

TRANS CORP
INTERNATIONAL
BUREAU D'EXCHANGE

6th
Annual Report
2000-2001



**WESTERN
UNION**

**MONEY
TRANSFER®**

BOARD OF DIRECTORS

Shri Ashok Kumar Agarwal
 Shri Ram S. Tarneja
 Shri O.P. Sodhani
 Shri Surendra Singh Bhandari
 Shri Aloke Choudhary
 Shri Vineet Agarwal
 Shri Soumya Dutta
 Shri R.S. Kanaksabhpathy

MANAGEMENT PERSONNEL

Shri N.K. Mansukhani, President & CEO
 Shri Amitava Ghosh, General Manager
 Shri Ashok Mittal, Dy. General Manager
 Shri Arun Jain, Co. Secretary

*

AUDITORS

Mehra Goel & Co.
 Chartered Accountants
 505, Chiranjiv Tower
 Nehru Place, New Delhi-110 019
 Anand Jain & Co.
 Chartered Accountants
 309, Navjeevan Complex
 Near Polovictory Cinema
 Jaipur - 302 006

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BANKERS

UTI Bank Ltd.
 HDFC Bank
 Bank of Punjab Ltd.
 Global Trust Bank
 Punjab National Bank
 Indusind Bank Ltd.

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REGISTERED OFFICE

Ashoka Bhoopal Chambers
 3rd Floor, Flat Nos. 306 & 307
 S.P. Road, Secunderabad-500 003 (A.P)

*

CORPORATE OFFICE

204, Bhikaiji Cama Bhawan
 Bhikaiji Cama Place
 New Delhi - 110 066
 Ph. : 6170661-4 Fax : 6162437

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NOTICE FOR 6TH ANNUAL GENERAL MEETING

Notice is hereby given that the 6th Annual General Meeting of the Company will be held on Friday, the 7th September 2001 at 12.00 noon at Surana Udyog Auditorium, The Federation of Andhra Pradesh Chambers of Commerce and Industry, 11-6-841; Red Hills, Hyderabad - 500 004, to transact the following businesses.

ORDINARY BUSINESS

1. To receive, consider and adopt the Directors Report, Audited Profit & Loss Account for the financial Year 2000-2001 and the Balance Sheet as on 31.03.2001 together with the report of auditors thereon.
2. To declare Dividend on Equity shares.
3. To appoint a Director in place of Mr. Ashok Kumar Agarwal who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. Soumya Dutta who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint auditors in place of retiring auditors including branch auditors and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit to pass the following resolution with or without modification(s) as an ordinary resolution:
"RESOLVED that Dr. Ram S. Tarneja, be and is hereby appointed as a regular director of the company, liable to retire by rotation."
7. To consider and if thought fit to pass the following resolution with or without modification(s) as a special resolution:

"RESOLVED THAT pursuant to the provisions of section 31 and other applicable provisions, if any, of the Companies Act 1956, the Articles of Association of the Company be and are hereby altered in the manner and to the extent set out below:

After Article 4(a), the following new Article be inserted as Article 4(b) and be read as follows:

4(b) Notwithstanding anything contained in the Articles of Association or in any other law for the time being in force, where a nomination has been made in the manner prescribed in Section 109A of the Companies Act, 1956 purporting to confer on any person the right to vest the shares in or debentures or deposits of the Company, the nominee shall, on the death of the shareholder or debenture/deposit holder of the Company or, as the case may be, on the death of the joint holders, become entitled to all the rights in the shares or debentures or deposits of the company including transmission thereof as the case may be of all the joint holders, in relation to such shares in, or debentures or deposits of the company to the exclusion of all other persons, unless nomination is varied or cancelled in the prescribed manner and the provisions contained in Section 109A and 109B of the Act, shall be applicable to such cases.

8. To consider and if thought fit to pass the following resolution with or without modification(s) as a Special Resolution:

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act 1956, the Articles of Association of the Company be and are hereby amended and/or altered by inserting the following heading and Article 4(c) after article 4(b):

4(c) Dematerialization of Securities

Definition

i) For the purpose of this Article:

"Beneficial Owner" means a person whose name is recorded as such with a Depository.

"Depository" means the Company formed and registered under the Companies Act 1956, and which has been granted a Certificate of Registration under the Securities and Exchange Board of India (SEBI) Act 1992.

