

# **TIRUPATI STARCH & CHEMICALS LIMITED**

## **BOARD OF DIRECTORS**

Dr. Damodar Modi – Chairman & Managing Director  
Shri Ramdas Goyal – Executive Director  
Shri Yogesh Agrawal – Whole-time Director  
Shri Prakash Bafna – Whole-time Director  
Shri Ramesh Chandra Goyal – Whole-time Director  
Smt. Pramila Jajodia – Independent Director  
Smt. Shashikala Mangal – Independent Director  
Shri Ashish Agrawal – Independent Director  
Shri Satish Chandra Mangal – Independent Director  
Shri Vinod Kumar Garg – Independent Director

## **COMPANY SECRETARY**

Shri Akhilesh Gautam  
(w.e.f. 11 May, 2013)

## **STATUTORY AUDITORS**

M/s. Sunil Chandra Goyal & Company,  
Chartered Accountants,  
103, Kanchan Bagh, Indore (M.P.)

## **REGISTRAR & SHARE TRANSFER AGENT**

Ankit Consultancy Private Limited  
Pardeshipura, Indore – 452 010  
Email : ankit\_4321@yahoo.com  
Phone : 0731 2551745, 2551746  
Fax : 0731 4065798

## **BANKERS**

State Bank of India,  
Commercial Branch, Indore

## **REGISTERED OFFICE**

Shreeram Chambers, First Floor,  
12, Agrawal Nagar, Main Road Indore - 452 001  
E-mail – tirupati@tirupatistarch.com  
Phone – 0731 254001, 254002

## **WORKS**

Village Sejwaya, (Ghatbillod) Distt. Dhar (M.P.)

Note: - As per SEBI Circular No. MRD/Dop/Cir-5/2009 dated May 20th, 2009 it will be mandatory for the transferee (s) to furnish copy of PAN card to the Company/ RTA for registration of transfer of shares in physical form of listed Company. In absence of copy of PAN card transfer of shares will be liable to be rejected.

### **NOTICE :**

Notice is hereby given that the 27th Annual General meeting of the Members of Tirupati Starch & Chemicals Ltd., will be held at the Registered Office of the Company, on Monday, the 30th September '2013 at 1.00 p.m. to transact the following business:

1. To consider and adopt the Directors and Auditors' Report, Audited profit and loss account for the year ended on 31st March'2013 and Balance Sheet as at that date along with Cash Flow statement of the year ended on 31st March' 2013.
2. To appoint a Director in place of Shri Yogesh Agarwal, Whole-time Director, who retires by rotation and being eligible offers himself for reappointment and that he shall continue to hold his office as Director and his reappointment as such shall not be deemed to constitute a break in his appointment as a Director.
3. To appoint a Director in place of Shri Ramesh Chandra Goyal, Whole-time Director, who retires by rotation and being eligible offers himself for reappointment and that he shall continue to hold his office as Director and his reappointment as such shall not be deemed to constitute a break in his appointment as a Director.
4. To appoint a Director in place of Mrs. Pramila Jajodia, Director, who retires by rotation and being eligible offers herself for reappointment and that she shall continue to hold her office Director and her reappointment as such shall not be deemed to constitute a break in her appointment as Director.
5. To appoint auditors to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to fix their remuneration.

Place : Indore  
Date : September 5th, 2013

For and on Behalf of the Board  
**Dr. Damodar Modi**  
Chairman & Managing Director

### **NOTES :**

1. A member entitled to attend and vote all the meeting is also entitled to appoint a proxy to attend and vote instead of himself and the proxy need not to be a member of the Company. The proxy, in order to be valid must be deposited at the registered office of the Company not less than 48 hours before the time of the meeting.
2. Members/Proxies should fill the Attendance slip for attending the meeting.
3. Shareholders are requested to bring their copy of Annual Report to the Meeting.
4. The register of members of the company will remain closed from Tuesday the 24th Sept. 2013 to Monday the 30th Sept. 2013, (Both days inclusive).
5. Members are requested to notify promptly any change in their address to the Registrar and Share Transfer Agent Ankit Consultancy Pvt. Ltd. (Unit:- Tirupati Starch and Chemicals Limited) 60, Electronic Complex Pardeshipura, Indore - 452010.
6. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies through electronic mode. The Companies can now send various notices/documents to its shareholders through electronic mode to the registered email addresses of shareholders. To support this green initiative of the Government in full measure, members who hold physical share are requested to register their email addresses at ankit\_4321@yahoo.com in respect electronic shareholders kindly update/ register email addresses with the Depository through their concerned Depository Participant.

