



**TCM Limited**

(Formerly Travancore Chemical & Mfg.Co.Ltd.)

**68<sup>th</sup> Annual Report  
&  
Accounts**

**For the year ended 31. 03. 2012**

DIRECTORS	T. THIRUGNANAM GEORGE VARGHESE ANTONY VARGHESE T.S. RAJAGOPALAN RAMESH BABU
MANAGING DIRECTOR	JOSEPH VARGHESE
AUDITORS	VBSK & COMPANY CHARTERED ACCOUNTANTS
REGISTERED OFFICE	32/1111, "SNIGDHA" CHATHANGAT CROSS ROAD, PALARIVATTOM, COCHIN - 682 025.
SHARE TRANSFER AGENTS	CAMEO CORPORATE SERVICE LTD SUBRAMANIAN BUILDING NO. 1, CLUB HOUSE ROAD CHENNAI - 600 002
FACTORIES AT	METTUR DAM TUTICORIN



## NOTICE TO SHAREHOLDERS

Notice is hereby given that the 68<sup>th</sup> Annual General Meeting of the members of TCM Limited. will be held at 3.00 p.m. on 29<sup>th</sup> September 2012 at Bharat Hotel, Ernakulam, to transact the following business.

### Ordinary Business

1. To receive consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March 2012 together with the Profit & Loss account for the year ended 31.03.2012 along with the report of the directors & auditors.
2. To appoint directors in the place of Mr. T Tirugnanam and Mr. Antony Varghese, who retire by rotation and are eligible for reappointments.
3. To appoint auditors and to fix their remuneration and in this connection to pass, with or without modification, the following resolution as an ordinary resolution;

“Resolved that pursuant to the provisions of section 224 and other applicable provisions, if any, of the Companies Act, 1956 M/s VBSK & Company, Chartered Accountants, be and are hereby appointed as auditors of the company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting of the company on a remuneration to be fixed by the board of directors.”

Place : Ernakulam

Date : 03.08.2012

Sd/-

**Joseph Varghese**  
Managing Director

### Notes:

1. **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 such proxy need not be a member of the company. The proxy in order to be valid should be duly completed, signed and stamped and the same must be received at the Registered Office of the company not less than 48 hours before the commencement of the meeting.**
2. The register of members and the share transfer book of the company will remain closed from 20.09.2012 to 29.09.2012 (both days inclusive).
3. Members are requested to intimate any changes in their addresses to the share transfer agent M/s Cameo Corporation Services Limited, “Subramania Building”, No.1, Club House Road, Chennai – 600 002 quoting their folio number.
4. Members are requested to bring their copies of the annual report and accounts to the meeting. Members are also requested to bring the attendance slip with them duly filled in and handover the same at the entrance of the venue.

## DIRECTORS REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting to you the 68<sup>th</sup> Annual Report together with the audited accounts for the year ended 31<sup>st</sup> March, 2012:

### I FINANCIAL PERFORMANCE OF THE COMPANY

PARTICULARS	Year Ended	Year Ended
	31.03.12	31.03.11
	Rs in lakhs.	
Sales- gross	24.03	161.43
Material cost	9.04	57.51
Employee Cost	79.58	123.51
Excise Duty	2.08	15.35
Financial Cost	.03	0.16
Depreciation	29.49	32.79
Net Loss	(143.98)	(242.23)

### II DIVIDEND

Due to loss sustained by the Company the Directors are not in a position to recommend payment of any dividend to the members for the year ended 31<sup>st</sup> March, 2012.

### III EXISTING STATUS:

The production at Tuticorin unit and Metur unit is currently suspended mainly due to the uncertainties faced by the company due to the prolonged litigation that the company is facing in various courts filed by a few shareholders and the matter is still subjudice, in addition to the lack of bank finance for working capital. Production during the year under report was 30.55 MT as compared to 671.50 MT in the previous year. Sales revenue was Rs. 24.03 lakhs this year as compared to Rs. 161.43 lakhs in the previous year. The company plans to initiate trading activities in the company's products to keep its foothold in the market.

As regards Kalamassery unit, the company had signed an MOU with Godrej Properties Limited for a property Development Project. This was approved by the Hon'ble BIFR. However, this has become a subject matter of litigation and the matter is lying before various courts. Some shareholders have also filed applications before BIFR seeking various orders and the same are pending for orders by the BIFR. Till the matters are resolved, the situation at Kalamassery unit is likely to remain as status quo.

### IV DIRECTORS

Mr. T Tirugnanam and Mr. Antony Varghese retire by rotation at the Annual General Meeting and being eligible have offered for reappointment.



## V DEPOSITS

The Company has not accepted any deposits from the public during the year under review.

## VI PARTICULARS OF EMPLOYEES

None of the employees of the Company was in receipt of remuneration attracting the provisions of Section 217 (2A) of the Companies Act, 1956

## VII STATEMENT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND R&D.

a Energy Conservation measures taken during the year 2011 - 2012	Due to reduction of maximum demand by 50% power cost is substantially reduced. Introduction of capacitors to all motors, has resulted in reduced energy consumption. Statement in Form A is annexured.
b Additional Investments and proposals ,if any, being implemented for reduction of consumption of energy	Not applicable
c Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on cost of production of goods	Not significant due to lower level of production
d Total energy consumption and energy consumption per unit of production in Form A	Not applicable
2. TECHNOLOGY ABSORPTION	
1 Research & Development (R&D) specific areas in which R&D carried out by the company	Nil
2 Benefits Derived as a result of above R&D	Not applicable
3 Future plan of action	Constant study to be made in all vital areas to reduce the cost further
4 Expenditure on R&D	Nil



## **VIII DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Board of Directors Report.

- i. That in preparing the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. That the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are 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 profit or loss of the Company for that period.
- iii. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors had prepared the accounts on a going concern basis, as manufacturing operations are restarted and the BIFR revival scheme is under preparation.

## **IX LISTING**

The shares of the company are listed at the Mumbai Stock Exchange. The listing fees has been paid upto and including 2011-2012.

## **X CORPORATE GOVERNANCE REPORT & MANAGEMENT DISCUSSION**

The corporate governance report and certificate from the auditors regarding compliance are annexed together with the management discussion and analysis.

## **XI SECRETARIAL COMPLIANCE REPORT**

The Secretarial compliance report in terms of section 383 A(1) the Companies Act, 1956 is attached.

## **XII QUALIFICATIONS IN AUDIT REPORT**

- (i) Confirmation from debtors and creditors are being obtained by the company. However the management had to give a request letter to auditors not to seek external confirmation, because of the fact that if letter goes to people, they will start asking for money which the company is not able to give, as the company is in revival path, any outflow at this moment, other than operation would severely jeopardize the substratum of the company

- (ii) The company is trying to obtain certified copies of all documents in respect of the investment as these were lost / misplaced during the long period of closure of the company.
- (iii) The company is trying to get its applications for exception from land ceiling disposed of at the earliest.
- (iv) Letters of confirmations of deposits were sent to all parties who have not replied probably because the accounts are non operative for long time
- (v) Letters of confirmations of balances were sent to all banks who have not replied probably because the accounts are non operative for long period.
- (vi) The company was closed for a very long period and continue to be a sick unit though started functioning. Necessary steps for introducing formal internal audit are being taken.
- (vii) The company was closed for a very long period and continue to be a sick unit though started functioning. The company is in the process of ascertaining the status of the assets and its impairment.
- (viii) The company was closed for a very long period and continue to be a sick unit though started functioning. Necessary steps in respect of employee benefits are being taken, considering the revival scheme pending with BIFR
- (ix) The company was closed for a very long period and continue to be a sick unit though started functioning. The company has made an application to The Ministry of Corporate Affairs for waiver from maintaining cost accounting records and the same is pending
- (x) The company registered with BIFR was closed for very long period and continue to be a sick unit though has started operations. The outstanding statutory dues will be paid at the earliest as per revival scheme now pending with BIFR

## **XI AUDITORS**

M/s VBSK and Company, the Statutory Auditors of the company retire at the conclusion of this Annual General Meeting and being eligible have offered themselves for reappointment as statutory auditors for the next financial year.

## **XII FOREIGN EXCHANGE**

Outgo	-	NIL
Earning		NIL

### **XIII ACKNOWLEDGMENTS**

Your directors wish to place on record their gratitude to companies, Customers for their continued patronage and concerned Banks for their guidance and co-operation. The Board also wished to place on record its appreciation for the co-operation extended by all ranks of employees and trade unions.

By order of the Board  
For TCM LIMITED

Joseph Varghese  
Managing Director

George Varghese  
Director

T S Rajagopalan  
Director

Place: Ernakulam  
Date : 03.08.2012



## **ANNEXURE TO DIRECTORS REPORT**

### **1. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

#### **OVERVIEW**

The company is in the field of manufacture of two groups of chemicals:

1. Fungicides, Weedicides and their formulations
2. Barium and Strontium Salts (Carbonates, Nitrates and Chlorides)

A part of the fungicides and respective formulations are manufactured at Tuticorin.

#### **INDUSTRIES STRUCTURE AND DEVELOPMENT**

Fungicides, Weedicides and their formulations

The company used to enjoy a premium status in the production of Copper Sulphate, Copper Oxychloride and formulations. These products are used as a fungicide in coffee, rubber and cardamom plantation and in a variety of ground crops such as cotton, rice, chillies etc.

#### **BARIUM AND STRONTIUM SALTS**

These products are reserved for small scale sector and are always subject to a pressure on margin on account of competition from this sector. These products find application in television glass, ferrites, paints, heat treatment salts, fireworks, tanneries etc. The factory at Mettur remained closed during the year and is scheduled to reopen soon.

#### **OPPORTUNITIES AND THREATS**

The company is a sick company registered with BIFR and has submitted revival scheme to the operating agency. Also, the company may not be able to re establish its position in many of its earlier products.

