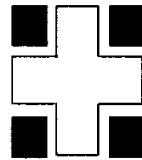


TRANSMEDICA (INDIA) LIMITED



FOURTEENTH ANNUAL REPORT

2000-2001

TRANSMEDICA (INDIA) LIMITED

BOARD OF DIRECTORS (As on May 30, 2001)	T A RATHOD, <i>Chairman & Managing Director</i> NALIN A RATHOD N S MANI S SANTHANARAMAN N SRINIVASAN
AUDITORS	M.S. KRISHNASWAMI & RAJAN CHARTERED ACCOUNTANTS CHENNAI - 600 017.
BANKERS	INDIAN OVERSEAS BANK TEYNAMPET BRANCH CHENNAI - 600 018
FACTORY	UNIT-I NO-59 TO 65 SEDARAPET INDUSTRIAL ESTATE, SEDARAPET, PONDICHERRY - 605 111 UNIT-II VILLIANOOR ROAD, ARYAPALAYAM, VILLIANOOR COMMUNE, PONDICHERRY - 605 110
REGISTERED OFFICE	NO-6 (OLD NO. 20-D), VASAN STREET, T.NAGAR CHENNAI - 600 017.

NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

Notice is hereby given that the Fourteenth Annual General Meeting of this company will be held on Friday, the 28th September, 2001 at 3.30 P.M at Bala Mandir German Hall, No.17 Prakasam Street, T. Nagar, Chennai – 600 017 to transact the following business.

ORDINARY BUSINESS:

1. To receive consider and adopt the audited Balance Sheet of the company as at 31st March 2001 and the Profit and Loss Account for the year ended 31st March 2001 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Nalin Rathod who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and fix their remuneration. The retiring auditors M/s. M.S. Krishnasami & Rajan are eligible for re-appointment.

SPECIAL BUSINESS

4. To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution
 “RESOLVED THAT pursuant to the provisions of Sections 198, 269,309,310 and other applicable provisions of the Companies Act, 1956 the company hereby accords its approval to the reappointment of Mr. T. A. Rathod as Managing Director for a period of 5 years with effect from December 1, 2001 and approve the remuneration payable to him on the following terms and conditions.”
 a) Salary Rs.45,000 /- per month
 b) Perquisites and Allowances (as determined by the Board), Subject to ceiling as laid down in Schedule XIII of the Companies Act,1956”

5. To consider and if thought fit to pass with or without modification, the following resolution as an ordinary resolution
 “RESOLVED THAT Mr N Srinivasan, Additional Director, be and is hereby appointed as Wholtime Director of the Company whose period of office shall be liable to be determined by rotation.

6. To consider and if thought fit to pass with or without modification, the following resolution as an ordinary resolution
 “RESOLVED THAT pursuant to the provisions of Sections 198,269,309,310 and other applicable provisions of the Companies Act, 1956 the company hereby accords its approval to the appointment of Mr. N. Srinivasan on the following terms and conditions”.

- a) Salary of Rs.20, 000 /- per month
 b) Perquisites and Allowances (as determined by the Board), Subject to ceiling as laid down in Schedule XIII of the Companies Act,1956

7. To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution
 “RESOLVED THAT consent be and is hereby accorded to the Board of Directors of the Company pursuant to Section 293(1)(e) of the Companies Act, 1956 for the donations to Charitable and other funds not directly relating to the business of the company or the welfare of employees subject to a maximum of Rs 5 Lakhs”

“FURTHER RESOLVED THAT consent be and is hereby accorded to the Board of Directors of the Company pursuant to Section 293(1)(e) of the Companies Act, 1956 for the donations amounting to a total of Rs.1,37,500/- made by the company during the financial year 2000-01 and the same may be approved and ratified”.

Regd Office: No.6 Vasan Street,
T Nagar, Chennai 600 017.

By order of the Board

Chennai
Date : 30th May 2001

T A RATHOD
Chairman & Managing Director

Notes:

- 1) The Explanatory Statement of material facts pursuant Section 173(2) of the Company Act, 1956 for Item Nos.4,5,6 and 7 of the Notice is Annexed hereto.
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY MAYBE SENT IN THE FORM ENCLOSED AND IN ORDER TO BE EFFECTIVE MUST REACH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE MEETING.
- 3) The Register of Members and the Share Transfer Books of the Company will remain closed from 21st September,2001 to 28th September,2001 (both days inclusive)
- 4) The members are requested to notify change in their addresses, if any, to the company quoting their folio numbers.
- 5) If members have any queries, they may kindly send them two days in advance to the company to help in providing all the possible information.
- 6) Members /Proxies should bring Attendance Slip and Annual Report for attending the meeting. The Annual Report will not be distributed at the meeting.
- 7) Listing fees to Madras Stock exchange has been paid for the year 2000-2001 and to Mumbai Stock Exchange and Cochin Stock exchange for the year 1999-2000.
- 8) *Shareholders are requested to send their Share Certificates in "TRANS PLASTICS (INDIA) LIMITED" in exchange for new Share Certificate in "TRANSMEDICA (INDIA) LIMITED". Kindly use "New Share Certificate Requisition Form" annexed hereto and send along with old Share Certificates to our Corporate Office. (No.6, Vasan Street, T.Nagar, Chennai – 600 017).*