**DIRECTOR'S REPORT****Dear Members,**

Your Directors have pleasure in presenting their 27th Annual Report together with Audited Statement of Accounts for the year ended 31.3.2013.

	<b>2012-2013 (Rs.)</b>	<b>2011-2012 (Rs.)</b>
Profit/(loss) for the year	368041	14059511
<b>Less : Depreciation</b>	<b>9849315</b>	<b>8955007</b>
Profit/loss after Depreciation	(9481274)	5104504
Income Tax	—	2504936
(Net of MAT Credit)		
(Less)/ Add: Provision for Deferred Tax	<b>1256445</b>	<b>1181168</b>
Profit/Loss after Tax	(8224829)	3780736
Add/(Less):		
Debit relating to		
Previous years	(240)	32871
Sundry balances written off	—	1063043
Bonus written back	—	119376
Credit relating to previous years	—	972997
Excess provision for Income Tax written back	—	—
Excess provision for fringe Benefit Tax	—	—
Less - Income Tax for earlier Year 95-96	—	—
Carried to Balance Sheet	<b>(8225069)</b>	<b>2671861</b>

**PERFORMANCE :**

Both the plants (Starch & Dextrose) are running smoothly and satisfactorily at 100% capacity.

Efforts are being made to reduce power consumption by making necessary changes. The D.G. Set is used to produce electricity whenever there is power cut from MPEB.

**FINANCE :**

The Company is availing a Cash Credit (hypothecation) limit of Rs. 5.5 Crores and Term Loan of Rs.23 Crores from State Bank of India, Commercial Branch, Indore.

**EXPANSION:**

During the year company has started construction of factory premises for New Plant for manufacturing of Starch at Vill. Sejwaya, Ghatabillod, Dist. Dhar. Company has appointed Shri Hariom Desai as consultant who has sufficient knowledge of starch plant. Company has started taking disbursement from State Bank of India and also paid advance to various

machine suppliers. The company is expected commercial production in financial year 2013-14.

**ACCOUNTING STANDARD:**

The Institute of Chartered Accountants of India has introduced various Accounting Standards in the year under review to make the financial statements and disclosure in line with the International accounting practices and disclosures. Most of these Accounting standards are of mandatory in nature and the company has incorporated them in the accounts accordingly.

Of the various Accounting standards, the main Accounting standards implemented during the year by the company are: Accounting standards 17 - Segment Reporting, Accounting Standard 18, related party disclosure and Accounting standard 22- Accounting for Taxes on income. Accounting standard- 28, Impairment of assets. Accounting standard - 29, Provisions, Contingent liabilities & Contingent assets.

**MANAGEMENT :**

Three of your Directors' Shri Yogesh Agarwal, Shri Ramesh Chandra Goyal and Mrs. Pramila Jajodia retire by rotation. They are eligible and offer themselves for re-appointment and that their re-appointment as such shall not be deemed to constitute a break in their appointment as Director of the Company.

**LISTING AGREEMENT WITH STOCK EXCHANGE:**

Pursuant to requirements of the listing Agreement, the Company declares that its Equity Shares are listed on the Bombay Stock Exchanges Ltd., Mumbai. The Company confirms that it has paid listing fee due to the above Stock Exchange for the year 2013-14.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

The Directors confirm that:

- I. In preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any.
- II. They have selected the 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 at the end of the financial year under review and for the Profit of the Company for the period;
- III. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. They have prepared Annual Accounts on a going concern basis;

**CORPORATE GOVERNANCE :**

The Company has complied with all mandatory provisions of Corporate Governance as prescribed under the Listing Agreements of the Stock Exchange with which the Company is listed. Pursuant to Clause 49 of Listing Agreement with the Stock Exchange, a separate report on Corporate Governance is given as a part of the Annual Report.

