

THAKRAL SERVICES (INDIA) LIMITED.
(Formerly Primeast Investments Limited)



**TWENTY FIFTH
ANNUAL REPORT
2007 - 2008**

8th Floor, 'THE ESTATE', #121, Dickenson Road, Bangalore - 560 042.

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Thakral Services (India) Limited

THAKRAL SERVICES (INDIA) LIMITED

Board of Directors

Shri. BIKRAMJIT SINGH THAKRAL (from 24.01.2008)

Shri. C D P RAJENDRAN

Shri. P BALAKRISHNA SHETTY

Shri. JOSEPH SEQUEIRA

Shri. KANWALJEET SINGH BAWA

Shri. R.C.BHAVUK- Managing Director

Shri. GURMUKH SINGH THAKRAL (Upto 08.01.2008)

Bankers

INDIAN OVERSEAS BANK

AXIS BANK

Auditors

M/S. BRAHMAYYA & CO.
Chartered Accountants, Bangalore.

Registered Office

***8TH FLOOR, 'THE ESTATE',
121, DICKENSON ROAD,
BANGALORE - 560 042***

Thakral Services (India) Limited

NOTICE

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the Members of THAKRAL SERVICES (INDIA) LIMITED (formerly Primeast Investments Ltd) will be held on Saturday, the 27th September, 2008 at 10.00 a.m. at Rohini Hall, Hotel Ajantha, 22-A, M.G.Road, Bangalore – 560 001 (Opposite to HSBC Bank, Near ING Vysya Bank-Corporate office) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as on 31.3.2008 and the Profit & Loss Account for the financial year ended on that date together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Dr.P.Balakrishna Shetty who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr.Joseph Sequeira who retires by rotation and being eligible offers himself for reappointment.
4. To appoint the Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration as may be agreed with the Board of Directors.

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. Bikramjit Singh Thakral be and is hereby appointed as Director of the Company, liable to retire by rotation.”

BY ORDER OF THE BOARD

Regd. Office
8th Floor, 'The Estate',
121, Dickenson Road,
Bangalore – 560 042

MANAGING DIRECTOR

Place: BANGALORE
Date: 28.08.2008

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. Proxy forms duly completed in all respects shall be lodged with the Company at least 48 hours before the time fixed for the meeting. The proxy form is annexed at the end of this report.
2. Members are requested to address all correspondence regarding De-mat, Share Transfers, Certificate Endorsement, Change of Address and other General Queries, to our Registrar M/s.Alpha Systems Pvt Ltd, No.30, Ramana Residency, 4th Cross, Sampige Road, Malleshwaram, Bangalore – PIN – 560 003.
3. The Proxies and Members are requested to bring their attendance slip, annexed at the end of this report, to the meeting and sign at the entrance of the venue.
4. The Register of Members and Share Transfer books shall remain closed from Friday, the 19th September, 2008 to Saturday, the 27th September, 2008 (both days inclusive)
5. The Explanatory Statement as required by Section 173 of the Companies Act, 1956 is annexed hereto and the papers, documents referred to therein are open for inspection at the Registered Office of the Company between 9:30 am and 5:30 p.m. on any working day prior to the date of the meeting.
- 6.

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

ITEM NO 5

- 1) The Board of Directors of your Company had appointed Mr. Bikramjit Singh Thakral as an Additional Director on 24th January 2008. Pursuant to Section 260 of the Companies Act, 1956, Mr. Bikramjit Singh Thakral holds office up to the date of this Annual General Meeting. The Company has received a notice pursuant to Section 257 of the Companies Act, 1956, in writing, from a member proposing him as a Director.
- 2) The Board considers that on account of Bikramjit Singh Thakral knowledge, experience and eminence, it would be in the interest of the Company to appoint him as a Director of the Company.
- 3) The Board of Directors of your Company recommends the resolution for your consideration and approval.
- 4) None of the Directors are interested or concerned in the said resolution.

