

A.C.

28th
Annual Report
2014-2015



Sweet Dream

TIRUPATI FOAM LIMITED

REGD. OFFICE :

**"TIRUPATI" House, 4th Floor, Nr. Topaz Restaurant,
University Road, Polytechnic Char Rasta, Ambawadi,
Ahmedabad-380 015. Gujarat, INDIA.**

TIRUPATI FOAM LIMITED
CIN : L25199GJ1986PLC009071

BOARD OF DIRECTORS :

| | |
|-------------------------|---------------------|
| Mr. Venibhai B Purohit | Chairman |
| Mr. Manharlal A Mehta | Vice Chairman |
| Mr. Roshan P Sanghavi | Managing Director |
| Mr. Satish A Mehta | Whole-time Director |
| Mr. Deepak T Mehta | Whole-time Director |
| Mr. Mukesh B Shah | Director |
| Mr. Mukesh B Kothari | Director |
| Mrs. Minaben R Sanghavi | Women Director |

AUDITORS : Mayank Shah & Associates
Chartered Accountants,
708, Mahakant, Opp. V.S. Hospital,
Ellisbridge, Ahmedabad-380006.

COMPANY SECRETARY : Mr. D.A. Rupawala
(Consulting)

BANKERS : Bank of India
Ellisbridge Branch
Ahmedabad-380 006

REGISTERED OFFICE : Tirupati House, 4th Floor,
Nr. Topaz Restaurant, University Road,
Polytechnic Char-Rasta, Ambawadi,
Ahmedabad - 380 015
Gujarat, INDIA

FACTORY
UNIT 1 : Plot No. 4, Block No. 65, Khatraj,
Kalol, Gandhinagar
Gujarat

UNIT 2 : Plot No. 4, Echotech I,
Extension Greater Nodia Ind Area
Dist: Gautambuddh Nagar,
Uttar Pradesh

NOTICE

NOTICE is hereby given that 28th Annual General Meeting of the Members of Tirupati Foam Limited, will be held on Wednesday, 30th September, 2015 at 3.00 p.m. at Tirupati House, 4th Floor, Nr. Topaz Restaurant, University Road, Polytechnic Char Rasta, Ambawadi, Ahmedabad - 380 015 to transact following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31, 2015, the Balance-sheet as at that date and the reports of the Directors and Auditors thereon;
2. To declare dividend on Equity Shares for the year end 31st March 2015.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 139 and all other applicable provisions of the Companies Act, 2013, and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the retiring statutory auditors, M/s Mayank Shah & Associates, Chartered Accountants (Firm Registration No.106109W), be and are hereby appointed as Statutory Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors".

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Ordinary Resolution**

"RESOLVED THAT Mrs. Minaben R Sanghavi (DIN: 07165856), who was appointed as an Additional Women Director on the Board of the Company pursuant to the provisions of section 149, 150, 152, 161 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement and as per Article of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing, under Section 160 of companies act, 2013 proposing her candidature for the office of a Director, be and is hereby appointed as a director of the company."

5. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of section 203 of the Companies Act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 (Including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provision if any, Mr. Gopalsinh Ratansinh Zala, be and is hereby appointed as Chief Financial officer of the Company with the effect from 25th March, 2015 for the period of 2 years who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing, proposing his candidature for the office as Chief Financial Officer of the company upon such terms and conditions as agreed between Board of directors and Mr. Gopalsinh Ratansinh Zala."

Place: Ahmedabad
Date: 01.09.2015

By order of the Board
For Tirupati Foam Ltd.,

Redg. Office:
Tirupati House, 4th Floor,
Nr. Topaz Restaurant, University Road,
Polytechnic Char Rasta, Ambawadi,
Ahmedabad - 380 015

Roshan P Sanghavi
Managing Director

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.

The proxies should be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.

2. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to Special Business to be transacted at the meeting is annexed hereto.
4. Voting through electronic means:

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically, on all proposed resolutions set forth in this Notice, in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement (including any statutory modification or re-enactment thereof for the time being in force). For this purpose, the Company has availed the services of Central Depository Services (India) Limited (CDSL) for e-voting facility. Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on 27.09.2015 at 10.00 A.M. and ends on 29.09.2015 at 05.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23.08.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iii. Click on Shareholders.
- iv. Now Enter your User ID.
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.

vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

vii. If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|---|
| PAN* | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The Sequence Number is printed on _____.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| DOB | <p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p> |
| Dividend Bank Details | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id /folio number in the Dividend Bank details field as mentioned in instruction (iv). |

viii. After entering these details appropriately, click on "SUBMIT" tab.

ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi. Click on the EVSN for the relevant <Company Name> on which you choose to vote.

xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
5. Members/ proxies should bring attendance slip, duly filled in, for attending the meeting and submit the same to the entrance of venue of the AGM.
6. Members/ proxies attending the meeting should bring their copy of the Annual Report for reference at the meeting.
7. Members are requested to notify immediately any change in address, email ids etc.:
- To their Depository Participants (DPs) in respect of the electronic share accounts; and
 - To Share Transfer Agent of the Company in respect of their Physical share folios along with Bank particulars.

8. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
9. The register of Members and share transfer books of the company will remain closed from Thursday, **September 24, 2015** to Wednesday, **September 30, 2015** (both days inclusive).
10. As per the requirement of clause 49 of the listing agreement on Corporate Governance, details including the profile of Directors seeking appointment or re-appointment due to retirement by rotation, of Directors being appointed as Independent Directors and person appointed as Chief Financial Officer who is being re-appointed, are given below:

| Name of the Director | MINABEN ROSHANKUMAR SANGHAVI | GOPALSINH RATANSINH ZALA |
|--|---|---------------------------------|
| Date of Birth | 28/06/1967 | 01/06/1952 |
| Date of Appointment | 25/03/2015 | 25/03/2015 |
| Expertise in specific functional areas | Strategy and General Corporate management | Finance, Taxation and Accounts. |
| Qualifications | B.Com | M. Com |
| List of outside Directorship held | NIL | NIL |
| Chairman/member of the committee of the Board of Directors of the Company | NIL | NIL |
| Chairman/member of the committee of the Board of Directors of other Companies in which he is a director* | NIL | NIL |
| Shareholding in the company | NIL | NIL |
| Relationships, if any, between directors | Wife of Managing Director | Nil |

* Only Audit Committee & Shareholders/Investor Grievance Committee had been considered.

11. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company on all working days, except Saturdays, between 11.00 am to 1.00 pm prior to the date of Annual General Meeting.
12. Securities and Exchange Board of India ("SEBI") has made it mandatory to quote Permanent Account Number (PAN) for transfer/ transmission of shares in physical form and hence, the transferee(s)/ legal heir(s) is required to furnish a copy of his/her PAN to the Share Transfer Agent.
13. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Share Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.
14. Members who hold shares in dematerialized form are requested to bring their Client Id and DP ID for easier identification of attendance at the AGM. The Annual Listing Fees for the year 2015-16 of the stock exchange on which shares of the company are listing, have been paid.

15. Members desirous of obtaining any information concerning the accounts and operations of the company are requested to address their questions to the company so as to reach at least 10 days before the date of the meeting, so that the information required will be made available at the meeting, to the best extent possible.

EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

Item No. 4

Mrs. Minaben Roshan Sanghavi was appointed as an Additional Women Director by the Board of Director in accordance with the provisions of Section 122 of the Companies Act, 2013 and as per Article of Association of the Company.

Pursuant to Section 160 of companies act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing her candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

The statement giving the details of Mrs. Minaben Roshan Sanghavi, Women Director seeking the appointment is annexed in the notes of the notice convening Annual General Meeting as required in pursuant clause 49 of the Listing Agreement entered into with the stock exchanges.

The Board feels that presence of Mrs. Minaben Roshan Sanghavi on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 4 for adoption.

None of the Directors except Mrs. Minaben Roshan Sanghavi are concerned or interested in passing of this resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock exchange.

Item No. 5

Mr. Gopalsinh Ratansinh Zala was appointed as Chief Financial officer by the Board of Director in accordance with the provisions of Section 203 of the Companies Act, 2013 and as per Article of Association of the Company.

In this regard the Company has received request in writing from a member of the company proposing his candidature for appointment as Chief Financial Officer of the Company in accordance with the provisions of Section 203 and all other applicable provisions of the Companies Act, 2013.

The statement giving the details of Mr. Gopalsinh Ratansinh Zala seeking the appointment as Chief Financial Officer annexed in the notes of the notice convening Annual General Meeting.

The Board feels that presence of Mr. Gopalsinh Ratansinh Zala on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 5 for adoption.

