

ANNUAL  
REPORT  
2006-2007

***TRANS CORP  
INTERNATIONAL LTD.***

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# **TRANS CORP INTERNATIONAL LTD.**

## Annual Report 2006-2007

### MANAGEMENT PERSONNEL

Mr. Amitava Ghosh, President & CEO  
Mr. Amit Narang, Vice President (Money Transfer)  
Mr. A.S. Daga, Dy. General Manager (Accounts & Audit)  
Mr. Dilip Kumar Morwal, Company Secretary

### AUDITORS

#### **Anand Jain & Co.**

Chartered Accountants  
309, Navjeevan Complex  
Near Polovictory Cinema,  
Jaipur - 302 006 (Rajasthan)

### BANKERS

HDFC Bank Ltd.  
UTI Bank Ltd.  
ICICI Bank Ltd.

### REGISTERED OFFICE

138, Navketan Complex,  
62, Sarojini Devi Road,  
Opp. Clock Tower,  
Secunderabad 500003 (A.P.)

### CORPORATE OFFICE

204, Bhikaji Cama Bhawan,  
Bhikaji Cama Place,  
New Delhi-110 066.

### HEAD OFFICE

C-300, Meghalaya Tower,  
Church Road, Jaipur - 302 001

### BOARD OF DIRECTORS

Dr. Ram S. Tarneja  
Mr. Ashok Agarwal  
Mr. Aloke Choudhary  
Mr. Vineet Agarwal  
Mr. Soumya Dutta  
Mr. Nirmal Kumar Saraf  
Mr. Suresh Kumar Gambhir

Report

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# **TRANS CORP INTERNATIONAL LTD.**

## **Annual Report 2006-2007**

### **NOTICE FOR 12TH ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 12th Annual General Meeting of the Members of Transcorp International Limited will be held on Tuesday, the 31st day of July 2007, at 138, Navketan Complex, 62, Sarojini Devi Road, Opp. Clock Tower, Secunderabad-500003 (A.P.) at 11.00 A.M. to transact the following business:

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Balance Sheet as at 31st March 2007, Profit & Loss Account for the year ended on that date and the report of the Auditors and Directors thereon.
2. To appoint a director in place of Mr. Soumya Dutta, who retire by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Nirmal Kumar Saraf, who retire by rotation and being eligible, offers himself for re-appointment.
4. To declare dividend on the equity shares of the company.
5. To appoint Auditors and fix their remuneration

**Place:** New Delhi

**Date:** 28<sup>th</sup> May, 2007

**Registered Office:**

138, Navketan Complex,  
62, Sarojini Devi Road, Opp. Clock Tower,  
Secunderabad-500003(A.P.)

**By Order of the Board  
For TRANSCORP INTERNATIONAL LIMITED**

**DILIP KUMAR MORWAL  
Company Secretary**

#### **Notes:**

1. A member entitled to attend and vote is entitled to appoint a proxy and vote instead of himself. A proxy need not be a member of the company.  
**PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. The share transfer books and the register of members will remain closed from 18th July 2007 to 20th July 2007 (both days inclusive). Dividend on equity shares for the year ended 31st March, 2007, will be paid on or after 31st July 2007 to those members whose name appears on the company's register of members at the close of working hours of the Company on 20th July 2007, to the extent eligible. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India ) limited for this purpose.
3. 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 warrants, to avoid the incidence of fraudulent encashment of the instrument.
4. 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.
5. The information and the details of the directors to be reappointed, to be provided in terms of clause 49 of the Listing Agreement with Stock Exchanges is annexed.
6. The members are requested to intimate any change in their address with pin code, if any, immediately and quote folio number in all correspondence. They are requested to bring copy of the Annual Report.
7. The Company has appointed M/s Alankit Assignments Ltd., RTA Division, 2E/8, 1st Floor, Jhandewalan Extension, New Delhi-110055(India) as the common agency to handle electronic connectivity and the shares in physical mode. Therefore, the members are requested to send all their communications to them or at the Share Division Office of the Company at 2nd Floor, Meghalaya Tower, Church Road, Jaipur-302001.

