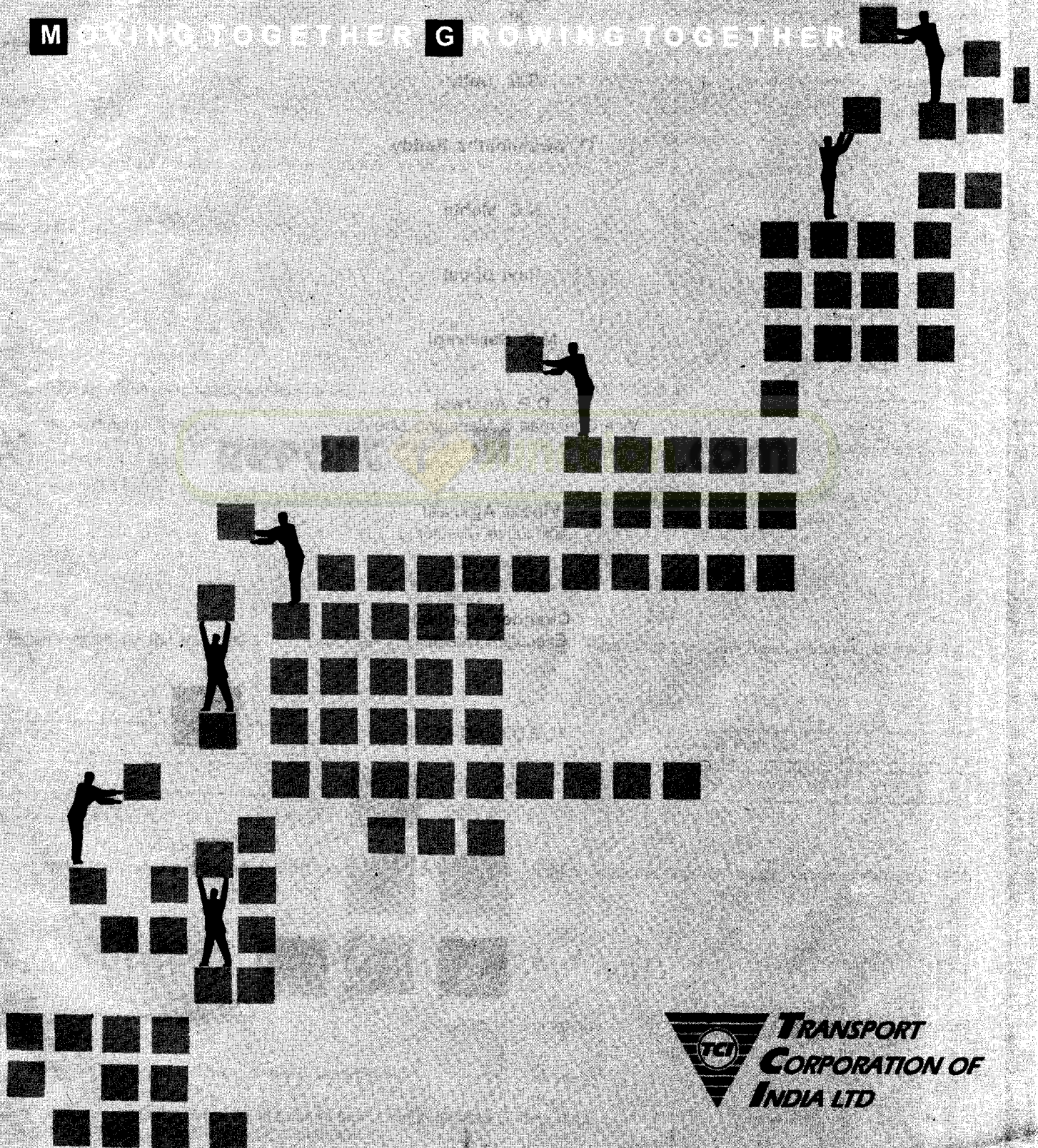


**M**OVING TOGETHER **G**ROWING TOGETHER



**TCI** **TRANSPORT**  
**CORPORATION OF**  
**INDIA LTD**



## Board of Directors

**S.N. Agarwal**  
Chairman

**S.M. Datta**

**O. Swaminatha Reddy**

**K.S. Mehta**

**Ravi Uppal**

**M.P. Sarawagi**

**D.P. Agarwal**  
Vice Chairman & Managing Director

**Vineet Agarwal**  
Executive Director

**Chander Agarwal**  
Executive Director

# Management Team



**D P Agarwal**  
Vice Chairman & Managing Director

**Vineet Agarwal**  
Executive Director

**Chander Agarwal**  
Executive Director

**R U Singh**  
President & CEO - Shipping Division

**Capt. K Singh**  
President, Technical - Shipping Division

**O P Jain**  
President & CEO - Transport Division

**K Prabhakar**  
President & CEO - Express Division

**Jasjit Sethi**  
CEO - Supply Chain Solutions

**P C Sharma**  
CEO - Air Courier

**A K Bansal**  
CFO & Company Secretary

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**CFO & Company Secretary:**  
A.K. Bansal

