

# **tti**

## **TTI ENTERPRISE LIMITED**



**34<sup>th</sup> ANNUAL REPORT**  
**2014-2015**



34th

ANNUAL REPORT

2014-2015

## CONTENTS

Directors' Report.....	1
Management Discussion & Analysis Report.....	25
Report on Corporate Governance.....	26
CEO/CFO Certification.....	36
Auditors' Report on Corporate Governance.....	37
Auditors Report.....	38
Balance Sheet.....	42
Statement of Profit & Loss.....	43
Notes on Accounts.....	44
Cash Flow Statement.....	52
Consolidated Financial Statement with Auditors Report.....	56

**CORPORATE INFORMATION**

<b>CIN</b>	<b>: L67120WB1981PLC033771</b>
<b>Directors</b>	<b>: Mr. Alok Kumar Goenka, Independent Director Mr. Subrata Saha, Independent Director Mr. Jitendra Kumar Mehta, Non Executive Director Ms. Binjal Mehta, Wholetime Director</b>
<b>Bankers</b>	<b>: Kotak Mahindra Bank</b>
<b>Auditors</b>	<b>: M/s R. Bhutra &amp; Co. Chartered Accountants, Kolkata</b>
<b>Registered Office</b>	<b>: 1, R.N. Mukherjee Road, Martin Burn House, 4th Floor, Suite No.22, Kolkata- 700 001.</b>
<b>Registrar &amp; Share Transfer Agent</b>	<b>: Niche Technologies Pvt. Ltd. 71, B.R.B.B. Road, D-511 Bagree Market, 5th Floor Kolkata- 700 001.</b>
<b>Stock Exchange where Securities are listed</b>	<b>: The Calcutta Stock Exchange Association Limited BSE Ltd.</b>
<b>Website</b>	<b>: <a href="http://www.ttienterprise.net">www.ttienterprise.net</a></b>

**DIRECTORS' REPORT**

To,

The Members,

Your Directors have pleasure in presenting the 34th Annual Report together with the Standalone and Consolidated Audited Financial Statements for the year ended 31st March 2015.

**1. Performance of the Company**

Your Company's performance during the year as compared with the previous year is summarized below:

Particulars	2014-2015 (` in Lakhs)		2013-2014 (` in Lakhs)	
	STANDALONE	CONSOLIDATED	STANDALONE	CONSOLIDATED
Gross Income	180.31	182.57	223.42	225.28
Profit Before Int. and Depn.	10.29	9.07	3.94	0.01
Gross Profit	10.29	9.07	3.94	0.01
Net Profit Before Tax	1.33	0.10	3.94	0.01
Provision for Tax	2.76	2.77	0.91	0.92
Net Profit After Tax	(1.43)	(2.67)	3.03	(0.91)
Balance of Profit brought forward	35.69	32.54	33.27	33.27
Balance available for appropriation	34.26	29.88	36.30	32.36
Transfer to Statutory Reserve	-	(1.57)	0.60	(0.18)
Surplus carried to Balance Sheet	34.26	31.45	35.70	32.54

**2. Operations Review****i. Standalone Results**

The Company earned a Net Revenue of Rs.180.31 Lakhs as compared to Rs. 223.42 Lakhs during previous year. The Company incurred a Net Loss of Rs. (1.43) Lakhs as compared to profit of Rs. 3 Lakhs during previous year.

**ii. Consolidated Results**

The Group Company earned a Net Revenue of Rs.182.57 Lakhs as compared to Rs. 225.28 Lakhs during the previous year. The Group Company incurred a Net loss of Rs. (2.67) Lakhs as compared to a loss of Rs. (0.91) Lakhs during the previous year.

The Company is a Non Banking Financial Company (Non Deposit Taking) engaged in the business of providing loans, making investments in shares, mutual funds and other financial products. During the year the company made efforts to consolidate the business operations, strengthen the organization for the continued development of the business and develop a business strategy to enable sustainable growth in the future.

**3. Dividend**

Your Director does not recommend any dividend in view of the losses made by the Company.

**4. Reserves**

The Total Reserves at the end of the year, that is, 31st March 2015 is at Rs. 59.21 Lakhs as against the Total Reserves of Rs. 60.65 Lakhs as on 31st March 2014.

**5. Share Capital**

During the year there was no change in the issued, subscribed and paid-up capital of Your Company. The equity shares of your Company are listed on the following Stock Exchanges in India.viz BSE Ltd and The Calcutta Stock Exchange Association Limited.

**6. Details of Subsidiary Companies**

The following Companies were the subsidiaries of your Company as on 31st March 2015;

- a) Pratibhanu Mercantile Limited
- b) Udyati Traders Limited

- c) Locavi Enterprises Limited
- d) Simmander Merchants Limited

The following Companies ceased to remain subsidiaries of your Company as they were divested during the year:

- a) Sindhuchita Enterprises Limited
- b) Pushpadant Enterprises Limited
- c) Keshwi Traders Limited
- d) Gokuleshwar Enterprises Limited

The Consolidated Financial Statements presented by the company in this Annual Report include the financial information of its subsidiaries. Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 a statement containing salient features of the subsidiaries in the Form AOC-I is given in Annexure I to this report.

