

**15th Annual Report  
2005-2006**

**TCFC FINANCE LIMITED**

## BOARD OF DIRECTORS

MR. ATUL DESAI - Chairman  
MR. DAVENDRA AHUJA - Managing Director  
MR. V S SRINIVASAN - Director  
MR. VICKRAM AHUJA - Director  
MR. VENKATESH KAMATH - Director

## ANNUAL GENERAL MEETING

On Thursday, August 17, 2006  
3.30 p.m. at Ashoka Hall,  
Arcadia, NCPA Marg,  
Nariman Point,  
Mumbai – 400 021.

## COMPANY SECRETARY

MR. AYAN CHAKRABORTY

## AUDITORS

LAKHANI & COMPANY  
CHARTERED ACCOUNTANTS

## REGISTERED OFFICE

501-502, RAHEJA CHAMBERS,  
FREE PRESS JOURNAL MARG,  
NARIMAN POINT,  
MUMBAI 400 021.  
TEL.: 022-22844701

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**NOTICE**

NOTICE is hereby given that the 15th Annual General Meeting of the members of TCFC Finance Limited will be held on Thursday, August 17, 2006, at 3.30 p.m. at Ashoka Hall, Arcadia, NCPA Marg, Nariman Point, Mumbai - 400 021 to transact the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt the Audited Balance Sheet as at March 31, 2006 and the Profit and Loss Account for the period ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. Atul Desai, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint auditors and fix their remuneration.

**SPECIAL BUSINESS :**

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

“RESOLVED THAT Mr. Vickram Ahuja, in respect of whom the Company has received a notice u/s 257 of the Companies Act, 1956 from a member signifying their intention to propose the candidature of Mr. Vickram Ahuja to the office of Director, be and is hereby appointed as a Director liable to retire by rotation.”

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

“RESOLVED THAT Mr. V S Srinivasan, in respect of whom the Company has received a notice u/s 257 of the Companies Act, 1956 from a member signifying their intention to propose the candidature of Mr. V S Srinivasan to the office of Director, be and is hereby appointed as a Director liable to retire by rotation.”

By order of the Board  
For **TCFC Finance Limited**

**Ayan Chakraborty**  
Company Secretary

Place : Mumbai

Date : June 5, 2006

**Notes:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies, in order to be effective, should be duly completed, stamped and signed and must be deposited 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 Books of the Company shall remain closed from August 11, 2006 to August 17, 2006 (both days inclusive) to ascertain the shareholders entitled to receive dividend, if approved, on equity shares, for the year ended March 31, 2006. In respect of shares held in electronic form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the depositories for this purpose.
3. The dividend on equity shares, if declared at the Annual General meeting will be paid on or after August 28, 2006.
4. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in relation to the Special Business of the meeting is annexed hereto. The relevant details of directors seeking appointment under item Nos. 3, 5 & 6 above, as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges are given in the Corporate Governance Report.
5. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days except Saturday between 11.00 a.m and 1.00 p.m. upto the date of the Annual General Meeting.
6. Members are requested to intimate change in address, change in bank accounts etc. Members may avail Electronic Clearing Service (ECS) for receipt of dividend by intimating their bank account details to the Company if shares are in physical form or to their respective Depository Participant in case of shares in dematerialized form.
7. Any member seeking further information on the Accounts at the meeting is requested to send their queries in writing to the Company so as to reach at least one week in advance to enable the Management to keep the information ready. Replies will be provided only at the meeting.
8. Members/proxies should bring their Attendance slip duly filled in for attending the meeting.

## **TCFC FINANCE LIMITED**

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### **ANNEXURE TO THE NOTICE**

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956

#### **ITEM NO. 5**

Mr. Vickram Ahuja was appointed as an Additional Director of the Company at the meeting of the Board of Directors of the Company held on July 26, 2005. Pursuant to Section 260 of the Companies Act, 1956 Mr. Vickram Ahuja will hold office upto the date of the ensuing Annual General Meeting. Pursuant to Section 257 of the Companies Act, 1956 a notice in writing along with a deposit of Rs. 500/- has been received from a Member of the Company signifying his intention to propose Mr. Vickram Ahuja as a candidate for the office of Director.

Mr. D Ahuja, Managing Director of the Company being relative, may be deemed to be interested in the resolution.

Your Directors recommend the resolution at item no. 5 for your acceptance.

#### **ITEM NO. 6**

Mr. V S Srinivasan was appointed as an Additional Director of the Company at the meeting of the Board of Directors of the Company held on February 6, 2006. Pursuant to Section 260 of the Companies Act, 1956 Mr. V S Srinivasan will hold office

upto the date of the ensuing Annual General Meeting. Pursuant to Section 257 of the Companies Act, 1956 a notice in writing along with a deposit of Rs. 500/- has been received from a Member of the Company signifying his intention to propose Mr. V S Srinivasan as a candidate for the office of Director.

None of the other Directors of the Company are in any way concerned or interested in the Resolution proposed at item no. 6 of the Notice.

Your Directors recommend the resolution at item no. 6 for your acceptance.

By order of the Board  
For **TCFC Finance Limited**

**Ayan Chakraborty**  
Company Secretary

Place : Mumbai  
Date : June 5, 2006

#### **Registered Office:**

501 - 502, Raheja Chambers,  
Free Press Journal Marg,  
Nariman Point,  
Mumbai 400 021

**DIRECTORS' REPORT**

To the Members,

**TCFC FINANCE LIMITED**

The Directors have pleasure in presenting the 15th Annual Report of the Company together with the Audited Annual Accounts for the year ended March 31, 2006.

**FINANCIAL RESULTS**

	<b>Year ended March 31, 2006 (Rs. in lacs)</b>	Year ended March 31, 2005 (Rs. in lacs)
Profit/(Loss) before Non-cash charges	<b>667.07</b>	532.27
Less: Non Cash Charges	<b>12.93</b>	8.75
Profit / (Loss) before tax, provision	<b>654.14</b>	523.51
Provision/write off of investments / advances	<b>0.00</b>	111.64
Profit / (Loss) before tax	<b>654.14</b>	411.87
Less: Provision for Tax	<b>54.73</b>	29.31
Net Profit/(Loss) after tax	<b>599.41</b>	382.56
Proposed dividend	<b>125.79</b>	104.82
Dividend tax	<b>17.64</b>	14.41
Carried to General Reserve	<b>59.94</b>	9.56
Carried to Statutory Reserve	<b>119.88</b>	76.51
Surplus balance carried to Profit & Loss Account	<b>276.16</b>	177.25

**OPERATIONS**

During the year under report, the Company has performed better than the previous year. The Company has made a net profit of Rs.599.41 lacs in the year under report as against Rs.382.56 lacs in the previous year. Earning per share has increased from Rs. 3.65 in the previous year to Rs.5.72 in the current year. The Company has been able to take advantage of the growth in the economy and the consequent boom in the secondary markets. Due to the above and the cost cutting measures adopted, the Company made reasonable profits in the current year.

**DIVIDEND**

In view of the improved working, the directors are pleased to recommend a dividend of 12% amounting to Rs.1.20 per equity

share on 1,04,82,129 equity share of Rs. 10/- each for the financial year ended March 31, 2006. Dividend, if approved by the Members at the ensuing Annual General Meeting will be paid to the Equity shareholders whose names appear in the Register of Members as on August 17, 2006 and to those whose names appear as beneficial owners as furnished by National Securities Depository Limited and Central Depository Services (India) Limited.

**MANAGEMENT DISCUSSION AND ANALYSIS**

During the year the Company carried out capital market operations at a moderate level. The growth in the Indian economy together with the boom in the capital markets resulted in a better year for the Company. Due to the current uncertain capital market situation where the risk factors appear to be very high the Company is taking a cautious view and will formulate its investment policies accordingly.

**EVENTS AFTER BALANCE SHEET**

The Company sold 8,25,000 equity shares of Rs.10/- each of Lakshmi Ganesha Textiles Ltd. to its Promoters at a price of Rs. 5.50 per share aggregating to Rs. 45.37 lacs.

The Company is taking a number of initiatives to consolidate and improve margins and return on capital which will in turn enhance the shareholders value.

**CORPORATE GOVERNANCE**

Corporate Governance Report is annexed to this report.

**AUDITORS**

Lakhani & Company, Chartered Accountants, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting, and are eligible to offer themselves for re-appointment. The Company has received a certificate from the Auditors to the effect that their re-appointment, if made, would be in accordance with the provisions of section 224 (1B) of the Companies Act, 1956. The Directors recommend their re-appointment as the Auditors till the conclusion of the Annual General Meeting for the year ended 31<sup>st</sup> March 2007 on remuneration to be decided by the Board of Directors of the Company. Notes forming part of accounts which are specifically referred to the Auditors in their report are self-explanatory and therefore, do not call for any further comments.