**Auditors:**  
R.S. Agarwala & Company  
Chartered Accountants

**Bankers:**  
State Bank of India  
Citibank N.A.  
HDFC Bank  
HSBC Bank

**Registered Office:** Flat Nos. 306 & 307, 1-8-271 to 273, 3rd Floor, Ashoka Bhoopal Chambers, S.P. Road, Secunderabad-500 003.

**Corporate Office :** TCI House, 69, Institutional Area, Sector-32, Gurgaon-122 001, Haryana  
Phone: (+91-124) 2381603 to 607 Fax: (+91-124) 2381611  
E-mail: corporate@tcil.com • Internet: www.grouptci.com

## Services that make us grow

### GROUP TCI



It is with the amalgamation of many diverse forces that a complete solution emerges. TCI Group, with revenues of over Rs 1000 crore, is India's largest integrated supply chain and logistics solutions provider. The TCI group consists of six different divisions, each specialized in its own field.

TCI Group has an extensive network of over 1100 company-owned offices, with expertise developed over five decades. As a public limited company TCI is listed with the premier stock exchanges- BSE

and NSE. An ISO 9001:2000 certified company, Group TCI follows a strict protocol of ethical business practices.

With its customer-centric approach, world-class resources, state-of-art technology and professional management, the group follows strong corporate governance and is committed to value creation for its stakeholders and social responsibilities.

With around 5 million sq ft of warehousing space, befitting with modern infrastructure and latest material handling equipment, Group TCI today moves approx 1.5% of India's GDP by value. Group TCI believes in growing on customers' satisfaction through reliable cargo transportation, human resource development, technical upgradation and adherence to the highest professional values.

Group TCI believes in Moving Together in tandem and seamlessly through its divisions endeavoring to change the face of the logistics and supply chain industry in India.



Transport Corporation of India (TCI) has been a pioneer in the sphere of goods transit in India. Leveraging on its extensive network, strong foundation and skilled manpower, TCI offers seamless multimodal transportation solutions.

TCI is fully equipped to provide logistics solutions to cargo of any dimensions or product segment and has the capabilities to undertake project implementations. With an immaculate safety record, ethical business practices, standardized documentation, modern warehouse and customized solutions, little wonder that it has a loyal clientele of 2,00,000 customers.

TCI offers solutions for • **Full Truck Load (FTL)** • **Less than Truck Load (LTL)** • **Project & Over Dimension Cargo (ODC)**.



Globalization has shrunk the world into a small place. And often the frontiers of business today extend far beyond the limits of land. With modern, well-equipped ships in its fleet, TCI is in a position to provide the critical sea link to any business.

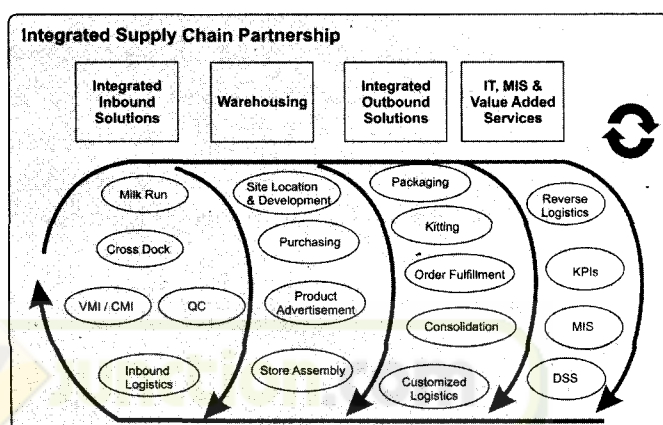
## TCI SUPPLY CHAIN SOLUTIONS



With a Mission to "be the most admired service provider of Integrated supply chain solutions", TCI Supply Chain Solutions brings a lot of commitment in its partnership with its clients. Dedicated in synergising in-bound and out-bound logistics for its diverse clientele, through resourceful planning and efficient management of the flow of goods and information.

TCI-SCS is positioned as a unique 7PL (3PL +4PL) organization in India offering a multitude of services in the value chain to discerning customers:

Being in a knowledge driven and ever evolving industry, the Division has a rich talent pool for business development and management of operations to the last detail. Dedicated verticals for Auto, Retail, Telecom, Electricals & Electronics, Pharmaceuticals and Chemicals offer specialized services to these critical sectors of the economy. Going forward the division is engaged in modernizing the warehousing landscape of the country by mega Distribution centers with racking systems, material handling equipment and warehouse management systems.



