

TRADE WINGS LIMITED

Regd. Office: 6, Mascarenhas Bldg., M G Road, Panjim, Goa - 403 001.

NOTICE

Notice is hereby given that the 53rd Annual General Meeting of the Members of the Company will be held on Tuesday, 30th September 2003 at the registered office of the Company at 6, Mascarenhas Building, M G Road, Panjim, Goa-403 001 at 3.00 p.m. to transact the following business as:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account of the Company for the year ended 31st March 2003 and the Balance Sheet as on that date and the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Shri. Ashok Mittal, who retires by rotation and is eligible for re-appointment.
3. To appoint the Auditors and fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. R. Vaidhyathan, who was appointed as an Additional Director of the Company by the Board of Directors of the Company with effect from 31st March 2003 and who holds office under Section 260 of the Companies Act, 1956 upto the date of this Annual General Meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT the consent of the Company be and is hereby accorded for the appointment of Mr. V S Ubhayakar as Managing Director of the company for a period of 5 years with effect from 1st April 2002 made by the Board of Directors in their meeting held on 6th November 2002 and the remuneration thereof being confirmed by the Remuneration Committee in its meeting held on 31st March 2003 pursuant to the provisions of Section 269, 309, 310, 311 read with Schedule XIII and any other applicable provisions, if any, of the Companies Act, 1956 to discharge duties as may be entrusted to him by the Board of

CERTIFIED TRUE COPY

For TRADE WINGS LIMITED

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Directors of the Company as Managing Director of the Company from time to time."

"RESOLVED FURTHER THAT the terms and conditions of the said appointment may be altered and varied so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956 including any statutory modifications or re-enactments thereof for the time being in force or any amendments and / or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time or any amendments thereto as may be agreed to between the Board of Directors and Mr. V S Ubhaykar."

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

"RESOLVED THAT accounts of the Accounting year beginning from 1st April 2003 of the existing branches of the Company and such other branches as may be opened during the year in India be audited by the Company's Auditors and / or by one or more Auditors of the Company under Section 226 of the Companies Act, 1956 and of any other branch or branches that may be opened during the year in a country outside India, by the Company's Auditor or by a person who is qualified as aforesaid to act as Auditors of the branch office in accordance with the law of the country where the branch office is situated and that the Board of Directors of the Company be and are hereby authorized to appoint such Auditor or Auditors for the aforesaid branches in consultation with the Company's Auditors and to fix their respective terms and condition of their appointment."

7. To consider and if thought fit to pass the following resolution as a Special Resolution:

"RESOLVED THAT approval be and is hereby given, pursuant to the provisions of Section 149(2A) of the Companies Act, 1956 to the commencement by the Company of the new business, provided in clause 16 of the Memorandum of Association of the Company, namely, to carry on, in the Dominion of India and elsewhere in any place or places in the world, the business or trade of insurance agents, financiers, capitalists, money lenders, company promoters, merchants, exporters, importers, underwriters, landed proprietors, builders, contractors, contractors and suppliers of goods to Government and other public and private bodies, shroffs, guarantee brokers, miners, carriers by land and water, characters, wharfingers, warehousemen, commission agents, forwarding and other agents, marine, fire and other insurers, muddams and brokers, ginners pressers, packers, cleaners, spinners, weavers, bleachers, dyers, manufacturers, merchants and dealers in all kinds of mechanical and electrical machinery, spare parts, goods, stores and in motor cars, and vehicles of all descriptions and in all any merchandise, commodities, goods, wares, produce, products, articles and things, spinning, weaving, pressing and ginning, mill proprietors, engineers, iron and

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brass founders, smelters, distillers, manufacturers and make of and dealers in dyes, colours, paints, varnishes, drugs, chemical, oils, cement and manures, or any one or more such business is in all or any of their respective branches."

ON BEHALF OF THE BOARD OF DIRECTORS


DR. SHAILENDRA P. MITTAL
CHAIRMAN

MUMBAI: 5TH SEPTEMBER 2003

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a 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 48 hours before the commencement of the meeting.
2. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 setting out the material facts in respect of the business under Item No. 4, 5 & 6 is annexed hereto.
3. The Register of Members and the Share Transfer Book of the company will be closed from Saturday, 27th September 2003 to Tuesday, 30th September 2003 (both days inclusive).
4. Members are informed that in case of joint holders attending the meeting, only such joint-holders who is higher in order of names will be entitled to vote.

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EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item No. 4:

The Board of Directors of the Company had in its meeting held on 31st March 2003 appointed Mr. R. Vaidhyanathan as an Additional Director of the Company to hold office till the conclusion of the forthcoming Annual General Meeting. Mr. R. Vaidhyanathan has an expertise in the field of Finance and Accountancy.

The Company has received notices from some members under Section 257 of the Companies Act, 1956 proposing his candidature for the office of director retiring by rotation. The said notices are accompanied by deposit of Rs. 500/- as specified by the said section. The Board of Directors are also of the opinion that it would be in the interest of the Company to continue the association of Mr. R. Vaidhyanathan as a Director of the Company.

