

THAKRAL SERVICES (INDIA) LIMITED



TWENTY EIGHTH

ANNUAL REPORT

2010 - 2011

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

THAKRAL SERVICES (INDIA) LIMITED**CONTENTS**

<i>Board of Directors</i>	<i>.....</i>
<i>Notice of A.G.M.</i>	<i>.....</i>
<i>Directors' Report</i>	<i>.....</i>
<i>Auditor's Report</i>	<i>.....</i>
<i>Balance Sheet</i>	<i>.....</i>
<i>Profit and Loss Account</i>	<i>.....</i>
<i>Schedules</i>	<i>.....</i>
<i>Cash Flow Statement</i>	<i>.....</i>
<i>Proxy Form & Attendance Slip</i>	<i>.....</i>

THAKRAL SERVICES (INDIA) LIMITED**Board of Directors****Shri. BIKRAMJIT SINGH THAKRAL****Shri. C D P RAJENDRAN****Shri. P BALAKRISHNA SHETTY (Chairman)****Shri. JOSEPH SEQUEIRA****Shri. KANWALJEET SINGH BAWA****Shri. R.C.BHAVUK- Managing Director****Bankers****CANARA BANK****HDFC BANK****STATE BANK OF INDIA****Auditors****M/S. BRAHMAYYA & CO.**

Chartered Accountants, Bangalore.

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

NOTICE

NOTICE is hereby given that the **Twenty Eighth** Annual General Meeting of the Members of **THAKRAL SERVICES (INDIA) LIMITED** will be held on Friday, the 30th September, 2011 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 31.03.2011 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 Mr. Kanwaljeet Singh Bawa who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Chennoth Divakara Prabu Rajendran who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. Balakrishna Shetty who retires by rotation and being eligible offers himself for reappointment.
5. 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 RESOLUTION :

6. To consider and if thought fit, to pass with or without modification, the following resolution as an Special resolution:

“RESOLVED THAT pursuant to provisions of Sections 198,269,309 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the limits specified in Schedule XIII to the said Act, consent of the Company be and is hereby accorded to the reappointment of Shri. R C Bhavuk as Managing Director of the Company for a period of five years with effect from 12th December, 2011 on the same terms and conditions which is given as under:

REMUNERATION AND PERQUISITES:

1. Salary : Rs.60,000/- per month
2. Perquisites-
 - a. Housing : Accommodation to be provided
 - b. Medical Insurance : As per rules of the Company
 - c. Leave travel concession : As per rules of the Company
 - d. Telephone and Car : Provision of car with driver for use on Company's business and Telephone at residence
3. Retirement Benefits :
Provident Fund, Gratuity, Superannuation and Encashment of Leave as per applicable rules from time to time and as per Company Policy.

OTHER TERMS AND CONDITIONS:

- a. The Managing Director shall NOT be liable to retire by rotation.
- b. The aforesaid remuneration shall be paid to the Managing Director with effect from 12th December 2011.
- c. The Managing Director shall not be entitled to sitting fees for attending the meeting of the Board of Directors or any committee thereof.
- d. He shall ipso facto cease to be the Managing Director, if he cease to hold the office of Director.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter or vary the terms of re appointment including relating to remuneration, as it may at its discretion, deem fit from time to time so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956, (including any statutory modification or re enactment thereof for the time being in force) or any amendment made thereto."

7. As the Company proposes to manufacture, produce, buy, sell, import, export, stock and deal in electric motors, electrical equipments, equipment for generation, transmission and distribution of electricity, cables, wires, conductors etc therefore a special resolutions is to be passed in pursuance of Section 149 of the Companies Act, 1956 to commence the business as mentioned in the clause 9 of the other object clause of the Memorandum of Association.

RESOLVED THAT the Company be and hereby permitted to commence the business to manufacture, produce, buy, sell, import, export, stock and deal in electric motors, electrical equipments, equipment for generation, transmission and distribution of electricity, cables, wires, conductors etc as mentioned in the Clause 9 of the other object clause of the Memorandum of Association

Regd. Office

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

BY ORDER OF THE BOARD

MANAGING DIRECTOR

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. Integrated Enterprises (India) Ltd (formerly 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 23rd September, 2011 to Friday, the 30th September, 2011 (both days inclusive)

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

ITEM NO : 6 :

- 1) Shri. R C Bhavuk is an ex- banker and has about 30 years of experience in the banking industry. He served the Company as its Managing Director for the last 15 years from 12th December 1996 onwards. In view of experience in the banking and financial sectors, the Directors are of the opinion that the experience and capability of Mr. Bhavuk would prove valuable in the long-term interest of the Company.
- 2) The Directors therefore recommend adoption of the proposed resolution, re appointing him as the Managing Director on terms and conditions, more specifically detailed in the resolution.
- 3) Above Terms and Conditions may be deemed to be an abstract of the terms of appointment as made by the Board of directors, as required under section 302 of the Companies Act, 1956.
- 4) None of the Directors, except Shri. R C Bhavuk, are in any way interested or concerned in the said resolution.

ITEM NO.7:

- 1) The Company is proposing to diversify its activities to increase its revenue. An opportunity has been found in the field of generation of power through solar and wind mills. The activity of generation of power is mentioned in the clause 9 of the other object clause. As per section 13 sub clause 1(d)(ii) read with section 149 of the Companies Act, 1956, the Company is permitted to commence the line of activity mentioned in the other objects clause provided a Special Resolution is passed. Hence this special resolution is proposed. None of the Directors are interested in the above resolution.