None of the Directors except Mr. Gopalsinh Ratansinh Zala are concerned or interested in passing of this resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock exchange.

Place: Ahmedabad
Date: 01.09.2015

By order of the Board
For Tirupati Foam Ltd.,

Redg. Office:
Tirupati House, 4th Floor,
Nr. Topaz Restaurant, University Road,
Polytechnic Char Rasta, Ambawadi,
Ahmedabad – 380 015

Roshan P Sanghavi
Managing Director

BOARD REPORT

To:
The Members,
TIRUPATI FOAM LTD

Your Directors have pleasure in submitting their Twenty-eight Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2015

FINANCIAL RESULTS

The Company's financial performance for the year under review alongwith previous years figures are given hereunder.

(Rs. In Lacs)

| | 2014- 2015 | 2013- 2014 |
|---|--------------|--------------|
| Total income including other income | 86,67,50,066 | 92,84,38,373 |
| Profit before financial cost, depreciation and taxation | 10,06,80,513 | 9,10,75,859 |
| Less: Financial Cost | 5,18,20,208 | 5,13,43,960 |
| Less: Depreciation | 2,87,18,196 | 2,18,57,380 |
| Less: Provision of taxation | | |
| Current Tax (Net) | 95,20,000 | 59,50,000 |
| Deferred Tax | (27,57,696) | (10,51,041) |
| Earlier year income tax | 2,04,000 | 4,15,011 |
| Profit after depreciation & taxation | 1,31,75,805 | 1,25,60,549 |
| Add : Opening Balance in P & L A/c | 5,93,49,636 | 5,51,49,141 |
| Less: Additional depreciation | (7,57,853) | -- |
| Available for Appropriation | 7,17,67,588 | 6,77,09,690 |
| Proposed Dividend | 66,10,500 | 66,10,500 |
| Distribution Tax | 13,45,742 | 11,23,454 |
| Transfer to general reserve | 10,50,000 | 6,26,000 |
| Surplus carried Forward | 6,27,61,345 | 5,93,49,635 |

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

The Company was able to achieve Sales including other income of Rs. 8667.50 Lacs as compared to Rs. 9284.38 Lacs for the Previous Year. The Profit before Tax and Depreciation was Rs. 488.60 Lacs for period under review as compared to Rs. 397.32 Lacs for the Previous Year.

The Net Profit after making the provision for Depreciation and Taxation stood at Rs. 131.76 Lacs as against Rs. 125.60 Lacs for the previous year.

Your Directors are pleased to report that in spite of decrease in total income and fierce competition the company was able to perform well and there is increase in net profit by Rs.6.16 Lacs as compare to previous year due to well accepted quality products and well established marketing network of dealers throughout the India.

During the year company has incurred total Capital Expenditure of Rs.1,46,12,985/-.

CORPORATE SOCIAL RESPONSIBILITY

The Company has not developed and implemented the following Corporate Social Responsibility initiatives as the said provisions are not applicable.

DIVIDEND

The Directors recommend 15 % Dividend on Equity Shares for the Year ending 31st March 2015, if approved by the Shareholders at the Annual General Meeting to be held on 30th September, 2015. The dividend will absorb Rs. 66.10 Lacs. The dividend distribution tax to be borne by the Company would amount to Rs. 13.45 Lacs.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The Company has transferred unpaid dividend till 2005-06 towards Investor Education and Protection Fund (IEPF) as per the provisions of Section 125 of the Companies Act, 2013.

CAPITAL EXPENDITURE

Capital Expenditure incurred during the year aggregated to Rs. 1,46,12,985/-.

FIXED DEPOSIT

The company has not invited, accepted or renewed any fixed deposit from the public during the year.

No amount on account of principal or interest on fixed deposit was outstanding as on the date of Balance sheet. However the company has accepted deposit from Directors, Shareholders and relatives pursuant to Rule 2(1)(c)(xiii) of the Companies (Acceptance of Deposits) Rules, 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

In terms of Clause 49 of the Listing Agreements with Stock Exchange, Management discussion and analysis on the business and operations of the company is attached herewith and forms part of this Annual Report.

CORPORATE GOVERNANCE

Your company is committed to the tenets of good Corporate Governance and has taken adequate steps to ensure that the requirements of Corporate Governance as laid down in Clause 49 of the Listing Agreement are complied with.

