

"We are what we repeatedly do.

*Excellence,*

then, is not an act,  
but a habit."

- Aristotle



**Tirupati**  
INDUSTRIES (INDIA) LIMITED

ANNUAL REPORT

2013 – 2014



## *Our Journey towards Achieving Excellence*

**T**irupati Industries (India) Limited has constantly strived to achieve **excellence in its operations**. This has made an impact on our processes, people, and products while additionally helping us to develop a culture of **continuous improvement and innovations** to assist us in our growth that we have seen over the years.

We have initiated various strategies that have helped us to **grow sustainably**. We continuously practice to **integrate our processes** to help increase efficiency and productivity of our people to bring out the best talent in our human resources.

We always endeavour to focus on building long-term businesses by emphasizing on **value creation**. We believe in adopting ethical value systems. We are fair and transparent in our business practices, which are driven by ideals of **good governance**. We consider the interest of all our stakeholders as our own and focus on the welfare of our employees at all levels.

Lastly, even though we constantly increase our operations and businesses, we retain our focus on various aspects of Corporate Social Responsibility that touches the lives of people, the society and environment. We believe that the society is the main reason of the Company's subsistence, thus we put in every effort to **give back to society**.

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## **CORPORATE INFORMATION**

<b>CORPORATE IDENTIFICATION NUMBER</b>	L99999MH1973PLC016686
<b>REGISTERED OFFICE ADDRESS &amp; CONTACT DETAILS</b>	42 – 45, Emerald Industrial Estate, Dheku, Taluka Khalapur, District Raigad, Maharashtra 410203, India T: +91 (219) 2266163   F: +91 (219) 2266163
<b>CORPORATE OFFICE ADDRESS &amp; CONTACT DETAILS</b>	403, Trade World B, Kamala City, Kamala Mills Compound, S. B. Marg, Lower Parel, Mumbai – 400013, Maharashtra, INDIA T: +91 (22) 67495050   F: +91 (22) 67499292 info@tirupatiind.com   www.tirupatiind.com
<b>BOARD OF DIRECTORS</b>	Mr. Ramesh Sanghvi ( <b>Chairman &amp; Independent Director</b> ) Mr. Neil Karani ( <b>Managing Director</b> ) Mr. Jyotiram Nale ( <b>Director</b> ) Mr. Manchand Jhaveri ( <b>Independent Director</b> ) Mr. Hitesh Jhaveri ( <b>Independent Director</b> )
<b>CHIEF FINANCIAL OFFICER</b>	Mr. Jyotiram Nale
<b>COMPANY SECRETARY</b>	Ms. Milee Shah
<b>STATUTORY AUDITOR</b>	R. P. Trivedi & Associates (Firm's Reg. No.: 111066W) 56, Balasinor Co-op. Hsg. Society Ltd. S.V. Rd, Kandivili (West), Mumbai – 400067, Maharashtra, INDIA
<b>INTERNAL AUDITOR (2014 – 2015)</b>	Mayra & Khatri, Chartered Accountants
<b>COST AUDITOR</b>	Mr. Rajesh Soni
<b>REGISTRAR &amp; TRANSFER AGENTS</b>	Link Intime India Private Limited C-13, Panalal Silk Mills Compound, Bhandup (West), Mumbai – 400080, Maharashtra, INDIA
<b>BANKERS</b>	Citibank N.A., ICICI Bank
<b>AUDIT COMMITTEE</b>	Mr. Jyotiram Nale, Mr. Manchand Jhaveri, Mr. Hitesh Jhaveri
<b>NOMINATION &amp; REMUNERATION COMMITTEE</b>	Mr. Ramesh Sanghvi, Mr. Hitesh Jhaveri, Mr. Manchand Jhaveri,
<b>STAKEHOLDERS RELATIONSHIP COMMITTEE</b>	Mr. Jyotiram Nale, Mr. Manchand Jhaveri, Mr. Hitesh Jhaveri
<b>SUBSIDIARY COMPANY (w.e.f 7<sup>th</sup> March 2014)</b>	Monopoly Innovations Limited

## **NOTICE**

Notice is hereby given that the FORTY FIRST ANNUAL GENERAL MEETING of the Members of TIRUPATI INDUSTRIES (INDIA) LIMITED will be held at the Registered Office of the Company at 42 – 45, Emerald Industrial Estate, Dheku, Taluka Khalapur, District Raigad, Maharashtra 410203, INDIA on Monday, the 29<sup>th</sup> September, 2014 at 11.00 a.m. to transact, with or without modification(s) as may be permissible, the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt Balance Sheet as at 31<sup>st</sup> March, 2014 and Profit and Loss Account of the Company for the year ended on that date together with the Reports of the Directors and Auditors of the Company.
2. To appoint Director in place of Mr. Jyotiram Nale (DIN No. 03321041), who retires from office by rotation, but being eligible, offers himself for reappointment.
3. To appoint auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, M/s R. P. Trivedi & Associates, Chartered Accountants (Firm Registration No. 111066W) be and are hereby re-appointed as Statutory Auditors of the Company to hold office for a period of 3 (three) years, subject to ratification of the members at every Annual General Meeting (AGM) and eligibility of the firm, to hold office from the conclusion of this AGM until the conclusion of 44<sup>th</sup> (Forty Fourth) AGM of the Company on such remuneration and reimbursement of out of pocket expenses, as shall be decided/approved by the Board of Directors.”

### **SPECIAL BUSINESS**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV thereof, and any rules made there under Mr. Ramesh Sanghvi (DIN No. 00178206) Independent Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office upto 31<sup>st</sup> March, 2019.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV thereof, and any rules made thereunder Mr. Manchand Jhaveri (DIN No. 01702045) Independent Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office upto 31<sup>st</sup> March, 2019.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV thereof, and any rules made there under Mr. Hitesh Jhaveri (DIN No. 03567224) Independent Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office upto 31<sup>st</sup> March, 2019.”



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

**“RESOLVED THAT** pursuant to the provisions of Section 13 sub-section (1), read with Section 55, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) the present Authorized share capital of the Company be and is hereby increased from Rs. 7,50,00,000 (Rupees Seven Crore Fifty Lakhs) divided into 75,00,000 (Seventy Five Lakhs) equity shares of Rs. 10/- each (Rupees Ten) to Rs. 10,00,00,000 (Rupees Ten Crores) divided into 1,00,00,000 (One Crore) equity shares of Rs. 10/- each (Rupees Ten) by creation of 25,00,000 (Twenty five lakhs) equity shares of Rs. 10/- each (Rupees Ten).”

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

**“RESOLVED THAT** pursuant to the provisions of Section 13 and all other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules made thereunder, the clause V of the Memorandum of Association of the Company be and is hereby altered and substituted as follows:

V. The authorized share capital of the Company is Rs. 10,00,00,000/- (Rupees Ten crores only) divided into 1,00,00,000 (One Crore) equity shares of Rs. 10/- each (Rupees Ten)”

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

**“RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules made thereunder, the existing clause 5(a) of the Articles of Association of the Company be altered in the following manner:

5 (a) The authorized share capital of the Company is Rs. 10,00,00,000 (Rupees Ten crores) divided into 1,00,00,000 (One Crore) equity shares of Rs. 10/- each (Rupees Ten) with the power to increase or reduce the Share capital of the Company and to divide the shares in the capital of the Company for the time being into several classes and to attach thereto respectively such preferential, guaranteed, qualified or special rights, privileges, or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or aggregate such rights, privileges or conditions in such manner as may for the time being provided by the Articles of Association.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 50,000/- (Rupees Fifty Thousand) recommended by the Audit Committee and approved by the Board of Directors of the Company to be paid to Mr. Rajesh Soni as the Cost Auditor of the Company for the financial year 2014 – 2015, be and is hereby ratified.”

11) To consider and if thought fit to pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** in supersession of the Resolution adopted at the Annual General Meeting held earlier and pursuant to Section 180(1)(c) and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board”) to borrow any sum or sums of money/ies, from time to time, notwithstanding that money so borrowed together with the money/ies borrowed by the Company (apart from temporary loans obtained/to be obtained from the Company’s Bankers, including and not limited to working Capital Loans, in the ordinary course of business), and outstanding at any point of time, may exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specified purpose, provided that the total amount so borrowed by the Board shall not exceed Rs. 50,00,00,000 (Rupees Fifty crores).

**RESOLVED FURTHER THAT** the Board of the Company be and is hereby authorized to arrange and finalize the terms and conditions of all such monies to be borrowed from time to time and to do all such acts, deeds, matters and things as may be necessary or expedient for implanting and for giving effect to the above resolution in the best interest of the Company.”

12) To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in

force), the existing Articles of Association of the Company be and are hereby substituted by a new set of Articles of Association, a draft of which has been initialed by the Chairman and made available for inspection by the shareholders at the Registered office of the Company, be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the entire exclusion of all the Articles contained in the existing Articles of Association.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

13) To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

13 (a) **RESOLVED THAT** pursuant to the provisions of Section 62 of the Companies Act, 2013 and Rule 13 of Companies (Share Capital & Debentures) Rules 2014 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the relevant provisions of the Memorandum & Articles of Association of the Company, the Securities & Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“the Guidelines”) (including any amendment thereto or re-enactment thereof to the Act or the Guidelines for the time being in force), the Listing Agreement entered into with the Stock Exchanges where the securities of the Company are listed, and subject to such other approvals, consents, permissions and sanctions as may be necessary from appropriate authorities or bodies and subject to such conditions & modifications as may be prescribed, specified or suggested by any of them while granting such approvals, consents, permissions and sanctions which may at its sole discretion be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee including the Nomination and Remuneration Committee which the Board may at its discretion authorize to exercise certain or all of its powers including the powers conferred by this resolution), the consent of the Company be and is hereby accorded to the Board to create, offer, issue, grant and allot over a period of time to and for the benefit of the permanent employees and Directors of the Company, existing and future, under a Scheme titled “Tirupati Industries (India) Limited ESOP 2014 (TIIL-ESOP 2014)”, such number of equity shares and/or equity linked instruments including Options/Warrants and/or any other instruments or securities, which upon exercise could give rise to the issue of equity shares (hereinafter collectively referred to as “Securities”) of the Company, not exceeding in aggregate 5,00,000 (Five Lakhs) equity shares of Rs. 10/- (Rupees Ten) each in one or more tranches at such price or prices and in such manner and on such terms & conditions as may be fixed or determined by the Board in accordance with the Guidelines or other applicable provisions of any law as may be prevailing at that time.

**RESOLVED FURTHER THAT** the new equity shares to be issued and allotted by the Company in the manner aforesaid shall rank pari-passu in all respects with the existing equity shares of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the Securities allotted upon exercise under TIIL-ESOP 2014 on the Stock Exchanges where the Company’s equity shares are listed as per the provisions of the Listing Agreements with the concerned Stock Exchanges and other applicable guidelines, rules and regulations.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any creation, offer, issue, allotment or listing of securities under TIIL-ESOP 2014, the Board / Nomination and Remuneration committee of the Board be and is hereby authorized on behalf of the Company to formulate, evolve, decide upon and bring into effect TIIL-ESOP 2014 and to make any modifications, changes, variations, alterations, or revisions in the TIIL-ESOP 2014 from time to time, as may be required, or to suspend, withdraw or revive TIIL-ESOP 2014 and to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable including allotment of equity shares upon exercise of vested options, forfeiture/cancellation of options granted; to re-issue options which have lapsed/cancelled due to whatsoever reasons etc. as also to settle any question, difficulty or doubt that may arise in this regard and without requiring to secure any further consent or approval of the shareholders of the Company.”

13 (b) **RESOLVED THAT** pursuant to the provisions of Section 62 of the Companies Act, 2013 and Rule 13 of Companies (Share Capital & Debentures) Rules 2014 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the relevant provisions of the Memorandum & Articles of Association of the Company, the Securities & Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“the Guidelines”) (including any amendment thereto or re-enactment thereof to the Act or the Guidelines for the time being in force), the Listing Agreement entered into with the Stock Exchanges, and subject to such other approvals, consents, permissions and sanctions as may be necessary from appropriate authorities or bodies and subject to such conditions & modifications as may be prescribed, specified or suggested by any of them while granting such approvals, consents, permissions and sanctions which may at its sole discretion be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which



term shall be deemed to include any committee including the Nomination and Remuneration Committee which the Board may at its discretion authorize to exercise certain or all of its powers including the powers conferred by this resolution, the consent of the Company be and is hereby accorded to the Board to extend the benefit of the Tirupati Industries (India) Limited ESOP 2014 (TIIL-ESOP 2014) referred to in the resolution under item no 13 (a) of the notice to the benefit of such persons who are in permanent employment of the Subsidiary Company, by way of grant of such number of equity shares and/or equity linked instruments including Options/Warrants and/or any other instruments or securities, which upon exercise could give rise to the issue of equity shares under TIIL ESOP 2014 not exceeding in aggregate 5,00,000 (Five Lakhs) equity shares of Rs 10/- (Rupees Ten) each in one or more tranches at such price and in such manner and on such terms & conditions as may be fixed or determined by the Board in accordance with the guidelines or other applicable provisions of any law as may be prevailing at that time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any creation, offer, issue, allotment or listing of securities under TIIL-ESOP 2014, the Board / Nomination and Remuneration committee of the Board be and is hereby authorized on behalf of the Company to formulate, evolve, decide upon and bring into effect TIIL-ESOP 2014 and to make any modifications, changes, variations, alterations, or revisions in the TIIL-ESOP 2014 from time to time, as may be required, or to suspend, withdraw or revive TIIL-ESOP 2014 and to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable including allotment of equity shares upon exercise of vested options, forfeiture/cancellation of options granted; to re-issue options which have lapsed/cancelled due to whatsoever reasons etc. as also to settle any question, difficulty or doubt that may arise in this regard and without requiring to secure any further consent or approval of the shareholders of the Company.”

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

**“RESOLVED THAT** in pursuance to the provisions of Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made (including any statutory modification(s) or re-enactments thereof, for the time being in force), read with Schedule V to the said Act and subject to such other approvals, consents as may be required, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Jyotiram Nale as a Whole-time Director of the Company for a period of 5 (five) years with effect from 1<sup>st</sup> August, 2014, on the terms & conditions of remuneration as set out in the Explanatory Statement annexed to the notice convening the meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination & Remuneration Committee constituted by the Board) to alter and vary the terms & conditions of the said appointment and / or the remuneration, subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto”.

**“RESOLVED FURTHER THAT** in pursuance of the provisions of Section 197(3) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder Mr. Jyotiram Nale, Whole time Director, may be paid mentioned remuneration as minimum remuneration in the event of absence or inadequacy of profits in any financial year during his term of office as Whole Time Director, in accordance with the provisions of Schedule V to the Companies Act, 2013”.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to the above stated resolutions”.

## **NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING, IS ALSO ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. SUCH PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding Fifty (50) and holding in the aggregate not more than 10% (Ten percent) of the total share capital of the Company. Further, a Member holding more than 10% (Ten percent) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

The instrument appointing a proxy must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of meeting.

2. Explanatory Statement pursuant to section 102 of Companies Act, 2013 in respect of the Special Business at item no. 4 to 14 is annexed hereto and forms part of the notice.

3. Corporate members intending to send their authorized representative to attend the Meeting are requested to send to the Company a Certified Copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Register of Members and Share Transfer Books of the Company shall remain closed during, Tuesday 23<sup>rd</sup> September, 2014 to Monday, 29<sup>th</sup> September, 2014 (Both days inclusive).
5. Members are requested to notify any change in their address to the Company quoting their Folio number. This will help the Company to provide efficient and better service to its Members.
6. The Company is concerned about the environment. Thus, we request you to update your email address with your Depository Participants to enable us to send you communication via e-mail. Members who have not registered their email addresses, so far, are requested to register their email addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to provide their email addresses to Link Intime India Pvt. Ltd. (RTA) sending an email at Mumbai@linkintime.co.in or to the Company at info@tirupatiind.com
7. Members / Proxy holders are requested to produce at the entrance, the attached admission slip duly completed and signed, for admission to the Meeting hall.
8. Members are requested to bring their copy of the Annual Report to the Meeting.
9. In terms of Section 107 and 108 of the Companies Act, 2013 read with the Rules made thereunder, the Company is pleased to provide the evoting facility to its Members holding shares in physical or dematerialized form as on the cut-off date (record date), being Friday 22nd August, 2014, to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice and the business may be transacted through evoting Services provided by National Securities Depository Limited (NSDL). Details of the process and manner of evoting along with the USER ID and PASSWORD is being sent to all the Members alongwith the AGM Notice.
10. In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, upon poll being demanded, in the larger interest of the Members, the Chairman may order a poll on his own motion or on demand at the Meeting in terms of Section 109 of the Companies Act, 2013 for all business specified in the AGM Notice. For abundant clarity, in the event of poll, please note that the Members who have exercised their right to vote by electronic means shall not vote by way of poll at the Meeting. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company, subject to the provisions of the Companies Act, 2013. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Rules made thereunder.
11. The Results declared along with Scrutinizer's Report(s) will be available on the website of the Company – www.tirupatiind.com within 2 (two) days of passing of the resolutions and communication of the same to the Bombay Stock Exchange (BSE) Limited.

## **12. VOTING THROUGH ELECTRONIC MEANS:**

- I. In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Forty First Annual General (AGM) by electronic means and the business may be transacted through evoting Services provided by National Securities Depository Limited (NSDL).

### The instructions for evoting are as under:

A. In case a Member receives an email from NSDL (for members whose email IDs are registered with the Company/Depository Participant(s)):

- (i) Open email and open PDF File viz: TIIL evoting.pdf with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for evoting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>





- (iii) Click on Shareholder Login.
- (iv) If you are already registered with NSDL for evoting then you can use your existing User ID and Password.
- (v) If you are logging in for the first time, please enter the User ID and Password provided in the PDF file as initial password.
- (vi) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (vii) Password change menu appears, Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) Home page of evoting opens. Click on evoting: Active voting cycles.
- (ix) Select "EVEN" of Tirupati Industries (India) Limited.
- (x) Now you are ready for evoting as Cast vote page opens.
- (xi) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (xii) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xiii) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xiv) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [tiil.scrutinizer@gmail.com](mailto:tiil.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

B. In case a Member receives physical copy of the Notice of AGM (for Members whose e-mail addresses are not registered with the Company/Depository Participant(s) or requesting physical copy):

- (i) Initial password is provided as under:  
**EVEN (E Voting Event Number)    USER ID    &    PASSWORD/PIN**
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xiv) above, to cast vote.

II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and evoting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

III. You can also update your mobile number and e-mail id in the user profile details of the folio, which may be used for sending future communication(s).

IV. The evoting period commences on Monday 22<sup>nd</sup> September 2014 (9.00 am IST) and ends on Wednesday 24<sup>th</sup> September 2014 (6.00 pm IST). During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday 22<sup>nd</sup> August, 2014, may cast their vote electronically. This evoting module shall be disabled by NSDL for voting thereafter. Once the shareholder casts the vote on a resolution, the shareholder shall not be allowed to change it subsequently.

V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of Friday 22<sup>nd</sup> August, 2014.

VI. Mr. Ravindra Joshi, Practising Company Secretary (Membership No. FCS 1419) has been appointed as the Scrutinizer to scrutinize the evoting process in a fair and transparent manner.

VII. Members who do not have access to evoting facility will be entitled to vote at the AGM as per the extant law. A Member can opt for only one mode of voting i.e. either through evoting or by attendance at AGM. However, the vote cast through evoting shall prevail.

VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the evoting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

IX. The results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall also be placed on the Company's website [www.tirupatiind.com](http://www.tirupatiind.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com), within two (2) days of passing of the Resolutions at the 41<sup>st</sup> AGM of the Company on Monday 29<sup>th</sup>

September 2014 and communicated to the BSE Limited, where the shares of the Company are listed.