**DEPOSITS**

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

## **TCFC FINANCE LIMITED**

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### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors confirm that:

- (i) in preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- (ii) they have selected the 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 under review and for the profit or loss of the Company for that period;
- (iii) they have taken proper and sufficient care 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) they have prepared the Annual Accounts on a going concern basis.

### **DIRECTORS**

During the year under review Mr. Atul Desai, Director retires by rotation and being eligible offers himself for re-appointment. Mr. Shaunak Dalal and Mr. Arun Sawhney have ceased to be Directors of the Company on July 26, 2005 and on February 1, 2006 respectively. Mr. Vickram Ahuja and Mr. V S Srinivasan have been appointed Directors of the Company on July 26, 2005 and on February 6, 2006 respectively.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company has no activities relating to conservation of energy, technology absorption and foreign exchange earnings & out go.

### **PARTICULARS OF EMPLOYEES**

The information on employees' remuneration as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended till date, forms part of this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts are being sent to all the Members excluding the statement containing the particulars of Employees to be provided under Section 217 (2A) of the Act. Any Member interested in obtaining such particulars may inspect the same at the Company's Registered Office between 11.00 am to 1.00 pm on all working days till the date of the 15<sup>th</sup> Annual General Meeting . Further, those seeking a copy of the said statement may write to the Company Secretary at the Registered Office.

### **ACKNOWLEDGMENT**

The Board of Directors thanks Reserve Bank of India, Banks and Shareholders for their continued support besides employees at all levels.

By Order of the Board  
For **TCFC FINANCE LIMITED**

Place : Mumbai  
Date : June 5, 2006

**Atul Desai**  
**Chairman**

## CORPORATE GOVERNANCE REPORT

### 1. Company's philosophy

In compliance with the provisions of Clause 49 of the Listing Agreement with Stock Exchanges and applicable provisions of the Companies Act, 1956, your Directors submit their report on the matters mentioned in the said Clause and practice followed by the Company.

### 2. Board of Directors

The composition of Board of Directors is in compliance with provisions of Listing Agreement with the Stock Exchange and the Companies Act, 1956. As on March 31, 2006, the Board comprises of a Non Executive Chairman and four other Directors. Out of these, two members are Independent Directors. None of the Directors is member of more than 10 committees and Chairman of more than 5 committees across all the companies in which he is director. All the Directors have made necessary disclosures regarding committee positions occupied by them. The independent Directors are professionals drawn from amongst persons with experience in business, finance and law. The composition of the Board during the Year ended March 31, 2006 is as under:

Name	Category	Attendance particulars		Number of other directorship and Committee Membership/ Chairmanship		
		Board Meeting	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
Atul Desai	Chairman Non Executive & Independent	5	Yes	4	8	3
Davendra Ahuja	Executive & Non-Independent	5	Yes	3	4	1
Shaunak Dalal*	Non-executive & Independent	1	No	4	3	-
Arun Sawhney**	Non-executive & Independent	3	Yes	3	2	-
Venkatesh Kamath	Non-executive & Non Independent	5	Yes	3	2	1
Vickram Ahuja\$	Non-executive & Non Independent	2	Yes	1	1	-
V S Srinivasan+	Non-executive & Independent	Nil	No	1	2	-

\* resigned w.e.f July 26, 2005

\*\* resigned w.e.f. February 1, 2006

\$ appointed w.e.f. July 26,2005

+ appointed w.e.f. February 6, 2006

During the year, the Board of Directors of the Company have approved and laid down a Code of Conduct applicable for all the Board Members and the Employees of the Company. This Code of Conduct is given in the Annual Report.

Further, all Board members and the Employees of the Company have affirmed their adherence to the Code. The Company's Managing Director's declaration to the effect forms a part of this report.

#### Board Meetings and attendance

The Corporate Governance policy requires the Board to meet atleast 4 times in a year with a maximum gap of 4 months between any two meetings. The details of the Board Meetings held during the year are as under:

Sr. No.	Date of Board Meeting	Board's Strength	No. of Directors present
1	May 11, 2005	5	5
2	July 26, 2005	5	5
3	October 24, 2005	5	5
4	January 27, 2006	5	3
5	February 6, 2006	5	3

## TCFC FINANCE LIMITED

### Board's Processes

It has always been the Company's policy and practice that apart from matters requiring the Board's approval by statute, all major decisions including quarterly results of the Company are regularly placed before the Board. This is in addition to information with regard to actual operations, major litigation, feed back reports and minutes of all Committee Meetings.

### COMPOSITION OF COMMITTEES OF DIRECTORS AND THEIR ATTENDANCE AT THE MEETING

The Board has constituted committees of Directors to take informed decisions in the best interest of the Company. These committees monitor the activities falling within their terms of reference. The Board Committee's are as follows:

#### A. Audit Committee

The Audit Committee of the Board comprises of three qualified Directors with majority being independent viz. Mr. V S Srinivasan, Mr. Davendra Ahuja, Mr. Atul Desai. During the year, Mr. Arun Sawhney and Mr. Shaunak Dalal who were part of the Board as well as the Audit Committee have resigned from the Board and consequently the Audit Committee. Mr. Vickram Ahuja who was appointed a member of the Audit Committee has also resigned from the Committee. Mr. V S Srinivasan is the Chairman. Two of the members are having finance and accounting knowledge. The Company Secretary is the Secretary to the Committee. The Audit Committee of the Company, inter alia, provides reassurance to the Board on the existence of an effective internal control environment.

The Committee has powers similar to that stated in the listing agreements and Companies Act and exercises most of the functions as per the terms of reference in line with the requirements of the Code of Corporate Governance. The Audit committee has reviewed the Annual Accounts for the year 2005-2006.

The details of Audit Committee meetings held during the year 2005 –2006 are as under:

#### Audit Committee Meetings

Sr. No.	Date of Audit Committee	Committee Strength	No. of Members present
1	May 11, 2005	4	4
2	July 26, 2005	3	3
3	October 24, 2005	4	4
4	January 27, 2006	3	3

#### Audit Committee Attendance

Directors	No. of Meetings attended
Arun Sawhney **	4
Atul Desai	4
Davendra Ahuja	4
Shaunak Dalal*	1
Vickram Ahuja+	1
V.S. Srinivasan\$	Nil

\* Ceased to be committee member w.e.f. July 26, 2005

\*\* Ceased to be committee member w.e.f. February 1, 2006

+ Ceased to be committee member w.e.f. October 24, 2005

\$ Appointed on the Committee w.e.f. February 6, 2006

Statutory Auditors, executives responsible for finance and accounts functions are permanent invitees to the Audit committee.

#### B. Remuneration Committee

The Company has one Managing Director who is paid remuneration while the remaining directors are non - executive directors who are paid only sitting fees. The remuneration paid to the Managing Director has already been approved by the Committee.

The Committee has powers similar to that stated in the listing agreements and schedule XIII to the Companies Act, 1956.

The Remuneration Committee of the Board comprises of three Non-Executive Directors viz. Mr. V S Srinivasan, Mr. Vickram Ahuja, and Mr. Atul Desai. During the year, Mr. Arun Sawhney and Mr. Shaunak Dalal who were part of the Board as well as the Remuneration Committee have resigned from the Board and consequently the Remuneration

## TCFC FINANCE LIMITED

Committee. Mr. Atul Desai is the Chairman. The Company Secretary is the Secretary to the Committee. The Remuneration Committee, inter alia, approves the remuneration of the top tier management of the Company including the Managing Director. The remuneration of the employees largely consists of basic remuneration, perquisite and other incentives.

### Details of Remuneration for 2005-06

(In Rupees)

Name of Director	Sitting fees	Salaries and Perquisites	Commission
Atul Desai	85,000/-	Nil	Nil
Davendra Ahuja	10,000/-	24,92,674/-	35,96,685/-
Arun Sawhney	65,000/-	Nil	Nil
Vickram Ahuja	30,000/-	Nil	Nil
Shaunak Dalal	15,000/-	Nil	Nil
Venkatesh Kamath	45,000/-	Nil	Nil

### C Shareholders / Investors Grievance Committee

The Shareholders / Investors Grievance Committee looks after the transfer of shares, split of shares, issue of duplicate shares, transmission etc. In addition to above, the Committee is authorised to look into shareholders complaints like delay in transfer, non receipt of securities, balance sheet, dividend etc. During the year no complaints were received from The Stock Exchange/ Securities and Exchange Board of India/ The Registrar of Companies. All the correspondence/ queries from the members were replied to the satisfaction of the members. No transfer/complaints are pending at the close of the financial year.

