

TCI

INDUSTRIES LIMITED



45th
Annual Report
2009-2010

TCI INDUSTRIES LIMITED

**45th
Annual General Meeting**

Date : 21st July, 2010

Venue: Surana Udyog Auditorium,
The Federation of Andhra
Pradesh Chambers of
Commerce and Industry,
11-6-841, Red Hills,
Hyderabad 500 004.

| CONTENT | Page |
|-----------------------|-------------|
| Notice | 1 |
| Directors Report | 2 |
| Auditors Report | 5 |
| Balance Sheet | 7 |
| Profit & Loss Account | 8 |
| Schedules | 9 |
| Cash Flow Statement | 15 |

BOARD OF DIRECTORS

CHAIRMAN

S. N. AGARWAL

DIRECTORS

D. P. AGARWAL

M. K. AGARWAL

R. K. AGARWAL

ASHOK KUMAR AGARWAL

P. L. PODDAR

VIKAS AGARWAL

ASHISH AGARWAL

AUDITORS

R. S. AGARWALA & CO.
Chartered Accountants
Kolkata

REGISTERED OFFICE

1-7-293, Mahatma Gandhi Road,
Secunderabad - 500 003.

CORPORATE OFFICE

N. A. Sawant Marg, Colaba,
Mumbai - 400 005.

TCI INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the FORTY FIFTH Annual General Meeting of the Members of the **TCI INDUSTRIES LIMITED** will be held on Wednesday the July 21st, 2010 at 10.30 a. m. at Surana Udyog Auditorium, the Federation of Andhra Pradesh Chambers of Commerce and Industry, 11-6-841, Red Hills, Hyderabad 500 004 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2010 and the Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. D.P. Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. M.K. Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. P.L. Poddar, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. R S Agarwala & Co, Chartered Accountants, as Auditors of the Company to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.
2. The members are requested to intimate any change in their address with PIN Code, immediately and quote Folio Number in all correspondence. They are also requested to bring their copy of Annual Report while coming to the meeting.
3. Members who hold shares in dematerialised form are requested to bring their client ID and DP ID Numbers for easy identification of attendance at the meeting.
4. The shares of the Company have been dematerialised (ISIN No. INE 920B01019) and presently traded in electronic form.
5. The Name of the Company has been changed from Transport Corporation of India Ltd. to TCI Industries Limited w.e.f. 29/01/99.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, July 14, 2010 to Wednesday, July 21, 2010 (both days inclusive)
7. The members are requested to note that the Company's Registrar and Share Transfer Agent is **Bigshare Services Private Limited, E/2 Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai 400 072**. The members are requested to lodge their shares for transfer, transmission, splitting, consolidation etc. directly to them.

NOTES

1. (A) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (B) Proxy form is enclosed which should be deposited at the Registered office of the company duly completed and signed not less than 48 hours before the commencement of the meeting.
8. **THOSE MEMBERS WHO HAVE NOT SURRENDERED THEIR OLD CERTIFICATES FOR EXCHANGE TO OBTAIN THEIR NEW SHARE CERTIFICATES OF FOUR COMPANIES INCLUDING THIS COMPANY ARE REQUESTED TO SURRENDER THE SAME AT THE CORPORATE OFFICE ADDRESS OF THE COMPANY AT MUMBAI.**
9. The shares of the Company are at present listed on the Bombay Stock Exchange Limited (BSE). The Company has made payments of the listing fees to Stock Exchange in time.

By order of the Board
For **TCI Industries Limited**

Place : Mumbai
Date : May 21, 2010

S. N. Agarwal
Chairman

TCI INDUSTRIES LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your directors take pleasure in presenting this Forty Fifth Annual Report and Audited Statement of Accounts for the year ended on March 31, 2010.

FINANCIAL RESULTS

(Rs. In '000)

| Financial Results | 2009 - 10 | 2008 - 09 |
|--|------------|-----------|
| Income | 54669 | 66924 |
| Profit (Loss) before Interest, Depreciation & Taxation | (13) | (101) |
| Less : Interest | 132 | 82 |
| Depreciation (Net) | 539 | 490 |
| Profit (Loss) before taxes | (684) | (673) |
| Taxes (FBT) | 18 | 117 |
| Profit (Loss) after tax | (702) | (790) |
| Balance brought forward | (207046) | (206256) |
| Balance carried forward | (207748) | (207046) |

Due to market conditions, the trading during the year was low compared to previous year resulting in the loss.

DIVIDEND

In view of losses suffered by the Company, your Directors do not recommend any dividend for the year under review.

COMPANY'S PROPERTY AT COLABA - MUMBAI

In the previous year's report, your Directors had informed that the written pleadings in the matter of the Writ Petition filed by the Company in the Hon'ble High Court of Mumbai, against the Municipal Corporation of Greater Mumbai & the Defence Department are over and the matter is due for final hearing & disposal. During the year the final hearing of the matter did not take place even though on few occasions the matter was listed for final hearing.

FIXED DEPOSITS

During the year under review, your Company has not accepted any deposits under the provisions of Section 58A of the Companies Act, 1956 and the rules made there under.