A separate report of Corporate Governance and a Management Discussion and Analysis Report are being published as a part of the Annual Report of the company.

The Auditors of the company have certified that conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement are complied by the company and their Certificate is annexed to the Report on Corporate Governance.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had 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 at the end of the financial year and of the profit and loss of the company for that period;
- c. the directors had taken proper and sufficient care for 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. the directors had prepared the annual accounts on a going concern basis; and
- e. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and out-go, in accordance with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure 'A' to this Report.

DIRECTORS

The Directors are not liable to retire by rotation.

Mrs. Minaben R Sanghavi (DIN: 07165856) was appointed as director of our Company as Women Director pursuant to the provisions of section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement.

As required under Clause 49 of the Listing Agreements with the Stock Exchange, the details of the Directors, seeking re-appointment at ensuing Annual General Meeting are provided in the corporate Governance Report, forming part of this Report.

A brief resume of the all the Directors proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the BSE Limited, are provided in the Notes to the Notice of the Annual General Meeting.

PERFORMANCE EVALUATION OF THE BOARD

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has devised a policy containing criteria for evaluating the performance of the Independent,

Non-executive and Executive Directors, Board and Committees.

REMUNERATION AND NOMINATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of the board members. The Details of this policy is explained in the Corporate Governance Report.

AUDITORS AND AUDITOR'S REPORT:

Your Company's Auditors, M/s Mayank Shah & Associates, Chartered Accountants, Ahmedabad will retire at the conclusion of the forthcoming Annual General Meeting and they have consented to be re-appointed for the financial year 2015-16. The Company has received a letter from M/s Mayank Shah & Associates stating that their appointment as auditors, if made, would be within the limits specified under Rule 4(1) of the Companies (Audit and Auditors) Rules, 2014 and as provided in section 141 of Companies Act 2013.

SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company had appointed M/s. NAHIDAKHTAR VHORA & CO Company Secretaries in practice having CP No. 13187 to conduct the Secretarial Audit of the Company for the financial year 2014-15 and to furnish his report to the Board. The Secretarial Audit forms part of this Report as annexure – C

There is secretarial audit qualification regarding non Compliance of appointment of Secretary, in his Secretarial Audit Report. The Company is in process of appointment of whole time Company Secretary.

COST AUDITORS

The section 148 read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 are not applicable to the Company Hence, the Board of Directors of your company had not been appointed Cost Auditor for obtaining Cost Compliance Report of the company for the financial year 2014-15.

EXPLANATION ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS MADE BY THE AUDITORS

There were no qualifications, reservations or adverse remarks made by the Auditors and the practicing company secretary in their report.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into by the Company during the financial year were in the ordinary course of business and on arms' length basis. There is no materially significant related party transactions entered into by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

All related party transactions are periodically placed before the audit committee for its approval. The Company does not have contracts or arrangements with its related parties under Section 188(1) of the Companies Act, 2013, which are not on arms' length basis or material in nature. Your Directors draw attention of the shareholders to Note No.31 of the financial statement which sets out related party disclosures. (Annexure B)

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

The Company has not provided any loan to any person or body corporate or given any guarantee or provided security in connection with such loan or made any investment in the securities of anybody corporate pursuant to section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable

PARTICULARS OF EMPLOYEES:

The particulars of employees required to be furnished pursuant to section 197(12) of the Companies Act, 2013 read with sub rules 2 and 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, forms part of this Report. However, there was no employee in receipt of remuneration under this section.

RISK MANAGEMENT

The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedure and review to ensure that risk is controlled. In the Board's view, there are no material risks.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company has established adequate internal financial control systems to ensure reliable financial reporting and compliance with laws and regulations. All resources are put to optimal use and adequately protected against any loss.

Internal control systems commensurate with its size and operations to ensure orderly and efficient conduct of business while safeguarding the assets, quality, safety, procurements, finance and accounts and reducing and detecting error.

The Company also has appointed an external firm of Chartered Accountants to supplement the efficient Internal Audit.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

Six Board Meetings were held during the 12 months accounting period ended 31-3-2015. The dates of such Board Meeting are:

- | | | |
|---------------|---------------|---------------|
| 1) 30.05.2014 | 2) 14.08.2014 | 3) 28.08.2014 |
| 4) 15.11.2014 | 5) 15.02.2015 | 6) 25.03.2015 |

DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declarations from all the independent Directors of the Company conforming that they meet the criteria of independence as prescribed under section 149(6) of Companies Act, 2013 and revised clause 49 of the Listing Agreements with Stock Exchange.

