



***TPI* INDIA LIMITED**

**30th  
ANNUAL REPORT  
2011-2012**

BOARD OF DIRECTORS	:	H. C. Parekh B. C. Parekh Akshay Bhatt Sandeep Poddar	Chairman & Managing Director Executive Director Independent Director Independent Director
AUDITORS	:	M/S. B. R. DALAL & CO. Chartered Accountants	
BANKERS	:	Union Bank of India Kokan Mercantile Co-op. Bank Ltd.	
FINANCIAL INSTITUTIONS	:	SICOM Investment & Finance Ltd.	
REGISTERED OFFICE	:	J-61, Additional M. I. D. C. Area Murbad, Dist. Thane.	
REGISTRAR AND TRANSFER AGENT	:	COMPUTRONICS Financial Services (India) Limited 1, Mittal Chambers, Nariman Point, Mumbai 400 021.	
PLANTS	:	J-61, Additional M. I. D. C. Area Murbad, Dist. Thane.  F-4 M. I. D. C. Industrial Area, Murbad, Dist. Thane.	

**NOTICE**

NOTICE is hereby given that the THIRTIETH ANNUAL GENERAL MEETING of the Members of TPI INDIA LIMITED will be held at the Registered Office of the Company at Plot No. J-61, Additional MIDC Area, Murbad, Dist. Thane (Maharashtra) on Wednesday, the 26<sup>th</sup> day of September, 2012 at 11.00 A.M. to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2012 and Profit & Loss Account for the year ended on that date together with the Reports of the Auditors' and Directors' thereon.
2. To appoint a Director in place of Mr. Akshay Bhatt, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint auditor to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A Proxy in order to be effective shall be deposited at the Registered Office of the Company not less than Forty Eight hours before the commencement of the Meeting.
3. A Member or his Proxy is requested to bring their copy of this Annual Report to the Meeting as extra copies will not be distributed.
4. Members / Proxies should fill the Attendance Slip for attending the Meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio Number in the Attendance Slip for attending the Meeting.
5. In case of Joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
6. The Register of Members and Share Transfer books will remain closed from Wednesday, 19<sup>th</sup> day of September, 2012 to Wednesday, 26<sup>th</sup> day of September, 2012 both days inclusive.
7. Members are requested to send their queries, if any on the accounts and operations of the Company at the Registered Office of the Company at least 7 days before the Annual General Meeting.

Place : Mumbai

Date : 21st August, 2012

For and on behalf of Board

H. C. PAREKH

Chairman

**DIRECTOR'S REPORT**

To,  
The Members,  
TPI INDIA LIMITED

Your Directors are pleased to present the Thirtieth Annual Report together with the audited financial statements for the year ended 31<sup>st</sup> March, 2012.

(Rs. in Lacs)

FINANCIAL RESULTS :	Year ended 31.03.2012	Year ended 31.03.2011
Total Income	2050.03	2092.14
Total Expenditure	1697.59	1695.89
Profit/(Loss) before Interest, Depreciation, Amortisation Exceptional Items	352.44	396.25
Less : Interest	261.20	244.33
Depreciation	75.91	76.52
Profit / (Loss) before Exceptional Item & Tax	15.33	75.40
Add : Exceptional Items	1.73	0.50
Profit / (Loss) Before Tax	13.60	74.90
Less : Provision for Taxation	Nil	Nil
Profit / (Loss) After Tax	13.60	74.90
Add : (Loss) Brought Forward from Previous Years	(3753.56)	(3828.46)
Balance Carried to Balance Sheet	(3739.96)	(3753.56)

**DIVIDEND :**

In view of the accumulated losses and to conserve resources for the business of the Company, the Board of Directors of your Company regret their inability to recommend any dividend for the year ended 31<sup>st</sup> March, 2012

**OPERATION REVIEW :**

During the year under review, the Company has earned total income of Rs. 2050.03 lacs as against 2092.14 lacs during the previous year. The operational profit before interest and depreciation for the year under review is Rs. 352.44 as against Rs. 396.25 lacs during the previous year. Further higher interest charge of Rs. 261.20 lacs during the year under review as against Rs. 244.33 lacs in the previous year, the Profit after depreciation and interest is Rs. 13.60 lacs during the year under review as against Rs. 74.90 lacs in the previous year.