**AUDIT COMMITTEE**

The company has formed an Audit committee as required U/ S. 292A of the Co's Act 1956, as amended by Co's (amendment) Act-2000. The Following are the members of the committee:-

1. Shri Ashish Agrawal - Chairman,  
Independent Director
2. Shri Vinod Kumar Garg - Member.  
Independent Director
3. Shri Yogesh Kuma Agrawal - Member.  
Wholtime Director

Four Meetings of the committee were held during the year.

**AUDITORS :**

M/s. Sunil Chandra Goyal & Co., Chartered Accountants, Indore, Auditor of the Company, hold office until the conclusion of the ensuring Annual General Meeting and are eligible for re-appointment. Their appointment if made, would be within the prescribed limit specified under section. 224 (1B) of the Companies Act-1956.

**COMMENTS ON AUDITORS REPORT :**

The remarks in Auditors' Report are self explanatory.

**PARTICULARS OF EMPLOYEES :**

There was no employee during the year drawing remuneration in excess of the ceilings prescribed u/s. 217 (2A) of the Companies Act-1956.

**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS :**

A statement giving information as required u/s. 217 (1E) of the Companies Act-1956 is annexed and form part of this report (Annexure "A").

**ACKNOWLEDGEMENT :**

Your Directors wish to express their sincere appreciation for the co-operation and support received from State Bank of India. Your Directors also record their appreciation for the services rendered by the employees at all levels and the Shareholders, Customers & Dealers for their continued co-operation throughout the year.

For and on Behalf of the Board

Place : Indore

**Dr. Damodar Modi**

Date : September 5th, 2013

Chairman & M. Director

**ANNEXURE 'A' (To the Director's Report) :**

Information pursuant to sec. 217(1)(a) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Directors) Rule 1988 forming part of Directors Report.

**A CONSERVATION OF ENERGY.**

- a) Energy Conservation measures taken:
- Correcting the alignment of Main drive.
  - Construction of Sundrying Platform for predrying of Gluten and Grit. Thus saving in G.C. Oil consumption.
- b) Additional investment for reduction of Consumption of energy.
- Installation of Diesel Generator set for own generation of power.
  - Installation of best designed power capacitors for achieving and maintaining Power factor.

**FORM A :****A POWER & FUEL CONSUMPTION :**

	Current year	Previous year
1. <u>Electricity</u>		
a. Purchased Units	6698776	6604535
Total Amount (Rs.)	42491575	34442472
Rate/Unit (Rs.)	6.34	5.21
b. Own Generation		
i. Through Diesel Generator		
Total Unit	21360	34660
Rate per Unit (in Rs.)	3.59	3.53
2. <u>Coal</u>		
Quantity (Tones)	9837.945	11090.075
Total Amount (Rs.)	57790680	62536035
Average Rate (P MT)	5874.26	5638.92
3. <u>G.C. Oil</u>		
Quantity (K.Lit) M.T.	—	—
Total Amount	—	—
Average Rate	—	—

**FORM B****B. CONSUMPTION PER UNIT OF PRODUCTION**

Product : Maize Starch Powder, Dextrose Monohydrate, Dextrose Anhydrous, Liquid Dextrose

Particular	Current Yr.	Previous Yr.
Electricity Unit	248.82	225.71
Coal(Special Quality) Kg.	365.41	379.00
G.C. Oil K. Lit.	NIL	NIL

For and on Behalf of the Board

Place : Indore

Date : September 5th, 2013

**Dr. Damodar Modi**  
Chairman & Managing Director

## **CORPORATE GOVERNANCE**

### **1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

Your Company's philosophy on Corporate Governance is to carry out its activities and operations in a true and fair manner to achieve transparency, accountability and business prosperity. The Board of Directors of the Company is committed towards discharging their fiduciary responsibility towards enhancing shareholders' value and interest of all other stockholders.

