

26th

Annual Report

2012-2013

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

BOARD OF DIRECTORS	: Mr. Venibhai B Purohit Mr. Manharlal A Mehta Mr. Roshan P Sanghavi Mr. Satish A Mehta Mr. Deepak T Mehta Mr. Mukesh B Shah Mr. Mukesh B Kothari
AUDITORS	: Mayank Shah & Associates Chartered Accountants, 706, Mahakant, Opp. V.S. Hospital, Ellisbridge, Ahmedabad – 380 006
COMPANY SECRETARY (Consulting)	: Mr. D.A Rupawala
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 26th Annual General Meeting of the Members of Tirupati Foam Limited, will be held on Monday, 30th September, 2013 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 Balance Sheet as at 31st March 2013 and Profit and Loss Account for the year ended on that date together with the Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Mr. Mukesh Shah, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Mukesh Kothari, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors of the Company and fix their remuneration.

Date: 30.05.2013
Place: Ahmedabad

By order of the Board
For Tirupati Foam Ltd.,

Roshan P Sanghavi
Managing Director

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

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.

Corporate Members Intending To Send Their Authorised Representatives Are Requested To Send A Duly Certified Copy Of The Board Resolution Authorising Their Representatives To Attend And Vote At The Annual General Meeting.

2. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday 24th September, 2013 to Monday, 30th September, 2013 (both days inclusive).
3. Members are requested to notify promptly any change in their addresses to our Registrar and Transfer Agent viz. Sharepro Services (India) Private Limited, 416-420, 4th Floor, Devnandan Mall, Opp. Sanyas Ashram, Ellisbridge, Ahmedabad – 380 006.
4. Additional details in terms of Clause 49 of Listing Agreement in respect of Directors being re-appointed are given as under.
5. Shareholders intending to require information about Accounts to be explained in the meeting are requested to inform the company at least 7 days in advance of the Annual General Meeting.

The brief particulars in pursuance of clause 49 of the Listing Agreement of retiring director proposed for reappointment is as under:

Name of Director	Brief Particulars	Details of other Directorship	Details of membership of other company
Mr. Mukesh B. Kothari	Vast experience in business which helps to the company	Nil	Nil
He Holds 51,000 equity shares of the company			
Mr. Mukesh Shah	Experience in trading of stainless steel utensils, electrical goods and mechanical products. He is on the Board since public issue of the company. Company has been benefited through his advising suggestion	Nil	Nil
He holds 1,12,266 equity shares of the company			

DIRECTORS' REPORT

Dear Members,

The Board of Directors presents the 26th Annual Report and the Audited Statement of Accounts the Company for the year ended March 31, 2013.

FINANCIAL RESULTS

The working results of the Company for the year ended 31st March 2013 are as follows:

(Amount in Rs.)

	2012-2013	2011-2012
Total Income including other income	77,37,02,741	61,00,49,338
Profit before financial cost, depreciation and taxation	7,80,75,956	5,39,01,316
Less: Financial Cost	4,75,55,460	2,53,34,560
Less : Depreciation	2,24,01,290	1,18,03,393
Less: Provision of taxation		
Current Tax (Net)	22,51,500	15,73,100
Deferred Tax	4,86,576	36,07,839
Earlier year income tax	(2,00,013)	3,20,944
Profit after depreciation & taxation	55,81,143	1,12,55,480
Add : Opening Balance in P & L A/c	4,95,67,898	4,47,48,729
Available for Appropriation	5,51,49,041	5,60,04,209
Proposed Dividend	-	52,88,400
Distribution Tax	-	8,57,911
Transfer to general reserve	-	2,90,000
Surplus carried Forward	5,51,49,041	4,95,67,898

OPERATIONS

The Company was able to achieve Sales including other income of Rs.7737.02 Lacs as compared to Rs.6100.49 Lacs for the Previous Year. The Profit before Tax and Depreciation was Rs.305.20 Lacs for period under review as compared to Rs. 285.67 Lacs for the Previous Year.

The Net Profit after making the provision for Depreciation and Taxation stood at Rs.55.81 Lacs as against Rs. 112.55 Lacs for the previous year. The net profit is being lower due to overheads and interest burden of Noida Plant.

Your Directors are pleased to report that in spite of fierce competition the company was able to perform well 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.2,64,08,104/-.

DIVIDEND

To Conserve financial resources and seeing tough times ahead your Directors deemed proper to skip payment of dividend for current year.

FIXED DEPOSIT

The Company has not accepted any deposit under the provision of Section 58-A of the Companies Act, 1956 as applicable.

INSURANCE

The assets of the company are adequately insured against the loss of fire and other risks which considered necessary by the management.

DIRECTORS

At the ensuing Annual General Meeting, Mr. Mukesh Shah and Mr. Mukesh Kothari, Director of the Company retire by rotation and being eligible seek re-appointment.

