



## **ANNUAL REPORT**

**2011 – 2012**

### **REGISTERED OFFICE**

42, EMERALD INDUSTRIAL ESTATE, DHEKU, TALUKA KHALAPUR  
DISTRICT RAIGAD, MAHARASHTRA 410 203, INDIA

**[www.tirupatiind.com](http://www.tirupatiind.com)**

# **TIRUPATI INDUSTRIES (INDIA) LIMITED**

## **BOARD OF DIRECTORS**

MR. R. J. SANGHVI  
MR. K. F. KARANI  
MR. M. A. JHAVERI  
MR. J .S. NALE  
MR, H. M. JHAVERI  
MR. N. K. KARANI

CHAIRMAN  
MANAGING DIRECTOR  
DIRECTOR  
DIRECTOR  
DIRECTOR (wef 25<sup>th</sup> May 2011)  
ADDL. DIRECTOR (wef 30<sup>th</sup> April, 2012)

## **AUDITORS**

**M/S. R. P. TRIVEDI & ASSOCIATES**  
56, BALASINOR CO-OP. HSG. SOCIETY LTD.  
S. V. ROAD, KANDIVALI (WEST),  
MUMBAI – 400 067, MAHARASHTRA (INDIA)

## **BANKERS**

THE KAPOL CO-OPERATIVE BANK LTD.

ICICI BANK LTD

## **REGISTERED OFFICE AND FACTORY:**

42, EMERALD INDUSTRIAL ESTATE, DHEKU, TALUKA KHALAPUR,  
DISTRICT RAIGAD, MAHARASHTRA 410 203, INDIA

# **TIRUPATI INDUSTRIES (INDIA) LIMITED**

Regd. Office: 42, Emerald Industrial Estate, Dheku, Tal. Khalapur Dist. Raigad Maharashtra 410203 INDIA

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## **NOTICE**

Notice is hereby given that the THIRTY-NINTH ANNUAL GENERAL MEETING of the Members of the TIRUPATI INDUSTRIES (INDIA) LIMITED will be held at the Registered Office of the Company at 42, Emerald Industrial Estate, Dheku, Tal Khalapur, Dist. Raigad, Maharashtra 410203, INDIA on Saturday, 29<sup>th</sup> September, 2012 at 12.30 P.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, 2012 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. Manchand A.Jhaveri who retires from office by rotation, but being eligible, offers himself for reappointment.
3. To appoint auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and fix their remuneration.

### **SPECIAL BUSINESS**

#### **4. Appointment of Mr. Neil K. Karani as a Director**

To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION.:

“RESOLVED THAT Mr. Neil Ketan Karani who was appointed, by the Board of Directors of the Company, as an Additional Director of the Company with effect from 30<sup>th</sup> April, 2012 and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a Member, under Section 257 of the Act ,proposing his candidature for the Office of the Director of the Company, be and he is hereby appointed a Director of the Company.”.

#### **5. Appointment of Mr. Neil K. Karani as a Whole-Time Director of the Company.**

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 sections 198, 269, 309, 310, 311, 314 and all other applicable provisions of the Companies Act, (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule XIII of the Act and subject to the approval of the Central Government, if necessary, and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, consent of the Company be and is hereby accorded to the appointment of Mr. Neil Ketan .Karani, as a Whole Time Director of the Company as per appointment, subject to the approval of the Members, made by the by the Board for a period of five years with effect from 1<sup>st</sup> May, 2012 at its meeting held on 30<sup>th</sup> April, 2012 on the terms and conditions as detailed in the Explanatory Statement annexed hereto.

RESOLVED FURTHER THAT the Board be and is hereby authorized to alter, vary and modify the said terms including salary, allowances and perquisites, in such manner as may be agreed to between the Board and Mr. Neil Ketan Karani within and in accordance with and subject to the limits prescribed in schedule XIII to the said Act, or as may be stipulated by the Central Government and as may be agreed to between the Board and Mr. Neil Ketan Karani.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to execute all such agreements, documents, writings, and directions and to do all such acts, deeds, matters and things as may be required or expedient for giving effect to this resolution.”