### **2. BOARD OF DIRECTORS.**

#### **a. Composition of Board of Directors and category of Individual Directors**

<b>Name of the Director</b>	<b>Category</b>
Dr. Damodar Modi	Chairman & Managing Director
Shri Ramdas Goyal	Executive Director
Shri Rameshchandra Goyal	Wholetime Director
Shri Yogesh Kumar Agrawal	Wholetime Director
Shri Prakash Bafna	Wholetime Director
Smt. Pramila Jajodia	Independent Director
Smt. Shashikala Mangal	Independent Director
Shri Ashish Agrawal	Independent Director
Shri Satishchandra Mangal	Independent Director
Shri Vinod Kumar Garg	Independent Director

During the year under review, 5 Board Meetings were held on 30th April' 2012, 31st July' 2012, 5th Sept.'2012, 30th October'2012, and 31st January'2013. The last Annual General Meeting of the Company was held on 29th Sept.'2012.

#### **b. Attendance of each Director at Board Meeting and last Annual General Meeting:**

<b>Name of the Director</b>	<b>No. of Board Meetings attended</b>	<b>Attendance at the last AGM</b>
Dr. Damodar Modi	5	Present
Shri Ramdas Goyal	5	Present
Shri Yogesh Kumar Agrawal	5	Present
Shri Rameshchandra Goyal	5	Present
Smt. Shashikala Mangal	3	Present
Shri Satishchandra Mangal	3	Present
Shri Prakash Bafna	4	Present
Smt. Pramila Jajodia	2	Present
Shri Ashish Agrawal	3	Present
Shri Vinod Kumar Garg	2	Present

#### **c. Notes on Directors seeking appointment / re-appointment**

1. Shri Yogesh Kumar Agarwal is a Whole time Director, he is a graduate. He is from a business family having corporate experience which will be immense benefit to the Company.
2. Shri Ramesh Chandra Goyal is a Whole Time Director, he is a graduate and is belongs to industrial family of Indore. He was partner in family pulse mills for 15 years. He is associated with the Company since 01.04.1993. His business experience will be of immense benefit to the Company.
3. Smt. Pramila Jajodia is a Director of the company since 05.09.2003. She is from a business family having corporate experience which will be immense benefit to the Company.

### **3. AUDIT COMMITTEE**

#### **a. Brief description of terms of reference:**

The terms of reference of this Committee covers the matters specified under Section 292A of the Companies Act, 1956 and also the matters listed under the Listing Agreement with the Stock Exchanges. The Committee is responsible for effective supervision of the financial operations and ensuring that financial, accounting activities and operating controls are exercised as per the laid down policies and procedures. The Financial Results of every quarter are reviewed by the Committee before being placed to the Board of Directors for its approval.

#### **b. Constitution of the Committee:**

The Audit Committee of the Company was constituted in the Board of Directors meeting held on 05.09.2001. After appointment of independent Directors, the Audit Committee was re-constituted vide Board Resolution dtd. 25.02.2012 & 27.05.2012 to comply with the amended clause-49 of the listing agreement as under:

- i. Shri Ashish Agrawal, C.A. - Chairman
- ii. Shri Vinod Kumar Garg, D.C.E - Member
- iii. Shri Yogesh Agrawal, B.Sc.. - Member

During the year under review, Four Audit Committee meetings were held on 28th April' 2012, 28th July' 2012, 29th Oct.'2012 & 28th January'2013. The attendance of members at the meetings was as follows:

Name of the Member	Status	No. of Meetings attended
Shri Ashish Agrawal	Chairman	4
Shri Yogesh Kumar Agrawal	Member	4
Shri Vinod Kumar Garg	Member	4
Secretary of the Committee : Shri B.K. Jain	Company Secretary.	3

#### 4. REMUNERATION COMMITTEE

##### a) Composition :

The Remuneration Committee of the company comprises of Dr. Damodar Modi, Chairman of the committee and Shri Ramdas Goyal & Shri Yogesh Agrawal are members of the said committee.