Further, the Annual Accounts and related documents of the subsidiary companies shall be kept open for inspection at the Registered Office of the Company. The Company will also make available copy thereof upon specific request by any Member of the Company interested in obtaining the same.

## **7. Directors and Key Managerial Personnel**

### **Directors**

Mr. Jitendra Kumar Mehta, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

Mr. Subrata Saha (Independent Director), Mr. Alok Kumar Goenka (Independent Director) and Ms. Binjal Mehta (Whole Time Director) were appointed for a term of five years in the last Annual General Meeting of the Company held on 30.09.2014 and Mr. Ajay Agarwal, Independent Director, resigned during the year with effect from 20.08.2014. The Board placed on record its appreciation for the outstanding contribution made by Mr. Ajay Agarwal during his respective tenure of office.

The Company has received declarations from all the Independent Directors of the company confirming that they meet the criteria of Independence as prescribed both under the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

### **Key Managerial Personnel**

Mr. S K Singh was appointed as Chief Financial Officer of the Company with effect from 10.12.2014.

Mrs. Binjal Mehta resigned as Company Secretary with effect from 30.07.2014.

Ms. Sunita Singh was appointed and resigned as Company Secretary with effect from 14.08.2014 and 30.12.2014 respectively.

Ms. Sradha Gupta has been appointed as Company Secretary with effect from 30.03.2015.

## **8. Board Evaluation**

The Board carried out an annual performance evaluation of its own performance, the individual directors as well as the working of the Committees of the Board. The performance evaluation of Independent Directors was carried out by the entire Board. The performance of the Non-Independent Directors was carried out by Independent Directors. Details of the same are given in the Report on Corporate Governance annexed to this Report.

## **9. Board Meeting**

During the year twelve Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Board Meetings was within the period prescribed under the Companies Act, 2013.

## **10. Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

#### **11. Managerial Remuneration**

- a) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure II.
- b) None of the employees draws remuneration which is in excess of the limits as prescribed under the said rules of the Act.

#### **12. Auditors**

The members had appointed M/s. R. Buthra & Co, Chartered Accountant, as the Auditors of the Company in the 33rd Annual General Meeting. However, the Auditors have expressed their unwillingness to continue beyond the conclusion of the ensuing Annual General Meeting. The Directors recommend the appointment of M/s. Jhavar Vithal & Co for a term of five years. Accordingly, requisite resolution forms part of the notice convening the Annual General Meeting.

#### **13. Auditors' Report**

The Auditors' Report does not contain any Qualification, Adverse Remarks or Disclaimer. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

#### **14. Secretarial Audit Report**

M/s. A. M Bubna & Associates, Practicing Company Secretary has been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as Annexure III to this report. The report is self-explanatory and does not call for any further comments.

#### **15. Internal Audit & Financial Controls**

The Company has adequate internal control system to safeguard its assets. All transactions are properly authorized, recorded and reported to the Management. Internal Audit is carried out in a programmed way and follow up action, if required, were promptly undertaken. The Company has also in place adequate financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

#### **16. Vigil Mechanism**

The Company has a Vigil Mechanism named as Vigil Mechanism/Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. Details of the same are given in the Corporate Governance Report.

#### **17. Risk Management Policy**

Your Company has adopted a Risk Management Policy in accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. It establishes various level of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk.

#### **18. Related Party Transaction**

All related party transactions that were entered into during the financial year with Related Parties were on arms length basis and were in the ordinary course of business. The Company presents a statement of all related party transactions before the Audit Committee. Prior omnibus approval of the Audit Committee is obtained for the transactions which were foreseen and of repetitive nature. The transactions entered into pursuant to the omnibus so granted along with the statement giving details of all related party transactions is placed before the Audit

Committee. During the year, the company has not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions.

Details of such transactions are given in the accompanying financial statements. Disclosures of the Related Party Transactions in Form AOC-2 as required under section 134(3) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules 2014 is attached as Annexure IV with the report as per the format prescribed.

**19. Disclosure under The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013**

Your Company has in place a policy of Prevention, Prohibition and Redressal of Sexual Harassment and Non discrimination at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

All employees (permanent, temporary, contractual and trainees) are covered under this policy. During the year ended 31st March, 2015 Your Company has received no complaints pertaining to Sexual Harassment/Discrimination at workplace.

**20. Extract of Annual Return**

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report is attached as Annexure V.

**21. Corporate Governance Certificate**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the corporate governance requirements as set out by SEBI. The report on Corporate Governance as stipulated under the listing agreement forms an integral part of this report. The requisite certificate from the auditors of the company confirming compliance forms a part of the Annual Report.