ANNEXURE TO NOTICE EXPLANATORY STATEMENT

Explanatory Statement as required by Section 173 of Companies Act, 1956 relating to the Special Business set out in the notice of Fourteenth Annual General Meeting:

Item No: 4 Mr. T A Rathod was appointed as Managing Director of the Company for a period of Five Years with effect from 1st December, 1996 pursuant to the relevant provisions of the Companies Act, 1956. The Board at its meeting held on 30th May 2001 recommended for the approval of the Members, the reappointment of Mr. T.A. Rathod as Managing Director for a period of Five years with effect from 1st December, 2001.

As a Managing Director, Mr. T.A. Rathod is entitled to the following remuneration as recommended and approved by the Board of Directors in pursuance of the provisions of Schedule XIII and other applicable provisions of the Act.

1) Salary: Rs 45,000 per month in the pay scale of Rs.40,000-Rs.1,25,000. The Board of Directors have the authority to determine his salary within the scale from time to time. The annual increments shall take into account the Company's Performance.

2) Perquisites and Allowances: In addition to the salary payable, the Managing Director shall also be entitled to perquisites and allowances like house rent allowance, reimbursement of expenses or allowances for utilities such as gas electricity, water, furnishings and repairs, medical reimbursement, club fees and leave travel concession for himself and his family, medical insurance and such other perquisites and allowances in accordance with the rules of the company or as may be agreed to by the Board of Directors and Managing Director, such perquisites and allowances will be subject to a maximum of 75% of his annual salary. However the following shall not be included in the aforesaid perquisites limits.

- a) Contribution to Provident Fund and Superannuation Fund and Gratuity Fund subject to the limits in the rules of the respective funds or up to such other limit as may be prescribed under the Income Tax Act, 1961 and the rules there under, for this purpose.
- b) Use of Company car for official purposes and telephone at residence (including payment for local calls and long distance official calls)
- c) Encashment of unavailed leave as per the rules of the Company at the time of retirement / cessation of service.

The aggregate of the remuneration and perquisites / benefits, including contribution towards Provident Fund, Superannuation Fund and Gratuity Fund shall not exceed the limits specified in the Act.

Due notice under Section 257 of the Act has been received from a Member proposing the reappointment of Mr.T.A.Rathod as Managing Director of the Company. Mr. T.A. Rathod has filed the requisite consent pursuant to the provisions of the Act.

None of the Directors of your Company, other than Mr. T.A.Rathod and Mr. Nalin Rathod, is interested in this resolution.

The Board recommends this resolution for Members approval.

This should be considered also as an abstract of the terms of reappointment of Mr. T.A. Rathod as a Managing Director of the Company and a Memorandum as to the nature of the concern or interest of the Directors in the said reappointment, as required under Section 302 of the Act.

Item No: 5 Mr. N Srinivasan was appointed by the Board of Directors of the Company as an Additional Director and also as Whole Time Director of the Company with effect from 30th May, 2001 for a period of two years, subject to the approval of the Members and such other approvals as may be necessary, pursuant to the relevant provisions of the Companies Act, 1956.

The Board at its meeting held on 30th May 2001, recommended for the approval of the Members, the appointment of Mr. N. Srinivasan as a Director, liable to retire by rotation, and also as a Wholetime Director of the Company with effect from 30th May 2001 for a period of two years. As a Wholetime Director Mr. N.Srinivasan is entitled to the following remuneration, as recommended and approved by the Board, in pursuance of the provisions of Schedule-XIII and other applicable provisions of the Act:

1) Salary : Rs 20,000 per Month in the pay scale of Rs.20, 000-Rs.45,000. The Board of Directors have the authority to determine his salary within the scale from time to time. The annual increments shall take into account the Company's Performance.

2) Perquisites and Allowances : In addition to the salary payable, the Wholetime Director shall also be entitled to perquisites and allowances like house rent allowance, reimbursement of expenses or allowances for utilities such as gas electricity, water furnishings and repairs, medical reimbursement, club fees and leave travel concession for himself and his family; medical insurance and such other perquisites and allowances in accordance with the rules of the company or as may be agreed to by the Board of Directors and Wholetime Director, such perquisites and allowances will be subject to a maximum of 65% of his annual salary. However the following shall not be included in the aforesaid perquisites limits.

