
**Twenty-Second
Annual Report
2009-2010**



BOARD OF DIRECTORS

Sajjan Jindal, *Chairman*

Pradip Kumar Khaitan

C. M. Maniar

Sudhir A. Merchant

Atul Sud

K. K. Kanoria, *Whole-time Director*

Saket Kanoria, *Managing Director*

SECRETARY

S. G. Nanavati

AUDITORS

Shah Gupta & Co.

Chartered Accountants

REGISTERED OFFICE

Shiv Smriti,
49, Dr. Annie Besant Road,
Worli, Mumbai - 400 018.

Tel : +91 22 66606006

Fax : +91 22 24935893

Email : info@tcpl.in

Website : www.tcpl.in

FACTORIES**Offset Printing Unit :**

17/18/21A/22, Govt. Industrial Estate, Masat, Silvassa,
Union Territory of Dadra & Nagar Haveli – 396230

Gravure Printing Unit :

12/13D/3A & 3B, Govt. Industrial Estate, Masat, Silvassa,
Union Territory of Dadra & Nagar Haveli – 396230

Folded Carton Unit :

118, Govt. Industrial Estate, Masat, Silvassa,
Union Territory of Dadra & Nagar Haveli – 396230

Haridwar Unit :

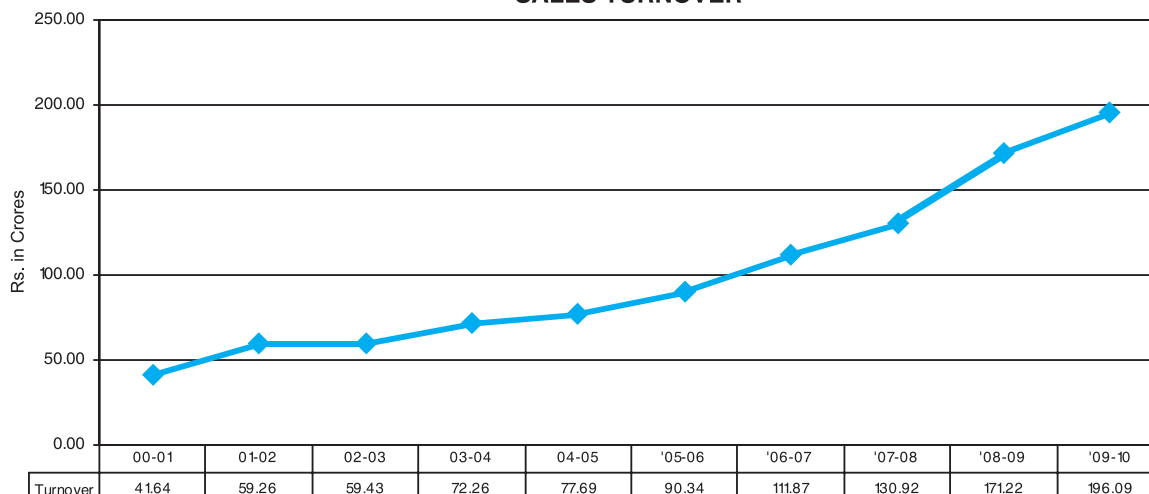
Plot no.1 & 2, Sector 6A,
Integrated Industrial Estate
BHEL, Haridwar
Uttarakhand – 249403

