

# **69<sup>TH</sup> ANNUAL REPORT**

## **31<sup>ST</sup> MARCH, 2014**



**TECIL CHEMICALS AND  
HYDRO POWER LIMITED**



**BOARD OF DIRECTORS**

**SHRI SHREENIWAS B. SOMANI**  
CHAIRMAN & MANAGING DIRECTOR

**DR. R. S. SARDA**

**SHRI P.C. JAIN**

**SHRI GHANSHYAM K. JOSHI**

**BANKERS**

STATE BANK OF INDIA  
AXIS BANK LTD.

**STATUTORY AUDITORS**

VMD AND COMPANY  
MUMBAI

**REGISTERED OFFICE & WORKS**

P.O.CHINGAVANAM – 686 531  
DIST. KOTTAYAM (KERALA)

**ADMINISTRATIVE OFFICE**

EMPIRE HOUSE, 3<sup>RD</sup> FLOOR,  
214, DR. D. N. ROAD, FORT,  
MUMBAI – 400 001

**E-MAIL :** [tecilchemicals@yahoo.com](mailto:tecilchemicals@yahoo.com)

Registered Office: P.O. CHINGAVANAM, DIST. KOTTAYAM – 686 531, KERALA  
 CIN No.L24299KL1945PLC001206  
 Web Site : www.tecilchemicalsandhydropowerltd.com  
 Email Id: tecilchemicals@yahoo.com

### **NOTICE CONVENING ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the **Sixty Ninth Annual General Meeting** of the Shareholders of **TECIL CHEMICALS & HYDRO POWER LTD.** will be held at P.O. Chingavanam, Dist. Kottayam – 686 531, Kerala on Monday, 08<sup>th</sup> September, 2014 at 4:00 P.M., to transact the following business:

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Directors' Report, Auditors' Report, Audited Balance Sheet and Profit and Loss Account for the year ended 31<sup>st</sup> March, 2014.
2. To appoint a Director in place of Shri Shreeniwas B. Somani (DIN No. 00077939), who retires by rotation and being eligible offer himself for re-appointment.
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. VMD & Company, Chartered Accountants (Reg. No.125002W), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of the this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as may be fixed by the Board of Directors of the Company."

#### **SPECIAL BUSINESS**

4. To appoint Shri G. K. Joshi (DIN No. 01032861) as an Independent Director 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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri G. K. Joshi (DIN No. 01032861), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a Notice in writing from a member proposing his candidature for the office of Director, be and hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years for a term upto 31<sup>st</sup> March, 2019."

5. To appoint Shri P. C. Jain (DIN No. 00370447) as an Independent Director 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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri P. C. Jain (DIN No. 00370447), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a Notice in writing from a Member proposing his candidature for the office of director, be and hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years for a term upto 31<sup>st</sup> March, 2019."

6. To appoint Dr. R. S. Sarda (DIN No. 01294238) as an Independent Director 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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Dr. R. S. Sarda (DIN No. 01294238), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a Notice in writing from a member proposing his candidature for the office of Director, be and hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years for a term upto 31<sup>st</sup> March, 2019."

#### **Notes:**

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight 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. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Company has notified closure of Register of Members and Share Transfer Books from 28<sup>th</sup> August, 2014 to 08<sup>th</sup> September, 2014 (both days inclusive).
7. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
8. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to System Support Services for consolidation into a single folio.
9. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

**On behalf of the Board**

Place : Mumbai  
Date : 26<sup>th</sup> May, 2014

**Sd/-  
S.B. Somani  
Director**

**REGISTERED OFFICE & WORKS**

P.O.CHINGAVANAM – 686 531  
 DIST. KOTTAYAM (KERALA)  
 Email: [tecilchemicals@yahoo.com](mailto:tecilchemicals@yahoo.com)  
 PAN No.: AAAC8096J  
 CIN No.: L24299KL1945PLC001206

**ADMINISTRATIVE OFFICE**

EMPIRE HOUSE, 3<sup>RD</sup> FLOOR,  
 214, DR. D. N. ROAD, FORT,  
 MUMBAI – 400 001  
 Tel: 91-022-2207 83 81 / 82  
 Fax: 91-022-2207 42 94

Dear Shareholders,

Please refer to Notice dated 26<sup>th</sup> May, 2014 for convening Annual General Meeting on 08<sup>th</sup> September, 2014 to pass various Resolutions as set out in the said Resolutions.