##### b) Meetings :

During the year the committee met one time on 30th July 2012. All the members of The committee attended the meeting.

##### c) Remuneration Policy:

The non-executive Directors are not paid any sitting fee for meeting of the Board or any Committee thereof attended by them.

##### d) Details of Remuneration paid to the Directors for the year ended 31st March'2013:

Sr. No.	Name of Director	Salary Per Month
1.	Dr. Damodar Modi Managing Director	Rs. 1,65,000 plus HRA. as per agreement
2.	Shri Ramdas Goyal Executive Director	Rs. 1,38,000
3.	Shri Rameshchandra Goyal Wholetime Director	Rs. 1,35,000

4. Shri Prakashchandra Bafna Rs. 1,35,000  
Wholetime Director

5. Shri Yogesh Kumar Agrawal Rs. 1,35,000  
Wholetime Director

#### 5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

##### a. Composition of the Committee:

The committee was constituted in order to comply with clause 49 of the listing agreement and following composition of the committee was approved by the Board of Directors on 29.07.2006 as under:

1.	Shri Vinod Garg, Independent Director	-	Chairman
2.	Shri Ashish Agrawal, Independent Director	-	Member
3.	Shri Yogesh Kumar Agrawal Wholetime Director	-	Member

##### b. Functions :

To review the status of shareholders/investors grievances, redress mechanism and recommend measures to improve the level of investor's services.

##### c. Meetings and attendance:

During the financial year ended on 31st March'2013, Four (4) meetings were held on: 28th April'2012, 28th July'2012, 29th October'2012 & 28th Jan.'2013. All the members of the committee attended the above meetings.

##### d. Name and Designation of the Compliance Officer:

Shri Akhilesh Gautam, Company Secretary of the Company is Compliance Officer of the Company as required under Clause 47 of the Listing Agreement w.e.f. 11th, May, 2013.

##### e. Number of complaints received and resolved :

During the year under review, the Company received 3 complaints from Shareholders / Investors'. All the complaints have been resolved to the satisfaction of the shareholders. No complaint was pending as on March 31, 2013. In order to expedite the process of transfers of shares the Board has delegated the powers to approve share transfers to the Share Transfer Committee set up by the Board of Directors.

## 7. ANNUAL GENERAL MEETINGS

- a. Location and time of the last three Annual General Meetings were held:

Financial Year	Location	Date	Time
2009-2010	Registered office of the Company	30.09.2010	1.00 p.m.
2010-2011	Registered office of the Company	30.09.2011	1.00 p.m.
2011-2012	Registered office of the Company	29.09.2012	1.00 p.m.

The Chairman of the Audit Committee Shri Ashish Agrawal was present at the Annual General Meeting to answer the queries of the share holders.

- b. There were no Special Resolutions required to be passed through Postal Ballot at any of the above Annual General Meetings. None of the Resolutions proposed for the ensuing Annual General Meeting needs to be passed by Postal Ballot.

## 8. DISCLOSURES

- a. The Company has not entered into any transaction of material nature with any related party as described under the Listing Agreement entered into with the Stock Exchanges that may have potential conflict with the interests of the Company at large.
- b. During the past four years there has been no instance of non compliance by the Company with the requirements of the Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets.
- c. The company has complied with the mandatory and non mandatory requirements of clause-49 of the listing agreement as far as possible.

## 9. MEANS OF COMMUNICATION

- a. The Company publishes its annual, half yearly and

quarterly financial results in the following newspapers

1. Times of India (English)
2. Choutha Sansar (Hindi)

- b. The information required under the Management Discussion and Analysis Report has been covered by the Directors' Report.