FINANCIAL DATA / OPERATING PERFORMANCE FOR THE LAST 10 YEARS

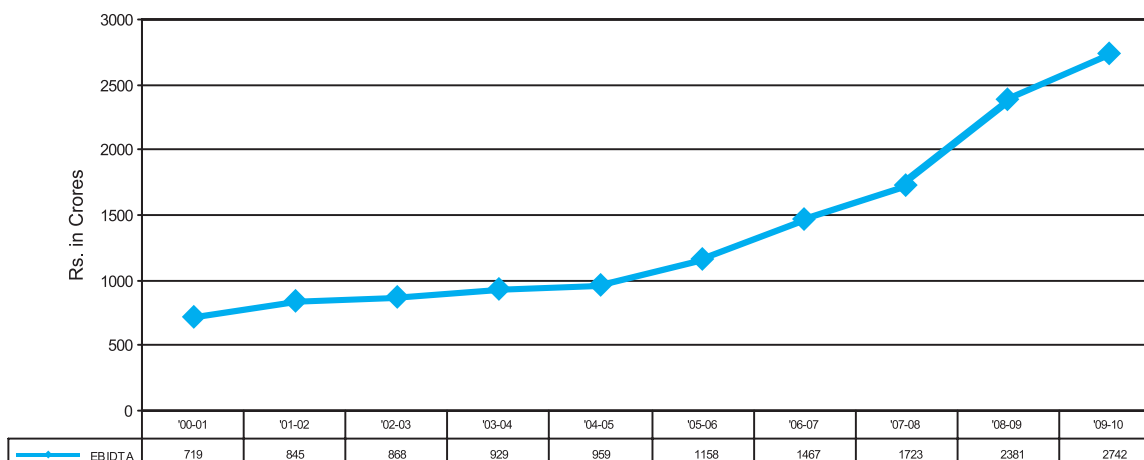
(Rs in Lacs)

Particulars	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Capital Employed:										
Net Fixed Assets	2801.69	3974.61	3996.68	4116.06	4815.03	6435.49	6956.36	9551.38	9175.88	10570.72
Net Current Assets	818.97	1408.61	1339.51	1128.66	805.16	878.1	1168.29	2125.61	2945.22	3014.26
Total	3620.66	5383.22	5336.19	5244.72	5620.19	7313.59	8124.65	11676.99	12121.10	13584.98
Financed by:										
Shareholders' Fund	2419.67	2139.09	2206.61	2304.76	2510.49	2935.39	3286.83	4666.62	4844.42	5322.79
Long Term Loans	883.51	1908.51	1769.91	1626.27	1597.96	3228.34	3574.23	5672.81	5468.88	6186.82
Working Capital Loans	230.48	641.90	700.15	576.39	728.96	497.04	500.08	697.71	1122.90	1435.20
Unsecured Loans	87.00	73.60	—	5.85	3.54	—	170.00	—	9.50	0.00
Deferred Tax Liability	—	620.12	659.52	731.45	779.24	652.82	593.51	639.85	675.40	640.17
Total	3620.66	5383.22	5336.19	5244.72	5620.19	7313.59	8124.65	11676.98	12121.10	13584.98
Sales:										
Notional Turnover	5602.53	7198.00	7948.00	9458.00	10421.00	11361.00	13984.00	16217.00	19152.00	22304.00
Turnover	4164.32	5926.43	5942.64	7226.35	7769.09	9034.01	11187.39	13092.89	17121.56	19609.78
Excise	776.99	1003.20	1065.41	1244.61	1237.49	1275.05	1279.16	1427.80	1399.32	997.82
Net Turnover	3387.33	4923.23	4877.23	5981.74	6531.60	7758.96	9908.23	11665.09	15722.24	18611.96
Of Which: Exports	64.13	78.81	230.13	479.40	1053.79	1789.13	2150.23	2210.06	2088.63	2300.00
EBIDTA	719.14	844.50	868.26	928.51	959.27	1157.70	1467.45	1723.16	2380.94	2742.27
Interest	152.40	189.06	347.77	305.54	247.82	320.19	423.06	544.27	729.28	662.78
Foreign Exchange Fluctuation	—	—	—	—	—	—	—	—	49.63	85.10
Cash Profit	566.74	655.44	520.49	622.97	711.45	837.51	1044.39	1178.89	1602.03	1994.39
Depreciation	218.04	236.08	347.00	368.84	394.85	499.41	661.97	816.90	1114.01	1209.10
Profit before tax	348.70	419.36	173.49	254.13	316.60	338.10	382.42	361.99	488.04	785.29
Profit after tax	319.15	270.97	120.59	162.66	231.52	418.11	308.72	292.34	346.80	443.30
Dividend amount	55.10	50.00	56.41	67.69	88.19	93.22	100.38	134.25	134.25	139.93
Earning Per Share (Amt. in Rs)	6.38	5.42	2.41	3.25	4.45	7.80	5.49	4.33	4.49	5.63
Dividend Per Share (Amt. in Rs)	1.00	1.00	1.00	1.20	1.50	1.50	1.50	1.50	1.50	1.50

