



TRICOM FRUIT PRODUCTS LIMITED

(formerly known as Rids Securities Limited)

16th Annual Report
2009 - 2010

TRIGOM FRUIT PRODUCTS LIMITED



BOARD OF DIRECTORS

- | | | |
|------------------------|---|--------------------|
| 1. Mr. Jeetendra Wala | - | Chairman |
| 2. Mr. P V Naik | - | Managing Director* |
| 3. Mr. Naran Bhati | - | Director |
| 4. Mr. Mihir Shah | - | Director |
| 5. Mr. Deepinder Mohan | - | Director |
| 6. Mr. Bipin Shah | - | Director* |
| 7. Mr. Chetan Kothari | - | Director* |

* Appointed w.e.f. 30th June, 2010.

AUDITORS

M/s. Maheshwari Kanthalia Rana & Company
Chartered Accountants
Mumbai

BANKERS

1. Bank of India
2. Bank of Baroda

REGISTERED OFFICE

B-39, Ghanshyam Avenue
13, Sattar Taluke Society
Ashram Road, Ahmedabad-380014

REGISTRAR & TRANSFER AGENT

M/s Sharex Dynamic (India) Pvt. Limited
17-B, Dena Bank Building
Horniman Circle, Fort,
Mumbai-400023

CONTENTS

Particulars	Page No.
1. Notice	1
2. Directors' Report	10
3. Management Discussion & Analysis Report	12
4. Corporate Governance Report	14
5. CEO/CFO etc. Certification	19
6. Auditors Report on Corporate Governance	20
7. Auditors' Report	21
8. Balance Sheet	24
9. Profit & Loss Account	25
10. Cash Flow Statement	26
11. Schedules forming part of Balance Sheet & Profit and Loss Account	27
12. Balance Sheet abstract & Company's General Business Profile	37

NOTICE

The **SIXTEENTH ANNUAL GENERAL MEETING** of **TRICOM FRUIT PRODUCTS LIMITED** will be held on Tuesday, the 28th day of September, 2010 at 2.00 PM, at B-39, Ghanshyam Avenue, 13, Sattar Taluka Society, Ashram Road, Ahmedabad - 380014 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the Financial Year ended 31st March 2010, the Balance Sheet as at that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint Directors in place of those retiring by rotation.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT, M/s. Maheshwari Kanthalia Rana & Company, Chartered Accountants, be and is hereby appointed as the Auditor of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS

4. To appoint Mr. Chetan Kothari as a Director liable to retire by rotation and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT, in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof. Mr. Chetan Kothari, who was appointed as an Additional Director Pursuant to the provision of Section 260 of the Companies Act, 1956, and Article 134 of the Articles of Association of the company, be and is hereby appointed as the Director of the Company, liable to retire by rotation."

5. To appoint Mr. Bipin Shah as a Director liable to retire by rotation and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof. Mr. Bipin Shah, who was appointed as an Additional Director Pursuant to the provision of Section 260 of the Companies Act, 1956, and Article 134 of the Articles of Association of the company, be and is hereby appointed as the Director of the Company, liable to retire by rotation."

6. To appoint Mr. P. V. Naik as Managing Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 198, 269 and 309 and other applicable provisions, if any of the Companies Act, 1956 (the Act) as amended or re-enacted from time to time read with Schedule XIII of the Act, the Company do hereby approves the appointment and terms of remuneration of Mr. Prakash V Naik as Managing Director of the Company for a period from 30th June, 2010 to 28th June, 2012 upon terms and conditions as set out in the Explanatory Statement annexed to the notice convening this meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year with liberty and powers to the Board of Directors to alter and vary terms and conditions of this appointment in such manner as may be agreed to between the Board of Directors and Mr. Prakash V Naik.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution"

7. **TFPL EMPLOYEE STOCK OPTION PLAN 2010.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 81 (1A) and other applicable provisions of the Companies Act, 1956, Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as the "SEBI Guidelines") (Including any statutory modification(s) or re-enactment of the Act or the SEBI Guidelines, for the time being in force), in accordance with the provisions contained in the Articles of Association, and subject to such other approvals, permission and sanctions as may be necessary, the draft " TFPL Employee Stock Option Plan 2010 " placed before this meeting duly initialed by the Chairman for identification be and is hereby approved.

RESOLVED FURTHER THAT, the consent of the shareholders be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which the term shall be deemed to include any committee of the Board, including Compensation Committee constituted by the Board) to earmark 492752 Equity Shares of the Company as stock options for the employees of the Company to be issued under the said TFPL Employees Stock Option Plan 2010 at the exercise price to be determined by the Board or any committee of the Board in accordance to the applicable statutory guidelines, regulations and law in this regard, from time to time.

