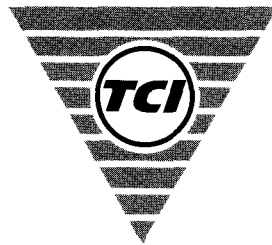


# **TCI**

## **INDUSTRIES LIMITED**



**47th**  
**Annual Report**  
**2011-2012**

**47th  
Annual General Meeting**

Date : 26th July, 2012

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**

S. N. AGARWAL

D. P. AGARWAL

M. K. AGARWAL

R. K. AGARWAL

ASHOK KUMAR AGARWAL

P. L. PODDAR

VIKAS AGARWAL

ASHISH AGARWAL

SUNIL K. WAREKAR (Executive Director)  
SIDDHARTHA AGARWAL (Alternate Director)  
DHRUV AGARWAL (Alternate Director)

**AUDITORS**

R. S. AGARWALA & CO.  
Chartered Accountants  
Kolkata

**REGISTERED OFFICE**

1-7-293, Mahatma Gandhi Road,  
Secunderabad - 500 003. (A.P.)

**CORPORATE OFFICE**

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

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**NOTICE**

Notice is hereby given that the FORTY SEVENTH Annual General Meeting of the members of the **TCI INDUSTRIES LIMITED** will be held on Thursday the July 26th, 2012 at 10 a.m. 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 audited Balance Sheet as at March 31, 2012 and 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 Mr. Vikas Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ashok Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. D.P. Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT M/s. R S Agarwala & Co., Chartered Accountants, (ICAI Registration No. 304045E), be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.”

**SPECIAL BUSINESS****6. Appointment of Mr. Sunil K. Warerkar as Director**

To consider and if thought fit, to pass the following resolution with or without modification as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Sunil K. Warerkar, who was appointed as an Additional Director pursuant to Section 260 of the Companies Act, 1956 and the Articles of Association of the Company, and who holds office up to the date of this Annual General Meeting and in respect to whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

**7. Appointment of Mr. Sunil K. Warerkar as Executive Director**

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

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and all other applicable provisions of the Companies Act, 1956 (the Act) read with Schedule XIII to the Act (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of the Central Government and such other approvals as may be necessary, the consent of the members of the Company be and is hereby accorded to the appointment of Mr. Sunil K. Warerkar as Executive Director of the Company for a period of 3 years with effect from April 01, 2012 on the following terms and conditions and other terms and conditions as set out in the appointment letter, copy whereof was placed at the meeting:

- (a) Basic Salary: Rs.75,000/- per month.
- (b) House Rent Allowance: Rs.45,000/- per month.
- (c) Reimbursable Perquisites: Rs.10,000/- per month.
- (d) Other Allowances: Rs.1,12,460/- per month.
- (e) Social Security Benefits:
  1. Contribution to Provident Fund @ 12% of the Basic Salary.
  2. Gratuity: As per the Company's Policy.
- (f) Reimbursements: Rs.3,333/- per month.

(g) Other Additional Benefits - as per the Rules of the Company.

1. The value of the perquisites would be evaluated as per Income-tax Rules, 1962 wherever applicable and at cost in the absence of any such Rule.
2. Provision for chauffeur driven Company maintained car for use on Company's business will be provided.
3. Residential phone expenses will be paid by the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of Mr. Sunil K. Warkerkar, as Executive Director, the remuneration including perquisites set out as aforesaid be paid or granted to him as minimum remuneration.

RESOLVED FURTHER THAT Mr. Ashok Agarwal and Mr. Vikas Agarwal, Directors of the Company be and are hereby severally authorised to do all such acts and things and deal with all such matters and take all such steps and execute all such papers / forms / documents as may be necessary for giving effect to the above resolution."

## 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 members are requested to intimate any change in their address with PIN Code, immediately and quote Folio Number in all correspondence. They are also requested to bring their copy of Annual Report while coming to the meeting.

3. 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.
4. The shares of the Company have been dematerialised (ISIN No. INE 920B01019) and presently traded in electronic form.
5. The Name of the Company has been changed from Transport Corporation of India Ltd. to TCI Industries Limited w.e.f. 29/01/99.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 19<sup>th</sup> July, 2012 to Thursday, 26<sup>th</sup> July, 2012 (both days inclusive)
7. The members are requested to note that the Company's Registrar and Share Transfer Agent is **Bigshare Services Private Limited, 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. The members are also requested to register their e-mail Id with their depositories and or with the RTA.
8. **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.**
9. **The shares of the Company are at present listed on the Bombay Stock Exchange Limited (BSE). The Company has made payments of the listing fees to Stock Exchange in time.**
10. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, setting out the material facts is annexed hereto.

