

# TRANS MEDICARE LIMITED



## SEVENTEENTH ANNUAL REPORT 2005-2006

**Board of Directors**

1	Mr H Ramesh	Director
2	Mr Manohar Satramdas Agicha	Director
3	Mr K Sounder Rajan	Director
4	Mr S Sudhakar Reddy	Director
5	Mr S A Rajath	Director

**Bankers**

Vijaya Bank  
Somajiguda Branch  
Somajiguda  
Hyderabad 500 482

The Prudential Cooperative Bank Ltd  
Prudential building, R P Road,  
Secunderabad 500 003

**Registered office**

7-1-58, I-305, 3<sup>rd</sup> Floor,  
Divya Shakti Commercial Complex,  
Ameerpet, Hyderabad - 500 016

**Factory**

**Unit - I**  
11/4, IDA, Nacharam  
Hyderabad 500 076

**Auditors**

G M K Associates  
607 Raghava Ratna Towers  
Chirag Ali Lane  
Hyderabad 500 001

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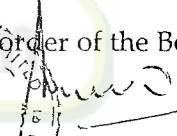
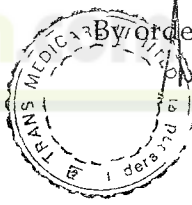
## Notice

Notice is hereby given that the **Seventeenth Annual General Meeting** of the members of Trans Medicare Limited will be held on Saturday the 30<sup>th</sup> September 2006 at 10 00 A M at the factory premises at 11/4, IDA Nacharam Hyderabad - 500 076 to transact the following business

### Ordinary Business

- 1 To receive consider and adopt the audited Balance Sheet of the Company as at 31<sup>st</sup> March 2006 and the profit and loss account for the year ended on that date and the reports of the Director s and Auditor s thereon
- 2 To appoint a Director in the place of Mr Mr S Sudhakar Reddy who retires at this meeting and being eligible offers himself for re appointment
- 3 To appoint a Director in the place of Mr K Sounder Rajan who retires at this meeting and being eligible offers himself for re-appointment
- 4 To appoint Auditors and fix their remuneration  
M/s G M K Associates Chartered Accountants Hyderabad the retiring auditors are eligible for re-appointment

Place Hyderabad  
Date 25<sup>th</sup> August 2006

By order of the Board  
  
  
H Ramesh  
Director

Notes

- 1 A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and vote on a poll instead of himself. The proxy need not be a member of the company.
- 2 Proxies in order to be effective must be lodged with the company at its registered office at least 48 hours before the commencement of the meeting.
- 3 The Register of members and share transfer books will remain closed from 27<sup>th</sup> September 2006 to 30<sup>th</sup> September 2006 (both days inclusive).
- 4 Reappointment and Directors retiring by rotation

Mr S Sudhakar Reddy aged about 36 years is a Post Graduate in Commerce and is an independent director of the company. He has an experience of about 10 years in Finance and administration and is also member of the audit committee and share holder/investor grievance committee.

Mr K Sounder Rajan aged about 35 years is an Graduate with about 15 years of experience in imports and exports besides finance and administration. He is an Independent director and is also member of the audit committee and share holder/investor grievance committee.

- 5 Explanatory Statement pursuant to section 173(2) of the Companies Act 1956 is annexed herewith.
- 6 The Company has listed its shares at Mumbai Ahmedabad and Hyderabad Stock Exchange. The listing fees is outstanding from 2000-2001 to the above stock exchanges respectively.