RESOLVED FURTHER THAT pursuant to the applicable provisions of the Companies Act, 1956, Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 the consent and approval of the members be and is hereby accorded to the Board of Directors to create, offer, issue and allot equity shares of the Company to eligible employees as defined under the aforesaid TFPL Employee Stock Option Plan 2010.

RESOLVED FURTHER THAT, the Board, be and is hereby authorized to take necessary steps for listing of the shares allotted under the TFPL Employees Stock Option Plan 2010, on the Stock Exchange(s) where the Company's shares are listed, as per the terms and conditions of the Listing Agreements with the concerned stock exchanges and other applicable guidelines, rules and regulations.

RESOLVED FURTHER THAT the Board of Directors and/or the committee be and are hereby authorized to adopt and implement the TFPL Employee Stock Option Plan 2010. Subject to such terms and conditions as may be decided and imposed from time to time and to take such steps as may be necessary to give effect to this resolution."

8. To consider and ,if thought fit, to pass, with or without modification(s) the following resolution as **Special Resolution** :

"RESOLVED THAT pursuant to Sections 81, 81(1A) and other applicable provisions of the Companies Act, 1956, (including any statutory modification or re-enactment thereof for the time being in force) and subject to such approvals, permissions, consents and sanctions as may be necessary from the Government of India (GOI), Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI) and/or any other competent authorities and enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges, where the shares of the Company are listed and in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depositary Receipt Mechanism) Scheme, 1993, the guidelines, rules, regulations issued by the GOI, RBI, SEBI and/or any other competent authorities and clarifications thereon, issued from time to time, and subject to all such other approvals, permissions, consents and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company, (which term shall include any Committee constituted / to be constituted by the Board for exercising the powers conferred on the Board by this resolution), consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot, in one or more tranches, whether within India or outside India, with or without premium, whether rupee denominated or denominated in any foreign currency, such number of equity/preference shares (Cumulative or Non-Cumulative, Redeemable or Non-Redeemable) and/or Foreign Currency Convertible Bonds (FCCBs) and/or Fully/Partially Convertible Bonds/Loans or non convertible debentures/Bonds and/or Global Depositary Receipts (GDRs) and/or American Depositary Receipts (ADRs) and/or Qualified Institutional Placements (QIPs) and/or any other equity and/or preference or equity related instrument/security and/or any other

instruments/securities in the nature of Shares/Bonds and/or warrants, convertible into equity shares at the option of the Company and/or the holder(s) of such securities, and/or securities linked to equity shares and/or securities with or without detachable/non-detachable warrants with a right exercisable by the warrant-holder to subscribe for the equity shares and/or warrants with an option exercisable by the warrant-holder to subscribe for equity shares, and/or any instrument or securities representing either equity shares and/or convertible securities linked to equity shares, naked or otherwise, convertible into shares or otherwise, either in registered or bearer forms, (hereinafter referred to as "Securities") or any combination of the Securities in the International/Domestic market, upto Rs. 100,00,00,000 (Rupees One Hundred Crores only) to Indian or foreign investors (whether institutions, incorporated bodies, mutual funds and / or individuals, or otherwise and whether or not such investors are members of the Company), members, employees, non-resident Indians, Foreign institutional Investors (FIIs), Qualified Institutional Buyers (QIBs), Companies, Mutual Funds, Banks, Indian/Foreign Financial Institutions, other entity(ies) and such other persons through public issue(s), private placement(s), preferential allotment, rights issue, qualified institutional placements, exchange of securities, issue of shares under ESOP Plan, Conversion of loan or otherwise in the course of offerings in Indian and/or International Market or in any other manner or a combination thereof at such time or times, at such price or prices, at a discount or at par to or at a premium to market price or prices in such manner and on such terms and conditions including security, rate of interest, Dividend etc. as may be decided and deemed appropriate by the Board at the time of such issue, offer or allotment considering the prevailing market conditions and other relevant factors, wherever necessary in consultation with the lead managers, and/or underwriters and /or other advisors to the extent and in the manner as may be decided by the Board in this behalf.