DIRECTORS

As per the provision of the Companies Act, 1956 and the Articles of Association of the Company, Mr. D.P. Agarwal, Mr. M.K. Agarwal and Mr. P.L. Poddar retire by rotation and being eligible, offer themselves for re-appointment, which your Directors consider to be in the interests of the Company and therefore recommend it for your approval.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors based on the representations received from the Operating Management confirm that, to the best of their knowledge -

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a

true and 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 the year under review;

- iii) the Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the accounts on a going concern basis.

AUDITORS

M/s. R S Agarwala & Co., Chartered Accountants, the Statutory Auditors retire at this meeting and are eligible, offer themselves for re-appointment. A certificate has been obtained from them to the effect that the appointment, if made will be in accordance with the limits specified in sub-section (1B) of Section 224 of the Companies Act, 1956. Your Board recommended their re-appointment.

AUDITOR'S REPORT

The observations made by the Auditor's in their report are appropriately dealt with in the notes forming part of the accounts for the year which are self-explanatory and hence do not require any further explanations.

SECRETARIAL COMPLIANCE REPORT

A Compliance Certificate from M/s. Chandanbala Jain & Associates, Company Secretaries u/s 383 A of the Companies Act, 1956 in respect of the financial year ended March 31, 2010 is annexed to the Directors' Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The production operations have been closed since 1982. Hence, particulars required under Section 217(1)(e) in respect of conservation of energy and technology absorption are not applicable. The Company had no foreign exchange earnings and outgo during the financial year

PARTICULARS OF EMPLOYEES

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is not given, as there were no employees drawing remuneration prescribed under the said section.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to place on record their appreciation of the trust and confidence reposed by you in the Company and all others, who are connected with the company in any manner.

For and on behalf of the Board
For TCI Industries Limited

Place : Mumbai
Date : May 21, 2010

S. N. Agarwal
Chairman

TCI INDUSTRIES LIMITED

SECRETARIAL COMPLIANCE CERTIFICATE For the Financial Year ended March 31, 2010

To,
The Members,
TCI Industries Limited
1-7-293, Mahatma Gandhi Road,
Secunderabad - 500 003.

Date : May 14, 2010
CIN : L74999AP1965PLC001551
Authorised Capital : Rs. 16,00,00,000/-
Paid up Capital : Rs. 89,67,910/-

We have examined the registers, records, books and papers of TCI Industries Limited, (the company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the company for the purpose of issuing a Secretarial Compliance Certificate under Section 383A of the Companies Act, 1956 (The Act), read with the Companies (Compliance Certificate) Rules, 2001 (The Rules), for the financial year ended on March 31, 2010. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in **Annexure 'A'** to this Certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The company has filed the forms and returns as stated in **Annexure 'B'** to this Certificate, with the Registrar of Companies. There is no other form or return required to be filed with the Registrar of Companies, the Regional Director, Central Government, Company Law Board or any other authorities as applicable under the Act and the rules made thereunder.
3. The company being a public limited company has the minimum prescribed paid-up capital.
4. The Board of Directors duly met 4 (Four) times on May 21, 2009, July 22, 2009, October 27, 2009 and January 19, 2010, in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. No circular resolutions were passed.
5. The company closed its Register of Members from July 15, 2009 to July 22, 2009 (both days inclusive) during the financial year under review in compliance with the provisions of the Act.
6. The Annual General Meeting for the financial year ended on March 31, 2009, was held on July 22, 2009, for approval of accounts, after giving due notice to the members of the Company and the Resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extraordinary General Meeting was held during the said financial year.
8. As per information and explanation given to us, the company has not advanced any loans to its directors and / or persons or firms or companies referred to in Section 295 of the Companies Act, 1956.
9. As per information and explanation given to us, the company has not entered into any contracts, which attract provisions of Section 297 of the Companies Act, 1956 in respect of contracts specified in that Section.
10. The company has made necessary entries in the register maintained under Section 301 of the Companies Act, 1956.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The company had issued duplicate certificates during the financial year in accordance with the provisions of the Act.
13. i) The company had delivered all the certificates on lodgement thereof for transfer / transmission of securities in accordance with the provisions of the Act. There was no allotment of securities during the financial year.
ii) The company has not declared any dividend for the year hence there is no deposit of any amount in separate Bank.
iii) The company was not required to post any dividend warrant to any member of the company as no dividend was declared during the financial year.
iv) The company was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as the Company has no arrears of dividends nor issued any debentures & has not accepted any deposit.
v) The company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There were no appointments of additional Directors or alternate Directors or Directors to fill casual vacancies during the financial year.
15. The company has not appointed any Managing Director / Whole-time Director / Manager during the financial year.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director and / or such authorities, prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the Rules made thereunder.
19. The Company has not issued any shares or debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions, necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares during the year.
23. As per information and explanation given to us, the company has not invited / accepted any deposits, including any unsecured loans, falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the company from directors, members, financial institutions, banks and others during the financial year is within the borrowing limits of the company and that necessary resolution as per section 293(1)(d) of the Act have been passed by the Company in the past.
25. The company has neither granted any loans or given guarantees nor made any investments during the year under scrutiny.
26. The company has not altered the provisions of the Memorandum with respect to the situation of the company's Registered Office from one State to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the Memorandum with respect to the name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to the Share Capital of the company during the year under scrutiny.
30. The company has not altered the Articles of Association, during the year under scrutiny.
31. As per information and explanation given to us, there was no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company or its Directors during the financial year for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The provisions of Section 418 of the Act are not applicable as the company does not have its own PF Trust and the provisions of the Provident Fund Act are not applicable.