Dematerialization/Rematerialization of Securities

ii) Notwithstanding anything contained in these Articles the Company shall be entitled to dematerialize/rematerialize its securities and to offer securities in a dematerialized form pursuant to the

- Option for Investors**
- iii) Every person subscribing to securities offered by the Company shall have the option to receive the security certificate(s) or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificate(s) of the securities. If a person opts to hold his securities with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the beneficial owner of the security.
- Securities in Depositories to be in fungible form**
- iv) All securities held by a Depository shall be dematerialized and shall be in fungible form. Nothing contained in the sections 153, 153A, 153B, 187B and 187C of the Companies Act, 1956 shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.
- Rights of Depositories and Beneficial Owners**
- v) (a) Notwithstanding anything to the contrary contained in the Companies Act 1956 or in these Articles, a Depository shall be deemed to be the registered owner for the purpose of the effecting transfer of ownership of the security on behalf of the beneficial owners.
 (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have the voting right or any other rights in respect of securities held by it.
 (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.
- Service of Documents**
- vi) Notwithstanding anything contained in the Companies Act, 1956 or in these Articles to the contrary, where securities are held in a Depository, the notice of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
- Transfer of Securities**
- vii) Nothing contained in Section 108 of the Companies Act 1956 or in these Articles shall apply to transfer of securities effected by a transferor and a transferee, both of whom are entered as beneficial owner in the records of the Depository.
- Allotment of Securities**
- viii) Notwithstanding anything contained in the Companies Act, 1956 or in these Articles after any issue where the securities are dealt within a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of securities.
- Distinctive numbers of Securities**
- ix) Nothing contained in the Companies Act, 1956 or in these Articles regarding necessity of having distinctive numbers for securities issued by the Company shall apply to the securities held by a Depository.
- Register and Index of Beneficial Owners.**
- x) The Register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be Register and the Index of Members and Security Holders for the purpose of these Articles."
9. To consider and if thought fit to pass the following resolution with or without modification(s) as a Special Resolution:
 "RESOLVED that the Equity Shares of the company be delisted from the Calcutta Stock Exchange Ltd and Jaipur Stock Exchange Ltd. in accordance with the relevant laws, rules, regulations and

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guidelines(Including any statutory modification (s) or re-enactment thereof for the time being in force and as may be enacted hereinafter) and subject to such approvals, permissions and sanctions as may be necessary and compliance with such conditions and modifications as may be necessary for this purpose."

"RESOLVED FURTHER that the Board of Directors of the company (hereinafter referred to as "the Board" which terms shall be deemed to include any committee thereof for the time being exercising the powers conferred by the Board) be and is hereby authorised to seek voluntary deilisting, to take all the necessary steps in this regard and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to de-listing of the equity shares and to execute all such deeds, documents & writings as may be necessary, desirable or expedient or as may be deemed fit and for this purpose to delegate the authority and the duty vested in it by virtue hereof to the company secretary or any other person, the Board may consider suitable, to do the various acts, deeds and things required to be done in this behalf."

10. To consider and if thought fit to pass the following resolution with or without modification(s) as a Special Resolution:

"RESOLVED that pursuant to section 372 A of the Companies Act,1956, and subject to requisite approvals, if any, the consent of the company be and is hereby accorded to the Board of Directors to make loans, give guarantees or provide securities in connection with a loan made by any other person and to acquire by way of subscription, purchase or otherwise the securities of other bodies corporate upto Rs. 300 Lacs in TCI Infrastructure Finance Limited, Rs.100 Lacs in Bhoruka Investment Limited, notwithstanding that the aggregate of the inter-corporate loans and investments so far provided/made & guarantees given, may exceed the prescribed limits as specified under the Companies Act, 1956 from time to time."

RESOLVED FURTHER that Board of Directors of the Company be and is hereby authorised to do such acts, deeds, matters and things as may be necessary or expedient to give effect to this resolution."

11. To consider and if thought fit to pass the following Resolution with or without modification(s) as Special Resolution:

RESOLVED that pursuant to the provisions of Section 198 & 309 of the Companies Act, 1956 and subject to the approval of Shareholders by way of a special resolution, the company do remunerate the non-executive director(s) up to an aggregate amount not exceeding .50% (half percent) of the net profits of the company for a period of five years commencing from Financial Year 2001-02 in the manner as may be decided by the Board of directors from time to time"

Report



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By order of the Board

For **TRANSCORP INTERNATIONAL LTD.**

ASHOK KUMAR AGARWAL
DIRECTOR

Place : Jaipur

Date : 30 July, 2001

Registered Office:

Flat Nos. 306 & 307, 3 Floor

Ashoka Bhoopal Chambers, S.P. Road

Secunderabad - 500 003 (A.P.)