The Committee consists of Mr. Venkatesh Kamath, Mr. Atul Desai and Mr. Davendra Ahuja. Mr. Venkatesh Kamath, non executive director, is the Chairman of the committee. Mr. Ayan Chakraborty, Company Secretary is the Compliance officer and is also the secretary to the committee.

### Director who are seeking appointment / re-appointment at the ensuing Annual General Meeting.

<b>Name of the Director</b>	Atul Desai	Vickram Ahuja	V S Srinivasan
<b>Date of Birth</b>	January 27, 1950	November 23, 1974	February 27, 1944
<b>Date of Appointment / Re appointment as Director / MD / WTD</b>	Not applicable being non executive director	Not applicable being non executive director	Not applicable being non executive director
<b>Qualification</b>	BSc, LLB	B.Com	B.E. PGDBA
<b>Experience and Expertise in Specific functional area</b>	Solicitor & Advocate	Financial Consultant	Management Consultant
<b>Other Directorship : Atul Desai</b>			
<b>Name of the Company</b>	<b>Position</b>	<b>Committee</b>	<b>Membership Status</b>
Jindal South West Holdings Ltd	Director	Audit Committee Shareholder/ Investor Grievance Committee Share Transfer Committee	Nil
Welspun Syntex Ltd	Director	Audit Committee Shareholder/ Investor Grievance Committee	Nil
India Safety Vaults Ltd.	Director	Nil	Nil
Akar Tools Ltd.	Director	Nil	Nil
<b>Other Directorship : Vickram Ahuja</b>			
Greenstone Investments Pvt. Ltd.	Director	Nil	Member
<b>Other Directorship : V S Srinivasan</b>			
Splendid Securities Pvt. Ltd.	Director	Nil	Member

## TCFC FINANCE LIMITED

### 3. Means of Communications

The quarterly results, notice of the meeting and book closure dates etc. are widely circulated in leading English (Free Press Journals) and regional language newspapers (Navshakti). Results are also given to The Stock Exchange, Mumbai and SEBI for publication. Management Discussion & Analysis forms part of the Director's Report.

### 4. Details of last three Annual General Meetings

Year	Location	Date	Time
2002-2003	Jai Hind College Auditorium, A Road, Churchgate, Mumbai 400020	September 16, 2003	3.00 p.m.
2003-2004	Ashoka Hall, Arcadia, NCPA Marg, Nariman Point, Mumbai – 400 021	July 26, 2004	11.00 a.m.
2004-2005	Ashoka Hall, Arcadia, NCPA Marg, Nariman Point, Mumbai – 400 021	July 15, 2005	11.00 a.m.

None of the special resolutions were put through vote by postal ballots during the last three AGMs.

### 5. Disclosures

There has been no non-compliance penalties / strictures imposed on the Company by Stock Exchange(s) or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.

There are no materially significant related party transaction other than those disclosed in the notes to accounts.

### 6. General Shareholder Information

#### a) Annual General Meeting

Date : August 17, 2006

Time : 3.30 p.m.

Venue: Ashoka Hall, Arcadia, NCPA Marg, Nariman Point, Mumbai 400021

Book Closure Date : August 11, 2006 to August 17, 2006

Payment of dividend : 28<sup>th</sup> August 2006 onwards.

#### b) Financial Calendar

Tentative calendar of events for the financial year 2006-2007 (April- March) is given below.

##### Adoption of Quarterly Results ended

June 30, 2006

September 30, 2006

December 31, 2006

March 31, 2007 (Audited Annual Accounts)

##### In the month of

July, 2006

October, 2006

January, 2007

June, 2007

#### c) Inhouse Share Department

TCFC Finance Limited

Share Department

502, Raheja Chambers,

Nariman Point, Mumbai 400 021

#### d) Listing on Stock Exchanges

Name of Stock Exchange in which the shares of the Company are listed for trading with stock code.

##### Stock Exchange

The Stock Exchange, Mumbai

The listing fee for the financial year has been paid

##### Code

B2-532284

## TCFC FINANCE LIMITED

e) Shareholding Pattern of the Company as on March 31, 2006

Category	No. of Shares held	% of shareholdings
<b>A. Promoter's Holding</b>		
a) NRI Promoters (Including OCBs)	-	-
b) Indian Promoters	-	-
c) Persons Acting in concert	5763833	54.99
<b>Sub Total</b>	<b>5763833</b>	<b>54.99</b>
<b>B. Non Promoting Holdings</b>		
a) Mutual Funds and UTI	1618	0.01
b) Banks and Financial institution	596311	5.69
c) FIs	-	-
<b>Sub Total</b>	<b>597929</b>	<b>5.70</b>
Others:-		
a) Corporates Bodies	647481	6.18
b) Indian Public	2919485	27.85
c) NRIs	13436	0.13
d) Others	539965	5.15
<b>Sub Total</b>	<b>3510547</b>	<b>39.31</b>
<b>Grand Total</b>	<b>10482129</b>	<b>100.00</b>

There are no shares/securities/warrants/instruments due for conversion.

f) **Distribution of Shareholding as on March 31, 2006**

Range	Share Holders		Shares	
	No. of shares	Numbers	% to total holders	Numbers
Up to - 250	35245	95.182	1571500	14.99
251- 500	1207	3.260	419331	4.00
501-1000	350	0.945	254273	2.43
1001-2000	111	0.300	166804	1.59
2001-3000	37	0.100	92900	0.88
3001-4000	24	0.065	83938	0.80
4001- 5000	11	0.030	50843	0.49
5001- 10000	18	0.049	123160	1.18
10001 & above	26	0.070	7719380	73.64
<b>Total</b>	<b>37029</b>	<b>100.00</b>	<b>10482129</b>	<b>100.00</b>

g) **Share transfer system**

Share transfers are registered by the share department of the Company and returned to the respective transferees within a period ranging from fifteen days to one month, provided the documents lodged with the Registrars / Company are clear in all respects.

## TCFC FINANCE LIMITED

### h) Dematerialisation of shares

As per notifications issued by the Securities and Exchange Board of India (SEBI), the trading in Company's shares is permitted only in dematerialized form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scripless trading, the Company has enlisted its shares with National Securities Depository Limited and Central Depository Services (India) Limited.

ISIN for the Company's equity shares: INE389D01013

Share Dematerialisation record: The following data indicates the extent of Dematerialisation of Company's shares as on March 31, 2006

<b>No of Shares Dematerialised</b>	8508091	81.17%
<b>No. of shareholders in Demat form</b>	8647	23.35% of total no. of shareholders

### i) Address for Correspondence

TCFC Finance Limited  
502, Raheja Chambers, Nariman Point, Mumbai 400 021  
Tel: 022-22844701  
Fax: 022-22819237  
Email: investorservices@tcfcfinance.com

The Company has no other office.

### j) Market Price Data (Rs.) Bombay Stock Exchange Limited

Month	Company price		BSE Sensex	
	High	Low	High	Low
April, 2005	15.90	11.80	6649.42	6118.42
May, 2005	18.50	11.50	6772.74	6140.97
June, 2005	19.70	15.75	7228.21	6647.36
July, 2005	26.70	16.70	7708.59	7123.11
August, 2005	23.40	20.00	7921.39	7537.50
September, 2005	27.50	17.75	8722.17	7818.90
October, 2005	21.60	14.00	8821.84	7656.15
November, 2005	22.70	19.00	9033.99	7891.23
December, 2005	22.50	19.20	9442.98	8769.56
January, 2006	26.95	21.00	9945.19	9158.44
February, 2006	24.70	16.40	10422.65	9713.51
March, 2006	20.20	16.70	11356.95	10344.26

### k) Depository services

For guidance on depository services, Shareholders may write to the Company or to the respective Depositories:

- i) National Securities Depository Services Limited  
Trade World, 4<sup>th</sup> Floor, Kamala Mills Compound,  
Senapati Bapat Marg, Lower Parel,  
Mumbai 400 013  
Tel. 0091-022-24972964-70  
Email. : info@nsdl.co.in  
Website: www.nsdl.co.in

- ii) Central Depository Services (India) Limited  
Phiroze Jeejeebhoy Towers, 28<sup>th</sup> Floor,  
Dalal Street, Mumbai 400 023  
Tel. 0091-022-22723333  
Email: info@centraldepository.com  
Website: www.centraldepository.com

**l) Nomination Facility**

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956 are requested to submit to the Company the prescribed Form 2B for this purpose.