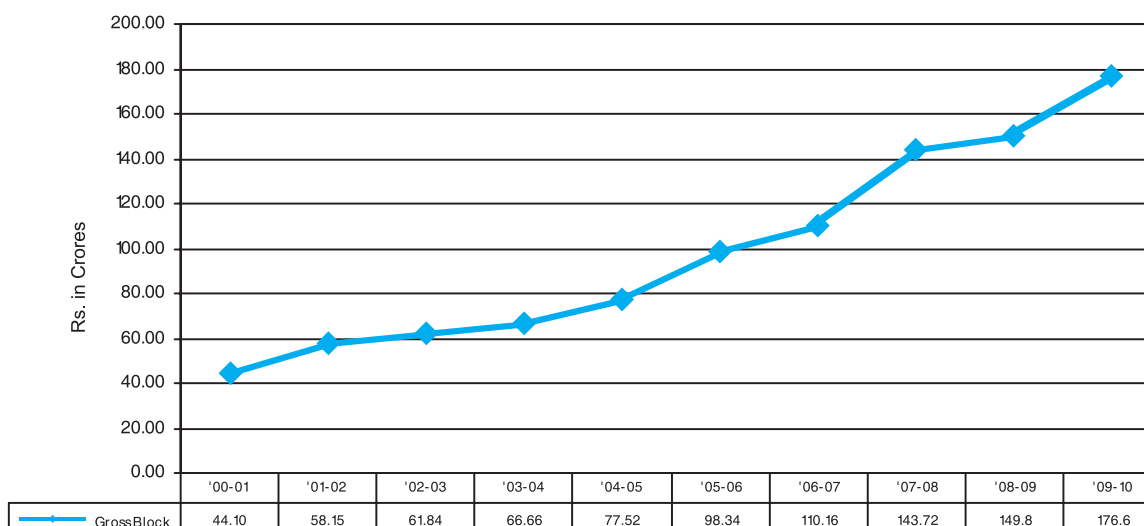
SALES TURNOVER



EBIDTA



GROSS BLOCK





Haridwar Manufacturing Unit



Display of some of the cartons printed by TCPL

Brand New 10 colour gravure press installed at Silvassa



NOTICE

Notice is hereby given that the Twenty-Second Annual General Meeting of TCPL Packaging Limited will be held on Tuesday, 21st September, 2010 at 10.30 a.m. at Sunville Deluxe Pavillion, 9 Dr. Annie Besant Road, Worli, Mumbai 400018 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the audited Balance sheet as at 31st March 2010 and the Profit and Loss Account for the year ended 31st March 2010, and the Reports of the Directors and the Auditors thereon.
2. To declare a Dividend for the year ended 31st March 2010.
3. To appoint a Director in place of Mr. Sajjan Jindal who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Atul Sud who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. Sudhir Merchant be and is hereby appointed as a Director of the Company".
 6. To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. Pradip Kumar Khaitan be and is hereby appointed as a Director of the Company".
 7. To consider, and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to Section 293 (1)(a) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the creation by Board of Directors of the Company, such mortgage, hypothecation, lien, charges and encumbrances on the fixed assets of the company in favour of Company's bankers to sell, lease or otherwise to dispose off the whole or substantially the whole-off the company's undertaking to secure.
 - a) the repayment of term loan of Rs. 12.00 Crores together with interest thereon, secured by first pari passu charge on Fixed Assets, to Axis Bank.
 - b) the repayment of working capital facilities aggregating to Rs. 9.50 Crores to Axis Bank, comprising of Rs. 3.50 Crore fund based working capital limit and Rs. 6.00 Crore non-fund based working capital limit together with interest thereon, secured by second pari passu charge on Fixed Assets.
 - c) the repayment of working capital facilities aggregating to Rs. 17.60 Crores to Dena Bank, comprising of Rs. 13.00 Crores fund based working capital limit and Rs. 4.60 Crores non-fund based working capital limit together with interest thereon, secured by second pari passu charge on Fixed Assets.
 - d) the repayment of non fund based working capital facility basis of Rs. 2.00 Crore to ICICI Bank, together with interest thereon, secured by second pari passu charge on the Fixed Assets."
- "RESOLVED FURTHER THAT the Board Directors of the company be and are hereby authorized to finalise the documents to be entered with respective bank/banks for creating the aforesaid mortgages and/or charges and to do all such acts, things and matters as may be necessary or required to give effect to the Resolution."
8. To consider, and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution
"RESOLVED THAT pursuant to Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and any statutory modification or enactment thereof and the Guidelines for Managerial Remuneration issued by the Central Government from time to time and subject to such requisite approvals, if any, consent of the Company be and is hereby accorded for the re-appointment of Mr. Saket Kanoria as the Managing Director of the Company, for a further period of Three years from 1st April, 2010 upon and subject to the remuneration, terms and conditions set out in the Agreement to be entered into between the Company and Mr. Saket Kanoria, a draft whereof is placed before the meeting and, for the purpose of identification, initialled by the Chairman hereof.