#### **OUTLOOK**

The company had restarted production at the Tuticorin unit and Mettur Units. However, the operations are presently suspended. The revival of these units as well as Kalamassery unit will depend on the BIFR approvals.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The company had established framework of internal controls for ensuring optimum use of resources and safeguarding assets.



## **HUMAN RESOURCES/INDUSTRIAL RELATIONS**

The company maintains cordial relations with the employees of the company and no man day was lost due to labour problems. The employee strength of the company as on 31.03.2012 stood at 190 nos.

For and on Behalf of the Board  
For TCM Limited

Joseph Varghese  
Managing Director

George Varghese  
Director

T S Rajagopalan  
Director

Place: Ernakulam  
Date : 03.08.2012

## REPORT ON CORPORATE GOVERNANCE

(As required by clause 49 of the listing agreement of the Stock Exchange)

### 1. COMPANY'S PHILOSOPHY

The Company has consistently endeavoured to practice good corporate governance. The Company firmly believes in the values of transparency, professionalism and accountability in its dealings with its customers, dealers, employees, shareholders and with every individual who comes in contact with the company. The company is in compliance with the Corporate Governance regulations provided in the listing agreement.

### 2. BOARD OF DIRECTORS

The Board consists of 7 directors of which one is an Executive Director. The composition, Independent Directorships and membership of other Board committees which are in compliance with the corporate governance requirements are tabulated hereunder:

Director	Executive/Non Executive/ Independent	No. of other Directorships	Membership of other Board Committees
Joseph Varghese	Executive	11	3
T Thirugnanam	Non executive	-	-
Philomina Thomas (LIC Nominee)	Non exe & Independent	-	2
George Varghese	Non executive	10	-
Antony Varghese	Non exe & Independent	-	-
T S Rajagopalan	Non exe & Independent	-	3
Ramesh Babu	Non exe & Independent	-	3

### Board Meetings held during the year 2011-12.

During the year ending 31.03.12, 5 Board Meetings were held on the following dates:

21.05.2011	29.10.2011
28.07.2011	07.02.2012
27.08.2011	

The attendance at the Board Meetings and the last Annual General Meeting during the year ended 31.03.12 is tabulated hereunder:

Name of Director	No. of Board Meetings Attended	Whether attend the AGM
Joseph Varghese	5	Attended
T Thirugnanam	-	Not attended
Philomina Thomas	3	Attended
George Varghese	5	Attended
Antony Varghese	-	Not Attended
T S Rajagopalan	4	Attended
Ramesh Babu	5	Attended

- Note: i. Smt. Pholomina Thomas ceased to be director with effect from 29.10.2011.  
ii. Except Mr. Joseph Verghese and Mr. George Verghese, being brothers, none of the directors is related inter-se.

### 3. BOARD COMMITTEES

The Board has setup the following committees as per requirements of the code of Corporate Governance.

#### a. Audit Committee:

The Audit committee consists of three Directors viz. Mr.T.S. Rajagopalan, Mr.Ramesh Babu and Mr. Joseph Varghese. Four Audit Committee Meetings were held during the year 2011-12 the dates of which are 21.05.2011, 28.07.2011, 29.10.2011 and 07.02.2012.



The attendance of the Audit committee is as follows.

Name	Designation	No. of meetings attended
T S Rajagopalan	Director	3
Ramesh Babu	Director	4
Philomina Thomas	Director	2
Joseph Varghese	Managing. Director	4

Mr. T.S. Rajagopalan is the chairman of the committee. Representatives of statutory auditors are invitees to the meetings of the audit committee. The role and terms of reference of the audit committee covers the area mentioned under clause 49 of the listing agreement and section 292 A of the companies Act 1956. This, interalia, includes over seeing the financial reporting process and disclosure of financial information, reviewing any change in accounting policies and practices, compliance with accounting standards and reviewing the adequacy of internal control system.

**b. Remuneration Committee**

The Remuneration committee consisted of three directors namely Mr. T S Rajagopalan (chairman), Mr. Joseph Verghese and Mr. Ramesh Babu . There was no requirement for the committee to meet during the year as there was no appointment or reappointment of executive director/s.

**c. Investor Grievances and share transfer committee.**

The investor grievances and share transfer committee of the company consisted of the following directors during the year - Mr. T S Rajagopalan (Chairman) Mr. Joseph Varghese and Mr. Ramesh Babu.

During the year 2011-12, all transfers / transmissions, were effected on time and all the complaints received from the investors have been resolved to the satisfaction of the complainants.

**4. DIRECTORS REMUNERATION**

**a. Remuneration policy**

Remuneration to Directors is in accordance with the provisions of the Companies Act, 1956.



- b. Remuneration paid during 2011-12
- (i) No remuneration was paid /payable to the Managing Director during the year
  - (ii) No sitting fee was paid during the period to Non - Executive Directors as the Directors have waived the same.
  - (iii) The company does not have any stock option scheme and as such no stock options have been issued to Directors.

## 5. GENERAL BODY MEETINGS

a) Location and time of last three Annual General Meetings are as under:

Year	Venue	Date	Time
2010 - 2011	Bharat Hotel, Ernakulam	28.09.2011	3.00 p.m.
2009- 2010	Bharat Hotel, Ernakulam	30.09.2010	3.00 p.m.
2008-2009	Bharat Hotel, Ernakulam	30.09.2009	3.00 p.m.

- b) Special resolutions passed in the AGMs  
No special resolution was passed in the previous 3 annual general meetings.
- c) No resolution was put through postal ballot during the year. None of the business to be transacted at the AGM is required to be passed by postal ballot.

## 6. DISCLOSURES

- a. During the year 2011-12 the company had no related party transaction, which is considered to have potential conflict with the interests of the Company.
- b. There has not been any non-compliance with the requirements of the stock exchanges, SEBI etc on all matters relating to the capital markets.
- c. Share holding by non executive directors as on 31.03.2012 – George Varghese 221307 Shares.
- d. The company had no share certificate which remained unclaimed by any shareholder.

## 7. MEANS OF COMMUNICATION

The Quarterly, Half- Yearly and Annual Results are generally published by the Company in the English and Vernacular Newspapers. The results are also sent to the Stock Exchange where the company's shares are listed. The Half-Yearly reports are not sent to household of shareholders.

## 8. GENERAL SHAREHOLDER INFORMATION

### a. Annual General Meeting

Date and Time	29.09.2012 3.00 p.m.
Venue	Bharat Hotel, Ernakulam

### b. Financial Calendar of the company:

The financial year covers the period from 1<sup>st</sup> April, 2011 to 31<sup>st</sup> March, 2012.

### c. Date of Book Closure:

The period of book closure is fixed from 20.09.2012 to 29.09.2012 (both days inclusive)

### d. Outstanding ADRs / GDRs / Warrants or any convertible Instruments, conversion date and likely impact on equity

Not applicable

### e. Dematerialisation of shares & liquidity

The shares are available for trading in the depository system of both the National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL). As on 31<sup>st</sup> March 2012, 2956544 shares representing 86.98% of the total shares, were held in dematerialized form and the balance were in physical form. The shares are frequently traded in the Bombay Stock Exchange.

### f. The international securities identification (ISIN) Number for demat is INE034FO1010.

**G. MARKET PRICE DATA**

The 52 week high and low price of the company's share is given below

Month	Year	High	Low
April	2011	54.00	42.25
May	2011	86.90	54.10
June	2011	83.60	70.50
July	2011	71.50	65.70
August	2011	103.85	75.05
September	2011	107.10	81.10
October	2011	85.00	76.00
November	2011	87.00	79.00
December	2011	106.25	87.55
January	2012	94.50	77.50
February	2012	75.00	62.20
March	2012	68.00	65.00

**h. Registrar and Transfer agents & Share Transfer System**

The Registrar and Transfer Agents - M/s Cameo Corporate Services Ltd,  
Subramanian Building  
No.1 ,Club House Road, Chennai- 600002  
Tel : 044 - 28460390

**Share Transfer System**

The share transfer forms are processed and placed before the share transfer committee once in 10 days which is approved by the Board. The committee is authorized to approve share transfers / transmissions

**DISTRIBUTION OF SHAREHOLDING**

Slab of Shareholding	Shareholders	%	No. of Shares	%
1-100	1242	52.98	92814	2.73
101-500	772	32.91	214745	6.32
501-1000	168	7.16	128442	3.78
1001-2000	92	3.92	133779	3.93
2001-3000	26	1.11	64819	1.91
3001-4000	10	0.43	35011	1.03
4001-5000	9	0.38	42297	1.24
5001-10000	11	0.47	82840	2.44
10001- and Above	15	0.64	2604288	76.62
<b>Total</b>	<b>2345</b>	<b>100.00</b>	<b>3399035</b>	<b>100.00</b>



## COMPLIANCE CERTIFICATE

CiN of the company : L24299KL1943PLC001192  
Nominal Capital : Rs. 100,000,000/-

The members  
TCM Limited  
Ernakulam.

I have examined the registers, records, books and papers of TCM LIMITED as required to be maintained under the Companies Act 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum & Articles of Association of the company for the financial year ended on 31<sup>st</sup> March, 2012. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I 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 there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in annexure B to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The company being public limited company has the minimum prescribed paid-up capital.
4. The Board of Directors duly met 5 times on 21.05.2011, 28.07.2011, 27.08.2011, 29.10.2011 and 07.02.2012, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed. The audit committee met 4 times on 21.05.2011, 28.07.2011, 29.10.11 and 07.02.2012
5. The company has closed its Register of Members, during the financial year for the period from 19.09.2011 to 28.09.2011 (both days inclusive).
6. The annual general meeting for the financial year ended on 31.03.2011 was held on 28.09.2011 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.