RESOLVED FURTHER THAT in the event of issue of Securities by way of Global Depository Receipts and/or American Depository Receipts, the 'Relevant Date' on the basis of which price of the resultant shares shall be determined as specified under applicable law, shall be the date of the meeting at which the Board or the Committee of Directors duly authorised by the Board decided to open the proposed issue of Securities;

RESOLVED FURTHER THAT in the event of issue of Securities by way of a Qualified Institutional Placement:

- i. the 'Relevant Date' on the basis of which price of the resultant shares shall be determined as specified under applicable law, shall be the date of the meeting in which the Board or the Committee of Directors duly authorized by the Board decided to open the proposed issue of Securities;
- ii. the allotment of Securities shall be completed within 12 months from the date of this resolution approving the proposed issue or such other time as may be allowed by the SEBI Guidelines from time to time; and the Securities shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognized stock exchange in India or except as may be permitted from time to time by the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009;

RESOLVED FURTHER THAT without prejudice to the generality of the above, the Securities may have all or any term or combination of terms in accordance with prevalent market practice including but not limited to terms and conditions relating to payment of interest, dividend, premium or redemption at the option of the Company and/or holders of any securities, including terms for issue/offer of additional equity shares or variations of the price or period of conversion of securities into equity shares or issue/offer of equity shares during the period of the securities or terms pertaining to voting rights or option(s) for early redemption of securities and to provide for the tradability or free transferability thereof as per the prevailing practices and regulations in the capital markets. For the purpose of giving effect to the above, the Board be and is hereby authorised to determine the form, terms and timing of the issue(s)/offer(s), including the class of investors, to whom the securities are to be allotted, number of securities to be allotted in each tranche, issue/offer price, face value, premium amount on issue/conversion of securities/exercise of warrants/redemption of securities, rate of interest, redemption period, listings on one or more stock exchanges in India and/or overseas as the Board in its absolute discretion deems fit and to make and accept any modification in the proposal as may be required by the authorities involved in such issues/offers in India and/or overseas, to do all acts, deeds, matters and things as may be necessary and to

settle any questions or difficulties that may arise in regard to the issue(s)/offer(s) and the Board is hereby authorized in its absolute discretion in such a manner as it may deem fit, to dispose of such of the Securities as are not subscribed.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to make appointments as may be required of Managers (including Lead Managers), Merchant Bankers, Underwriters, Guarantors, Financial and/or Legal Advisors, Depositories, Custodians, Principal Paying/Transfer/Conversion Agents, Listing Agents, Registrars, Trustees and all other agencies, whether in India or overseas and to enter into and execute all such arrangement(s)/agreements(s) with any such Managers (including Lead Managers)/ Merchant Bankers / Principal Paying/ Transfer/ Conversion Agents/Underwriters/Guarantors/Depositories/ Custodians/Legal Advisors , Listing Agents, Registrars, Trustees and all such agents or body as may be involved or concerned in such offering of Securities and to remunerate all such agents including by way of payment of commission, brokerage, fees, expenses incurred in relation to the issue/offer of securities and other expenses, if any.

RESOLVED FURTHER THAT the preliminary as well as the Final Offer Document for the aforesaid issue/ offer be finalized, approved and signed by the Directors of the Board for and on behalf of the Company with authority to amend, vary, modify the same as may be considered desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, undertakings, certificates, consents, authorities as may be necessary and required from time to time.

RESOLVED FURTHER THAT the Securities to be so offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of the Securities or exercise of options as may be necessary in accordance with the terms of the offer aforesaid, subject to the provisions of the Company's Articles of Association and all such shares shall rank pari passu with the existing equity shares of the Company in all respects, in accordance with the law applicable at the time of such issue, offer or allotment as the case may be.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board is hereby authorised to do all such acts, deeds, matters and things and resolve any doubts or question that may arise in the issue and allotment of the Securities and/or fresh shares, to effect any modification to the foregoing in the best interest of the Company and its shareholders and to execute all such writings and instrument as the Board may in its absolute discretion deem necessary or desirable.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers to any Committee of Directors or Managing Director or Executive Director or any Director(s) or Officer(s) of the Company to give effect to the aforesaid resolution."

By order of the Board of Directors

JEETENDRA WALA
Chairman

PLACE: Ahmedabad.

DATE: 14th August, 2010

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. As per Section 256 of the Companies Act, 1956 read with the provisions of the Articles of Association of the Company. Mr. Naran Bhati and Mr. Jeetendra Wala, Directors retire by rotation at the ensuing Meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the Company commends their respective re-appointment.
3. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of business under item no's- 4, 5, 6, 7 & 8 are annexed hereto. The relevant details of directors seeking appointment/ re-appointment under item nos. 2, 4, 5 & 6 above, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges are also annexed.
4. The Register of Members and Share Transfer Books of the Company will remain closed from, 27th September, 2010 to 28th September, 2010 (both days inclusive).
5. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participant with whom they are maintaining their demat account. Members holding shares in physical form are requested to advise any change of address immediately to the Company/ registrar & transfer Agent, M/s. Sharex Dynamic (India) Pvt. Ltd. having their office premises at Unit-1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai- 400072.
6. Shareholders desiring any information as regards the Accounts at the Annual General Meeting are requested to write to the Company at an early date so as to enable the Company to keep the information ready.
7. For the convenience of members and for proper conduct of the meeting, entry to the place of meeting will be regulated by attendance slip, which is attached to the proxy form. Members are requested to affix their signature at the place provided on the attendance slip and hand over the same at the entrance of the venue. Members are requested to bring their copies of the Annual Report and attendance slip to the meeting.

