
TIRUPATI TYRES LIMITED

Annual Report 2015– 16

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DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the Annual Report together with the Audited statement of Accounts of the Company for the year ended 31st March, 2016.

OPERATION DURING THE YEAR

The company's operational activity was satisfactory.

FINANCIAL RESULTS

Your Company financial performance during the year 2015-16 is summarized below:

(Rs. In Lacs)		
Particulars	2015-2016	2014-2015
Income from Operations	912.14	67.55
Less: Expenses	897.31	61.61
Profit / (Loss) Before Tax	14.83	5.94
Less: Taxation	4.58	1.67
Profit/ (Loss) After Tax	10.25	4.27

OPERATIONS

The Company's net profit for the Financial Year ended March 31, 2016 stood at Rs.10.25 lacs as against a net profit of Rs. 4.27 in the previous year.

During the financial year under review the Company got its shares listed on Metropolitan Stock Exchange of India Limited (MCX).

Subsequent to the end of financial year the Company has received order from Regional Director, Delhi vide order dated July 27, 2016 confirming shifting of registered office from state of Punjab to state of Maharashtra.

DIVIDEND

As there was minimal income in the current year, to strengthen the financial position of the Company and to augment working capital your directors regret to declare any dividend.

RESERVES

The company's profit of Rs. 10.25 lacs for the current year has been carried to the reserves.

PUBLIC DEPOSITS

During the year, the Company has not accepted any deposit.

AUDITORS

M/s. S. K. Kumar & Company, Chartered Accountants were appointed as Statutory Auditor of the Company in the previous AGM held on September 30, 2015 and their term expires at the ensuing AGM, being eligible, the Board has recommended their re-appointment from the conclusion of this Annual General Meeting year till the conclusion of subsequent fourth Annual General Meeting and fixation of their remuneration.

Statutory Auditors

The Auditors' Report on the financial statement for the current year is self-explanatory, therefore does not require any further explanation.

Secretarial Auditor

M/s. A. J. Soni & Associates were appointed as Secretarial Auditor to conduct the Secretarial Audit of the Company for the Financial Year 2015-2016 pursuant to section 204 of the Companies Act, 2013 and rules made thereunder.

Secretarial Audit Report is annexed to this Board Report as Annexure III.

DIRECTORS

During the period under review, the Board of Directors of the Company in their meeting held on February 25, 2016 appointed Mr. Shamseerhusain Khan as Director (Finance) and Chief Financial Officer subject to approval of members at this Annual General Meeting.

In accordance with the Companies Act, Ms. Nagma Mistry is re - appointed as Wholetime Director of the company subject to approval of members of the company.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed as Annexure I.

VIGIL MEGHANISM

The Company has established a Vigil Mechanism that enables the Directors and Employees to report genuine concerns. The Vigil Mechanism provides for (a) adequate safeguards against victimization of persons who use the Vigil Mechanism; and (b) direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company in appropriate or exceptional cases. The web link for the policy is <http://www.tirupatityresltd.com/documents/policies/whistle-blower-policy.pdf>

PARTICULARS OF EMPLOYEES

The Company does not have any employee/Director who is in receipt of remuneration aggregating to the sum prescribed in Section 197 of the Companies Act, 2013 ("the Act") read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CORPORATE SOCIAL RESPONSIBILITY

CSR Provisions does not apply to the company.

RELATED PARTY TRANSACTIONS

No transactions were carried out between any of the related parties in the year under review. The web link for the policy is <http://www.tirupatityresltd.com/documents/policies/related-party-transaction.pdf>

RISK MANAGEMENT

The Company has devised and implemented a mechanism for risk management and has developed a Risk Management Policy. The Policy provides for creating a Risk Register, identifying internal and external risks and implementing risk mitigation steps.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

Company's policy relating to directors appointment, payment of remuneration and discharge of their duties is annexed herewith as Annexure II.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013 the Directors state that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) Appropriate accounting policies have been selected and applied consistently and have 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 as at March 31, 2016 and of the profit and loss of the Company for the year ended March 31, 2016;
- (c) Proper and sufficient care has been taken 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;
- (d) The annual accounts have been prepared on a going concern basis;
- (e) Proper internal financial controls were followed by the Company and such internal financial controls are adequate and were operating effectively;
- (f) Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN OR INVESTMENTS MADE UNDER SECTION 186 OF COMPANIES ACT, 2013

Particulars of loans, guarantees and investments made by Company pursuant to Section 186 of the Companies Act, 2013 are given in the notes to the financial accounts forms part of the Annual Report.

CORPORATE GOVERNANCE

Pursuant to Regulation 15(2) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015, compliance of Corporate Governance is not mandatory. However, the company has complied with the provisions of Regulation 17 to 27 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent possible.