For Chandanbala Jain & Associates
Practicing Company Secretaries

Chandanbala R. Jain
Proprietor
CP No. 6400 (FCS6122)

Place : Mumbai
Date : May 14, 2010

TCI INDUSTRIES LIMITED

Annexure forming part of the report of even date issued for M/s. TCI Industries Limited for the financial year ending 31st March, 2010

ANNEXURE 'A'

Registers as maintained by the company:

| Sr. No. | Name of the Register | Maintained |
|---------|---|--------------------|
| 1. | Register of Members | U/S 150 of the Act |
| 2. | Register of Contracts | U/S 301 of the Act |
| 3. | Register of Directors | U/S 303 of the Act |
| 4. | Register of Directors' shareholdings | U/S 307 of the Act |
| 5. | Register & Returns | U/S 163 of the Act |
| 6. | Register of Shares Transfer | |
| 7. | Board Minutes Books & AGM/EGM Minutes Books | |

ANNEXURE 'B'

Forms and returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on March 31, 2010.

| Sr. No. | Form No. | Section/ Rule | Description | Details of filing | Whether filed within prescribed time yes/no | If delayed, additional fees paid yes/no |
|---------|------------|---------------|---|------------------------------------|---|---|
| 1. | 66 | Section 383A | Compliance Certificate for F.Y. 2008-2009 | Date: 03.08.2009 SRN: P33595653 | Yes | N. A. |
| 2. | 23AC & ACA | Section 220 | Balance Sheet and Profit & Loss A/c 2008-2009 | Date: 03.08.2009 SRN: P33596206 | Yes | N. A. |
| 3. | 20B | Section 159 | Annual Return 2008-2009 | Date: 12.08.2009 SRN: P33777822 | Yes | N. A. |

No Form / Return were required to be filed with the R/D, CLB and Central Government.

For Chandanbala Jain & Associates
Practicing Company Secretaries

Place : Mumbai
Date : May 14, 2010

Chandanbala R. Jain
Proprietor
CP No. 6400 (FCS 6122)

TCI INDUSTRIES LIMITED

To
The Members,
TCI Industries Limited

We have audited the attached Balance Sheet of TCI Industries Ltd., as at 31st March, 2010 and the annexed Profit and Loss Account and the Cash Flow statement of the Company for the year ended on that date and report that :

1. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 (as amended) issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we enclose in the Annexure hereto a statement on the matters specified in paragraph 4 & 5 of the said Order to the extent applicable.
4. Further to our comments in the Annexure, refer to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for purpose of our audit.
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books and proper returns

adequate for the purpose of our audit have been received from the Mumbai branch visited by us.

- (iii) The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Profit and Loss Account, the Balance Sheet and Cash Flow Statement comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956.
- (v) On the basis of written representations received from the directors as on 31st March, 2010 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2010 from being appointed as a Director under section 274(1)(g) of the Companies Act, 1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes and accounting policies thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - b) In the case of Profit and Loss Account, of the Loss of the Company for the year ended on that date; and
 - c) In the case of cash flow statement, of the cash flows for the year ended on that date.

For R. S. Agarwala & Co.
Chartered Accountants

R. S. Agarwala

Partner

Membership No. F-5534

Firm Regn. No.: 304045E

Place : Kolkata
14th May, 2010

TCI INDUSTRIES LIMITED

Annexure to Auditor's Report

Referred to in paragraph 3 of our report of even date.

1. The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets. The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed.
2. During the year, the Company has not disposed off a substantial part of fixed assets.
3. Physically verification was conducted by the management in respect of inventories at reasonable intervals. The Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification. The procedures followed by the management for such physical verification are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
4. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act. The Company has taken interest free unsecured loans of Rs. 47.50 lacs during the year from three parties covered in the register maintained under section 301 of the Act. The maximum amount involved during the year and the year end balances amounts to Rs. 67.50 lacs. The terms and conditions of loan taken are not prima facie prejudicial to the interest of the company. There are no stipulations as to the dates for repayment of principal and interest.
5. There is an adequate internal control system commensurate with the size and nature of the Company's business for the purchase of inventories, fixed assets and for sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system, nor we have been informed of any such instance.
6. a) To the best of our knowledge and belief and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered into the register in pursuance of Section 301 of Act, have been so entered.
b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register in pursuance of Section 301 of Act have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
7. The Company has not accepted any deposits from the public.
8. The Company has appointed a firm of Chartered Accountants to do the internal audit regularly. The internal audit system is commensurate with the size and nature of Company's business.
9. According to the books and records produced to us and based on management representations, undisputed statutory dues in respect of Provident Fund, Employees' State insurance dues, Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax and other material statutory dues have generally been regularly deposited by the Company during the year with the appropriate authorities. There are no unpaid disputed statutory dues at the year end.
10. The Company's accumulated losses at the year end exceed its net worth. It has incurred cash losses in the financial year and in the immediately preceding financial year.
11. The Company has not given any guarantee for loans taken by others.
12. According to the information and explanations given to us, no material fraud on or by the Company was noticed or reported during the year.
13. Other matters specified in para 4 of the Companies (Auditors' report) Order, 2003 (as amended) are, in our opinion, not applicable to the Company.