Disclosure pursuant to Clause 49 of the Listing Agreement with regard to the Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting.

Item No. of Notice	Name of the Director	Brief Resume	Listing of other Directorships/ Committee Memberships in other Companies
2.	Mr. Naran Bhati	Appointed in the management on 12th December, 2006.	Directorships In : Rids Textiles Ltd.
2.	Mr. Jeetendra Wala	He is a Chartered Accountant by profession and has rich experience of more than 26 years.	Directorships In : 1. Space Corporation Ltd. 2. Raval Finance Ltd.
4.	Mr. Chetan Khotari	He is a Chartered Accountant and has practiced for over 14 years in the fields of corporate advisory, management audit, finance and taxation areas. He has vast general management experience spanning over around two decade.	Directorships In : 1. Trio Mercantile & Trading Ltd. 2. Tricom Infotech Solutions Ltd. 3. Tricom India Ltd.
5.	Mr. Bipin Shah	He has experience in general management of business for over more then 25 years.	Directorships In : NIL
6.	Mr. P.V. Naik	He is a B.E (Mechanical) having over 35 years of experience working for various companies including multi nationals and specialized in agro and food processing industries equipments designing and projects management .	Directorships In : NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

The following explanatory Statement set out all material facts relating to the Special business mentioned in the accompanying notice:

ITEM NO. 4

Mr. Chetan Kothari was appointed as Additional Director of the Company with effect from 30th June, 2010. According to the provisions of Section 260 of the Companies Act, 1956, he holds office upto the date of the ensuing Annual General Meeting. A notice has been received from a member signifying his intention to propose the appointment of Mr. Chetan Kothari as Director at the forthcoming Annual General Meeting, hence necessary resolution is placed before the meeting for member's approval.

Mr. Chetan Kothari is deemed to be interested in the proposed resolution to the extent of his appointment as a Director. Save and except Mr. Chetan Kothari, none of other Directors are concerned or interested in the Resolution.

The Board commends the resolution as set at item no. 4 of the notice for your approval.

ITEM NO. 5

Mr. Bipin Shah was appointed as Additional Director of the Company with effect from 30th June, 2010. According to the provisions of Section 260 of the Companies Act, 1956, he holds office upto the date of the ensuing Annual General Meeting. A notice has been received from a member signifying his intention to propose the appointment of Mr. Bipin Shah as Director at the forthcoming Annual General Meeting, Hence necessary resolution is placed before the meeting for member's approval.

Mr. Bipin Shah is deemed to be interested in the proposed resolution to the extent of his appointment as a Director. Save and except Mr. Bipin Shah, none of other Directors are concerned or interested in the Resolution.

The Board commends the resolution as set at item no. 5 of the notice for your approval.

ITEM NO. 6

The Board of Directors at their Meeting held on 30th June, 2010 and pursuant to the recommendations of the Remuneration Committee of the Board, appointed Mr. P. V Naik as Managing Director for a period starting from 30th June, 2010 to 28th June, 2012.

The remuneration and perquisites payable to Mr. P. V Naik are in conformity with the requirements of Schedule XIII to the Companies Act, 1956.

The broad particulars of terms of appointment of and remuneration payable to Mr. P.V Naik referred to in Item No. 6 of the Notice are as under:

- a. Salary: Salary including dearness, house-rent and all other allowances upto Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand only) per month, in the scale of Rs. 2,50,000 - 50,000 - 5,00,000.
- b. Perquisites: Perquisites shall be restricted to an amount equal to the annual salary.
- c. The Salary and perquisites as mentioned under (a) and (b) above shall be exclusive of:
Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent they are not taxable under the Income Tax Act, 1961. and are as per the rules of the Company.
Gratuity as per the rules of the Company.
Leave as per the rules of the Company including encashment of leave at the end of the tenure.
- d. Apart from above mentioned remuneration, he shall be entitled to:
 1. Medical Expenses actually and properly incurred for him and his family.
 2. Entertainment expenses actually and properly incurred by him in the course of legitimate business of the Company.