HUMAN RESOURCE

The company considers its employees as its most valuable assets. The company focuses on building an organization through induction and development of talent to meet current and future needs.

STOCK EXCHANGES

The Company's shares are presently listed on ASE, VSE and BSE Limited. The company has paid necessary listing fees of all stock exchanges for the year 2014-2015.

ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure MGT-9 and is attached to this Report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 applicable to the Company Hence, disclosure regarding composition of audit committee is provided in the Corporate governance report.

SHARES

The company has not issued any equity shares/buy back of equity shares during the year.

ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. They also record their appreciation of the devoted services rendered by the Executives, Staff Members and Workers of the Company. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

On behalf of the Board of Directors

Place : Ahmedabad
Date : 01.09.2015

Roshan P. Sanghavi
(Managing Director)

ANNEXURE 'A'

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A. CONSERVATION OF ENERGY

a. Energy conservation measures.

The Company is making continuous efforts for the conservation of energy through improved operational methods and better plant utilisation.

b. Additional investments and proposals, if any, being implemented for reduction of consumption of energy;

We have made investment in energy saving equipments during the year. We are anticipating substantial savings in energy cost in coming years.

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

Consumption of energy has been optimised to the extent possible.

d. Total energy consumption per unit of production.

| | | | 2014-15 | 2013-14 |
|---|--------------------------------------|-------|---------|---------|
| 1 | Electricity | | | |
| | a) Purchased | | | |
| | Units | Kwh | 1130836 | 657763 |
| | Total amount | Rs | 8458600 | 4877624 |
| | Rate / Unit | Rs. | 7.48 | 7.42 |
| | b) Own Generation | | | |
| | (i) Through Diesel Generator | | | |
| | Units | | 26320 | 22196 |
| | Unit per ltr of Diesel Oil | | 1.79 | 1.71 |
| | Cost / Unit | | 59.82 | 57.25 |
| | (ii) Through Steam Turbine Generator | | | |
| | Units | | | |
| | Diesel : | | | |
| | Quantity | Ltrs. | NIL | NIL |
| | Total Amount | Rs. | NIL | NIL |
| | Average rate | Rs. | NIL | NIL |

B TECHNOLOGY ABSORPTION

1. Research and Development (R & D):

(a) Specific area in which R & D carried out by the Company:

The Company employs indigenous technology and continuous efforts are made for improvement in technical process and energy saving. The Company also is continuously working towards product development and achieving higher turnover in such a way that the bottlenecks in the production process is taken care of.

(b) Benefits derived as a result of the above R & D:

By addition of the new product the company is trying to improve presence in domestic as well as overseas markets. The company will be also in a position to achieve higher production by reducing the impact of production mismatch with new product development.

(c) Future plan of action:

The Company will continue to work towards product development and cost cutting Measures to achieve higher efficiency.

(d) Expenditure on R & D

There is no specific/separate expenditure incurred for the R & D during the year under review. The efforts for R & D are part of every productive activity of the Company.

2. Technology Absorption, Adaption & Innovation

(a) Efforts made:

The Company has in house technical expertise and no foreign / imported technology is used. It is constant endeavour of the Company to absorb new product / process of manufacturing and continue to innovate new products keeping in mind changing demands of the customers. During the year under review Company focussed on developing a product mix which made best use of the available production capacity and reduced the impact of production bottlenecks.

(b) Benefits derived as a result of above efforts:

The Company is now confident of achieving higher production and would be in a position to achieve higher efficiency improving overall working of the Company.

(c) Foreign exchange earnings and outgo:

| | 2014-15 (Rs. in lacs) | 2013-14 (Rs. in lacs) |
|---------------------------|--------------------------|--------------------------|
| Foreign Exchange outgo | 2993.05 | 4034.06 |
| Foreign Exchange earnings | - | - |

Annexure B
RELATED PARTY TRANSACTION

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]