#### **6. Increase in Authorised share capital**

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

“RESOLVED THAT in accordance with the provisions of Section 94(1)(a) and 97 and all other applicable provisions, if any, of the Companies Act, 1956( including any statutory modification(s) or re-enactments thereof, for the time being in force), the present authorized share capital of the Company be and is hereby increased from Rs.7,50,00,000/- (Rupees Seven Crores Fifty Lakhs only) divided into 75,00,000 (Seventy five lakhs) Equity Shares of Rs.10/- (Rupees Ten only) to Rs.10,00,00,000/- (Rupees Ten Crores Only) divided into 1,00,00,000 (One Crore) equity shares of Rs.10/- (Rupees Ten Only) by creation of 25,00,000 Equity shares of Rs.10/- (Rupees Ten only) each.

## **7. Alteration of the Memorandum of Association**

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 16 and all other applicable provisions, if any, of the Companies Act, 1956( including any statutory modification(s) or re-enactments thereof, for the time being in force), 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/- (Rupees Ten Only) each.

## **8. Alteration of the Articles of Association**

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 31 and all other applicable provisions, if any, of the Companies Act, 1956 ( including any statutory modification(s) or re-enactments thereof, for the time being in force), 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 Only) divided into 1,00,00,000 (One Crore) equity shares of Rs.10/- (Rupees Ten Only) each. with 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.

## **9. Further issue of securities**

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 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactments thereof, for the time being in force),and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the Stock Exchange(s) and other appropriate authorities as may be necessary and subject to the guidelines issued from time to time by Securities and Exchange Board of India (SEBI) and also subject to such conditions and modifications as may be considered necessary by the Board of Directors or as may be prescribed by the concerned authorities while granting such approvals, permissions and sanctions:-the consent of the Company be and is hereby accorded to the Board of Directors of the Company (the Board) to offer, issue and allot by way of private placement/preferential offer/firm allotment, whether or not such investors are members of the Company or to banks, financial institutional investors, Foreign Institutional Investors or any other entities, through one or more placements of Equity Shares/Fully convertible debentures/Non-convertible Debentures/ partly convertible debentures or any securities not exceeding the Authorized Share Capital of the company for the time being, on such terms and conditions as agreed or to be agreed as the Board may in its sole discretion think fit .The Equity shares that may be issued as aforesaid or allotted shall rank pari-passu with the existing Equity shares of the Company in all respects except that the holders of the aforesaid Equity shares of the Company shall not be entitled to any dividend declared before the allotment thereof, but shall be entitled to the dividend, if any, which may be declared after the date of allotment and in proportion to the amount of capital paid up thereon and pro rata for the period during which the aforesaid shares are paid up;

The Equity shares of the Company as may be issued in terms of the foregoing shall be listed together with the existing shares with the Bombay Stock Exchange.

RESOLVED LASTLY THAT for the purpose of giving effect to any offer, issue or allotment of Securities, the Board be and is hereby authorized on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary or desirable for such purpose, including without limitation the determination of the terms thereof, for entering into arrangement for managing underwriting, marketing, listing and trading to issue placement document and to

sign all deeds documents and writings and to pay any fees, commissions, remunerations expenses relating thereto and with power and on behalf of the Company to settle all questions doubts and difficulties that may arise in respect of the issue or allotment of the Equity shares and to do all such acts, deeds and things in connection with the issue and incidental thereto as the Board in its discretion may deem fit.