7. No Extra ordinary general meeting was held during the financial year.
8. The company has complied with Provisions of section 295 of the Act.
9. The company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The company was not required to make any entries in the register maintained under section 301 of the Act.
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 has not issued any duplicate share certificates during the financial year.
13. The company :
  - I. Delivered all the certificates lodged for transfer/transmission or for any other purpose, complying with the provisions of the Act. However there was no allotment of securities during the year.
  - II. Has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - III. Was not required to post warrants to any member of the company as no dividend was declared during the financial year.
  - IV. Except for an amount of Rs. 60,620/- being unpaid debenture and unpaid debenture interest remaining, pertaining to 1992-93, the company is in compliance with section 205C of the Act.
  - V. Generally complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted and the appointment of Directors and additional directors have been duly made as per the provisions of the Act and in compliance with the listing agreement.
15. The company has complied with Provisions of section 269 of the Act, with regard to appointment of Managing Director.
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, Registrar 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 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.
23. 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 company, had no borrowings attracting the Provisions of section 293(1) (d) of the Act.
25. The company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The company has not altered the provisions of the Memorandum with respect to 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 name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its Articles of Association during the year.
31. 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 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 company has not constituted any Provident Fund attracting provisions of Sec.418 of the Companies Act, 1956.

Place : Ernakulam

Signature

Date : 23.07.2012

Name of Company Secretary – K.P. Thomas

C.P. No.8886

Annexure A to my report dated 23.07.2012.

Registers as maintained by the Company

1. Register of Members u/s 150
2. Register of Directors u/s 303
3. Register of Directors shareholding u/s 307
4. Minutes book of Board, committees and General Meetings u/s 193
5. Book of Accounts u/s 209
6. Register of Transfer of Shares u/s 108
7. Register of Charges u/s 143
8. Register under section 301.
9. Register of Renewed and duplicate certificates.

Note : The company has not maintained the following registers as it was informed that there were no entries/transactions recorded thereon:

1. Register of Deposits u/s 58A
2. Register of Securities Bought back u/s 77A
3. Register of Debentures holders u/s 152
4. Foreign Register of members or Debentures holders u/s 157
5. Register of investments or loan made u/s 372A
6. Register of Destruction of records

**ANNEXURE B**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending 31.03.2012.

Sl. no	Forms no./ returns	Filed under Section	For	Date of Filing	Whether filed within prescribed time Yes/No.	If delay in filing whether requisite additional fee paid Yes/No.
	Form 23AC&ACA	220	Year ending 31.03.2011	19.01.2012	No	Yes
	Form 20B	159	-do-	19.01.2012	No	Yes
	Form 66	383A	-do-	18.01.2012	No	Yes
	Form 32	303(2)	Cessation of director	18.01.2012	No	Yes

Note : Forms/Returns mentioned above were filed at the MCA21 e-filing of the office of the Registrar of Companies.

**CERTIFICATE FROM THE AUDITORS REGARDING COMPLIANCE OF  
CONDITIONS OF CORPORATE GOVERNANCE  
TO THE SHAREHOLDERS OF TCM LIMITED**

We have examined the compliance of conditions of Corporate Governance by TCM Limited for the year ended 31<sup>st</sup> March 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanation given to us and based on the representations made by the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above-mentioned listing agreements.

We state that no investor's grievances were pending for a period of one month against the company as per the records maintained by the shareholders/investors Grievances Committee.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency of effectiveness with which the management has conducted the affairs of the Company.

**For VBSK & Company**  
Chartered Accountants  
(FRN 010779S)

Ernakulam  
31.05.2012

**Suresh G**  
Partner  
(M. No. 210211)

## AUDITORS' REPORT TO THE MEMBERS OF TCM LIMITED

We have audited the attached Balance sheet of **TCM Limited** as at **31<sup>st</sup> March 2012** and the Statement of Profit / Loss account for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 provide a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we annex here to a statement on the matters specified in paragraph 4 and 5 of the said Order.

- 1) Further to our comments in the Annexure referred to in the paragraph (1) above and subject to the following qualifications,
  - i. **All creditors and debtors are subject to confirmation, we are unable to report upon its financial implication on the financial statements under audit.**
  - ii. **None of the underlying documents in support of the investments as per the financial statements were made available for our verification except Equity Shares in Shamrao Vithal Co-op Bank Ltd for Rs. 50,000/-. Hence we are unable to express an opinion on the valuation and existence of those investments as on 31<sup>st</sup> March 2012**
  - iii. **Point No. 4 to the Additional Disclosures regarding excess land.**
  - iv. **Non confirmation of deposits as per point no.11 to the Additional Disclosures.**
  - v. **Non confirmation of balances with banks as per point no.12 to the Additional Disclosures.**

**We report that;**

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

- b) In our opinion, the Company has kept proper books of accounts as required by the law so far as appears from our examination of those books of accounts.
- c) The Balance sheet and the Statement of Profit / Loss, dealt with by this report are in agreement of the books of accounts.
- d) In our opinion, the Balance sheet and the Statement of Profit / Loss comply with the Accounting Standard referred to in sub-section 3C of section 211 of the Companies Act, 1956, **except Accounting Standard 28 on Impairment of Assets and Accounting Standard 15 on Employee Benefits**
- e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the additional disclosures 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.
  - i) In the case of the Balance sheet, of the state of affairs of the Company as at **31<sup>st</sup> March, 2012**.
  - ii) In the case of Statement of Profit/ Loss, of the **loss** of the Company for the year ended on that date.
- 2) On the basis of representations received from the Directors **as on 31<sup>st</sup> March 2012** and taken on record by the Board of Directors of the Company, We report that none of the Directors is disqualified from being appointed as Directors under Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

As per Report of even date attached  
for and on behalf of  
**VBSK & Company**  
Chartered Accountants  
(FRN 010779S)

**Suresh G**  
Partner  
(M. No. 210211)

Kochi-25.  
31.05. 2012

## ANNEXURE TO THE AUDITORS REPORT

### Annexure referred to in Paragraph

- 1) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets. The Management informed us that, all the fixed assets have been physically verified by the Management during the period and no serious discrepancies between book records and physical assets have been noticed. Further regarding substantial disposal of assets it is informed by the Management and on our verification it is found that no substantial disposal of assets has taken place during the period under audit which would affect the substratum of the company as a going concern.
- 2) Physical verification of inventory is being made by the management on an ongoing basis and the procedure of physical verification is reasonable and adequate in relation to size and nature of the business of the company. The company maintains proper records of inventory and no discrepancy was noticed during physical verification of inventory during the period under audit.
- 3) According to information and explanation given by the management of the company, the company has neither granted nor taken any loan secured or unsecured from companies, firms or other parties listed in the register maintained under section 301, except unsecured interest free loan from the Managing Director (-Rs.52,33,000/-) .
- 4) In our opinion, there exist adequate internal control system commensurate with size of the company and nature of its business for the purchase of inventory, fixed assets and sale of goods. Further we are of the opinion that there is no failure on the part of the company to correct any major weakness in the internal control in regard to purchase of inventory, fixed assets and sale of goods.
- 5) It is informed by the management that no contract or arrangement referred to in section 301 of the Companies Act, 1956 have been entered into by the company during the period under audit, as such recording the particulars thereof is not applicable.
- 6) The company has not accepted any deposit from the public during the period under audit.
- 7) The company **has no internal audit system commensurate** with the size of the company and nature of its business.
- 8) Though maintenance of cost accounting records is applicable to the company, yet the same is not maintained at the premise of the company. According to the information made available to us, the company has made an application to the Ministry of Corporate affairs asking for waiver of such requirement for financial years 2004-05 to 2007-2008, since the company was under BIFR net. **However no such request is pending for the year 2011-2012, the year under audit.**



- 9) **According to the information given to us and on the basis of our verification of the books and accounts and other records of the company, the company is irregular in depositing undisputed statutory dues. The following expenses have been outstanding for more than 6 months as at the end of financial year 2011-2012.**

SN	Name of the Statute	Nature of Dues	Amount	Period to which amount relates.
1	Tamilnadu General Sales Tax Act	AST Payable	11,821.50	2004-05
2	Central Excise Act	Excise Duty	2,82,705.00	2004-05
3	Income Tax	TDS	32,199.00	2004-05
4	LIC Department	LIC Premium of Employees	1,48,181.66	2004-05
5	Postal Department	RD Collected from Employees	4,650.00	2004-05
6	Ministry Of Corporate Affairs (Investor Education Protection Fund)	Unpaid Debenture and interest on unpaid debenture	60,620.00	1992-93
7	Income Tax Department	TDS Payable	1,920.00	2010-11
8	Income Tax Department	TDS Payable	56,700.00	2011-12
9	Employees State Insurance Department	ESI collected from employees and employer's portion	4,05,211.00	2010-11
10	Provident Fund Department	PF collected from employees and employer's portion	23,78,377.00	2010-11

- 11) The Accumulated losses at the end of the financial year are more than 50% of the net worth of the company. The company has incurred cash loss during the financial year ended **31<sup>st</sup> March 2012** and in the immediately preceding financial year. There is erosion in the net worth of the company for a sum exceeding 50% of the paid up share capital and free reserves as **at 31<sup>st</sup> March, 2012**.
- 12) The company has not defaulted in payment of dues to banks / financial institutions/ debenture holders during the period under audit.
- 13) The company has not granted any loan/advance against security of pledge of shares, debentures and other securities.

- 14) The company is not a chit fund/nidhi/mutual benefit fund/society
- 15) The company is not dealing/ trading in shares, securities, debentures and other investments
- 16) The company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year under audit.
- 17) The company has not taken any term loan during the period under audit.
- 18) It is informed by the Management that the funds raised on short-term basis have not been used for long-term investments.
- 19) The company has not made any preferential issue of shares during the period under audit to parties and companies covered in the register maintained under section 301 of the Act.
- 20) The company has not issued any debentures during the period under audit therefore the question of creation of security or charges do not arise.
- 21) The company has not made any public issue during the year under audit hence the question of disclosing the end-use of those funds does not arise.
- 22) According to information and explanation given to us and audit procedures performed by us, no fraud or discrepancy on or by the company has been noticed or reported during the year under audit.

