



T C M Limited

(Formerly Travancore Chemical & Mfg.Co.Ltd.)

**72nd Annual Report
&
Accounts**

For the year ended 31.03.2016



DIRECTORS	T.THIRUGNANAM GEORGE VARGHESE T.S.RAJAGOPALAN RAMESH BABU RANI JOSE
MANAGING DIRECTOR	JOSEPH VARGHESE
AUDITORS	VBSK & COMPANY CHARTERED ACCOUNTANTS
REGISTERED OFFICE	54/555, ELENJICKAL MLWRA NO.21 MUTTATHIL LANE KADAVANTHRA, COCHIN – 682 020
SHARE TRANSFER AGENTS	CAMEO CORPORATE SERVICE LTD SUBRAMANIAN BUILDING NO.1, CLUB HOUSE ROAD CHENNAI – 600 002
FACTORIES AT	METTUR DAM TUTICORIN



NOTICE TO SHAREHOLDERS

Notice is hereby given that the 72nd Annual General Meeting of the members of TCM Limited. will be held at 3.00 p.m. on 30th September 2016 at Bharat Hotel, Ernakulam, to transact the following business.

Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2016 together with the Profit & Loss account for the year ended 31.03.2016 along with the report of the directors & auditors.
2. To appoint director in the place of Mr. George Varghese who retires by rotation and is eligible for reappointment.
3. To ratify the appointment of auditors and in this respect to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, the Company hereby ratifies the appointment of M/s. VBSK & Co., Chartered Accountants, who were appointed for 3 consecutive years in the 70th AGM (2014), as Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next annual general meeting of the Company.”

Special Business:

4. To adopt new Articles of Association of the company containing regulations in conformity with the Companies Act 2013 and, in this regard, to consider and if thought fit to pass, with or without modification, the following resolution as a special resolution:

“Resolved that pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act 2013 read with the relevant rules made there under, the draft regulations contained in the Articles of Association submitted to this meeting be are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the company.”

“Further resolved that the Board of directors of the company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. 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 180 (1)(c) and (2) and other applicable provisions, if any, of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow, from time to time, such sum or sums of money on such terms and conditions as the Board may deem fit notwithstanding that the money to be borrowed together with the money already



borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs. 10 crores (Rupees Ten crore only) over and above the paid up capital of the Company and its free reserves."

Place: Ernakulam

Joseph Varghese

Date : 06.08.2016

Managing. Director

1. **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 such proxy need not be a member of the company. The proxy in order to be valid should be duly completed, signed and stamped and the same must be received at the Registered Office of the company not less than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company, carrying voting rights.**
2. In terms of Sec. 91 of Companies Act 2013 the register of members and the share transfer book of the company will remain closed from 24.09.2016 to 30.09.2016 (both days inclusive).
3. Members are requested to intimate any changes in their addresses to the share transfer agent M/s Cameo Corporation Services Limited, "Subramanian Building", No.1, Club House Road, Chennai – 600 002 quoting their folio number.
4. The statement pursuant to Section 102(1) of the Act, in respect of special business is annexed.
5. In compliance with the provisions of Section 108 of the Act and the relative rules, the company is providing its members the facility to exercise their right to vote at the ensuing AGM by electronic means and the business may be transacted through e-Voting services provided by M/s. Cameo Corporate Services Limited, "Subramanian Building", No.1, Club House Road, Chennai – 600 002. The complete details of the procedures/ instructions for e-voting are annexed.

ANNEXURE I - STATEMENT OF MATERIAL FACTS PURSUANT TO SEC. 102

Item: 4

The Articles of association of the company was in conformity with Companies Act 1956 and contains several regulations with specific references to specific provisions of the said Act, which are altered, replaced or deleted by the Companies Act 2013 (new Act). With the coming into force of the new Act from 1st April 2014, several regulations of the existing AoA require alterations or deletions to make it in conformity with the new Act and Table 'F' of the new Act, which sets out the model articles for a company

limited by shares. It is, therefore, considered expedient to wholly replace the regulations in the existing AoA by a new set of regulations based on the new Act and Table 'F'. The proposed new draft AoA is available in the registered office of the company for free perusal of the members during office hours and will also be placed on company website and on the table at the AGM. The board recommends the special resolution set out at item no. 4 of the notice for approval by the shareholders. None of the directors, key management personnel of the company or their relatives is in any way concerned or interested in the resolution, except to the extent of their shareholding, if any.

Item 5

- a. Considering the fund requirements for working capital, and the proposed projects on revival of the Company, the Board of Directors consider it necessary to augment the funds position of the company. To meet additional fund requirements, the company may have to take additional loans/advances not exceeding Rs. 10 crores, which together with the loans/advances already taken will exceed the paid up capital and free reserves of the company. Such borrowings require the consent of the general body by special resolution, which is sought by the resolution given in the notice. The board recommends the special resolution set out at item no. 5 of the notice for approval by the shareholders. None of the directors, key management personnel of the company, or their relatives has any concern or interest in the resolution, except as shareholders.

ANNEXURE-2 - VOTING THROUGH ELECTRONIC MEANS

1. In compliance with provisions of Section 108 of the Companies Act, 2013 and rule 20 of the companies (Management and administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 72nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL): The Company has engaged the services of Cameo Corporate Services Limited as the authorized agency to provide the e-voting facilities. The company has appointed Mr. K P Thomas, FCS, Practising company secretary (CP No. 8886) as scrutinizer, who shall within a period not exceeding three(3) working days from the conclusion of the e-voting period make a report of the votes cast in favour or against, if any, to the chairman. The results will be declared on after the AGM. The results along with the scrutiniser's report will be available on the website of the company within the prescribed period.
2. The instructions for members for voting electronically are as under:-
In case of members receiving e-mail:
 - i. Log on to the e-voting website www.evotingindia.com



- ii. Click on “Shareholders” tab.
- iii. Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- iv. Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- v. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- vi. Now, fill up the following details in the appropriate boxes:

For Members holding shares in Demat Form For Members holding shares in Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
Date of Birth	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/ yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of your name and the sequence number in the PAN field. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.(Sl. No. mentioned in your address label can be used as Sequence No. for this purpose)

Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the <Default Value> in the Dividend Bank details field.

