

**THE CENTRAL PROVINCES  
RAILWAYS COMPANY, LIMITED**

**102<sup>nd</sup>  
ANNUAL REPORT  
AND  
ACCOUNTS 2011-12**

# **THE CENTRAL PROVINCES RAILWAYS COMPANY, LIMITED**

## **DIRECTORS:**

Shri Praksh F. Nagori  
Shri A. K. Gupta  
Shri. Rajeev Kumar Agarwalla  
Smt. Sushma Pande

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## **BANKERS:**

Allahabad Bank

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## **AUDITORS:**

M/s. Bhangaria & Co.,  
Chartered Accountants

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## **REGISTERED OFFICE:**

Basement, Commercial Union House,  
No.9, Wallace Street, Fort, Mumbai - 400 001

## **NOTICE**

**NOTICE** is hereby given that the 102<sup>nd</sup> Annual General Meeting of the members of **THE CENTRAL PROVINCES RAILWAYS COMPANY LIMITED** will be held on Thursday, the 27<sup>th</sup> September, 2012, at 9.30 a.m. at Conference Hall, KEL House, Plot No.7, Opp. Oberoi Garden Estates, Chandivali Farm Road, Chandivali, Andheri (E), Mumbai - 400 072. to transact the following business :

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2012 and Balance Sheet as at that date together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. A. K. Gupta, who retires by rotation, and being eligible offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution :

**“RESOLVED THAT** pursuant to the provisions of Section 224 of the Companies Act 1956 Mr. Santosh B. Jajoo & Co., (Firm Registration No.125915W) Chartered Accountants, B-108 Gautam Nagar, Bldg no. 4, Holy Cross School, Bhayander (W) Thane 401 101, be and are hereby appointed as the Auditors of the company in place of M/s. Bhangaria & Co., (Firm Registration No. 129105W), who have tendered their resignation from the office of the Auditors of the Company, to hold such office until the conclusion of the next AGM at a remuneration of as may be mutually agreed plus out of pocket expenses.”

### **Registered Office :**

Basement, Commercial Union House,  
9, Wallace Street, Fort,  
Mumbai – 400 001  
Dated : August 21, 2012

By Order of the Board of Directors  
For THE CENTRAL PROVINCES RAILWAYS COMPANY LTD.

DIRECTOR

### **Notes :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not later than 48 HOURS before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 24<sup>th</sup> September 2012 to Thursday the 27<sup>th</sup> September, 2012 (both days inclusive) for the purpose of Annual General Meeting.
4. The Companies (Amendment) Act 1999 has introduced through Section 109 A, the facility of nomination to shareholders. Such facility is mainly useful for the investors holding the shares in single name. They are advised to avail this facility to avoid process of transmission by law. Investors holding shares in physical form may send the nomination form duly filled in and signed to the Company's Registrar and Transfer Agents (Prescribed form 2B). However, if shares are held in dematerialised form, the nomination has to be submitted to the depository participant of the National Securities Depository Ltd./Central Depository Services (India) Ltd. as the case may be as per format prescribed by them.
5. Members are requested to notify immediately any change in their address to the Company's Registrar and Transfer Agents viz., Bigshare Services Pvt. Ltd., E2 &3, Ansa Industrial Estate, Saki-vihar Road, Saki Naka, Andheri (E), Mumbai - 400 072. Tele.:91-22-2847 0652 / 40430200 / 28470653. Fax : 91-22-2847 5207. E-mail : investor@bigshareonline.com.

**Our RTA, Bigshare Services Private Limited recently launched Gen-Next Investor Interface Module “iBoss” the most advanced tool to interact with investors. Please login into iBoss ([www.bigshareonline.com](http://www.bigshareonline.com)) and help them to serve you better.**

6. It is observed that despite repeated reminders, many shareholders have still not surrendered their old Share Certificates of the face value of Rs.100/- each for exchange with the new Share Certificates of face value of Rs.10/- each on subdivision. They are once again requested to surrender the old Share Certificates of Rs.100/- each to the Company's Register and Transfer Agent M/s. Bigshare Services Pvt. Ltd.
7. The Equity Shares of the Company are listed on the Bombay Stock Exchange Ltd., Mumbai, Sir. P. J. Towers, Dalal Street, Mumbai. The listing fee upto March 2013 has been paid by the Company. The ISIN No. of the Company is : INE631B01020.
8. As part of the Green Initiative in Corporate Governance, the Ministry of Corporate Affairs(“MCA”), Government of India, through its Circular nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents through electronic mode.

