

TCI

INDUSTRIES LIMITED



39th
Annual Report
2003-2004

39th**Annual General Meeting**

Date : 4th September, 2004

Venue : Surana Udyog Auditorium,
The Federation of
Andhra Pradesh Chambers of
Commerce and Industry,
11-6-841, Red Hills,
Hyderabad - 500 004.

BOARD OF DIRECTORS**CHAIRMAN**

S. N. AGARWAL

DIRECTORS

D. P. AGARWAL

M. K. AGARWAL

R. K. AGARWAL

DR. ASHOK AGARWAL

P. L. PODDAR

VIKAS AGARWAL

AUDITORS

R. S. AGARWALA & CO.
Chartered Accountants
Kolkata

REGISTERED OFFICE

1-7-293, Mahatma Gandhi Road,
Secunderabad - 500 003.

CORPORATE OFFICE

N. A. Sawant Marg, Colaba,
Mumbai - 400 005.

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NOTICE

Notice is hereby given that the THIRTY NINTH Annual General Meeting of the members of the TCI INDUSTRIES LIMITED will be held on Saturday the 04 September 2004 at 12:00 Noon at Surana Udyog Auditorium, The Federation of Andhra Pradesh Chambers of Commerce and Industry, 11-6-841, Red Hills, Hyderabad - 500 004 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March 2004, the Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri S. N. Agarwal, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Shri R. K. Agarwal, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Shri Vikas Agarwal, who retires by rotation and being eligible offers himself for reappointment.
5. To appoint M/s. R. S. Agarwala & Co., Chartered Accountants, as Auditors of the Company to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

6. To consider the following resolution as a **Special Resolution to be passed through Postal Ballot.**

"RESOLVED THAT pursuant to provisions of section 372A and other applicable provisions of the Companies Act, 1956, the corporate guarantee given in favour of State Bank of India, Commercial Branch, Saraswathipuram, Mysore 570 009, to secure the working Capital Limits/ Corporate Loan aggregating to Rs. 3250 Lacs sanctioned by them to Bhoruka Aluminium Ltd. be and is hereby approved, confirmed, ratified and continued.

RESOLVED FURTHER THAT Shri S. N. Agarwal, Shri Vikas Agarwal, Shri R. K. Agarwal and

Dr. Ashok Agarwal Directors of the Company, be and are hereby severally authorised to execute and sign all such documents, guarantees, papers as may be necessary to confirm the corporate guarantee already given and to do all such acts, deeds and things as it may be necessary, proper or desirable in connection with the said corporate guarantee."

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

"RESOLVED THAT, subject to the provisions of the Companies Act, 1956 [including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted hereinafter], the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to, by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution), consent is hereby accorded to the Board to delist the Company's Equity Shares from Hyderabad Stock Exchange Ltd., at Hyderabad."

NOTES:

1. (A) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (B) Proxy form is enclosed which should be deposited at the Registered office of the company duly completed and signed not less than 48 hours before the commencement of the meeting.
2. The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
3. The business specified at Item no. 6 would be passed through postal ballot as provided under

section 192A(2) of the Companies Act, 1956, and Companies (passing of the resolution by postal ballot) Rules, 2001.

4. The members are requested to intimate any change in their address with pin code, if any, immediately and quote Folio number in all correspondence. They are also requested to bring their copy of Annual Report while coming to the meeting.
5. Members who hold shares in dematerialised form are requested to bring their client ID and DP ID Numbers for easy identification of attendance at the meeting.
6. The shares of the Company have been dematerialised (ISIN No. INE 920B01019) and presently traded in electronic form.
7. The Name of the Company has been changed from Transport Corporation of India Ltd. to TCI Industries Ltd. w.e.f. 29/01/99.
8. The Register of Members and Share Transfer Books will remain closed from Wednesday the 1st September 2004 to Saturday the 4th September 2004 (both days inclusive)
9. The members are requested to note that the Company's Registrar and Share Transfer Agent is **Bigshare Services Pvt. Ltd., E/2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai 400 072.** The members are requested to

lodge their shares for transfer, transmission; splitting, consolidation etc. directly to them.

10. **Those members who have not surrendered their old certificates for exchange to obtain their new share certificates of four companies including this company are requested to surrender the same at the Corporate Office Address of the Company at Mumbai.**
11. The shares of the Company are at present listed on the following stock exchanges viz. Hyderabad, Mumbai and Calcutta. The Company has made payments of the listing fees to all these Stock Exchanges in time. The Shares of the Company had already been delisted from the Bangalore, Cochin, Madras and Delhi Stock Exchanges under Voluntary Delisting Regulations of SEBI. The application for voluntary delisting made to Calcutta exchange is under process. The Company is also proposing to delist from Hyderabad Stock Exchange. Resolution to this effect is proposed in the notice of this meeting.