BY ORDER OF THE BOARD OF DIRECTORS

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

MANAGING DIRECTOR

Place: BANGALORE
Date: 26.08.2011

**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:	Mr. Kanwaljeet Singh Bawa
2) Date of Birth:	20.11.1964
3) Expertise:	Expertise in Financial Management & Control, Taxation and Corporate Secretarial matters spanning over 2 decades.
4) List of Companies in which outside directorship held as on 26.08.2011	M/s. Bhagwan Developments Pvt. Ltd., M/s. Carew Developments Pvt. Ltd., M/s. Jagbir Developments Pvt. Ltd., M/s. Khazina Developments Pvt. Ltd., M/s. Minnow Trading Co. Pvt. Ltd., M/s. Normandy Developments Pvt. Ltd., M/s. Normandy Investments Pvt. Ltd., M/s. Parjat Developments Pvt. Ltd., M/s. Raaya Developments Pvt. Ltd., M/s. Thakral One Solutions Pvt. Ltd., M/s. Sovereign Investments Pvt. Ltd., M/s. Thakral Computers Pvt. Ltd., M/s. Westminster Developments Pvt. Ltd., M/s. Zarina Developments Pvt. Ltd., M/s. Glade Trading Company Pvt. Ltd. M/s. Trust Leasing and Finance Pvt. Ltd. M/s. Future World (India) Pvt. Ltd.
5) Chairman / Member of the : Committee of the Board of the Companies on which he is a Director as on 26.08.2011	NIL

Item No.3:

1) Name:	Mr. Chennoth Divakra Prabhu Rajendran
2) Date of Birth:	04.09.1952
3) Expertise:	Finance and Corporate Management Experience spanning over 3 decades.
4) List of Companies in which outside directorship held as on 26.08.2011	M/s. Thakral One Solutions Pvt. Ltd., M/s. Asiatic Steel Industries Ltd.,
5) Chairman / Member of the : Committee of the Board of the Companies on which he is a Director as on 26.08.2011	NIL

Item No.4:

- | | |
|--|---|
| 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 26.08.2011 | Nil |
| 5) Chairman / Member of the : Committee of the Board of the Companies on which he is a Director as on 26.08.2011 | NIL |
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Item No.6:

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| 1) Name: | Mr. Ramesh Chandra Bhavuk |
| 2) Date of Birth: | 11.12.1943 |
| 3) Expertise: | Banking, Finance and Corporate Management Experience spanning over 4 decades. |
| 4) List of Companies in which outside directorship held as on 26.08.2011 | M/s. Bhagwan Developments Pvt. Ltd.,
M/s. Carew Developments Pvt. Ltd.,
M/s. Jagbir Developments Pvt. Ltd.,
M/s. Khazina Developments Pvt. Ltd.,
M/s. Minnow Trading Co. Pvt. Ltd.,
M/s. Normandy Developments Pvt. Ltd.,
M/s. Normandy Investments Pvt. Ltd.,
M/s. Parjat Developments Pvt. Ltd.,
M/s. Raaya Developments Pvt. Ltd.,
M/s. Sovereign Investments Pvt. Ltd.,
M/s. Thakral Computers Pvt. Ltd.,
M/s. Westminster Developments Pvt. Ltd.,
M/s. Zarina Developments Pvt. Ltd.,
M/s. Glade Trading Company Pvt. Ltd.
M/s. Netizen Properties Pvt. Ltd |
| 5) Chairman / Member of the : Committee of the Board of the Companies on which he is a Director as on 26.08.2011 | NIL |
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DIRECTORS' REPORT

Your Directors have pleasure in presenting the **Twenty Eighth Annual Report** along with the Audited Accounts for the year ended 31.03.2011

	Rs. in lakhs	
<u>FINANCIAL RESULTS:</u>	31.03.2011	31.03.2010
Income from Business	2497.17	1584.46
Gross Income	2497.17	1584.46
Less: Operational Expenses	<u>2377.63</u>	<u>1518.67</u>
Profit/(Loss) Before Depreciation and Provisions	119.54	65.79
Depreciation	<u>11.82</u>	<u>5.8</u>
Profit/(Loss) Before Provisions	107.72	59.99
Provisions	0.00	0.00
Profit/(Loss) after Provisions	107.72	59.99
Less :Income Tax/Fringe Benefit Tax	14.00	4.13
Add: Deferred Tax- Asset	<u>8.60</u>	<u>0.00</u>
Profit/(Loss) for the Year	102.32	55.86
Add: (Loss) brought forward from previous year	-811.46	-867.32
Total Loss carried to Balance Sheet	-709.14	-811.46

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 2012

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.11,73,50,800/-. 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.

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 Mr.Kanwaljeet Singh Bawa, Mr.Balakrishna shetty and Mr.Chennoth Divakara Prabu Rajendran are due to retire by rotation and are eligible for re appointment in the coming 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

	2010-11	2009-10
	(Rs. Lacs)	(Rs. Lacs)
i. Foreign exchange earned	117.63	129.74
ii Foreign exchange used	4.47	2.74
iii Foreign exchange used for import of Capital Goods, Raw Materials etc.	470.11	489.46
iv. Foreign exchange for export of goods	84.56	21.42

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.