AND RESOLVED FURTHER THAT subject to the limits prescribed from time to time in Section II of Part II of Schedule XIII of the Companies Act, 1956, the remuneration payable as aforesaid shall be paid to Mr. Saket Kanoria as minimum remuneration, for the period 1st April, 2010 to 31st March, 2013, notwithstanding that in any financial year of the Company during the term of this office as such, the Company may have made no profits or profits may be inadequate;

AND RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to review, revise, increase or enhance the remuneration, perquisites and benefits to be paid or provided to Mr. Saket Kanoria (including the minimum remuneration) in

accordance with the relevant provisions in the Companies Act, 1956 and/or the rules and regulations made thereunder and/or relaxation or revision in the Guidelines for Managerial Remuneration as may be made and/or announced by the Central Government from time to time.

AND RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be necessary, desirable or appropriate to give effect to this Resolution."

9. To consider, and if thought it, to pass with or without modification, the following Resolution as a Special Resolution.

"RESOLVED THAT pursuant to Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and any statutory modification or enactment thereof and the Guidelines for Managerial Remuneration issued by the Central Government from time to time and subject to such requisite approvals, if any, the consent of the Company be and is hereby accorded for the re-appointment of Mr.K.K. Kanoria, as Whole-time Director of the Company, for a further period of Three years from 1st April 2010 upon and subject to the remuneration, terms and conditions set out in the Agreement to be entered into between the Company and Mr. K.K. Kanoria, a draft whereof is placed before the meeting and for the purpose of identification, initialled by the Chairman hereof.

AND RESOLVED FURTHER THAT subject to the limits prescribed from time to time in Section II of Part II of Schedule XIII of the Companies Act, 1956, the remuneration payable as aforesaid shall be paid to Mr K.K.Kanoria as minimum remuneration, for the period 1st April, 2010 to 31st March, 2013, notwithstanding that in any financial year of the Company during the term of this office as such, the Company may have made no profits or inadequate profits.

AND RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to review, revise, increase or enhance the remuneration, perquisites and benefits to be paid or provided to Mr.K.K.Kanoria (including the minimum remuneration) in accordance with the relevant provisions of the Companies Act, 1956 and/or the rules and regulations made thereunder and/or relaxation or revision in the Guidelines for Managerial Remuneration as may be made and/or announced by the Central Government from time to time.

AND RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be necessary, desirable or appropriate to give an effect to this Resolution".