**Place:** New Delhi

**Date:** 28<sup>th</sup> May, 2007

**By Order of the Board  
For TRANSCORP INTERNATIONAL LIMITED**

**DILIP KUMAR MORWAL  
Company Secretary**

### **ANNEXURE TO THE NOTICE OF 12<sup>th</sup> ANNUAL GENERAL MEETING**

Information pursuant to clause 49 of the Listing Agreement regarding appointment and re-appointment of director

Name of the Director	<b>Mr. Soumya Dutta</b>	<b>Mr. Nirmal Kumar Saraf</b>
Date of Birth	28th April 1967	24th June 1953
Date of Appointment	21st August 1999	13th May 2005
Experience	A forex management expert with 15 years of experience	Vast experience of Travel business
Directorship of other Companies As on 31st March, 2007	1. Eforex India.Com Pvt. Ltd. 2. Cross Links Travels Pvt. Ltd.	1. Attractive Investment & Devepelors Pvt. Ltd.
Chairmanship/ Membership of committees of other Companies as on 31st March 2007	None	None

# TRANS CORP INTERNATIONAL LTD.

## Annual Report 2006-2007

### DIRECTOR'S REPORT

The directors are pleased to present the 12th annual report together with the audited statement of accounts for the year ended 31st March 2007.

### FINANCIAL RESULTS

(Rupees in Lacs )

	For the Year Ended 31/03/2007	For the Year Ended 31/03/2006
Profit Before Tax	42.00	116.72
Provision for Taxation (inclusive of Deferred Tax, Current Tax and Fringe Benefit Tax & Taxes paid for earlier years)	25.37	53.48
Profit After Tax (PAT)	16.64	63.24
Previous surplus brought forward	162.68	135.39
Proposed Dividend (including Dividend Tax)	15.88	30.95
Transfer to General Reserve	0	5.00
Balance carried to Balance Sheet	163.44	162.68

### DIVIDEND

In view of the overall profitability of the company, the Directors recommend that a dividend of 6% (previous year 12%) be paid for the financial year ended 31st March 2007.

### CORPORATE GOVERNANCE

#### COMPANY'S PHILOSOPHY

Your Company is committed to the philosophy of good corporate governance. The affairs of the company are conducted with the highest levels of integrity, accountability and transparency. It constantly endeavors to follow the practices of good corporate governance by conducting the business operation for the benefit of its stakeholders. The compliance report, as prepared and given herewith is in conformity with the requirements of the Listing Agreement with the Stock Exchanges.

#### CODE OF CONDUCT & ETHICS

Company's Board has laid down a code of conduct for all Board members and senior management of the Company. The code of conduct will be available on the website of the Company [www.transcorpint.com](http://www.transcorpint.com). All Board members and senior management personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Chief Executive Officer (CEO) to this effect is enclosed at the end of this report.

### BOARD OF DIRECTORS

The Board comprises of eminent persons with considerable experience in diverse fields.

The Company has a policy of having optimum combination of executive and non executive directors, to ensure the independent functioning of the Board. The Board consists of Seven members, four of whom are independent directors. None of the Directors on the Board is a Member of more than ten committees and chairman of more than five committees across all the Companies in which he is a director. All necessary disclosures regarding the directorship have been made by the directors.