BY ORDER OF THE BOARD OF DIRECTORS

Regd. Office
 8th Floor, 'The Estate', 121,
 Dickenson Road, Bangalore-42
 Place: BANGALORE
 Date : 28.08.2008

MANAGING DIRECTOR

Thakral Services (India) Limited

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT IN THE
FORTHCOMING ANNUAL GENERAL MEETING
(IN PURSUANCE TO LISTING AGREEMENT WITH STOCK EXCHANGES)**

Item No.2:

- | | |
|---|---|
| 1) Name: | Dr. P.Balakrishna Shetty |
| 2) Date of Birth: | 20.07.1957 |
| 3) Expertise: | Practicing Chartered Accountant for almost 2 decades |
| 4) List of Companies in which outside directorship held as on 28.8.2008 | NIL |
| 5)Chairman (C) / Member (M) of the Committee of the Board of the Companies on which he is a Director as on 28.08.2008 | Audit committee
- M/s.Thakral Services (India) Ltd (C)

Remuneration Committee
- M/s.Thakral Services (India) Ltd (C) |

Item No.3:

- | | |
|--|---|
| 1) Name: | Mr.Joseph Sequeira |
| 2) Date of Birth: | 03.04.1945 |
| 3) Expertise: | Banking and Finance Experience for over 3 decades |
| 4) List of Companies in which outside directorship held as on 28.8.2008 | NIL |
| 5)Chairman (C) / Member (M) of the Committee of the Board of the Companies on which he is a Director as on 28.08.2008. | Audit committee
- M/s.Thakral Services (India) Ltd (M)

Remuneration Committee
- M/s.Thakral Services (India) Ltd (M) |

Item No.5:

- | | |
|--|------------------------------------|
| 1) Name: | Mr.Bikramjit Singh Thakral |
| 2) Date of Birth: | 09.11.1975 |
| 3) Expertise: | Four Year experience in Management |
| 4) List of Companies in which outside directorship held as on 28.8.2008 | NIL |
| 5) Chairman (C) / Member (M) of the Committee of the Board of the Companies on which he is a Director as on 28.08.2008 | NIL |

Thakral Services (India) Limited

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty Fifth Annual Report along with the Audited Accounts for the year ended 31.03.2008

FINANCIAL RESULTS

	<i>Rs. in Lakhs</i>	
	31.03.2008	31.03.2007
Income From Business	994.76	11.56
Gross Income	994.76	11.56
Less: Operational Expenses	<u>959.44</u>	<u>29.22</u>
Profit/(Loss) Before Depreciation and Provisions	35.32	(17.66)
Depreciation	<u>3.44</u>	<u>0.75</u>
Profit/(Loss) Before Provisions	31.88	(18.41)
Provisions	<u>0.00</u>	<u>0.00</u>
Profit/(Loss) after Provisions	31.88	(18.41)
Fringe Benefit Tax	0.89	0.54
Profit/(Loss) for the Year	30.99	(18.95)
Add: (Loss) brought forward from previous year	<u>(422.99)</u>	<u>(404.04)</u>
Total Loss carried to Balance Sheet	(392.00)	(422.99)

OPERATIONS:

The Organisation is mainly engaged in the business of Electronic Security, which comprises of CCTV, Access control, Fire Detection and Alarm and Intrusion Alarms.

The Organisation carries the vision of becoming one of the leading Electronic security players in India by the end of the Financial Year 2010.

DIVIDENDS:

Since there are accumulated losses carried forward from previous years, the Company is therefore not in a position to declare dividends.

CAPITAL:

The present paid-up capital of the Company is Rs.11.73 Crores. The present authorised capital of the Company is Rs.13 Crores, which was increased from Rs.12.50 Crores at the 20th Annual General Meeting of the Company. The shares of the Company have been admitted for De-materialisation and the International Securities Identification Number (ISIN) of the equity share of the Company is INE190F01010.

*Thakral Services (India) Limited***LISTING PARTICULARS**

As required by Clause 32 of the Listing Agreement with the stock exchange, a cash flow statement is appended.

As per the revised Clause 49 of the Listing Agreement, a Report on Corporate Governance is attached to this report..

DIRECTORS :

The Board of Directors of the Company consists of 6 Directors, of whom 2 are Non-Executive Independent Directors and 3 Non Executive Directors and 1 Executive Director. The Directors Dr.P.Balakrishna Shetty and Mr.Joseph Sequeira are due to retire by rotation and is eligible for re appointment in the coming Annual General Meeting.

Mr. Gurmukh Singh Thakral who had been appointed as a Non Executive Director had resigned on 08.01.2008 The Board places on record its appreciation for the services rendered by him during his tenure.