By order of the Board
TCI INDUSTRIES LIMITED

Place: Mumbai
Date : 26th July, 2004

S. N. AGARWAL
Chairman

ANNEXURE TO THE NOTICE

Explanatory Statement: and Notice Pursuant to Section 192A(2) of the Companies Act, 1956 (Pursuant to Section 173(2) of the Companies Act, 1956)

The following Explanatory Statement sets out all material facts relating to Item 6 (To be passed through Postal Ballot) mentioned in the accompanying Notice dated 26/07/2004.

As per provisions of the section 372A of the Companies Act, 1956, any guarantee given by the Company in connection with any loan made by any person to any body corporate need to be approved by Special Resolution in General Meeting if the said guarantee, taken together with existing loan, investment and guarantees exceeds 60% of its paid-up capital and free reserves or 100% of its free reserves. The section further provides, that in case of special circumstance existing, the Board may give guarantee without being previously authorised by a Special Resolution, if subsequently the Board Resolution is confirmed by the members in General Meeting.

M/s. Bhoruka Aluminium Ltd. (BAL) had availed funded and non-funded limit of Rs. 3250 lakhs from its bankers viz. State Bank of India, Mysore. BAL management approached the Company for extending the corporate guarantee in favour of its bankers from Rs. 2400 lacs to 3250 lacs and accordingly a resolution was passed in the meeting of the Board of Directors of Company held on 11 December 2003.

BAL being one of the group company, our company has provided the corporate guarantee to their bankers on their behalf. The guarantee given by the Company in favour of the bankers of the BAL exceeds the limit of 60% of its paid-up capital and free reserves and hence the proposed special resolution to confirm and ratify the decision of the Board and to continue the guarantee.

Further as per Section 192A of the Act read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, the consent of the shareholders for the above purpose is required to be obtained by means of a postal ballot. Accordingly, we are appending a Special Resolution along with this Explanatory Statement and Postal Ballot Form for your consideration. The Company has appointed Mr. Sanjay Rathi, of Sanjay Rathi & Associates, Company

Secretaries, as scrutinizer for conducting the postal ballot voting process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed, in the attached self addressed postage pre-paid envelope so as to reach the Scrutinizer on or before **Monday the 30 August 2004**. The Scrutinizer will submit his report to the Chairman after completion of the Scrutiny and the results of the postal ballot will be announced by the Chairman on **Saturday the 04 September 2004** at the Venue of the Thirty Ninth Annual General Meeting of the Company after transaction of all the other items of agenda of the notice of the meeting.

The directors recommend passing of this resolution.

None of the Directors, except Shri R. K. Agarwal, is in any way concerned or interested in the resolution.

Item No. 7

The Company was initially listed at seven stock exchanges including BSE & Hyderabad (Hyderabad being regional stock exchange). The company has initially passed a resolution in the Thirty Fifth Annual General Meeting held on 02 August 2001 to delist the Company from all other exchanges except BSE & Hyderabad Stock Exchanges. Accordingly the Company already got delisted from Bangalore Stock Exchange with effect from 31 August 2002. Thereafter the Company once again passed special resolution as per requirements of the SEBI Delisting Guidelines, 2003 in its 38th Annual General Meeting held on 29.08.2003 for Delisting from the four stock exchanges viz. Delhi, Kolkata, Chennai and Cochin. The Company has already received approvals from the Delhi, Chennai and Cochin stock exchanges confirming delisting from these exchanges. The application made to Calcutta Stock Exchange is under process.

The Company now proposes to delist the Company's Equity Shares from Hyderabad Stock Exchange also and therefore as per requirements of SEBI (Delisting of Shares) guidelines 2003, the Company is required to once again approach to the members to seek their approval for delisting from Hyderabad Stock Exchange. The members would not suffer any liquidity

or trading problem as the shares continued to be listed with Bombay Stock Exchange, which is having nation wide terminals for trading in shares.

The trading volumes of the Company's shares on the Hyderabad stock exchange are very thin and negligible. The Cost of listing on this stock exchange as well as the administrative costs and efforts to comply with the requirements and correspondence with stock exchange is very high compared to the benefit the company and its investors deriving from the listing of shares on the exchange. Therefore, the Board of directors of the Company have passed resolution in the meeting of the Board of Directors held on 26 July 2004 approving delisting from the Hyderabad stock exchange.

With the proposed delisting from the Hyderabad stock exchange, the investors including the members of the Company located in the region where the said stock exchange is situated will not be adversely affected. Pursuant to the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003, it is

now proposed to seek the Members' approval by way of Special Resolution at Item no. 7. In terms of the said guidelines, as the Company's Equity Shares shall continue to remain listed on BSE, viz The Stock Exchange, Mumbai no Exit Option is required to be offered to the shareholders.

The directors recommend passing of this resolution as it is in the interest of the Company.

None of the Directors is in any way concerned or interested in the resolution.

By order of the Board
TCI INDUSTRIES LIMITED

Place: Mumbai
Date : 26th July, 2004

S. N. AGARWAL
Chairman

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