NOTES:

1. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item Nos. 6 to 11 set out above is annexed hereto.
2. A member is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a member.
3. Proxy form is enclosed which should be deposited at the registered office of the company duly completed in all respect and signed, not less than 48 hours before the commencement of the meeting.
4. The Share Transfer Books and the Register of Members will remain closed from 22nd September, 2001 to 28th September, 2001 (both days inclusive). Dividend on equity shares for the year ended 31st March, 2001, will be paid on or after 29th September, 2001 to those Members whose names appear on the Company's Register of members at the close of working hours of the Company, on 28th September, 2001 to the extent eligible.
5. Members are requested to intimate under the signature of the sole/first joint holder, particulars of the bank account no., Type of account, Saving (SB) or Current (CA), name and address of the bank, in which they intend to deposit the dividend warrants, so that the same can be printed on Dividend warrant, to avoid the incidence of fraudulent encashment of the instrument.
6. Non-Resident Indian Shareholders are requested to inform the Company immediately about :
 - a) The change in the residential status on return to India for permanent settlement.
 - b) The particulars of NRO Bank Account in India, if not furnished earlier.

EXPLANATORY STATEMENT U/S 173(2) OF THE COMPANIES ACT, 1956**Item No. 6**

The Board of Directors appointed Dr. Ram S. Tarneja as an additional director in the board meeting held on 28th July, 2001. The company has received a notice under section 257 of the Companies Act, 1956 proposing his appointment as director, subject to retirement by rotation.

The Board of Directors of your company recommends passing of the aforesaid Ordinary resolution at the item no. 6.

None of the director is concerned or interested in the resolution.

Item No. 7

An amendment has been made to the Companies Act, 1956 through the Companies Act, 1999 to permit the holders of every share in or debentures or deposits of the company, to nominate in the prescribed manner, a person to whom his/her shares in or debenture or deposits of the company shall vest in the event of his/her death.

In order to bring the Articles of Association of the company in conformity with the provisions of the amendment made to Companies Act, a new Article is being added, subject to approval of the Equity shareholders of the company in General Meeting.

The Board of Directors of your company recommends passing of the aforesaid Special resolution at the item no. 7.

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The above resolution is set out as a special resolution for approval by the members in terms of Section 31 of the Companies Act, 1956.

None of the director is concerned or interested in the resolution.

Item no. 8

With the introduction of the Depositories Act, 1996 and the Depository system, some of the provisions of the Companies Act, 1956 related to the issue, holding, transfer, transmission of shares and other securities have been amended to facilitate the implementation of the new system. The depository system of holding securities in a electronic form is a far safer and more convenient method for holding and trading in the securities of a company. Your company is in process of joining the National Depository Limited and/or Central Depository Services (India) Limited. It is, therefore, proposed that the Company's Articles of association be suitably altered, as set out in the Resolution at the item no.8 to reflect the provisions introduced by the Depositories Act, 1996 and to spell out the rights of the beneficial owners of the securities in such a system.

The above resolution is set out as a special resolution for approval by the members in terms of Section 31 of the Companies Act, 1956.

None of the director is concerned or interested in the resolution.

Item no. 9

Presently, the equity shares of the company are listed at Stock exchanges at Hyderabad, Mumbai, Kolkata and Jaipur Stock Exchange. Consequent to the recent rapid changes in the capital market in relation to the manner of dealing in shares/ securities of Companies, the volume of trading in Company's share at the Kolkata and Jaipur stock exchange has reduced significantly which does not justify payment of considerable amounts by way of listing fees. The board of directors in their meeting held on 24 February, 2001 had therefore decided to get the shares of the company de-listed from the above mentioned stock exchanges in accordance with the applicable laws, rules regulations and guidelines.

As required under the Listing agreement entered into by the company with the Stock Exchanges, your approval for the proposal is sought by way of special resolution for de-listing the shares of the company from the said Stock Exchanges.

None of the director is concerned or interested in the resolution.

Item no.10

The Section 372A of the Companies act, 1956 prescribed the combined limits for inter-corporate loans and investments made and corporate guarantees/securities given/provided to a person on behalf of any body corporate.

With the insertion of the new Section 372A in place of Section 370 & 372 of the Companies Act 1956, as per amendment by virtue of the Companies (amendment) Act, 1999 the corporate guarantees are also to be reckoned along with the inter-corporate loans and investments while computing the prescribed limit. In view of this, the combined amount of inter-corporate loans, investments, and corporate guarantees provided may along with subject proposal, cross limits as prescribed under section 372A. These Loans/Investments/Guarantees shall be for the purpose of earning interest/ dividend/ growth and will be sourced out of internal accruals and borrowals.

TCI Infrastructure finance Limited, an associate group Company of Transcorp International Limited is engaged in construction and related activity works.

Bhoruka Investment Limited is an associate group company engaged in finance and investments related activities.

The Board recommends the resolution for approval from the members.

Except Mr. Ashok Kumar Agarwal and Mr. Vineet Agarwal, none of the Directors of the company is in any way interested in this resolution.

Item no. 11

Pursuant to the provisions of section 198 & 309 of the companies Act, 1956 a company can pay remuneration to its non-executive director(s) provided the remuneration does not exceed 1% of the net profits of the company.