As per Report of even date attached

for and on behalf of

**VBSK & Company**

Chartered Accountants

(FRN 010779S)

**Suresh G**

Partner

(M. No. 210211)

Kochi-25.

31.05. 2012

## TCM Limited

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2012

Particulars 1	Note No. 2	2011-12 3	2010-11 4
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	33,990,350.00	33,990,350.00
(b) Reserves and surplus	2	(239,069,459.00)	(224,670,992.00)
(c) Money received against share warrants	-	-	-
<b>2 Share application money pending allotment</b>			
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	3	196,752,846.00	196,752,846.00
(b) Deferred tax liabilities (Net)	-	664,693.00	1,404,493.00
(c) Other Long term liabilities	4	NIL	NIL
(d) Long-term provisions	5	1,050,000.00	1,050,000.00
<b>4 Current liabilities</b>			
(a) Short-term borrowings	6	37,656,008.00	32,423,008.00
(b) Trade payables	-	34,100,714.00	33,654,572.00
(c) Other current liabilities	7	75,620.00	75,620.00
(d) Short-term provisions	8	13,257,722.00	6,705,071.00
<b>TOTAL</b>		<b>78,478,494.00</b>	<b>81,384,968.00</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>1 (a) Fixed assets</b>			
(i) Tangible assets	9	30,442,528.00	33,391,570.00
(ii) Intangible assets	-	-	-
(iii) Capital work-in-progress	-	Nil	Nil
(iv) Intangible assets under development	-	Nil	Nil
(b) Non-current investments	10	2,361,010.00	2,361,010.00
(c) Deferred tax assets (net)	-	-	-
(d) Long-term loans and advances	11	19,621,168.00	19,256,368.00
(e) Other non-current assets	12	16,000.00	16,000.00
<b>2 Current assets</b>			
(a) Current investments	13	Nil	Nil
(b) Inventories	14	9,534,753.00	10,094,311.00
(c) Trade receivables	15	15,187,381.00	15,106,017.00
(d) Cash and cash equivalents	16	1,276,234.00	1,136,571.00
(e) Short-term loans and advances	17	Nil	Nil
(f) Other current assets	18	39,420.00	23,121.00
<b>TOTAL</b>		<b>78,478,494.00</b>	<b>81,384,968.00</b>

Joseph Varghese  
Managing Director

T.S.Rajagopalan  
Director

George Varghese  
Director

As per Report of even date attached  
for and on behalf of

**VBSK & Company**  
Chartered Accountants  
(FRN 010779S)

**Suresh G**  
Partner  
(M. No. 210211)

Kochi-25.  
31.05.2012

**TCM Limited**

**STATEMENT OF PROFIT / LOSS FOR THE YEAR ENDED 31ST MARCH 2012**

Particulars	Refer Note No.	2011-12	2010-11
I. Revenue from operations	20	2,195,980	15,058,370
II. Other income	21	130,595	35,238
<b>III. Total Revenue (I + II)</b>		<b>2,326,575</b>	<b>15,093,608</b>
IV. Expenses:			
Cost of materials consumed	22	904,441	6,051,150
Purchases of Stock-in-Trade	23	-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	24	(14,747)	5,431,007
Employee benefits expense	25	7,957,802	12,351,490
Finance costs	26	2,973	15,920
Depreciation and amortization expense		2,949,042	3,278,537
Other expenses	27	5,948,801	12,517,513
Total expenses		<b>17,748,312</b>	<b>39,645,617</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>(15,421,737)</b>	<b>(24,552,009)</b>
VI. Exceptional items		-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>(15,421,737)</b>	<b>(24,552,009)</b>
VIII. Extraordinary Items		283,470	(480,704)
<b>IX. Profit before tax (VII- VIII)</b>		<b>(15,138,267)</b>	<b>(25,032,713)</b>
X Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		739,800	809,412
<b>XI Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>(14,398,467)</b>	<b>(24,223,301)</b>
XII Profit/(loss) from discontinuing operations		(14,398,467)	(24,223,301)
XIII Tax expense of discontinuing operations		-	-
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>(14,398,467)</b>	<b>(24,223,301)</b>
<b>XV Profit (Loss) for the period (XI + XIV)</b>			
XVI Earnings per equity share:			
(1) Basic		(4.24)	(7.13)
(2) Diluted		(4.24)	(7.13)

Joseph Varghese  
Managing Director

T.S Rajagopalan  
Director

George Varghese  
Director

As per Report of even date attached

for and on behalf of  
**VBSK & Company**  
Chartered Accountants  
(FRN 010779S)

**Suresh G**  
Partner

(M. No. 210211)

Kochi-25.  
31.05.2012

**TCM LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2012**

	Year ended 31-03-2012	Year ended 31-03-2011
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) after tax and extraordinary items	(14,398,467.00)	(24,223,301.00)
Adjustments for		
Depreciation	2,949,043.00	3,278,537.00
<b>Operating Profit before Working Capital changes</b>	<b>(11,449,424.00)</b>	<b>(20,944,764.00)</b>
Adjustments for :-		
Increase in Trade & Other Receivables	(466,045.00)	1,261,005.00
Increase in Inventories	559,558.00	8,912,819.00
Increase in Trade Payables	7,285,845.00	1,197,725.00
Cash generated from operations	(4,070,066.00)	(9,573,215.00)
Cash flow before extraordinary items	(4,070,066.00)	(9,573,215.00)
Extraordinary/ prior period Items	(1,023,270.00)	(904,173.00)
Net Cash flow from Operating Activities - (A)	<b>(5,093,336.00)</b>	<b>(10,477,388.00)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed Assets	-	(28,550.00)
Net Cash used in Investing Activities - (B)	-	<b>(28,550.00)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Secured Loan Received	-	-
Unsecured Loan received	5,233,000.00	8,860,500.00
Net cash used in Financing Activities - ©	<b>5,233,000.00</b>	<b>8,860,500.00</b>
<b>NET INCREASE/DECREASE IN CASH AND EQUIVALENTS (A+B+C)</b>	<b>139,664.00</b>	<b>(1,645,438.00)</b>
<b>CASH &amp; CASH EQUIVALENTS AS AT 31/03/2011</b>	<b>1,136,570.00</b>	<b>2,782,008.00</b>
<b>CASH &amp; CASH EQUIVALENTS AS AT 31/03/2012</b>	<b>1,276,234.00</b>	<b>1,136,570.00</b>

Joseph Varghese  
 Managing Director

T.S.Rajagopalan  
 Director

George Varghese  
 Director

We have examined the attached cash flow statement of TCM limited for the year ended 31<sup>st</sup> March 2012, from the books and records maintained by the company in the ordinary course of business and have, found in accordance therewith.

As per Report of even date attached

for and on behalf of

**VBSK & Company**

Chartered Accountants

(FRN 010779S)

**Suresh G**

Partner

(M. No. 210211)

Kochi-25.  
 31.05. 2012

**TCM Limited**

Note 1 **NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2012**  
Share capital

Share Capital	2011-12		2010-11	
	Number	Amount	Number	Amount
<b>Authorised</b> Equity Shares of Rs.10 each	10,000,000	100,000,000	10,000,000	100,000,000
<b>Issued</b> Equity Shares of Rs.10 each	3399035	33990350	3399035	33990350
<b>Subscribed &amp; Paid up</b> Equity Shares of Rs.10 each fully paid	3399035	33990350	3399035	33990350
<b>Subscribed but not fully Paid up</b> Equity Shares of Nil each, not fully paid up	Nil	Nil	Nil	Nil
<b>Total</b>	3,399,035	33,990,350	3,399,035	33,990,350

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	2011-12		2010-11	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	3399035	33990350	3399035	33990350
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,399,035	33,990,350	3,399,035	33,990,350

Nil Equity Shares (Previous year) are held by Nil the holding company.

**Shares in the company held by each shareholder holding more than 5 percent shares**

Name of Shareholder	2011-12		2010-11	
	No. of Shares	held % of Holding	No. of Shares	held % of Holding
Mr. Joseph Varghese	667998	19.65	658,711	19.38
Mr. George Varghese	221307	6.501	221,307	6.51
LIC of India	806231	23.72	808,631	23.72
Mr. Venketeswara Rao				
Chagarlamudi	433562	12.75	433,562	12.75
Mr. T.P. Muralidharan	265488	7.81	265,488	7.81

Nil Equity Shares (Previous year) are held by Nil the holding company.