We are pleased to provide E-Voting facility and accordingly you can vote on various Resolutions by availing E-Voting facility. The Detailed Procedure for E-Voting is given below –

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" i.e Tecil Chemicals & Hydro Power Limited from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your Folio Number in User ID
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) You will reach directly on the Company selection screen.
- (vii) Click on the EVSN for the Tecil Chemicals & Hydro Power Limited on which you choose to vote.
- (viii) 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.
- (ix) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (x) 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.
- (xi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - 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.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to 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.

The voting period begins on 02/09/2014 at 09:00 am and will remain open till 06:00 pm on 04/09/2014 and will be disabled thereafter. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 27/08/2014, 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](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**FOR TECIL CHEMICALS & HYDROPOWER LTD.**

sd/-

**S.B. Somani**

**Chairman & Managing Director**

Place : Mumbai

Date : 26<sup>th</sup> May, 2014

**EXPLANTORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NOS. 4, 5 & 6**

Shri G. K. Joshi (DIN No. 01032861), Shri P. C. Jain (DIN No. 00370447) and Dr. R. S. Sarda (DIN No. 01294238) are Independent Directors of the Company and have held the positions before the commencement of Companies Act, 2013.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement, inter alia, stipulating the conditions for appointment of Independent Directors by a listed company.

It is proposed to appoint Shri G. K. Joshi (DIN No. 01032861), Shri P. C. Jain (DIN No. 00370447) and Dr. R. S. Sarda (DIN No. 01294238) as Independent Directors under Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement to hold their office for 5 (Five) consecutive years for a term 31<sup>st</sup> March, 2019.

Shri G. K. Joshi (DIN No. 01032861), Shri P. C. Jain (DIN No. 00370447) and Dr. R. S. Sarda (DIN No. 01294238) are not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Directors.

The Company has received Notices in writing from members of the Company along with deposit of requisite amount proposing the candidatures of each Shri G. K. Joshi (DIN No. 01032861), Shri P. C. Jain (DIN No. 00370447) and Dr. R. S. Sarda (DIN No. 01294238) for office of Directors of the Company.

The Company has also received Declaration from Shri G. K. Joshi (DIN No. 01032861), Shri P. C. Jain (DIN No. 00370447) and Dr. R. S. Sarda (DIN No. 01294238) that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri G. K. Joshi (DIN No. 01032861), Shri P. C. Jain (DIN No. 00370447) and Dr. R. S. Sarda (DIN No. 01294238) fulfill the conditions for appointment Independent Directors as his specified in the Companies Act, 2013 and the Listing Agreement.

Brief resume of Shri G. K. Joshi (DIN No. 01032861), Shri P. C. Jain (DIN No. 00370447) and Dr. R. S. Sarda (DIN No. 01294238) are provided in the Corporate Governance Report forming Part of the Annual Report.

A copy of draft letters for respective appointments of Shri G. K. Joshi (DIN No. 01032861), Shri P. C. Jain (DIN No. 00370447) and Dr. R. S. Sarda (DIN No. 01294238) as Independent Directors setting out the terms and condition are available for inspection by members at the Registered Office of the Company.

This statement may also be regarded has at disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Shri G. K. Joshi (DIN No. 01032861), Shri P. C. Jain (DIN No. 00370447) and Dr. R. S. Sarda (DIN No. 01294238) are interested in the Resolutions set out respectively at item nos. 4, 5 & 6 of the Notice with regard to their respective appointments.