#### **10. Approval u/s 293 (1) (a) of the Companies Act 1956**

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 Sections 293(1)(a) and other applicable provisions, if any, of the Companies Act 1956 (including any statutory modification(s) or re-enactments thereof, for the time being in force), and the Memorandum and Articles of Association of the Company and subject to such other approvals and permissions as may be required, consent of the Company be and is hereby accorded to the creation by the Board of Directors of the Company (“the Board” which expression shall also include a Committee of Directors constituted for this purpose) of such mortgages, charges and hypothecations in addition to the existing mortgages, charges and hypothecations created by the Company as the Board may direct on such of the assets of the Company, both present and future, in such manner as the Board may direct together with power to take over the management of the Company in certain events, to or in favour of all or any of the financial institutions/banks/any other investing agencies to secure rupee/foreign currency loans for an amount not exceeding Rs.75 Crores ( Rupees Seventy five crores only) with interest thereon at the respective agreed rates and all other monies payable by the Company to the aforesaid parties or any of them under the agreements/arrangements entered into or to be entered into by the Company in respect of the said loans or any other financial instruments.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise with aforesaid parties or any of them, the documents for creating the mortgages /charges/hypothecations and accepting or making any alterations, changes, variations to or in the terms and conditions, to do all such acts, deeds, matters and things and to execute all such documents and writings as may be deemed necessary or expedient in their discretion for the purpose of giving effect to this Resolution.”

#### **11. Approval u/s 372A of the Companies Act, 1956**

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 372A and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactments thereof, for the time being in force), and subject to requisite permission(s) consent(s)/approval(s) of appropriate authorities wherever so required, consent of the Company be and is hereby accorded to the Board of Directors of the Company to make investments/give guarantees/provide securities in connection with the implementing the existing /new projects by the Company directly or through its one or more associate companies, on such terms and conditions as the Board may deem fit”

“RESOLVED FURTHER THAT the overall limit for the investments/guarantees/and securities to be given shall be up to an amount of Rs. 75 crores regardless that the aggregate of the investments/ guarantees/securities in any body corporate may exceed the percentages limits prescribed under section 372A of the Companies Act, 1956.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to determine the manner and the amount which it shall make as investments, provide securities and give guarantees within the said limits with the power to transfer /dispose of the investments as it may deem fit”

“RESOLVED FURTHER THAT the Board is also hereby authorized to do all such acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effects to these resolutions”

#### **12. Change in object clause of the Memorandum of Association of the Company**

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 sections 16, 17 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) and subject to the necessary approvals, required if any in this regard from appropriate authorities, and subject further to such other terms, conditions, stipulations, alterations, amendments or modifications as may be required, specified or suggested by any of such appropriate authorities, which terms, conditions, stipulations, alterations, amendments or modifications, the Board of Directors is hereby authorized to accept as it may deem fit, consent of the Members of the Company be and is hereby

accorded for alteration of Main Objects clause iii of the Memorandum of Association of the Company in the following manner.

The existing main clause of the Company, i.e Clause iii of the Memorandum of Association be amended by inserting the following new sub-clause (3A) after the present sub-clause 3 as under:

3A) To manufacture, process, produce, convert, buy, sell, acquire, import, export and deal in CP/Technical/LR/AR/ACS grade chemicals and laboratory reagents, organic and inorganic chemicals, high purity solvents and acids metallic, mercury and silver salts, dyes, stains, indicators, buffers, tablets, biological stains, clinical and diagnostic reagents and to engage in the business of processing, converting, manufacturing, formulating, using, buying, transporting, importing, exporting and disposing chemicals, chemical products, and all other chemicals or any chemical substances manufactured or unmanufactured in India or anywhere in the world.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and settle any or all questions/matters arising with respect to the above matter, and to execute all such deeds, documents, agreements, and writings as may be necessary and to take such further incidental and ancillary steps in this regard, as may be considered desirable or expedient by the Board in the best interest of the Company and its shareholders”

### **NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING, IS ALSO ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. Explanatory Statement pursuant to section 173(2) / Companies Act, 1956 is annexed

3. Proxies, in order to be effective, should be lodged with the Company at the Registered Office at least 48 hours before the commencement of the Meeting.

4. Register of Members and Share Transfer Books Register of the Company shall remain closed during Monday, 24<sup>th</sup>.September,2012 to Saturday,29<sup>th</sup>. September,2012 (Both days inclusive)

5. Members are requested to notify any change in their address to the Company quoting their Folio number.

6. Members / Proxy holders are requested to produce at the entrance, the attached admission slip duly completed and signed, for admission to the Meeting hall.