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**AUDITOR'S REPORT ON CORPORATE GOVERNANCE**

To the Members of TCFC Finance Ltd.

We have examined the compliance of conditions of Corporate Governance by TCFC Finance Ltd (the Company) for the year ended March 31, 2006, as stipulated in clause 49 of the Listing Agreement of the Company with the stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the 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 explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We have been explained that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Company.

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

For **Lakhani & Co.**  
Chartered Accountants

Place : Mumbai  
Date : June 5, 2006

**Parag Modi**  
Partner

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**DECLARATION**

It is hereby declared that all the Board members and Employees of the Company have affirmed adherence to and compliance with the 'Code of Conduct' laid down by the Company, as on March 31, 2006.

For **TCFC Finance Limited**

Place : Mumbai  
Date : June 5, 2006

**Davendra Ahuja**  
Managing Director

**CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND SR. MANAGEMENT**

**I. Introduction**

This Code of conduct is for the Board of Directors and the sr. management personnel (hereinafter referred to as “officers”) to maintain the standards of business conduct for the Company and ensure compliance with legal requirements. The code would deter wrong doing, promote ethical conduct and conduct business with values.

Ethical business conduct is critical to our business. Officers are expected to read and understand this code, uphold these standards in day to day activities and comply with all the policies and procedures. Nothing in this code creates or implies an employment contract or term of employment.

The code would be circulated to all the officers each year. All are requested to read, understand and agree to comply with the code.

**II. Honest and ethical conduct**

We expect all the officers to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct while working for the Company. We consider honest conduct to be conduct that is free from fraud or deception. Ethical conduct means ethical handling of actual or apparent conflict of interest between personal and professional relationships.

**III. Conflict of interest**

Officers are duty bound to avoid and disclose actual and apparent conflict of interest. A conflict of interest exists where the interest or benefits of the officers conflict with the interest or benefits of the Company. Officers are prohibited from engaging in any activity that interferes with the performance or responsibilities to the Company or is otherwise in conflict with or prejudicial to the Company. Our policies prohibit officers from accepting simultaneous employment with suppliers, customers, developers or competitors of the Company. Officers must disclose to the company’s audit committee any interest that they have that may conflict with the business of the Company. Conflict of interest would also include accepting directorship in competing company. Investing in any customer, supplier, developer or competitor company the officer should take care to see that it does not compromise with the responsibilities to the Company. Under no circumstances officers may accept any offer, payment, gift or any thing of value from customers, vendors, consultants, etc that is perceived to influence any business decision. Inexpensive gifts, business meals, events and entertainment do not violate this policy. Gifts given by the Company to its suppliers, customers, or received from them should be accurately recorded. It is impractical to list all possible situation of conflict of interest. If a proposed transaction or situation raises any question of doubts, officer must consult the Company’s audit committee.

**IV. Disclosure to The Stock Exchange and public**

The Company’s policy is to provide full, fair, accurate, timely and understandable disclosure in reports and documents filed with the exchange and other public communications. Officer should ensure that they comply with all disclosure norms and procedures and other financial reporting.

**V. Compliance with governmental laws, rules and regulations**

Officers must comply with all applicable government laws, rules and regulations. Officers must acquire appropriate knowledge of all legal requirements relating to their duties. Violation of laws rules and regulations may subject officers to individual criminal or civil liability, as well as disciplinary action by the Company. It may also lead the Company to civil or criminal liability or loss of business.

**VI. Violation of code**

Officer’s job is to help Company to enforce this code. Violations should be reported to Audit Committee. Officer must cooperate with internal or external investigations for any violations. The Company will take appropriate action against the officer whose actions are found to violate the code or any other policy of the Company. Disciplinary action would include termination of employment. Where the Company suffers a loss it may pursue its remedies against the individuals responsible.

**VII. Waivers and amendments to the code**

Company would review and update the policies and procedures. The code is subject to modification. Any amendment to the code is subject to the approval of the Board of Directors and disclosed to all the officers and is pursuant to the applicable laws and regulations.

**VIII. Acknowledgement**

All employees shall declare that they have received and read the Company’s code and understand the standards and policies contained in the code and shall agree to comply with the code.

If they have any questions concerning the meaning or application of the code the same be consulted to the Audit committee. All questions or reports will be confidential.

**AUDITORS' REPORT**

**TO THE MEMBERS OF TCFC FINANCE LIMITED**

1. We have audited the attached Balance Sheet of TCFC FINANCE LTD. (the 'Company') as at 31st March 2006, the Profit and Loss Account and also the Cash Flow Statement 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 these financial statements based on our audit.
2. We conducted our audit in accordance with the 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 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 (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956 (the 'act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to 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 the purposes 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 those books;
  - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;
  - (v) On the basis of written representations received from the directors, as on 31st March 2006 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2006 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 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 financial statements together with the notes thereon and attached thereto 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 the Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March 2006;
    - (b) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
    - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **M/s. Lakhani & Co.**  
Chartered Accountants

**(Parag Modi)**  
Partner  
M.No.114105

Place : Mumbai

Date : June 5, 2006

## **TCFC FINANCE LIMITED**

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### **ANNEXURE TO THE AUDITOR'S REPORT**

[Referred to in paragraph 3 of our report of even date to the members of TCFC FINANCE LTD. on the financial statements for the year ended 31<sup>st</sup> March, 2006]

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, all the assets have been physically verified, at intervals, by the management during the year, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, the company has not disposed a substantial part of fixed assets during the year.
- (ii) (a) The securities held as stock-in-trade and in custody of the company have been physically verified by the management at reasonable intervals. Statements have been obtained on a regular basis in respect of securities held with the custodian and depository participants.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. No material discrepancies have been noticed on verification between the physical stocks, stocks with the depository participants and the book records.
- (iii) (a) The company has granted an unsecured loan, to a company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 3,85,00,000/- and the year end balance is Nil.
- (b) In our opinion, the rate of interest and other terms and conditions in respect of unsecured loans granted by the Company to a Company (referred to in (a) above) is not prima facie prejudicial to the interest of the Company.
- (c) The company has received principal amount and interest as per stipulation.
- (d) The year end balance is Nil.
- (e) The company has not taken any loan, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly sub-clauses (e), (f), and (g) of clause 4(iii) of the Order are not applicable
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and for sale of inventory. The activities of the Company do not involve sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control system.
- (v) In our opinion and according to the information and explanations given to us, there are no contracts or arrangements referred to in the section 301 of the act during the year that need to be entered into the register maintained under that section. Accordingly clause 4(v)(b) of the Order is not applicable.
- (vi) The Company has not accepted any deposits from public within the meaning of the provisions of Sections 58A and 58AA or any other relevant provisions of the act, and the rules framed there under.
- (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 in respect of services carried by the Company.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues as applicable, with the

- appropriate authorities. Based on our audit procedure and according to the information and explanations given to us, no undisputed dues payable in respect of provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess were in arrears, as at 31<sup>st</sup> March, 2006 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xi) The Company has not taken any loans from a financial institution, nor issued any debentures. However, the Company has taken a hire purchase loan from a bank and in our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to such bank.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly clause 4(xii) of the Order is not applicable.
- (xiii) The Company is not a chit fund, nidhi or mutual fund or a society. Accordingly clause 4(xiii) of the Order is not applicable.
- (xiv) The Company has maintained proper records of transactions and contracts in respect of trading in shares and other securities and that timely entry have been made therein. All shares and other securities have been held by the Company in its own name, except those which are kept as margin with the brokers and as disclosed in the financial statements.
- (xv) According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly clause 4(xv) of the Order is not applicable.
- (xvi) The company has not obtained any term loan during the said period. Accordingly clause 4(xvi) of the Order is not applicable.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, in our opinion, the company has not raised any funds on short term basis. Accordingly clause 4(xvii) of the Order is not applicable.
- (xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. Accordingly clause 4(xviii) of the Order is not applicable.
- (xix) The company has not issued any debentures. Accordingly clause 4(xix) of the Order is not applicable.
- (xx) The company has not raised any money by public issue during the period. Accordingly clause 4(xx) of the Order is not applicable.
- (xxi) During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **M/s. Lakhani & Co.**  
Chartered Accountants