## Director's Report

To  
The Members,

Your Directors herewith present the Seventeenth Annual Report together with the audited accounts of the company for the year ended 31<sup>st</sup> March 2006

### Financial Results

	Rs in lakhs	
	2005-2006	2004-2005
Sales & other income	0 00	0 00
Gross loss before interest & depreciation	11 40	11 17
Add Interest	263 23	219 44
Add Depreciation	0	0
Loss for the year	274 63	230 61
Add/Less Prior period expenses /(-)income	0	0
<i>Net Loss</i>	274 63	230 61

### Operations

The company has not carried out any operations during the year under review. The Company is in the process of negotiating for a One time settlement of their dues for Rs 33 00 lacs with MSFC. The company has paid an amount of Rs 0 25 lacs as a token payment as well as Rs 0 11 lacs as processing fees to MSFC. The total outstandings of The Prudential Co-operative Bank Limited as on 31<sup>st</sup> March 2006 were Rs 125 47 Lacs and the company is opting for a one time settlement and accordingly an amount of Rs 30 00 lacs was paid in the current year as a token of accepting the option -1 given by them. OTS request is still pending with Prudential Co-Operative Bank due to pending Andhra Pradesh Honorable High Court decision. In view of the inability of the company to raise the necessary large finances to recommence the operations your board is contemplating to take up trading activities as well as to lease the undertaking of the company so that some revenues can be generated.

### Fixed Deposits

The Company has not accepted any deposits in terms of section 58A of the Companies Act 1956.

### Conservation of Energy, Technical Absorption and Foreign Exchange Earnings and Outgo

Information pursuant to section 217 (1)(e) of the Companies Act 1956 is given in Annexure I forming part of this report.

### Particulars of Employees

There are no employees whose particulars pursuant to section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules 1975 are to be disclosed

### Directors Responsibility Statement

As required under section 217 (2A) of the Companies Act, the directors hereby confirm that

- i in the preparation of the annual accounts, the applicable accounting standards has been followed along with proper explanation relating to material departure
- ii the directors had selected such accounting policies and applied them consistently subject to provision of depreciation and made judgments and estimates that are reasonable and prudent so as to give a true and a fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period
- iii the directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
- iv the directors had prepared the annual accounts on a going concern basis in view of the plans of the company to recommence the operations

### Corporate Governance

As per the Clause 49 of the listing Agreement the Company has already constituted Audit Committee and shareholders Grievance Committee. The Corporate Governance Report is enclosed

The Corporate Governance Compliance Certificate obtained from the Auditors of the Company is also attached to this report

The Management Discussion and Analysis Report, as mandated under the code of Corporate Governance, is given in the Annexure attached to the Director s Report

### Constitution of Audit Committee

Pursuant to section 292A of the Companies Act 1956 an audit committee consisting of the following directors was constituted

- 1 Mr S Sudhakar Reddy
- 2 Mr S A Rajath

The committee has reviewed and recommended the accounts of the company for approval by the board for the year ended March 31, 2006

## Directors

Mr K Sounder Rajan and Mr S Sudhakar Reddy Directors of the Company retire by rotation and being eligible offer themselves for re-appointment

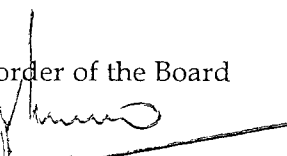
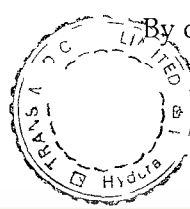
## Auditors

M/s G M K Associates Hyderabad the auditors of the company retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment

## Acknowledgments

Your Directors wish to express their sincere gratitude for the continued co-operation and assistance extended to the company The Prudential Cooperative Bank Ltd Maharashtra State Financial Corporation and other central and state government agencies Your Directors also wish to thank all the shareholders, for their support to the company

Place Hyderabad  
Date 25<sup>th</sup> August 2006

By order of the Board  
  
  
H Ramesh  
Director

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## Annexure - I to Director's Report

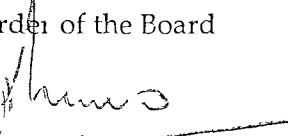
Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as per section 217 (1)(e) of the Companies Act 1956