By order of the Board  
For **TCI Industries Limited**

Place : Gurgaon  
Date : May 30, 2012

**D. P. Agarwal**  
Director

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

**Item No.6**

**Appointment of Mr. Sunil K. Warkerkar as Director**

In terms of Section 260 of the Companies Act, 1956 and the Articles of Association of the Company, the Board of Directors at its meeting held on March 29, 2012, appointed Mr. Sunil K. Warkerkar as Additional Director. Mr. Sunil K. Warkerkar holds office up to the date of this Annual General Meeting. The Company has received a notice in writing (along with deposit of Rupees five hundred) from a Member proposing the candidature of Mr. Sunil K. Warkerkar for the office of Director of the Company under the provisions of Section 257 of the Companies Act, 1956, liable to retire by rotation in terms of the Articles of Association of the Company.

Your Directors, therefore recommend the resolution for your approval.

Except Mr. Sunil K. Warkerkar, no other Director is, in any way, concerned or interested in this Resolution.

**Item No.7**

**Appointment of Mr. Sunil K. Warkerkar as Executive Director**

The Board of Directors at their meeting held on March 29, 2012 have subject to the such consents, approvals and permissions as may be required including that of shareholders' and subject to the provisions of the Articles of Association of the Company, appointed Mr. Sunil K. Warkerkar as Executive Director of the Company for a period of 3 years with effect from April 01, 2012 upon the terms and conditions and remuneration payable as set out in the resolution, subject to the approval of the Central Government.

The following additional information as required by the Companies Act, 1956 is given below:

I. General Information :

- i) **Nature of Industry** : Trading in cloth & Property development.
- ii) **Date or expected date of commencement of commercial production**: N.A.
- iii) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus**: N.A.
- iv) **Financial Performance based on given indicators: as per Audited financial results for the year ended March 31, 2012**: The Loss after tax is Rs. 19920675/- for the year.
- v) **Export performance and net foreign exchange collaborations**: Nil
- vi) **Foreign Investments or collaborations, if any**: N.A.

II. Information about the appointee:

- i) **Background details**: Mr. Sunil K. Warkerkar is associated with the Company since more than eight years and was last working as the President of the Company. By qualification, he is a B.Com Graduate from University of Mumbai. He has varied experience of more than 30 years within various reputed

companies particularly on Projects Planning, Finance & Execution, Legal / Commercial matters and handling Labour issues. He has worked in various companies for last 30 years in different positions such as GM (Projects & Finance), VP (Projects & Finance), President, Executive Director etc. and has handled various responsibilities.

- ii) **Past remuneration** : His last drawn salary was around Rs.203000/- (Rupees Two Lac Three Thousand Only) per month.
- iii) **Recognition or awards** : Nil
- iv) **Job profile and his suitability**: Mr. Sunil K. Warkerkar is appointed as the Executive Director of the Company. He shall have control of the whole of the affairs of the Company.
- v) **Remuneration proposed**: As mentioned in the Resolution.
- vi) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person** : The Remuneration payable to Mr. Sunil K. Warkerkar is commensurate with respect to Industry, size of the Company and his profile.
- vii) **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any** : N.A.

III. Other Information:

- i) **Reasons of loss or inadequate profits**: The Company has not been able to put its property to use due to litigations which are pending and incurring expenses in that respect and continues to incur other fixed expenses. Due to market conditions, there were limitations to increase the cloth trading business.
- ii) **Steps taken or proposed to be taken for improvement and Expected increase in productivity and profits in measureable terms**: Continuous efforts are being made to sort out the litigation and effective steps are being taken which will lead to an increase in the revenue of the Company. The company is making efforts to increase the cloth trading business.
- iii) **Expected increase in productivity and profits in measurable terms**: It is difficult to make any estimates in the present situation as time frame for concluding the litigation is not in the control of the company.

The Appointment Letter issued by the Company to Mr. Sunil K. Warkerkar is available for inspection at the Registered Office of the Company on any working day excluding Saturdays between 11.00 a.m. to 1.00 p.m.