**FUTURE OUTLOOK:**

The Company has attained economy in overhead with centralized factory operations at Murbad. With rationalization of labour, process improvement and plant layout, the Management is confident of increased volume of operations and improved capacity utilization. With the focus on cost saving, excellence in the product quality, customer service and operational efficiency, the Order book for the product shall remain satisfactory.

**FIXED DEPOSITS :**

The Company had accepted unsecured loan to meet the working capital requirement of the Company. The acceptance of said unsecured loan has resulted into non-compliance with section 58A of the Companies Act, 1956 as the entire net worth of the Company has been eroded. However the entire amount due on such unsecured loan had been paid of and no amount is outstanding/ payable.

The business circumstances has forced the Company to avail unsecured loan. The Management is of the opinion that considering the Company being under BIFR purview, the consequences associated with contravention of section 58A of the Companies Act, 1956 will be diluted.

**DIRECTOR'S:**

Mr. Akshay Bhatt retires by rotation and being eligible offer himself for re-appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement u/s 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is confirmed:

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to the material departures.
- b) that the Directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give True and Fair view of the state of affairs of the Company at the end of the financial year and of the Profit or Loss of the Company for that period.
- c) that the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) that the Directors have prepared the annual accounts on a going concern basis.

**PERSONNEL:**

There were no employees covered u/s 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

**ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:**

Particulars pursuant to section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 are given in the Annexure forming the part of this Report.

**AUDITORS:**

M/s B. R. Dalal & Co. Chartered Accountants, retires at the conclusion of the forthcoming Annual General Meeting and have expressed their willingness to continue as Statutory Auditor for the Financial Year 2012-13. The relevant certificate to the effect that their appointment, if made, will be in pursuant to section 224(1B) of the Companies Act, 1956 has been received. The resolution for their re-appointment is being submitted to the Annual General Meeting.

**AUDITORS' REPORT:**

The Comments in the Auditors Report are self explanatory and suitably explained in the Notes to the Accounts.

**SICK INDUSTRIAL COMPANY:**

As informed earlier, the Company had been declared as Sick Industrial Company u/s 3(i)(o) of Sick Industrial Companies (Special Provision) Act, 1985, at BIFR hearing held on 12<sup>th</sup> December, 2005 and IDBI was appointed as Operating Agency.

At the hearing held on 1st September, 2010 BIFR has approved the Rehabilitation Scheme under reference SS-10. The IDBI has been appointed as Monitoring Agency and Monitoring Committee has been constituted for review and appraisal.

**CORPORATE GOVERNANCE:**

It is apparent from the Audited Financial Statement, due to lower capacity utilization and non-availability of working capital funds, your Company is incurring losses every year and based on the reference made to BIFR, your company was declared Sick Industrial Company u/s 3(i)(o) of Sick Industrial Companies (Special Provision) Act, 1985, at BIFR hearing held on 12<sup>th</sup> December, 2005 and IDBI was appointed as Operating Agency.

With the constitution of the various committees in terms of the requirement of Listing Agreement with Stock Exchange and the appointment of Independent Directors, the efforts are being made to ensure the compliance of clause 49 of the Listing Agreement.

A report on the Corporate Governance is annexed hereto and forms part of this Report

**HUMAN RESOURCES:**

The Company views its employees as valuable resources who contribute in the growth, prosperity and development of the organization. The Company is committed to create an appropriate climate, opportunities and systems to facilitate identification, development and utilization of their full potential. The Company provides in-house training to its worker.

The Management of the Company enjoys cordial relations with its employees at all levels. The Board of Directors wish to place on record its highest appreciation for the contribution made by all the employees in achieving growth of the Company.

**CASH FLOW STATEMENT:**

In conformity with the clause 32 of the Listing Agreement, the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2012 is annexed hereto.