Mr. Bikramjit Singh Thakral has been appointed as an Additional Director by the Board of Directors on 24.01.2008 and he hold the said office up to this Annual General Meeting.

AUDITORS :

M/s. Brahmayya and Company, Chartered Accountants, Bangalore, Auditors of the Company retires at the conclusion of this Annual General Meeting and are eligible for re-appointment. Auditors have confirmed their willingness to continue in office, if reappointed.

EMPLOYEES :

The Company does not have any employee within the purview of section 217 (2A) of the Companies Act, 1956 as such the details required under the said section and the Companies (Particulars of Employees) Rules, 1975 are not annexed to this report.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

The information pursuant to Section 217 (1)(e) of the Companies Act, 1956 on Conservation of energy, Research & Development and Technology Absorption are presently not applicable to the Company.

Foreign Exchange Earnings and Outgo

	2007-08 (Rs. Lacs)	2006-07 (Rs. Lacs)
i. Foreign exchange earned	54.14	8.78
ii Foreign exchange used	0.77	Nil
iii Foreign exchange used for import of Capital Goods, Raw Materials etc.	183.60	Nil

Thakral Services (India) Limited

DIRECTORS' RESPONSIBILITY STATEMENT:

As required under Section 217 of the Companies Act, 1956, the directors hereby confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) 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 period.
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE:

Pursuant to revised Clause 49 of Listing Agreement with Bombay Stock Exchange and Clause 51 of the Listing Agreement with Bangalore Stock Exchange, a Management discussion and Analysis report, Corporate Governance Report and Auditor's Certificate regarding compliance of conditions of corporate governance are made as a part of the Annual Report.

ACKNOWLEDGMENTS:

Your Directors wish to place on record their sincere appreciation of the wholehearted co-operation and assistance extended by its Shareholders, Bankers, Investors, Customers and others. The Board also wishes to place on record, its appreciation for the dedicated services of staff and officers of the Company at all levels.

ON BEHALF OF THE BOARD OF DIRECTORS

Place : BANGALORE

Date : 28.08.2008

CHAIRMAN

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on Corporate Governance:

Thakral Services (India) Limited (Formerly Primeast Investments Limited) is managed by the Managing Director under the supervision and control of the Board of Directors. Your Company firmly believes that implementation of good corporate governance will help the Company achieve corporate goals and enhance shareholders' value. It has been our endeavor to give importance on ensuring fairness, transparency, accountability and responsibility to shareholders besides implementing practices voluntarily that would give optimum information and benefit to all stakeholders, customers, employees and the society alike.

2. Board of Directors

i) Composition

Your Company's Board of Directors comprises of 6 Directors. The Managing Director, 5 are Non-Executive Directors out of which 2 are Independent Directors. The Chairman of the Company is non-executive. The Board structure is as under:

Name of Director	Category
Mr. R.C. Bhavuk	Managing Director, Executive
Mr. K.S. Bawa	Non-Executive, Director
Mr. Bikramjit Singh Thakral	Non-Executive, Director
Mr. C D P Rajendran	Non-Executive, Director
Dr. P Balakrishna Shetty	Independent Director
Mr. Joseph Sequeira	Independent Director

The Non-executive Directors and independent Directors have no material pecuniary relationship or transaction vis-à-vis your Company in their personal capacity during the year.

ii) Participation and Interest of Directors:

Since the commencement of the financial year 2007-2008, a total of 9 Board meetings were held on the following dates viz. 02.04.2007, 27.04.2007, 02.07.2007, 21.07.2007, 28.08.2007, 10.10.2007, 24.10.2007, 14.12.2007, 24.01.2008. The maximum time gap between two board meetings was not more than four calendar months. The following table gives details of participation in Board Meetings and Annual General Meetings of your Company and interests of directors in other Companies.

Directors	Participation of Directors		Interests of Directors		
	Board Meeting	Last AGM	Other Director-ships	Committee Memberships	Committee Chairmanships
Mr. R.C. Bhavuk	09	Yes	20	1	Nil
Mr. K. S. Bawa	09	Yes	20	2	1
Mr. C D P Rajendran	Nil	No	2	Nil	Nil
Dr. P Balakrishana Shetty	08	Yes	Nil	Nil	2
Mr. Joseph Sequeira	08	No	Nil	2	Nil
Mr. Bikramjit Singh Thakral	NIL	No	Nil	Nil	Nil