<b>Share Capital</b>	<b>Year (Aggregate No. of Shares)</b>				
	<b>2011-12</b>	<b>2010-11</b>	<b>2009-10</b>	<b>2008-09</b>	<b>2007-08</b>
Fully paid up pursuant to contract (s) without payment being received in cash	Nil	Nil	Nil	Nil	Nil
Fully paid up by way of bonus shares	Nil	Nil	Nil	Nil	Nil
Shares bought back	Nil	Nil	Nil	Nil	Nil
<b>Preference Shares :</b>					
Fully paid up pursuant to contract (s) without payment being received in cash	Nil	Nil	Nil	Nil	Nil
Fully paid up by way of bonus shares	Nil	Nil	Nil	Nil	Nil
Shares bought back	Nil	Nil	Nil	Nil	Nil

<b>Unpaid Calls</b>	<b>2011-12</b>	<b>2010-11</b>
By Directors	Nil	Nil
By Officers	Nil	Nil

The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital;
Shares reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment, including the terms and amounts;
Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date.
Forfeited shares (amount originally paid up)

**Note 2  
Reserves and surplus**

	2011-12	2010-11
<b>a. Capital Reserves</b>		
Opening Balance	7,767,508.00	7,767,508.00
(+) Current Year Transfer		
(-) Written Back in Current Year		
Closing Balance	7,767,508.00	7,767,508.00
<b>b. Capital Redemption Reserve</b>		
Opening Balance	Nil	Nil
(+) Current Year Transfer	Nil	Nil
(-) Written Back in Current Year	Nil	Nil
Closing Balance	Nil	Nil
<b>c. Securities Premium Account</b>		
Opening Balance	2,100,000.00	2,100,000.00
Add : Securities premium credited on Share issue		
<u>Less : Premium Utilised for various reasons</u>		
Premium on Redemption of Debentures		
For Issuing Bonus Shares		
Closing Balance	2,100,000.00	2,100,000.00
<b>d. Debenture Redemption Reserve</b>		
Opening Balance	Nil	Nil
(+) Current Year Transfer	Nil	Nil
(-) Written Back in Current Year	Nil	Nil
Closing Balance	Nil	Nil
<b>e. Revaluation Reserve</b>		
Opening Balance	Nil	Nil
(+) Current Year Transfer	Nil	Nil
(-) Written Back in Current Year	Nil	Nil
Closing Balance	Nil	Nil
<b>f. Share Options Outstanding Account</b>		
Opening Balance	Nil	Nil
(+) Current Year Transfer	Nil	Nil
(-) Written Back in Current Year	Nil	Nil
Closing Balance	Nil	Nil
<b>g. Other Reserves (Specify the nature and purpose of each reserve)</b>		
Opening Balance	Nil	Nil
(+) Current Year Transfer	Nil	Nil
(-) Written Back in Current Year	Nil	Nil
Closing Balance	Nil	Nil



	2011-12	2010-11
<b>h. Surplus</b>		
Opening balance	(234,538,500.00)	(210,315,199.00)
(+) Net Profit/(Net Loss) For the current year	(14,398,467.00)	(24,223,301.00)
(+) Transfer from Reserves	-	
(-) Proposed Dividends	-	
(-) Interim Dividends	-	
(-) Transfer to Reserves	-	
Closing Balance	<b>(248,936,967.00)</b>	<b>(234,538,500.00)</b>
<b>Total</b>	<b>(239,069,459.00)</b>	<b>(224,670,992.00)</b>

**Note 3**

**Long Term Borrowings**

	2011-12	2010-11
<b>Secured</b>		
(a) Bonds/debentures * (state in descending order of maturity or conversion, starting from the farthest redemption or conversion date)	Nil	Nil
Nil Debentures of Nil each redeemable at Nil on Nil (secured by Nil )		
(of the above, Nil is guaranteed by Directors and / or others)		
Details of redeemed bonds/debentures which the company has power to reissue: Nil		
<b>(b) Term loans</b>		
From banks	Nil	Nil
(Secured By Nil)		
from other parties	Nil	Nil
(Secured By Nil)		
(of the above, Nil is guaranteed by Directors and / or others)		
Terms of Repayment Nil		
<b>(c) Deferred payment liabilities</b>	Nil	Nil
(Secured by Nil )		
(of the above, Nil is guaranteed by Directors and / or others)		
<b>(d) Deposits</b>	Nil	Nil
(Secured By Nil)		
(of the above, Nil is guaranteed by Directors and / or others)		

	2011-12	2010-11
<p><b>(e) Loans and advances from related parties</b> (Secured By Nil ) (of the above, Nil is guaranteed by Directors and / or others) Terms of Repayment Nil</p>	Nil	Nil
<p><b>(f) Long term maturities of finance lease obligations</b> (Secured By Nil) (of the above, Nil is guaranteed by Directors and / or others)</p>	Nil	Nil
<p><b>(g) Other loans and advances (specify nature)</b> <b>Advance for Project - M/S Godrej Properties Limited, Mumbai</b></p> <p>Secured by first charge created on the land admeasuring 21.66 acres at Company s Klamassery Property in which the proposed commercial/residential/ Information technology park to be set up as per the agreement with M/s Goderaj Properties Limited on 15th February, 2008</p> <p>(of the above, Nil is guaranteed by Directors and / or others) Terms of Repayment - As per the agreement on 15th February , 2008 the gross revenue will be shared in the ratio 70:30. out of the share (ie 30/100) 85% will be adjusted towards repayment of advance.</p>	196,752,846.00	196,752,846.00
	196,752,846.00	196,752,846.00
<p><b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) &amp; (g)</b></p>		
1. Period of default	Nil	Nil
2. Amount	Nil	Nil
<p><b>Unsecured</b></p> <p>(a) Bonds/debentures *( state in descending order of Nil Debentures of Nil each redeemable at Nil on Nil date (of the above, Nil is guaranteed by Directors and / or others) Details of redeemed bonds/debentures which the company.</p>	Nil	Nil

	2011-12	2010-11
<b>(b) Term loans</b>		
from banks	Nil	Nil
from other parties	Nil	Nil
(of the above, Nil is guaranteed by Directors and / or others)		
Terms of Repayment N A	-	-
<b>(c) Deferred payment liabilities</b>	Nil	Nil
(of the above, Nil is guaranteed by Directors and / or others)		
<b>(d) Deposits</b>	Nil	Nil
(of the above, Nil is guaranteed by Directors and / or others)		
<b>(e) Loans and advances from related parties</b>	Nil	Nil
(of the above, Nil is guaranteed by Directors and / or others)		
Terms of Repayment - N A	-	-
<b>(f) Long term maturities of finance lease obligations</b>	Nil	Nil
(of the above, Nil is guaranteed by Directors and / or others)		
<b>(g) Other loans and advances (specify nature)</b>	Nil	Nil
(of the above, Nil is guaranteed by Directors and / or others)		
Terms of Repayment - NA	-	-
<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (b) (e) &amp; (g)</b>		
1. Period of default	Nil	Nil
2. Amount	Nil	Nil
<b>Total</b>	<b>196,752,846.00</b>	<b>196,752,846.00</b>

**Note 4**

**Other Long Term Liabilities**

	2011-12	2010-11
(a) Trade Payables	Nil	Nil
(b) Others	Nil	Nil
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

**Note 5**

**Long Term Provisions**

	2011-12	2010-11
<b>(a) Provision for employee benefits</b>		
Restarting Wages	1,050,000.00	1,050,000.00
Leave Encashment (unfunded)	Nil	Nil
ESOP / ESOS	Nil	Nil
<b>(b) Others (Specify nature)</b>	Nil	Nil
<b>Total</b>	<b>1,050,000.00</b>	<b>1,050,000.00</b>

**Note 6**

**Short Term Borrowings**

	2011-12	2010-11
<b>Secured</b>		
<b>(a) Loans repayable on demand</b>	Nil	Nil
from banks	Nil	Nil
(Secured By Nil)		
from other parties	Nil	Nil
(Secured By Nil)		
(of the above, Nil is guaranteed by Directors and / or others)		
<b>(b) Loans and advances from related parties</b>	Nil	Nil
(Secured By Nil)		
(of the above, Nil is guaranteed by Directors and / or others)		
<b>(c) Deposits</b>	Nil	Nil
(Secured By Nil)		
(of the above, Nil is guaranteed by Directors and / or others)		
<b>(d) Other loans and advances (specify nature)</b>	Nil	Nil
(Secured By Nil)		
(of the above, Nil is guaranteed by Directors and / or others)		
	Nil	Nil

	2011-12	2010-11
<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) &amp; (d)</b>		
1. Period of default	Nil	Nil
2. Amount	Nil	Nil
<b><u>Unsecured</u></b>		
<b>(a) Loans repayable on demand</b>		
from banks	Nil	Nil
from other parties	Nil	Nil
(of the above, Nil is guaranteed by Directors and / or others)		
<b>(b) Loans and advances from related parties</b>	Nil	Nil
<b>From Directors</b>		
Mr. Joseph Varghese	37,611,008.00	31,378,008.00
Mr. George Varghese	-	1,000,000.00
<b>(c) Deposits</b>		
<b>Tender Deposit</b>	45,000.00	45,000.00
(of the above, Nil is guaranteed by Directors and / or others)		
<b>(d) Other loans and advances (specify nature)</b>	Nil	Nil
(of the above, Nil is guaranteed by Directors and / or others)		
	37,656,008.00	32,423,008.00
<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) &amp; (d)</b>		
1. Period of default	Nil	Nil
2. Amount	Nil	Nil
<b>Total</b>	<b>37,656,008.00</b>	<b>32,423,008.00</b>

**Note 7  
Other Current Liabilities**

	2011-12	2010-11
(a) Current maturities of long-term debt	Nil	Nil
(b) Current maturities of finance lease obligations	Nil	Nil
(c) Interest accrued but not due on borrowings	Nil	Nil
(d) Interest accrued and due on borrowings	Nil	Nil
(e) Income received in advance	Nil	Nil
(f) Unpaid dividends	Nil	Nil
(g) Application money received for allotment of securities and due for refund #	Nil	Nil
interest accrued on (g) above	Nil	Nil
Number of shares proposed to be issued: Nil	Nil	Nil
Amount of premium (if any): Nil	Nil	Nil
Terms and conditions of shares proposed to be issued:		
Date by which shares shall be allotted: Nil	NA	NA
Whether the company has sufficient authorized capital to cover the share capital amount resulting from allotment of shares out of such share application money	NA	NA
The period overdue from the last date of allotment is _____; reason being _____	NA	NA
# All amounts out of Share Application money which are refundable to be shown under this head (non-refundable portion of share application money will form part of Share Application Money Pending Allotment (Balance Sheet))	NA	NA
(h) Unpaid matured deposits and interest accrued thereon	15,000.00	15,000.00
(i) Unpaid matured debentures and interest accrued thereon	60,620.00	60,620.00
(j) Other payables (specify nature)		
<b>Total</b>	<b>75,620.00</b>	<b>75,620.00</b>