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

- a) Conservation of energy & technology absorption information pursuant to Clause (e) subscription (i) of section 217 of the Companies Act, 1956 read with the Companies (disclosure of particulars in the Report of Board of Directors) Rules 1988 and forming part of this report as given in Annexure.

ENERGY CONSUMPTION

Total energy consumption and energy consumption per unit of production are as under:

		2012-2013	2011-2012	
1	Electricity			
	a) Purchased			
	Units	Kwh	669212	470495
	Total amount	Rs.	4602956	2809348
	Rate / Unit	Rs.	6.88	5.97
	b) Own Generation			
	(i) Through Diesel Generator			
	Units		25526	17947
	Unit per ltr of Diesel Oil		1.62	1.56
	Cost / Unit		48.50	28.75
	(ii) Through Steam Turbine Generator			
	Units			
	Diesel :			
	Quantity	Ltrs	NIL	NIL
	Total Amount	Rs.	NIL	NIL
	Average rate	Rs.	NIL	NIL

AUDIT COMMITTEE

The Audit Committee consisting of Independent Directors Mr. Venibhai Purohit, Mr. Manharlal A. Mehta and Mr. Mukesh B. Kothari, satisfying the requirements of section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchange.

TECHNOLOGY ABSORPTION AND ENERGY CONSERVATION

The Company does not deploy any foreign technology. The Management of the company is well conversant with technology.

As power and energy expenditure are not main cost constituent of company's overall product costing so at present company is not required to take conservation measures.

a) There is no Foreign exchange earnings. The Foreign exchange out go towards imports of raw material, capital goods and expenses are Rs.33.23 Lacs.

b) Particulars of employees

The information required to be submitted under section 217 (2A) of the Companies Act 1956 read with the Companies (particulars of employees) rules 1975 is not applicable as there is no employees drawing the stipulated remuneration.

AUDITORS & AUDITORS REPORT

M/s Mayank Shah & Associates, Chartered Accountants retires at the forthcoming Annual General Meeting and have confirmed their eligibility and willingness to accept the office if re-appointed.

The auditors have qualified their report for non compliance of Accounting Standard AS-15 regarding non provision of gratuity. The directors are taking adequate steps to ascertain gratuity and make provision from current year. The non provision of gratuity will not have material impact on profits of the company.

Notes forming part of the accounts are self explanatory and therefore, do not require any further comments.

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.

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.

MANAGEMENT DISCUSSION AND ANALYSIS

Management discussion and analysis on the business and operations of the company is attached herewith and forms part of this Annual Report.

COMPLIANCE CERTIFICATE

The compliance certificate from practicing company secretary obtained as prudent practice and amendments in The Companies Act, 1956 is forming part of Director's Report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956 your Directors confirm the following.

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed. There are no material departures from the applicable accounting standards.

2. such accounting policies and applied them consistently and made judgments and estimates, which are reasonable and prudent, so as to give true and fair view of the state of affairs of the company at the end of the financial year ended on 31st March, 2013 and of the profit of the company for that period.
3. proper and sufficient care has been taken 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; and
4. the statements of accounts for the year ended 31st March 2013 have been prepared on a going concern basis.

ACKNOWLEDGEMENT

Your Directors would like to appreciate the efforts of the company's employees for their continued co-operation and unstinted support extended to the Company. The support of all lenders including Commercial Banks, vendors and buyers has also been invaluable to the company's performance and your directors take these opportunities to appreciate it deeply. The Directors gratefully thank the Shareholders for the confidence reposed in the Company.

By order of the Board

Place: Ahmedabad

Date: 30.05.2013

Roshan P. Sanghavi

Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

DISCLAIMER

Readers are cautioned that this discussion and analysis contains forward looking statements that involve risks and uncertainties. The company undertakes no obligations to publicly update or revised any forward looking statements, whether as a result of new information, future events, or otherwise, Actual results, performance or achievements, risks and opportunities could differ materially from those expressed or implied in these forward looking statements.

OVERVIEW

Indian's economy was expected to grow at around 6% at time the union budget was presented earlier in the year. However it appears that growth rate will be lower. The corporate sector therefore has to brace for another tough year following low growth in 2012-13.

Industry Structure and Development

The financial year 2012-13 was a challenging one for most of the economies globally. Flexible Polyurethane Foam industry also remained under pressure and there was no significant growth.

The new manufacturing plant set up at Noida, Uttar Pradesh to later to north India was stabilized and fully operation during the year.

The company with capacity addition could increase its turnover upto Rs.1679.07 Lacs during the year. However interest outgo on term loans and working capital for creation of new facilities amount to Rs. 231.73 Lacs drag down net profits of the company.

Despite falling prices and intense competition from imported as well as low cost producers, your Company was able to sustain its performance due to introduction of new products and improvement in product efficiency. The brand "Sweet Dream" of the company was extensively advertised through various modes and dealership network and loyalty helped the company to achieve targets during the year under review.