Names and categories of directors on the Board, their attendance at Board meetings during the year and at the last Annual General Meeting held on 23rd September 2006, and also the number of directorship in other committees is as follows:

NAME	CATEGORY	No. of Board Meetings attended During the year	AGM Attended	No. of directorship in other public companies in India		No. of Committee positions in other public companies*	
				Chairman	Member	Chairman	Member
Dr. Ram S. Tarneja	Independent & Non -Executive	3	No	1	10	3	2
Mr. Ashok Agarwal	Promoter	4	Yes	None	3	1	None
Mr. Alope Choudhary	Promoter's Relative & Non-Executive	4	Yes	None	None	None	None
Mr. Vineet Agarwal	Promoter's Relative & Non -Executive	4	No	None	3	None	1
Mr. Soumya Dutta	Independent & Non -Executive	3	No	None	None	None	None
Mr. Nirmal Kumar Saraf	Independent & Non -Executive	1	No	None	None	None	None
Mr. Suresh Kumar Gambhir**	Independent & Non -Executive	3	Yes	None	None	None	None

**Note:**

\* Audit Committee and Shareholders Grievance Committee.

\*\*During the year 2006-2007 Mr. S. K. Gambhir was appointed as Independent Director of the Company & conformed as a regular director in 11th Annual General Meeting held on 23rd September, 2006.

**PURSUANT TO GOOD CORPORATE GOVERNANCE THE INDEPENDENT DIRECTORS ON BOARD:**

- apart from receiving Director's remuneration (sitting fee and other amount viz., profit share etc.), do not have any material pecuniary relationships or transactions with the company, its promoters, its Directors, its senior management & associates which may affect independence of the Director.
- are not related to promoters or persons occupying management positions at the board level or at one level below the board.
- have not been an executive of the company in the immediately preceding three financial years.
- are not partners or executives or were not partners or an executive during the preceding three years of the:
  - Statutory audit firm or the internal audit firm that is associated with the Company.
  - Legal firm(s) and consulting firm(s) that have a material association with the company.
- are not material suppliers, service providers or customers or lessors or lessees of the company, which may affect independence of the Director.
- are not substantial shareholders of the Company i.e. do not own two percent or more of the block of voting shares.

**INFORMATION SUPPLIED TO THE BOARD**

The Board has complete access to all information with the Company. Inter-alia, the following information is regularly provided to the Board as a part of the agenda papers well in advance of the Board meetings or is tabled in the course of the Board meeting:

- Annual operating plans & budgets and any update thereof.
- Capital budgets and any updates thereof.
- Quarterly results for the Company and operating divisions and business segments.
- Quarterly report on receivables and recovery efforts made.
- Minutes of the meetings of the audit committee and other committees of the Board.
- Materially important show cause, demand, prosecution notices and penalty notices.
- Details of any joint venture or collaboration agreement.
- Any significant development in human resources.
- Compliance status of various regulatory, statutory or listing requirements and shareholders service such as payment of dividend, share transfer, etc.

**MEETING OF BOARD**

Four Board meeting were held during the year on 12th May 2006, 29th July, 2006, 28th October 2006 and on 27th January 2007.

The maximum gap between any two Board meetings was less than 4 months.

Mr. Ashok Kumar Agarwal and Mr. Suresh Kumar Gambhir attended the 11th Annual General Meeting of the company held on 23rd September, 2006.

**COMMITTEES OF BOARD****AUDIT COMMITTEE**

The Audit Committee has been formed with a view to provide assistance to the board in fulfilling the Board's responsibilities.

The Audit Committee functions with the following objectives:

- To provide directions and oversee comprehensively the operations of the internal & external audit functions and 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 on various matters including finalization of annual accounts
- To approve the draft of advertisement for publishing in the newspaper in terms of requirement of listing agreements.
- To discuss and approve the budget of the company for all its divisions along with capital expenditure Budget.

Terms of reference and powers of the committee include the areas/powers prescribed by clause 49 of the listing agreement of stock exchanges. Mr. Dilip Kumar Morwal, Company Secretary acts as the Secretary of the Committee.