Dated: 14<sup>th</sup> August 2014  
42 – 45, Emerald Industrial Estate,  
Dheku, Taluka Khalapur,  
District Raigad, Maharashtra  
410203, India

By Order of the Board of Directors  
Tirupati Industries (India) Limited  
sd/-  
Ramesh Sanghvi  
(Chairman)

**Brief Particulars of Directors seeking appointment/re-appointment are as under:**

Particulars	Mr. Jyotiram Nale	Mr. Ramesh Sanghvi	Mr. Manchand Jhaveri	Mr. Hitesh Jhaveri
<b>Date of Birth</b>	02/06/1952	02/08/1938	20/01/1938	24/11/1964
<b>Date of Appointment</b>	30/07/2010	31/12/1990	19/03/1991	25/05/2011
<b>Experience &amp; Expertise</b>	Graduate with a rich experience of more than 27 years in factory administration & accounts.	Science Graduate from Mumbai University and is engaged in consultancy on advanced chemistry.	Businessman having a Trading Business since last 42 years.	Commerce Graduate from Bombay University and has 29 years experience both in manufacturing & trading and has a proficiency in Accounts, Finance & Taxation.
<b>Directorship(s) held in other Companies (incl. Foreign Companies)</b>	Monopoly Innovations Limited*	NIL	NIL	Monopoly Innovations Limited*
<b>Memberships of other Committees</b>	Tirupati Industries (India) Limited  - Audit Committee (Member)  - Stakeholders Relationship Committee (Member)	Tirupati Industries (India) Limited  - Nomination & Remuneration Committee (Member)	Tirupati Industries (India) Limited  - Audit Committee (Chairman)  - Stakeholders Relationship Committee (Chairman)  - Nomination & Remuneration Committee (Chairman)	Tirupati Industries (India) Limited  - Audit Committee (Member)  - Stakeholders Relationship Committee (Member)  - Nomination & Remuneration Committee (Member)
<b>No. of shares held</b>	9500	NIL	NIL	NIL

\*Monopoly Innovations Limited is a Subsidiary Company of Tirupati Industries (India) Limited. Monopoly Innovations Limited has been formed on 7<sup>th</sup> March 2014.



## **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS**

**(Pursuant to Section 102 of the Companies Act, 2013)**

As required by Section 102 of the Companies Act, 2013 (hereinafter referred to as 'the Act'), the following explanatory statements set out all material facts relating to the business mentioned under Item Nos. 4 to 14 of the accompanying notice dated 14th August 2014.

### **ITEM NO. 4**

Mr. Ramesh Sanghvi, Science Graduate and engaged in consultancy on advanced chemistry has been an Independent Director of the Company since 31.12.1990.

Mr. Ramesh Sanghvi, Independent Director of the Company had been appointed as Director liable to retire by rotation and retires by rotation at the ensuing Annual General Meeting in terms of the provisions of the erstwhile Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, being eligible and seeking re-appointment, is proposed to be appointed as Independent Director for a term upto 31<sup>st</sup> March, 2019.

The Company has received notices in writing under the provisions of Section 160 of the Companies Act, 2013 from members along with a deposit of Rs. 1,00,000/- (Rupees One Lakh) proposing candidature of Shri Ramesh Sanghvi for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the said Act.

The Company has received consent in writing to act as director and declaration to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013 in prescribed Form DIR - 2 and DIR – 8 respectively. Further, the Company has received a declaration to the effect that he meets criteria of independence as provided in Section 149(6) of the said Act. Further, in terms of Sections 149, 152 read with Schedule IV of the Companies Act, 2013, the Board of Directors have reviewed the declaration made by the said Director that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and the Board is of opinion that he fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and is independent of the management.

The Board considers that continued association of Mr. Ramesh Sanghvi would be of immense benefit to the Company in view of his qualification, expertise and experience in his field as also exposure to the corporate culture and governance. Further, his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as Independent Director.

Copy of the draft letter for appointment proposed to be issued to Mr. Ramesh Sanghvi as an Independent Director setting out the terms and conditions thereof is available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on all working days except Tuesdays between 11.00 a.m. and 1.00 p.m., up to the date of the AGM.

The resolutions proposed at Item No. 4 of the accompanying Notice, seek the approval of the members for appointment of Shri Ramesh Sanghvi as an Independent Director of the Company for a period up to 31st March, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder and further, not as director liable to retire by rotation.

Your Board thus recommends the said resolution for your approval as an Ordinary Resolution.

Mr. Ramesh Sanghvi is interested in the resolution pertaining to his appointment as an Independent Director.

None of the other Directors and Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

### **ITEM NOS. 5 and 6**

Mr. Manchand Jhaveri, Businessman with over 42 years of experience in trading industry has been an Independent Director of the Company since 19.03.1991.

Mr. Hitesh Jhaveri, a Commerce Graduate from Bombay University having proficiency in Accounts, Finance & Taxation, has been Independent Director of the Company since 25.05.2011.

Mr. Manchand Jhaveri, and Mr. Hitesh Jhaveri are Independent Directors whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, all of them being eligible and offering themselves for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019.

The Company has received notices in writing under the provisions of Section 160 of the Companies Act, 2013 from members along with a deposit of Rs. 1,00,000/- (Rupees One Lakh) in each case, proposing candidature of Mr. Manchand Jhaveri, and Mr. Hitesh Jhaveri for the office of Independent Directors, to be appointed as such under the provisions of Section 149 of the said Act.

The Company has received from each of the said Directors, consent in writing to act as director and declaration to the effect that they are not disqualified under Section 164(2) of the Companies Act, 2013 in prescribed Form DIR - 2 and DIR – 8 respectively. Further, the Company has received from each of the said Directors, a declaration to the effect that he meets criteria of independence as provided in Section 149(6) of the said Act. Further, in terms of Sections 149, 152 read with Schedule IV of the Companies Act, 2013, the Board of Directors have reviewed the declaration made by each of the said Directors that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and the Board is of opinion that they fulfill the conditions specified in the Companies Act, 2013 and the Rules made thereunder and are independent of the management.

The Board considers that continued association of each of the said Independent Directors would be of immense benefit to the Company in view of their qualification, expertise and experience in their respective field as also exposure to the corporate culture and governance. Further, continued association of each of the said Directors would be of immense benefit to the Company and it is desirable to continue to avail services of each one of them as Independent Directors. Copies of the draft letters for appointment proposed to be issued to Mr. Manchand Jhaveri, and Mr. Hitesh Jhaveri as Independent Directors setting out the terms and conditions thereof are available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on all working days except Tuesdays between 11.00 a.m. and 1.00 p.m., up to the date of the AGM.

The resolutions proposed at Item Nos. 5 & 6 of the accompanying Notice, seek the approval of the members for appointment of each of the said Directors as an Independent Director of the Company for a period up to 31st March, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder and further, not as directors liable to retire by rotation.

Your Board thus recommends the said resolutions for your approval as an Ordinary Resolution.

Mr. Manchand Jhaveri and Mr. Hitesh Jhaveri are interested in the resolution pertaining to their respective appointment as an Independent Director.

None of the other Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolutions.

## **ITEM NOS. 7, 8 and 9**

Board of Directors of the Company is actively considering various growth opportunities with objective of expanding its capacities, reducing debt, augment its working capital finances and becoming truly competitive in its business. In order to enable the Company to raise further Equity capital, it is proposed to increase the Authorized Capital from Rs. 7,50,00,000 (Rupees Seven Crore Fifty Lakhs) to Rs. 10,00,00,000 (Rupees Ten Crores). The resolution as set out in Item No. 7 is for obtaining the approval of the Shareholders.

Consequent to the increase in the Authorized Capital of the Company, as above, it is necessary to amend clause V of the Memorandum of Association of the Company and Article 5(a) of the Articles of Association of the company. Resolution at item Nos. 8 and 9 of the Notice are for obtaining approval of the Shareholders.



Your Board thus recommends the said resolution for your approval as a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolution.

#### **ITEM NO. 10**

A proposal for appointment of Cost Auditor for 2014-15 was recommended by the Audit Committee to the Board. It was proposed to re-appoint Mr. Rajesh Soni, Cost Accountant, as Cost Auditor. Certificate dated 17.05.2014 issued by Mr. Rajesh Soni regarding his eligibility for appointment as Cost Auditor will be available for inspection at the Registered Office of the Company during 11.00 a.m. to 1.00 p.m. on working days except Tuesdays

As per Rule 14 of Companies (Audit and Auditors) Rules 2014, the appointment and remuneration payable to the Cost Auditors is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

Your Board thus recommends the said resolution for your approval as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolution.

#### **ITEM NO. 11**

The members of the Company, at the Annual General Meeting held earlier, by way of a Special Resolution passed under Section 293(1)(d) of the Companies Act, 1956, had accorded their consent to the Board of Directors to borrow funds up to an amount of Rs. 50,00,00,000 (Rupees Fifty Crores) over and above the aggregate of paid up share capital and free reserves of the Company.

Pursuant to Section 180 of the Companies Act, 2013 effective from 12th September, 2013, prior consent of the Company is required by way of a special resolution to the Board of Directors to borrow funds, apart from temporary loans obtained from the company's bankers in the ordinary course of business, exceeding aggregate of the paid up share capital and free reserves of the Company.

Having regard to the growth in the operations and ongoing capital expenditure plans, it is necessary to augment long terms funds required by the Company. It is, therefore, proposed to obtain consent of the members by way of a Special Resolution under Section 180 and other applicable provisions of the Companies Act, 2013, to increase the borrowing powers of the Board of Directors as set out in the draft resolution proposed at Item No. 11 of the accompanying Notice to Rs. 50,00,00,000 (Rupees Fifty Crores).

Your Board thus recommends the said resolution for your approval as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

#### **ITEM NO. 12**

The existing Articles of Association (AoA) of the Company are based on the Companies Act, 1956 and several regulations in the existing AoA contain special Sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the provisions of the Companies Act, 2013 ("Act").

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs (MCA) has notified 98 Sections and on March 26, 2014, MCA has notified most of the remaining Sections barring few provisions. However substantive Sections of the said Act, which deal with the general working of the Companies stand notified.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletion in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model Articles of Association for a Company limited by Shares.

The Proposed new draft AoA shall be open for inspection at the Registered Office of the Company on all working days (except Tuesdays) between 11.00 a.m. to 1.00 p.m. up to and including the date of the AGM of the Company.

Your Board thus recommends the said Resolution for your approval as a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

## **ITEM NO. 13, 13 (a), 13 (b)**

In order to reward, motivate and retain desired talent for high level of individual performance and also to create a culture of ownership and building commitment towards the Company, and to align employees objectives towards critical goals / milestone of the Company, it is proposed to introduce "Tirupati Industries (India) Limited ESOP 2014" (TIIL-ESOP 2014 SCHEME). The Scheme is meant for eligible permanent employees, Directors of the Company, including permanent employees of the Subsidiary Company as may be decided by the Nomination and Remuneration Committee of the Board of Directors of the Company.

TIIL-ESOP 2014 would be subject to and in conformity with the guidelines issued in this regard from time to time by the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 (SEBI Guidelines) or any amendment thereof. In terms of SEBI Guidelines, the administration of ESOP 2014 would vest with the Nomination and Remuneration Committee of the Board of Directors of the Company. Disclosures as per Regulation 6.2 of the SEBI Guidelines as amended

### **1. Total number of Options to be granted under the ESOP**

Total number of Options to be granted under the Scheme shall not exceed 5,00,000 (Five Lakhs) equity shares of Rs.10/- (Rupees Ten) each. One option entitles the holder of the options to apply for one equity share of Re.10/- each of the Company. Vested Options that lapse due to non-exercise or unvested options that get cancelled due to resignation of employee or otherwise, would be available for re-grant at a future date.

### **2. Identification of classes of employees entitled to participate in the ESOP**

All eligible permanent employees (including Directors) in various cadres of the Company including the employees of the Subsidiary Company, as may be decided by the Nomination and Remuneration Committee would be eligible for TIIL-ESOP 2014

(As per SEBI Guidelines, Employees belonging to promoters or promoter group or holding directly or indirectly more than 10% of the outstanding equity shares of the Company shall not be eligible under the Scheme).

### **3. Requirements of vesting period of vesting and maximum period of vesting**

Vesting will commence two years after the date of grant and may extend upto five years from the date of grant. The vesting shall happen in one or more tranches as may be decided by the Nomination and Remuneration Committee. Percentage of vesting shall be at the rates decided by Nomination and Remuneration Committee.

### **4. Exercise Price or Pricing formula**

The options would be issued at a market price (Exercise Price), which would be the latest available closing price on the Stock Exchange, which records the highest trading volume in the Company's equity shares on the date prior to the date of the meeting of the Nomination and Remuneration Committee at which the options are granted or at such price as the Nomination and Remuneration Committee may determine which shall not be below the face value of the equity share.

### **5. Exercise Period and the Process of Exercise**

The Exercise period will commence from the date of vesting and extend upto not later than 5 (five) years from the date of the vesting of the Options or such other period as may be decided by the Nomination and Remuneration Committee, from time to time. The Option would be exercisable by the employee by a written application to the designated officer of the Company to



exercise the options in such manner, and on execution of such documents as may be prescribed by the Nomination and Remuneration Committee under the Scheme. The options will lapse if not exercised within the specified exercise period.

#### **6. Appraisal process for determining the eligibility of employees to the ESOP**

The appraisal process for determining the eligibility of the employees and directors will be in accordance with the "TIIL-ESOP 2014" or as may be determined by the Nomination and Remuneration Committee at its sole discretion.

#### **7. Maximum number of options to be issued per employee and in aggregate**

The maximum number of options to be granted to an employee shall not exceed 0.5% (Half percent) of issued capital per employee, subject to aggregate of 5% (Five percent) of the paid up equity shares.

#### **8. Disclosure and Accounting policies**

The Company will comply with the disclosure and accounting policies, as applicable.

#### **9. Method of Option Valuation**

The Company shall use the Intrinsic Value Method for valuation of the options. As the Company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used fair value of the options shall be disclosed in the Director's Report and also the impact of this difference on profits and Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

In terms of Section 62 of the Companies Act, 2013 and Rule 13 of Companies (Share Capital & Debentures) Rules 2014 and other applicable provisions if any of the Companies Act 2013 and SEBI Guidelines approval of Shareholders is sought to issue equity Shares pursuant to options to be granted under TIIL-ESOP 2014 not exceeding 5,00,000 (Five Lakhs) equity shares.

Accordingly the Special Resolutions set out at Item nos. 13, 13(a) and 13(b) are being placed for the approval of the Shareholders.

The Board recommends the passing of Special Resolutions set out at Item No. 13, 13 (a) and 13 (b) of the Notice

All of Directors of the Company except Promoter Directors are concerned or deemed to be interested in the resolution to the extent the equity shares that may be offered to them under the Scheme.

#### **ITEM NO. 14**

The Board of Directors of the Company ("the Board") at its meeting held on 14th August, 2014 on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the members, accorded their approval for re-appointment of Mr. Jyotiram Nale, as Whole Time Director for a further period of 5 (five) years with effect from 1<sup>st</sup> August 2014 on the following terms and conditions:

1. The Company shall employ Mr. Jyotiram Nale and Mr. Jyotiram Nale shall serve the Company as its Whole Time Director for a period of Five years from 1<sup>st</sup> August, 2014 subject to the employment being previously determined in pursuance of any provisions of this agreement.
2. Mr. Jyotiram Nale shall exercise and perform all such powers and duties as the Board of Directors of the Company (hereinafter called "the Board") shall from time to time in its absolute discretion determine and subject to any directions and restrictions from time to time given and imposed by the Board, Mr. Jyotiram Nale shall have general control of the Business of the Company with power to enter into contracts on behalf of the Company in the ordinary course of business, he may consider necessary or proper and in the best interest of the Company. During his employment under this agreement the Whole-time Director shall devote his whole time and attention during business hours to the business of the Company and shall use his best endeavour to promote its interest and welfare and shall undertake such travel in or outside India on or in relation to the business of the Company and as may from time to time be required or directed by the Board.

3. The Company shall pay to the Whole-time Director during the continuance of this agreement in consideration of the performance of his duties:  
Emoluments of Rs. 4,55,000/- (Rupees Four Lakhs Fifty Five Thousand) with liberty to the Board to sanction such Annual increments as the Board at its absolute discretion determine from time to time subject to a maximum permissible limits as per the Act. This amount will be subject to various deductions.
4. In addition to the above, Mr. Jyotiram Nale shall also be entitled to following perquisites;
  - a) Conveyance Facilities: The Company shall provide a suitable vehicle for use by the Whole-time Director. Repairs, maintenance and running expenses including driver's salary shall be borne / reimbursed by the Company.
  - b) Entitlement for Leave with full pay or encashment thereof, as per the rule of the Company.
  - c) Contribution to Provident Fund: The benefits of the Company's Provident Fund Scheme in accordance with the rules of the scheme for the time being in force as laid down in the Income Tax Rules, 1962 or any modification thereof.
  - d) Gratuity: The benefits of Gratuity in accordance with the rules for the time being in force as laid down in the Income Tax Rules, 1962 or any modification thereof.

Other Terms and conditions for appointment of Mr. Jyotiram Nale as Whole-time Director are as follows

1. The Company shall employ Mr. Jyotiram Nale and Mr. Jyotiram Nale shall serve the Company as its Whole-time Director for a period of Five years from 1<sup>st</sup> August, 2014 subject to the employment being previously determined in pursuance of any provisions of this agreement
2. Mr. Jyotiram Nale shall exercise and perform all such powers and duties as the Board of Directors of the Company (hereinafter called "the Board") shall, from time to time in its absolute discretion, determine and subjects to any directions and restrictions from time to time given and imposed by the Board, Mr. Jyotiram Nale shall have general control of the Business of the Company with power to enter into contracts on behalf of the Company in the ordinary course of Business and to do and perform all other acts and things which in the ordinary course of business he may consider necessary or proper or in the best interest of the Company. During his employment under this agreement the Whole-time Director shall use his best endeavor to promote the Company's interest and welfare and shall undertake such travel in or outside India on or in relation to the business of the Company and as may from time to time be required or directed by the Board.
3. Mr. Jyotiram Nale shall be entitled to reimbursement of expenses reasonably incurred by him exclusively in the business of the company and approved by the Board of the Company.
4. During his employment under this Agreement Mr. Jyotiram Nale shall not directly or indirectly engage himself in any other business, occupation or employment whatsoever provided however that it shall be permissible to Mr. Jyotiram Nale to hold with the previous sanction of the board any directorship or directorships of any other Company or Companies and the holding of such directorships shall not be deemed to be a contravention of this clause.
5. Mr. Jyotiram Nale as long as he functions as the Whole-time Director shall not be paid any sitting fees for attending the meeting of the Board or any committees thereof.
6. Mr. Jyotiram Nale shall not during the continuance of this employment hereunder or at any time thereafter divulge or disclose to any person whatsoever or make any use whatsoever for his own purpose or for any purpose other than that of the Company of any information or knowledge obtained by him during his employment as to the business or affairs of the company or its methods or as to any trade secret process of the company and Mr. Jyotiram Nale shall during the continuance of his employment hereunder also use his best endeavors to prevent any other person from doing so.
7. The employment of Mr. Jyotiram Nale as Whole-time Director under this Agreement shall forthwith determine if he shall become insolvent or make any composition or arrangement with his creditor or shall cease to be a Director of the Company.
8. If Mr. Jyotiram Nale be guilty of negligence in the conduct of the business of the company or of any misconduct or any breach of this agreement, as in the opinion of this board, renders his retirement from the office of Whole-time Director, desirable the company may by not less than 90 (Ninety) days notice in writing to Mr. Jyotiram Nale determine this agreement and he shall cease to be a Director of the company upon the expiration of such notice.