**Note 8****Short Term Provisions**

	2011-12	2010-11
<b>(a) Provision for employee benefits</b>		
Salaries & Wages Payable	8,913,648.00	2,863,672.00
Contribution ESIC	503,989.00	560,393.00
Contribution to PF	2,631,562.00	2,450,656.00
LIC Premium Payable	148,182.00	148,182.00
EDLI	137.00	145.00
RD Payable	4,650.00	4,650.00
Welfare Fund Payable	1,365.00	1,365.00
Gratuity (unfunded)	72,987.00	150,314.00
Superannuation (funded)	Nil	Nil
ESOP /ESOS	Nil	Nil
<b>(b) Others (Specify nature)</b>		
Outstanding Expenses	103,617.00	114,042.00
Audit Fee	55,150.00	55,150.00
CST Payable		14,869.00
Sales Tax Payable	34,411.00	24,809.00
Excise Duty Payable	332,405.00	282,705.00
Income Tax Payable	13,633.00	13,633.00
TDS Payable	213,134.00	20,486.00
Panchayath Tax Payable Gonur	228,852.00	-
<b>Total</b>	<b>13,257,722.00</b>	<b>6,705,071.00</b>

Note 9

Statement of fixed asset for the year ended 31.03.2012

	Fixed Assets	Gross Block					Accumulated Depreciation				Net Block		
		Balance as at 1 April 2011	Acquisitions (Disposals)	Acquired through business combinations	Revaluations	Impairments	Balance as at 31 March 2012	Balance as at 1 April 2011	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2012	Balance as at 1 April 2011
<b>a</b>	<b>Tangible Assets</b>												
	Land	11,502,656.00	-	-	-	11,502,656.00	-	-	-	-	-	11,502,656.00	11,502,656.00
	Assets under lease												
	Buildings	15,153,068.00	-	-	-	15,153,068.00	12,378,314.00	151,865.00	-	-	12,530,639.00	2,774,314.00	2,622,429.00
	Assets under lease												
	Plant and Equipment	76,296,239.00	-	-	-	76,296,239.00	57,382,314.00	2,775,256.00	-	-	60,157,569.00	18,913,925.00	16,138,670.00
	Assets under lease												
	Furniture and Fixtures	2,019,026.00	-	-	-	2,019,026.00	1,866,318.00	12,387.00	-	-	1,878,705.00	152,708.00	140,321.00
	Assets under lease												
	Vehicles	256,733.00	-	-	-	256,733.00	249,552.00	535.00	-	-	250,187.00	7,181.00	6,546.00
	Assets under lease												
	Office equipment	572,263.00	-	-	-	572,263.00	531,471.00	8,889.00	-	-	540,358.00	40,785.00	31,905.00
	Assets under lease												
	Others (specify nature of assets not in actual use)												
	<b>Total</b>	<b>105,799,985.00</b>				<b>105,799,985.00</b>	<b>72,408,416.00</b>	<b>2,949,042.00</b>			<b>75,357,458.00</b>	<b>33,391,570.00</b>	<b>30,442,528.00</b>
<b>b</b>	<b>Intangible Assets</b>												
	Goodwill												
	Brands, trademarks												
	Computer software												
	Mastheads and publishing sites												
	Mining rights												
	Copyrights and patents and other intellectual property rights												
	Services and operating rights												
	Recipes, formulae, models												
	Designs and prototypes												
	Licenses and franchise												
	Others (specify nature)												
	<b>Total</b>												
<b>c</b>	<b>Capital Work In Progress</b>												
	<b>Total</b>												
<b>d</b>	<b>Intangible assets under Development</b>												
	<b>Total</b>												

Details to Write-off or Revaluation

Particulars	Year				
	20X0-X1	20X1-X2	20X2-X3	20X3-X4	20X4-X5
<b>Asset details:</b>					
Balance as at 1 April	Nil	Nil	Nil	Nil	Nil
Impairment/ Revaluation	Nil	Nil	Nil	Nil	Nil
Balance as at 31 March	Nil	Nil	Nil	Nil	Nil



**Note 10**

**Non-current investments**

	Particulars	2011-12	2010-11
<b>A</b>	<b>Trade Investments (Refer A below)</b>		
	(a) Investment Properties	Nil	Nil
	(b) Investment in Equity instruments	Nil	Nil
	(c) Investments in preference shares	Nil	Nil
	(d) Investments in Government or Trust securities	Nil	Nil
	(e) Investments in debentures or bonds	Nil	Nil
	(f) Investments in Mutual Funds	Nil	Nil
	(g) Investments in partnership firms*	Nil	Nil
	(h) Other non-current investments (specify nature)	Nil	Nil
	<b>Total (A)</b>		
<b>B</b>	<b>Other Investments (Refer B below)</b>		
	(a) Investment Properties		
	(b) Investment in Equity instruments	2,353,510.00	2,353,510.00
	(c) Investments in preference shares		
	(d) Investments in Government or Trust securities		
	(e) Investments in debentures or bonds		
	(f) Investments in Mutual Funds		
	(g) Investments in partnership firms*		
	(h) Other non-current investments (specify nature)	7,500.00	7,500.00
	<b>Total (B)</b>	<b>2,361,010.00</b>	<b>2,361,010.00</b>
	<b>Grand Total (A + B)</b>	<b>2,361,010.00</b>	<b>2,361,010.00</b>
	Less : Provision for diminution in the value of Investments		
	<b>Total</b>	<b>2,361,010.00</b>	<b>2,361,010.00</b>

Particulars	2011-12	2010-11
Aggregate amount of quoted investments (Market value of ` __ (Previous Year ` __)		
Aggregate amount of unquoted investments (Previous Year ` __)		



B. Details of Other Investments												
Sr. No.	Name of the Body Corporate	Subsidiary - Associate JV Controlled Entity - Others	No. of Shares - Units		Quoted - Unquoted	Partly Paid - Fully paid	Extent of Holding (%)		Amount ( )		Whether stated at Cost - Yes - No	If Answer to Column (9) is No - Basis of Valuation
			2011-12	2010-11			2011-12	2010-11	2011-12	2010-11		
(1)	(2)	(3.00)	(4.00)	(5)	(6)	(7)	(8)	(9)	(10.00)	(11.00)	(12)	(13)
(a)	Investment Properties											
(b)	Investment in Equity Instruments											
1	Imkemex India Ltd	Others	14,000.00	14000	Unquoted	Fully Paid			100,000.00	100,000.00	Yes	
2	Ramakrishna Chemicals Ltd	Others	4,500.00	4500	Unquoted	Fully Paid			45,000.00	45,000.00	Yes	
3	Sunshield Chemicals Ltd	Others	20,000.00	20000	Unquoted	Fully Paid			660,000.00	660,000.00	Yes	
4	Bell Trachem Ceramics Ltd	Others	1.00	1	Unquoted	Fully Paid			10.00	10.00	Yes	
5	Shamrao Vithal Co - Op Bank Ltd	Others	2,000.00	2000	Unquoted	Fully Paid			50,000.00	50,000.00	Yes	
6	Bell Ceramics Ltd	Others	22,200.00	22200	Quoted	Fully Paid			1,498,500.00	1,498,500.00	Yes	
(c)	Investments in Preference Shares											
(d)	Investments in Government or Trust securities											
(e)	Investments in Debentures or Bonds											
(f)	Investments in Mutual Funds											
(g)	Investments in partnership firms											
(h)	Other non-current investments (specify nature)											
1	TCM Consumers Co-Op Society Ltd.	Others	600.00	600	Unquoted	Fully Paid			1,500.00	1,500.00	Yes	
2	TCM Employees Co - Op stores Ltd	Others	600.00	600	Unquoted	Fully Paid			6,000.00	6,000.00	Yes	
	<b>Total</b>								<b>2,361,010.00</b>			

G. Investment in (Name of the Firm)	
Name of the Partners	Share of Capital
Partner 1	Nil
Partner 2	Nil
Total Capital	NIL



**Note 11**  
**Long Term Loans and Advances**

	2011-12	2010-11
<b>a. Capital Advances</b>		
Secured, considered good	Nil	Nil
Unsecured, considered good	Nil	Nil
Doubtful	Nil	Nil
Less: Provision for doubtful advances	Nil	Nil
	Nil	Nil
<b>b. Security Deposits</b>		
Secured, considered good		
Unsecured, considered good		
Deposit, KSEB	4,176,457	4,176,457
Deposit TNEB	1,207,550	1,291,470
Deposit Tenders	444,690	444,690
Deposit Others	392,186	392,186
Deposit TWAD	236,250	236,250
Deposit Sales Tax	49,639	49,639
Deposit Rent	27,000	27,000
Deposit Central Excise	178,159	178,649
Doubtful	Nil	Nil
Less: Provision for doubtful deposits	Nil	Nil
	6,711,931	6,796,341
<b>c. Loans and advances to related parties</b>		
Secured, considered good	Nil	Nil
Unsecured, considered good	Nil	Nil
Doubtful	Nil	Nil
Less: Provision for doubtful loans and advances	Nil	Nil
	Nil	Nil
<b>d. Other loans and advances (specify nature)</b>		
Secured, considered good	Nil	Nil
Unsecured, considered good		
Employees Advances	2,178,758	2,171,598
Income Tax Department	1,756,594	1,756,594
Advance Income Tax	31,130	31,130
TDS	319,282	319,282
Central Department Duty Refundable	90,059	90,059
Doubtful		
Advance to Suppliers	8,078,414	8,091,365
Advance for Legal Expenses	455,000	-
Less: Provision for _____	Nil	Nil
	12,909,237	12,460,027
	<b>19,621,168.00</b>	<b>19,256,368.00</b>