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The composition, names of members, chairperson, and particulars of the meetings and attendance of the members during the year are as follows:

S.No.	Name of members	Capacity	No. of meetings attended
1.	Dr. Ram S. Tarneja	Member	3
2.	Mr. Soumya Dutta	Member	3
3.	Mr. Vineet Agarwal	Member	4
4.	Mr. Suresh Kumar Gambhir*	Member	3

Chairperson is appointed before the commencement of meeting by the members present.

\*Mr. Suresh Kumar Gambhir was appointed as a Director and members of the Audit Committee w.e.f. 04th July 2006.

The Committee met four times on 12th May 2006, 29th July 2006, 28th October 2006 and on 27th January 2007 during the financial year 2006-07

### REMUNERATION COMMITTEE

The matters relating to remuneration payable to Directors are being decided by the Board itself subject to approval of shareholders, if required and there being no executive director, remuneration committee has not been formed.

Commission and sitting fee to the Non-Executive Directors, for the year 2006-2007 are paid as detailed below:-

Name of Director	Commission Paid Rs.	Sitting Fees	Total
Dr. Ram S. Tarneja	7424	24000	31424
Mr. Ashok Agarwal	7424	NIL	7424
Mr. Alope Choudhary	7424	20000	27424
Mr. Vineet Agarwal	NIL	NIL	NIL
Mr. Soumya Dutta	7424	24000	31424
Mr. Nirmal Kumar Saraf	7424	5000	12424
Mr. Suresh Kumar Gambhir	NIL	24000	24000
Mr. O.P. Sodhani*	7424	N.A.	7424

\* During the year 2005-2006 Mr. O.P. Sodhani who was an Independent Director of the Company resigned from the Board. During the year commission related to the financial year 2005-2006 was paid to him.

There were no other pecuniary relationship or transactions of Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Directors.

### SHAREHOLDERS/INVESTORS GREIVANCE COMMITTEE

The committee is consisting of three members:

S.No.	Name of members	Capacity	No. of meetings attended
1.	Mr. Alope Choudhary	Chairman	2
2.	Mr. Soumya Dutta	Member	2
3.	Mr. Vineet Agarwal	Member	2

The Board has designated Mr. Dilip Kumar Morwal, Company Secretary as the Compliance Officer.

The committee looks into the matters relating to investor grievances viz, transfer of shares, non-receipt of dividend, non-receipt of Balance Sheet and other matters relating thereto.

The committee met four times during the year 2006-07. Number of shareholder complaints received during the year was NIL & complaint not solved to the satisfaction of shareholders were NIL.



# **GENERAL BODY MEETINGS**

Location, date and time of the Annual General Meetings and Extra Ordinary General Meetings held during the preceding 3 years are as under:-

Year	AGM/EGM	Location	Date	Time	Special Resolution
2006	11 <sup>th</sup> AGM	138, Navketan Complex, 62, Sarojini Devi Road, Opp. Clock Tower- Secunderabad-500003	23 <sup>rd</sup> September 2006	11.30 A.M.	Yes, Four
2005	10 <sup>th</sup> AGM	138, Navketan Complex, 62, Sarojini Devi Road, Opp. Clock Tower- Secunderabad-500003	28 <sup>th</sup> July, 2005	2.00 P.M.	Yes, One
2004	9 <sup>th</sup> AGM	Flat No. 306 & 307, 3 <sup>rd</sup> Floor, Ashoka Bhoopal Chambers, S.P. Road, Secunderabad-500003 (A.P.)	27 <sup>th</sup> July, 2004	12.00 P.M.	Yes, One

## **POSTAL BALLOT:**

In the last AGM, resolution under section 293(1)(a) was put through postal ballot:

---Details of voting pattern:

No. of votes for resolution: 1866952  
 No. of votes against the resolution: NIL  
 Person who conducted the postal ballot exercise: Mr. D.C. Agarwal

## **DISCLOSURES**

The related party disclosures are provided in notes to account forming part of the Balance Sheet. However in the opinion of the Board these transactions may not have any potential conflict with the interest of the Company at large.