9. In the event Mr. Jyotiram Nale becomes disqualified to act as a Director for any reason or failure through inadvertence or oversight to secure the leave of absence from meetings of the Board (in either of which later event he shall be reappointed as a Whole-time Director) the Company may by notice in writing to the Whole-time Director determine this agreement with immediate effect.
10. Notwithstanding anything to the contrary contained in this agreement either party shall by giving not less than six calendar month's notice in writing in that behalf to the other party without the necessity of showing any cause and on the expiry of the period of such notice this agreement shall stand terminated and Mr. Jyotiram Nale shall cease to be the Whole-time Director of the company provided however that the company shall be entitled to terminate Mr. Jyotiram Nale employment at any time by payment to him of six months salary in lieu of notice.
11. Any notice required to be given by Mr. Jyotiram Nale to the company under or in pursuance of this agreement shall be sent by Registered Post acknowledgement due to the Company at its Registered Office for the time being. Any notice required to be given by the company to Mr. Jyotiram Nale under or in pursuance to this agreement shall be either delivered to him personally or sent by Registered Post acknowledgement due to his last known residential address. All notices given by Mr. Jyotiram Nale to the Company or to Mr. Jyotiram Nale by the Company shall be deemed to have been duly served upon the expiration of ninety-six hours from the date of posting.
12. This agreement represents the entire agreement between the parties hereto in relation to the terms and conditions of Mr. Jyotiram Nale employment with the Company as Whole-time Director.

The terms and conditions set out for re-appointment and payment of remuneration specified herein may be altered and varied from time to time by the Board of Directors ("the Board" which term shall be deemed to include the Nomination & Remuneration Committee constituted by the Board of the Company), as it may, at its discretion deem fit. The Board is also entitled to revise the salary, perquisites and allowances payable to the said Whole Time Director of the Company at any time, such that the overall yearly remuneration payable to the said Whole Time Director shall not exceed the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification (s) or re-enactment thereof for the time being in force) or any amendment made thereto.

None of the Directors other than Mr. Jyotiram Nale are in any way concerned or interested in the proposed resolution.

The Board recommends the passing of Special Resolutions set out at Item No. 14 of the Notice

Dated: 14<sup>th</sup> August 2014  
42 – 45, Emerald Industrial Estate,  
Dheku, Taluka Khalapur,  
District Raigad, Maharashtra  
410203, India

By Order of the Board of Directors  
Tirupati Industries (India) Limited  
sd/-  
Ramesh Sanghvi  
(Chairman)

**DIRECTOR'S REPORT****Dear Shareholders,**

Your Directors have pleasure in presenting the Forty First Annual Report together with the Audited Statements of Accounts along with the Report of the Auditors for the financial year ended 31<sup>st</sup> March, 2014.

**COMPANY'S FINANCIAL RESULTS**

The Financial performance of the Company for the year ended 31<sup>st</sup> March, 2014 is summarized below:

(Rupees in Lakhs)		
<b>PARTICULARS</b>	<b>2013 – 2014</b>	<b>2012 – 2013</b>
Income from Operations	4242.99	2832.19
Other Operating Income	3.88	4.28
Total Income from Operations	4246.87	2836.47
Total Expenditure (excluding depreciation)	4050.09	2667.21
<b>Profit before depreciation</b>	<b>196.78</b>	<b>169.27</b>
Depreciation	14.60	16.73
<b>Profit/(Loss) Before Tax and exceptional items</b>	<b>182.18</b>	<b>152.54</b>
Exceptional Item	(64.25)	-
<b>Profit/(Loss) Before Tax</b>	<b>246.43</b>	<b>152.54</b>
Less: Provision for Taxation – Current	84.25	30.20
- Deferred	(2.49)	44.42
- Earlier year	1.34	1.96
- MAT Credit	-	(52.72)
<b>Profit After Tax</b>	<b>163.33</b>	<b>128.68</b>
<b>Add: Surplus brought Forward</b>	<b>294.14</b>	<b>165.46</b>
<b>Balance carried to Balance Sheet</b>	<b>457.47</b>	<b>294.14</b>

**DIVIDEND**

Your Directors are reinvesting the earnings into the business of the Company for the further growth and long-term interests of the Company. No dividend has therefore been recommended for the year ended 31<sup>st</sup> March, 2014.

**OPERATIONS REVIEW**

During the year under review, the Company has increased its production activities & penetrated sales in domestic and international markets, which resulted in higher income from operations at Rs. 4242.99 lakhs and has also increased the profit before tax at Rs. 246.43 lakhs as against Rs. 152.54 lakhs in the previous year. The Directors of the Company are confident that the same tempo of higher sales and increased profitability shall be maintained in the future. The Company has also achieved enhanced results from its export business of its GEMChem range of chemicals and has increased the market share of its vegetable oils under the brand MONOPOLY.

**PUBLIC DEPOSITS**

The Company has not invited, accepted or renewed any deposits from the public during the year ended on 31<sup>st</sup> March, 2014 and as such Companies (Acceptance of Deposits) Rules, 1975 are not applicable to the Company.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

As required u/s 217(2AA) of the Companies Act, 1956 (i) That in the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March, 2014, the applicable Accounting Standards have been followed along with proper explanation for material departures, if any;

(ii) That the Directors have 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 of the profit of the Company for that year;



(iii) That the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) That Directors have prepared the annual accounts on a going concern basis.

### **APPOINTMENT/REAPPOINTMENT**

In accordance with the provisions of the Companies Act, 2013 Mr. Jyotiram Nale, Director of the Company retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

The Companies Act, 2013 inter alia, provides for appointment of Independent Directors. Section 149(10) of the said act, effective from 1<sup>st</sup> April, 2014, provides that Independent Directors shall hold office for a term of upto 5 (five) consecutive years on the Board of a Company and shall be eligible for re-appointment on passing a special resolution by the shareholders of the Company. Section 149(11) of the said Act provides that no Independent Director shall be eligible for more than two consecutive terms of five years. It is also clarified that existing tenure of an Independent Director shall not be counted for the above purpose. Section 149(13) states that the provisions of retirement by rotation as provided in Section 152(6) and (7) of the said Act shall not apply to such Independent Directors.

In view of this, your Directors are seeking appointment of Mr. Hitesh Jhaveri, Mr. Ramesh Sanghvi and Mr. Manchand Jhaveri as Independent Directors for the terms given in the Notice of the 41<sup>st</sup> Annual General Meeting. Details of the proposal for the appointment of above Independent Directors are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 41<sup>st</sup> Annual General Meeting.

### **RESIGNATION OF DIRECTORS**

During the year, Mr. Ketan Karani resigned as a Director of the Company with effect from 9<sup>th</sup> July, 2013. The Board wishes to place on record its deep appreciation for the significant contributions made by him to the Management of affairs of the Company and for his guidance to the Company during his tenure with the Company.

### **SUBSIDIARY**

During the year, Monopoly Innovations Limited has been incorporated as Wholly-owned Subsidiary of the Company. Monopoly Innovations Limited is mainly engaged in manufacturing and marketing of innovative products in the field of fast moving consumer goods and in development, creation, marketing and dealing in brands, patents, logos and all such marketing tools to develop brands owned or acquired by the Company.

In accordance with the General Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss and other documents of the Subsidiary Company is not being attached with the Balance Sheet of the Company. However, the financial information of the Subsidiary is disclosed in the Annual Report in compliance with the said circular. The Company will provide a copy of separate annual accounts in respect of the Subsidiary to any shareholder of the Company who asks for it and the said annual accounts will also be kept open for inspection at the Registered Office of the Company and that of the Subsidiary Company.

### **CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the Accounting Standard (AS)-21 on Consolidated Financial Statements, the Audited Consolidated Financial statement is provided in the Annual Report.

### **BRAND DEVELOPMENT**

During the year, the Company has written off total expenditure on development of internally generated brands amounting to Rs. 96.11 lakhs (including an amount of Rs. 76.85 lakhs as carried under the head Intangible Asset under Development till March, 2013).

### **CORPORATE GOVERNANCE**

Your Company has complied with the mandatory Corporate Governance requirements stipulated under Clause 49 of the Listing Agreement. Report on Corporate Governance is annexed hereto forming part of this report.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis Report as required under the Listing Agreement is annexed hereto forming part of this Report.

**PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in the annexure to the Director's Report. Having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such particulars may write to the Company Secretary of the Company.

**DISCLOSURE OF PARTICULARS**

Information as per the requirements of Section 217(1)(e) of the Companies Act, 1956, read with Rule 2 of Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to Conservation of Energy, Research & Development, Technology Absorption, Foreign Exchange Earnings and Outgo are annexed hereto-forming part of this Report.

**SAFETY, HEALTH AND ENVIRONMENT**

Your Company is committed to ensure sound Safety, Health and Environmental (SHE) performance relating to its activities, products and services. The Company is taking continuous steps and also developing Environment friendly processes for effective resource management with specific focus to energy, water and basic raw materials. Monitoring and periodic review of the designed SHE Management System is done on a continuous basis.

**AUDITORS AND AUDITORS' REPORT**

M/s R. P. Trivedi and Associates, Chartered Accountants, Mumbai, Auditors of the Company, retire at the ensuing Annual General Meeting and are eligible for reappointment. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Rules framed thereunder, it is proposed to appoint M/s R. P. Trivedi and Associates, as Statutory Auditors of the Company from the conclusion of the ensuing AGM till the conclusion of the 44<sup>th</sup> (Forty Fourth) AGM to be held in the year 2017 subject to the annual ratification by members at the Annual General Meeting.

**COST AUDITORS**

The Cost Auditor Mr. Rajesh Soni, Cost Accountant, reappointed by the Company under Section 233B of the Companies Act, 1956 attends the Audit Committee Meeting, where cost audit records are discussed.

**INTERNAL AUDITORS**

M/s Mayra & Khatri, Chartered Accountants, are appointed as Internal Auditors of the Company for Financial Year 2014-15.

**HUMAN RESOURCE**

Your Company recognizes its Human Resources as one of its prime & critical resources. The relations between the Management and the staff members remained very cordial throughout the year under review.

**ACKNOWLEDGEMENT**

Your Directors would like to express their appreciation for the assistance and co-operation received from the Government Authorities, Auditors, Financial Institutions, Banks, Customers, Suppliers, Shareholders and other business Associates during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

Dated: 30<sup>th</sup> May 2014  
42 – 45, Emerald Industrial Estate,  
Dheku, Taluka Khalapur,  
District Raigad, Maharashtra  
410203, India

By Order of the Board of Directors  
Tirupati Industries (India) Limited  
sd/-  
Ramesh Sanghvi  
(Chairman)



## ANNEXURE A

Information as required under Section 217 (l) (e) read with the Companies (disclosure of particulars in the Report of Board of Directors) Rules 1988

### **A) Consumption of Energy:**

The required information in Form A of the Companies Act 1956 is attached below:

#### **FORM A (See Rule 2) – Form for Disclosure of particulars of Conservation of Energy**

<b>PARTICULARS</b>	<b>Current Year</b>	<b>Previous Year</b>
<b><u>(I) Power and Fuel Consumption</u></b>		
<b>1. Electricity:</b>		
(a) Purchased Units	28769	30319
(b) Total Amount (Rs.)	279140	312080
(c) Rate/Unit (Rs.)	9.70	10.29
(d) Own Generation	NIL	NIL
(e) Through diesel Operator Unit per Litre of Diesel Oil Cost/Unit	NIL	NIL
<b>2. Coal</b>		
Quantity (Tonnes)	NIL	NIL
Total Cost (Rs.)	NIL	NIL
Average Rate (Rs.)	NIL	NIL
(Steam Coal Used for Steam Generation for dyeing plant)	NIL	NIL
<b>3. Furnace Oil</b>		
Quantity (K. Litres)	NIL	NIL
Total Cost (Rs.)	NIL	NIL
Average Rate (Rs.)	NIL	NIL
<b>4. Other Internal Generation</b>		
Quantity (in kgs)	52186	52373
Total Cost (Rs.)	2767169	2736641
Average Rate (Rs.)	53.03	52.25
<b><u>(II) Consumption per unit of production</u></b>		
The Company does not maintain separate records for consumption of electricity and furnace oil individually for each of its products.		
<b>Technology Absorption</b>		
Efforts made in technology absorption as per Form B of the Annex to the Rules		
<b><u>(III) Research and Development (R&amp;D)</u></b>		
<b><u>(IV) Technology Absorption</u></b>		
Adaption and Innovation	NIL	NIL
<b><u>(V) Foreign Exchange Earnings and Outgo</u></b>		
During the year the Company earned Foreign Exchange of Rs.	12,97,01,802	1,79,17,479
During the year the outgo of Foreign Exchange was Rs.	3,10,672	25,23,048

Dated: 30<sup>th</sup> May 2014  
42 – 45, Emerald Industrial Estate,  
Dheku, Taluka Khalapur,  
District Raigad, Maharashtra  
410203, India

By Order of the Board of Directors  
Tirupati Industries (India) Limited  
sd/-  
Ramesh Sanghvi  
(Chairman)

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **OIL INDUSTRY**

The demand for edible oils in India has shown a steady growth at a CAGR of about 4%. The growth has been driven by improvement in per capita consumption, which in turn is attributable to rising income levels and living standards. However, the current per capita consumption levels of India are lower than the global averages. The Indian edible oils market continues to be underpenetrated and given the positive macro and demographic fundamentals it has a favourable demand growth outlook over the medium-to-long term

### **VEGETABLE OILS**

Tirupati Industries (India) Limited has developed a good market for its vegetable oils in the last few years. The edible oil brand of the Company has been well accepted for its quality and price in the wholesale and retail market. Tirupati has a competitive edge due to the locational advantage, and can meet the demand for its product in the wholesale and retail market.

The tremendous demand for its products encouraged the management to venture into selling different edible oils under its own brands. These products have been well received by the consumers. The demand for the TIRUPATI's brands is extremely encouraging.

### **THREATS & OPPORTUNITIES**

The edible oil industry in India is characterized by intense competition and fragmentation, with the presence of large number of units attributable to low barriers such as capital and low technical requirements of the business. As a result of this high competition and fragmentation, margins in the edible oil business tend to be thin. Further, Companies are exposed to risks of commodity price volatility and forex movements.

TIRUPATI intends to create a market through introduction of innovative products in various categories.

There is a huge potential for the Innovative Specialty Oils that we have developed. We have identified a niche market for our products that will be targeted to different demographics across the country. We intend to tap this opportunity by increasing sales and conducting various promotional activities to increase the reach and availability of our products.

Apart from its existing sales of MONOPOLY range of Edible Oils like Sunflower, Soyabean, Ricebran and Mustard, TIRUPATI has planned product additions of various Speciality Innovative Oils, Cottonseed, Groundnut, Sesame, Canola, and Olive Oil amongst others.

### **CHEMICALS AND LABORATORY REAGENTS**

There exists a great demand for Chemicals and Laboratory Reagents in India and abroad. Timely deliveries and high quality products at reasonable prices will be the main planks on which TIRUPATI intends to gain a rapid penetration in this field.

TIRUPATI has made its presence by intense marketing efforts. TIRUPATI's brand GEMChem has been well accepted in various parts of India and the international market. To grow this business further TIRUPATI shall set up state-of-the-art packaging lines and QC, QA and RnD laboratories to offer customized products with a short turnaround time.

### **DISCUSSION ON FINANCIAL AND OPERATIONAL PERFORMANCE**

Your Company's turnover for the current financial year, 2013-14 stands at Rs. 4242.99 lakhs as against Rs. 2832.19 lakhs for previous year. Further your Company has posted a profit before tax of Rs. 246.43 lakhs this year as against Rs.152.54 lakhs in the previous year.

Given adequate funding, the Company is poised to achieve sales in excess of Rs. 200 crores in next two years. Company is increasing its capital base to make this possible.



## **CORPORATE SOCIAL RESPONSIBILITY**

Your Company is developing responsible initiatives and efforts across all sectors, at its manufacturing unit and with its people. Our aim is to serve the commitments where we operate. Our group-wide values and our policies, which build on international standards and directives are designed to guide, influence and govern our activities.

We believe in giving and supporting the society and people. They are the main participants of the business. Hence we put in every effort to give back to the society

## **OUTLOOK**

The outlook for the Company is extremely positive. The Company has grown as it can be ascertained from its results. The Brands and businesses of the Company are being well accepted due to their competitive pricing and high quality offerings. We will strive to continue our growth momentum in this manner and also continuously improve our processes to give our customers excellent quality products at par with international standards.

## **CAUTIONARY STATEMENT**

Statement in the Management Discussion and Analysis describing the Company's objectives, projections, expectations and estimates regarding future performance may be forward looking statements and are based on currently available information. The Management believes these to be true to the best of its knowledge at the time of preparation of this report. However, these statements are subject to certain future events and uncertainties, which could cause actual results to differ materially from those, which may be indicated in such statements.

## CORPORATE GOVERNANCE REPORT

Your Company has complied in all respects with the applicable Corporate Governance Code as per Clause 49 of the Listing Agreement with the Stock Exchange. A report on the Corporate Governance is furnished below:

### (I) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Good Corporate Governance helps enhancement of long-term shareholder value and interest of other stakeholders. This is achieved through increased awareness for responsibility, transparency and professionalism and focus for effective control and management of the organization. The Board of Directors of the Company is committed to the consistent adherence to the corporate governance code and constant review of the Board processes, practices and the management systems to maintain a greater degree of responsibility and accountability.

### (II) MANDATORY REQUIREMENTS

#### (1) BOARD OF DIRECTORS

##### a) The Constitution of the Board and other relevant details are given below:

Tirupati Industries (India) Limited Board presently consists of 5 (Five) Directors out of which 3 (Three) are Non-Executive (including the Chairman who is Non-Executive) and 2 (Two) are Executive (including Managing Director).

Name of Directors	Brief Profile	No. of Committee Memberships*		No. of Board Meetings Attended	Attendance at Last AGM
		Chairman	Member		
Mr. Ramesh Sanghvi (Chairman)	Science Graduate from Mumbai University and is engaged in consultancy on advanced chemistry.	Nil	Nil	8	YES
Mr. Neil Karani (Managing Director)	Bachelor of Management studies (BMS) from Mumbai University and MSc in International Business from Aston University, Birmingham U.K. He has successfully completed a programme in Management, Entrepreneurship and Global Leadership from London School of Economics & Political Science, London, U.K.	Nil	Nil	8	YES
Mr. Ketan Karani***	Science Graduate from Mumbai University and has varied experience of 32 years.	Nil	Nil	1	YES
Mr. Manchand Jhaveri	Businessman having a Trading Business since last 42 years.	2	2	8	YES
Mr. Jyotiram Nale	Graduate with a rich experience of more than 27 years in factory administration & accounts.	Nil	2	8	YES
Mr. Hitesh Jhaveri	Commerce Graduate from Bombay University and has 29 years experience both in manufacturing and trading and has a proficiency in Accounts, Finance and Taxation.	Nil	2	8	YES

\*\*\* Resigned as Director w.e.f 9th July, 2013. | \* Includes Audit Committee and Stakeholders Relationship Committee only.

\* This excludes Directorships held in Private Limited, Overseas Companies.

##### (b) Board Meetings

During the year 2013-14, total 8 (Eight) Board Meetings were held on 30/05/2013, 09/07/2013, 05/08/2013, 19/09/2013, 13/11/2013, 14/12/2013, 15/01/2014 and 14/02/2014.





### (c) Code of Conduct

Tirupati Industries (India) Limited Code of Conduct laid down by the Board of Directors is applicable to all the Directors and Senior Management of the Company. All the Members and Senior Management of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31<sup>st</sup> March, 2014. A declaration to this effect, duly signed by the Managing Director is annexed hereto.

## (2) COMMITTEES

### (a) Audit Committee

The Audit Committee has been constituted pursuant to Section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreement with the Stock Exchange. The role and terms of reference of the Audit Committee covers the matters specified for Audit Committee under Clause 49 of Listing Agreement which, inter-alia include to supervise the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial statements are correct, complete and credible, to appoint and fix the remuneration of internal auditors, to review the internal and external audit reports, the adequacy of internal control systems and to review the Company's financial and risk management policies.

During the year 2013-14, 4 (four) Audit Committee Meetings were held on 30/05/2013, 05/08/2013, 13/11/2013 and 14/02/2014.