Keeping in view the corporate governance norms, ensuring better participation by such director(s) and availing maximum advantage of their skill, expertise, & guidance, it is felt desirable to remunerate them. Therefore, it is suggested that the non-executive directors of the company be remunerated, the aggregate amount of which will not exceed .50% (half percent) of the net profits of the company for a period of five years commencing from financial Year 2001-02.

The Board recommends the resolution for your approval.

The Non-executive directors may be considered interested in the above- mentioned resolution to the extent of the remuneration that may be received by them.

By the order of the Board

Ashok Kumar Agarwal
Director

Place : Jaipur

Dated : 30 July, 2001

Registered Office:

Flat Nos. 306 & 307, 3rd Floor
Ashoka Bhoopal Chambers, S.P. Road
Secunderabad - 500 003 (A.P.)

DIRECTORS' REPORT:

Your Directors have pleasure in presenting the 6th Annual Report together with the audited Statement of Accounts for the year ended 31st March, 2001.

FINANCIAL RESULTS

Your Company's performance during the year ending 31st March, 2001 is summarized below:

	For the Year ended 31/03/2001 (Rs. in lacs)	For the Year ended 31/03/2000 (Rs. in lacs)
Profit before tax	41.65	5.14
Provision for taxation	4.66	0.05
Profit after Tax	36.99	5.09
Previous Surplus Carried forward	12.25	7.16
Addition on Amalgamation	2.27	-
Proposed Dividend (Including Dividend Tax)	15.32	-
Balance carried to Balance Sheet	36.19	12.25

DIVIDEND

In view of the improved profitability of your company, the Board has recommended a dividend of 6% this year as against nil dividend declared for the financial year 1999-2000.

1. CORPORATE GOVERNANCE

Your Company's policy on Corporate Governance has been:

- to provide good administration, adoption of prudent risk management techniques and safeguarding the interests of its stakeholders, such as creditors, customers, suppliers and its employees;
- to ensure the fullest commitment of the Management and the Board to the maximisation of the shareholder value;
- to identify and recognise, the Board of the Directors and the Management of your company as the principal agency through which good corporate governance principles are implemented.

2. BOARD OF DIRECTORS

The Board of Directors comprises of seven members.

Names of Directors	No. of other directorships/committee positions
Ashok Kumar Agarwal	10
Ram S. Tarnaja	18
Aloke Choudhry	-
O. P. Sodhani	2
S. S. Bhandari	7
Soumya Dutta	1
Vineet Agarwal	4
R.S. Kanaksabhpathy	2

Of these, all Directors are independent except for Ashok Kumar Agarwal, Alope Choudhry and Vineet Agarwal.

In all, four meetings of the Board were held during the year on the following dates, besides the Annual General Meeting and Extra- Ordinary General Meeting:-

23rd May 2000, 5th September 2000, 20th November 2000 and 24th February 2001

Mr. Ashok Kumar Agarwal and Mr. Vineet Agarwal attended all the four meetings. Mr. Alope Choudhry, Mr. O.P. Sodhani and Mr. Soumya Dutta attended three meetings, and Mr. S.S. Bhandari and Mr. R. S. Kanaksabhathy attended one meeting each.

Mr. R.S. Kanaksabhathy has attended the Annual General Meeting held on 26th June 2000.

Mr. Ashok Kumar Agarwal and Mr. R.S. Kanaksabhathy has attended the Extra- Ordinary General Meeting held on 3 February, 2001.

The Board also appointed the following committees

Audit Committee	Investor Grievance Committee	Share Transfer Committee
O.P. Sodhani	Alope Choudhry	Alope Choudhry
Vineet Agarwal	Soumya Dutta	Soumya Dutta
Soumya Dutta	K. J. Reddy- Representing Shareholders	Vineet Agarwal
S. S. Bhandari	Arun Jain- Compliance Officer	

3. AUDIT COMMITTEE

The Audit Committee functions with the following objectives:

- To provide directions and oversee comprehensively the operations of the internal & external audit functions & financial reporting.
- To review the internal control systems with special emphasis on the accounting system, its quality and its effectiveness in terms of follow-up.
- To recommend appointment/removal and remuneration of statutory auditors.
- To discuss with the statutory auditors and finalisation of annual accounts.
- To approve the draft of the advertisements for publishing in the Newspaper in terms of requirement of listing agreement.

Terms of reference and powers of the committee include the areas/powers prescribed by clause 49 of the listing agreement of stock exchange. Committee itself appoints its chairman.

The committee met prior to finalisation of accounts for the year ended 31st March 2001.

4. SHARE TRANSFER & INVESTOR GRIEVANCE COMMITTEE

The Share Transfer Committee was formed in year 1998 consisting of three executive directors with the scope of transfer of shares, splitting and consolidation of shares, issue of duplicate share certificates and transmission of shares.