7. Members are requested to bring their copy of the Annual Report to the Meeting.

Dated: 25<sup>th</sup> August ,2012  
42, Emerald Industrial Estate,  
Dheku, Tal Khalapur  
Dist .Raigad, Maharashtra  
410203, INDIA

By order of the Board of Directors  
TIRUPATI INDUSTRIES (INDIA) LIMITED  
sd/-  
(Ramesh J. Sanghvi)  
CHAIRMAN

### **ANNEXURE TO NOTICE**

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 in respect of item Nos. 4 to12 of the Notice:

#### **Item No: 4**

Mr. Neil K. Karani was appointed as Additional Director by the Board at its meeting held on 30<sup>th</sup> April 2012. Mr. Neil Karani vacates his office as Additional Director pursuant to section 260 of the Companies Act, 1956. The Company has received a notice from a shareholder proposing the candidature of Mr. Neil Karani as Director of the Company.

Mr.Neil Karani is Bachelor of Management Studies (BMS) from Mumbai University and MSc in International Business from Aston University, Birmingham, U.K. and possesses a rich experience of more than 5 years in International Marketing. Your directors commend the resolution for approval by the members.

None of the Directors except Mr. Ketan Karani, who is relative of Mr Neil Karani, is interested or concerned in aforesaid resolution.

**Item No: 5**

Board of Directors of the company at its meeting held on 30<sup>th</sup>.April, 2012 has considered and approved the appointment of Mr. Neil Ketan Karani as Whole –Time Director of the Company for a period of five Years with effect from 1<sup>st</sup> May 2012 i.e. up to 30<sup>th</sup>.April 2017 upon the terms as to remuneration and perquisites and other terms and conditions set out below:

**1. Remuneration:**

Basic Salary of Rs.50,000 (Rupees Fifty Thousand. Only) per month with such increments as may be decided by the Board from time to time subject however to a ceiling of Rs.1,00,000/- (Rupees One Lakh only) per month as Basic Salary

**2 Perquisites:**

a) Housing: Free furnished accommodation and reimbursement of other expenses for the upkeep and maintenance thereof as per the rules of the Company Or House Rent Allowance @60% of the Basic Salary in lieu of Company provided accommodation

b) Reimbursement of salaries payable to servants- subject to a ceiling of Rs.20,000/- per annum.

c) 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.

d) Telephone and other communication facilities:-The Company shall provide telephones, telefax and other telecommunications facilities at his residence. All the expenses incurred therefore shall be paid or reimbursed by the Company.

e) Medical Expenses: Reimbursement of expenses incurred in India for self and family at actuals (including domiciliary medical and insurance premium for hospitalization policy as applicable)

f) Leave Travel Expenses: Leave travel expenses for self and family in accordance with the rules of the company.

g) Club Fees subject to a maximum of two clubs

h) Personal Accident Insurance premium for self and family as per rules.

i) Entitlement for Leave with full pay or encashment thereof, as per the rule of the Company.

j) Contribution to Provident Fund and Superannuation Fund as per rules applicable to senior executive of the Company

**Minimum Remuneration**

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the office of the Whole-Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, allowances and perquisites as specified above, subject to the requisite approvals being obtained in that behalf.

Other Terms and conditions for appointment of Mr. Neil Ketan Karani as Whole-Time Director are as follows

1.The Company shall employ Mr.Karani and Mr.Karani shall serve the Company as its Whole-Time Director for a period of Five years from 1<sup>st</sup>.May, 2012 subject to the employment being previously determined in pursuance of any provisions of this agreement

2. Mr. Neil Karani 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 Neil Karani 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.

a) Mr. Neil Karani 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.