### Related Party Transaction

	2011-12	2010-11
Directors *	Nil	Nil
Other officers of the Company *	Nil	Nil
Firm in which director is a partner *	Nil	Nil
Private Company in which director is a member	Nil	Nil
	<b>NIL</b>	<b>NIL</b>

\*Either severally or jointly

### Note 12

#### Other non-current assets

	2011-12	2010-11
<b>a. Long term trade receivables (including trade receivables on deferred credit terms)</b>		
Secured, considered good	Nil	Nil
Unsecured, considered good	Nil	Nil
Doubtful	Nil	Nil
Less: Provision for doubtful debts	Nil	Nil
	<b>Nil</b>	<b>Nil</b>
<b>b. Others (specify nature)</b>		
Secured, considered good	Nil	Nil
Unsecured, considered good		
KSFE Chitty	16,000.00	16,000.00
Doubtful	Nil	Nil
Less: Provision for _____	Nil	Nil
	<b>16,000.00</b>	<b>16,000.00</b>
<b>c. Debts due by related parties</b>		
Secured, considered good	Nil	Nil
Unsecured, considered good	Nil	Nil
Doubtful	Nil	Nil
Less: Provision for doubtful debts	Nil	Nil
	<b>Nil</b>	<b>Nil</b>
	<b>16,000.00</b>	<b>16,000.00</b>

### Related Party Transaction

	2011-12	2010-11
Directors *	Nil	Nil
Other officers of the Company *	Nil	Nil
Firm in which director is a partner *	Nil	Nil
Private Company in which director is a member	Nil	Nil
	<b>NIL</b>	<b>NIL</b>

\*Either severally or jointly

**Note 13**  
**Current Investments**

<b>Particulars</b>	<b>2011-12</b>	<b>2010-11</b>
(a) Investment in Equity instruments	Nil	Nil
(b) Investments in preference shares	Nil	Nil
(c) Investments in Government or Trust securities	Nil	Nil
(d) Investments in Debentures or Bonds	Nil	Nil
(e) Investments in Mutual Funds	Nil	Nil
(f) Investments in partnership firms*	Nil	Nil
(g) Other non-current investments (specify nature)	Nil	Nil
Total (A)	Nil	Nil
Less : Provision for diminution in the value of Investments	Nil	Nil
Total	NIL	NIL

<b>Particulars</b>	<b>2011-12</b>	<b>2010-11</b>
Aggregate amount of quoted investments (Market value of __ (Previous Year __))	Nil	Nil
Aggregate amount of unquoted investments (Previous Year __)	Nil	Nil

Details of Current Investments											
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount ( )		Whether stated at Cost Yes / No
			2011-12	2010-11			2011-12	2010-11	2011-12	2010-11	
(1)	(2)	(3.00)	(4.00)	(5)	(6)	(7)	(8)	(9)	(10.00)	(11.00)	(12)
(a)	Investment in Equity Instruments	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Investments in Preference Shares	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Investments in Government or Trust securities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Investments in Debentures or Bonds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e)	Investments in Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f)	Investments in partnership firms*	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(g)	Other non-current investments (specify nature)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>									-	-	

G. Investment in _____ (Name of the Firm)	
Name of the Partners	Share of Capital
Partner 1	Nil
Partner 2	Nil
Total Capital	NIL

**Note 14**  
**Inventories**

	2011-12	2010-11
a. Raw Materials and components (Valued at cost)	6,428,886.00	6,760,638.00
In Godown	6,428,886.00	6,760,638.00
b. Work-in-progress (Valued at cost.)	56,750.00	80,000.00
	56,750.00	80,000.00
c. Finished goods (Valued at cost or net realisable value whichever is less)	143509.00	105,512.00
In Godown	143,509.00	105,512.00
d. Stock-in-trade (Valued at ____)	Nil	Nil
Goods-in transit	-	-
e. Stores and spares (Valued at cost)	2,740,106.00	2,982,659.00
In Godown	2,740,106.00	2,982,659.00
f. Loose Tools (Valued at cost)	165,502.00	165,502.00
In Godown	165,502.00	165,502.00
g. Others (Specify nature)	-	-
<b>Total</b>	<b>9,534,753.00</b>	<b>10,094,311.00</b>

**Note 15**  
**Trade Receivables**

	2011-12	2010-11
Trade receivables outstanding for a period less than six months from the date they are due for payment.		
Secured, considered good	Nil	Nil
Unsecured, considered good	Nil	Nil
Unsecured, considered doubtful	Nil	Nil
	Nil	Nil
Less: Provision for doubtful debts	Nil	Nil
	Nil	Nil
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	Nil	Nil
Unsecured, considered good	15,187,381.00	15,106,017.00
Unsecured, considered doubtful	Nil	Nil
Less: Provision for doubtful debts	-	-
	15,187,381.00	15,106,017.00
<b>Total</b>	<b>15,187,381.00</b>	<b>15,106,017.00</b>

**Related Party Transaction**

	2011-12	2010-11
Directors *	Nil	Nil
Other officers of the Company *	Nil	Nil
Firm in which director is a partner *	Nil	Nil
Private Company in which director is a member	Nil	Nil
	<b>NIL</b>	<b>NIL</b>

\*Either severally or jointly



**Note 16**

**Cash and cash equivalents**

	2011-12	2010-11
a. Balances with banks*		-
This includes:		
<b>Earmarked Balances</b>		
(eg/- unpaid dividend accounts)	-	
Unpaid Debenturs with BOB, Kalamassery	48,490.00	48,490.00
<b>Margin money</b>		
Margin on Guarantee with BOB Kly & Salem	975,530.00	861,239.00
Security against borrowings	Nil	Nil
Guarantees	Nil	Nil
Other Commitments	Nil	Nil
<b>Bank deposits with more than 12 months maturity</b>		
BOB Right Issue Collection A/c	5,000.00	5,000.00
FDI Warrant A/c BOB Kly	41,072.00	41,072.00
BOB Patser A/c	11,207.00	11,207.00
b. Cheques, drafts on hand	Nil	Nil
c. Cash on hand*	15,939.00	8,298.00
<b>d. Others (specify nature)</b>		
Citi Bank Current A/c	142,411.00	105,124.00
Indian Bank, Mettur Current A/c	5,435.00	30,972.00
SBI Current A/c Tuticorin	27,550.00	21,569.00
Post office Saving s A/c	3,600.00	3,600.00
	<b>1,276,234.00</b>	<b>1,136,571.00</b>

\*Repatriation restrictions, if any, in respect of cash and bank balances shall be separately stated.

**Note 17**

**Short-term loans and advances**

	2011-12	2010-11
<b>a. Loans and advances to related parties</b>		
Secured, considered good	Nil	Nil
Unsecured, considered good	Nil	Nil
Doubtful	Nil	Nil
Less:Provision for doubtful loans and advances	Nil	Nil
	Nil	Nil
<b>b. Others (specify nature)</b>		
Secured, considered good	Nil	Nil
Unsecured, considered good	Nil	Nil
Doubtful	Nil	Nil
Less:Provision for doubtful loans and advances	Nil	Nil
	Nil	Nil
	Nil	Nil

### Related Party Transaction

	2011-12	2010-11
Directors *	Nil	Nil
Other officers of the Company *	Nil	Nil
Firm in which director is a partner *	Nil	Nil
Private Company in which director is a member	Nil	Nil
	<b>NIL</b>	<b>NIL</b>

\*Either severally or jointly

### Note 18

#### Other Current Assets

	2011-12	2010-11
CST Receivable	5,336.00	5,336.00
TDS Assessment Year 2011-12	3,474.00	3,474.00
TDS Assessment Year 2012-13	16,299.00	-
Sales Tax Assessment	14,311.00	14,311.00
	<b>39,420.00</b>	<b>23,121.00</b>

### Note 19

#### a) Contingent liabilities and commitments (to the extent not provided for)

	2011-12	2010-11
<b>(i) Contingent Liabilities</b>		
<b>(a) Claims against the company not acknowledged as debt</b>		
Disputed Income Tax	1,18,23,238.00	5,214,000.00
Disputed power charges demand from KSEB	7,500,000.00	7,500,000.00
Disputed ESI Dues	380,000.00	380,000.00
Disputed demand from Karnataka state sales tax Dept	253,000.00	253,000.00
Disputed demand from Kerala state sales tax Dept	19,636,000.00	19,636,000.00
Disputed Excise duty liability	1,802,599.00	-
<b>(b) Guarantees</b>		
Guarantees Issued by Bankers on behalf of the company	2,558,000.00	2,558,000.00
(c) Other money for which the company is contingently liable	Nil	Nil
	<b>4,39,52,837.00</b>	<b>35,541,000.00</b>
<b>(ii) Commitments</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil
(b) Uncalled liability on shares and other investments partly paid	Nil	Nil
(c) Other commitments (specify nature)	Nil	Nil
	Nil	Nil

**b) Details of Dividend Payment**

	2011-12	2010-11
Dividends proposed to be distributed to equity shareholders	Nil	Nil
Dividends proposed to be distributed to preference shareholders	Nil	Nil
Arrears of fixed cumulative dividends on preference shares	Nil	Nil

c) Where in respect of an issue of securities made for a specific purpose, the whole or part of the amount has not been used for the specific purpose at the balance sheet date, indicate below how such unutilized amounts have been used or invested.