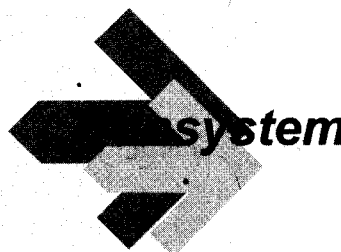
### Transytem Logistics International (TLI)

When Toyota- the car that the world drives wanted to come to India, it's natural choice was TCI- the company that moves India. Thus was the joint venture - 'Transytem Logistics International Pvt. Ltd' (TLI) between Mitsui & Co. & TCI was born.

With the amalgamation of Mitsui's technical know-how and TCI's Infrastructure and keen insights on local business it is a partnership, which has flourished. With a mission to achieve utmost "Customer Delight" and replicate global service standards in India, TLI is committed to:

- Strictest adherence to quality
- Time Management
- Quality of Service
- No Accident, No Damages and Just-In-Time delivery
- Vehicle Management

Transytem is only logistics service company in India certified by ISO 14001: 2004.





**XPS** connects lifelines and meets crucial delivery deadlines with greater sensitivity towards providing a seamless delivery solution. Equipped with an ISO 9001:2000 certified operations, XPS Surface division is being complimented by XPS Air, XPS Courier and XPS Global to provide a "ONE STOP SHOP EXPRESS DELIVERY SOLUTIONS" to its customers.

More than 3000 pick up and delivery locations are served across India by company owned 500 branches and over 1500 vehicles.

XPS, apart from providing normal express delivery services to its customers, also specializes in providing a host of value added services:

- Door to door services
- Multimodal services
- Late pick up and deliveries
- Standby vehicles to meet exigencies
- Customs and Octroi clearance services
- Tracking services
- Containerized vehicles
- Fast and guaranteed transit time

Customers are serviced round the clock through **XPS CUSTOMER CARE CENTERS (XCC)** across India which are based on the ubiquitous Japanese 5S Model. The backbone of these centers is an in-house advanced CRM package.

#### Air

XPS Air, working in complete coordination with the other divisions of XPS, has got its offices and infrastructure in place. XPS Air now has business associate relationships with major Airlines in the country. With linkage and leverage of domestic players and TCI heritage, XPS Air shall march ahead in acquiring more market share in the ever-expanding Air Business.

#### Surface

XPS Surface picks cargo from the doorstep and delivers at the doorstep, enabling business to run seamlessly, without

hassles and glitches. This year XPS plans to expand network to reach out to all districts of India besides focusing on quality aspect of its services for day/time definite delivery.

#### Global

XPS Global has positioned itself through agency network at different countries. This year XPS plans to have its own international offices at Singapore, Hong Kong, China and Dubai. It now truly has become a one-stop solution for all import-export needs.



TCI embraces the philosophy of making life better for all. In consonance with its goals on Corporate Social Responsibility, the TCI Group has instituted the TCI Foundation (TCIF). The focus areas are primary education, women's development, healthcare and prevention of HIV/AIDS. In association with major NGOs, the Foundation has set up rural hospitals and dispensaries providing free medical assistance to the economically weaker sections. In addition, TCI Foundation has undertaken an initiative called "Project Kavach", a nationwide HIV/AIDS Prevention initiative, funded by the Bill and Melinda Gates Foundation. This program is implementing a comprehensive integrated package on STI treatment, Behaviour Change Communications (BCC), Condom promotion, and counseling amongst the long distance trucking community through strategically located interventions at major trucking halt points spanning 15 states along national highways of the country.



# Notice for Annual General Meeting

## Notice for Annual General Meeting

Notice is hereby given that the 11th Annual General Meeting of the Company will be held on Monday, the 23rd October 2006 at Surana Udyog Hall, Federation of Andhra Pradesh Chambers of Commerce and Industry, 11-6-841, Red Hills, Hyderabad-500 004 at 11.30 AM to transact the following business:

### Ordinary Business :

1. To consider and adopt the Audited Profit & Loss A/c for the financial year ended 31st March 2006, the Balance Sheet as at that date and the Reports of the Directors & Auditors thereon.
2. To declare a dividend on Equity shares.
3. To appoint a Director in place of Mr. S.N. Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. O. Swaminatha Reddy, who retires, by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration.

### Special Business :

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

**"RESOLVED THAT** M/s. K.B. Chitrakar & Co., Chartered Accountants, Kathmandu, be and are hereby appointed as Branch Auditors for auditing the accounts of all the branches of the Company situated in Royal Kingdom of Nepal for the year 2006-07 and to hold office till the conclusion of the Next Annual General Meeting at a remuneration to be fixed by the Board of Directors of the Company."