## Form A

Form for disclosure of particulars with respect to conservation of energy

A Power & fuel consumption		2005-2006	2004-2005
1	Electricity		
a	Purchased units	Nil	Nil
	Total amount (Rs )	Nil	Nil
	Rate/Unit (Rs )		Nil
b	Own Generation		
i	Through diesel generator units (Nos )	Nil	Nil
	Unit per liter diesel oil (No )	Nil	Nil
	Cost/Unit ( Rs )	Nil	Nil
ii	Through steam turbine/generator	Nil	Nil
2	Coal	Nil	Nil
3	Furnace oil	Nil	Nil
B	Technology Absorption		
	The entire manufacturing technology is indigenous		
C Foreign Exchange Earnings and Outgo		2005-2006	2004-2005
i	Foreign exchange earned (Rs )	Nil	Nil
ii	Foreign exchange used (Rs )	Nil	Nil
iii	Foreign travel (Rs )	Nil	Nil

Place Hyderabad  
Date 25<sup>th</sup> August 2006

By order of the Board  
  
H Ramesh  
Director



**CORPORATE GOVERNANCE REPORT**

The detailed Report on Corporate Governance as per the Format prescribed by SEBI and incorporated in Clause 49 of the listing Agreement is set out below

**A) MANDATORY REQUIREMENTS****1) COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

The company's philosophy on Corporate Governance lays strong emphasis on transparency, accountability and Integrity. The Company has implemented mandatory requirements of the Code of Governance as mentioned in Clause 49 of the Listing Agreement.

**1) BOARD OF DIRECTORS**

- a) The Board comprises of Chairman and Managing Director, one promoter Director and three non-executive independent Directors

The composition of the Board and other details relating to Directors are given below

Name of the Director	Designation	Category of Directorship	No. of other Directorship Memberships	No. of other Committee
Mr. H. Ramesh	Director	Executive	5	-
Mr. M. S. Agicha	Director	promoter	-	-
Mr. K. S. Rajan	Director	Independent	-	-
Mr. S. S. Reddy	Director	Independent	-	-
Mr. S. A. Rajath	Director	Independent	-	-

**b) Appointment/Reappointment of Directors**

Mr. Manohar Satramdas Agicha and Mr. S. A. Rajath retire by rotation and are seeking re-election.

**3) AUDIT COMMITTEE**

The Board of Directors have constituted the Audit Committee pursuant to section 292A of the Companies Act, 1956 with three independent directors which also complies with clause 49 of the listing agreement. The brief terms of reference of the Audit Committee includes the following:

- Overseeing the Company's financial report process and disclosure of its financial information
- Review of half yearly and annual financial results before submission to the Board
- Disclosure with Statutory auditor about the nature and scope of audit and their observations
- Investigate any matter referred to by the Board

The composition of the Audit Committee

Members	Category
Mr K Soundar Rajan	Independent
Mr K Sudhakar Reddy	Independent
Mr S A Rajath	Independent

The committee met three times during the year and has recommended the draft Accounts for the year 2005-06 to the board for their approval. The Director of the audit committee was present at the AGM held on 30/09/2006.

#### 4) SHAREHOLDERS/INVESTORS GRIEVANCES COMMITTEE

The shareholders/Investors Grievances Committee constituted to look into the grievances of the shareholders of the Company met four times during the year. The composition of the said committee is as follows:

Members	Category
Mr K Sudhakar Reddy	Independent
Mr S A Rajath	Independent

#### NUMBER OF SHAREHOLDERS COMPLAINTS RECEIVED DURING THE YEAR

The company has received 12 complaints during the year and no complaints were outstanding beyond 30 days.

#### 5) BOARD PROCEDURE

Composition

At present the strength of the Board is 5 Directors. The composition of the Board of Directors and their attendance at the board Meeting and at the last Annual General Meeting is as follows:

Name of Director	Nature of Directorship	No. of Board Meetings attended	Attendance at the last AGM
Mr H Ramesh	Director	4	Yes
Mr M S Agicha	Promoter Director	-	No
Mr K S Rajan	Independent Director	4	Yes
Mr S S Reddy	Independent Director	4	Yes
Mr S A Rajath	Independent Director	4	Yes

During the financial year under review 4 (four) meetings of the Board of Directors were held on 29/04/2005, 30/07/2005, 31/10/2005 and 31/01/2006.

#### *Role of independent Directors*

The independent Directors play an important role in deliberations in the Board Meetings and bring to the Company their wider experience in the fields of Accountancy, Finance, Management etc.