- (a) As per the Accounting Standard on 'Related Party Disclosure' (AS-18) related parties as on 31st March 2015 are as follows:

| Sr No | Name of Related Party | Relationship |
|-------|-------------------------|--------------------------------------|
| 1 | Mr. Roshan P. Sanghavi | Key Managerial Personnel |
| 2 | Mr. Deepak T. Mehta | Key Managerial Personnel |
| 3 | Mr. Satish A. Mehta | Key Managerial Personnel |
| 4 | Mr. Manish Sanghavi | Relative of Key Managerial Personnel |
| 5 | Mr. Anurag D Mehta | Relative of Key Managerial Personnel |
| 6 | Mr. Naman S Mehta | Relative of Key Managerial Personnel |
| 7 | Mrs. Meena R Sanghavi | Relative of Key Managerial Personnel |
| 8 | Mrs. Kantaben Sanghavi | Relative of Key Managerial Personnel |
| 9 | Mr. Komil R. Sanghavi | Relative of Key Managerial Personnel |
| 10 | Mrs. Urmila D Mehta | Relative of Key Managerial Personnel |
| 11 | Mr. Takharmaal N. Mehta | Relative of Key Managerial Personnel |

- (b) The nature and volume of transactions during the period with the above related parties were as per the table be

Amount in Rs.

| Particulars | Key Managerial Personnel | Relative Key Managerial Personnel |
|--------------------|--------------------------|-----------------------------------|
| Liabilities | | |
| Unsecured Loan | 10,182,308 | 15,670,007 |
| Loan and advances | | |
| Expenses | | |
| Remuneration | 2,992,203 | |
| Salary | | 530616 |

Annexure-'C'
Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March, 2015

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

To,
The Members,
TIRUPATI FOAM LTD
TIRUPATI HOUSE, 4TH FLOOR, NR. TOPAZ RESTAURANT,
UNIVERSITY ROAD, POLYTECHNIC CHAR RASTA, AMBAWADI,
AHMEDABAD, Gujarat-380015

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TIRUPATI FOAM LIMITED (CIN: L25199GJ1986PLC009071)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minutes books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the company during the audit period)
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the company during the audit period)
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the audit period)
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the company during the audit period)
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the company during the audit period)

Note: As per the information provided by the company;

1. The company have not sign listing agreement with BSE and all the compliances made by the company related to listing agreement is voluntary in nature.
2. Company is in the process of appointment of whole time Company Secretary.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Not notified during the financial year and hence not applicable to the company during audit period)
- (ii) The company has not entered into Listing Agreements with Bombay Stock Exchange and the listing of the company is voluntary in nature.

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

I further report that;

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

I further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that; during the audit period, there was no instance of;

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations.

Place: Ahmedabad
Date: 01.09.2015

for **Nahidakhtar Vhora & Co.**
Company Secretaries

Nahidakhtar A. Vhora
(Proprietor)
M.No. 35492
CP. No.: 13187

Form No. MG1-B
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31.03.2015

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
 Companies (Management and Administration) Rules, 2014

C. REGISTRATION AND OTHER DETAILS

| | | | |
|------|---|---|--|
| i. | CIN | : | L125199619086PLC004071 |
| ii. | Registration Date | : | 14/10/1986 |
| iii. | Name of the Company | : | TIRUPATI FOAM LTD |
| iv. | Category / Sub-Category of the company | : | Company limited by shares/ Non Government Company |
| v. | Address of Registered Office and contact details | : | TIRUPATI HOUSE, 4TH FLOOR, NR. TOPAZ RESTAURANT, UNIVERSITY ROAD, POLYTECHNIC CHARASTA, AMBAWADI, AHMEDABAD - 380015 |
| vi. | Whether listed company YES/ NO | : | YES |
| vii. | Name, Address and Contact Details of Registrar & Transfer Agent, if any | : | SHAREPRO SERVICES (INDIA) PRIVATE LIMITED 13A8, SAMHITA WAREHOUSING COMPLEX, 2 ND FLOOR, OFF ANDHERI KURLA ROAD, SAXINAKA, ANDHERI (E), MUMBAI - 400 072 |

16. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

| Sr. No. | Name and Description of main products / services | NIC Code of the products / services | % to total turnover of the company |
|---------|--|-------------------------------------|------------------------------------|
| 1 | Manufacture of bedding, quilts, pillows, cushions and sleeping bags (manufacture of cpe foam mattresses and pillows) | 17214 | 100% |

17. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and Address of the company | CIN/GLN | Holding / Subsidiary / Associate | % of Shares Held | Applicable Section |
|---------|---------------------------------|---------|----------------------------------|------------------|--------------------|
| - | - | - | - | - | - |