**22. Management Discussion and Analysis**

The Management Discussion and Analysis of the Company for the year under review as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange is given as a separate section forming part of the Annual Report.

**23. Others Disclosures/Report**

Your Directors state that no disclosure or reporting is required in report of the following items as there were no transactions on these items during the year under review:

- a) Details relating to deposits as required under Chapter V of the Companies Act, 2013.
- b) Issue of Equity shares (Including Sweat Equity Shares) and ESOPs and shares with differential voting rights.
- c) The Whole Time Director of the Company does not receive any remuneration or commission from any of its subsidiaries.
- d) Risk Management Committee is not applicable to the Company as it does not fall within the criteria.
- e) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.
- f) Particulars of Loans, Guarantee or Investments under section 186 is not required as the Company is exempted from the same as per section 186(11), as our Company is registered with RBI as NBFC.
- g) Conservation of energy, technology absorption and foreign exchange earnings and out go is Nil.
- h) Corporate Social Responsibility Committee is not applicable to the Company as it does not fall within the criteria.

- i) There is no material changes or commitments affecting the financial position of the company to which the financial statement relate and the date of the report.
- j) The Company has not declared dividends till date so there is no fund lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

As per the provisions of Companies Act, 2013 read with Clause 32 of the Listing Agreement, the Annual Report is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company at the registered office of the Company.

#### **24. Human Resources**

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company's thrust is on the promotion of talent internally through job rotation and job enlargement.

#### **25. Directors' Responsibility Statement**

Your Directors state that:-

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;
- (b) 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 as at 31st March, 2015 and of the profit and loss of the company for year ended on that date;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2103 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **26. Acknowledgement**

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

For and behalf of the Board of Directors  
For **TTI ENTERPRISE LIMITED**

Jitendra Kumar Mehta  
Director  
Din: 00049249  
Address: 43, Sarat Bose Road,  
503 Padmaneer  
Kolkata- 700020

Binjal Mehta  
Whole Time Director  
Din: 00043830  
Address: 43, Sarat Bose Road  
503 Padmaneer  
Kolkata- 700020

Subrata Saha  
Director  
Din: 00959921  
Address: P-47/1 C.I.T.  
VII-MS, (Block-1),  
Kankurgachi,  
Kolkata-700054



**ANNEXURE I****Form AOC- 1**

[Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statements of the subsidiaries/joint ventures/ associate companies.

Sl. No.	Particulars	1	2	3	4
1	<b>Name of the Subsidiary</b>	Pratibhanu Mercantile Ltd.	Udytai Traders Ltd.	Locavi Enterprise Ltd.	Simmander Merchants Ltd.
2	<b>Reporting Period of the Subsidiary</b>	01.04.2014 to 31.03.2015	01.04.2014 to 31.03.2015	1.04.2014 to 31.03.2015	01.04.2014 to 31.03.2015
3	<b>Reporting Currency</b>	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
4	<b>Share Capital</b>	10,300,000	500,000	500,000	500,000
5	<b>Reserves &amp; Surplus</b>	(166,623)	(49,530)	(32,250)	(31,590)
6	<b>Total Assets</b>	10,138,207	457,670	469,750	470,410
7	<b>Total Liabilities</b>	10,138,207	457,670	469,750	470,410
8	<b>Turnover</b>	225,364	-	-	-
9	<b>Profit Before Tax</b>	(18,273)	(40,590)	(32,250)	(31,590)
10	<b>Provision for Taxation</b>	330	-	-	-
11	<b>Profit after Tax</b>	(18,603)	(40,590)	(32,250)	(31,590)
12	<b>Proposed Dividend</b>	-	-	-	-
13	<b>% of shareholding</b>	99.99%	99.99%	99.99%	99.99%

Notes: Your Company has no joint ventures or associate companies

**ANNEXURE II**

Ratio of the remuneration of each director to the median employee's remuneration for the financial year as under:

S. No.	Name of Directors	Directors' remuneration (in Rupees )	Increase in remuneration from previous years	Ratio/ Percentage as per Median employee remuneration
1.	Mrs. Binjal Mehta (Whole Time Director)			
	a) Remuneration	30,000(per month)	Nil	175%
	b) Sitting Fees	1,000(per meeting)		5.83%
2.	Mr. Alok Kumar Goenka (Independent Director)			
	a) Remuneration	N.A	Nil	N.A
	b) Sitting Fees	1,000(per meeting)		5.83%
3.	Mr.Subrata Saha (Independent Director)			
	a) Remuneration	N.A	Nil	N.A
	b) Sitting Fees	1,000(per meeting)		5.83%
4.	Mr. Jitendra Kumar Mehta (Non Executive Director)			
	a) Remuneration	N.A	Nil	N.A
	b) Sitting Fees	1,000(per meeting)		5.83%
5.	Mr.Ajay Agarwal (Independent Director)			
	a) Remuneration	N.A	Nil	N.A
	b) Sitting Fees	1,000(per meeting)		5.83%