None of the Directors, except Mr. R. Vaidhyanathan are interested in the said resolution.

Item No. 5:

The term of office of Mr. Vinayak Ubhayakar, Managing Director of the company expired on 31st March 2002. He was re-appointed as the Managing Director of the Company by the Board of Directors at its meeting held on 6th November 2002 for a period of 5 years w.e.f. 1st April 2002, subject to the approval of the Remuneration Committee as per Schedule XIII of the Companies Act, 1956 and the Shareholders in the General Meeting.

The Shareholders may be aware that Mr. Vinayak Ubhayakar was appointed as the Managing Director on the terms and conditions as mentioned in the agreement dated 29-03-1996 as renewed on 31st March, 1999. The Board of Directors have re-appointed him on the same terms and conditions as mentioned in the said agreement.

The terms and conditions of his appointment is mentioned hereunder:

Salary:

1. Salary : Rs. 9,000/- per month. In the event of loss or inadequacy of profits, the salary shall be reduced by ten percent.

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2. The Company's contribution towards Provident Fund as per the Company's Rules but not exceeding 10% of the salary as laid down in the Income Tax Rules, 1962.
3. Company's Contribution to Pension / Superannuation funds shall be in accordance with the Scheme of the Company. Such contribution together with the contribution towards Provident Funds shall not exceed tax-free limit under the Income Tax Act, which is at Present 25% of the salary.
4. Privilege Leave on full pay and allowance as per the Rules of the Company but not exceeding 1 months leave for 11 months of service.
5. The Managing Director shall not be entitled to any sitting fees for attending the meeting of the Board of Directors or any Committee thereof.

PERQUISITES

Mr. V.S. Ubhayakar-Managing Director shall be entitled to following perquisites. However, the perquisites shall be restricted to an amount equal to the annual salary.

1. Reimbursement of Medical expenses actually incurred for self and family will be reimbursed by the Company subject to a ceiling of one month's salary per year or 3 months salary in a period of 3 years.
2. Leave Travel concession for self and family once in a year in accordance with the Rules of the Company.
3. Fees of Clubs subject to a maximum of two clubs. However, this will not include admission and life membership fees.
4. Personal accident insurance premium whereof shall not exceed Rs. 1000/- per annum.
5. Gratuity not exceeding one-half months salary for each completed year of service, subject to a ceiling of Rs. 1,00,000/-
6. Free use of Company's car with driver for company's business.
7. Free telephone facility at residence for company's business.

The Remuneration Committee has in its meeting held on 31st March 2003 has approved the remuneration to be payable to Mr. Vinayak Ubhayakar. Now this resolution is placed before the members of the Company for their approval in accordance with Section 269, 309, 310, 311 and Schedule XIII of the Companies Act, 1956.

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None of the Directors are interested in this resolution, except Mr. Vinayak Ubhayakar as a director of the company.

Item No. 6:

Members will recall that your company is operating a number of branches in India. The Company is required under Section 227(8) of the Companies Act, 1956 to have its books of accounts audited for all such branches, either by its head office auditors or persons other than such auditors. The Board of Directors are authorized to appoint such auditors on such terms and conditions as it may consider fit.

None of the Directors is concerned or interested in this resolution.

Item No. 7:

The Company is engaged in travel, tourism and foreign exchange business. The Management of the Company thinks that the Insurance Industry is flourishing in the country and it would be advantageous for the company to venture into this emerging field. Since the Company has the necessary infrastructure and managerial expertise to carry out the business of Corporate Agent in the life and non-life insurance business, the Board of Directors are of the opinion that it would be right time to enter into the field of insurance business.

Clause 16 of the Object Clause of the Memorandum of Association of the Company specifies that one of the object of the Company is to, inter alia, carry on, in the Dominion of India and elsewhere in any place or places in the world, the business or trade of insurance agents, financiers etc. Since the business of insurance agents is not germane to the existing business activities of the company, the approval of the members by a special resolution is required in accordance with Section 149(2A) of the Companies Act, 1956 to carry on this business.

The Board of Directors therefore propose the above resolution and recommend to pass it as a special resolution.

None of the Directors are interested in the said resolution.

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DIRECTORS' REPORT

Your Directors have pleasure in presenting the Fifty Third Annual Report and the Audited Statement of Accounts for the year ended 31st March 2003.

Financial Results:

	(in Rupees)	
	2002-2003	2001-2002
Net Sales / Income from Operations	14,401,523	60,94,240
Other Income	9,128,249	15,287,532
Profit/(Loss) before Interest, Depreciation and Taxes	23,539,772	21,381,772
Interest	18,328,503	16,558,120
Depreciation	4,806,791	4,807,988
Profit/(Loss) before Taxes	394,478	15664
Provision for Taxes:		
Current	32,000	6,000
Deferred	5,329,758	--
Provision of taxes for earlier year written back	--	6,264
Profit/(Loss) after Taxes	(4,967,280)	15,928
Profit/(Loss) brought forward	30,210,603	30,194,675
Balance in Profit & Loss Accounts carried forward	25,243,323	30,210,603

Dividends:

In order to sustain growth and introduce new profitable projects in future, your Directors wish to conserve the cash resources. Therefore they do not recommend any dividend.