The Composition of Audit Committee and other relevant details are given below:

MEMBER	NO. OF MEETINGS ATTENDED
Mr. Manchand Jhaveri	4
Mr. Jyotiram Nale	4
Mr. Hitesh Jhaveri	4

### (b) Stakeholders Relationship Committee (formerly known as Shareholder's Grievance Committee)

The terms of Reference of the Committee inter-alia cover reviewing status of approval of transfer/transmission of shares, issue of duplicate certificates, review/redressal of Investor's Grievances. During the year 2013-14, 4 (four) Shareholder's Grievance meetings were held on 30/05/2013, 05/08/2013, 13/11/2013 and 14/02/2014. The composition of Shareholder's Grievance Committee and other relevant details are given below:

MEMBER	NO. OF MEETINGS ATTENDED
Mr. Manchand Jhaveri	4
Mr. Jyotiram Nale	4
Mr. Hitesh Jhaveri	4

In accordance with Section 178(5) of the Companies Act, 2013 and as per the requirements of SEBI Circular dated April 17, 2014 for the amendment to the equity Listing Agreement (which is effective from 1<sup>st</sup> October, 2014), the Board of Directors of the Company at their meeting held on 30<sup>th</sup> May, 2014 have approved the change in nomenclature of the Shareholder's Grievance Committee to Stakeholders Relationship Committee and enhanced their role. Therefore the said Committee shall in addition to the previous role, also consider the grievances of debenture holders, deposit holders and other security holders of the Company, if any.

### (c) Nomination & Remuneration Committee (formerly known as Remuneration Committee)

The Company has constituted the nomination and remuneration committee. The Committees decide and review the Managerial Remuneration. The committee comprises of three Independent Directors. They are Mr. Manchand Jhaveri, Mr.

Hitesh Jhaveri and Mr. Ramesh Sanghvi.

In accordance with Section 178 of the Companies Act, 2013 and as per the requirements of SEBI Circular dated April 17, 2014 for the amendment to the equity Listing Agreement (which is effective from 1<sup>st</sup> October, 2014), the Board of Directors of the Company at their meeting held on 30<sup>th</sup> May, 2014 have approved the change in nomenclature of the Remuneration Committee to Nomination & Remuneration Committee and have revised their role as under:

The revised role of Nomination & Remuneration Committee, inter alia includes the following:

- i) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- ii) Formulation of criteria for evaluation of Independent Directors and the Board.
- iii) Formulation of the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, key managerial personnel and other employees.
- iv) Devising a policy on Board diversity.

#### **(d) Shareholder's Complaints**

During the year 10 (Ten) Complaints were received. All the Complaints were resolved to the complete satisfaction of the Shareholders.

### **(3) SUBSIDIARY COMPANY**

During the year, Monopoly Innovations Limited was incorporated as a non-listed Indian Subsidiary of the Company. Mr. Hitesh Jhaveri, Independent Director of the Company is on the Board of the Subsidiary Company. The Audit Committee reviews the financial statements of the Company's Non-listed subsidiary. The minutes of the Subsidiary Company are placed before the Board of Directors of the Company and the Directors are informed of all the significant transactions and arrangements entered into by the Subsidiary Company.

### **(4) DISCLOSURES**

- (a) The Code of Conduct for the Directors and the Senior Management of the Company have been laid down by the Board.
- (b) The Company has been continuously complying with the requirements of Stock Exchanges, SEBI and other Statutory Authorities on all matters related to the capital markets. No penalties or strictures have been imposed on the Company by the said authorities relating to the above.
- (c) The details of the transaction with related parties are given in the Notes to the accounts of Auditors Report. The transaction is in the ordinary course of the business at prevailing market price and is not in conflict with the interest of the Company.
- (d) Director's periodically review and assess risks and takes measures to minimize the risks.
- (e) All mandatory Accounting Standards have been followed in preparation of financial statements and no deviation has been made in following the same.

### **(5) REMUNERATION OF DIRECTORS**

The Remuneration payable to the Directors is considered and approved by the Nomination & Remuneration Committee constituted in accordance with the Corporate Governance Code and provisions of the Companies Act, 1956, having due regard to the relevant factors. Non-executive Directors are paid Sitting fees for each of the meetings of the Board of Committee(s) thereof attended by them. The details of Remuneration paid/payable to each Director for the year ended 31<sup>st</sup> March, 2014 is as under:

NAME OF DIRECTOR	DESIGNATION	TOTAL REMUNERATION (in Rs.)
Mr. Neil Karani	Managing Director	12,92,793/- (Twelve Lakhs Ninety Two Thousand Seven Hundred Ninety Three)
Mr. Jyotiram Nale	Whole-time Director & CFO	5,45,115/- (Five Lakhs Forty Five thousand One Hundred Fifteen)



## (6) GENERAL BODY MEETINGS

Details of last three Annual General Meetings are as under:

MEETING	DATE AND TIME OF AGM	PLACE	SPECIAL RESOLUTION PASSED
38 <sup>th</sup> AGM	30-9-2011 at 12.45 PM	Regd. Office	Yes u/s 81(1)A, sec 293(1)(a)
39 <sup>th</sup> AGM	29-9-2012 at 12.30 PM	Regd. Office	Yes u/s 81(1)A, sec 293(1)(a)
40 <sup>th</sup> AGM	30-9-2013 at 3.00 PM	Regd. Office	Yes u/s 198, 149(2A)

Details of Extra-ordinary General Meeting (EOGM) held is as under:

MEETING	DATE AND TIME OF EOGM	PLACE	SPECIAL RESOLUTION PASSED
Extra-ordinary General Meeting	26 <sup>th</sup> April, 2014 at 11.30 AM	Regd. Office	Yes u/s 81(1) A for further issue of capital by allotment of convertible warrants on preferential basis.

## (7) MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record the Un-audited/Audited Financial results in the prescribed proforma of the Stock Exchange on a quarterly/half yearly basis. The results are announced to all the Stock Exchanges where the shares of the Company are listed.

The Quarterly results were published in following newspapers:

Financial Results for the Quarter /Half Year ended	Newspapers
30.06.2013	Free Press Journal & Nav Shakti
30.09.2013	Free Press Journal & Nav Shakti
31.12.2013	Free Press Journal & Nav Shakti
31.03.2014	Free Press Journal & Nav Shakti

All data required to be filed pursuant to the Listing Agreement with the Stock Exchanges, such as Quarterly/Half Yearly/Yearly Financial Statements, Shareholding Pattern, Report on Corporate Governance are being regularly filed with the Stock Exchange (BSE). The same are also available on the Company's website i.e. [www.tirupatiind.com](http://www.tirupatiind.com) under the link "Investor Relations".

## (8) GENERAL SHAREHOLDERS INFORMATION

(a) The day, date, time and venue of the 41<sup>st</sup> Annual General Meeting

DAY	DATE	TIME	VENUE
MONDAY	29 <sup>th</sup> September, 2014	11.00 a.m.	Regd. Office of the Company at: 42-45, Emerald Ind. Estate, Dheku, Tal Khalapur, Dist. Raigad, Maharashtra - 410203, India.

Dates of Book Closure (Both Day Inclusive) Tuesday, 23<sup>rd</sup> September, 2014 to Monday, 29<sup>th</sup> September, 2014.

(b) Tentative Financial Calendar for the financial year 2014 – 2015:

FINANCIAL YEAR	1 <sup>st</sup> April to 31 <sup>st</sup> March
<b>Adoption of Quarterly Results for the Quarter ending:</b> June, 2014 September, 2014 December, 2014 March, 2015	August 2014 November 2014 February 2015 May, 2015

**(c) Listing on Stock Exchange:**

STOCK EXCHANGE	STOCK CODE
Bombay Stock Exchange Limited	531547

**(d) Liquidity of Shares:** The shares of the Company are traded under 'T' Category on the Bombay Stock Exchange.

**(e) Listing Fees and Annual Custodial Fee:** The Company has paid the Annual Listing Fees of the Stock Exchange and Annual Custodial Fees of the Depositories for the year 2014-15.

**(f) Dematerialization of Shares:** As on 31<sup>st</sup> March, 2014, 81.71% of the Company's paid-up equity share capital has been in Dematerialized form. Trading in Equity shares of the Company is permitted only in Dematerialized form as per notification issued by the Securities Exchange Board of India (SEBI). Accordingly Company has entered into an agreement with NSDL and CDSL, which are providing the services of dematerialization of equity shares.

**(g) Outstanding Warrants or any Convertible Warrants, conversion date and their likely impact on the equity:****Warrants issued to public category and promoter & promoter group**

In accordance with the approval of members in EOGM held on 26<sup>th</sup> April, 2014, the Company had issued and allotted 20,30,000 (Twenty Lakhs Thirty Thousand) warrants convertible into 20,30,000 (Twenty Lakhs Thirty Thousand) equity shares of Rs. 10/- (Rupees Ten) each at a conversion price of Rs. 11/- (Rupees Eleven) per share (including premium of Re. 1/- (Rupee One) each) per equity share on a preferential basis, convertible within a period of 18 months from the date of allotment of warrants, aggregating to Rs. 2,23,30,000 (Rupees Two Crores Twenty Three Lakhs Thirty Thousand) to promoter and promoter group and public category. The said warrants were issued and allotted at a price as determined through SEBI Guidelines formula.

The last date for conversion of the said warrants is 11<sup>th</sup> November, 2015. Should the 20,30,000 (Twenty Lakhs Thirty Thousand) warrants be entirely converted into equity shares on or before the aforesaid conversion date, by the warrant holders, the paid-up equity share capital of the Company will go up by 20,30,000 (Twenty Lakhs Thirty Thousand) shares.

**(h) Share Transfer Agents & Address for Correspondence:**

The Company has appointed M/s. Link Intime India Pvt. Ltd. as the Share Transfer Agents of the Company having details as under:

**M/s LINK INTIME INDIA PVT. LTD.**

C-13, Panalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (W), Mumbai-400080,  
Maharashtra, India.

Ph. No. +91 22 25963838 | Fax +91 22 25946969

E-mail- Mumbai@linkintime.co.in

Shareholders are requested to address their correspondence relating to Share Transfer, Transmission, Demat, Remat, Change of Address, Change of Bank Mandate etc. to the above address only.

**(i) Compliance Officer:**

Ms. Milee Shah

42 to 45, Emerald Industrial Estate, Dheku, Taluka Khalapur, District Raigad, Maharashtra-410203, India

In accordance with the Clause 47(f) of the Listing Agreement, Company has opened a specific Investor Grievance Email Id: [tiru.tiru@rediffmail.com](mailto:tiru.tiru@rediffmail.com)

**(j) Chief Financial Officer:**

In accordance with the provisions of the Companies Act, 2013 and Rules made thereunder, Mr. Jyotiram Nale has been appointed as Chief Financial Officer of the Company with effect from 1<sup>st</sup> April, 2014.



**(9) SHAREHOLDING PATTERN AS ON 31<sup>st</sup> MARCH, 2014**

CATEGORY	NO. OF SHARES	%
Promoters-Indian	3517620	64.78
Bodies Corporate	65880	1.21
Banks, Financial Institutions	1300	0.02
FII/NRI/OCB	202950	3.73
Public	1642290	30.26
<b>TOTAL</b>	<b>5430040</b>	<b>100.00</b>

**Distribution of shareholding as on 31<sup>st</sup> March, 2014.**

NO. OF SHARES	SHAREHOLDER NUMBER	PERCENTAGE	SHARES NUMBER	PERCENTAGE
1-5000	22741	99.01	603505	11.11
5001-10000	93	0.40	74664	1.38
10001-20000	52	0.23	75967	1.40
20001-30000	15	0.07	39036	0.72
30001-40000	8	0.03	27185	0.50
40001-50000	7	0.03	33600	0.62
Above 50000	51	0.23	4576083	84.27
<b>TOTAL</b>	<b>22967</b>	<b>100.00</b>	<b>5430040</b>	<b>100.00</b>

**(10) MARKET PRICE DATA**

MONTH	Bombay Stock Exchange (BSE)	
	HIGH (Rs)	LOW (Rs)
Apr-13	12.00	10.84
May-13	11.85	11.30
Jun-13	11.85	11.85
Jul-13	11.85	11.26
Aug-13	11.10	11.70
Sep-13	12.10	12.10
Oct-13	12.20	11.00
Nov-13	12.20	10.48
Dec-13	10.48	9.03
Jan-14	12.00	8.98
Feb-14	12.00	10.55
Mar-14	12.72	10.46

**(11) REGISTERED OFFICE:** 42 – 45, Emerald Industrial Estate, Dheku, Taluka Khalapur, Dist. Raigad, Maharashtra – 410203, India

**(12) CEO CERTIFICATION**

As required under Clause 49 of the Listing Agreement, a Certificate duly signed by Managing Director was placed at the meeting of the Board of Directors held on 30<sup>th</sup> May, 2014.

Dated: 30<sup>th</sup> May 2014  
 42 – 45, Emerald Industrial Estate,  
 Dheku, Taluka Khalapur,  
 District Raigad, Maharashtra  
 410203, India

By Order of the Board of Directors  
 Tirupati Industries (India) Limited  
 sd/-  
 Neil Karani  
 (Managing Director)

**MANAGING DIRECTORS CERTIFICATION**

All the Directors and the Senior Management Personnel have affirmed Compliance of the Code of Conduct laid down by the Board of Directors in terms of Clause 49 of the Listing Agreement made with the Stock Exchange.

Dated: 30<sup>th</sup> May 2014  
42 – 45, Emerald Industrial Estate,  
Dheku, Taluka Khalapur,  
District Raigad, Maharashtra  
410203, India

By Order of the Board of Directors  
Tirupati Industries (India) Limited  
sd/-  
Neil Karani  
(Managing Director)

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**CERTIFICATE OF COMPLIANCE WITH CLAUSE 49 OF LISTING AGREEMENT**

To,

The Members of Tirupati Industries (India) Limited

We have examined the compliance of conditions of Corporate Governance by Tirupati Industries (India) Limited for the financial year ended 31<sup>st</sup> March, 2014, as stipulated in the listing Agreement of the said Company with Bombay Stock Exchange Limited.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the 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 clarify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that investor grievances received during the year under review were duly attended to by the Company within the stipulated time.

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.

Place: Mumbai  
Date: 30<sup>th</sup> May, 2014

Sd/-  
Ravindra Joshi  
(Practicing Company Secretary)  
FCS No. 1419 CP No.88



**R. P. TRIVEDI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

R. P. TRIVEDI B.COM. F.C.A

56, Balasinor Society,  
S.V.Road, Kandivli (W),  
Mumbai – 400 067.

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**INDEPENDENT AUDITOR'S REPORT**

To  
**The Members of**  
**Tirupati Industries (India) Limited,**

**Report on the Financial Statements:** We have audited the accompanying financial statements of Tirupati Industries (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of profit and loss and Cash Flow Statement for the year the ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

**Management's Responsibility for the Financial Statements:** The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards Notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility:** Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors' considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion:** In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act 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 March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the Profit 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

**Report on Other Legal and Regulatory Requirements**

1. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India In terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), 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 give in the Annexure a statement on the matters specified in Paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, 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 proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c.) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d.) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- e.) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of directors, none of the directors is disqualified as on March 31, 2014, from being appointed as director in terms of clause (g) of sub-section (1) of section 274 of the Act.

**For R. P. Trivedi & Associates**

**Chartered Accountants**

**Firm's Registration Number: 111066W**

**Sd/-**

**R. P. Trivedi – Proprietor (M. No. 033885)**

**Mumbai, Dated 30<sup>th</sup> May, 2014**

### **ANNEXURE TO INDEPENDENT AUDITOR'S REPORT** **(REFERRED TO REPORT OF EVEN DATE)**

1. (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, the fixed assets have been physically verified by the management during the year, which, in our opinion, is reasonable, having regard to the size of the Company and nature of the assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off a substantial part of fixed assets.
2. (a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
- (b) In our opinion and according to the information and explanations given to us, 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) In our opinion and as per the information and explanation provided to us, the Company has maintained proper records of inventories and there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. We are informed that Company has not granted or taken any loans, secured or unsecured, to Companies. Firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of goods, fixed assets and also for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in such internal control systems considering the size of the Company and nature of its business.
5. As per the information and explanation given to us, the transactions which are required to be entered in the register maintained under section 301 of the Companies Act 1956 have been so entered. In our opinion and according to the information explanation given to us, the transactions made in pursuance of the contracts and exceeding during the year to Rs.5,00,000 or more in respect of such party have been made at prices which appear prima facie reasonable having regard to prevailing market prices at relevant times.
6. The Company has not accepted any deposits from the public in terms of provisions of Section 58A and 58AA and other relevant provisions of the Companies Act, 1956.





7. The Company does not have an Internal Audit System commensurate with its size and nature of business.
8. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts & records have been made & maintained. However, we have not made a detailed examination of the records.
9. (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income tax, Sales tax, Wealth tax, Custom Duty, Excise Duty, Service Tax and any other material statutory dues applicable to it with the appropriate authorities. There are no undisputed statutory dues payable in respect of such statutory dues in arrears as on 31st March, 2014, 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 disputed statutory dues payable in respect of Income - tax, wealth - Tax, Custom Duty, Excise Duty, Service Tax & Sales Tax.
10. The Company has not incurred cash losses during the current financial year or during the immediately preceding financial year. It has no accumulated losses as on 31st March, 2014
11. According to the information and explanations given to us, the company has not defaulted in repayment of dues to the Financial Institutions / Bank during the year.
12. In our opinion and according to the information & explanation given to us, no loans and advances have been granted by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. The company is not dealing or trading in shares, securities, debentures and other securities.
15. According to information and explanations given to us, the company has not given any guarantee for loan taken by others from banks and financial institutions.
16. According to the information and explanations given to us, the term loans have been applied for the purpose of which it was raised.
17. According to the information and explanations given to us, fund raised on short-term basis has not been used for long-term investment by the Company.
18. During the year, the Company has not made any preferential allotment of shares to a party covered in the Register maintained under Section 301 of the Companies Act 1956.
19. The Company has not issued any debentures, hence the requirements of clause (xix) of paragraph 4 of the Order is not applicable to the Company.
20. The Company has not raised any money by way of public issue during the year.
21. During the course of our examination of the books of accounts and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such cases by the management.