For R. S. Agarwala & Co.
Chartered Accountants

R. S. Agarwala
Partner

Place : Kolkata
14th May, 2010

Membership No. F-5534
Firm Regn. No.: 304045E

TCI INDUSTRIES LIMITED

BALANCE SHEET

as at 31st March 2010

| | Schedule | Rupees | 31st March 2010 Rupees | 31st March 2009 Rupees |
|---|----------|-----------|------------------------------|------------------------------|
| SOURCES OF FUNDS | | | | |
| SHAREHOLDERS' FUNDS | | | | |
| SHARE CAPITAL | 1 | 9067360 | | 9067360 |
| RESERVES & SURPLUS | 2 | 91146037 | 100213397 | 91146037 |
| LOAN FUNDS: | | | | |
| SECURED LOANS | 3 | | 2362299 | 1298279 |
| UNSECURED LOANS | 4 | | 6750000 | 2000000 |
| TOTAL | | | 109325696 | 103511676 |
| APPLICATION OF FUNDS | | | | |
| FIXED ASSETS: | | | | |
| GROSS BLOCK | 5 | 66800438 | | 64190063 |
| LESS : DEPRECIATION | | 26001038 | | 25617770 |
| NET BLOCK | | | 40799400 | 38572293 |
| CURRENT ASSETS, LOANS & ADVANCES: | | | | |
| SUNDRY DEBTORS | 6 | 6976290 | | 11094710 |
| CASH & BANK BALANCES | 7 | 1148315 | | 99959 |
| LOANS & ADVANCES | 8 | 20029796 | | 16316901 |
| | | 28154401 | | 27511570 |
| LESS : CURRENT LIABILITIES & PROVISIONS: | | | | |
| LIABILITIES | 9 | 167270791 | | 169408868 |
| PROVISIONS | 10 | 106145 | | 210260 |
| | | 167376936 | | 169619128 |
| NET CURRENT ASSETS | | | (139222535) | (142107558) |
| PROFIT & LOSS ACCOUNT | | | 207748832 | 207046942 |
| TOTAL | | | 109325696 | 103511676 |
| Notes on Accounts | 14 | | | |

Schedules 1 to 10 and Schedule 14 referred to above form part of the Balance Sheet

In terms of our Report of even date
For R. S. Agarwala & Co.
Chartered Accountants

For and on behalf of the Board

R. S. Agarwala
Partner

D. P. Agarwal
Director

Place : Kolkata
Date : 14 May, 2010

New Delhi
14-05-2010

Ashok Agarwal
Director

TCI INDUSTRIES LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31st March 2010

| | Schedule | 31st March 2010 Rupees | 31st March 2009 Rupees |
|---|----------|------------------------------|------------------------------|
| INCOME | | | |
| SALES | | 54188655 | 66611800 |
| OTHER INCOME | 11 | 480462 | 312000 |
| TOTAL | | <u>54669117</u> | <u>66923800</u> |
| EXPENDITURE | | | |
| PURCHASES | | 50076285 | 62042495 |
| PERSONNEL EXPENSES | 12 | 1363178 | 1355748 |
| ADMINISTRATIVE EXPENSES | 13 | 3093461 | 3346340 |
| LOSS ON SALE OF MOTOR CAR | | 149483 | 280701 |
| INTEREST | | 132015 | 82360 |
| DEPRECIATION | | 538896 | 490106 |
| | | <u>55353318</u> | <u>67597750</u> |
| PROFIT (LOSS) FOR THE YEAR | | (684201) | (673950) |
| PROVISION FOR FRINGE BENEFIT TAX | | 0 | 106145 |
| TAXES FOR EARLIER YEARS | | 17689 | 10800 |
| PROFIT (LOSS) AFTER TAX | | (701890) | (790895) |
| BALANCE BROUGHT FORWARD FROM EARLIER YEAR | | 207046942 | 206256046 |
| LOSS CARRIED TO BALANCE SHEET | | <u>207748832</u> | <u>207046942</u> |
| EARNING PER SHARE (BASIC & DILUTED) | | (0.78) | (0.88) |
| Notes on Accounts | 14 | | |

Schedules 11 to 13 referred to above form part of the Profit & Loss Account

In terms of our Report of even date

For R. S. Agarwala & Co.