## 10. GENERAL SHAREHOLDER INFORMATION.

### a. Annual General Meeting

**Date :** 30.09.2013

**Time :** 1.00 P.M.

**Venue:** At Shreeram Chambers, 12, Agrawal Nagar Main Road, Indore.

**Book Closure Date :** Tuesday, 24th September'2013 to Monday 30th, September'2013 (both days inclusive)

**Listing on Stock Exchange :** Bombay Stock Exchange Annual Listing fee for the year 2013-14 has been paid.

**Custodial fee to Depositories :** Annual Custody Fee for 2013-14 to NSDL and CDSL has been paid.

### b. Financial Calendar (tentative)

Particulars	Date
Unaudited Results of the first quarter ending June 30,2013	Last week of July' 2013
Unaudited Results of the second quarter & half year ending September 30, 2013	Last week of October' 2013
Unaudited Results of the third quarter & nine months ending December 31, 2013	Last week of January' 2014
Unaudited Results for the ending March 31, 2014	Last week of April' 2014

### c. Scrip Code B.S.E. - 524582.

### d. Share Transfer System

The Company has set up a Committee of Board of Directors known as the Share Transfer Committee, which meets generally once in a month inter alia for approving the transfer of shares. The formalities for transfer of shares in the physical form are completed and the share certificates are dispatched to the



transferee within 15 days of receipt of transfer documents, provided the documents are complete and the shares under transfer are not under dispute. If however, the transfer documents are not in order, objections are communicated to the transferee within 15 days from the date of receipt of the transfer documents.

**e. Dematerialization of Shares**

Now the equity Shares of the company can be traded in de-materialized form. The company has signed the agreement with both the depositories i.e. Central Depository Services (I) Ltd., & National Security Depository Ltd., Mumbai for providing demate facility to the share holders. The Company's ISIN No. is INE314D01011. The Company has also appointed M/s. Ankit Consultancy Pvt. Ltd., Indore as Registrar and Transfer agent for the above purpose.

**f. Share holding Pattern as on March 31, 2013.**

Share holding Pattern as on March 31, 2013 (in accordance with Clause 35 of the Listing Agreement)

Category	No. of shares held	Percentage of shareholding
A. Promoter's holding		
1. Promoters *		
- Indian Promoters	3480076	57.11
- Foreign Promoters	Nil	Nil
2. Person acting in concert #		
<b>Sub - Total</b>	<b>3480076</b>	<b>57.11</b>
B Non - Promoters Holding	Nil	Nil
3. Institutional Investors		
a. Mutual Funds and UTI	32100	0.53
b. Bank, Financial Institutions, Insurance Companies (Central/State Govt. Institution/ Non- Government institutions)	12500	0.21
c. Fils		
<b>Sub - Total</b>	<b>44600</b>	<b>0.73</b>
4. Others		
a. Private Corporate Bodies	62105	1.02
b. Indian Public	2392664	39.27
c. NRIs/ OCBs	100	0.00
d. Any others (please specify)	113631	1.86
<b>Sub- total</b>	<b>2568500</b>	<b>42.15</b>
<b>GRAND TOTAL</b>	<b>6093176</b>	<b>100.00</b>

**g. Distribution Schedule as on March 31, 2013**

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 1000	8916	71.65	891015	14.62
1001-2000	1724	13.85	344643	5.66
2001-3000	459	3.69	137689	2.26
3001-4000	248	1.99	99133	1.63
4001-5000	486	3.91	243000	3.99
5001-10000	336	2.70	281172	4.61
10001-20000	131	1.05	200575	3.29
20001-30000	48	0.39	121400	1.99
30001-40000	11	0.09	37850	0.62
40001-50000	6	0.05	26741	0.44
500001-100000	14	0.11	105577	1.73
100000 Above	65	0.52	3604381	59.15
<b>Total</b>	<b>12444</b>	<b>100.00</b>	<b>6093176</b>	<b>100.00</b>

**h. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity**  
The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.**i. Plant locations**

Vill. Sejwaya, Ghatabillod, Dist. Dhar.

**j. Address for correspondence**

All Shareholders should address their correspondence to the Company at its Regd. Office at Shreeram Chamber, 1st Floor, 12, Agrawal Nagar, Main Road, Indore or Registrar and Share Transfer Agent Ankit Consultancy Pvt. Ltd. at 60, Electronic Complex, Pardeshipura, Indore - 452 010.