The relatives of Shri G. K. Joshi (DIN No. 01032861), Shri P. C. Jain (DIN No. 00370447) and Dr. R. S. Sarda (DIN No. 01294238) may be deemed to be interested in the Resolutions set out respectively at item nos. 4, 5 & 6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Director/ Key Managerial Personnel of the Company their relatives are in any way concern or interested financially are otherwise in these Resolutions.

The Board commends the Ordinary Resolutions set out at item nos. 4, 5 & 6 of the Notice for approval of the shareholders.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **FORWARD LOOKING STATEMENTS**

The report contains forward looking statements, which may be identified by their use of words like 'contemplating', 'optimism', or other words of similar expressions. Such statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company undertakes no obligations to publicly update or revise forward looking statements, whether as a result of future events or otherwise. Actual results could differ materially from those expressed or implied. Readers are cautioned not to place undue reliance on these forward looking statements that speak only as of their dates.

### **THE PRESENT STATUS OF THE COMPANY**

The Company has almost discharged all its liabilities including payment to all remaining workmen in full and final settlement of their dues. The Company had already sold and disposed off all its plants and machineries which had become obsolete and outdated. After cessation of manufacturing operations at Chingavanam, the Company has ceased to be an Industrial Undertaking. The Company has sufficient infrastructural facilities at Chingavanam to commence any new business activity. Till such time any new business activity is commenced; the Company has invested its surplus funds which earned interest income of Rs.70.18 lacs during the year under report.

### **OUTLOOK OPPORTUNITIES AND THREATS**

The Company has freehold land at Chingavanam, Kottayam, Kerala. Since the Company had already discharged all its major liabilities and has sold all its plants & machineries. Your Directors have been exploring new business activities. In the present scenario, the Company can enter into real estate business more efficiently and economically as it has surplus land at Chingavanam. Even after meeting Company's requirement of land for commencing real estate business, it still will have surplus land left for sale which can generate additional revenues to the Company. Your Directors, therefore, look forward the future of the Company with optimism.

### **FINANCIAL PERFORMANCE**

	Amount Rs.(in Lacs)	
	2013-14	2012-13
Profit / (Loss) before Interest, Depreciation & Tax	(520.27)	(502.91)
Profit / (Loss) After Interest, Depreciation	(447.88)	(466.72)
Profit / (Loss) After Tax and Adjustment	(447.88)	(466.72)

### **HUMAN RESOURCES**

The Company continues to maintain cordial relations with its employees.

### **CAUTIONARY STATEMENT**

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements that speak only as of their dates.

**FOR AND ON BEHALF OF THE BOARD**

Place : Mumbai  
Date : 26<sup>th</sup> May, 2014

Sd/-  
**S. B. SOMANI**  
**CHAIRMAN & MANAGING DIRECTOR**



**DIRECTORS' REPORT**

To  
The Members,

Your Directors hereby present the **SIXTY - NINETH ANNUAL REPORT** together with the audited accounts for the year ended 31<sup>st</sup> March, 2014.

**I. FINANCIAL RESULTS**

The results for the year ended 31<sup>st</sup> March, 2014 are summarized herein below:

<u>Year ended 31<sup>st</sup> March</u>	<u>Rs. In Lacs</u>	
	<u>2014</u>	<u>2013</u>
Other Income	354.06	167.84
Profit/(Loss) before interest, depreciation & Tax	(520.27)	(502.91)
Less/Add: Interest	—	—
Depreciation	11.32	5.80
Tax / VAT Paid	—	—
(Loss) / Profit for the year before tax	(520.27)	(502.91)
Provision for Taxation	—	—
(Loss) / Profit after tax and adjustments	(447.88)	(466.72)
(Loss) b/f from previous year	—	—
(Loss) carried forward to Balance Sheet	(447.88)	(466.72)

**II. DIVIDEND**

Due to Loss incurred by the Company, the Board of Directors do not recommend dividend for the year.

