

**TUMUS ELECTRIC
CORPORATION LIMITED
(CIN L31300MH1973PLC285730)**

**44th ANNUAL REPORT
FOR THE YEAR ENDED ON
31ST MARCH, 2017**

COMPANY INFORMATION

BOARD OF DIRECTORS

Navinchandra Patel, Managing Director
Rupesh Parde, Director
Sunjjoy Ingley, Independent Director
Kamrunnisa Khan, Independent Director

KEY MANAGERIAL PERSONNEL

Navinchandra Patel, Managing Director
Rupesh Parde, Chief Financial Officer
Manish Mourya, Company Secretary & Compliance Officer

CONTACT

REGISTERED OFFICE

Ground Floor, Bagri Niwas, 53/55 Nath Madhav Path, Kalbadevi, Mumbai 400 002.

CORPORATE OFFICE

1207/A, P. J. Towers, Dalal Street, Fort, Mumbai – 400001. Telephone Nos.: +91-22-22721981
Fax No.: +91-22-22722451
E-mail: compliance.tumus@gmail.com Website: www.tumuselectric.com

REGISTRAR AND SHARE TRANSFER AGENT

Purva Sharegistry (India) Private Limited
9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai – 400011.
Telephone Nos.: +91-22-23012518/Fax No.: 91-22-2301 2517
E-mail: busicomp@gmail.com Website: www.purvashare.com

BANKER

Bank of India, Stock Exchange Branch, Fort, Mumbai 400 001.

STATUTORY AUDITORS

Bhatter & Co., Chartered Accountants
307, Tulsiani Chambers, Nariman Point, Mumbai – 400021.

INTERNAL AUDITORS

M/s. R. Jaitlia & Co., Chartered Accountants
408, Manish Chambers, Sonawala Road, Opp. Hotel Karan Palace,
Goregaon (East), Mumbai – 400063.

SECRETARIAL AUDITOR

Sonam Jain, Practicing Company Secretary, Mumbai

DIRECTORS' REPORT

To the Members Tumus Electric Corporation Limited

Your Company's Directors are pleased to present the **44th Annual Report** of the Company, along with Audited Accounts, for the Financial Year ended **31st March, 2017**.

Financial Performance

A summary of the Company's financial performance during the financial year:

(in ₹ lac)

Particulars	FY 2016-17	FY 2015-16
Total revenue including other income	13.52	4.11
Total Expenditure	15.69	20.61
Profit / (Loss) before tax	(2.17)	(16.50)
Tax Expenses	-	-
Profit / (Loss) after tax	(2.17)	(16.50)
EPS Weighted Average		
- Basic	(0.18)	(1.68)
- Diluted	(0.18)	(1.68)

Operations Overview

During the year under review, there was no business activity carried on by the Company except investments.

Dividend

Your Directors do not recommend any dividend for the year under review due to losses made by the Company.

Transfer to Reserve

The Company has transferred ₹ Nil to Reserves for the financial year ended 31st March, 2017.

Share Capital

Presently, the Authorized share capital of the Company is ₹2 Crore comprising of 19,50,000 Equity Shares of ₹10 each and 50,000 Cumulative Redeemable Preference Shares of ₹10 each.

Pursuant to approval of the shareholders obtained by way of Special resolution in 43rd AGM of the Company held on 30th September, 2016 your Company has allotted 1,77,500 (One Lac Seventy Seven Thousand Five Hundred) Equity shares of ₹10/- each at par on preferential basis to existing promoter of the Company, Uttam Bharat Bagri on 5th October, 2016. Thus, the paid up share capital of the Company has been increased from ₹1,10,77,750/- to ₹1,28,52,750/-.

Material changes and Commitments

There are no material changes and or commitments affecting the financial position of the Company, between the end of the financial year, i.e. 31st March, 2017 and the date of the report.

Extract of Annual Return

As provided under Section 92(3) of the Act, the extract of annual return is given in **Annexure-I** in the prescribed Form MGT- 9, which forms part of this report.

Number of meetings of the Board

Seven meetings of the Board were held during the year on 16th May, 2016, 12th August, 2016, 25th August, 2016, 31st August, 2016, 5th October, 2016, 4th November, 2016 and 20th January, 2017.

The provisions of Companies Act, 2013, Secretarial Standard 1 and Listing Regulations were adhered to while considering the time gap between two meetings.

Directors Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- In the preparation of annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- The Directors have selected such accounting policies and applied them consistently and made judgements 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 2016-17 and of the profit of the Company for that period;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a going concern basis;
- The Directors had laid down proper internal financial controls and such internal financial controls are adequate and were operating effectively;
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2016-17.

Particulars of loans, guarantees and investments

The particulars of loans, guarantees and investments have been disclosed in the financial statements

Internal control systems and their adequacy:

Pursuant to Section 138 of the Companies Act, 2013 and rules made thereunder, the Company has re-appointed M/s. R. Jaitlia & Co., Chartered Accountants as Internal Auditors on 16th May, 2016 to conduct Internal Audit of records and documents of the Company for the financial year 2016-17. The internal auditors of the Company checks and verifies the internal control and monitors them in accordance with policy adopted by the Company. Even through this non-production period the Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

Related Party Transactions

All Related Party Transactions that were entered into during the financial year were on arm's length and were in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013

are not attracted. The Audit Committee has granted omnibus approval for Related Party Transactions stated in **Annexure-II** as per the provisions and restrictions contained in the Companies Act, 2013.