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

**"RESOLVED THAT** M/s. R.S. Agarwala & Co., Chartered Accountants, Bangalore, be and are hereby appointed as Branch Auditors for auditing the accounts of the Shipping division of the Company for the year 2006-07 and to hold office till the conclusion of the Next Annual General Meeting at a remuneration to be fixed by the Board of Directors of the Company."

**"RESOLVED FURTHER THAT** the Board of Directors is authorized to ratify the remuneration paid to M/s. R.S. Agarwala & Co., Chartered Accountants, Bangalore as Statutory Auditors of the erstwhile TCI Seaways Ltd. for the year 2005-06."

8. To consider and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution:

**"RESOLVED THAT** Mr. Chander Agarwal, a Director of the Company who holds office up to the date of this meeting u/s 260 of the Companies Act, 1956 and in respect of whom, a notice has been received by the Company from a member signifying his intention to propose his name as a candidate for the office of Director, be and is hereby appointed as Director of the Company."

9. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

**"RESOLVED THAT** in accordance with Schedule XIII and provisions of sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications(s) or re-enactment thereof, for the time being in force), and subject to such consents and approvals as may be necessary, the Company hereby approves the revision in the remuneration payable to Mr. D.P. Agarwal as Managing Director, designated as Vice Chairman and Managing Director for the remaining term i.e. till 31st July 08 on the terms as set out in the explanatory statement in accordance with the agreement to be executed with Mr. D.P. Agarwal."

**"RESOLVED FURTHER THAT** in the event of inadequacy or absence of profit in any financial year, Mr. D.P. Agarwal shall be paid the same remuneration as set out in the explanatory statement as minimum remuneration but subject to the upper limit, if any, prescribed under the Companies Act, 1956 from time to time."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts & deeds as may be expedient to give effect to this resolution"

10. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

**"RESOLVED THAT** in accordance with Schedule XIII and provisions of sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications(s) or re-enactment thereof, for the time being in force), and subject to such consents and approvals as may be necessary, the Company hereby approves the revision in the remuneration payable to Mr. Vineet Agarwal as whole time Director designated as Executive Director for the remaining term i.e. till 30th June 2008 on the terms as set out in the explanatory statement in accordance with the agreement to be executed with Mr. Vineet Agarwal."

**"RESOLVED FURTHER THAT** in the event of inadequacy or absence of profit in any financial year, Mr. Vineet Agarwal shall be paid the same remuneration as set out in the explanatory statement, as minimum remuneration but subject to the upper limit, if any, prescribed under the Companies Act, 1956 from time to time"

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts & deeds as may be expedient to give effect to this resolution"

11. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

**"RESOLVED THAT** in accordance with Schedule XIII and provisions of sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 and subject to such consents and approvals as may be necessary, the Company hereby approves the terms of appointment of Mr. Chander Agarwal as whole time Director designated as Executive Director for a period of five years w.e.f. 21<sup>st</sup> Sep 2006 on the terms as set out in the explanatory statement in accordance with the agreement to be executed with Mr. Chander Agarwal."

**"RESOLVED FURTHER THAT** in the event of inadequacy or absence of profit in any financial year, Mr. Chander Agarwal shall be paid the same remuneration as set out in the explanatory statement, as minimum remuneration but subject to the upper limit, if any, prescribed under the Companies Act, 1956 from time to time"

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts & deeds as may be expedient to give effect to this resolution"

12. To consider and, if though fit, to pass, with or without modification, the following resolution as a special resolution:

**"RESOLVED THAT** in accordance with the provisions of sections 198, 309(4), 310 and other applicable provisions/approvals, if any, of the Companies Act, 1956 in this behalf, the non-executive directors of the company be remunerated by way of commission, the aggregate amount whereof shall not exceed 0.50% (half percent) per annum of the net profits of the company computed in the manner laid down in sections 349 & 350 of the Companies Act, 1956 for a period of five years, commencing from financial year 2006-2007.

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts & deeds as may be expedient to give effect to this resolution"

13. To consider, and if deemed fit, to pass the following resolution, with or without modification(s), as a **SPECIAL RESOLUTION**:

- a. **RESOLVED THAT** pursuant to the provisions of section 81(1A) and all other applicable provisions, of the Companies Act, 1956, (the 'Act'), the provisions contained in the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 (the Guidelines) (including any amendment thereto or re-enactment thereof for the time being in force) and the Articles of Association of the Company and subject to such approvals, permissions, sanctions and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any Committee including Employees Stock Option Scheme (ESOS) Compensation Committee of the Board) and to create, offer, issue and allot in one or more tranches under the proposed ESOS 2006 at any time to or for the benefit of employees and Directors of the Company such number of equity shares and / or equity linked

instruments including options and / or and other instrument or securities which could give rise to the issue of equity shares (hereinafter collectively referred to as "Securities") of the Company, initially not exceeding 5% of the paid up equity shares capital of the Company in aggregate at such price and on such terms and conditions as may be fixed or determined by the Board, in accordance with the Guidelines or other applicable provisions of law as may be prevailing at that time.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to formulate, evolve, decide upon and bring into effect any scheme (hereinafter referred to as "the ESOS 2006") on such terms and conditions as contained in the relevant explanatory Statement to this notice and to make any modification(s), alteration(s), variation(s), change(s), revision(s) or amendment(s) in the terms and conditions of the Scheme from time to time including but not limited to amendment with respect to vesting period, exercise price, eligibility criteria, vesting schedule or to suspend, withdraw, or revive the ESOS 2006.

**RESOLVED FURTHER THAT** the said securities may be allotted in accordance with the ESOS 2006 directly or through a trust which may be set up in any permissible manner and that the ESOS 2006 may also envisage for providing any financial assistance to the Trust to enable the Trust to acquire, purchase or subscribe securities of the Company.

**RESOLVED FURTHER THAT** the new equity shares to be issued and allotted by the Company in the manner aforesaid shall rank pari-passu in all respects with the existing equity shares of the Company. **RESOLVED FURTHER THAT** the Board be and are hereby authorized to take necessary steps for listing of securities allotted under the ESOS 2006 on the Stock Exchange(s) where the securities of the Company are listed as per the provisions of the listing agreements with the concerned Stock Exchanges and other applicable guidelines, rules, and regulations.

**RESOLVED FURTHER** that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities without requiring the Board to secure any further consent or approval of the members of the Company in this regard.

**RESOLVED FURTHER** that the Board of Directors be and is hereby authorized to delegate all or any of the powers vested in it under this resolution to any committee of directors, constituted or to be constituted hereafter by the Board."

- b. **"RESOLVED THAT** pursuant to the provisions of section 81(1A) and all other applicable provisions, of the Companies Act, 1956, (the 'Act'), the provisions contained in the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 (the 'Guidelines') (including any amendment thereto or re-enactment thereof for the time being in force) and the Articles of Association of the Company and subject to such approvals, permissions, sanctions and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any Committee including ESOS Compensation Committee of the Board) to extend the benefits of said ESOS 2006 referred to in the Resolution under item No. 13(a) in this notice to the employees and Directors of the Holding or Subsidiary Companies and / or to such other persons, as may from time to time be allowed under prevailing laws, rules and regulations, and / or amendments thereto from time to time on such terms and conditions as may be decided by the Board.

**RESOLVED FURTHER** that for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities without requiring the Board to secure any further consent or approval of the members of the Company in this regard.

**RESOLVED FURTHER** that the Board of Directors be and is hereby authorized to delegate all or any of the powers vested in it under this resolution to any committee of directors, constituted or to be constituted hereafter by the Board."

14. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution :

**"RESOLVED THAT** pursuant to Section 293(1) (d) and other applicable provisions, if any of the Companies Act, 1956, consent be and is hereby accorded to the Board of Directors of the Company to borrow such sum or sums of money from the Company's Bankers and / or from any other person / persons, firms, bodies corporate or financial institutions by way of advances, deposits from bodies corporate or financial institutions by way of advances, deposits from public, issue of Debentures or other loans, whether Secured or unsecured by way of mortgages, charges, hypothecation or pledge of all or any of the Company's assets and properties including the whole or substantially the whole of the undertaking or undertakings of the Company on such terms and conditions as the Board of Directors may deem fit, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from and / or to be obtained from the Company's Bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves not set apart for any specific purpose provided however that the total moneys so borrowed including the moneys already borrowed shall not exceed Rs. 500 Crores (Rupees Five Hundred Crores only) excluding interest at any time."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary and expedient for giving effect to the above resolution."

#### **Resolutions to be passed through Postal Ballot Process:**

Pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, the following three Resolutions are proposed to be passed by way of postal ballot process:

- 1) To split the equity shares by sub-dividing into 10,00,00,000 shares of Rs. 2 per share from 2,00,00,000 shares of Rs. 10 each by altering Memorandum & Articles of Association.
- 2) To authorize the Board of Directors of the Company for creating additional Mortgages and Charges in addition to Mortgages and Charges already created upto an overall limit of Rs. 500 crores.
- 3) To sell, transfer or otherwise dispose off the movable & immovable properties, if any of Fuel pump Division of the Company.

Requisite Notice of Postal Ballot pursuant to Section 192 A of the Companies Act, 1956 bearing dated 21<sup>st</sup> September, 2006 and containing above mentioned proposed Resolutions & Explanatory Statement pursuant to Section 173 (2) of the Act is also being sent along with this AGM Notice.