- b) During his employment under this Agreement Mr. Karani shall not directly or indirectly engage himself in any other business occupation or employment whatsoever provided however that it shall be permissible to Mr. Karani 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.
- c) Mr. Neil Karani 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.
- d) Mr. Neil Karani 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. Neil Karani shall during the continuance of his employment hereunder also use his best endeavors to prevent any other person from doing so.
- e) Mr. Neil Karani shall not so long as he functions as the Whole-Time Director become interested or otherwise concerned directly or through his wife and/ or minor children in any selling agency of the company without the prior approval of the central Government.
- f) The employment of Mr. Neil Karani 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.
- g) If Mr. Neil Karani 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 days notice in writing to Mr. Neil Karani determine this agreement and he shall cease to be a Director of the company upon the expiration of such notice.
- h) In the event Mr. Neil Karani becomes disqualified to act as a Director for any reason other than an inadvertent breach of section 283 of the Companies Act, 1956 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.
- i) 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. Neil Karani shall cease to be the Whole-Time Director of the company provided however that the company shall be entitled to terminate Mr. Neil Karani's employment at any time by payment to him of six months salary in lieu of notice.
- j) Any notice required to be given by Mr. Neil Karani 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. Neil Karani 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. Neil Karani to the Company or to Mr. Neil Karani by the Company shall be deemed to have been duly served upon the expiration of ninety-six hours from the date of posting.
- k) This agreement represents the entire agreement between the parties hereto in relation to the terms and conditions of Mr. Neil Karani's employment with the Company as Whole-Time Director

Draft of Agreement to be executed with Mr. Neil Ketan Karani is open for inspection by any members of the Company at the Registered office of the Company during office hours on all working days.

This Explanatory Statement is and should be treated as an abstract under section 302 (7) of the Companies Act, 1956 of the Agreement to be entered into between the Company and Mr. Neil K Karani as Wholetime Director.'

None of the Directors of the Company except Mr. Ketan Karani, who is relative of Mr. Neil Karani, is in any way concerned or interested in the aforesaid resolution at item No. 5.

Your Directors commend your approval for the appointment of Mr. Neil Ketan Karani as Whole time Director of the Company.

#### **Item Nos.: 6, 7, 8**

Board of Directors of the Company is actively considering various growth opportunities with objective of expanding its capacities, 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 Authorised Capital from Rs. 7.50 crores to Rs. 10.00 crores. The resolution as set out in Item No. 6 is for obtaining the approval of the Shareholders.

Consequent to the increase in the Authorised 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 No.7&8 of the Notice are for obtaining approval of the Shareholders.

**Item No.: 9**

The Company is planning to invest sizable money in expanding its present activities of manufacturing Methyl ester, Vegetables oils Soaps and specialty chemicals with advanced technological development and creating economical size of the plant,- which necessitates to raise large equity capital. The resolution is aimed at facilitating directors to take appropriate decision at opportune time to raise long term capital by issue of further securities of the Company to persons other than the Members of the company pursuant to section 81(1A) of the Act..

None of the directors of the Company, is interested or concerned in the aforesaid resolution

**Item No: 10**

Under Section 293(1) (a) of the Companies Act 1956, the Company is required to obtain the approval of the Members for the sale/lease / mortgage of the Company's assets & premises, as and when required in the interest of the Company to raise long term financial requirement for Company's arrangement. Accordingly, the Company is desirous of seeking your consent to the proposal of the Board of Directors.:

None of the Directors of the Company is interested or concerned in the aforesaid resolution.

**Item No: 11**

The Company has ample opportunities to expand its manufacturing activities in existing as well as new projects to be implemented by itself or through its associate companies This may require the company to give guarantees or provide securities to other companies.

In terms of provisions of the section 372A of the Companies Act.1956, making investments, providing securities and giving guarantees by the Company in excess of specified limit requires prior approval of the members of the Company by way of Special Resolution. The resolution is placed for approval of the Members and your directors commend the resolution for your approval.

None of the directors of the Company is in any way, interested or concerned in the aforesaid resolution.