**For R. P. Trivedi & Associates**  
**Chartered Accountants**  
**Firm's Registration Number: 111066W**  
**Sd/-**  
**R. P. Trivedi – Proprietor (M. No. 033885)**  
**Mumbai, Dated 30<sup>th</sup> May, 2014**

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2014 (STANDALONE)**

Particulars	Note No.	As at March 31,	As at March 31,
		2014 (Rupees)	2013 (Rupees)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
Share capital	1	54,200,400	54,200,400
Reserves and surplus	2	47,824,545	31,689,016
		<b>102,024,945</b>	<b>85,889,416</b>
<b>(2) Share application money pending allotment</b>		-	-
<b>(3) Non-current liabilities</b>			
Long-term borrowings	3	81,665	798,816
Deferred tax Liability (net)	4	463,428	713,157
Long-term provisions	5	1,333,321	979,736
		<b>1,878,414</b>	<b>2,491,709</b>
<b>(4) Current liabilities</b>			
Short term Borrowings	6	76,378,867	3,200,755
Trade payables	7	46,485,040	62,124,895
Other current liabilities	8	2,073,843	1,572,512
Short-term provisions	9	3,819,365	2,445,313
		<b>128,757,115</b>	<b>69,343,475</b>
<b>TOTAL</b>		<b>232,660,474</b>	<b>157,724,600</b>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
Fixed Assets	10		
(i) Tangible assets		11,853,895	12,184,738
(ii) Intangible assets		47,190	1,312
(iii) Intangible assets- Brands Under		-	7,684,680
		<b>11,901,085</b>	<b>19,870,730</b>
Non-current investments	11	15,204,000	20,929,000
Long-term loans and advances	12	2,542,603	6,012,604
		<b>17,746,602</b>	<b>26,941,604</b>
<b>(2) Current Assets</b>			
Inventories	13	31,319,891	71,197,596
Trade receivables	14	144,650,408	26,048,399
Cash and cash equivalents	15	7,192,241	6,226,161
Short-term loans and advances	16	1,195,128	1,434,420
Other Current Assets	17	18,655,120	6,005,690
		<b>203,012,787</b>	<b>110,912,266</b>
<b>TOTAL</b>		<b>232,660,474</b>	<b>157,724,600</b>
Significant Accounting Policies & Notes to the Accounts forming integral parts of Accounts	27		

In terms of our report of even date  
For R. P. Trivedi & Associates  
Chartered Accountants  
Firm's Registration Number: 111066W  
CA R. P. Trivedi  
Proprietor (M. No. 033885)  
Mumbai, Dated 30<sup>th</sup> May, 2014

For and on behalf of Board of Directors  
Tirupati Industries (India) Limited  
Ramesh Sanghvi - Chairman  
Neil Karani - Managing Director  
Milee Shah - Company Secretary  
Dheku, Dated 30<sup>th</sup> May 2014



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2014  
(STANDALONE)**

Particulars	Note No.	Year ended March 31, 2014	Year ended March 31, 2013
		Rupees	Rupees
I. Revenue from operations	18	425,801,672	283,348,145
Less : Excise Duty		(1,502,048)	(128,780)
		424,299,624	283,219,365
II. Other income	19	387,604	427,801
III. <b>Total Revenue (I + II)</b>		<b>424,687,228</b>	<b>283,647,166</b>
IV. Expenses:			
Cost of materials consumed	20	316,700,935	245,510,854
Changes in inventories of finished goods, work-in-progress	21	25,736,727	(3,700,971)
Other Manufacturing Expenses	22	13,961,574	9,749,179
Employee Benefits Expense	23	6,235,340	2,777,882
Finance Cost	24	11,269,280	2,025,454
Depreciation and Amortization Expense	10	1,459,670	1,672,527
Other Expenses	25	31,105,656	10,358,185
<b>Total Expenses</b>		<b>406,469,182</b>	<b>268,393,110</b>
V. Profit before exceptional items and tax		<b>18,218,045</b>	<b>15,254,056</b>
VI. Exceptional Item			
Profit from sale of Non-Current Investments		6,425,000	-
VII. Profit Before Tax		<b>24,643,045</b>	<b>15,254,056</b>
VIII. Tax Expenses:			
(1) Current Tax		8,425,000	3,020,000
(2) Deferred Tax Expense / (Credit)	4	(249,729)	4,441,749
(3) Less: Mat Credit Entitlement		-	(5,271,877)
(4) Tax Adjustment for Earlier Year		134,378	196,069
IX. Profit/(Loss) for the year		<b>16,333,396</b>	<b>12,868,115</b>
X. Earnings per equity share:	26		
(1) Basic		3.01	2.37
(2) Diluted		-	-
Significant Accounting Policies & Notes to the Accounts forming integral parts of Accounts	27		

In terms of our report of even date  
For R. P. Trivedi & Associates  
Chartered Accountants  
Firm's Registration Number: 111066W  
CA R. P. Trivedi  
Proprietor (M. No. 033885)  
Mumbai, Dated 30<sup>th</sup> May, 2014

For and on behalf of Board of Directors  
Tirupati Industries (India) Limited  
Ramesh Sanghvi - Chairman  
Neil Karani - Managing Director  
Milee Shah - Company Secretary  
Dheku, Dated 30<sup>th</sup> May 2014

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2014**  
**(STANDALONE)**

Particulars	Year ended March 31, 2014 (Rupees)	Year ended March 31, 2013 (Rupees)
<b>A. Cash Flow from Operating Activities</b>		
Profit before exceptional items and tax	24,643,045	15,254,056
Adjustments for:		
Depreciation on fixed assets	1,459,670	1,672,527
Brand Valuation Written off (incurred in earlier years)	7,684,680	-
Finance Cost	11,269,280	2,025,454
Deduct:		
Profit on sale of fixed assets	-	17,819
Profit on sale of Non-Current Investments	6,425,000	-
Dividend	38,080	300
<b>Operating Profit before Working Capital changes</b>	<b>38,593,595</b>	<b>18,933,917</b>
Adjustments for :		
(Increase) / Decrease in inventories	39,877,705	(30,664,733)
(Increase) / Decrease in trade receivables	(118,602,008)	48,293,244
(Increase) / Decrease in loans and advances	(8,940,137)	(755,404)
Increase/(Decrease) in liabilities	(15,138,523)	(22,280,716)
Increase/(Decrease) in provisions	1,374,052	1,802,763
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(62,835,317)</b>	<b>15,329,072</b>
Income tax Paid	(8,309,649)	(3,216,069)
<b>Net Cash inflow from/ (outflow) from Operating</b>	<b>(71,144,966)</b>	<b>12,113,003</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of fixed assets / Brand under Development	(1,372,571)	(8,256,126)
Investment in Wholly Owned Subsidiary	(500,000)	-
Sale Proceeds from Sale of Investments	12,650,000	-
Sale Proceeds from fixed assets	-	590,000
Dividend received	38,080	300
<b>Net Cash inflow from/ (outflow) from Investing</b>	<b>10,815,509</b>	<b>(7,665,826)</b>
<b>C. Cash Flow from Financing Activities</b>		
Calls in Arrears received	-	2,000
Proceeds from borrowings	49,896,758	3,200,755
Post Shipment Credit (Net Flow)	24,045,357	-
Repayment of borrowings	(1,377,298)	(793,110)
Interest & other borrowing costs paid	(11,269,280)	(2,025,454)
<b>Net Cash inflow from/ (outflow) from Financing</b>	<b>61,295,537</b>	<b>384,191</b>
<b>Net increase / (decrease) in cash and cash</b>	<b>966,079</b>	<b>4,831,368</b>

(Continued on next page)



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2014**  
**(STANDALONE)**

(in Rupees)

<b>Add:</b>		
<b>Opening Cash and Cash Equivalents</b>		
Cash in hand	310,291	584,953
Cheques, drafts on hand	99,000	
Bank balances	5,816,869	809,840
	<b>6,226,161</b>	<b>1,394,793</b>
<b>Closing Cash and Cash Equivalents</b>		
Cash in hand	350,985	310,291
Cheques, drafts on hand	1,841,255	99,000
Bank balances	5,000,000	5,816,869
	<b>7,192,240</b>	<b>6,226,161</b>

Significant Accounting Policies and Note to the  
Accounts forming integral part of Accounts

27

**In terms of our report of even date**  
**For R. P. Trivedi & Associates**  
**Chartered Accountants**  
**Firm's Registration Number: 111066W**  
**CA R. P. Trivedi**  
**Proprietor (M. No. 033885)**  
**Mumbai, Dated 30<sup>th</sup> May, 2014**

**For and on behalf of Board of Directors**  
**Tirupati Industries (India) Limited**  
**Ramesh Sanghvi - Chairman**  
**Neil Karani - Managing Director**  
**Milee Shah - Company Secretary**  
**Dheku, Dated 30<sup>th</sup> May 2014**

**ACCOMPANYING NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>st</sup> MARCH 2014****1. SHARE CAPITAL:**

STANDALONE STATEMENTS

**a. Details of authorized, issued and subscribed share capital**

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>Authorized Capital</b> 75,00,000 Equity Shares of Rs 10/- each	75,000,000	75,000,000
<b>Issued, Subscribed and Paid up</b> 54,30,040 Equity Shares of Rs 10/- each	54,300,400	54,300,400
Less: Calls In arrears (From other than Directors)	(100,000)	(100,000)
<b>TOTAL</b>	<b>54,200,400</b>	<b>54,200,400</b>

**b. Information on shareholders holding more than 5% shares**

Name of Shareholder	Relationship	As at March 31, 2014		As at March 31, 2013	
		No of Equity shares held	Percentage	No of Equity shares held	Percentage
Neil Karani	Managing Director	1250400	23.03	1250400	23.03
Ketan Karani	Director (upto 09/07/13)	1187830	21.87	1187830	21.87
Alka Karani	Relative of Promoter	281920	5.19	281920	5.19

**c. Reconciliation of number of Shares**

Particulars	As at March 31, 2014		As at March 31, 2013	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	5,430,040	54,300,400	5,430,040	54,300,400
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,430,040	54,300,400	5,430,040	54,300,400

**2. RESERVES AND SURPLUS**

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>a. Securities Premium Account</b>	400,000	400,000
<b>b. Revaluation Reserve</b>		
Opening Balance	1,875,154	2,104,985
(-) Adjusted in Current Year	197,867	229,831
Closing Balance	1,677,287	1,875,154
<b>c. Surplus</b>		
Opening balance	29,413,862	16,545,747
(+) Net Profit/(Net Loss) For the current year	16,333,396	12,868,115
Closing Balance	45,747,258	29,413,862
<b>TOTAL</b>	<b>47,824,545</b>	<b>31,689,016</b>



### 3. LONG TERM BORROWINGS

### STANDALONE STATEMENTS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>SECURED</b>		
<b>Vehicle loans</b>		
From Bank (Secured By hypothecation of Tempo) Terms of Repayment: EMI over period of 34 Months	-	345,445
<b>Plant and Machinery Loans</b>		
From Others (Secured By hypothecation of Equipments) Terms of Repayment: EMI over period of 48 Months	81,665	-
<b>TOTAL</b>	<b>81,665</b>	<b>345,445</b>
<b>UN-SECURED</b>		
<b>Deposits - Inter Corporate</b>		
From Others Terms of Repayment: EMI over period of 36 Months	-	453,371
<b>TOTAL</b>	<b>-</b>	<b>453,371</b>
<b>TOTAL OF SECURED AND UN-SECURED</b>	<b>81,665</b>	<b>798,816</b>

### 4. DEFERRED TAX LIABILITY (NET)

The major components of deferred tax liability/asset as recognized in the financial statement is as follows:

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>Deferred Tax Liability</b>		
Excess of net block of fixed assets as per books of accounts over net block for tax purpose	875,424	1,015,895
	875,424	1,015,895
<b>Deferred Tax Asset</b>		
Provision for Employee benefits	411,996	302,738
Carry forward business loss and unabsorbed depreciation	-	-
Other Provisions	-	-
	411,996	302,738
Net	463,428	713,157
Deferred Tax Charge / (Credit) for the year	<b>(249,729)</b>	<b>4,441,749</b>

### 5. LONG TERM PROVISIONS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
Provision for Employee Benefits:		
Gratuity	901,780	680,887
Leave Encashment	431,541	298,849
<b>TOTAL</b>	<b>1,333,321</b>	<b>979,736</b>

## 6. SHORT TERM BORROWINGS

## STANDALONE STATEMENTS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>SECURED</b>		
<b>(a) Loans repayable on demand</b>		
From Bank	52,333,510	3,200,755
(Secured By hypothecation of stock & debtors, lien on fixed deposit, charge on immovable properties and plant & machineries at Dheku and personal guarantee of Mr. Neil Karani & Mr. Ketan Karani)		
Post Shipment Credit from Bank	24,045,357	
(Secured Against hypothecation of Book Debts)		
<b>TOTAL</b>	<b>76,378,867</b>	<b>3,200,755</b>

## 7. TRADE PAYABLES

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
Trade Payables *	46,485,040	62,124,895
<b>TOTAL</b>	<b>46,485,040</b>	<b>62,124,895</b>

\* Under the Micro, Small and Medium Enterprises Development Act, 2006, certain disclosures are required to be made relating to dues to Micro, Small and Medium enterprises. Based on the information available with the Company, there are no parties who have been identified as micro, small and medium enterprises based on the confirmations circulated and responses received by the management.

## 8. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
Current maturities of long-term debt	918,476	798,059
Security deposits	100,000	100,000
Other Liabilities	-	437,448
Statutory Dues	329,678	237,004
Book Overdraft	725,689	-
<b>TOTAL</b>	<b>2,073,843</b>	<b>1,572,512</b>

## 9. SHORT TERM PROVISIONS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>Others:</b>		
Provision for taxation	3,819,365	2,445,313
<b>TOTAL</b>	<b>3,819,365</b>	<b>2,445,313</b>



**10. FIXED ASSETS (STANDALONE STATEMENT)**
**TIRUPATI INDUSTRIES (INDIA) LIMITED**

PARTICULARS	Gross Block					Accumulated Depreciation				Net Block	
	As at April 1, 2013	Additions / Adjustments during Year	Deletions / Adjustments during Year	Revaluations/ (Impairments)	As at March 31, 2014	As at April 1, 2013	Depreciation charge for the year	Adjustments On disposals	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
<b>Tangible Assets</b>											
Building - (Factory) with attached land	10,998,984	-	-	-	10,998,984	4,688,822	631,017	-	5,319,839	5,679,145	6,310,162
Plant, Machineries & Equipments	83,340,600	1,205,604	-	-	84,546,204	78,879,021	687,111	-	79,566,132	4,980,072	4,461,579
Furniture & Fixtures	488,598	37,200	-	-	525,798	451,818	9,468	-	461,286	64,512	36,780
Vehicles	1,636,134	-	-	-	1,636,134	523,497	288,061	-	811,558	824,576	1,112,637
Office Equipment	330,557	30,667	-	-	361,224	266,392	12,504	-	278,896	82,328	64,165
Computers	871,699	45,100	-	-	916,799	672,439	21,232	-	693,671	223,128	199,260
Dies	66,175	-	-	-	66,175	66,019	22	-	66,041	134	156
<b>Total</b>	<b>97,732,747</b>	<b>1,318,571</b>	<b>-</b>	<b>-</b>	<b>99,051,318</b>	<b>85,548,008</b>	<b>1,649,415</b>	<b>-</b>	<b>87,197,423</b>	<b>11,853,895</b>	<b>12,184,739</b>
<b>Previous Year</b>	<b>98,085,800</b>	<b>571,446</b>	<b>924,500</b>	<b>-</b>	<b>97,732,746</b>	<b>83,998,407</b>	<b>1,901,920</b>	<b>352,319</b>	<b>85,548,008</b>	<b>12,184,738</b>	<b>14,087,393</b>
<b>Intangible Assets</b>											
Copyrights, Patents and other intellectual property rights, services and operating rights	8,665	-	-	-	8,665	7,353	328	-	7,681	984	1,312
Software	-	54,000	-	-	54,000	-	7,794	-	7,794	46,206	-
<b>Total</b>	<b>8,665</b>	<b>54,000</b>	<b>-</b>	<b>-</b>	<b>62,665</b>	<b>7,353</b>	<b>8,122</b>	<b>-</b>	<b>15,475</b>	<b>47,190</b>	<b>1,312</b>
<b>Previous Year</b>	<b>8,665</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,665</b>	<b>6,915</b>	<b>438</b>	<b>-</b>	<b>7,353</b>	<b>1,312</b>	<b>1,750</b>
<b>Intangible Assets WIP</b>											
Brand Development (Refer Note)	-	-	-	-	-	-	-	-	-	-	7,684,680
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,684,680</b>
<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>Note:</b>	<b>Current Year (Rs.)</b>	<b>Previous Year (Rs.)</b>
<b>Depreciation for the year</b>	<b>1,657,537</b>	<b>1,902,358</b>
<b>Less: Adjustment from Revaluation Reserve</b>	<b>197,867</b>	<b>229,831</b>
<b>Depreciation carried to Income Statement</b>	<b>1,459,670</b>	<b>1,672,527</b>

## 11. NON CURRENT INVESTMENTS

## STANDALONE STATEMENTS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>A. Trade Investments (Unquoted)</b>		
Investment in Equity instruments (Associate for part of the Year)		
Current Year NIL (Previous Year 25,000) Equity Shares at Rs. 39/- Each of Nova Oleochem Ltd	-	975,000
14,70,000 (Previous Year 19,95,000) Equity Shares of Rs.10/- each fully paid up in M/s Nova Oleochem Limited	14,70,000	19,95,000
--- Investment in Equity Instruments - Wholly Owned Subsidiary		
50,000 Equity Shares at Rs. 10/- each fully paid up of Monopoly Innovations Ltd	500,000	-
	<b>15,20,000</b>	<b>20,925,000</b>
<b>B. Other Investments</b>		
Investment in Equity Instruments		
100 (Previous Year 100) Equity Shares of Rs.10/- each in Dena Bank Limited	3,000	3,000
100 (Previous Year 100) Equity Shares of Rs.10/- each in Kapol Co-Op Bank Ltd (Unquoted)	1,000	1,000
	<b>4,000</b>	<b>4,000</b>
<b>TOTAL</b>	<b>15,204,000</b>	<b>20,929,000</b>

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
A) Aggregate amount of quoted investments (Market value Rs. 6,055/- (Previous Year Rs. 8,940/-)	3,000	3,000
B) Aggregate amount of unquoted investments	15,201,000	20,926,000

## 12. LONG TERM LOANS AND ADVANCES

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>Unsecured, considered good</b>		
Security Deposits	744,306	740,726
MAT Credit Entitlement	1,798,297	5,271,877
<b>TOTAL</b>	<b>2,542,603</b>	<b>6,012,603</b>

## 13. INVENTORIES

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>(Valued at cost or net realizable value)</b>		
a. Raw Materials	10,565,125	27,056,471
b. Consumables	315,794	1,241,246
c. Finished goods	18,928,613	41,267,259
d. Packing Material	1,510,359	1,632,620
<b>TOTAL</b>	<b>31,319,891</b>	<b>71,197,596</b>



#### 14. TRADE RECEIVABLES

#### STANDALONE STATEMENTS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>Trade receivables outstanding for a period less than six months</b>		
Unsecured, considered good	57,061,767	25,604,769
	57,061,767	25,604,769
<b>Trade receivables outstanding for a period exceeding six months</b>		
Unsecured, considered good	87,588,641	1,076,696
Doubtful	171,306	633,066
Less: Provision for doubtful debts	(171,306)	(633,066)
	87,588,641	443,630
<b>TOTAL</b>	<b>144,650,408</b>	<b>26,048,398</b>

#### 15. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
a. Cash on hand	350,985	310,291
b. Cheques, drafts on hand	1,841,255	99,000
c. Balances with banks in current Account		
In Current Account	-	816,869
In Deposit Account - (With Maturity of less than 12 months)	5,000,000	5,000,000
<b>TOTAL</b>	<b>7,192,240</b>	<b>6,226,161</b>

#### 16. SHORT TERM LOANS AND ADVANCES

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>a. Loans and advances</b>		
<b>Unsecured, considered good</b>		
Advances Recoverable in cash or kind	890,191	829,318
Service Tax CENVAT Account and PLA	158,145	-
Advance Income Tax	76,510	76,510
Vat refund receivable	-	528,592
Advance to Subsidiary (Monopoly Innovations Ltd)	70,282	-
<b>TOTAL</b>	<b>1,195,128</b>	<b>1,434,420</b>

#### 17. OTHER CURRENT ASSETS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
Security Deposit with MSEB pursuant to Court Case (Refer Note 1)	6,000,000	6,000,000
Interest Accrued but not due	5,120	5,690
Other Receivables	12,650,000	-
<b>TOTAL</b>	<b>18,655,120</b>	<b>6,005,690</b>

## 18. REVENUE FROM OPERATIONS

## STANDALONE STATEMENTS

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
<b>Sale of Products (Gross)</b>		
<b>Manufactured Goods</b>		
Vegetable Oils, Chemicals derived from oils & Allied Products	411,475,437	280,170,906
Organic & Inorganic fine Chemicals	13,058,138	1,082,047
Others	-	196,270
	424,533,575	281,449,222
Less: Excise Duty	(1,502,048)	(128,780)
	<b>423,031,527</b>	<b>281,320,442</b>
<b>Sale of Services</b>		
Processing Charges	437,073	1,242,899
Storage & Warehousing	580,800	405,800
License Fees	250,224	250,224
<b>TOTAL</b>	<b>424,299,624</b>	<b>283,219,365</b>