- d) Contribution to Provident Fund and Superannuation Fund and Gratuity Fund subject to the limits in the rules of the respective funds or up to such other limit as may be prescribed under the Income Tax Act, 1961 and the rules there under, for this purpose.
- e) Use of Company car for official purposes and telephone at residence (including payment for local calls and long distance official calls)
- f) Encashment of unavailed leave as per the rules of the Company at the time of retirement / cessation of service.

The aggregate of the remuneration and perquisites / benefits, including contribution towards Provident Fund, Superannuation Fund and Gratuity Fund shall not exceed the limits specified in the Act.

Due notice under Section 257 of the Act has been received from a Member proposing the appointment of Mr.N.Srinivasan as Wholetime Director of the Company. Mr. N.Srinivasan has filed the requisite consent pursuant to the provisions of the Act.

None of the Directors of your Company, other than Mr. N.Srinivasan is interested in this resolution.

The Board recommends this resolution for Members approval.

This should be considered also as an abstract of the terms of appointment of Mr. N. Srinivasan as a Wholetime Director of the Company and a Memorandum as to the nature of the concern or interest of the Directors in the said appointment, as required under Section 302 of the Act.

Item No 6: As per the provisions of Sec 293(1)(e) of the Companies Act, 1956 approval of the members required for making contributions to any charitable and other funds or trusts not directly relating to the business of the company or welfare of the employees. Hence the present resolution is placed before the members for approval.

Further, the members are fully aware of the great calamity caused by the earthquake that struck Gujarat. The company has donated medical disposable syringes worth Rs.1, 37,500/- to Gujarat Relief. As the donation requires the members approval, the present resolution is placed before the members for approval and ratification.

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

Regd.Office : No-6 (Old No. 20-D), Vasam Street,
T.Nagar, Chennai – 600 017.

Chennai
Date: 30th May, 2001

By order of the Board of Directors

T A Rathod
Chairman & Managing Director

TRANSMEDICA (INDIA) LIMITED

DIRECTORS' REPORT

The Directors have pleasure in presenting the Fourteenth Annual Report together with the audited Balance Sheet of the company as at 31st March, 2001, the Profit and Loss Account for the Financial Year ending on that date and the Auditors Report thereon.

Financial Results

The financial results of the operations of the company are as follows:

	(Rs.Lakhs)	
	For the year ended 31/03/2001	For the year ended 31/03/2000
Turnover	644.30	534.10
Materials	282.72	265.60
Human Resources	107.34	96.32
Excise Duty	Nil	27.18
Other Expenses	191.22	147.79
Finance Charges	224.70	126.95
Loss before Depreciation	161.68	129.74
Depreciation	218.48	106.44
Net Loss	380.16	236.18

Review of Performance:

Company's new unit in Pondicherry has started its commercial production effective from 1st May, 2000. But, due to severe technical teething problems the production could not be achieved at full capacity. Though the new unit has been implemented to meet the fullest market requirements, the Industry being the special purpose industry, the product has to undergo various tests till it reaches the marketing level. Despite all the problems, the Company's performance for the year under review compared to previous year is slightly better.

The Company has been able to maintain its trend in exporting its products to many countries through Export Houses. The Company has got many export enquiries and is confident of increasing its export turnover through Export Houses.

Reference to the Board for Financial and Industrial Reconstruction (BIFR):

Based on the Audited Accounts of the Company for the financial year ended 31st March, 2000, the Company has been legally advised that the net worth of the company has eroded and hence as legally required under the Provisions of the Sick Industrial Companies (Special Provisions) Act, 1985, (SICA) a reference has been made to Hon'ble Board for Industrial and Financial Reconstruction and the same is registered.

Directors:

In accordance with the Companies Act, 1956 and Articles of Association of the Company Mr. Nalin Rathod, Director retires by rotation. Mr. Nalin Rathod expressed his desire not to seek re-election due to other commitments. Mr T A Rathod, Chairman and Managing Director of the company is completing his Five-year term of appointment on 30th November 2001. Your Directors have proposed reappointment of Mr T A Rathod with effect from 1st December, 2001. Taking into account the workload and responsibilities of Mr T A Rathod, your Directors have revised the Remuneration Payable to Mr. T A Rathod, to Rs.45,000 per month apart from perquisites effective from 1st December, 2001. The Board Commends the Resolution No. 4 of the notice to the members. Mr N Srinivasan appointed as an additional Director of the company at a Board Meeting held on 30th May 2001 and who holds office up to the conclusion of ensuing Annual general Meeting and is eligible for re-appointment. The Board subject to the approval of the Members and such other approvals as may necessary appointed Mr. N Srinivasan as Whole time Director of the Company for a period two years. The Board