18. SHARE HOLDING PATTERN (Equity Share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year (AS on April 1, 2014) | | | | No. of Shares held at the end of the year (AS on March 31, 2015) | | | | % Change during the year |
|--------------------------|---|------------|----------------|-------------------|--|------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % OF Total Shares | Demat | Physical | Total | % OF Total Shares | |
| A. Promoters | | | | | | | | | |
| 1) Indian | | | | | | | | | |
| a. Individual / HUF | 2913686 | 400 | 2914086 | 66.12 | 2913686 | 400 | 2914086 | 66.12 | |
| b. Central Govt. | - | - | - | - | - | - | - | - | |
| c. State Govt./s) | - | - | - | - | - | - | - | - | |
| d. Bodies Corporate | - | - | - | - | - | - | - | - | |
| e. Bank/s) | - | - | - | - | - | - | - | - | |
| f. Any other | - | - | - | - | - | - | - | - | |
| Subtotal (A)(1): | 2913686 | 400 | 2914086 | 66.12 | 2913686 | 400 | 2914086 | 66.12 | |

| Category of Shareholders | No. of Shares held at the beginning of the year (AS on April 1, 2014) | | | | No. of Shares held at the beginning of the year (AS on March 31, 2015) | | | | % Change during the year |
|--|---|---------------|----------------|---------------|--|---------------|----------------|---------------|--------------------------|
| 2) Foreign | | | | | | | | | |
| a. NRI Individuals | - | - | - | - | - | - | - | - | - |
| b. Other Individuals | - | - | - | - | - | - | - | - | - |
| c. Bodies Corporate | - | - | - | - | - | - | - | - | - |
| d. Bank/IF | - | - | - | - | - | - | - | - | - |
| e. Any other | - | - | - | - | - | - | - | - | - |
| Subtotal (A)(2) | - | - | - | - | - | - | - | - | - |
| Total shareholding of Promoter (A) = (A)(1) + (A)(2) | 2913686 | 400 | 2914086 | 66.12 | 2913686 | 400 | 2914086 | 66.12 | - |
| B) Public Shareholding | | | | | | | | | |
| 1) Institutions | | | | | | | | | |
| a. Mutual Funds/UTI | - | - | - | - | - | - | - | - | - |
| b. Banks/FI | - | - | - | - | - | - | - | - | - |
| c. Central Govt. | - | - | - | - | - | - | - | - | - |
| d. State Govt.(s) | - | - | - | - | - | - | - | - | - |
| e. Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f. Insurance Companies | - | - | - | - | - | - | - | - | - |
| g. PIs | - | - | - | - | - | - | - | - | - |
| h. Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i. Others (specify) | - | - | - | - | - | - | - | - | - |
| Subtotal (B)(1) | - | - | - | - | - | - | - | - | - |
| 2) Non-Institutions | | | | | | | | | |
| a. Bodies Corporate | 53563 | - | 53563 | 1.22 | 53563 | - | 53563 | 1.22 | - |
| i. Indian | - | - | - | - | - | - | - | - | - |
| ii. Overseas | - | - | - | - | - | - | - | - | - |
| b. Individuals | - | - | - | - | - | - | - | - | - |
| i. Individual shareholder holding nominal share capital upto 1 Lakh | 201897 | 212600 | 414437 | 9.40 | 201897 | 212600 | 414437 | 9.40 | - |
| ii. Individual shareholder holding nominal share capital in excess of 1 Lakh | 970917 | 45000 | 1015917 | 23.05 | 970817 | 45000 | 1015917 | 23.05 | - |
| iii. Others (specify) | - | - | - | - | - | - | - | - | - |
| 1. Non Resident Repatriates | 6126 | - | 6126 | 0.14 | 6126 | - | 6126 | 0.14 | - |
| 2. Non Resident Non Repatriates | 2871 | - | 2871 | 0.07 | 2871 | - | 2871 | 0.07 | - |
| Subtotal (B)(2) | 1235314 | 257600 | 1492914 | 33.88 | 1235314 | 257600 | 1492914 | 33.88 | - |
| Total Public shareholding (B) = (B)(1) + (B)(2) | 1235314 | 257600 | 1492914 | 33.88 | 1235314 | 257600 | 1492914 | 33.88 | - |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 4149000 | 258000 | 4407000 | 100.00 | 4149000 | 258000 | 4407000 | 100.00 | - |