**Item No: 12**

The present business of the Company comprises of, refining of oils of all kinds and its derivatives including manufacturing chemicals in general terms. The Company is now exploring the possibilities of conducting business of specialty chemicals such as LR/AR/ACS grade laboratory reagents, high purity solvents and acids and metallic salts of various kinds which may necessitate the change in the object clause of the Memorandum. In the opinion of Board of Directors, present clause is sufficient to diversify into the business of such chemicals and reagents, however the proposal to add new clause in the Main Objects, is considered desirable out of abundant precaution.

Pursuant to provisions of Section16 & 17 of the Companies Act, 1956, alteration in the objects Clause of the Memorandum of Association requires the approval of members by way of Special Resolution. A copy of the existing Memorandum and Articles of Association of the Company incorporating the proposed amendments thereto will be available for inspection for the members at the Registered Office of the company between 10.00 a.m to 3.00 p.m. on all working days.

None of the directors of the Company, is in any way, interested or concerned in the aforesaid resolution.

The Board of Directors of the Company recommends the resolution set out at item No. 12 for approval of the members.

Dated: 25<sup>th</sup> August ,2012  
42, Emerald Industrial Estate,  
Dheku, Tal Khalapur  
Dist .Raigad, Maharashtra  
410203, INDIA

By order of the Board of Directors  
TIRUPATI INDUSTRIES (INDIA) LIMITED  
sd/-  
(Ramesh J. Sanghvi)  
CHAIRMAN

# TIRUPATI INDUSTRIES (INDIA) LIMITED

## DIRECTOR'S REPORT

Dear Shareholders,

Your Directors are pleased to present the Thirty-Ninth Annual Report and the audited accounts of the Company for the financial year ended 31<sup>st</sup> March, 2012

### **Financial Results:**

The Financial performance of the Company for the year ended 31<sup>st</sup> March, 2012 is summarized below:

PARTICULARS	Current Year Ended 31st March 2012 (Rs. in Lakhs)	Previous Year Ended 31st March 2011 (Rs. in Lakhs)
Sales and other income	1994.67	777.77
Profit before Depreciation	110.07	63.01
Depreciation & Amortization Expenses	14.34	13.89
Profit before Taxation	95.73	49.12
Current Tax	(18.25)	(9.11)
Deferred Tax	37.29	0.13
Profit after Tax	114.77	39.88
Profit brought from previous year	50.69	10.55
Surplus carried to Balance Sheet	165.46	50.69

### **Dividend:**

Your Directors have considered it financially prudent, in the long term interests of the Company, to reinvest the profits into the business of the Company to build a strong reserve base and grow the business of the company. No dividend has therefore been recommended for the year ended 31<sup>st</sup> March, 2012

### **Year in Retrospect:**

During the year under review, the Company has increased its production activities which resulted in higher sales at Rs19.95 crores and has also increased the profit after tax at Rs. 114.77 lakhs as against Rs. 39.88 lakhs in the previous year which is a significant increase. The Directors of the Company are confident that the same tempo of higher sales and increased profitability shall be maintained in the years to come.

Since long the management of the Company was looking for diversifying into profitable activities which can be conveniently, economically and efficiently carried out at its factory with minor modification. The Objects Clause of the Memorandum allows the company to venture into manufacturing variety of Chemicals. The Management of the Company has, after careful and detailed study, identified Specialty and Laboratory Chemicals which are high margin low capital intensive products. Initial response from the market was encouraging. The Company is now poised to commence full production of such products result of which will be reflected in accounts in future.

### **Appointment of Cost Auditor:**

Pursuant to the Order no: F.No.52/26/CAB-2010 of the Ministry of Corporate Affairs dated 24<sup>th</sup> January, 2012, it is now mandatory for the company to appoint Cost Auditor to audit its Cost Accounting Records for the year beginning from 1<sup>st</sup> April, 2012 In compliance with the above order, your Directors have appointed cost auditor at its meeting held on 30<sup>th</sup> July, 2012

### **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 2012, and as such Companies (Acceptance of Deposits) Rules, 1975 are not applicable to the Company.