**(Parag Modi)**  
Partner

M.No.114105

Place : Mumbai  
Date : June 5, 2006

## TCFC FINANCE LIMITED

### BALANCE SHEET AS AT MARCH 31, 2006

	Schedule	As at 31.03.2006 Rupees	As at 31.03.2005 Rupees
<b>SOURCES OF FUNDS</b>			
Share Capital	A	104,821,290.00	104,821,290.00
Reserves & Surplus	B	335,147,816.30	289,549,179.87
Secured Loans	C	-	5,194,404.09
<b>TOTAL</b>		<b>439,969,106.30</b>	<b>399,564,873.96</b>
<b>APPLICATION OF FUNDS</b>			
Gross Block	D	24,364,341.61	30,352,999.61
Less: Accumulated Depreciation		4,032,230.39	3,379,186.33
Net Block		20,332,111.22	26,973,813.28
Investments	E	3,540,206.80	15,910,206.80
Current Assets, Loans & Advances	F	446,191,146.43	377,333,421.64
Less: Current Liabilities and Provisions	G	30,094,358.15	20,652,567.76
Net Current Assets (F - G)		416,096,788.28	356,680,853.88
<b>TOTAL</b>		<b>439,969,106.30</b>	<b>399,564,873.96</b>

Per our Report attached

For **M/S LAKHANI & CO**  
Chartered Accountants

**(Parag Modi)**

Partner

Place : Mumbai  
Dated : June 05, 2006

For and on behalf of the Board

**Davendra Ahuja**

Managing Director

**Venkatesh Kamath**

Director

**Ayan Chakraborty**

Company Secretary

**TCFC FINANCE LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2006**

	Schedule	Year Ended 31.03.2006 Rupees (12 Months)	Year Ended 31.03.2005 Rupees (12 Months)
<b>INCOME</b>			
From Sales		1,474,903,786.08	1,611,261,748.73
From Others	H	9,142,375.73	35,726,000.40
		<u>1,484,046,161.81</u>	<u>1,646,987,749.13</u>
<b>EXPENDITURE</b>			
Interest & Bank charges	I	5,284,885.23	139,598.21
Cost of Sales	J	1,395,433,410.14	1,575,283,173.60
Loss in Options & Futures		4,642,461.86	11,524,484.53
Administration & General Expenses	K	11,978,210.31	6,813,826.49
		<u>1,417,338,967.54</u>	<u>1,593,761,082.83</u>
Profit/(Loss) before Non-cash charges		66,707,194.27	53,226,666.30
Non-cash charges	L	1,292,860.04	875,493.89
Profit/(Loss) before tax, Provisions		65,414,334.23	52,351,172.41
Provision/Written off of Investments/Advances		-	11,164,150.00
Profit/(Loss) before tax		65,414,334.23	41,187,022.41
Provision for Tax		5,473,000.00	2,931,000.00
Net Profit/(Loss) for the year		<u>59,941,334.23</u>	<u>38,256,022.41</u>
Balance Available for Appropriation		<u>59,941,334.23</u>	<u>38,256,022.41</u>
Transfer to:			
Proposed Dividend on Equity Shares		12,578,554.80	10,482,129.00
Tax on Dividend		1,764,143.00	1,441,293.00
General Reserve		5,994,133.42	956,400.56
Statutory Reserve		11,988,266.85	7,651,204.48
Surplus balance carried to Profit and Loss Account		27,616,236.16	17,724,995.37
		<u>59,941,334.23</u>	<u>38,256,022.41</u>
Loss brought forward from previous year		(346,182,775.78)	(363,907,771.15)
Loss carried to Balance Sheet		(318,566,539.62)	(346,182,775.78)
Basic Earnings per Shares (in Rs.)		5.72	3.65
Diluted Earnings per Shares (in Rs.)		5.72	3.65
Number of Shares used in computing earning per share			
Basic		10,482,129	10,482,129
Diluted		10,482,129	10,482,129
Notes to Accounts	M		

Per our Report attached  
For **M/S LAKHANI & CO**  
*Chartered Accountants*

**(Parag Modi)**  
Partner

Place : Mumbai  
Dated : June 05, 2006

For and on behalf of the Board

**Davendra Ahuja**                      Managing Director  
**Venkatesh Kamath**                  Director  
**Ayan Chakraborty**                  Company Secretary

## TCFC FINANCE LIMITED

### Schedules forming part of the Balance Sheet

	As at 31.03.2006 Rupees	As at 31.03.2005 Rupees
<b>Schedule 'A': Share Capital</b>		
<b>Authorised</b>		
1,08,50,000 Equity Shares of Rs 10 each (Previous Year : 1,08,50,000)	108,500,000.00	108,500,000.00
	<u>108,500,000.00</u>	<u>108,500,000.00</u>
<b>Issued, Subscribed &amp; Paid-up</b>		
10,482,129 Equity Shares of Rs 10/- each fully paid up (Previous Year: 10,482,129)	104,821,290.00	104,821,290.00
Total	<u>104,821,290.00</u>	<u>104,821,290.00</u>
<b>Schedule 'B': Reserves &amp; Surplus</b>		
<b>Capital Reserve</b>		
Statutory Reserve as per section 451C of RBI Act 1934	375.00	375.00
Opening Balance	73,812,952.02	66,161,747.54
Add: Transfer from Profit and Loss Account	11,988,266.85	7,651,204.48
	<u>85,801,218.87</u>	<u>73,812,952.02</u>
<b>General Reserve</b>		
Per last Balance Sheet	561,918,628.63	560,962,228.07
Add: Transfer from Profit and Loss Account	5,994,133.42	956,400.56
Less: Set off against Profit & Loss Account (per contra)	318,566,539.62	346,182,775.78
	<u>249,346,222.43</u>	<u>215,735,852.85</u>
Total	<u>335,147,816.30</u>	<u>289,549,179.87</u>
<b>Schedule 'C': Secured Loans</b>		
Hire Purchase Loan	-	5,194,404.09
	-	<u>5,194,404.09</u>

Note: Hire Purchase Loan is secured by hypothecation of specific owned vehicles

### Schedule 'D': Fixed Assets

Item	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2005	Additions	Reductions	As on 31.03.2006	As on 01.04.2005	Additions	Reductions	As on 31.03.2006	WDV as on 31.03.2006	WDV as on 31.03.2005
Ownership Premises	20,194,991.00	-	-	20,194,991.00	1,910,379.33	329,178.35	-	2,239,557.68	17,955,433.32	18,284,611.67
Office Equipment	361,593.34	-	-	361,593.34	50,779.07	17,175.68	-	67,954.75	293,638.59	310,814.27
Data Processing Equipment	1,812,566.00	115,450.00	-	1,928,016.00	813,446.57	287,418.99	-	1,100,865.56	827,150.44	999,119.43
Furniture & Fixtures	1,648,178.27	231,563.00	-	1,879,741.27	515,534.81	108,317.59	-	623,852.40	1,255,888.87	1,132,643.46
Vehicles	6,335,671.00	-	6,335,671.00	-	89,046.55	550,769.43	639,815.98	-	-	6,246,624.45
Total	30,352,999.61	347,013.00	6,335,671.00	24,364,341.61	3,379,186.33	1,292,860.04	639,815.98	4,032,230.39	20,332,111.22	26,973,813.28
Previous Year	23,333,559.61	6,500,521.00	-	30,352,999.61	2,559,887.44	819,298.89	-	3,379,186.33	26,973,813.28	

**Schedules forming part of the Account**

**Schedule 'E': Investments**

	Face	Nos.	Nos.	Value as on	Value as on
	<u>Value</u>	<u>31.03.2006</u>	<u>31.03.2005</u>	<u>31.03.2006</u>	<u>31.03.2005</u>
<b>(Rupees)</b>					
<b>Long Term Investments</b>					
(a) Investments in Debentures					
Punj Lloyd Ltd (NCD)	25.00	-	484,800	-	12,120,000.00
Sub-Total				-	12,120,000.00
(b) Quoted Shares					
Centurion Bank of Punjab Ltd.	1.00	20	20	200.00	200.00
TCFC Finance Ltd **	10.00	533,334	533,334	30,000,037.50	30,000,037.50
Sub-Total				30,000,237.50	30,000,237.50
Aggregate Market Value of Quoted Investments is Rs 9,653,881/- (Previous Year: Rs 7,306,976/-)					
(c) Unquoted Shares					
Credit Analysis and Research Ltd	10.00	75,000	100,000	750,000.00	1,000,000.00
Dewas Soya Ltd	10.00	50,000	50,000	500,000.00	500,000.00
Lakshmi Ganesha Textiles Ltd	10.00	825,000	825,000	9,487,500.00	9,487,500.00
TCFC Securities Ltd	10.00	1,999,940	1,999,940	19,999,400.00	19,999,400.00
The Shamrao Vithal Co-op Bank Ltd	25.00	2,000	2,000	50,000.00	50,000.00
Vasudeva Textiles Ltd	10.00	420,000	420,000	34,158,523.00	34,158,523.00
Sub-Total				64,945,423.00	65,195,423.00
<b>GRAND TOTAL</b>				94,945,660.50	107,315,660.50
Less: Provision for Diminution in value of Investments				91,405,453.70	91,405,453.70
				3,540,206.80	15,910,206.80

\*\* As per the Schemes of arrangement with erstwhile 20th Century Finance Corporation Limited (TCFC) the Company has received 533334 shares of TCFC Finance Ltd. which are held by a nominee of the company of Rs 10/- each fully paid up with the beneficial interest vesting with the company.