Chartered Accountants

For and on behalf of the Board

R. S. Agarwala
Partner

D. P. Agarwal
Director

Place : Kolkata
Date : 14 May, 2010

New Delhi
14-05-2010

Ashok Agarwal
Director

TCI INDUSTRIES LIMITED

SCHEDULES TO THE ACCOUNTS

| | 31st March 2010 Rupees | 31st March 2009 Rupees |
|---|------------------------------|------------------------------|
| (1) SHARE CAPITAL | | |
| Authorised: | | |
| 15000000 Equity shares of Rs.10 each | 150000000 | 150000000 |
| 100000 Preference Shares of Rs.100 each | 10000000 | 10000000 |
| | <u>160000000</u> | <u>160000000</u> |
| Issued subscribed and paid up: | | |
| 896791 Equity shares of Rs.10 each fully paid up | 8967910 | 8967910 |
| Add: Amount paid on shares forfeited | 99450 | 99450 |
| | <u>9067360</u> | <u>9067360</u> |
| In terms of the schemes of arrangement duly approved by the Andhra Pradesh High Court the issued & paid-up capital of the company was reduced from Rs.10,87,78,200 to Rs. 54,38,910 effective from 1 st. April, 1996 and 53209 Equity Shares were cancelled during the year 2003-04 | | |
| (2) RESERVES & SURPLUS : | | |
| Capital Reserves | | |
| Revaluation Reserve | 25896118 | 25896118 |
| Share Premium | 61809410 | 61809410 |
| Others | 3440509 | 3440509 |
| | <u>91146037</u> | <u>91146037</u> |
| (3) SECURED LOANS | | |
| From Banks | 2362299 | 1298279 |
| Secured against hypothecation of Motor cars purchased thereagainst | | |
| | <u>2362299</u> | <u>1298279</u> |
| (4) UNSECURED LOANS | | |
| Short term loans & advances | | |
| From Directors | 4500000 | 0 |
| Other than Banks | 2250000 | 2000000 |
| | <u>6750000</u> | <u>2000000</u> |

TCI INDUSTRIES LIMITED

SCHEDULES TO THE ACCOUNTS (Contd...)

(5) FIXED ASSETS

| Description of Assets | AT COST OR VALUATION | | | | DEPRECIATION | | | | NET BLOCK | | | | | | | | | | | | |
|-----------------------|----------------------|----------------|---------------------------|-----------------|----------------------------|---------------|-----------------|-----------------|----------------|----------|--------------|----------|--------------------------|----------|----------|----------|-----------------|-----------------|-----------------|----------|----------|
| | As at 1-4-2009 | | Additions during the year | | Deductions during the year | | As at 31-3-2010 | | upto 31-3-2009 | | For the Year | | Adjustment on deductions | | Total | | As at 31-3-2010 | | As at 31-3-2009 | | |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | |
| Leasehold Land | 31780960 | — | — | 31780960 | — | — | — | — | — | — | — | — | — | — | — | — | — | 31780960 | 31780960 | — | — |
| Buildings | 25050461 | — | — | 25050461 | — | — | 22162012 | 34657 | 22196669 | — | — | — | — | — | — | — | — | 2853792 | 2888449 | — | — |
| Plant & Machinery | 1456733 | — | — | 1456733 | — | — | 1383896 | — | 1383896 | — | — | — | — | — | — | — | — | 72837 | 72837 | — | — |
| Computers | 405005 | — | — | 405005 | — | — | 366983 | 32956 | 399939 | — | — | — | — | — | — | — | — | 5066 | 38022 | — | — |
| Computer Software | 5148 | — | — | 5148 | — | — | 3234 | 834 | 4068 | — | — | — | — | — | — | — | — | 1080 | 1914 | — | — |
| Furniture & Fixtures | 434645 | — | — | 434645 | — | — | 381199 | 5217 | 386416 | — | — | — | — | — | — | — | — | 48229 | 53446 | — | — |
| Motor Cars | 4402645 | 2415542 | 354000 | 6464187 | — | — | 1031230 | 420009 | 1295611 | — | — | — | — | — | — | — | — | 5168576 | 3371415 | — | — |
| Office Equipments | 480106 | 548833 | — | 1028939 | — | — | 268006 | 36941 | 304947 | — | — | — | — | — | — | — | — | 723992 | 212100 | — | — |
| Air Conditioners | 174360 | — | — | 174360 | — | — | 21210 | 8282 | 29492 | — | — | — | — | — | — | — | — | 144868 | 153150 | — | — |
| Total | 64190063 | 2964375 | 354000 | 66800438 | 25617770 | 538896 | 26001038 | 40799400 | — | — | — | — | — | — | — | — | — | 40799400 | — | — | — |
| Previous Year | 62816292 | 2238383 | 864612 | 64190063 | 25431575 | 490106 | 25617770 | 38572293 | — | — | — | — | — | — | — | — | — | — | — | — | — |

NOTE:
Leasehold land, Building, Plant & Machinery were revalued on 30 th. June 1984 and the resultant increase in the value of assets by Rs.4,87,83,529 was transferred to Capital Reserve.