Board evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board and the Nomination and Remuneration Committee (“NRC”) reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In a separate meeting of independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the Board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

Energy Conservation Measures, Technology Absorption and R&D Efforts and Foreign Exchange Earnings and Outgo

The Company currently has no operations. In view of the same, the requirements for disclosure in respect of Conservation of Energy, Technology Absorption, in terms of the Companies (Accounts) Rules, 2014 are not applicable to the Company. However, the Company takes all possible efforts towards energy conservation.

During the period under review the Company has earned Foreign Exchange of ‘Nil’ and incurred the Foreign Exchange outgo of ‘Nil’.

Risk Management

The Company has devised and implemented a mechanism for risk management and has developed a Risk Management Policy. The Policy provides for constitution of a Risk Committee, which will work towards creating a Risk Register, identifying internal and external risks and implementing risk mitigation steps. The Committee will, on a periodic basis, provide status updates to the Board of Directors of the Company.

Auditors

Statutory Auditors

Pursuant to Section 139 of the Companies Act, 2013, M/s. Bhattar and Co., Chartered Accountants, were appointed as the Auditors of the Company for a period of five years from the conclusion of the 41st Annual General Meeting. In terms of Section 139 of the Companies Act, 2013, the members need to ratify its appointment at the ensuing Annual General Meeting.

The observations made in the Auditors report read together with the relevant notes thereon, are self-explanatory and hence do not call for any comments under Section 134 of the Companies Act, 2013.

Internal Auditors

Pursuant to Section 138 of the Companies Act, 2013 and rules made thereunder, the company has appointed M/s. R. Jaitlia & Co., Chartered Accountants as Internal Auditors on 16th May, 2016 to conduct Internal Audit of records and documents of the Company for the financial year ended on 2016-17.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed Ms. Sonam Jain, Practicing Company Secretary, as Secretarial Auditor on 16th May, 2016 to conduct Secretarial Audit of records and documents of the Company for the financial year 2016-17. The Secretarial Audit Report confirms that the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. and there is no secretarial audit qualification for the year under review.

The Secretarial Audit Report is included as **Annexure – III** and forms an integral part of this report.

Corporate Governance

Since, the Company does not have paid up equity share capital exceeding ₹10 Crore and Net Worth exceeding ₹25 Crore, compliance with Regulations 17 to 27, Regulation 46(2)(b) to 46(2)(i) and para C, D and E of Schedule V, are not applicable to the Company.

Deposits from public

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

Directors and Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013, Mr. Navinchandra Patel - DIN 06909577 and Mr. Rupesh Parde - DIN 06909495, retire from the Board by rotation, and being eligible, offer themselves for re-appointment.

The Company has received declarations from Ms. Kamrunnisa Younus Khan – DIN-06939545 and Mr. Sunjjoy Vasant Ingley – DIN-06935543 Independent Directors confirming that they meet the criteria of independence as prescribed under the Act.

Composition of Audit Committee

Audit Committee of your Company as constitute pursuant to Section 177 of the Companies Act, 2013 composes of the following members:

Name	Designation
Mr. Sunjjoy Vasant Ingley	Chairman
Mr. Rupesh Suresh Parde	Member
Ms. Kamrunnisa Younus Khan	Member

Vigil mechanism

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee of the Company. Vigil Mechanism Policy to this effect was also uploaded on the website of the Company i.e. www.tumuselectric.com

Particulars of Employees and Remuneration

There is no employee in the Company drawing monthly remuneration of ₹5,00,000/- per month or ₹60,00,000/- per annum. Hence, the Company is not required to disclose any information as per Rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014.

Remuneration of the Directors/Key Managerial Personnel (KMP)/Employees

The information required under Section 197(12) of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year are as follows:

Sr. No.	Name of Director	Designation	Remuneration per annum (₹)	Median Remuneration per annum (₹)	Ratio (Remuneration of Director to Median Remuneration of Employees)
1.	Mr. Navinchandra Patel	Managing Director	Nil	Nil	N.A.

Note: In view of losses incurred by the Company, the Managing Director has foregone his remuneration for the financial year ended 2016-17.

Percentage increase in Remuneration of Directors and Key Managerial Personnel	2015-16	2016-17	Differential	% increase/ (decrease)
Manish Mourya (CS)	4,80,000	5,10,000	30,000	6.25%

There is no employee covered under the provisions of Section 197(14) of the Act.

Manish Mourya, Company Secretary is the only permanent employee on the pay roll of the Company, and hence comparative disclosure under Rule 5(viii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended) is not applicable for the Company.

It is affirmed that the remuneration is as per the remuneration policy of the Company

Stock Exchange

The Company is currently listed on BSE Limited under Scrip Code 504273 and Security ID: TUMUSEL. Your Company has paid Annual listing fee for the financial year ended 2016-17 to BSE Limited.