By Order of the Board

S.G.Nanavati
Sr.Vice President (Corporate Affairs) &
Company Secretary

Registered Office :

Shiv Smriti,
49, Dr.Annie Besant Road,
Worli, Mumbai 400018

Dated : 27th May, 2010

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 a proxy need not be a member.**
- 2) The Register of Members of the Company will remain closed from 6th September, 2010 to 21st September, 2010 (both days inclusive).
- 3) Transfer of Shares (in physical form) received in order by the Company at the Registered Office or at the office of the Company's Registrar and Transfer Agent, on or before 21st September, 2010 will be passed for payment of dividend, if declared.
- 4) The dividend that may be declared at this meeting will be payable to those members (or to their mandatees) whose names are in the Company's Register of Members on 21st September, 2010 subject to the provisions of Section 206A of the Companies Act, 1956. In respect of shares held in electronic form (dematerialised shares), the dividend will be payable to such beneficial owners as per list furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
- 5) Members are requested to notify immediately any change in their address/mandate/bank details to the Company, quoting their Folio Number.

EXPLANATORY STATEMENT

Item No. 5

Mr.Sudhir Merchant has been appointed as an Additional Director by the Board of Directors at its meeting held on 31st October, 2009, pursuant to the provisions of Section 260 of the Companies Act, 1956. He holds the office upto the ensuing Annual General Meeting. A notice in writing has been received from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose Mr.Sudhir Merchant as a candidate for the office of the Director of the Company. His rich experience in Industry, will be of immense help to the Company. It is therefore, in the interest of the Company to appoint Mr.Sudhir Merchant as a Director of the Company.

Apart from Mr.Sudhir Merchant, no other Directors are interested in the Resolution.

Item No. 6

Mr.Pradip Kumar Khaitan has been appointed as an Additional Director by the Board of Directors at its meeting held on 27th May, 2010 pursuant to the provisions of Section 260 of the Companies Act, 1956. He holds the office upto the ensuing Annual General Meeting. A notice in writing has been received from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose Mr.Pradip Kumar Khaitan, as a candidate for the office of the Director of the Company. Mr.Khaitan is a Senior Advocate and Partner of Khaitan & Company, Advocates & Solicitors. His indepth knowledge and experience in legal matters, will be of immense help to the Company. It is therefore, in the interest of the Company to appoint Mr. Pradip Kumar Khaitan as a Director of the Company.

Apart from Mr.Pradip Kumar Khaitan, no other Directors are interested in the Resolution.

Item No.7

The Company has been sanctioned term loan facility of Rs.12.00 Crores by Axis Bank and working capital facility have been increased to Rs.9.50 Crores subject to creation of pari passu charge on Fixed Assets of the Company for the term loan and creation of pari passu second charge on the Fixed Assets of the Company for the working capital facility. The working capital facility comprises of fund based working capital limit Rs.3.50 Crores and non-fund based working capital limit Rs.6.00 Crores.

The Company has also been sanctioned by Dena Bank increase in working capital facility upto Rs.17.60 Crores subject to creation of pari passu second charge on the Fixed Assets of the Company. The working capital facility comprises of Rs.17.60 Crores comprising of fund based working capital limit Rs.13.00 Crores and Rs.4.60 Crores non-fund based working capital limit.

The Company also has been sanctioned by ICICI Bank non fund based working capital facility on residual charge basis of Rs.2.00 Crores.

The Company has given undertakings to the above referred banks to furnish Resolution under Section 293(1)(a) of the Companies Act, 1956. The Directors of the Company recommend the passing of the Ordinary Resolution contained in item No.6.

Item No.8

The Board of Directors of the Company, at its meeting held on 25th June, 2005, re-appointed Mr.Saket Kanoria as Managing Director for a period of 5 years with effect from 1st July, 2005 with substantial powers of management. His re-appointment and terms of payment of remuneration were approved by shareholders on 25th July, 2005. Subsequently, at the meeting of members held on 24th August, 2007 the terms of remuneration were revised for a period of 3 years from 1st April, 2007 till 31st March, 2010.