## TCFC FINANCE LIMITED

### Schedules forming part of the Balance Sheet

	As at 31.03.2006 Rupees	As at 31.03.2005 Rupees
<b>Schedule 'F': Current Assets Loans &amp; Advances</b>		
<b>a) Current Assets</b>		
Cash in hand	46,879.40	21,399.90
Balance with Schedule bank		
In current account	384,021.52	20,975,678.38
In unpaid dividend account*	916,149.84	573,819.24
Sundry Debtors (Unsecured, considered good)		
More than six months	10,560,011.47	1,984,060.30
Other Debtors	-	-
Stock-in-trade (at lower of cost or market value)	343,842,958.41	339,687,708.20
<b>Sub-Total</b>	<b>355,750,020.64</b>	<b>363,242,666.02</b>
<b>b) Loans &amp; Advances</b>		
Advance payment of tax/TDS	10,935,474.12	9,515,647.12
Accruals	310,240.00	-
Staff Advances	4,500.00	358,068.00
Security Deposit	810,690.00	910,690.00
Prepaid Expenses	245,920.67	197,049.50
Other Loans	78,134,301.00	3,109,301.00
	90,441,125.79	14,090,755.62
<b>Total</b>	<b>446,191,146.43</b>	<b>377,333,421.64</b>
*Note: There is no amount due and outstanding to be credited to Investor Education and Protection Fund.		
<b>Schedule 'G': Current Liabilities &amp; Provisions</b>		
<b>(a) Current Liabilities</b>		
Sundry Creditors	752,703.34	883,615.12
Unclaimed Dividend	916,149.84	573,819.24
Security Deposit	1,614,150.00	1,614,150.00
Other Liabilities	1,446,466.00	233,155.00
Option Premium Account - Open Position	67,931.00	-
<b>Sub-Total</b>	<b>4,797,400.18</b>	<b>3,304,739.36</b>
<b>(b) Provisions</b>		
For Expenses	2,683,086.17	473,406.40
For Tax	8,271,174.00	4,951,000.00
For Proposed Dividend	12,578,554.80	10,482,129.00
For Dividend Tax	1,764,143.00	1,441,293.00
<b>Sub-Total</b>	<b>25,296,957.97</b>	<b>17,347,828.40</b>
<b>Total</b>	<b>30,094,358.15</b>	<b>20,652,567.76</b>

**Schedules forming part of the Profit & Loss Account**

	<b>Year Ended 31.03.2006 Rupees</b>	Year Ended 31.03.2005 Rupees
<b>Schedule 'H': Other Income</b>		
Interest earned (Tax Deducted at Source Rs 3,01,219 /-) (Previous year: Rs 4,19,025/-)	1,426,446.90	2,070,853.52
Dividend Income	2,673,889.50	3,753,042.95
Profit on Sale of Investments	1,051,250.00	27,246,597.12
Income from Rent (Tax Deducted at Source Rs 4,82,952 /-) (Previous Year: Rs 4,50,022/-)	2,152,200.00	2,152,200.00
Miscellaneous Income	1,838,589.33	503,306.81
<b>Total</b>	<b>9,142,375.73</b>	<b>35,726,000.40</b>
<b>Schedule 'I': Interest &amp; Bank charges</b>		
Interest	5,184,744.60	36,244.09
Bank charges	100,140.63	103,354.12
<b>Total</b>	<b>5,284,885.23</b>	<b>139,598.21</b>
<b>Schedule 'J': Cost of Sales</b>		
Opening stock of shares	339,687,708.20	138,770,679.79
Add: Purchases	1,399,588,660.35	1,776,200,202.01
Closing Stock	343,842,958.41	339,687,708.20
<b>Total</b>	<b>1,395,433,410.14</b>	<b>1,575,283,173.60</b>
<b>Schedule 'K': Administration &amp; General Expenses</b>		
Employee Cost	1,081,670.00	1,059,563.00
Remuneration to Managing Director	6,073,359.00	-
Contribution to Provident and other funds	264,013.00	36,378.00
Staff Welfare Expenses	12,013.00	17,950.20
Rent, Rates and Taxes	179,137.00	178,827.00
Insurance charges	56,909.00	56,360.00
Loss due to theft	-	2,295,912.85
Loss on Sale of Asset	145,274.02	-
Repairs & Maintenance	167,955.83	130,153.50
Legal & Professional	744,880.00	656,819.00
Travelling & Conveyance	1,051,134.20	128,132.49
Sitting Fees	250,000.00	170,000.00
Depository charges	99,662.66	165,236.12
Miscellaneous expenses	1,779,618.60	1,770,210.33
Auditors Remuneration:		
For Audit	36,478.00	35,385.00
For Tax Audit	11,224.00	11,020.00
For Taxation	-	56,020.00
For Other Services	24,882.00	45,859.00
<b>Total</b>	<b>11,978,210.31</b>	<b>6,813,826.49</b>

## TCFC FINANCE LIMITED

### Schedules forming part of the Profit & Loss Account

	Year Ended 31.03.2006 Rupees	Year Ended 31.03.2005 Rupees
<b>Schedule 'L': Non-Cash charges</b>		
Depreciation	1,292,860.04	819,298.89
Amortisation	-	56,195.00
Total	<u>1,292,860.04</u>	<u>875,493.89</u>

### SCHEDULE 'M' : NOTES FORMING PART OF THE ACCOUNTS

Of the Financial Statements for the year ended March 31, 2006

#### (1) SIGNIFICANT ACCOUNTING POLICIES

##### 1.1 General

The financial statements have been prepared on the historical cost basis and are in conformity with the statutory provisions and practices prevailing in the industry and are in accordance with generally accepted accounting principles.

##### 1.2 Income and Expenses

- (a) The Company recognises income and expenditure on an accrual basis except as stated otherwise.
- (b) The Company accounts for derivative transactions in futures and options in accordance with the "Guidance Note on Accounting for Equity Index and Equity Stock Futures and Options " issued by the Institute of Chartered Accountants of India.
- (c) The provision for gratuity is made on the basis of full provision for those employees who have completed more than 5 years and pro-rata for employees who have completed over two and half years of service.

##### 1.3 Fixed Assets

- (a) In respect of fixed assets, the assets are valued as per Accounting Standard 10 prescribed by the Institute of Chartered Accountants of India.
- (b) The depreciation in respect of these assets is provided on a Straight Line Method (SLM) at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

##### 1.4 Stock-in-trade and Investments

- (a) The securities acquired with the intention of short-term holding and trading positions are considered as stock-in-trade and shown as current assets. Other securities acquired with the intention of long-term holdings are considered as 'Investments'.
- (b) In respect of investments as well as stock-in-trade, brokerage and stampduty payable are considered to arrive at the cost.
- (c) The securities held as stock-in-trade under current assets are valued at cost or market, whichever is lower.
- (d)
  - (i) The provision for diminution in the value of long-term quoted investments is made only if such a decline is other than temporary in the opinion of the management.
  - (ii) Unquoted investments have been valued at cost and provision for diminution in the value of investments has been made based on the guidelines prescribed by the Reserve Bank of India or based on the judgement of the management, whichever provision is higher.

- 1.5
  - (a) Provision for current tax is made, based on the tax payable under the Income Tax Act, 1961.
  - (b) Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty of realization.

## TCFC FINANCE LIMITED

1.6 Miscellaneous Expenditure is amortised over a period of ten years.

1.7 Provision for doubtful Loans and Advances

The policy of provisioning for Non Performing Loans and Advances has been decided by the management considering Prudential Norms prescribed by the Reserve Bank of India.