- vii. After entering these details appropriately, click on “SUBMIT” tab.
Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on

which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- viii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on TCM Limited (Company name) on which you choose to vote.
- x. On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- xii. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xv. If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password& enter the details as prompted by the system.
- xvi. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- A. Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- B. The voting period begins on 27.09.2016 at 9.00 a.m. and ends on 29.09.2016 at 05.00 p.m. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23.09.2016 (record date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

DIRECTORS REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting to you the 72nd Annual Report together with the audited accounts for the year ended 31st March, 2016:

FINANCIAL PERFORMANCE OF THE COMPANY

Rs in lakhs

PARTICULARS	YEAR ENDED	
	31.03.2016	31.03.2015
Sales- gross	-	-
Other income	6.30	2.10
Employee Cost	4.36	4.89
Financial Cost	0.07	0.07
Depreciation	6.29	7.37
Net Loss	49.86	48.19

DIVIDEND

Due to loss sustained by the Company the Directors are not in a position to recommend payment of any dividend to the members for the year ended 31st March, 2016.

STATE OF COMPANY'S AFFAIRS

Since April 2012, the production in the Tuticorin unit remains suspended, because of financial constraints and scarcity of raw materials. There was no manufacturing or sales during the year under report. The manufacturing activities at the Mettur Unit is also remain suspended.

As regards Kalamassery unit, the company had signed an MOU with Godrej Properties Limited for a property Development Project, which was approved by the Hon'ble BIFR. However, on an application filed before AAIFR by a shareholder for stay of the order of the BIFR, the appellate Authority for AAIFR, New Delhi ordered maintenance of Status quo. Now the matter is pending for order/s of the appropriate authority.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. George Varghese retire by rotation at the Annual General Meeting and being eligible have offered for reappointment.

The company has received declarations from all the independent directors of the company confirming that they meet the prescribed criteria of independence. Being a sick unit for many years, the company has no key managerial personnel other than the Mg. director who is without remuneration. The independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section

149(6) of the Act and that there has been no change in the circumstances which may affect their status of independence.

ANNUAL EVALUATION

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors on the basis of inputs from all the directors on criteria such as Board composition and structure, meeting procedures and functioning, etc. A meeting of independent Directors, evaluated the performance of non-independent directors, the board as a whole

DIRECTORS RESPONSIBILITY STATEMENT

Your directors state that:

- I. In preparing the Annual Accounts for the year ended 31.03.2016, the applicable accounting standards have been followed and there are no material departures from the same.
- II. The Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year ended on that date.
- III. The directors has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- IV. That the Directors had prepared the accounts on a going concern basis, as manufacturing operations are being restarted and the BIFR revival scheme is under preparation.
- V. The directors had laid down internal financial controls to be followed by the company and that such controls are adequate and operating effectively and
- VI. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

LISTING

The shares of the company are listed at the Mumbai Stock Exchange. The listing fees has been paid up to and including 2016-2017.

CORPORATE GOVERNANCE REPORT & MANAGEMENT DISCUSSION & ANALYSIS

Though the corporate governance regulations (17 to 27 and 46) of the SEBI Listing regulations 2015 are not mandatory to the company, it has substantially complied with most of the corporate governance regulations and the report on corporate governance is annexed together with management discussion and analysis.

EXTRACT OF ANNUAL RETURN

The extract of annual return for the year ended 31.03.2016 in the prescribed format (MGT-9) is annexed.

AUDITORS AND AUDIT REPORT

M/s. VBSK and Company, Chartered accountants, statutory auditors of the company appointed in the 2014- AGM hold office until the conclusion of the annual general meeting for the financial year 2017-18, subject to ratification by the ensuing AGM. The board recommend their continuation in office.

As regards the qualifications, comments in the audit report for the year, your directors would submit that:

1. The company is trying to obtain confirmation from debtors and creditors. However, the company being not in operation for a long period of time and registered with BIFR, there are limitations in this regard.
2. The company, a sick unit without normal functioning, is trying to obtain certified copies of all documents in respect of the investment as these were lost / misplaced during the long period of closure of the company.
3. The company is trying to get its applications for exception from land ceiling disposed of at the earliest.
4. Letters of confirmations of deposits were sent to all parties who have not replied probably because the accounts are non operative for long time
5. Letters of confirmations of balances were sent to all banks who have not replied probably because the accounts are non operative for long period.
6. The company being closed for a very long period and continue to be a sick unit, necessary steps in respect of regularizing all statutory dues are being taken, considering the revival scheme pending with BIFR
7. The company being closed for a very long period and continue to be a sick unit, necessary steps are being taken to transfer this amount to the IEPF

SECRETARIAL AUDIT REPORT

M/s. K P Thomas & Co., Company Secretaries, were appointed as secretarial auditors of the company and their report in terms of section 204 of the Companies Act, 2013 is attached. As regards qualifications/comments in the report your directors would submit that:

- (i) The matter of cessation of office of director of Mr. T. Thirugnanam is sub-judice.
- (ii) The company being sick for many years has appointed only the Mg. director, without payment of any remuneration. Other appointments will be done on revival of operations
- (iii) the unpaid amount is being paid to IEP fund without further delay
- (iv) internal