We, therefore, appeal to the members to register their name in getting the said documents in electronic mode by sending an email giving their Registered Folio No. and/or DP Id/Client Id to the dedicated e mail address at knl-shippino@killicknixon.com.

## THE CENTRAL PROVINCES RAILWAYS COMPANY LIMITED

### DIRECTORS' REPORT

The Directors present their Annual Report together with Audited Statement of Accounts for the Financial Year ended 31<sup>st</sup> March, 2012.

#### ACCOUNTS

	2011 – 2012	2010 – 2011
	Rupees	Rupees
The Profit/(Loss) for the year before Taxation Amounts to	(1,33,836)	(173,695)
Fringe Benefit Tax	--	--
Net Profit/Loss for the year	(1,33,836)	(173,695)
Balance brought forward from previous year	---	---
Transfer From General Reserve	1,33,836	173,695
<b>Balance carried forward</b>	---	---

#### INCOME FROM RAILWAYS:

The Central Railway had demanded a sum of Rs.18.72 crores towards repairs, rehabilitation, renewals and replacements of the railway assets. During the year also the dispute remains unresolved.

The Company has disowned the liability on the ground that these liabilities being in the nature of replacement are to be borne by the Central Railway, as per the Contracts. But in spite of disowning the liability by your Company, the Central Railway has adjusted an amount of Rs.1,86,16,135 being the railway earnings of your Company for the period from October, 2002 to 31<sup>st</sup> March, 2012. Hence, your Company thought it proper and as an abundant caution and not to harm the interest of shareholders of the Company and therefore decided not to include the said Income from railways amounting to Rs.25,17,886.04 in the Accounts for the year ended 31<sup>st</sup> March, 2012.

#### DEPOSITORY SYSTEM:

The equity shares of the Company are available for dematerialisation through Depository participants, on both the Depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

#### DIRECTOR'S RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statement pursuant to Section 217(2AA) of the Companies Act, 1956 :

1. That in the preparation of Annual accounts for the year ended March 31, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
2. That the appropriate accounting policies had been selected and applied consistently, and judgements and estimates have been made that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2012 and of the profits of the company for the said year.

3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the accounts have been prepared on a "going concern basis".

### **PARTICULARS OF EMPLOYEES:**

Statement giving particulars of employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended, is not annexed to this report as no employee was in receipt of the remuneration in excess of the prescribed sum during the year.

### **STATEMENT UNDER SECTION 217(I)(e) :**

Statement pursuant to Section 217(I)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, is given below:

- a) The Company has no activities relating to conservation of energy.
- b) i) The Company has made no provision for research and development expenditure.  
ii) The Company has no activity relating to technology absorption, adoption and innovation.
- c) The Company has no activity relating to foreign exchange earnings and outgo.

### **DIRECTORATE :**

Mr. A. K. Gupta retires by rotation and, being eligible offers himself for reappointment.

### **CORPORATE GOVERNANCE**

Since the paid up capital of the Company is less than Rs.3 Crores, particulars as mentioned in clause 49 of the Listing Agreement with Stock Exchange, Mumbai, is not required to be given.

### **AUDITORS**

M/s. Bhangaria & Co., who are the Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. However they have expressed their unwillingness to continue as Statutory Auditors of the Company. It is proposed to appoint Mr. Santosh B. Jajoo & Co., (Firm Registration No.125915W), Chartered Accountants, B-108 Gautam Nagar, Bldg no. 4, Holy Cross School, Bhayander (W) Thane 401 101, to examine and audit the accounts of the Company for the Financial Year 2012-13.

A certificate has been received from the Auditors to the effect that their appointment, is made, would be within the limits prescribed under section 224 (1B) of the Companies Act, 1956. The Auditors have advised that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

### **AUDITORS REMARKS:**

Auditors Remarks have been fully explained under para " Income from Railways" of this Report as well as in point No. 1 (I) (c) in Notes to Accounts.

#### **REGISTERED OFFICE:**

Basement, Commercial Union House,  
No.9, Wallace Street, Fort,  
Mumbai - 400 001.

For and on behalf of Board of Directors of  
The Central Provinces Railways Co. Ltd.,

Dated : 21<sup>st</sup> August, 2012

PRAKASH F. NAGORI  
Director

A. K. GUPTA  
Director