(2) **Quantitative details of Securities held as Stock-in trade:**

	Opening Stock				Purchases			
	Current Year		Previous Year		Current Year		Previous Year	
	Qty. Nos.	Value Rs. in Lacs	Qty. Nos.	Value Rs. in Lacs	Qty. Nos.	Value Rs. in Lacs	Qty. Nos.	Value Rs. in Lacs
Equity Shares	829826	985.03	1476251	594.85	2589787	4526.79	3399108	5133.86
Units in Mutual Fund	22106566	2411.85	6816310	792.85	86851294	10263.80	67007883	12987.93

  

	Sales				Closing Stock			
	Current Year		Previous Year		Current Year		Previous Year	
	Qty. Nos.	Value Rs. in Lacs	Qty. Nos.	Value Rs. in Lacs	Qty. Nos.	Value Rs. in Lacs	Qty. Nos.	Value Rs. in Lacs
Equity Shares	2460847	3940.23	4045533	4743.68	958766	1571.59	829826	985.03
Units in Mutual Fund	93720956	10808.81	51717627	11368.93	15236904	1866.84	22106566	2411.85

**Closing Stock**

**Quoted Shares**

Sr. No.	Name of the Co.	No. of Shares	Value (Cost or market value whichever is lower) (Rs. in lacs)	Sr. No.	Name of the Co.	No. of Shares	Value (Cost or market value whichever is lower) (Rs. in lacs)
1.	Atul Ltd	15,000	21.03	25.	Mukand Ltd	18,330	20.20
2.	Balaji Distilleries Ltd	24,994	2.21	26.	Piramyd Retail Ltd	10,000	21.37
3.	Crompton Greaves Ltd	5,000	42.42	27.	Rain Calcining Ltd	25,000	10.38
4.	Dewan Housing Fin. Corpn. Ltd	25,000	16.29	28.	Rana Sugars Ltd	25,000	9.57
5.	Dhampur Sugar Mills Ltd	10,000	25.21	29.	Rayban Sun Optics India Ltd	20,000	18.47
6.	Divis Laboratories Ltd	1,000	17.63	30.	Reliance Capital Ventures Ltd	30,091	3.17
7.	EIH Ltd	10,354	73.70	31.	Reliance Communication Ventures Ltd	70,091	214.73
8.	Escorts Ltd	35,000	30.90	32.	Reliance Energy Ventures Ltd	30,091	13.06
9.	Essar Shipping Ltd	25,000	8.43	33.	Reliance Industries Ltd	30,091	126.71
10.	Faze Three Ltd	62,500	7.94	34.	Rolta India Ltd	10,000	26.50
11.	Fem Care Pharma Ltd	5,093	17.48	35.	RPG Transmission Ltd	9,800	16.40
12.	Great Eastern Shipping Company Ltd	10,000	23.50	36.	Sayaji Hotels Ltd	25,000	16.63
13.	Hindalco Industries Ltd	10,000	16.38	37.	Shringar Cinemas Ltd	10,000	6.46
14.	Hindustan Lever Ltd	10,000	25.45	38.	Sterling Biotech Ltd	6,000	7.43
15.	ICICI Bank Ltd	10,000	54.59	39.	Tata Consultancy Services Ltd	10,313	151.31
16.	Indiabulls Financial Services Ltd	10,000	23.22	40.	Tata Motors Ltd	5,000	26.10
17.	Indian Hotels Company Ltd	5,000	65.14	41.	Tata Teleservices Maharashtra Ltd.	2,00,000	47.60
18.	Indraprastha Gas Ltd	10,000	14.12	42.	Tata Steel Ltd	15,000	60.16
19.	ITC Ltd	20,000	28.27	43.	Venkat Pharma Ltd	10,000	1.62
20.	Jindal Stainless Ltd	40,000	44.22	44.	Videsh Sanchar Nigam Ltd	15,000	65.19
21.	Kalpataru Power Transmission Ltd	3,000	55.26	45.	Wockhardt Ltd	5,000	25.31
22.	Larsen & Toubro Ltd	1,500	36.49				
23.	Mawana Sugars Ltd	10,000	12.54				
24.	Mcleod Russel India Ltd	15,000	20.81				
							1571.59

**Note :** Aggregate market value of quoted shares is Rs. 1838.79 lacs against cost of Rs. 1571.59 lacs.

## TCFC FINANCE LIMITED

### Units of Mutual Funds (Growth Scheme)

Sr. No.	Name of the Mutual fund	No. of Units	Value (Rs. in lacs)	Sr. No.	Name of the Mutual fund	No. of Units	Value (Rs. in lacs)
1.	Chola Liquid Institution Plus	1172945.070	166.79	7.	Reliance Vision Fund	186654.223	200.00
2.	Ing Vysya FMP VIII Issue	5000000.000	500.00	8.	Reliance Equity Fund	2000000.000	200.00
3.	Kotak Floater Short Term	875036.095	100.00	9.	SBI Magnum Multicap Fund	2000000.000	200.00
4.	Fidelity Equity Fund	730887.297	100.00	10.	Franklin India Smaller Companies Fund	1000000.000	100.00
5.	Pru ICICI Infrastructure Fund	2000000.000	200.00				
6.	Pru ICICI Dynamic Equity Plan	271381.209	100.05				<b>1866.84</b>

**Note :** Aggregate market value of units of Mutual Fund schemes is Rs. 2223.03 lacs.

### Details of futures contracts outstanding as at March 31, 2006

Sl. No.	Name of Equity Futures	No of Contracts	Underlying No of Shares	
			Long	Short
1.	Bharat Forge Ltd	5	5,000	Nil
2.	India Cement Ltd	2	5,800	Nil
3.	IVRCL Ltd	5	8,000	Nil
4.	Mahindra & Mahindra Ltd	4	5,000	Nil
5.	Reliance Capital Ltd	6	6,600	Nil
6.	State Bank of India	5	2,500	Nil

- (3) In view of unabsorbed losses as per the Income Tax Act, Provision for Tax has been computed on the basis of book profits in accordance with section 115JB of the Income Tax Act, 1961.
- (4) No Deferred tax asset has been recognised considering the uncertainty of sufficient future taxable income.
- (5) Contingent liability : Nil
- (6) Related Party Disclosures:
- (a) List of Related Parties:

Name	31.03.2006	31.03.2005
<b>Associates and Joint Venture</b>		
GMAC- TCFC Fin Ltd.	-	✓
TCFC Securities Ltd.	✓	✓
<b>Key Management Personnel</b>		
Davendra Ahuja	✓	-
Nitish Bangera	-	✓
<b>Significant Influence</b>		
Greenstone Investments Private Limited	✓	✓

**TCFC FINANCE LIMITED**

(b) Transaction

(Rs. In Lacs)

	<b>Associates &amp; Joint Venture</b>	<b>Key managerial Personnel</b>	<b>Significant Influence</b>
Remuneration	- -	62.80 <i>4.07</i>	- -
Investment made	- <i>1004.00</i>	- -	- -
Investment Received back	- <i>1004.00</i>	- -	- -
Expenses Written off	- <i>31.00</i>	- -	- -
Dividend Payment	- -	- -	36.47 <i>28.91</i>
Balance as on 31 <sup>st</sup> March	31.09 <i>31.09</i>	Nil <i>Nil</i>	Nil <i>Nil</i>

\*Figures given in italics are previous year figures

- (7) There are no creditors in the nature of small scale industrial undertakings existing as on the balance sheet date.
- (8) Vehicles forms part of fixed assets and includes vehicle purchased, costing Rs.Nil (Previous year Rs 63.36 Lacs) under hire purchase arrangement. The carrying amount of the said vehicle in the Balance sheet as at 31.03.2006 is Rs. Nil (Previous Year Rs 62.46 Lacs). The total minimum lease payments (MLP) in respect thereof and the present value of the future lease payments, discounted at the interest rates implicit in the lease are:

<b>Particulars</b>	<b>March 31, 2006 (Rs.)</b>	<b>March 31,2005 (Rs.)</b>
Total MLP	Nil	63,17,360
Interest	Nil	11,22,956
Principal	Nil	51,94,404

<b>Particulars</b>	<b>Total MLP(Rs.)</b>	<b>Principal(Rs.)</b>
Less than one year	Nil	13,07,040
One to five year	Nil	50,10,320
Greater than five year	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>63,17,360</b>

- (9) Foreign Exchange outgo on account of travelling expenses is Rs 8.29 lacs (Previous Year: Rs Nil)
- (10) The Company has only one business i.e. Investments, hence "Segment Reporting" as defined in Accounting Standard 17 is not applicable.

