

TRANS MEDICARE LIMITED



EIGHTEENTH ANNUAL REPORT 2006-2007

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 |
| 6. Mrs Urvashi Ramesh | : | 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, 3rd 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

Notice

Notice is hereby given that the **Eighteenth Annual General Meeting** of the members of Trans Medicare Limited will be held on Saturday the 29th September 2007 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 31st March, 2007 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. S.A. Rajath who retires at this meeting and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Mr. Manohar Satramdas Agicha 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: 25th August 2007



By order of the Board


S. Sudhakar Reddy
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 27th September 2007 to 29th September 2007 (both days inclusive)
4. Reappointment and Directors retiring by rotation.

Mr.H. Ramesh aged about 41 years is a an MBA and B.E Mechanical Engineer. He was the Managing Director of the company since 1st March '1999. Mr.H.Ramesh is an entrepreneur and is associated with several companies and farms in the business areas of imports/exports, shipping services, chemicals and pharmaceuticals. He has business experience of over 15 years both domestically and Internationally.

Mr.S. Sudhakar Reddy aged about 38 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 37 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 Ahmedabad and Hyderabad stock exchanges respectively.

Director's Report

To
The Members,

Your Directors herewith present the Eighteenth Annual Report together with the audited accounts of the company for the year ended 31st March 2007.

Financial Results:

	Rs. in lakhs	
	2006-2007	2005-2006
Sales & other income	0.05	0.00
Gross Profit/ (loss) before interest & depreciation	(12.53)	(11.40)
Add: Interest	333.82	263.23
Add: Depreciation	0.00	0.00
Less: Excess Provision of Interest written back	291.42	0.00
Profit/ (Loss) for the year	(54.93)	(274.63)
Add/Less: Prior period expenses /(-)income	0.81	0.00
Net Profit/(Loss)	(55.74)	(274.63)

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 31st March 2007 were Rs. 62.64 Lacs and the company is opting for a one time settlement and accordingly an amount of Rs. 200.00 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 conform 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, 2007.

Directors:

Mr. S.A. Rajath and Mr. Manohar Satramdas Agicha 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: 25th August 2007



By order of the Board


S. Sudhakar Reddy
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)(c) of the Companies Act, 1956.

Form A

Form for disclosure of particulars with respect to conservation of energy.

A. Power & fuel consumption		2006-2007	2005-2006
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		2006-2007	2005-2006
i. Foreign exchange earned (Rs.)		Nil	Nil
ii. Foreign exchange used (Rs.)		Nil	Nil
iii. Foreign travel (Rs.)		Nil	Nil

Place: Hyderabad.
Date: 25th August 2007



order of the Board

S. Sudhakar Reddy
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	-	-
Mrs Urvashi Ramesh	Director	Independent	3	-

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.