Remuneration Policy for the Directors, Key Managerial Personnel and other employees

In terms of the provisions of Section 178(3) of the Act, the Nomination and Remuneration Committee (NRC) is responsible for formulating the criteria for determining qualification, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Board has on the recommendation of the NRC framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The said policy is stated in **Annexure-IV** of this report.

Utilization of funds raised through Preferential Issue

The company has made preferential as under

- Preferential issue of ₹13.45 lakh on 14th March, 2016
- Preferential issue of ₹17.75 lakh on 5th October, 2016

The proceeds of ₹13.45 lac raised by way of preferential issue dated 14th March, 2016 has been utilized as under:

(in ₹ Lacs)

Amount raised	13.45
Amount utilized in FY2015-2016 for stated objects	3.06
Amount utilized in FY2016-2017 for stated objects	10.39
Balance amount to be utilized as on 31 st March, 2017	Nil

The proceeds of ₹17.75 lac raised by way of preferential issue dated 5th October, 2016 has been utilized as under: (in ₹ Lac)

Amount raised	17.75
Amount utilized in FY2016-2017 for stated objects	5.72
Balance amount to be utilized as on 31 st March, 2017	12.03

Corporate Social Responsibility Initiatives

The criteria prescribed for the applicability of Corporate Social Responsibility u/s 135 of the Companies Act, 2013 is not applicable to your Company.

Significant and Material orders passed by the regulators or Courts

No Material orders has been passed by Regulators or Courts during the year on the Company.

Acknowledgement

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from Shareholders, Bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in successful performance of the Company during the year.

For and on behalf of the Board of Directors of
Tumus Electric Corporation Limited

Sd/-
Navinchandra Patel,
Managing Director,
DIN 06909577

Sd/-
Rupesh Parde,
Director,
DIN 06909495

Place: Mumbai
Date: 11th August, 2017

Management Discussion and Analysis

Industry Structure and Developments:

The Company currently does not have any business operations. The management is exploring various options/ business opportunities for the same and take decisions in due course in the best interest of the Company.

Opportunities and Threat

There are various opportunities available to your Company in the Indian markets. However, the Company is currently small in size and is looking for various new opportunities suitable to its size.

Segment-wise or Product-wise Performance

Currently, the Company does not have any products/ segments.

Outlook

Your Board of the Company is examining various possible business options available with them.

Risks and Concerns

Your Board of the Company is examining various possible business options available with them.

Internal control System and their adequacy

Company at present has adequate internal control procedures, which is commensurate with the present business volume and its requirements. Internal controls are being monitored, reviewed and upgraded on an ongoing basis and on from time to time depending upon situation.

Financial Performance with respect to operational performance

Your Company's Present performance vis-à-vis the financial performance for the previous year as given below in tabular format.

(₹ In lacs)

Particulars	FY 2016-17	FY 2015-16
Total revenue including other income	13.52	4.11
Total Expenditure	15.69	20.61
Profit / (Loss) Before Tax	(2.17)	(16.50)
Tax Expenses	-	-
Profit / (Loss) After Tax	(2.17)	(16.50)

Human resources / Industrial Relations front

The Board is keen to have a fully equipped HR Department, once the business activity is resumed/started in a normal way. During the year under review, since, there were no business activities and manpower utilization was meagre, there was no such department.

Caution: The views expressed in the Management Discussions and Analysis are based on available information, assessments and judgment of the Board. They are subject to alterations. The Company's actual performance may differ due to national or international ramifications, government regulations, policies, Tax Laws, and other unforeseen factors over which the Company may not have any control.

Disclosure of Accounting Treatment:

Detailed disclosure of accounting treatment during the year 2016-17 has been made in Notes to accounts of the financials.

Annexure – I
Extract of Annual Return as on the financial year ended on 31st March, 2017
FORM No. MGT-9

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

Registration and other details:

i.	CIN	L31300MH1973PLC285730
ii.	Registration Date	24 th May, 1973
iii.	Name of the Company	Tumus Electric Corporation Limited
iv.	Category / Sub-Category of the Company	Public Company limited by shares / Indian Non-government Company
v.	Address of the Registered office & Contact details	Ground Floor, Bagri Niwas, 53/55 Nath Madhav Path, Kalbadevi, Mumbai 400 002.
	Corporate Office Address	1207/A, P. J. Towers, Dalal Street, Fort, Mumbai – 400 001. Maharashtra, India. Tel No. +91-22-2272 1981 Fax No. +91-22-2272 2451 Email id: compliance.tumus@gmail.com Website: www.tumuselectric.com
vi.	Whether listed Company	Yes (at BSE Limited)
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Purva Shareregistry (India) Private Limited 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (East), Mumbai-400 011. Tel Nos.: +91-22-2301 2518 / Fax No.: +91-22-2301 2517 Email id: busicomp@gmail.com Website: www.purvashare.com

Principal Business activities of the Company

Currently, the Company is not undertaking any business activity. The funds of the Company are invested in Non-Current Investments

Particulars of Holding, Subsidiary and Associate Companies – Nil

Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity):

A. Category-wise Shareholding