**ACKNOWLEDGEMENT:**

Your Directors place on record their appreciation for the assistance and co-operation extended by SICOM Ltd. SICOM Investment and Finance Limited (SIFL), Kokan Mercantile Co-op. Bank Ltd., Union Bank of India and all the government authorities. Your Directors also acknowledge with thanks the continued support and confidence reposed in the Management by the Company's Shareholders, Customers and suppliers.

For and on behalf of the Board

Place : Mumbai

Date : 21st August, 2012

H. C. Parekh  
CHAIRMAN

**ANNEXURE TO THE DIRECTORS' REPORT**

Information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rule, 1988

**A. CONSERVATION OF ENERGY:**

- i) Energy Conservation measure taken:
  1. Regular monitoring of consumption, efforts for increase in Power Factor and upto date maintenance.
  2. Adopted natural lights wherever possible
  3. Improved operation methods helped in achieving better productivity which in turn reduce the Power Consumption.
  4. Greater employee awareness made about need of energy conservation which in turn resulted in switching off lights, fans and machinery when not required.
- ii) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy :- NIL
- iii) Impact of the measures at (a) and (b) above for reduction of energy conservation and consequent impact on the production of goods. However the said impact has not been measured.

**B. TECHNOLOGY ABSORPTION :****i) RESEARCH & DEVELOPMENT**

The Company continues to lay emphasis on improving quality, upgradation of existing formulations, minimizing dependence on scarce and improved raw materials

As a result of these efforts, the Company has been able to produce better products and these have been well received in the market.

The Company will continue its efforts to improve the quality of its products.

The revenue expenditure incurred has been charged under the primary heads of accounts and hence are not identifiable separately. No capital expenditure on R & D has been incurred during the year under review.

**ii) TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION**

- 1) Efforts in brief made towards technology absorption, adoption and innovation. The Technology imported has been fully absorbed.
- 2) Benefit derived as a result of the above efforts: The FIBCs manufactured with imported technology facilitate bulk transport of materials. The FIBCs have good export potential.
- 3) Technology imported during the last five years: NIL

**C. FOREIGN EXCHANGE EARNING AND OUTGO:**

	(Rs. In lacs)	
	31.3.2012	31.3.2011
Foreign Exchange Earned :	Nil	Nil
Foreign Exchange Outgo :	3,23,587	Nil

For and on behalf of the Board

Place : Mumbai

Date : 21st August, 2012

**H. C. Parekh**  
Chairman

**REPORT ON CORPORATE GOVERNANCE**

Your Directors submit their report on the Corporate Governance of the Company for the Financial year 2011-2012.

**COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company Philosophy on Corporate Governance is to adopt internal and external measures to increase the level of transparency and accountability and to respect the laws of land & rights of stakeholders and to uphold at all times fundamental values of accountability, probity and transparency. Your Company has been declared as Sick Industrial Company under section 3(i)(o) of Sick Industrial Companies (Special Provision) Act, 1985 and at the BIFR hearing held on 1<sup>st</sup> September, 2010, BIFR has approved the Rehabilitation Scheme under reference SS-10. The IDBI has been appointed as Monitoring Agency and Monitoring Committee has been constituted for review and appraisal. Due to vicious cycle of liquidity crunch and lower capacity utilization, your Company stands to meet its commitments of Corporate Governance to a limited extent. As a productive step, your Company has implemented the code of Corporate Governance as stipulated in the Listing Agreement and report in line with is given below:

**MANAGEMENT DISCUSSION:**

With the approval of Rehabilitation Scheme by BIFR and implementation thereof, the management was successful in swapping over of the part of High Cost borrowing to normal rate of interest with longer repayment schedule, the results whereof can be appraised in the current financial year. Your Management is committed to ensure comprehensive internal controls across its operations to achieve optimum commercial & technical economies. The centralized factory operation at Murbad has resulted in improved input-output ratio, cost effectiveness and economies in direct factory overhead and during the current year, with further better capacity utilization, the financial results shall be encouraging. The Company has implemented the modernization cum optimization programme on the key area of cost effectiveness, excellence in product quality and customer service, operational productivity and efficiency.