**BY ORDER OF THE BOARD**  
**For Transport Corporation of India Ltd.**

**Place :** Gurgaon  
**Date :** 21st Sep., 2006

**A.K. Bansal**  
**CFO & Company Secretary**

#### **NOTES:**

1. a) The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item No. 6 to 14 as set out above is annexed hereto.  
b) A member entitled to attend and vote is authorized to appoint a proxy to attend and, on a poll, to vote instead of himself. Such a proxy need not be a member of the company. Proxies, in order to be valid and effective, must be delivered at the registered office of the company not later than forty-eight hours before the commencement of the meeting.
2. The Share Transfer Books and the Register of Members will remain closed from 19th October 2006 to 23 October 2006 (both days inclusive). Dividend on equity shares for the year ended will be paid on or before 28th October 2006 to those Members whose names



appear on the Company's Register of Members at the close of working hours of the Company, on 19th October, 2006 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.

3. The name of the Company has been changed from TCI Industries Ltd. to Transport Corporation of India Ltd. vide fresh Certificate of Incorporation dated 29/10/99, issued by the Registrar of Companies, Andhra Pradesh, Hyderabad.
  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. Members are requested to intimate under the signature of the sole/ first Joint Holder about the Bank Account Number, 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 in future, to avoid the incidence of fraudulent encashment of the instrument.
  6. ECS facility is presently available at certain specified locations by RBI. To avoid the risk of loss/interception of dividend warrants in postal transit and/or fraudulent encashment, shareholders are requested to avail of ECS facility - where dividends are directly credited in electronic form to their respective bank accounts. This also ensures faster credit of dividend.
  7. The Members are requested to address all their communications to M/s Abhipra Capital Ltd., Ground Floor, Abhipra Complex, Dilkhush Indl. Area, A-387, G.T. Karnal Road, Azadpur New Delhi-110033, the common agency to handle electronic connectivity and the shares in physical mode or at the Corporate Office of the Company for prompt redressal.
  8. The Members who have still not exchanged their old share certificates, are requested to surrender the same (issued by the then Transport Corporation of India Ltd. - Now known as TCI Industries Ltd., the transferor Company under the Scheme of Arrangement) along with set of four signature cards to M/s. TCI Industries Ltd., Mukesh Mills Compound, N.A. Sawant Marg, Colaba, Mumbai-400 005, as several times requested by the said Company and subsequent reminders from our Company as well to obtain their new share certificates of four Companies including this Company.
  9. The shares of the Company are at present listed on following Stock Exchanges viz. Hyderabad, NSE & BSE. The listing fee in respect of the year 2006-07 has since been paid to all these Stock Exchanges.
  10. Pursuant to the requirements of the Listing Agreements with Stock Exchanges on Corporate Governance, the information about the Directors proposed to be appointed/re-appointed is given hereunder:
- A. Mr. S.N. Agarwal**, an Engineering Graduate, has also done Graduation in Management from Devenport College of Business Michigan, USA. He has also completed Advance Management Program (AMP) from Harvard Business School, USA. Mr. Agarwal has over 35 years of rich experience in industry, commerce and business. A Bangalore based leading industrialist, Mr. S.N. Agarwal has interest in Power and Gases. He is the Chairman / Director in number of prominent companies. Mr. Agarwal also takes active interest in various Chambers of Association including FICCI and CII etc. He is also on the Governing Board of Indian Institute of Management, Bangalore.

Company Name	Director/ Chairman	Committee		
		Audit	Remuneration	Shareholders/ Investors Grievance
Bhoruka Gases Ltd.	Chairman	-	-	-
Bhoruka Power Corporation Ltd.	Vice-Chairman	-	-	-
TCI Industries Ltd.	Director	-	-	-
Daurala Organics Ltd.	Director	-	-	-
Kiloskar Electric Co. Ltd.	Director	-	Member	-

Mr S. N. Agarwal does not hold any equity shares in the company

- B. Mr. O. Swaminatha Reddy**, a Chartered Accountant, is a renowned financial and management consultant. He has been the past Chairman of Andhra Bank. Besides, he has also held the position of the Chairman/ Managing Director of A.P. State Finance Corporation. Presently, he is on the Board of several reputed companies as Chairman/Director. He is Chairman - Governing Body of Indian Institute of Economics, Hyderabad and Member - Management Committee of Federation of A.P. Chamber of Commerce and Industry.