**III. OPERATIONS**

The Company has freehold land at Chingavanam, Kottayam, Kerala. Since the Company had already discharged all its major liabilities and has sold all its plants & machineries. Your Directors have been exploring new business activities. In the present scenario, the Company can enter into real estate business more efficiently and economically as it has surplus land at Chingavanam. Even after meeting Company's requirement of land for commencing real estate business, it still will have surplus land left for sale which can generate additional revenues to the Company. Your Directors, therefore, look forward the future of the Company with optimism.

**IV. DEPOSITS**

The Company does not have any deposits as on 31.03.2014.

**V. INDUSTRIAL RELATIONS**

The Company has made payment to the all remaining workmen in full and final settlement of their dues.

**VI. PARTICULARS OF EMPLOYEES**

There was no employee drawing remuneration in excess of the limit prescribed and hence requirement of attaching a statement as required by Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is not applicable to this report.

**VII. DIRECTORS**

Shri Shreeniwass B. Somani, Director of the Company who retires by rotation, but being eligible, have offered himself for re-appointment.

**VIII. AUDITORS**

M/s. VMD & Co., Chartered Accountants, Mumbai retire at the forthcoming Annual General Meeting and are eligible for reappointment. The Company has received confirmation that the appointment, if made, would be within the limits prescribed u/s. 224(1B) of the Companies Act, 1956.

**IX. AUDITORS OBSERVATIONS ON ACCOUNTS**

The Auditors have not made any adverse comment/ observation in their Report.

**X. DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirements u/s. 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company confirm:

- a. that in the preparation of the Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2014, the applicable Accounting Standards have been followed and there has been no material departure except to the extent noted by the auditors in their report.
- b. that the selected accounting policies were applied consistently and the directors 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 as at March 31, 2014 and of the Profit of the Company for the year ended as on date.
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 and Companies Act, 2013 or the safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. that the annual accounts have been prepared on a "going concern" basis, though the Company does not have any manufacturing activity during the year.

**XI. PARTICULARS REGARDING CONSERVATION OF ENERGY ETC.**

As required in terms of Section 217(1) of the Companies Act, 1956 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the Report on Conservation of Energy, Technology absorption and Foreign Exchange Earnings and outgo etc. is given in Annexure I forming part of this Report.

**XII. CORPORATE GOVERNANCE**

Report on Corporate Governance and a Certificate from the Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated under Clause 49 of the listing agreement with the Stock Exchange is given as Annexure II forming part of this Report.

**XIII. GENERAL**

The Balance Sheet and Statement of Profit & Loss of the Company have been signed by two of the Directors present in the Board Meeting in accordance with Provision of Section 215 of the Companies Act, 1956 for and on behalf of the Board of Directors.

**XI V. ACKNOWLEDGMENT**

Your Directors place on record their sincere appreciation for the continued co-operation, guidance and support provided during the year under report by various institutions concerned as also the employees of the Company for their sincere and dedicated service in pursuing the corporate objectives of the Company.

**FOR AND ON BEHALF OF THE BOARD**

Place : Mumbai  
Date : 26<sup>th</sup> May, 2014

Sd/-  
**S. B. SOMANI**  
**CHAIRMAN & MANAGING DIRECTOR**

**ANNEXURE I****THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988****A. CONSERVATION OF ENGERY:**

Total energy consumption and energy consumption per unit of production are as per Form A hereunder.

		<b>Current Year</b>	<b>Previous Year</b>
i)	Power and Fuel Consumption:	NIL	(NIL)
ii)	Consumption per Tonne of Production (Kwh)	NIL	(NIL)
iii)	Technology Absorption: Due to LOCKOUT in the Company since 1999 the ongoing energy conservation programs had been stalled.		
iv)	Foreign Exchange Earnings and Outgo: The total expenditure in foreign currency: (in Rs.'000)	NIL	2704