The Directors also recommend the approval of the appointment of Mr. Sunil K. Warkerkar as the Executive Director of the Company and the remuneration payable to him as aforesaid.

Except Mr. Sunil K. Warkerkar, none of the Directors is, in any way, concerned or interested in the said Resolution.

By order of the Board  
For TCI Industries Limited

**D. P. Agarwal**  
Director

Place : Gurgaon  
Date : May 30, 2012

**DIRECTORS' REPORT****Dear Shareholders,**

Your directors take pleasure in presenting this Forty Seventh Annual Report and Audited Statement of Accounts for the year ended on March 31, 2012.

**FINANCIAL RESULTS**

(Rs. In '000)

Financial Results	2011 – 12	2010 – 11
Income	<b>13356</b>	11478
Profit (Loss) before Interest, Depreciation & Taxation	<b>(19283)</b>	(3932)
Less : Interest	<b>91</b>	180
Depreciation (Net)	<b>547</b>	472
Profit /(Loss) before taxes	<b>(19921)</b>	(4584)
Taxes (FBT)	-	2
Profit /(Loss) after tax	<b>(19921)</b>	(4586)
Balance brought forward	<b>(212334)</b>	(207748)
Balance carried forward	<b>(232255)</b>	(212334)

Due to market conditions, the value of the cloth traded during the year was marginally higher than the value of the cloth traded in the previous year. The higher loss in the year is mainly due to certain expenses, which in the past were capitalized as Property Development Expenses, now reversed and charged to P & L account during the year.

**DIVIDEND**

In view of losses suffered by the Company, your Directors do not recommend any dividend for the year under review.

**COMPANY'S PROPERTY AT COLABA – MUMBAI**

The writ petition filed by the company against the rejection of the plans by Municipal Corporation of Greater Mumbai, has been disallowed by the Hon'ble Bombay High Court by it's judgment & order dated December 19, 2011.

The Company, as advised by its legal advisors, has filed a Special Leave Petition in the Hon'ble Supreme Court of India which has been admitted and is pending for hearing.

**FIXED DEPOSITS**

During the year under review, your Company has not accepted any deposits under the provisions of Section 58A of the Companies Act, 1956 and the rules made there under.

**DIRECTORS**

As per the provision of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Vikas Agarwal, Mr. Ashok Agarwal and Mr. D. P. Agarwal retire by rotation and being eligible, offer themselves for re-appointment, which your Directors consider to be in the interests of the Company and therefore recommend it for your approval.

Mr. Siddhartha Agarwal has been appointed as Alternate Director to Mr. S. N. Agarwal and Mr. Dhruv Agarwal has been appointed as Alternate Director to Mr. M. K. Agarwal w. e. f. 18-01-2012 by the Board during the year. The details about them are given here under as per requirement of listing agreement with Stock Exchange.

**a) MR. SIDDHARTHA AGARWAL**

1. Name - Mr. Siddhartha Agarwal
2. Date of Birth – 29/04/1975.
3. Date of Appointment – 18/01/2012
4. Expertise in Specific functional area – 10 years in Infrastructure projects and real estate
5. Qualification – Graduate in Economics and Industrial Management from Carnegie Mellon University, Pittsburgh USA.
6. Directorship held in other Companies – Prabhu Structures Ltd..
7. Committee positions held in other companies – NIL
8. No. of shares held – 27197

**b) MR. DHRUV AGARWAL**

1. Name - Mr. Dhruv Agarwal
2. Date of Birth – 19/11/1984
3. Date of Appointment – 18/01/2012
4. Expertise in Specific functional area – 4 years in operations, projects development and business analyst.
5. Qualification – Graduate in Economics.
6. Directorship held in other Companies–ITAG Infrastructure Ltd.
7. Committee positions held in other Companies – NIL
8. No. of shares held – NIL

The Board has appointed Mr. Sunil K. Warekar as Additional Director w. e. f. 01-04-2012. Pursuant to Section 260 of The Companies Act, 1956, he holds office up to the date of the ensuing Annual general Meeting. His appointment needs to be confirmed by the members in the General Meeting. The Company has already received notice u/s 257 of the Companies Act, 1956 from one of the members of the Company proposing his candidature for the position as Director.