Company Name	Director/ Chairman	Committee		
		Audit	Remuneration	Shareholders/ Investors Grievance
Sagar Cement Limited	Chairman	Chairman	-	-
Swan Vacuum Systems Ltd.	Chairman	-	-	-
TCI Finance Limited	Chairman	-	-	-
Sujana Resort Limited.	Chairman	-	-	-
Sagar Power Ltd.	Chairman	-	-	-
VBC Industries Ltd.	Director	Member	-	-
KCP Limited	Director	Member	-	-
Surana Telecom Limited	Director	Chairman	-	-
Bhagya Nagra Metals Ltd.	Director	Chairman	-	-
Khaitan Tibrewala electrical Limited	Director	Chairman	-	-
HBC Flex tech Limited	Director	-	-	-
K. M Power Pvt. Limited	Director	-	-	-
EPR Pharmaceuticals Pvt Ltd	Director	Member	-	-

Mr. O. Swaminatha Reddy holds 300 shares of the company.

- C. Mr. D. P. Agarwal** has been associated with the Transport industry for the last over four decades. He has been the driving force in developing this crucial industry into the organized sector in which TCI is the dominant player.

Mr Agarwal has also done Owner/President Management Program (OMP) conducted by Harvard Business School, USA.

Besides being on the Board of several Companies, Mr. Agarwal is associated with various Chambers of Commerce viz CII, FICCI & PHDCCI etc. He has also been engaged in various social and philanthropic activities for the common good more so through the social arm of the Group i.e. TCI Foundation.

Mr. Agarwal is also on the Board of following companies:

Name	Designation	Committee		
		Audit	Remuneration	Shareholders/ Investor Grievance
Jai Bharat Maruti Ltd.	Director	Member	Member	-
TCI Industries Limited	Director	-	-	-
Bhoruka Power Corporation Limited	Director	-	-	-
TCI Distribution Centers Limited	Director	-	-	-

- D. Mr Vineet Agarwal** is with the Company since last over 10 years. He has done Graduation in Economics and Industrial Management from USA. An IT savvy person, Mr. Agarwal has successfully introduced computerization to the branch level besides facilitating timely data transfer covering wide branch network.

His endeavors have resulted in putting the Company on the premier position especially in the niche growth segments like Total Logistics Service provider and Express Cargo Services etc.

Mr. Agarwal is also on the Board of following companies:

Name	Designation	Committee		
		Audit	Remuneration	Shareholders/ Investor Grievance
Transystem Logistics International Pvt. Ltd.	Chairman	-	-	-
Transcorp International Ltd.	Director	Member	Member	-
TCI Distribution Centre Ltd.	Director	-	-	-

- E. Mr. Chander Agarwal** joined the Company four years ago. He has done Bachelor of Science in Business Administration during 1996-2001 from Bryant College, Smithfield, RI with concentration in Management and Minor in Economics and Political Science.



Over the years, he has been handling several functions like diversification projects, new ventures and spearheading various strategic initiatives of the Company. He is also on the Board of following Companies:

Name	Designation	Committee		
		Audit	Remuneration	Shareholders/ Investor Grievance
XPS Cargo Services Ltd.	Director	-	-	-
TCI India Ltd.	Director	-	-	-

#### Explanatory Statement u/s 173(2) of the Companies Act, 1956 Special Business:

##### Item No. 6

M/s. K.B. Chitracar & Co., Chartered Accountants, Kathmandu, have been the Branch Auditors for auditing the accounts of all the branches of the Company situated in Royal Kingdom of Nepal. They have also intimated about their willingness to carry on the work as Branch Auditors for the year 2006-07.

The Board recommends the appointment of M/s. K.B. Chitracar & Co., Chartered Accountants as Branch Auditors for the year 2006-07. None of the directors is interested or concerned in the resolution.

##### Item No. 7

M/s. R.S. Agarwala & Co., Chartered Accountants, Bangalore, have been the Statutory Auditors for the erstwhile TCI Seaways Ltd. Consequent upon the Scheme of Amalgamation, the said TCI Seaways Ltd. has been amalgamated with the Company. It is therefore considered expedient to retain their services to carry on the work as Branch Auditors for the year 2006-07.

The Board recommends the appointment of M/s R.S. Agarwala & Co., Chartered Accountants, Bangalore as Branch Auditors for the year 2006-07.

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

##### Item No. 8

Mr. Chander Agarwal was appointed as an Additional Director of the Company by the Board u/s 260 of the Companies Act, 1956 and holds office until the date of this Annual General Meeting but is eligible for re-appointment as a Director. The Company has received a deposit of Rs. 500 and a notice from a member u/s 257 of the Companies Act, 1956 signifying his intention to propose the name of Mr. Chander Agarwal as a candidate for the office of Director.

Till now, Mr. Chander Agarwal has been holding the position of Head-New Ventures, XPS Division. Keeping in view the excellent performance put by him, the Board of Directors feels that his knowledge and experience will be of immense benefit to the Company and therefore recommends his appointment as a Director of the Company.

Besides Mr Chander Agarwal himself, Mr. S N Agarwal, Mr. D P Agarwal & Mr. Vineet Agarwal, may also be considered as interested or concerned in the above resolution by virtue of their being related to him.