**BOARD OF DIRECTORS:**

The Board of Directors comprises of Two Executive Directors and Two Independent Non-Executive Directors. During the financial year 1<sup>st</sup> April, 2011 to 31<sup>st</sup> March 2012, Board Meetings were held on 30th May, 2011, 1<sup>st</sup> August, 2011, 14th November, 2011 and 13<sup>th</sup> February, 2012.

The Composition of the Board of Directors and their attendance at the meetings during the year and at the last Annual General Meeting as also number of the other Directorship/Membership of Committees are as follows:

Name of the Director	Category of Directorship	No. of Board Meeting attended	Attendance of last AGM	No. of Other Directorship		
					Member	Chairman
Mr. H. C. Parekh	ED	4	YES	—	NIL	NIL
Mr. B. C. Parekh	ED	4	YES	—	NIL	NIL
Mr. Akshay Bhatt	NED	4	YES	—	-	-
Mr. Sandeep Poddar	NED	4	YES	—	—	—

NED – Non-Executive Director

ED – Executive Director

**Audit Committee:**

The Audit Committee consist of Mr. B.C. Parekh – Executive Director, Mr. Akshay Bhatt and Mr. Sandeep Poddar as Members.



The Audit committee met on 30<sup>th</sup> May, 2011, 1<sup>st</sup> August, 2011, 14<sup>th</sup> November, 2011 and 13<sup>th</sup> February, 2012. to overseas the general accounting practice and other management policies.

**Remuneration Policy and Details of Remuneration Paid:**

During the year under review, the Company has not paid any remuneration to Directors.

**Share Transfer Committee/Investor Grievance Committee:**

Shareholder's Grievance Committee was constituted to look into shareholder's/Investor's grievance relating to transfer/transmission of shares, non-receipt of Dividend/Annual Reports, duplicate share certificate & other related matter. The Shareholder/Investor Grievance committee has been constituted under the chairmanship of Mr. B.C. Parekh with Mr. Akshay Bhatt and Mr. Sandeep Poddar.

**Name & Designation of Compliance Officer:**

Mr. B.C. Parekh  
102 Atlanta  
Nariman point  
Mumbai 400 021

**GENERAL BODY MEETINGS:**

Financial Year	Date	Venue
1st April 2008 to 31st March 2009	Monday, 29th day of September, 2009 at 11 a.m.	Plot No. J-61, Additional MIDC Area, Murbad, District Thane.
1st April 2009 to 31st March 2010	Tuesday, 28th day of September, 2010 at 11 a.m.	Plot No. J-61 Additional MIDC Area, Murbad, District Thane.
1st April 2010 to 31st March 2011	Saturday, 9th day of July, 2011 at 11.00 a.m.	Plot No. J-61 Additional MIDC Area, Murbad, District Thane.

**DISCLOSURES:**

The related party transactions are reported in the notes to the Accounts of this Annual Report.

**MEANS OF COMMUNICATION:**

Quarterly results have been communicated to Bombay Stock Exchange limited where the shares of the Company's is listed and the same has been published in Two Newspaper-Free Press Journal(in English) and Nav Shakti(in Marathi) in terms of the requirement of Listing Agreement. Annual Reports are dispatched to all the shareholders.

**SHAREHOLDER INFORMATION:**

1. Annual General Meeting to be held on 26th September, 2012
2. Financial Year : 1st April 2011 to 31st March, 2012
3. Dividend Payment Date : NIL
4. Venue : Plot No. J-61, Additional MIDC Area, Murbad Dist Thane, Maharashtra.
5. Stock Exchanges : Bombay Stock Exchange Limited, Delhi Stock Exchange and Ahmedabad Stock Exchange
6. Market Price Data : The Shares of the Company are suspended for some technical reason. Hence the Share price data could not be furnished.

7. Dematerialization of Shares : As per the directive of the Stock Exchange, the Company's shares are dematerialized.
8. Registered Office : Plot No. J-61, Additional MIDC Area, Murbad, Dist Thane, Maharashtra.
9. Share Transfer Agent : Computronics Financial Services (India) Limited  
Mittal Chambers, Nariman Point, Mumbai - 400 021.
10. Demat Arrangement : NSDL and CDSL
11. ISIN : INE578C01013
12. BSE Stock Code : 500421