## 19. OTHER INCOME

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
Interest Income	346,150	5,690
Dividend Income	38,080	300
Net gain on sale of Fixed Assets	-	17,819
Miscellaneous Receipts	3,374	403,992
<b>TOTAL</b>	<b>387,604</b>	<b>427,801</b>

## 20. COST OF MATERIAL CONSUMED

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
Vegetable Oils, Chemicals derived from oils & Allied Products	302,235,818	231,838,897
Other Chemicals	9,954,359	718,963
Others	4,510,758	12,952,994
<b>TOTAL</b>	<b>316,700,935</b>	<b>245,510,854</b>

## 21. CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
<b>Opening Inventory</b>		
Finished Goods	41,267,259	37,566,288
	41,267,259	37,566,288
<b>Closing Inventory</b>		
Finished Goods	15,530,532	41,267,259
	15,530,532	41,267,259
<b>TOTAL</b>	<b>25,736,727</b>	<b>(3,700,971)</b>



## 22. OTHER MANUFACTURING EXPENSES

## STANDALONE STATEMENTS

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
Power and Fuel	3,046,309	3,150,265
Repairs to building	172,694	72,050
Repairs to machinery	228,103	293,931
Other Manufacturing Expenses	1,883,058	637,139
Equipment Hiring Charges	1,466,934	154,000
Packing Materials Consumed	7,164,477	5,441,794
<b>TOTAL</b>	<b>13,961,574</b>	<b>9,749,179</b>

## 23. EMPLOYEE BENEFIT EXPENSES

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
Salaries and incentives	5,721,084	2,370,514
Contributions to Provident Fund	248,873	107,012
Gratuity & Other retirement benefits (Unfunded)	265,383	203,711
Staff Welfare Expenses	137,449	96,645
<b>Total</b>	<b>6,235,340</b>	<b>2,777,882</b>

## 24. FINANCE COSTS

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
Interest on Loans	5,133,751	327,816
Other Interest	-	3,383
Forex Loss	4,614,351	-
Other Borrowing Cost	1,521,178	1,694,255
<b>TOTAL</b>	<b>11,269,280</b>	<b>2,025,454</b>

## 25. OTHER EXPENSES

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
Insurance Charges	515,265	147,719
Rates and Taxes	296,895	118,329
Auditor's Remuneration (Including Service Tax):		
For Statutory Audit	168,540	150,000
For Tax Audit	56,180	50,000
Traveling & Conveyance Expenses	1,218,178	509,904
Non-fulfillment of Contract Expenses	6,786,000	-
AGM/EGM Expenses	500,646	402,943
Legal and Professional Expenses	3,660,795	1,076,210
Director's Sitting Fees	37,500	34,500
Temporary Personnel Expenses	2,582,138	4,193,714
Selling & Distribution Expenses	3,095,911	2,194,778
Communication Expenses	314,717	391,748
Miscellaneous Expenses	1,048,296	827,032
Provision For Doubtful Debts	-	171,306
Office Rent	1,213,488	90,001
Brand Development Expenses	9,611,107	-
<b>TOTAL</b>	<b>31,105,656</b>	<b>10,358,185</b>

## 26. EARNINGS PER EQUITY SHARES

## STANDALONE STATEMENTS

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
<b>Basic Earnings per Share</b>		
Profit/(Loss) attributable to Equity shareholders (in Rupees)	16,333,396	12,868,115
Weighted average number of equity shares	5,430,040	5,430,040
<b>Basic Earnings Per Share in Rupees</b>	3.01	2.37
<b>Face value per Share in Rupees</b>	10	10

NOTE: The Company does not have any dilutive potential equity shares for the year 2013 – 2014. Consequently the basic and diluted earning per share of the Company remain the same

**NOTE: 27 - NOTES FORMING PART OF THE STATEMENT OF ACCOUNTS**  
**AS AT 31<sup>ST</sup> MARCH, 2014 (STANDALONE)**

**PART A: SIGNIFICANT ACCOUNTING POLICIES**a) **Basis of Accounting**

The Financial Statements have been prepared on historical cost convention on accrual basis and in accordance with the applicable accounting standards notified under the Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956. Accounting policies not specifically referred to otherwise, are consistent and in consonance with the generally accepted accounting principles.

b) **Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the financial statements and the reported amounts of revenues and expenses during the reporting period.

Difference between actual results and estimates are recognized in the periods in which the results are known/ materialize.

c) **Recognition of Income & Expenditure**

The company follows the accrual basis of accounting except in the following cases where the same are recorded on ascertainment of rights and obligation.

- i) Grants and Subsidy Received
- ii) Insurance Claim
- iii) Ex-gratia

Sales and Purchases are recognized when complete and titles in goods is passed and are exclusive of MVAT collected, freight, discounts, rebates and returns.

d) **1. Fixed Assets:** Fixed Assets are carried at cost of acquisition and amounts adjusted on Revaluation less accumulated Depreciation.

**2. Intangible Assets – Brand Development expenditure:** Expenditure on development of internally generated Brands had been carried under the head Intangible Asset under Development till 31<sup>st</sup> March 2013, has been written off in current year to bring it in consonance with Accounting Standard 26.

**Depreciation**

(i) Depreciation on Fixed Assets has been provided on Written Down Value at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.



(ii) Depreciation on revalued assets includes an additional charge on account of revaluation. The additional depreciation is transferred to the Profit and Loss Account from Revaluation Reserve.

e) **Borrowing Costs**

Borrowing costs are recognized as an expense in the period in which they are incurred except the borrowing cost attributable to be acquisitions / constructions of qualifying assets which are capitalized as a part of the cost of the fixed assets, up to the date, the assets are ready for its intended use.

f) **Inventories**

Inventory of Finished goods and Raw Materials, are valued at lower of cost or net realizable value. The full amount of purchase of consumables, stores and spare parts is debited in the accounts as and when purchased and treated as consumed in the same year.

g) **Investments**

Investments those are intended to be held for more than a year from the date of acquisition are classified as long term investment and are carried at cost less any provision for permanent diminution in value. Investments other than long-term investments being current investments are valued at cost or fair value whichever is lower.

h) **Retirement Benefit**

Company's contribution to Provident Fund for the year is charged to Profit and Loss Account. The liability for gratuity and leave encashment in respect of permanent employees has been provided in books on the basis of estimated liabilities as on the date of the Balance Sheet.

i) **Contingent Liabilities**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

j) **Accounting for Taxes on Income**

**Current Taxes**

Provision for current income tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

**Deferred Taxes**

Deferred tax assets resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

**MAT Credit Entitlement**

Minimum Alternative Tax (MAT) paid in accordance to the tax laws, which give rise to future economic benefits in the form of adjustment in future income tax liability, is considered as an asset if there is convincing evidences that the group will pay normal income tax after the tax holiday period. Accordingly, MAT is recognize as an asset in the balance sheet when it is probable that the future economic benefits associated with it will flow to the company and the asset can be measured reliably.

k) **Impairment of Assets**

Impairment of assets is ascertained at each Balance Sheet Date in respect of Company's Fixed Assets. An impairment loss is recognized whenever the carrying amount of an asset exceeds recoverable amount.

l) **Foreign Currency Transactions**

Transactions of Foreign Currency are recorded at the exchange rate prevailing at the date of transaction.

Monetary Assets / Liabilities outstanding at the close of financial year are stated at the exchange rate at the close of the year and the gain / loss is accounted in the Profit & Loss Account.

m) **Earnings Per Share**

The basic Earning Per Share (EPS) is computed by dividing the net profit after tax for they are attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The company does not have dilutive potential equity shares.

**PART B: NOTE ON ACCOUNTS**

**1. CONTINGENT LIABILITIES NOT PROVIDED FOR:**

- a) **MSEB CLAIM NOT ACKNOWLEDGED BY THE COMPANY:** As per letter dated 15.4.2002 issued by MSEB after mutual discussions, the Company had to receive an amount of Rs 4,308.75 from MSEB. Whereas as per letter dated 15.7.2002, MSEB has demanded that the Company pays an amount of Rs 10,37,605.75/- to MSEB. The Company has asked MSEB to arrive at the correct amount after mutual discussions and as required under the Maharashtra State Government's order dated 16.11.96. Hon'ble AAIFR vide order dated 14.12.06 has directed MSEB to implement the order of the State Government dated 16.11.96 & grant the necessary relief to the Company within three weeks from the date of the said order. MSEB approached the Bombay High Court against the order of AAIFR and claimed an amount of Rs.68,80,389/- (Previous Year Rs.68,80,389/-) from the company including interest and penalty upto the date of filing its petition. The Honorable High Court on 4<sup>th</sup> June, 2008, directed that an amount of Rs 60 Lakhs be placed with MSEB pending the final disposal of the matter. Against this MSEB was required to give a Bank Guarantee to the High Court. In a Petition filed by the co, the Hon'ble Supreme Court directed the High Court to expedite the hearing. Company has approached the Hon'ble High Court for expeditious hearing. In the opinion of the Management, the Company is eligible for various reliefs & concessions as per the package of MSEB.
- b) Penalty of Rs.10 Lakhs (Previous Year Rs.10 Lakhs) levied under FERA (Refer Note 4)

- 2. SHOW CAUSE NOTICE ISSUED BY REGISTRAR OF COMPANIES, MAHARASHTRA UNDER SECTION 13 OF THE COMPANIES ACT, 1956 TO THE COMPANY FOR CARRYING ON ULTRA VIRES ACTIVITIES:** The Company had received a show cause notice from Registrar of Companies, Maharashtra for violation of Sec.13 of the Companies Act, 1956 in the period prior to March 1991. The then Managing Director of the Company Mr. Ramniklal Sheth and two other Ex-Directors Mr. B. F. Jhaveri and Mr. C. A. Mehta were carrying on the business in Diamond in the name of the Company. The Ministry of Corporate Affairs has concluded that the activities of carrying on such business are ultravires and such opinion is formed after investigation of the records and documents of the Company, under Section 209 A of the Companies Act, 1956.

- 3. PENALTY OF RS. 10 LAKH IMPOSED BY SPECIAL DIRECTOR OF ENFORCEMENT UNDER FOREIGN EXCHANGE REGULATION ACT, 1973:** Office of the Special Director of Enforcement (Foreign Exchange Regulation Act) issued show cause notice to the Company and two erstwhile Directors i.e. Mr. R. A. Sheth and Mr. C. A. Mehta for violation of Section 18(2) and 18(3) read with sections 68(1) & (2) of the FERA Act 1973. This violation is for non-realization of the export proceeds. During Feb.1989 to Feb.1990 when erstwhile Directors Mr. R. A. Sheth and Mr. C. A. Mehta were in charge of the affairs of the Company. The Enforcement Directorate has imposed penalties of Rs.40 Lakhs each on the said two responsible ex-Directors, as they have been found personally responsible for the violation of FERA. In the opinion of the Director of Enforcement the Company, being a juridical person, is also to be charged although only the above named two ex-directors were personally involved in the violation and there is every possibility that moneys were directly realized by both of them. The penalty of Rs. 10 lakhs imposed on the Company is contested and matter is pending. No provision is made in accounts as in the opinion of the Directors, the Company is not required to pay penalty.

- 4.** In the opinion of the Board, all of the assets other than fixed assets and non-current investments, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated. The provisions of all known and determined liabilities are adequate and not in excess of the amount reasonably necessary.





5. During the year company has written off total expenditure on development of internally generated brands amounting to Rs. 96,11,107/- (including amount of Rs. 76,84,680/- as carried under the head Intangible Asset under Development till previous year) has been charged to Profit & Loss Account in current year to bring it in consonance with Accounting Standard 26.

**6. Consumption of Raw Materials**

Particulars	Year Ended March 31, 2014		Year Ended March 31, 2013	
	Rupees	Percentage	Rupees	Percentage
Imported	-	-	-	-
Indigenous	31,67,00,935	100%	24,55,10,854	100%
<b>TOTAL</b>	<b>31,67,00,935</b>	<b>100%</b>	<b>24,55,10,854</b>	<b>100%</b>

**7. C.I.F. Value of Imports, Expenditure and Earnings in Foreign Exchange**

PARTICULARS	2013 – 2014 (Rs.)	2012 – 2013 (Rs.)
C.I.F. Value to Import Goods	Nil	Nil
Value of Imported Capital Goods	Nil	Nil
Expenditure in Foreign currency	3,10,672	25,23,048
FOB Value of Exports	12,97,01,802	179,17,479
Other Income	Nil	Nil

8. The company was mainly engaged in the business of manufacturers, processing and trading in vegetable oils and chemicals derived thereof, chemicals and allied products in the year. Therefore, all the operations of the company are considered as single segment for the purpose of As 17 on “Segment Reporting” issued by the Institute of Chartered Accountants of India.
9. In pursuance of AS 28 on impairment of assets issued by the Institute of Chartered Accountants of India, the company has undertaken summary overview of the assets held by it and is of the view that no asset requires provision for impairment.
10. Related Party Transactions as per accounting Standard 18:

**A) Name of the Related Parties and Description**

Name of the Party	Relationship
Mr. Jyotiram Nale	Key Management Personnel
Mr. Neil Karani	Key Management Personnel
Nova Oleochem Limited	Associate Concern (till 15.03.2014)
Monopoly Innovations Limited	Wholly Owned Subsidiary (from 07.03.2014)

**B) Transaction With related Parties**

Particulars	Current Year (Rs.)	Previous Year (Rs.)
<b>a) Key Management Personnel</b>		
Remuneration & Benefits To Mr. Jyotiram Nale	5,45,115	5,13,677
Remuneration & Benefits to Mr. Neil Karani	12,92,793	11,51,300
<b>b) Associate Concern (Net of tax)</b>		
Rent	2,50,224	2,50,224
Storage & Warehousing Charges	1,60,800	1,60,800
Processing Charges	4,37,073	12,42,899
Closing Balances : Business	NIL	10,51,290 DR
Closing Balances : Deposit	1,00,000 CR	1,00,000 CR
Balance with Monopoly Innovations Ltd.		
Closing Balance : Business	70,282 DR	NIL

**11. Disclosure pursuant to Accounting Standard – 15 ‘Employee Benefits’****i. Contribution to Provident Fund**

The Companies contribution to Statutory Provident Fund is charged to the Statement of Profit and Loss under the head Contribution to Provident Fund is Rs. 2,48,873 /- (P.Y. Rs. 2,03,712/-).

**ii. Gratuity / Leave Salary**

The Company has few employees hence the actuarial valuation is not viable. The gratuity and leave encashment liability are charged to Profit & Loss Account through accruing liabilities based on the assumption that such benefits are payable to the employees at the end of the accounting year. The Company during the year provided Rs. 3,53,585/- (PY: Rs. 2,03,711/-) towards gratuity and leave salary.

**12. The previous year’s figures have been regrouped/re-classified to confirm to this year’s classification.**

**In terms of our report of even date**  
**For R. P. Trivedi & Associates**  
**Chartered Accountants**  
**Firm’s Registration Number: 111066W**  
**CA R. P. Trivedi**  
**Proprietor (M. No. 033885)**  
**Mumbai, Dated 30<sup>th</sup> May, 2014**

**For and on behalf of Board of Directors**  
**Tirupati Industries (India) Limited**  
**Ramesh Sanghvi - Chairman**  
**Neil Karani - Managing Director**  
**Milee Shah - Company Secretary**  
**Dheku, Dated 30<sup>th</sup> May 2014**



**R. P. TRIVEDI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

R. P. TRIVEDI B.COM. F.C.A

56, Balasinor Society,  
S. V. Road, Kandivli (W),  
Mumbai – 400 067.

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**INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

To,  
**The Members of**  
**Tirupati Industries (India) Limited,**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Tirupati Industries (India) Limited ("the Company"), its subsidiaries and jointly controlled entities (collectively referred as "the Group") which comprise the consolidated Balance Sheet as at March 31, 2014, and the Consolidated Statement of profit and loss and Consolidated Cash Flow Statement for the year the ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

**Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with the Accounting Standards Notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors' considers internal control relevant to the group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act 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 Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the Profit of the group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the group for the year ended on that date.

**For R. P. Trivedi & Associates**

**Chartered Accountants**

**Firm's Registration Number: 111066W**

**Sd/-**

**R. P. Trivedi - Proprietor (M. No. 033885)**

**Mumbai, Dated 30<sup>th</sup> May, 2014**

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2014**

Particulars	Note No.	As at	As at
		March 31, 2014 (Rs.)	March 31, 2013 (Rs.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
Share capital	1	54,200,400	54,200,400
Reserves and surplus	2	47,771,173	31,689,016
		<b>101,971,573</b>	<b>85,889,416</b>
<b>(2) Share application money pending allotment</b>		-	-
<b>(3) Non-current liabilities</b>			
Long-term borrowings	3	81,665	798,816
Deferred tax Liability (net)	4	463,428	713,157
Long-term provisions	5	1,333,321	979,736
		<b>1,878,414</b>	<b>2,491,709</b>
<b>(4) Current liabilities</b>			
Short term Borrowings	6	76,378,867	3,200,755
Trade payables	7	46,513,130	62,124,895
Other current liabilities	8	2,073,843	1,572,512
Short-term provisions	9	3,819,365	2,445,313
		<b>128,785,205</b>	<b>69,343,475</b>
<b>TOTAL</b>		<b>232,635,192</b>	<b>157,724,600</b>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
Fixed Assets	10		
(i) Tangible assets		11,853,895	12,184,738
(ii) Intangible assets		47,190	1,312
(iii) Intangible assets- Brands Under Development		-	7,684,680
		<b>11,901,085</b>	<b>19,870,730</b>
Non-current investments	11	14,704,000	20,929,000
Long-term loans and advances	12	2,542,603	6,012,604
		<b>17,246,602</b>	<b>26,941,604</b>
<b>(2) Current Assets</b>			
Inventories	13	31,319,891	71,197,596
Trade receivables	14	144,650,408	26,048,399
Cash and cash equivalents	15	7,712,241	6,226,161
Short-term loans and advances	16	1,149,846	1,434,420
Other Current Assets	17	18,655,120	6,005,690
		<b>203,487,505</b>	<b>110,912,266</b>
<b>TOTAL</b>		<b>232,635,192</b>	<b>157,724,600</b>
Significant Accounting Policies & Notes to the Accounts forming integral parts of Accounts	27		

In terms of our report of even date  
For R. P. Trivedi & Associates  
Chartered Accountants  
Firm's Registration Number: 111066W  
CA R. P. Trivedi – Proprietor (M. No. 033885)  
Mumbai, Dated 30<sup>th</sup> May, 2014

For and on behalf of Board of Directors  
Tirupati Industries (India) Limited  
Ramesh Sanghvi - Chairman  
Neil Karani - Managing Director  
Milee Shah - Company Secretary  
Dheku, Dated 30<sup>th</sup> May 2014



**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE**  
**YEAR ENDED 31<sup>st</sup> MARCH 2014**

Particulars	Note No.	Year ended	Year ended
		March 31, 2014 (Rs.)	March 31, 2013 (Rs.)
I. Revenue from operations	18	425,801,672	283,348,145
Less : Excise Duty		(1,502,048)	(128,780)
		424,299,624	283,219,365
II. Other income	19	387,604	427,801
III. <b>Total Revenue (I + II)</b>		<b>424,687,228</b>	<b>283,647,166</b>
IV. Expenses:			
Cost of materials consumed	20	316,700,935	245,510,854
Changes in inventories of finished goods, work-in-progress	21	25,736,727	(3,700,971)
Other Manufacturing Expenses	22	13,961,574	9,749,179
Employee Benefits Expense	23	6,235,340	2,777,882
Finance Cost	24	11,269,280	2,025,454
Depreciation and Amortization Expense	10	1,459,670	1,672,527
Other Expenses	25	31,159,028	10,358,185
<b>Total Expenses</b>		<b>406,522,554</b>	<b>268,393,110</b>
V. Profit before exceptional items and tax		<b>18,164,674</b>	<b>15,254,056</b>
VI. Exceptional Item			
Profit from sale of Non-Current Investments		6,425,000	-
VII. Profit Before Tax		<b>24,589,674</b>	<b>15,254,056</b>
VIII. Tax Expenses:			
(1) Current Tax		8,425,000	3,020,000
(2) Deferred Tax Expense / (Credit)	4	(249,729)	4,441,749
(3) Less : Mat Credit Entitlement		-	(5,271,877)
(4) Tax Adjustment for Earlier Year		134,378	196,069
IX. Profit/(Loss) for the year		<b>16,280,024</b>	<b>12,868,115</b>
X. Earnings per equity share:	26		
(1) Basic		3.00	2.37
(2) Diluted		-	-
Significant Accounting Policies & Notes to the Accounts forming integral parts of Accounts	27		