TCI INDUSTRIES LIMITED

SCHEDULES TO THE ACCOUNTS (Contd...)

| | 31st March 2010 Rupees | 31st March 2009 Rupees |
|---|------------------------------|------------------------------|
| (6) SUNDRY DEBTORS | | |
| Unsecured considered good | | |
| Due for less than six months | 6976290 | 11094710 |
| | <u>6976290</u> | <u>11094710</u> |
| (7) CASH & BANK BALANCES : | | |
| Cash in hand | 178048 | 18218 |
| With Scheduled Banks : | | |
| In Current Accounts | 970267 | 81742 |
| | <u>1148315</u> | <u>99959</u> |
| (8) LOANS & ADVANCES: (Unsecured-considered good) | | |
| Advances recoverable in cash or in kind or for value to be received | 951807 | 476460 |
| Property Development Expenses | 18909177 | 15563048 |
| Deposits | 60190 | 60190 |
| Advance Payment of Taxes | 108622 | 217203 |
| | <u>20029796</u> | <u>16316901</u> |
| (9) CURRENT LIABILITIES : | | |
| Sundry Creditors | 7906191 | 11685518 |
| Advances Received against proposed property development | 158645000 | 156995000 |
| Payable as per Scheme of Arrangement - 2003 | 719600 | 728350 |
| | <u>167270791</u> | <u>169408868</u> |
| (10) PROVISIONS: | | |
| Taxation | 106145 | 210260 |
| | <u>106145</u> | <u>210260</u> |
| (11) OTHER INCOME | | |
| Rent | 478900 | 312000 |
| Unspent liability/Excess provisions written back | 1562 | 0 |
| | <u>480462</u> | <u>312000</u> |

TCI INDUSTRIES LIMITED

SCHEDULES TO THE ACCOUNTS (Contd...)

| | 31st March 2010 Rupees | 31st March 2009 Rupees |
|--|------------------------------|------------------------------|
| (12) PERSONNEL EXPENSES: | | |
| Salaries and Allowances | 1259386 | 1247013 |
| Contributions to Provident & other Funds | 55963 | 51195 |
| Gratuity | 18294 | 10332 |
| Staff Welfare Expenses | 29535 | 47209 |
| | <u>1363178</u> | <u>1355748</u> |
| (13) ADMINISTRATION EXPENSES: | | |
| Advertisement Expenses | 112433 | 71832 |
| Audit Fees | 66180 | 66180 |
| Travelling & Conveyance | 62510 | 56899 |
| Electricity Charges | 422541 | 494097 |
| Insurance | 61321 | 65823 |
| Legal & Professional Fees | 424117 | 558229 |
| Postage expenses | 34501 | 37786 |
| Printing & stationery | 57302 | 50809 |
| Rent | 58957 | 58600 |
| Rates & Taxes | 316416 | 313054 |
| Repairs & Maintenance.-Building | 276930 | 38043 |
| Repairs & Maintenance.- Others | 93189 | 105782 |
| Security Expenses | 137359 | 166768 |
| Motor Car Expenses | 465325 | 497062 |
| Telephone Expenses | 149529 | 208742 |
| Miscellaneous Expenses | 354852 | 320942 |
| Claim Payable to Cotton Corporation | 0 | 235691 |
| | <u>3093461</u> | <u>3346340</u> |

TCI INDUSTRIES LIMITED

SCHEDULES TO THE ACCOUNTS (Contd...)

14) NOTES ON ACCOUNTS

1. No provision has been made for depreciation on assets, which have already been depreciated to the extent of 95% of the value.
2. The Company trades in textiles only, hence the requirement for segment reporting is not applicable.
3. Earning per share - No. of Equity Shares 8,96,791. Loss for the year Rs.7.02 Lacs. Earning per share of Rs. 10/- each (Rs.0.78)

4. Related Party Disclosures

I. Directors/key Management Personnel:

- | | |
|---------------------------------|---------------------------------|
| 1. Mr. S. N. Agarwal – Chairman | 2. Mr. D. P. Agarwal – Director |
| 3. Mr. M. K. Agarwal – Director | |

II. Enterprises over which persons at I above exercise significant influence/relatives:

- | | |
|--|------------------------------|
| 1. M/s. Bhoruka Engineering Inds. Ltd | 10. Mrs. Nidhi Agarwal. |
| 2. M/s. Bhoruka Finance Corporation of India Ltd | 11. M/s. Pragya Enterprises. |
| 3. Mr. Chander Agarwal | 12. Mr. S. N. Agarwal. |
| 4. Mrs. Chandrima Agarwal | 13. Mr. Siddhartha Agarwal. |
| 5. Mr. D. P. Agarwal | 14. M/s. TCI Finance Ltd |
| 6. M/s. Gati Limited | 15. Mrs. Uma Agarwal. |
| 7. Mrs. Kanika Agarwal | 16. Mr. Vivek Agarwal. |
| 8. Mr. M. K. Agarwal | 17. Mr. Vineet Agarwal. |
| 9. M/s. Mahindra Investment Advisors P. Ltd. | |

III. Nature of transaction:

- | | |
|--|-------------|
| A. Advances received against proposed property development | 280.00 Lacs |
| Advances Refunded | 271.00 Lacs |
| Balance carried forward as on 31/03/2010 | 790.04 Lacs |
| | |
| B. Loans availed | 45.00 Lacs |
| Balance carried forwards as on 31/03/2010 | 45.00 Lacs |

5. ADDITIONAL INFORMATION

Under Part II of Schedule VI to the Companies Act, 1956

| | | | 31st March 2010 | | 31st March 2009 | |
|------|-----------|---------|-----------------|-----------------|-----------------|-------------|
| A. | SALES | Unit | Quantity | Value (Rs.) | Quantity | Value (Rs.) |
| | Cloth | Metres | 292270 | 54188655 | 388675 | 66611800 |
| | | | | | | |
| B. | PURCHASES | | | | | |
| | Cloth | Metres. | 292270 | 50076285 | 388675 | 62042495 |

