rural), Kolar, Shimoga and Chikmagalur districts. Last year, Mr. Gowda sold 276 Tillers. **A great feat indeed. "Congratulations"**.

Mr. Putta Raju of M/S Sri Laxmi Motors, Western Orissa, is a super-star dealer who sold 202 Tillers in the last financial year. **Great performance - keep it up.**



Launch of "Shrachi Kubota" Model - a premium product

The Indian Power Tiller market is bi-polar, with the Chinese tiller market being (35%) and the premium tiller market comprising of Indian products manufactured with Japanese technology at (65%).

Though Shrachi enjoys the No.1 position in the Chinese tiller market, recently it has set its foot in the premium segment by introducing a technologically superior model using the Kubota engine imported from the Thailand based subsidiary of Kubota, Japan and Chinese Gear Box & Rotary. The product has received a very warm response in the Indian markets where the Japanese technology based products are already enjoying a monopoly.



The force behind the organisation . . .



Sri Arun Kumar Datta, General Manager - Marketing joined the company in 2003. He has brought with him more than two decades of rich experience in sales and marketing - having worked with leading companies like Greaves Ltd., Usha, etc.

"When I joined Shrachi after my 26 years tenure in Greaves Limited, initially I was skeptical, but I found that the decision process in Shrachi is very fast and flexible which has resulted in present success of BTL - Agro Division".



Sri Ram Ratan Roy is AGM (Sales) and has been working in this organization for the last 5 years. He is a veteran from the Power Tiller trade and looks after the northern, western, central parts of India, north-eastern states, Andaman and Sikkim.

"I came to BTL from the Power Tiller industry after having served in a smaller company. After joining Shrachi, I realized that the real difference lies in strong after sales service and the customer relationship which has made Shrachi one of the market leaders".



Sri Arijit Majumder, Manager (Operation) is working with BTL - Agro Division for the last ten years and looks after the entire factory operations including service, stores, quality control and vendor development.

"I joined the division in the very beginning and have seen it grow from scratch to its present position of eminence. According to me, this has been made possible due to delegation and freedom given to people at various levels within the organization to take their own decisions. Hence we all feel that we are all the members of one small family and the company is our own".



Sri Ravindra Agarwal, Manager (Accounts) joined this Company two years back. He looks after the entire finance, accounts, MIS and provides back office support to the sales force and dealers.

"After coming to Shrachi about two years back, I found the accounting systems, MIS, etc. are very organised and hence the company's relationship with the dealers are very smooth. Payments to vendors, transporters and other agencies are very regular. So Shrachi enjoys excellent cooperation from all the external agencies which ensures smooth operations at all levels".