There has been no non-compliance or penalties or strictures imposed on your company by any of the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

The Company has complied with the mandatory requirements of corporate governance as-required by the listing agreement.

## **MEANS OF COMMUNICATION**

Your Company's quarterly/half yearly results are communicated through newspapers in Economic Times (Mumbai & Hyderabad) and Andhra Prabha and Andhra Bhoomi (Hyderabad). The said results are sent to Stock Exchanges where the shares of the company are listed.

Address of our official website is [www.transcorpint.com](http://www.transcorpint.com) where the information of the company is displayed. There was no presentation made to Institutional Investor or to the analyst during the year.

## **GENERAL SHAREHOLDER INFORMATION**

### **12th Annual General Meeting:**

Date: 31st July, 2007  
 Time: 11:00 A.M.  
 Venue: 138, Navketan Complex, 62, Sarojini Devi Road,  
 Opp. Clock Tower, Secunderabad-500003 (Andhra Pradesh)

### **Financial Calendar**

Financial Year: From 1st April 2006 to 31 March 2007

### **For the year ended 31st March 2007 results were announced on:**

First Quarter: 29th July 2006 (Un-audited)  
 Half Yearly: 28th October 2006 (Un-audited)  
 Third Quarter: 27th January 2007 (Un-audited)  
 Fourth Quarter & Annual: 28th May 2007 (Audited)

# TRANS CORP INTERNATIONAL LTD.

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For the year ending 31st March 2008,  
results will be announced on:

First Quarter  
Half Yearly  
Third Quarter  
Fourth Quarter and Annual

By the end of July 2007 (Un-audited)

By the end of October 2007 (Un-audited)

By the end of January 2008 (Un-audited)

By the end of June 2008 (Audited)

**Date of Book Closure**

From 18th July, 2007 to 20th July, 2007 (Both days inclusive)

**Dividend Payment Date**

On or after 31st July 2007

**Listing on Stock Exchange**

Mumbai & Hyderabad

**Trade Code**

532410 of BSE

**Share Division Office**

C-300, 2nd Floor, Meghalaya Tower, Church Road, Jaipur-302001

**Demat ISIN No.**

INE330E01015

**MARKET PRICE DATA:**

The Stock Exchange, Mumbai

Month	High (Rs.)	Low (Rs.)
April, 2006	45.00	34.05
May, 2006	52.90	34.10
June, 2006	43.80	25.05
July, 2006	41.00	24.10
August, 2006	43.90	27.75
September, 2006	38.95	29.10
October, 2006	45.95	32.50
November, 2006	48.90	31.35
December, 2006	46.00	30.15
January, 2007	47.00	36.00
February, 2007	45.95	36.00
March, 2007	46.30	28.90

Company's shares are not actively traded and accordingly comparison with broad based indices such as BSE Sensex, CRISIL index etc. is not made.

**Share Transfer System** : The work relating to share transfers is being looked after by the RTA and share division office of company situated at Jaipur.

**Registrar & Transfer Agent** : Alankit Assignment Ltd.  
RTA Division, 2E/8, 1st Floor, Jhandewalan Extn, New Delhi-110055

Distribution of shareholding as on 31st March 2007 :

S. No.	Slab of Shareholding	No. of Share Holders	% of Total Holders	Nominal Value of share Amount (Rs.)	% of Total Equity
1	Up to 5000	2027	97.125%	647190	2.861%
2	5001 to 10000	28	1.342%	200920	0.888%
3	10001 to 20000	14	0.671%	197550	0.873%
4	20001 to 30000	2	0.096%	46640	0.206%
5	30001 to 40000	0	0	0	0
6	40001 to 50000	1	0.048%	50000	0.221%
7	50001 to 100000	1	0.048%	58480	0.259%
8	100000 and above	14	0.671%	21420490	94.692%
	<b>Total</b>	<b>2087</b>	<b>100</b>	<b>22621270</b>	<b>100</b>