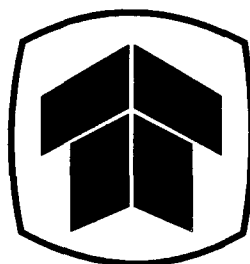


THAKRAL SERVICES (INDIA) LIMITED



TWENTY NINTH ANNUAL REPORT 2011-2012

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

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THAKRAL SERVICES (INDIA) LIMITED**Board of Directors**

Sri. BIKRAMJIT SINGH THAKRAL
Sri. C D P RAJENDRAN
Sri. JOSEPH SEQUEIRA
Sri. KANWALJEET SINGH BAWA
Sri. R.C.BHAVUK- Managing Director
Sri. KR VIJAYENDRA
(Appointed wef 22.02.2012)
Sri. P.BALAKRISHNA SHETTY
(Resigned wef 22.02.2012)

Bankers

YES BANK LTD

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 Ninth Annual General Meeting of the Members of THAKRAL SERVICES (INDIA) LIMITED will be held on Friday, the 28th September, 2012 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 31.03.2012 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. Bikramjit Singh Thakral 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. K R Vijayendra be and is hereby appointed as Director of the Company, liable to retire by rotation.”

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

BY ORDER OF THE BOARD

MANAGING DIRECTOR

Place : Bangalore

Date : 13.8.2012

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 21st September, 2012 to Friday, the 28th September, 2012(both days inclusive)

**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.K R Vijayendra as an Additional Director on 22nd February 2012. He is an Ex-Banker worked with the nationalised Bank . He has been serving the Board as an Independent Director within the meaning of the revised Clause 49 of the Listing Agreement. Pursuant to Section 260 of the Companies Act, 1956, K R Vijayendra 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 K R Vijayendra's 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-560 042

MANAGING DIRECTOR

Place: BANGALORE
Date:13.08.2012

**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.Bikramjit Singh Thakral |
| 2) Date of Birth: | 09.11.1975 |
| 3) Expertise: | Eight years of experience in Management |
| 4) List of Companies in which
outside directorship held as on
13.08.2012 | NIL |
| 5) Chairman © / Member (M) of the :
Committee of the Board of the
Companies on which he is a
Director as on :13.08.2012 | NIL |

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 13.08.2012	NIL
5) Chairman (C) / Member (M) of the Committee of the Board of the Companies on which he is a Director as on :13.08.2012	Audit Committee - M/s.Thakral Services (India) Ltd (M) Remuneration Committee - M/s.Thakral Services (India) Ltd (M)

DIRECTORS' REPORT

Your Directors have pleasure in presenting the **Twenty Ninth Annual Report** along with the Audited Accounts for the year ended 31.03.2012.

FINANCIAL RESULTS:

	(Rs. in lakhs)	
	31.03.2012	31.03.2011
Income from Business	3922.41	2497.17
Gross Income	3922.41	2497.17
Less: Operational Expenses	3681.18	2377.63
Profit/(Loss) Before Depreciation and Provisions	241.23	119.54
Depreciation	17.37	11.82
Profit/(Loss) Before Provisions	223.86	107.72
Provisions	0.00	0.00
Profit/(Loss) after Provisions	223.86	107.72
Less :Income Tax/Fringe Benefit Tax/MAT	71.52	14.00
Add: Deferred Tax- Asset	2.94	8.60
Profit/(Loss) for the Year	155.28	102.32

OPERATIONS:

The Company is mainly engaged in the business of Electronic Security which comprises of CCTV, Access control, Fire Detection, Alarms, Intrusion Alarms and Solar Power Solutions.

The Company carries the vision of becoming one of the leading Electronic security players in India by the end of the Financial Year 2014.

DIVIDENDS:

Since the Company need the funds for future expansion of business therefore it is not in a position to declare dividends.

CAPITAL:

The present paid-up capital of the Company is Rs.3,52,05,240/- of face value of Rs.3/- each pending listing with Bombay Stock Exchanges and Bangalore Stock Exchange. The shares of the Company have been admitted for De-materialisation with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) 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.Bikramjit Singh Thakral and Mr.Joseph Sequeria are due to retire by rotation and are eligible for re appointment in the coming Annual General Meeting.

Dr. P Balakrishna Shetty who had been appointed as the Chairman had resigned on 22.02.2012. The Board places on record its appreciation for the services rendered by him during his tenure.

Mr. Vijayendra K R has been appointed as an Additional Director by the Board of Directors on 22.02.2012 and he holds 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:

	2011-12	2010-11
	(Rs. Lacs)	(Rs. Lacs)
i. Foreign exchange earned	65.80	117.63
ii. Foreign exchange used	5.18	4.47
iii. Foreign exchange used for import of Capital Goods, Raw Materials etc.	356.19	380.04
iv. Foreign exchange for export of goods	113.78	84.56

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 : 13.08.2012

CHAIRMAN

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on Corporate Governance:

Thakral Services (India) 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 to achieve corporate goals and to 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. K R Vijayendra	Independent Director
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
Mr. Joseph Sequeira	Independent Director

ii) What constitutes independence of Directors :

For a Director to be considered independent, the Board determines that the Director does not have any direct or indirect material pecuniary relationship with the Company. The Board has adopted guidelines which are in line with the applicable legal requirements.

iii) Details of Memberships of the Directors in other Boards and in Board committees as on 31" March, 2012 are as under :

Name of Director	Directorship in other Companies	Details of Committee	
		Member	Chairman
Mr. R.C. Bhavuk	17	1	Nil
Mr. K. S. Bawa	18	2	1
Mr. C D P Rajendran	3	Nil	Nil
Mr. K R Vijayendra	1	Nil	Nil
Mr. Joseph Sequeira	Nil	2	Nil
Mr. Bikramjit Singh Thakral	Nil	Nil	Nil

iv) Board Procedure:**Number of Board Meetings held and the dates on which held:**

Since the commencement of the financial year 2011-2012, a total of 8 Board meetings were held on the following dates viz. 12.05.2011, 12.08.2011, 26.08.2011, 14.11.2011, 31.01.2012, 14.02.2012, 22.02.2012 and 15.03.2012. The maximum time gap between two board meetings was not more than four calendar months.

Attendance of Directors:

The following table gives details of participation in Board Meetings and Annual General Meetings of your Company and interests of directors in other Companies

Name of Director	Meetings		Attendance at last AGM held on 30 th September, 2011
	Held	Attended	
Mr. R.C. Bhavuk	8	8	Yes
Mr. K. S. Bawa	8	8	Yes
Mr. C D P Rajendran	8	Nil	No
Mr. K R Vijayendra (Appointed wef 22.02.2012)	N.A	N.A	N.A
Mr. Joseph Sequeira	8	8	Yes
Mr. Bikramjit Singh Thakral	8	NIL	No

Circulation of Information and Board material:

The information as required under Annexure IA to Clause 49 of the Listing Agreement is made available to the Board. The agenda and the relevant papers for the Board Meeting are circulated in advance to facilitate the Board members to take informed decision. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. However, in case of urgent business need the Board's approval is taken by circulating the resolution, which is ratified in the next Board Meeting.

v) Disclosure regarding appointment/re-appointment of Directors:

Mr. Bikramjit Singh Thakral and Mr. Joseph Sequeira are Directors retiring at the ensuing Annual General Meeting being eligible offers themselves for re-appointment.

3. Audit Committee:**i) Constitution and Composition of the Audit Committee**

The Audit Committee of the Board of Directors has its constitution in compliance of provisions of the Corporate Governance requirements (as per Clause 49) of the Listing Agreement.