The Board of Directors of the Company at its meeting held on 27th May, 2010, approved the draft agreement for re-appointment of Mr.Saket Kanoria as Managing Director for a period of 3 years with effect from 1st April, 2010 with substantial powers of management. He is responsible for the conduct of business, activities and operations of the various units of the Company. He shall perform all such duties and exercise the powers as may from time to time be assigned to him by the Board of Directors.

The particulars of the remuneration to be paid to Mr.Saket Kanoria, for the period 1st April, 2010 to 31st March, 2013 within the limits of Schedule XIII of the Companies Act, 1956, are as under:

REMUNERATION

SALARY:

Rs.3,00,000/- per month (from the existing Rs.2,50,000 per month), subject to such annual increments as the Board may determine.

COMMISSION:

Commission based on the net profits of the Company, subject to the ceiling prescribed in that behalf under the Companies Act, 1956.

PERQUISITES AND ALLOWANCES:

Bonus or ex-gratia payment in accordance with the Rules and Regulations of the Company, accommodation (furnished or otherwise), or rent allowance in lieu thereof, house maintenance allowance, together with utilities thereof such as gas, electricity, water, furnishings and repairs; servants allowance, education allowance for dependant children, entertainment and newspaper and periodicals allowance, medical reimbursement, leave travel allowance for himself and his family, club fees, medical insurance etc. in accordance with the Rules and Regulations of the Company or as agreed by the Board of Director; Provided that the aggregate value shall not exceed Rs.1,00,000/- per month or Rs.12,00,000/- per annum (existing Rs.1,00,000 per month or Rs.12,00,000 per annum).

RETIREMENT BENEFITS:

Company's contribution to Provident Fund or Superannuation or annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act, 1961. Gratuity payable in accordance with the Rules and Regulations of the Company and the value of such benefits shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

USE OF CAR AND TELEPHONE:

Provision of the Company's cars and driver for use on the Company's business and telephone(s) at residence (including payment for local calls and long distant official calls) shall not be included in the computation of perquisites for purpose of calculating the said ceiling.

If during the term of office of Mr.Saket Kanoria, the Company has not made profits or profits made are inadequate in any financial year, he will be entitled to above remuneration by way of salary and perquisites which will be treated as minimum remuneration.

Mr.Saket Kanoria will not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof.

Mr.Saket Kanoria shall give an undertaking to the Company that he shall not so long as he functions as Managing Director of the Company, become interested or otherwise connected directly or through his wife in any selling agency of the Company without the prior approval of the Company and the Central Government.

The Board of Directors are authorized to increase, augment and/or enhance or vary the remuneration to be paid and provided from time to time to Mr.Saket Kanoria in accordance with the provisions of the Companies Act, 1956, and/or any statutory modification of re-enactment thereof and/or the Guidelines for Managerial Remuneration issued by the Government of India or other appropriate authority in that behalf as in force and as amended from time to time.

Either party shall be entitled to terminate the Contract by giving not less than six months' prior notice in that behalf.

The Directors, therefore, recommend the passing of the Ordinary Resolution contained in item No.8 of the accompanying Notice under Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions if any, of the Companies Act, 1956 for the above purpose.

The terms of remuneration of Mr.Saket Kanoria has the approval of the Remuneration Committee.

Mr Saket Kanoria may be considered to be interested in passing of the Resolution as it relates to his re-appointment and remuneration.

None of the Directors other than Mr.K.K.Kanoria and Mr.Sajjan Jindal, may be considered to be concerned or interested in the Resolution.

The Agreement proposed to be entered into with Mr.Saket Kanoria will be available for inspection to the members at the Registered Office of the Company during the Company's business hours on any working day of the Company upto and including the date of the meeting. A statement containing the requisite information as per Para (B) of Part II, of Schedule XIII of the Companies Act, 1956 is given hereunder:

I. General Information

1) Nature of Industry

The Company is manufacturer of printed packaging material viz. cartons, boxes, shells and Hinge lid blanks etc.