6. Figures for previous year have been regrouped / rearranged wherever necessary.

TCI INDUSTRIES LIMITED

ACCOUNTING POLICIES:

1. Recognition of Income & Expenditure: Income and expenditure are recognised on accrual basis.
2. Gratuity: The Company is a participant of group gratuity scheme with Life Insurance Corporation of India and the required premium under the scheme is paid.
3. As there is no reasonable certainty that sufficient future taxable income will be available against which deferred tax assets can be realized, no deferred tax assets have been recognized in the accounts in respect of brought forward losses eligible as per Income Tax Act.
4. Depreciation: Depreciation is provided on straight-line method at rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on addition/deductions is calculated pro-rata from/to the month of addition/deduction.
5. Fixed Assets: Fixed assets are stated at cost and/or at revaluation.

Signature to Schedules to 1 to 14
In terms of our report of even date

For R. S. AGARWALA & CO.
Chartered Accountants

R. S. Agarwala - Partner
Place : Kolkata, 14th May, 2010

New Delhi
14-05-2010

For and on behalf of the Board

D. P. Agarwal Ashok Agarwal
Director Director

Group for purpose of interse transfer of shares of the company under regulation 3(1)(e)(i) of SEBI (substantial acquisition of shares & takeover) Regulations, 1997.

| | | |
|--|---------------------------------------|---|
| ABC Financial Services Pvt. Ltd | D. P. Agarwal | Siddartha Agarwal |
| ABC India Ltd | Dharampal & Sons (Huf) | Sunbright Investments Pvt. Ltd |
| Anand Kumar & Sons | Dhruv Agarwal Benefit Trust | Sweta Agarwal |
| Anand Kumar Agarwal | Dynamic Enterprises | Sweta Financial Services Pvt. Ltd |
| Ashish Agarwal | Elegant Enterprises | TCI Airways (P) Limited |
| Ashok Kumar Agarwal | Gati Ltd | TCI Boruka Projects Ltd |
| Ashok Kumar Ayan Kumar | ITAG Infrastructure Limited | TCI Finance Limited |
| Assam Bengal Carriers | Jiramdas Education Trust | TCI India Limited |
| Avani Agarwal | Jubilee Commercial & Trading Pvt. Ltd | TCI International Ltd |
| Ayan Agarwal | Kadambri Kapoor | TCI Telenet Solutions Pvt. Ltd |
| Ayan Fin Trade Pvt. Ltd | Kanika Agarwal | TCI Trading |
| Bhoruka Aluminium Limited | Mahendra Investment Advisors Pvt. Ltd | Transport Corporation of India Ltd |
| Bhoruka Classic Finance Pvt. Ltd | Mahendra Kumar Agarwal | Transcorp Fincap Ltd |
| Bhoruka Developers Pvt. Ltd | Mahendra Kumar Agarwal & Sons (Huf) | Transcorp International Ltd |
| Bhoruka Energy Ltd | Manish Agarwal Benefit Trust | Uma Agarwal |
| Bhoruka Engineering Industries Ltd | Mukesh Textile Mills Ltd | Urmila Agarwal |
| Bhoruka Finance Corporation | Nidhi Agarwal | Utasav Agarwal |
| Bhoruka Finance Corporation of India Ltd | Nirmal Agarwal | Urmila Agarwal |
| Bhoruka Healthcare Pvt. Ltd | Omega Capital Services Ltd | Ved Prakash & Son (Huf) |
| Bhoruka International (P) Ltd | Poonam Agarwal | Vikas Agarwal |
| Bhoruka Investments Ltd | Prabhu Dhan Investment Pvt. Ltd | Vikas Agarwal & Son (Huf) |
| Bhoruka Overseas Pte. Ltd | Prabhu Securities Ltd | Vikram Credit & Capital Services Pvt. Ltd |
| Bhoruka Park Pvt. Ltd | Pragya Enterprises | Vineet & Sons (Huf) |
| Bhoruka Power Corporation Ltd | Priyanka Agarwal | Vineet Agarwal |
| Bhoruka Properties Pvt. Ltd | Pushpa Agarwal | Vispra Developers Ltd |
| Bhoruka Steel & Services Ltd | R. K & Sons (Huf) | Vivek Agarwal |
| Bhoruka Trailers Pvt. Ltd | R. K. Agarwal | |
| Bhoruka Gases Ltd | Rajat Agarwal | |
| Bunny Investment & Finance Pvt. Ltd | Ramakraft Pvt. Ltd | |
| Calibration Gas India Ltd | Rock Strong Investments Pvt. Ltd | |
| Chander Agarwal | S. N. Agarwal | |
| Chandrima Agarwal | Satyanarayan Vivek Kumar (Huf) | |

Any Company/entity promoted by any of the above.