##### Item no. 9 & 10

Items 9 & 10 relate to the resolution seeking the approval of the members for revising the remuneration payable to Mr. D P Agarwal and Mr. Vineet Agarwal as the Vice Chairman & Managing Director and Executive Director of the Company, respectively.

Mr. D P Agarwal's association with the Transport Industry has been for last over four decades. He has been instrumental in developing and managing the Company from its start up. Today, in the organized sector, TCI is regarded as a premier organization which has substantially been possible due to his continued and untiring efforts. Mr. Agarwal has been responsible for all round growth of the Company in various segments.

Mr. Vineet Agarwal has been with the Company for over 10 years. He has done Graduation in Economics and Industrial Management from USA. Mr. Agarwal has been instrumental in taking computerization to the branch level and ensuring smooth data flow on real time basis by introducing a robust oracle based application system. He has also enabled the Company to make significant inroads in high growth segments viz. third party logistics and express Cargo services etc.

The Shareholders in their AGM held on 29th Aug 2003 had approved the appointment & remuneration of Mr. D.P. Agarwal and Mr. Vineet Agarwal as Vice-Chairman & Managing Director and Executive Director of the

Company for a period of five years w.e.f. 1<sup>st</sup> August, 2003. & 1<sup>st</sup> July, 2003 respectively.

Presently, they are entitled for following remuneration :

Particulars	Mr. D P Agarwal	Mr. Vineet Agarwal
Monthly Salary	Rs. 4,00,000	Rs. 3,00,000
Commission	@ 2% of the net profits	@ 1% of the net profits
Other usual benefits/ perquisites subject to overall ceilings laid down u/s 198 and 309 of the Companies Act, 1956	Yes	Yes

Keeping in view the immense knowledge and rich experience possessed by the above mentioned managerial persons, the Board strongly feels to continue to avail their services. Accordingly, the Board of Directors at its meeting held on 21st Sept., 2006 has revised the remuneration payable to them subject to the approval of the members in general meeting, pursuant to the provisions of Sections 198, 269, 309, schedule XIII and other applicable provisions of the Companies Act, 1956. The proposed terms and conditions of the said revision are as follows:

Particulars	Mr. D P Agarwal	Mr. Vineet Agarwal
a) Monthly Salary – with liberty to the Board or any committee thereof in its absolute discretion to fix within the range as stated.	In the range of Rs. 6,00,000 to Rs. 8,00,000	In the range of Rs. 4,50,000 to Rs. 6,00,000
b) Commission	@ 2% of the net profits	@ 1% of the net profits
c) Revised salary with effect from	1 <sup>st</sup> August, 2006	1 <sup>st</sup> July, 2006

Besides above, Mr. D P Agarwal and Mr. Vineet Agarwal shall also be eligible for following perquisites, allowances and benefits including :

##### i) Perquisites and allowances:

i. Housing : Furnished/unfurnished residential accommodation or house rent allowance at certain percentage of salary in lieu thereof. Reimbursement of expenses incurred on utilities such as gas, electricity, water, furnishings, repairs etc. shall be valued as per Income Tax Rules, 1962.

ii. Medical reimbursement/allowance : Reimbursement of actual expenses for self and family and/or allowances will be paid as per the rules of the Company.

iii. Leave travel concession/allowance: For self and family once in a year, in accordance with the rules of the Company.

iv. Club fees: Fees payable subject to a maximum of two clubs.

v. Personal accident insurance: As per the rules of the Company.

vi. Provision of driver /Allowance for driver's salary: As per the rules of the Company.

vii. Company car and telephone: Expenses in relation to use of Company car and telephone for official purposes.

viii) any other expenses incurred/reimbursed not specifically included herein above.

##### e) Other benefits:

i. Earned/privilege leave: As per the rules of the Company.

ii. Company's contribution to provident fund and superannuation fund: As per the rules of the Company.

iii. Gratuity: As per the rules of the Company.

iv. Encashment of leave: As per the rules of the Company.

The aggregate of the salary, commission, perquisites & allowances, and other benefits etc. taken together in respect of payment to Mr. D P Agarwal and Mr. Vineet Agarwal, shall always be subject to the overall ceilings laid down in Sections 198 and 309 of the Companies Act, 1956.

##### f) Minimum remuneration:

Where in any financial year, during the currency of tenure of Mr. D P Agarwal and Mr. Vineet Agarwal, the Company incurs a loss or its profits are inadequate, the Company may pay them remuneration by way of salary, commission, perquisites & allowances etc. not exceeding the limits as specified under section II in part II of Schedule XIII to the Companies Act, 1956, or such other limits as may be prescribed by the Government from time to time as minimum remuneration.