In terms of our report of even date  
For R. P. Trivedi & Associates  
Chartered Accountants  
Firm's Registration Number: 111066W  
CA R. P. Trivedi  
Proprietor (M. No. 033885)  
Mumbai, Dated 30<sup>th</sup> May, 2014

For and on behalf of Board of Directors  
Tirupati Industries (India) Limited  
Ramesh Sanghvi - Chairman  
Neil Karani - Managing Director  
Milee Shah - Company Secretary  
Dheku, Dated 30<sup>th</sup> May 2014

**CONSOLIDATED CASH FLOW STATEMENT FOR THE**  
**YEAR ENDED 31<sup>st</sup> MARCH 2014**

Particulars	Year ended 31 <sup>st</sup> March 2014 (Rs.)	Year ended 31 <sup>st</sup> March 2013 (Rs.)
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before taxation	24,589,674	15,254,056
Adjustments for:		
Depreciation on fixed assets	1,459,670	1,672,527
Brand Valuation Written off (incurred in earlier years)	7,684,680	
Interest expense	11,269,280	2,025,454
Deduct:		
Profit on sale of fixed assets	-	17,819
Profit on sale of Investments	6,425,000	-
Dividend	38,080	300
<b>Operating Profit before Working Capital changes</b>	<b>38,540,223</b>	<b>18,933,917</b>
Adjustments for:		
(Increase) / Decrease in inventories	39,877,705	(30,664,733)
(Increase) / Decrease in trade receivables	(118,602,008)	48,293,244
(Increase) / Decrease in loans and advances	(8,894,855)	(755,404)
Increase/(Decrease) in liabilities	(15,110,433)	(22,280,716)
Increase/(Decrease) in provisions	1,374,052	1,802,763
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(62,815,317)</b>	<b>15,329,072</b>
Income tax Paid	(8,309,649)	(3,216,069)
<b>Net Cash inflow from/ (outflow) from Operating activities</b>	<b>(71,124,966)</b>	<b>12,113,003</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of fixed assets / Brand under Development	(1,372,571)	(8,256,126)
Sale Proceeds from Sale of Investments	12,650,000	-
Sale Proceeds from fixed assets	-	590,000
Dividend received	38,080	300
<b>Net Cash inflow from/ (outflow) from Investing activities</b>	<b>11,315,509</b>	<b>(7,665,826)</b>
<b>C. Cash Flow from Financing Activities</b>		
Calls in Arrears received	-	2,000
Proceeds from borrowings	49,896,758	3,200,755
Post Shipment Credit (Net Flow)	24,045,357	
Repayment of borrowings	(1,377,298)	(793,110)
Interest & other borrowing costs paid	(11,269,280)	(2,025,454)
<b>Net Cash inflow from/ (outflow) from Financing activities</b>	<b>61,295,537</b>	<b>384,191</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>1,486,079</b>	<b>4,831,368</b>

(Continued on Next Page)



**CONSOLIDATED CASH FLOW STATEMENT FOR THE**  
**YEAR ENDED 31<sup>st</sup> MARCH 2014**

<b>Add :</b>			
<b>Opening Cash and Cash Equivalents</b>			
Cash in hand		310,291	584,953
Cheques, drafts on hand		99,000	
Bank balances		5,816,869	809,840
		<b>6,226,161</b>	<b>1,394,793</b>
<b>Closing Cash and Cash Equivalents</b>			
Cash in hand		350,985	310,291
Cheques, drafts on hand		2,341,255	99,000
Bank balances		5,020,000	5,816,869
		<b>7,712,240</b>	<b>6,226,161</b>
Significant Accounting Policies & Notes to the Accounts forming integral parts of Accounts		27	

In terms of our report of even date  
For R. P. Trivedi & Associates  
Chartered Accountants  
Firm's Registration Number: 111066W  
CA R. P. Trivedi  
Proprietor (M. No. 033885)  
Mumbai, Dated 30<sup>th</sup> May, 2014

For and on behalf of Board of Directors  
Tirupati Industries (India) Limited  
Ramesh Sanghvi - Chairman  
Neil Karani - Managing Director  
Milee Shah - Company Secretary  
Dheku, Dated 30<sup>th</sup> May 2014

**ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR  
YEAR ENDED 31<sup>st</sup> MARCH 2014**

**1. SHARE CAPITAL****a. Details of authorized, issued and subscribed share capital**

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>Authorized Capital</b> 75,00,000 Equity Shares of Rs 10/- each	75,000,000	75,000,000
<b>Issued, Subscribed and Paid up</b> 54,30,040 Equity Shares of Rs 10/- each Less : Calls In arrears (From other than Directors)	54,300,400 (100,000)	54,300,400 (100,000)
<b>TOTAL</b>	<b>54,200,400</b>	<b>54,200,400</b>

**b. Information on shareholders holding more than 5% shares**

Name of Shareholder	Relationship	As at March 31, 2014		As at March 31, 2013	
		No of Equity shares held	Percentage	No of Equity shares held	Percentage
Neil Karani	Managing Director	1250400	23.03	1250400	23.03
Ketan Karani	Director (upto 09/07/13)	1187830	21.87	1187830	21.87
Alka Karani	Relative of Promoter	281920	5.19	281920	5.19

**c. Reconciliation of number of Shares**

Particulars	As at March 31, 2014		As at March 31, 2013	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	5,430,040	54,300,400	5,430,040	54,300,400
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,430,040	54,300,400	5,430,040	54,300,400

**2. RESERVES AND SURPLUS**

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>a. Securities Premium Account</b>	400,000	400,000
<b>b. Revaluation Reserve</b>		
Opening Balance	1,875,154	2,104,985
(-) Adjusted in Current Year	197,867	229,831
Closing Balance	1,677,287	1,875,154
<b>c. Surplus</b>		
Opening balance	29,413,862	16,545,747
(+) Net Profit/(Net Loss) For the current year	16,280,024	12,868,115
Closing Balance	45,693,886	29,413,862
<b>TOTAL</b>	<b>47,771,173</b>	<b>31,689,016</b>





### 3. LONG TERM BORROWINGS

### CONSOLIDATED STATEMENTS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>SECURED</b>		
<b>Vehicle loans</b>		
From Bank (Secured By hypothecation of Tempo) Terms of Repayment: EMI over period of 34 Months	-	345,445
<b>Plant and Machinery Loans</b>		
From Others (Secured By hypothecation of Equipments) Terms of Repayment: EMI over period of 48 Months	81,665	-
<b>TOTAL</b>	<b>81,665</b>	<b>345,445</b>
<b>UN-SECURED</b>		
<b>Deposits - Inter Corporate</b>		
From Others Terms of Repayment: EMI over period of 36 Months	-	453,371
<b>TOTAL</b>	<b>-</b>	<b>453,371</b>
<b>TOTAL OF SECURED AND UN-SECURED</b>	<b>81,665</b>	<b>798,816</b>

### 4. DEFERRED TAX LIABILITY (NET)

The major components of deferred tax liability/asset as recognized in the financial statement is as follows:

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>Deferred Tax Liability</b>		
Excess of net block of fixed assets as per books of accounts over net block for tax purpose	875,424	1,015,895
	875,424	1,015,895
<b>Deferred Tax Asset</b>		
Provision for Employee benefits	411,996	302,738
Carry forward business loss and unabsorbed depreciation	-	-
Other Provisions	-	-
	411,996	302,738
Net	463,428	713,157
Deferred Tax Charge / (Credit) for the year	<b>(249,729)</b>	<b>4,441,749</b>

### 5. LONG TERM PROVISIONS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
Provision for Employee Benefits:		
Gratuity	901,780	680,887
Leave Encashment	431,541	298,849
<b>TOTAL</b>	<b>1,333,321</b>	<b>979,736</b>

## 6. SHORT TERM BORROWINGS

## CONSOLIDATED STATEMENTS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>SECURED</b>		
<b>(a) Loans repayable on demand</b>		
From Bank	52,333,510	3,200,755
(Secured By hypothecation of stock & debtors, lien on fixed deposit, charge on immovable properties and plant & machineries at Dheku and personal guarantee of Mr. Neil Karani & Mr. Ketan Karani)		
Post Shipment Credit from Bank	24,045,357	
(Secured Against hypothecation of Book Debts)		
<b>TOTAL</b>	<b>76,378,867</b>	<b>3,200,755</b>

## 7. TRADE PAYABLES

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
Trade Payables *	46,513,130	62,124,895
<b>TOTAL</b>	<b>46,513,130</b>	<b>62,124,895</b>

\* Under the Micro, Small and Medium Enterprises Development Act, 2006, certain disclosures are required to be made relating to dues to Micro, Small and Medium enterprises. Based on the information available with the Company, there are no parties who have been identified as micro, small and medium enterprises based on the confirmations circulated and responses received by the management.

## 8. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
Current maturities of long-term debt	918,476	798,059
Security deposits	100,000	100,000
Other Liabilities	-	437,448
Statutory Dues	329,678	237,004
Book Overdraft	725,689	-
<b>TOTAL</b>	<b>2,073,843</b>	<b>1,572,512</b>

## 9. SHORT TERM PROVISIONS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>Others:</b>		
Provision for taxation	3,819,365	2,445,313
<b>TOTAL</b>	<b>3,819,365</b>	<b>2,445,313</b>

**10. FIXED ASSETS (CONSOLIDATED STATEMENT)**
**TIRUPATI INDUSTRIES (INDIA) LIMITED**

PARTICULARS	Gross Block					Accumulated Depreciation				Net Block	
	As at April 1, 2013	Additions / Adjustments during Year	Deletions / Adjustments during Year	Revaluations/ (Impairments)	As at March 31, 2014	As at April 1, 2013	Depreciation charge for the year	Adjustments On disposals	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
<b>Tangible Assets</b>											
Building - (Factory) with attached land	10,998,984	-	-	-	10,998,984	4,688,822	631,017	-	5,319,839	5,679,145	6,310,162
Plant, Machineries & Equipments	83,340,600	1,205,604	-	-	84,546,204	78,879,021	687,111	-	79,566,132	4,980,072	4,461,579
Furniture & Fixtures	488,598	37,200	-	-	525,798	451,818	9,468	-	461,286	64,512	36,780
Vehicles	1,636,134	-	-	-	1,636,134	523,497	288,061	-	811,558	824,576	1,112,637
Office Equipment	330,557	30,667	-	-	361,224	266,392	12,504	-	278,896	82,328	64,165
Computers	871,699	45,100	-	-	916,799	672,439	21,232	-	693,671	223,128	199,260
Dies	66,175	-	-	-	66,175	66,019	22	-	66,041	134	156
<b>Total</b>	<b>97,732,747</b>	<b>1,318,571</b>	<b>-</b>	<b>-</b>	<b>99,051,318</b>	<b>85,548,008</b>	<b>1,649,415</b>	<b>-</b>	<b>87,197,423</b>	<b>11,853,895</b>	<b>12,184,739</b>
<b>Previous Year</b>	<b>98,085,800</b>	<b>571,446</b>	<b>924,500</b>	<b>-</b>	<b>97,732,746</b>	<b>83,998,407</b>	<b>1,901,920</b>	<b>352,319</b>	<b>85,548,008</b>	<b>12,184,738</b>	<b>14,087,393</b>
<b>Intangible Assets</b>											
Copyrights, Patents and other intellectual property rights, services and operating rights	8,665	-	-	-	8,665	7,353	328	-	7,681	984	1,312
Software	-	54,000	-	-	54,000	-	7,794	-	7,794	46,206	-
<b>Total</b>	<b>8,665</b>	<b>54,000</b>	<b>-</b>	<b>-</b>	<b>62,665</b>	<b>7,353</b>	<b>8,122</b>	<b>-</b>	<b>15,475</b>	<b>47,190</b>	<b>1,312</b>
<b>Previous Year</b>	<b>8,665</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,665</b>	<b>6,915</b>	<b>438</b>	<b>-</b>	<b>7,353</b>	<b>1,312</b>	<b>1,750</b>
<b>Intangible Assets WIP</b>											
Brand Development (Refer Note)	-	-	-	-	-	-	-	-	-	-	7,684,680
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,684,680</b>
<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note:	Current Year (Rs.)	Previous Year (Rs.)
Depreciation for the year	1,657,537	1,902,358
Less: Adjustment from Revaluation Reserve	197,867	229,831
Depreciation carried to Income Statement	1,459,670	1,672,527

## 11. NON CURRENT INVESTMENTS

## CONSOLIDATED STATEMENTS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>A. Trade Investments (Unquoted)</b>		
Investment in Equity instruments (Associate for part of the Year)		
Current Year NIL (Previous Year 25,000) Equity Shares at Rs. 39/- Each of Nova Oleochem Ltd	-	975,000
14,70,000 (Previous Year 19,95,000) Equity Shares of Rs.10/- each fully paid up in M/s Nova Oleochem Limited	14,700,000	19,950,000
	<b>14,700,000</b>	<b>20,925,000</b>
<b>B. Other Investments</b>		
Investment in Equity Instruments		
100 (Previous Year 100) Equity Shares of Rs.10/- each in Dena Bank Limited	3,000	3,000
100 (Previous Year 100) Equity Shares of Rs.10/- each in Kapol Co-Op Bank Ltd (Unquoted)	1,000	1,000
	<b>4,000</b>	<b>4,000</b>
<b>TOTAL</b>	<b>14,704,000</b>	<b>20,929,000</b>

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
A) Aggregate amount of quoted investments (Market value Rs. 6,055/- (Previous Year Rs. 8,940/-)	3,000	3,000
B) Aggregate amount of unquoted investments	14,701,000	20,926,000

## 12. LONG TERM LOANS AND ADVANCES

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>Unsecured, considered good</b>		
Security Deposits	744,306	740,726
MAT Credit Entitlement	1,798,297	5,271,877
<b>TOTAL</b>	<b>2,542,603</b>	<b>6,012,603</b>

## 13. INVENTORIES

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>(Valued at cost or net realizable value)</b>		
a. Raw Materials	10,565,125	27,056,471
b. Consumables	315,794	1,241,246
c. Finished goods	18,928,613	41,267,259
d. Packing Material	1,510,359	1,632,620
<b>TOTAL</b>	<b>31,319,891</b>	<b>71,197,596</b>



#### 14. TRADE RECEIVABLES

#### CONSOLIDATED STATEMENTS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>Trade receivables outstanding for a period less than six months</b>		
Unsecured, considered good	57,061,767	25,604,769
	57,061,767	25,604,769
<b>Trade receivables outstanding for a period exceeding six months</b>		
Unsecured, considered good	87,588,641	1,076,696
Doubtful	171,306	633,066
Less: Provision for doubtful debts	(171,306)	(633,066)
	87,588,641	443,630
<b>TOTAL</b>	<b>144,650,408</b>	<b>26,048,398</b>

#### 15. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
a. Cash on hand	350,985	310,291
b. Cheques, drafts on hand	2,341,255	99,000
c. Balances with banks in current Account		
In Current Account	20,000	816,869
In Deposit Account - (With Maturity of less than 12 months)	5,000,000	5,000,000
<b>TOTAL</b>	<b>7,712,240</b>	<b>6,226,161</b>

#### 16. SHORT TERM LOANS AND ADVANCES

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
<b>a. Loans and advances</b>		
<b>Unsecured, considered good</b>		
Advances Recoverable in cash or kind	915,191	829,318
Service Tax CENVAT Account and PLA	158,145	-
Advance Income Tax	76,510	76,510
Vat refund receivable	-	528,592
Advance to Subsidiary (Monopoly Innovations Ltd)	70,282	-
<b>TOTAL</b>	<b>1,149,846</b>	<b>1,434,420</b>

#### 17. OTHER CURRENT ASSETS

Particulars	As at March 31, 2014 (Rs.)	As at March 31, 2013 (Rs.)
Security Deposit with MSEB pursuant to Court Case (Refer Note 1)	6,000,000	6,000,000
Interest Accrued but not due	5,120	5,690
Other Receivables	12,650,000	-
<b>TOTAL</b>	<b>18,655,120</b>	<b>6,005,690</b>

## 18. REVENUE FROM OPERATIONS

## CONSOLIDATED STATEMENTS

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
<b>Sale of Products (Gross)</b>		
<b>Manufactured Goods</b>		
Vegetable Oils, Chemicals derived from oils & Allied Products	411,475,437	280,170,906
Organic & Inorganic fine chemicals	13,058,138	1,082,047
Others	-	196,270
	424,533,575	281,449,222
Less: Excise Duty	(1,502,048)	(128,780)
	<b>423,031,527</b>	<b>281,320,442</b>
<b>Sale of Services</b>		
Processing Charges	437,073	1,242,899
Storage & Warehousing	580,800	405,800
License Fees	250,224	250,224
<b>TOTAL</b>	<b>424,299,624</b>	<b>283,219,365</b>

## 19. OTHER INCOME

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
Interest Income	346,150	5,690
Dividend Income	38,080	300
Net gain on sale of Fixed Assets	-	17,819
Miscellaneous Receipts	3,374	403,992
<b>TOTAL</b>	<b>387,604</b>	<b>427,801</b>

## 20. COST OF MATERIAL CONSUMED

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
Vegetable Oils, Chemicals derived from oils & Allied Products	302,235,818	231,838,897
Other Chemicals	9,954,359	718,963
Others	4,510,758	12,952,994
<b>TOTAL</b>	<b>316,700,935</b>	<b>245,510,854</b>

## 21. CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
<b>Opening Inventory</b>		
Finished Goods	41,267,259	37,566,288
	41,267,259	37,566,288
<b>Closing Inventory</b>		
Finished Goods	15,530,532	41,267,259
	15,530,532	41,267,259
<b>TOTAL</b>	<b>25,736,727</b>	<b>(3,700,971)</b>



## 22. OTHER MANUFACTURING EXPENSES

CONSOLIDATED STATEMENTS

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
Power and Fuel	3,046,309	3,150,265
Repairs to building	172,694	72,050
Repairs to machinery	228,103	293,931
Other Manufacturing Expenses	1,883,058	637,139
Equipment Hiring Charges	1,466,934	154,000
Packing Materials Consumed	7,164,477	5,441,794
<b>TOTAL</b>	<b>13,961,574</b>	<b>9,749,179</b>

## 23. EMPLOYEE BENEFIT EXPENSES

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
Salaries and incentives	5,721,084	2,370,514
Contributions to Provident Fund	248,873	107,012
Gratuity & Other retirement benefits (Unfunded)	265,383	203,711
Staff Welfare Expenses	137,449	96,645
<b>Total</b>	<b>6,235,340</b>	<b>2,777,882</b>

## 24. FINANCE COSTS

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
Interest on Loans	5,133,751	327,816
Other Interest	-	3,383
Forex Loss	4,614,351	-
Other Borrowing Cost	1,521,178	1,694,255
<b>TOTAL</b>	<b>11,269,280</b>	<b>2,025,454</b>