Not Applicable

d) In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated, except as stated below:

Name of Assets	Realisable Value	Value in Balance Sheet	Opinion of Board	
Nil	Nil	Nil	Nil	Nil
Nil	Nil	Nil	Nil	Nil
Nil	Nil	Nil	Nil	Nil
Nil	Nil	Nil	Nil	Nil

**NOTES FORMING PART OF STATEMENT OF PROFIT / LOSS  
FOR THE YEAR ENDED 31.03.2012**

**Note 20**

**Revenue from operations**

	2011-12	2010-11
Sale of products	1,743,909.00	16,143,128.00
Sale of services		-
Other operating revenues	659,980.00	450,731.00
<b>Total</b>	<b>2,403,889.00</b>	<b>16,593,859.00</b>
<b>Less:</b>		
Excise duty	207,909.00	1,535,489.00
<b>Net Revenue</b>	<b>2,195,980.00</b>	<b>15,058,370.00</b>

**Note 21**

**Other income**

Particulars	2011-12	2010-11
Interest Income (in case of a company other than a finance company)	130,590.00	34,738.00
Dividend Income	5.00	
Net gain/loss on sale of investments		-
Other non-operating income (net of expenses directly attributable to such income)		500.00
<b>Total</b>	<b>130,595.00</b>	<b>35,238.00</b>

**Note 22**

**Cost of materials consumed**

Particulars	2011-12	2010-11
Raw Materials Consumed	881,840.00	5,604,479.00
Packing Materials	7,327.00	146,104.00
Stores & Spares Consumed	15,274.00	300,567.00
<b>Total</b>	<b>904,441.00</b>	<b>6,051,150.00</b>

**Note 23**

**Purchases of Stock-in-Trade**

Particulars	2011-12	2010-11
Finished Goods	Nil	Nil
Work in Process	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**Note 24**

**Changes in inventories of finished goods work-in-progress and Stock-in-Trade**

Particulars	2011-12	2010-11
<b>Opening Stock :</b>		
Work-in-Process	80,000.00	3,906,151.00
Finished Goods	105,512.00	1,710,368.00
Traded Items	-	-
<b>Closing Stock :</b>		
Work-in-Process	56,750.00	105,512.00
Finished Goods	143,509.00	80,000.00
Traded Items	-	-
<b>Total</b>	(14,747.00)	5,431,007.00

**Note 25**

**Employee Benefits Expense**

Particulars	2011-12	2010-11
(a) Salaries and incentives	7,855,534.00	10278070
(b) Contributions to -		
(i) Provident fund(ii) Superannuation scheme (III) ESI	74,521.00	1703647
(c) Gratuity fund contributions	-	120499
(d) Social security and other benefit plans for overseas employees	-	-
(e) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP)	-	-
(f) Staff welfare expenses	27,747.00	249274
<b>Total</b>	7,957,802.00	12,351,490

**Note 26**

**Finance costs**

Particulars	2011-12	2010-11
Interest expense	-	-
Other borrowing costs	2,973.00	15,920.00
Applicable net gain/loss on foreign currency transactions and translation	-	-
<b>Total</b>	2,973.00	15,920.00

**Note 27 Other Expenses**

Particulars	2011-12	2010-11
Consumption of stores and spare parts.		0
Power and fuel.	1,400,237.00	6713083
Rent.	154,820.00	130140
Repairs to buildings.	40,740.00	1186693
Repairs to machinery.	5,817.00	24292
Rates and taxes, excluding, taxes on income.	263,772.00	303764
Travelling Expenses	425,939.00	771636
Law Charges	2,290,515.00	153000
Donation	100.00	82050
Advertisement Expenses	62,266.00	51848
Printing Stationery	42,327.00	64240
Retainer Fee	280,215.00	295223
Postage & Telegraph	67,582.00	116280
General Expenses	255,539.00	481040
Factory Expenses	587,237.00	1963745
Carriage Outwards	-	2313
Special Discount	-	84926
Listing Fee	16,545.00	11030
Motor Vehicle Maintenance	-	21544
<b>Payments to the auditor as</b>		
a. auditor	44,120.00	44120
b. for taxation matters	11,030.00	11030
c. for company law matters	-	-
d. for management services	-	-
e. for other services	-	5516
f. for reimbursement of expenses	-	-
<b>Total</b>	<b>5,948,801.00</b>	<b>12,517,513</b>

**ADDITIONAL DISCLOSURES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2012**

**1 Accounting Policies**

- I. Fixed Assets are stated at their original cost including taxes, duties, freight and other incidental expenses related to acquisition, as reduced by Cenvat Credit.
- II. Depreciation has been provided on Plant and Machinery on a straight line method on historical book cost and in respect of other fixed assets on Written Down Value method, as per schedule XIV of the Companies Act 1956
- III. Valuation of Inventories as per AS-2 of ICAI:-

Raw Materials, Stores & spares are valued at cost, finished goods at cost or net realizable value whichever is less including excise duty payable and work –in-process at cost.

- IV. Investments are valued at cost except those where permanent diminution has arisen for which due provision has been made. Dividends are accounted as and when declared and received.
  - V. Leave payments to employees are accounted as and when claimed and paid.
  - VI. The company had been following the system where Retirement Benefits were provided in the books of accounts and payments were made to Life Insurance Corporation of India on the basis of actuarial principles. However no provision has been made during the current year
  - VII. Excise Duty on the closing stock of finished goods at the factory is included in the valuation of stock-in-trade. This will have no effect on the working results of the company.
  - VIII. Foreign Exchange transactions (monetary items) remaining unsettled at the end of the period are converted at the rates prevailing on the last day of the period.
  - IX. The Subsidies of capital nature received or receivable are accounted as capital reserves. The subsidies of revenue nature, if any, are taken as income.
2. There is a reversal Deferred Tax during the year and the deferred tax liability has been reduced to the effect as on 31.03.2012. Entire difference arise because of reversal of timing (Liability) difference of Rs.23, 94,175/-

3. (a) The income tax assessment have been completed up to the accounting year 2003-2004. As between the financial period ended 31.03.1996 and 31.03.1997, there is a net demand of Rs.17.56 lakhs, which has already been paid .However, the disputed tax is disclosed as a Contingent Liability .The appeal filed by the Company in the Honourable High Court of Kerala has been dismissed. But the orders giving effect to the said Court Order has not yet been passed by the department. The Company is in the process of taking up the matter before the Honourable Supreme Court of India.
- b) Regarding the Assessment Year 2004-05 the appeal filed by the Company before the Income Tax Appellate Tribunal has been partly allowed, but the order giving effect to this order has not yet been passed by the department. The Company intends to take up the matter before the Honourable High Court of Kerala.
4. Out of the total extent of land measuring 99.92 acres purchased at Ulundurpet, 54 acres of land come under Urban Land Ceiling Act. The application for exemption from Land ceiling is pending before the Government the clearance for the land admeasuring 99.92 Acres has not been granted by Pollution Control Board because of the stretch of land falling within one kilometer from the banks of the river. In the light of the land ceiling act, the possibilities for disposal of lands possess difficult. In absence of reasonable marketable value, the increase or decrease in the value of the land is not ascertainable.
5. The company reference application to BIFR as a sick industrial Company stands registered on case No.101/2005 dt.28.03.2005.BIFR has appointed Bank of Baroda, as the Operating Agency. The Company has submitted a revival proposal to the Bank Baroda.
6. The Maintenance expenditures of the closed units are charged to revenue.
7. Balances of debtors, creditors, loans and advances and banks/ financial institutions are subject to confirmation / reconciliation by the parties.
8. Company does not possess full information as to, which of its suppliers are small scales industrial undertakings holding permanent registration certificate issued by the relevant authorities.
9. The operations of the company relate only to one segment viz., manufacture and sale of chemicals
10. In the absent of realizable value of assets of the company, the decrease or increase in value of assets has not been quantified. Hence the impairment of assets has not been quantified. Hence the impairment of assets could not be ascertained



11. The balance under deposits made by the company with different authorities and various other parties were not confirmed as on 31<sup>st</sup> March 2012. The following are the details.

SI No	Particulars	Deposit Holder	Amount
1	Deposit-Tenders	Various Parties	4,44,690.00
2	Deposit-Others	Various Parties	3,92,186.00
3	TWAD Deposits	Tamilnadu Water Authority	2,36,250.00
4	Check post Deposits	Kerala Sale Tax Department	49,639.00
5	Central Excise- Duty refundable	Central Excise Department	90,059.00
6	Central Excise Deposits	Central Excise Department	1,77,825.66

12. The following balances with banks as on 31<sup>st</sup> March 2012 were not confirmed.

SI.No.	Name of Bank	Branch Name	Amount
1	Bank of Baroda-Paster A/c	Salem	11,207.00
2	Bank of Baroda	Mumbai	5,000.00
3	Bank of Baroda-FDI Warrant A/c	Kalamassery	41,072.00
4	Bank of Baroda-Unpaid Debenture A/c	Kalamassery	48,490.00
5	Margin on Guarantee with Bank	Kalamassery	9,75,530.00
6	Cash with Post Office SB A/c	Kalamassery	3600.00

Joseph Varghese  
Managing Director

T.S.Rajagopalan  
Director

George Varghese  
Director

As per Report of even date attached  
for and on behalf of  
**VBSK & Company**  
Chartered Accountants  
(FRN 010779S)

Kochi-25.  
31.05.2012

**Suresh G**  
Partner  
(M. No. 210211)

T  
C M

**T C M Limited**

**FORM OF PROXY**

I / We .....

of .....

..... being member(s) of T C M Limited

hereby appoint .....

..... of

..... or failing him / her .....

..... of .....

as my / our proxy to vote for me / us on my / our behalf at the 68<sup>th</sup> Annual General Meeting of the company to be held on Saturday the 29<sup>th</sup> September 2012 at 15.00 hrs and at any adjournment thereof.

As witness my / our hand this ..... day of .....2012

Signed by the said .....

Affix 1.00 Rupee Revenue Stamp
--

**NOTE:** To be deposited at the Company's Registered Office not less than 48 hours before the time of the meeting i.e before 15.00 hrs on 27.09.2012.

If undelivered, please return to:

 **TCM Limited**  
Post Box No.19,  
KALAMASSERY-683 104.