



THAKRAL SERVICES (INDIA) LIMITED

THIRTIETH ANNUAL REPORT
2012 - 2013

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

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

Sri. BIKRAMJIT SINGH THAKRAL
Sri. C D PRAJENDRAN
Sri. JOSEPH SEQUEIRA
Sri. KANWALJEET SINGH BAWA
Sri. R.C.BHAVUK- Managing Director
Sri. K R VIJAYENDRA

Bankers

YES BANK LTD

Auditors

M/s. BRAHMAYYA & CO.
Chartered Accountants,
Bengaluru

Registered Office

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

NOTICE

NOTICE is hereby given that the **Thirtieth** Annual General Meeting of the Members of **THAKRAL SERVICES (INDIA) LIMITED** will be held on Monday, the 30th September, 2013 at 10.00 a.m. at Rohini Hall, Hotel Ajantha, 22-A, M. G. Road, Bengaluru – 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 31.03.2013 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 Prabhu Rajendran 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.

Regd. Office
8th Floor, 'The Estate',
121, Dickenson Road,
Bengaluru-560042

BY ORDER OF THE BOARD OF DIRECTORS

MANAGING DIRECTOR

Place: Bengaluru
Date : 14.08.2013

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, Bengaluru – 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 Monday, the 23rd September, 2013 to Monday, the 30th September, 2013(both days inclusive)

BY ORDER OF THE BOARD OF DIRECTORS

Regd. Office

8th Floor, 'The Estate', 121,
Dickenson Road,
Bengaluru-560 042

MANAGING DIRECTOR

Place: BENGALURU

Date: 14.08.2013

**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 14.08.2013	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. M/s. Future World Retail Pvt. Ltd.

- 5) Chairman (c) / Member (M) of the : Audit committee
 Committee of the Board of the 1) Thakral Services (India) Ltd - M
 Companies on which he is a Remuneration Committee
 Director as on 14.08.2013 1) Thakral Services (India) Ltd - M
 Share Transfer Committee
 1) Thakral Services (India) Ltd - M
 Share Holders' Grievance Committee
 1) Thakral Services (India) Ltd - M

Item No.3

- 1) Name: Mr. Chennoth Divakara 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 14.08.2013 M/s. Thakral One Solutions Pvt. Ltd.,
M/s. Asiatic Steel Industries Ltd.,
M/s. Netizen Properties Pvt. Ltd.
- 5) Chairman / Member of the : NIL
 Committee of the Board of the
 Companies on which he is a
 Director as on 14.08.2013
-

DIRECTORS' REPORT

Your Directors have pleasure in presenting the **Thirtieth Annual Report** along with the Audited Accounts for the year ended 31.03.2013.

FINANCIAL RESULTS:

(Rs. in lakhs)

	31.03.2013	31.03.2012
Income from Business	4102.64	3922.41
Gross Income	4102.64	3922.41
Less: Operational Expenses	3818.01	3681.18
Profit/(Loss) Before Depreciation and Tax	284.63	241.23
Depreciation	35.11	17.37
Profit/(Loss) Before Exceptional Items	249.52	223.86
Exceptional Items	0.00	0.00
Profit/(Loss) after Exceptional Items	249.52	223.86
Less :Income Tax/Fringe Benefit Tax/MAT	90.86	71.52
Add: Deferred Tax- Asset	7.58	2.94
Profit/(Loss) for the Year	166.24	155.28

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 which is listed with BSE Ltd (Bombay Stock Exchange) 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). The International Securities Identification Number (ISIN) of the equity share of the Company is INE190F01028.

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 and Mr.Chennoth Divakara Prabhu Rajendran are due to retire by rotation and are eligible for re appointment in the coming Annual General Meeting.

AUDITORS :

M/s. Brahmayya & Co., Chartered Accountants, Bengaluru, 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:

	2012-13	2011-12
	(Rs. Lacs)	(Rs. Lacs)
I. Foreign exchange earned	35.79	65.80
ii. Foreign exchange used	4.38	5.18
iii. Foreign exchange used for import of Capital Goods, Raw Materials etc.	433.98	356.19
iv. Foreign exchange for export of goods	140.02	113.78

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 BSE Ltd. (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 : BENGALURU
Date : 14.08.2013

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 31st March, 2013 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	4	Nil
Mr. C D P Rajendran	3	Nil	Nil
Mr. K R Vijayendra	1	1	2
Mr. Joseph Sequeira	Nil	1	1
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 2012-2013, a total of 4 Board meetings were held on the following dates viz. 29.05.2012, 13.08.2012, 14.11.2012 and 09.02.2013. 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, 2012
	Held	Attended	
Mr. R.C. Bhavuk	4	4	Yes
Mr. K. S. Bawa	4	4	Yes
Mr. C D P Rajendran	4	Nil	No
Mr. K R Vijayendra	4	4	No
Mr. Joseph Sequeira	4	4	Yes
Mr. Bikramjit Singh Thakral	4	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.Kanwaljeet Singh Bawa and Mr.C D P Rajendran 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.

The Audit committee consists of three Directors as under:

- | | | | |
|----|---------------------|---------------------------|-----------|
| 1) | Mr. K.S. Bawa | (Non- Executive Director) | – Member |
| 2) | Mr. Joseph Sequeira | (Independent Director) | – Member |
| 3) | Mr. K R Vijayendra | (Independent Director) | –Chairman |

ii) Audit Committee meeting and Directors Attended.

The Committee met four times during the year 2012-13 i.e on 28.05.2012, 11.08.2012, 10.11.2012 and 08.02.2013. Mr.K S Bawa and Mr.Joseph Sequeira attended all the meetings.

iii) Terms of Reference

The terms of reference for the Committee as laid down by the Board include the following:

- Overseeing your Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.