Subsidiary Companies:

As required under Section 212 of the Companies Act 1956, the audited statements of accounts along with the Reports of the Boards of Directors for the year ended 31st March 2003, are annexed.

Technology Absorption and Foreign Exchange Earnings and Outgo:

Since the Company is in service industry, the provisions of Section 217(1)(e) regarding information on conservation of energy and technology absorption is not made applicable. The Company earned foreign exchange to the tune of Rs. 4,578,689/- and the Expenditure incurred during the same period were Rs. 558,808/-

Personnel:

Healthy and cordial relations were maintained between the management and employees through out the year and the Board wishes to place its appreciation on the record for the

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same. Presently no employee of the company is drawing remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956.

Directors:

Mr. Ashok Mittal will be retiring by rotation at this Annual General Meeting of the company and being eligible he has offered himself for re-appointment.

Mr. R. Vaidhyanathan was elected as an Additional Director of the Company and he holds office till the conclusion of the forthcoming Annual General Meeting. Since he is eligible and has given his consent to act as director, the Board of Directors recommend his appointment as a Director in the Annual General Meeting. Since Mr. R. Vaidhyanathan has expertise in Finance and Accounts, the Company would definitely benefit with his vast experience and expertise.

Directors' Responsibility Statement pursuant to Section 217(2AA):

The Board of Directors of your company hereby states:

1. that in preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure.
2. that the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are responsible 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 of the company for that period.
3. that the directors have taken proper and sufficient care for the maintenance of adequate accounting reports in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. that the directors have prepared the annual accounts on a going concern basis.

Auditors:

M/s. Karnik & Kulkarni, Chartered Accountants, Auditors, will retire at the conclusion of the next Annual General Meeting and are eligible for re-appointment. They have, pursuant to Section 224(1B) of the Companies Act, 1956 furnished the certificate regarding their eligibility for re-appointment as the Auditors of the Company.

Corporate Governance:

The Company is listed on the Bombay Stock Exchange and it had to comply with the conditions of the Clause 49 of the listing agreement by 31st day of March, 2003. The Board

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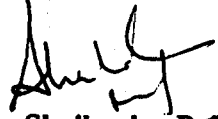
of Directors in its meeting held on 31st March 2003 had complied with the clause 49 of the Listing agreement. The detailed report on Corporate Governance forms part of the Directors' Report and the same is annexed to the Annual Report.

The certificate of the auditors in respect of compliance of clause 49 of the Companies Act, 1956 is also attached with the Annual Report for the year 2002-2003.

Acknowledgement:

The Board of Directors wishes to thank the bankers, creditors, employees and all other agencies associated with the company at all levels for their continued co-operation and unstinted support extended to the company.

On behalf of the Board of Directors


Dr. Shailendra P. Mittal
Chairman

Mumbai
5th September 2003

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ANNEXURE TO THE DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2002-2003:

The Company strongly believes in enhancing the stakeholder values through good corporate governance. To pursue this objective, the company has constituted various Committees of the Board of Directors such as the Audit Committee, Remuneration Committee and the Investors' Grievance Committee to enhance the value of all the stakeholders of the Company.

The Clause 49 of the listing agreement under SEBI guidelines was to be complied by the Company latest by 31st March 2003. The Company has complied with all the clauses related to Corporate Governance as prescribed under Clause 49 of the listing agreement.

COMPOSITION AND CATEGORY OF BOARD OF DIRECTORS:

Category	Name of the Director
Executive Directors	Dr. Shailendra P. Mittal Mr. Vinayak S. Ubhayakar
Non-Executive Independent Directors	Mr. Ashok Mittal Mrs. P A Chotrani Mr. R. Vaidhyanathan*

* *Mr. R. Vaidhyanathan was appointed as an Additional Director in the meeting of the Board of Directors held on 31st March 2003.*

Details of the Board Meetings held during the year April 2002 - March 2003

Sr. No	Date of Board Meeting	Board Strength	No. of Directors present
1.	15/4/2002	4	3
2.	30/4/2002	4	3
3.	02/05/2002	4	3
4.	10/05/2002	4	3
5.	03/06/2002	4	3
6.	24/06/2002	4	3
7.	09/07/2002	4	3
8.	31/07/2002	4	3
9.	13/08/2002	4	3
10.	11/09/2002	4	3
11.	30/09/2002	4	3
12.	08/10/2002	4	3
13.	18/10/2002	4	3
14.	22/10/2002	4	3
15.	06/11/2002	4	3