Tirupati Tyres Limited believes that Corporate Governance is an integral part of an organizational system. Keeping eye on this, Company has adopted good policies for corporate governance.

DECLARATION BY INDEPENDENT DIRECTOR

Pursuant to Section 149(6) of the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015, the Independent Directors of the Company have given the declaration to the Company that they qualify the criteria of independence as required under the Act.

SEPARATE INDEPENDENT DIRECTOR MEETING

The Board of Directors of the Company meet once in every Financial Year without the presence of Executive Directors and Management of the Company. The role of the Committee is as per the provisions of Companies Act, 2013 as well as the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD EVALUATION

Pursuant to the provisions of Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders' Relationship Committee, including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as Annexure – IV.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

There were no significant and material orders were passed by any authority during the period under review.

SUBSIDIARY

The Company acquired 90% stake in Aspen Lifestyles LLP, balance 10% is held by Mr. Shamseerhussain K Khan, Director (Finance) of the Company. The acquisition is through internal accruals.

Aspen Lifestyles is into Lifestyle Accessories, Leather goods and Polymers. Company plans to grow through strategic acquisition in an inorganic manner and diversifying its portfolio. Since the acquisition was done subsequent to the end of the year, consolidation will be applicable in the current year.

ACKNOWLEDGEMENTS

Your Directors takes opportunity to show gratitude towards the assistance and co-operation received from Shareholders, Bankers and Regulatory Bodies.

Date: August 12, 2016
Place: Mumbai

For and on Behalf of the Board of Directors of
Tirupati Tyres Limited

Director

Director

Annexure I

A. CONSERVATION OF ENERGY

(a) Major energy conservation measures taken during the year:

The Company has taken adequate measures to conserve energy by continuous monitoring and effective use of energy, which is continuous process.

(b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy: No additional investment proposed.

(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

Since it is continuous process of monitoring and usage, the impact is not quantifiable.

(d) Electricity consumed during the year - NIL

B. TECHNOLOGY ABSORPTION

Particulars with respect to technology absorption are given below:

Research and Development (R & D)

i. Specific areas in which R & D carried out by the Company:

The Company has not carried out any research and development activities during the year under review.

ii. Benefits derived as a result of the above R & D: Not Applicable

iii. Future plan of Action: Nil

iv. Expenditure on R & D.: Nil

v. Technology absorption, adaption and innovations: Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO: Nil

Annexure II

POLICY RELATING TO DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

Extracts of the Policy are as under:

Appointment of Directors:

The appointments of Directors are recommended by the Nomination and Remuneration Committee of the Company however all the appointments are subject to approval of Board of Directors of the Company.

Remuneration to Directors and Key Managerial Personnel:

None of the directors are entitled to any Remuneration or any sitting fees however reimbursement of expenses is allowed wherever expense is made for the Company.

Company Secretary and Chief Financial Officer of the Company are entitled to fixed remuneration which is fixed by the Managing Director of the Company.

Discharge of Duties:

Directors and KMP are required to perform all the duties which are mentioned under the Articles and all other duties as may be prescribed by the Board of Directors of the Company.

Annexure III

SECRETARIAL AUDIT REPORT

Form No. MR-3

For the financial year ended on 31st March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
TIRUPATI TYRES LTD.,
65, 2ND FLOOR, VADHAWA COMPLEX,
MANDI KESARGANJ CHOWK,
NEAR UNION BANK OF INDIA,
LUDHIANA - 141008, PUNJAB.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TIRUPATI TYRES LTD.** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2016** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2016 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under and Companies Act, 1956 and Rules made there under to the extent applicable *except*

a) ***Appointment of Company Secretary as per Section 203 of the Companies Act, 2013;***

b) ***Non-filing of E-Form MGT-14 approval of Financial statement & Directors' Report in Board Meeting held on 01st September, 2015 and Appointment of Mr. Arslan Khan as CFO in the Board Meeting held on 25th August, 2015.***

c) ***Non-Filing of E-Form MR-1 for appointment of Ms. Nagma Mistry as Whole- Time Director.***

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under.
(*not applicable to the company during the audit period*)

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;***(not applicable to the company during the audit period);***

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;***(not applicable to the company during the audit period);***

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;***(not applicable to the company during the audit period);***

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; ***(not applicable to the company during the audit period);***

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ***(not applicable to the company during the audit period);***

(vi) We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. Since the company is engaged in trading business of Auto Tyres and Rubber Products hence no special Enactments/Rules/ Regulations as are applicable to Automobile industries are applicable to the company.

I have also examined compliance with the applicable Clauses of the following:

- (i) The Company has complied with Secretarial Standards pursuant to Section 118(10) of the Companies Act, 2013 with regard to Annual General Meeting and Board of Directors Meetings.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges and W.E.F. 02/09/2015, various Regulations of SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015***except appointment of a qualified Company Secretary as a Compliance Officer of the company.***

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.