3. Club Membership fees subject to a maximum of two clubs. No admission and life membership fees shall be paid.
4. Personal Accident Insurance Policy.
5. Provision for use of car and telephone for both official and personal use.
6. Group Insurance Policy as per the rules of the Company.

In the event of loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Mr. P. V Naik shall be the minimum remuneration payable to him in terms of the provision of Schedule XIII to the Companies Act, 1956.

The aforesaid terms and conditions have been approved by the Remuneration Committee of the Company at their meeting held on 8th June, 2010.

Mr. P. V Naik satisfies all the conditions set out in Part-I of Schedule XIII of the Act for being eligible for the appointment.

Save and except Mr. P. V. Naik, none of the other Directors of the Company is, in any way, concerned or interested in the Resolution.

The Board of Directors recommends the Resolution as set out at Item No.6 of the Notice for your approval.

ITEM NO.7

Considering the need for granting stock options for the employees of the Company, it is proposed to place for the approval of the members stock option plans (TFPL Employee Stock Option Plan 2010) consisting of a total of 492752 options (approximately 5 % of the paid up capital of the Company) for making grants to the employees of the Company, which shall be compliant with all the guidelines of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as the "SEBI Guidelines") including any statutory modifications or re-enactment of the Act or the SEBI Guidelines. A copy of the drafts of the TFPL Employee Stock Option Plan 2010 is available at the registered office of the Company for inspection by the member during the business hours of the Company.

The Salient Features as required under the SEBI Guidelines of the draft of the TFPL Employee Stock Option Plan 2010 are as follows:

Sr. No.	Particulars	Description
1.	Plan	TFPL EMPLOYEE STOCK OPTION PLAN 2010
2.	Total number of options granted to participants.	492752
3.	Classes of Employees entitled to participate.	Employees of the Company.
4.	Requirements of vesting and vesting period	The options granted shall vest so long as the employee continues to be in the employment of the Company. Subject to a minimum vesting period of 1 year and a maximum vesting period of 3 years, the Compensation Committee of the Board can determine from time to time the vesting schedule for the grants to be made under TFPL ESOP PLAN 2010 from time to time by considering the performance and other fair and relevant compensation related factors.
5.	Maximum period within which the options shall be vested	Subject to the maximum vesting period of 3 years, the Compensation committee of the Board can determine from time to time the vesting period and schedule for the grants to be made under the TFPL ESOP PLAN 2010 from time to time by considering the performance and other fair and relevant compensation related factors and the regulations.

Sr. No.	Particulars	Description
6.	Maximum number of options to be issued per employee and in aggregate	Per Employee - As may be determined by the Compensation Committee, subject to SEBI Guidelines and based on the number of years of experience, contribution the Company, the qualifications, performance, employee category and the level in organization and other Compensation related factors. Aggregate- 492752.
7.	Exercise price	The exercise of the Options shall be determined by the Compensation Committee of the Board in accordance with the applicable guidelines from time to time for considering the fair market value and the trading price of the Company's equity shares on the Stock Exchange(s).
8.	Exercise period and process of exercise	Exercise period shall commence from the date of vesting and expire at the end of 6 (six) months from the respective vesting date. However, the exercise period can be extended by such further periods as may be deemed to be essential by the Compensation Committee, subject to the maximum period being not later than 7 years from the date of grant of options.
9.	Appraisal process for determining the eligibility of employees	The Company has formal appraisal system established where in the performance of the employee is assessed each year on the basis of various functional and managerial parameters including years of service, experience, qualifications and contribution towards the growth of the Company, level in the Company hierarchy. The eligibility of employees shall also be determined and reviewed from time to time by the Compensation Committee.
10.	a. Accounting Method b. Method which the company shall use to value its options whether fair value or intrinsic value	Company shall conform to the accounting policies specified in clause 13.1 & Schedule-I of the SEBI Guidelines. Intrinsic Value Method will be used to value options. As the Company will calculate the employees compensation cost using the 'intrinsic value' of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the 'fair value' of the options, shall be disclosed in the Directors' report and also the impact of this difference on Profit and EPS of the company shall be disclosed in the Directors' report.
11.	Whether the vesting period would continue in case of transfer of employee from one subsidiary to another	Not Applicable
12.	Whether grants can be made to Company's Subsidiary(ies)	Not applicable

The Board considers it in the interest of the Company to approve the TFPL Employee Stock Option Plan 2010.

The Board of Directors of your Company recommends this resolution to be passed as a Special Resolution, for your approval.

None of the Directors of the Company are concerned or interested in the Resolution, except to the extent of their eligibility in the ESOP Plan.