TCI INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR 1ST APRIL, 2009 TO 31ST MARCH, 2010

| PARTICULARS | Rs.in Lacs 2009-2010 | Rs.in Lacs 2008-2009 |
|---|-------------------------|-------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before tax and extraordinary item | (6.84) | (6.74) |
| Adjustments for : | | |
| Depreciation | 5.39 | 4.90 |
| Other Income | (4.80) | (3.12) |
| Operating profit before Working Capital changes : | <u>(6.25)</u> | <u>(4.96)</u> |
| Adjustments for : | | |
| Increase/Decrease in Trade and Other Receivables | 4.06 | (122.54) |
| Increase/Decrease in Trade Payables and other Liabilities | (22.42) | 107.93 |
| Provision for Taxation | (0.18) | (1.17) |
| NET CASH FROM OPERATING ACTIVITIES | <u>(24.79)</u> | <u>(20.74)</u> |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Assets | (27.66) | (16.78) |
| Sale of Investments | 0.00 | 0.00 |
| Rent received and misc.income | 4.80 | 3.12 |
| NET CASH FROM INVESTING ACTIVITIES | <u>(22.86)</u> | <u>(13.66)</u> |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Increase/Decrease of Secured Loan & Unsecured loan | 58.14 | 32.98 |
| NET CASH FROM FINANCING ACTIVITIES | <u>58.14</u> | <u>32.98</u> |
| NET INCREASE IN CASH & CASH EQUIVALENT (A+B+C) | 10.49 | (1.42) |
| CASH & CASH EQUIVALENT (OPENING BALANCE) | 0.99 | 2.41 |
| CASH & CASH EQUIVALENT (CLOSING BALANCE) | <u>11.48</u> | <u>0.99</u> |

This is the Cash Flow Statement referred to in our report of even date.

For R. S. AGARWALA & CO.
Chartered Accountants

R. S. Agarwala - Partner

Place : Kolkata, 14th May, 2010

New Delhi,
14-05-2010

For and on behalf of the Board

D. P. Agarwal
Director

Ashok Agarwal
Director

TCI INDUSTRIES LIMITED

Balance Sheet Abstract and Company's General Business Profile

As per Part IV, Schedule VI of the Companies Act, 1956.

I. Registration Details

Registration No.

State Code

Balance Sheet Date
Date Month Year

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue
 N I L

Rights Issue
 N I L

Bonus Issue
 N I L

Private Placement
 N I L

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities
 1 0 9 3 2 6

Total Assets
 1 0 9 3 2 6

Sources of Funds

Paid-up Capital
 9 0 6 7

Reserves & Surplus
 9 1 1 4 6

Secured Loans
 2 3 6 2

Unsecured Loans
 6 7 5 0

Application of Funds

Net Fixed Assets
 4 0 7 9 9

Investments
 N I L

Net Current Assets
 (-) 1 3 9 2 2 3

Profit & Loss
 2 0 7 7 4 9

IV. Performance of the Company (Amount in Rs. Thousands)

Turnover
 5 4 6 6 9

Total Expenditure
 5 5 3 5 3

Profit/Loss Before Tax
 (-) 6 8 4

Profit/Loss After Tax
 (-) 7 0 2

Earnings Per Share in (Rs.)
 (-) 0 . 7 8

Dividend Rate (%)
 N I L

V. Generic Names of Three Principal Products of Company

Item Code No. (ITC Codes) N I L

Product Description N I L

For and on behalf of the Board
TCI Industries Limited

D. P. Agarwal
Director

Ashok Agarwal
Director

Place : New Delhi
Date : 14-05-2010

TCI INDUSTRIES LIMITED

Regd. Office : 1-7-293, Mahatma Gandhi Road, Secunderabad - 500 003. (A.P.)

PROXY FORM

DP ID.....

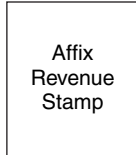
Client ID

Folio No.

I/We..... of in the district ofbeing a member/members of the above named Company do hereby appoint of in the district ofor failing him/her of

in the district of as my/our proxy to vote for me/us on My/our behalf at the 45th Annual General Meeting of the Company to be held at Surana Udyog Auditorium, The Federation of Andhra Pradesh Chambers of Commerce and Industry, 11-6-841, Red Hills, Hyderabad- 500 004 onWednesday the July 21st, 2010 at time given in the Notice of the meeting or at any adjournment thereof.

Signed this day of 2010 Signature



Note : This form in order to be effective should be duly stamped and signed and must be deposited at Registered Office of the Company, not less than 48 hours before the scheduled time of the meeting.

TCI INDUSTRIES LIMITED

Regd. Office : 1-7-293, Mahatma Gandhi Road, Secunderabad - 500 003. (A.P.)

ATTENDANCE SLIP
45th Annual General Meeting

DP ID.....

Client ID

Folio No.

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the 45th Annual General Meeting of the Company at Surana Udyog Auditorium, The Federation of Andhra Pradesh Chambers of Commerce and Industry, 11-6-841, Red Hills, Hyderabad -500 004 Wednesday the July 21st, 2010.

.....
Member's/Proxy's Name in Block Letters

.....
Member's/Proxy's Signature

Note : Please fill in this attendance slip and hand over it at the Entrance of the hall.

BOOK-POST

If undelivered please return to:
TCI INDUSTRIES LIMITED
N. A. Sawant Marg,
Colaba,
Mumbai - 400 005.