## TCFC FINANCE LIMITED

**Schedule to the  
Balance Sheet for the year ended 31<sup>st</sup> March 2006**  
(as required in terms of Paragraph 9BB of

Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998

(Rs. in lacs)

<b>Particulars</b>			
<b>Liabilities :</b>			
<b>(1)</b>	<b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:</b>	Amount outstanding	Amount overdue
	(a) Debentures : Secured	-	-
	: Unsecured (other than falling within the meaning of public deposits*)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*	-	-
	(g) Other Loans (specify nature)	-	-
<b>(2)</b>	<b>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>		
	(a) In the form of Unsecured debentures		
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		
	(c) Other public deposits		
<b>Assets :</b>			
		Amount outstanding Rs. in lacs	
<b>(3)</b>	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>		
	(a) Secured	750.00	
	(b) Unsecured	31.34	
<b>(4)</b>	<b>Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities</b>		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease		
	(b) Operating lease		
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire		
	(b) Repossessed Assets		
	(iii) Hypothecation loans counting towards EL/HP activities		
	(a) Loans where assets have been repossessed		
	(b) Loans other than (a) above		



## TCFC FINANCE LIMITED

(6) **Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :**

Please see Note 2 below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties	-	-	-
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	-	-
<b>Total</b>	-	-	-

(7) **Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties	-	-
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	-	-
<b>Total</b>	-	-

(8) **Other information**

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(iii) <i>Assets acquired in satisfaction of debt</i>	

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**TCFC FINANCE LIMITED**

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## (11) Director's Remuneration

Rs in lacs

<b>Particulars</b>	<b>31.3.2006</b>	<b>31.3.2005</b>
Salary	24.76	Nil
Contribution to PF	1.80	Nil
Perquisites	0.16	Nil
Sitting fees	2.50	1.70
Commission	35.97	Nil
	65.19	1.70

(12) Previous year's figures have been regrouped / rearranged wherever necessary.

Per our Report attached  
For **M/S LAKHANI & CO**  
*Chartered Accountants*

**(Parag Modi)**  
Partner

Place : Mumbai  
Dated : June 05, 2006

For and on behalf of the Board

**Davendra Ahuja**                      Managing Director  
**Venkatesh Kamath**                Director  
**Ayan Chakraborty**                Company Secretary

## TCFC FINANCE LIMITED

### CASH FLOW STATEMENT FOR THE PERIOD FROM 01.04.2005 TO 31.03.2006

	31-03-2006 (Amount in Rs.)	31-03-2005 (Amount in Rs.)
<b>I Net Profit for the year</b>	<b>59,941,334</b>	<b>38,256,022</b>
<b>Add : Adjustments for</b>		
Dividend Income	(2,673,890)	(3,753,043)
Interest Income	(1,426,447)	(2,070,854)
Rent from property	(2,152,200)	(2,152,200)
Non Cash Charges	1,292,860	875,494
Profit on Sale of Investments	(1,051,250)	(27,246,597)
Loss on Sale of Assets	145,274	-
Investment written off	-	(11,930,835)
Interest expense	5,184,745	36,244
(Inc)/ Dec. in Stock	(4,155,250)	(200,917,028)
Increase / (Decrease) in Current Liabilities	9,441,790	2,455,731
(Increase)/Decrease in Debtors	(8,575,951)	29,001,152
<b>CASH FLOW FROM OPERATING ACTIVITIES - I</b>	<b>55,971,016</b>	<b>(177,445,914)</b>
<b>II CASH FLOW FROM INVESTING ACTIVITIES</b>		
Rent from property	2,152,200	2,152,200
(Increase) / Decrease in Other Current Assets		
(Purchase) / Sale of Fixed Assets	5,203,567	(6,500,521)
Sale of Investments	12,370,000	168,908,324
(Increase) / Decrease in Loans & Advances	(76,350,370)	1,953,405
Interest received	1,426,447	2,070,854
Profit on Sale of Investments	1,051,250	27,246,597
Dividend received	2,673,890	3,753,043
<b>NET CASH FROM INVESTING ACTIVITIES - II</b>	<b>(51,473,016)</b>	<b>199,583,901</b>
<b>III CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest expense	(5,184,745)	(36,244)
Dividend paid on Equity Shares	(14,342,698)	(11,923,422)
Proceeds /(Repayment) from Borrowings	(5,194,404)	5,194,404
<b>NET CASH FROM FINANCING ACTIVITIES - III</b>	<b>(24,721,847)</b>	<b>(6,765,262)</b>
<b>NET INCREASE / (DECREASE) IN CASH ( I + II + III)</b>	<b>(20,223,847)</b>	<b>15,372,725</b>
<b>OPENING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>21,570,898</b>	<b>6,198,173</b>
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>1,347,051</b>	<b>21,570,898</b>
<b>INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>(20,223,847)</b>	<b>15,372,725</b>

Notes: (1) Cash and cash equivalents consists of cash on hand and balances with banks.  
(2) Figures in brackets represents outflow of cash.  
(3) Figures for the last year have been regrouped, wherever considered necessary.

Per our Report attached  
For **M/S LAKHANI & CO**  
Chartered Accountants

(Parag Modi)  
Partner

Place : Mumbai  
Dated : June 05, 2006

For and on behalf of the Board

**Davendra Ahuja** Managing Director  
**Venkatesh Kamath** Director  
**Ayan Chakraborty** Company Secretary

**TCFC FINANCE LIMITED**

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER SCHEDULE VI, PART (IV) OF THE COMPANIES ACT, 1956**

**I. REGISTRATION DETAILS**

Registration No.

5 7 9 2 3

State Code

1 1

Balance Sheet Date

3 1

0 3

2 0 0 6

Date

Month

Year

**II. CAPITAL RAISED DURING THE YEAR (AMOUNT RS. IN 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 RS. IN THOUSANDS)**

Total Liabilities

4 3 9 9 6 9

Total Assets

4 3 9 9 6 9

Sources of Funds

Paid-up Capital

1 0 4 8 2 1

Reserves & Surplus

3 3 5 1 4 8

Secured Loans

N I L

Unsecured Loans

N I L

Application of Funds

Net Fixed Assets

2 0 3 3 2

Investment

3 5 4 0

Net Current Assets

4 1 6 0 9 7

Misc. Expenditure

N I L

**IV. PERFORMANCE OF COMPANY (AMOUNT RS. IN THOUSANDS)**

Total Income

1 4 8 4 0 4 6

Total Expenditure

1 4 1 8 6 3 2

Profit / Loss Before Tax

6 5 4 1 4

Profit / Loss After Tax

5 9 9 4 1

Earning Per Share (in Rs.)

5 . 7 2

Dividend Rate (%)

1 2 %

**V. GENERIC NAMES OF PRINCIPAL PRODUCT/SERVICES OF THE COMPANY (as per monetary terms)**

Item Code No. (ITC Code)

N I L

Product Description

I N V E S T M E N T S

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# TCFC FINANCE LIMITED

Registered Office : 501-502, Raheja Chambers, Free Press Journal Marg, Nariman Point, Mumbai 400 021

## ATTENDANCE SLIP

### 15th Annual General Meeting

D.P. Id \* : \_\_\_\_\_

Client Id \* : \_\_\_\_\_

Reg. Folio No. : \_\_\_\_\_

\* Applicable if shares are held in electronic form.

NAME AND ADDRESS OF THE REGISTERED SHAREHOLDER

Name of the attending member (in Block Letters) : \_\_\_\_\_

Name of Proxy (in Block Letters to be filled in by the proxy attending instead of the Member) \_\_\_\_\_

No. of Shares held : \_\_\_\_\_

I hereby record my presence at the 15th Annual General Meeting on Thursday, August 17, 2006 at 3.30 p.m.

Member's Signature

Proxy's Signature

Note : Shareholders/proxies are requested to bring the attendance slip with them, Duplicate slips will not be issued and handed over at the entrance of the Meeting Venue.

(Tear Here)

# TCFC FINANCE LIMITED

Registered Office : 501-502, Raheja Chambers, Free Press Journal Marg, Nariman Point, Mumbai 400 021

## PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_ being a Member/

Members of the abovementioned Company hereby appoint \_\_\_\_\_ of \_\_\_\_\_

or failing him \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to attend and vote for me/us on my/our behalf at the 15th Annual General Meeting of the Company to be held on Thursday, August 17, 2006 at 3.30 p.m. at Ashoka Hall, Arcadia, NCPA Marg, Nariman Point, Mumbai 400 021 and at any adjournment thereof.

Signed of this \_\_\_\_\_ day of \_\_\_\_\_ 2006.

D.P. Id \* : \_\_\_\_\_

Client Id \* : \_\_\_\_\_

Reg. Folio No. : \_\_\_\_\_

\* Applicable if shares are held in electronic form.

Signature

Affix  
15 Paise  
Revenue  
Stamp

Note : The Proxy Form duly completed must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

(Tear Here)

**BOOK-POST**

*If undelivered, please return to :*

**TCFC FINANCE LIMITED**  
501-502, Raheja Chambers  
Free Press Journal Marg  
Nariman Point  
Mumbai 400 021

Orient Press Limited