## 25. OTHER EXPENSES

Particulars	Year Ended March 31, 2014 (Rs.)	Year Ended March 31, 2013 (Rs.)
Insurance Charges	515,265	147,719
Rates and Taxes	296,895	118,329
Auditor's Remuneration (Including Service Tax):		
For Statutory Audit	185,394	150,000
For Tax Audit	67,416	50,000
Traveling & Conveyance Expenses	1,218,178	509,904
Non-fulfillment of Contract Expenses	6,786,000	-
AGM/EGM Expenses	500,646	402,943
Legal and Professional Expenses	3,660,795	1,076,210
Director's Sitting Fees	37,500	34,500
Temporary Personnel Expenses	2,582,138	4,193,714
Selling & Distribution Expenses	3,095,911	2,194,778
Communication Expenses	314,717	391,748
Miscellaneous Expenses	1,073,578	827,032
Provision For Doubtful Debts	-	171,306
Office Rent	1,213,488	90,001
Brand Development Expenses	9,611,107	-
<b>TOTAL</b>	<b>31,159,028</b>	<b>10,358,185</b>

## 26. EARNINGS PER EQUITY SHARES

## CONSOLIDATED STATEMENTS

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
<b>Basic Earnings per Share</b>		
Profit/(Loss) attributable to Equity shareholders (in Rupees)	16,280,024	12,868,115
Weighted average number of equity shares	5,430,040	5,430,040
<b>Basic Earnings Per Share in Rupees</b>	3.00	2.37
<b>Face value per Share in Rupees</b>	10	10

NOTE: The Company does not have any dilutive potential equity shares for the year 2013 – 2014. Consequently the basic and diluted earning per share of the Company remain the same

**NOTE: 27 - NOTES FORMING PART OF THE STATEMENT OF ACCOUNTS**  
**AS AT 31<sup>ST</sup> MARCH, 2014 (CONSOLIDATED)**

**PART A: SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS**

**1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS:**

The consolidated financial statements relate to Tirupati Industries (India) Limited ('the Company') and its subsidiary company. The consolidated financial statements have been prepared on the following basis:

- a. The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"
  - b. The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.
  - c. The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.
  - d. Investment in Associate Companies has been accounted under the equity method as per Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements".
  - e. The Company accounts for its share in change in net assets of the associates, post-acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Statement of Profit and Loss to the extent such change is attributable to the associates' Profit or Loss through its reserves for the balance, based on available information.
  - f. The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
  - g. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- 2. Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments"**





3. Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

## PART B: NOTE ON ACCOUNTS

### 1. CONTINGENT LIABILITIES NOT PROVIDED FOR:

- a) **MSEB CLAIM NOT ACKNOWLEDGED BY THE COMPANY:** As per letter-dated 15.4.2002 issued by MSEB after mutual discussions, the Company had to receive an amount of Rs 4,308.75 from MSEB. Whereas as per letter dated 15.7.2002, MSEB has demanded that the Company pays an amount of Rs 10,37,605.75/- to MSEB. The Company has asked MSEB to arrive at the correct amount after mutual discussions and as required under the Maharashtra State Government's order dated 16.11.96. Hon'ble AAIFR vide order dated 14.12.06 has directed MSEB to implement the order of the State Government dated 16.11.96 & grant the necessary relief to the Company within three weeks from the date of the said order. MSEB approached the Bombay High Court against the order of AAIFR and claimed an amount of Rs. 68,80,389/- (Previous Year Rs.68,80,389/-) from the company including interest and penalty upto the date of filing its petition. The Honorable High Court on 4<sup>th</sup> June, 2008, directed that an amount of Rs 60 Lakhs be placed with MSEB pending the final disposal of the matter. Against this MSEB was required to give a Bank Guarantee to the High Court. In a Petition filed by the co, the Hon'ble Supreme Court directed the High Court to expedite the hearing. Company has approached the Hon'ble High Court for expeditious hearing. In the opinion of the Management Company is eligible for various reliefs & concessions as per the package of MSEB.
- b) Penalty of Rs.10 Lakhs (Previous Year Rs.10 Lakhs) levied under FERA (Refer Note 4)

### 2. SHOW CAUSE NOTICE ISSUED BY REGISTRAR OF COMPANIES, MAHARASHTRA UNDER SECTION 13 OF THE COMPANIES ACT, 1956 TO THE COMPANY FOR CARRYING ON ULTRA VIRES ACTIVITIES

The Company had received a show cause notice from Registrar of Companies, Maharashtra for violation of Sec.13 of the Companies Act, 1956 in the period prior to March 1991. The then Managing Director of the Company Mr. Ramniklal Sheth and two other Ex- Directors Mr. B. F. Jhaveri and Mr. C. A. Mehta were carrying on the business in Diamond in the name of the Company. The Ministry of Corporate Affairs has concluded that the activities of carrying on such business are ultravires and such opinion is formed after investigation of the records and documents of the Company, under Section 209 A of the Companies Act, 1956.

### 3. PENALTY OF RS. 10 LAKH IMPOSED BY SPECIAL DIRECTOR OF ENFORCEMENT UNDER FOREIGN EXCHANGE REGULATION ACT, 1973.

Office of the Special Director of Enforcement (Foreign Exchange Regulation Act) issued show cause notice to the Company and two erstwhile Directors i.e. Mr. R. A. Sheth and Mr. C. A. Mehta for violation of Section 18(2) and 18(3) read with sections 68(1) & (2) of the FERA Act 1973. This violation is for non-realization of the export proceeds. During Feb.1989 to Feb.1990 when erstwhile Directors Mr. R. A. Sheth and Mr. C. A. Mehta were in charge of the affairs of the Company.

The Enforcement Directorate has imposed penalties of Rs.40 Lakhs each on the said two responsible ex-Directors, as they have been found personally responsible for the violation of FERA.

In the opinion of the Director of Enforcement the Company, being a juridical person, is also to be charged although only the above named two ex-directors were personally involved in the violation and there is every possibility that moneys were directly realized by both of them.

The penalty of Rs.10 lakhs imposed on the Company is contested and matter is pending. No provision is made in accounts as in the opinion of the Directors, the Company is not required to pay penalty.

4. In the opinion of the Board, all of the assets other than fixed assets and non-current investments, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated. The provisions of all known and determined liabilities are adequate and not in excess of the amount reasonably necessary.

5. During the year company has written off total expenditure on development of internally generated brands amounting to Rs. 96,11,107/- (including amount of Rs. 76,84,680/- as carried under the head Intangible Asset under Development till previous year) has been charged to Profit & Loss Account in current year to bring it in consonance with Accounting Standard 26.

#### 6. Consumption of Raw Materials

Particulars	Year Ended March 31, 2014		Year Ended March 31, 2013	
	Rupees	Percentage	Rupees	Percentage
Imported	-	-	-	-
Indigenous	31,67,00,935	100%	24,55,10,854	100%
<b>TOTAL</b>	<b>31,67,00,935</b>	<b>100%</b>	<b>24,55,10,854</b>	<b>100%</b>

#### 7. C.I.F. Value of Imports, Expenditure and Earnings in Foreign Exchange

PARTICULARS	2013 – 2014 (Rs.)	2012 – 2013 (Rs.)
C.I.F. Value to Import Goods	Nil	Nil
Value of Imported Capital Goods	Nil	Nil
Expenditure in Foreign currency	3,10,672	25,23,048
FOB Value of Exports	12,97,01,802	179,17,479
Other Income	Nil	Nil

8. The company was mainly engaged in the business of manufacturers, processing and trading in vegetable oils and chemicals derived thereof, chemicals and allied products in the year. Therefore, all the operations of the company are considered as single segment for the purpose of As 17 on “Segment Reporting” issued by the Institute of Chartered Accountants of India.
9. In pursuance of AS 28 on impairment of assets issued by the Institute of Chartered Accountants of India, the company has undertaken summary overview of the assets held by it and is of the view that no asset requires provision for impairment.
10. Related Party Transactions as per accounting Standard 18:

#### A) Name of the Related Parties and Description

Name of the Party	Relationship
Mr. Jyotiram Nale	Key Management Personnel
Mr. Neil Karani	Key Management Personnel
Nova Oleochem Limited	Associate Concern (till 15.03.2014)



## B) Transaction With related Parties

Particulars	Current Year (Rs.)	Previous Year (Rs.)
<b>a) Key Management Personnel</b>		
Remuneration & Benefits To Mr. Jyotiram Nale	5,45,115	5,13,677
Remuneration & Benefits to Mr. Neil Karani	12,92,793	11,51,300
<b>b) Associate Concern (Net of tax)</b>		
Rent	2,50,224	2,50,224
Storage & Warehousing Charges	1,60,800	1,60,800
Processing Charges	4,37,073	12,42,899
Closing Balances : Business	NIL	10,51,290 DR
Closing Balances : Deposit	1,00,000 CR	1,00,000 CR

### 11. Disclosure pursuant to Accounting Standard – 15 'Employee Benefits'

#### i. Contribution to Provident Fund

The Companies contribution to Statutory Provident Fund is charged to the Statement of Profit and Loss under the head Contribution to Provident Fund is Rs. 2,48,873 /- (P Y Rs. 2,03,712/-).

#### ii. Gratuity / Leave Salary

The Company has few employees hence the actuarial valuation is not viable. The gratuity and leave encashment liability are charged to Profit & Loss Account through accruing liabilities based on the assumption that such benefits are payable to the employees at the end of the accounting year. The Company during the year provided Rs. 3,53,585/- (PY: Rs. 2,03,711/-) towards gratuity and leave salary.

### 12. The previous year's figures have been regrouped/re-classified to confirm to this year's classification.

In terms of our report of even date  
For R. P. Trivedi & Associates  
Chartered Accountants  
Firm's Registration Number: 111066W  
CA R. P. Trivedi  
Proprietor (M. No. 033885)  
Mumbai, Dated 30<sup>th</sup> May, 2014

For and on behalf of Board of Directors  
Tirupati Industries (India) Limited  
Ramesh Sanghvi - Chairman  
Neil Karani - Managing Director  
Milee Shah - Company Secretary  
Dheku, Dated 30<sup>th</sup> May 2014

**STATEMENT PURSUANT TO EXEMPTION GRANTED UNDER SECTION 212 (8) OF  
THE COMPANIES ACT, 1956 RELATING TO THE SUBSIDIARY COMPANY AS AT  
31<sup>ST</sup> MARCH, 2014.**

<b>NAME OF THE SUBSIDIARY COMPANY*</b>	MONOPOLY INNOVATIONS LIMITED
<b>Financial year ended on</b>	31 <sup>ST</sup> March, 2014
<b>Capital</b>	Rs. 5,00,000/-
<b>Reserves</b>	(53,372)
<b>Total Liabilities</b>	98,372
<b>Total Assets</b>	5,45,000
<b>Investments</b>	NIL
<b>Total Income</b>	NIL
<b>Profit/Loss Before Tax</b>	(53,372)
<b>Provisions for Tax</b>	NIL
<b>Profit/Loss after Tax</b>	(53,372)

\*Incorporated as a Wholly-Owned Subsidiary on 7<sup>th</sup> March, 2014.

Place: Dheku

Date: 30<sup>th</sup> May 2014

**For and on behalf of Board of Directors  
Tirupati Industries (India) Limited**

Sd/-  
Ramesh Sanghvi      - Chairman

Sd/-  
Neil Karani      - Managing Director

Sd/-  
Milee Shah      - Company Secretary

# TIRUPATI INDUSTRIES (INDIA) LIMITED

Regd. Office: 42 to 45, Emerald Industrial Estate, Dheku, Tal. Khalapur, Dist. Raigad, Maharashtra 410203, INDIA  
Tel: +91 219 2266163 | Fax: +91 219 2266163 | info@tirupatiind.com | www.tirupatiind.com | CIN: L99999MH1973PLC016686



## ATTENDANCE SLIP

(to be presented at the entrance)

41<sup>st</sup> ANNUAL GENERAL MEETING ON MONDAY, 29<sup>th</sup> SEPTEMBER 2014 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

Name of the Member: \_\_\_\_\_ Signature: \_\_\_\_\_

Name of the Proxy Holder: \_\_\_\_\_ Signature: \_\_\_\_\_

1. Only Member/Proxy Holder can attend the meeting
2. Member/Proxy Holder should bring his/her copy of the Annual Report for reference at the Meeting

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# TIRUPATI INDUSTRIES (INDIA) LIMITED

Regd. Office: 42 to 45, Emerald Industrial Estate, Dheku, Tal. Khalapur, Dist. Raigad, Maharashtra 410203, INDIA  
Tel: +91 219 2266163 | Fax: +91 219 2266163 | info@tirupatiind.com | www.tirupatiind.com | CIN: L99999MH1973PLC016686



## PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

41<sup>st</sup> ANNUAL GENERAL MEETING ON MONDAY, 29<sup>th</sup> SEPTEMBER 2014 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY

Name of the Member(s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

Email ID: \_\_\_\_\_

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

I/We being the member(s) of \_\_\_\_\_ Shares of Tirupati Industries (India) Limited, hereby appoint

1. Name: \_\_\_\_\_ Address: \_\_\_\_\_ Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_

2. Name: \_\_\_\_\_ Address: \_\_\_\_\_ Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_

3. Name: \_\_\_\_\_ Address: \_\_\_\_\_ Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote for me/us and on my/out behalf at the Forty First Annual General Meeting of the Company to be held on Monday 29<sup>th</sup> September 2014 at the Registered Office of the Company and at any adjournment thereof in respect of such resolutions indicated below:

1. Adoption of Audited Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended 31<sup>st</sup> March 2014
2. Reappointment of Mr. Jyotiram Nale as Director of the Company
3. Appointment of Statutory Auditors
4. Appointment of Mr. Ramesh Sanghvi as Independent Director
5. Appointment of Mr. Manchand Jhaveri as Independent Director
6. Appointment of Mr. Hitesh Jhaveri as Independent Director
7. Increase in Authorized Share Capital
8. Alteration of Memorandum of Association
9. Alteration on Articles of Association
10. Ratification of Cost Auditors Remuneration
11. Board Authorization to Borrow Limits for the Company
12. Substitute and Modify Articles of Association of the Company
13. Granting to Permanent Employees and Directors of the Company equity shares by way of ESOP
14. Appointment of Mr. Jyotiram S. Nale as Whole Time Director

Kindly  
Affix  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature of Shareholder \_\_\_\_\_ Signature of Proxy holder(s) \_\_\_\_\_

**NOTES:** This Form of Proxy, in order to be effective should be duly completed and deposited at the Registered Office of the Company at 42 to 45, Emerald Industrial Estate, Dheku, Taluka Khalapur, Dist. Raigad, Maharashtra 410203, INDIA, not less than 48 hours before the commencement of the Meeting.

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**MONOPOLY**

**BIOWIN**

**GEMChem**

Your Company has been serving consumers for High Quality Oils and Chemicals for the past 41 years and is firmly on the path of growth and prosperity.

Our Edible Oils under the brand **MONOPOLY** are being satisfactorily catered to numerous households and we would be honored to serve you too.

MONOPOLY® Edible Oils are a perfect blend of all the above qualities with a Natural Combination of MONO and POLY Unsaturated Fats (MUFA and PUFA), which retain the original flavours of your recipes to give you delicious food. Our oils are of highest quality; give great value for money and are subject to stringent quality control measures.

We offer a wide range of Edible Oils in various pack sizes ranging from 200 ml to 15 litres/kgs:

**MONOPOLY REFINED SUNFLOWER OIL**

**MONOPOLY REFINED SOYABEAN OIL**

**MONOPOLY REFINED RICEBRAN OIL**

**MONOPOLY KACHCHI GHANI MUSTARD OIL**

TIRUPATI manufactures Biodiesel and a range of Methyl Esters. Biodiesel is an eco friendly substitute for regular Petroleum Diesel. Besides contributing to the environment, it secures a region's energy needs and provides the freedom to rural areas to access decentralized power. As a Green Fuel it also enables the Transport and Industrial sectors to grow on Clean Development Mechanism. Our Biodiesel is marketed under the brand **BIOWIN**.

Your Company has also diversified its business into Chemicals and Laboratory Reagents. Our products are sold under the brand **GEMChem** where we market a range of high purity Reagents, Acids, Solvents, Buffer Tablets, pH Indicator Solutions, Indicator Papers, Metals and Metallic Compounds, Karl Fischer Reagents, Biological Stains, Ion Pairing Reagents, Clinical and Diagnostic Reagents amongst a wide range of other products.

To know more you can simply contact us by sending us an email at [info@tirupatiind.com](mailto:info@tirupatiind.com) and we shall be pleased to assist/serve you. You may also visit us at [www.tirupatiind.com](http://www.tirupatiind.com) or scan the below QR code to know more about your Company and its businesses.

Thank you,

NEIL KARANI  
Managing Director



# ANNUAL REPORT

2013 – 2014



# Tirupati

## INDUSTRIES (INDIA) LIMITED

### REGISTERED OFFICE

42 to 45, Emerald Industrial Estate,  
Dheku, Taluka Khalapur,  
District Raigad 410203,  
Maharashtra, INDIA

T: +91 (219) 2266163 | F: +91 (219) 2266163  
E: [info@tirupatiind.com](mailto:info@tirupatiind.com) | W: [www.tirupatiind.com](http://www.tirupatiind.com)

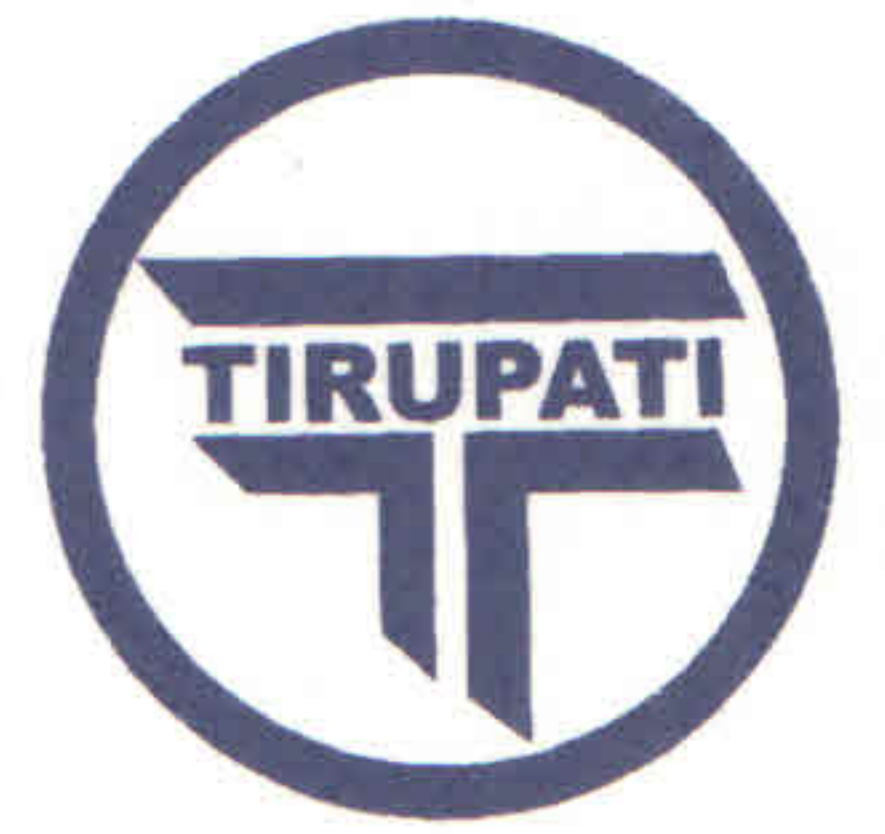




# TIRUPATI

## INDUSTRIES (INDIA) LIMITED


### ACHIEVE



#### FORM A

(Clause 31(a) of Listing Agreement)

Format of covering letter of the annual audit report to be filed with the Stock Exchanges

1	Name of the Company	Tirupati Industries (India) Limited
2	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2014.
3	Type of Audit Observation	Un-qualified
4	Frequency Observation	N.A.
5	To be signed by-	
	• CEO/Managing Director	<i>[Signature]</i>
	• CFO	<i>[Signature]</i>
	• Audit Committee Chairman	<i>[Signature]</i>
	• Auditor of the Company	For R.P.Trivedi & Associates Charetered Accountants Firm's Registration No: 111066W  <i>[Signature]</i>   Rajesh P. Trivedi Propreitor Membership No: 033885