Opportunities, Threats, Risks, Concern & Future Outlook

There is considerable scope for growth of ufoam industry because of increased usage of foam products in day-to-day life. However competition from importers and unorganized sector has been increasing day by day. Therefore the Indian industry will have to really strive hard to sustain against global competition as well as competition from unorganized markets. The steep competition has led to reduction in prices and increased expenses on promotional front. Therefore, the Company has to resort to an aggressive marketing campaign and thereby fetching higher volumes in the products positioned in lower and middle category segment at one hand and the higher realization from the products positioned in premium segment.

Segment Wise Performance

As such the Company deals only in one segment – Flexible polyurethane foams, hence there is no specific differential information pertaining to this section.

Financial Performance

The company's ability to maintain its cash flows and profits in this uncertain environment reflects hard work done by executive directors of the company and its leadership in domestic sales.

The Net sales of Ahmedabad Unit and Nodia unit for the year ended 31st March 2013 were Rs.6002.79 Lacs and Rs.1679.07 Lacs respectively. The Profit before Depreciation & Taxation was Rs.305.20 Lacs for the year under review as compared to Rs. 285.61 Lacs for the previous year. The Company Registered Net Profit after tax and exceptional item of Rs.55.81 Lacs for the year as compared to the Net Profit of Rs. 112.55 Lacs during the previous year.

Internal Control Systems and Their Adequacy

The Company has adequate 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.

Material Development in Human Resources and Industrial Relations Front

The Company routinely undertakes employee development activities keeping in mind the professional requirements of the employees as well as the growth of the Company.

The Industrial Relations were cordial throughout the year with no incidence of strike or lockouts.

CORPORATE GOVERNANCE

Company's Philosophy on Code of Corporate Governance

The company's philosophy on Corporate Governance is to attain the highest level of transparency, accountability and integrity. This objectives extends, not merely to meet with statutory requirements but also to go beyond them by putting into place procedures and systems which are in accordance with best practices for governance. The board of directors supports the board principles of Corporate Governance and lays strong emphasis on its trusteeship role to align and direct the actions of the organizations to achieve its avowed objectives of transparency, accountability and integrity.

BOARD OF DIRECTORS

The Company's board comprises of 8 Directors with a mix of executive/non-executive and promoter/independent directors. The composition of Board complies with the requirements of the corporate governance code with more than 50% of the Directors being non-executive Directors and more than 33% of the Directors being independent Directors.

7 Board meetings were held during the financial year 2012-13. The dates on which Board Meetings were held are as follows:

1. 30th April, 2012
2. 30th July, 2012
3. 7th September, 2012
4. 12th November, 2012
5. 31st December, 2012
6. 15th February, 2013
7. 30th March, 2013

The names and categories of the Directors of the board, their attendance at Board Meetings held during the year and the numbers of Directorship and Committee Chairperson / Membership held by them in other companies is given below. Other Directorship do not include alternate directorship.

directorship of private limited companies and of the companies incorporated outside India. Chairmanship / Membership of Board Committee include only audit and shareholders / investors grievance committee.

A. The constitution of the Board as on 31.03.2013

Name of the Director	Category	No. of other Directorship held in public companies in India.	No. of other Board committees of which Member / Chairman	Board meeting attended	Attendance at the last AGM
Mr. Venibhai B. Purohit	Chairman & Independent Director	0	0	7	Yes
Mr. Manharlal A Mehta	Vice Chairman & Independent Director	0	0	7	Yes
Mr Roshan P Sanghavi	Managing & Executive Director	0	0	6	Yes
Mr. Deepak T. Mehta	Executive Director	0	0	7	Yes
Mr. Satish A. Mehta	Executive Director	0	0	5	Yes
Mr. Mukesh B. Shah	Director & Independent	0	0	4	Yes
Mr. Mukesh B. Kothari	Director & Independent	0	0	4	Yes

NOTES:

1. This number excludes the directorships/committee memberships held in private companies and also of the Company.
2. As required by the Companies Act, 1956 and Clause 49 of Listing Agreement, none of the directors hold directorship in more than 15 public companies, membership of board committees (audit / remuneration / investors grievance committees) in excess of 10 and chairmanship of board committees as aforesaid in excess of 5.

None of the Non-executive Directors has any pecuniary relationship. Non-executive Directors have no transaction with the company. The details of sitting fees, commission and remuneration paid to each director appear later under the disclosure relating to Remuneration to Directors.

The Directors seeking Reappointment in the forthcoming annual General Meeting are Mr. Mukesh Shah and Mr. Mukesh Kothari.

Details of Directors being re-appointed

As per the statute, two-third of the Directors should be retiring Directors, One-third of these retiring Directors are required to retire every year and if eligible, these Directors qualified for re-appointment.

Accordingly Mr. Mukesh Shah and Mr. Mukesh Kothari retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

A brief resume of Directors appointed/eligible for re-appointment are as follows:

Mr. Mukesh Kothari, aged about 46 years has vast experience in business which helps to the company. He is not on board of any other public company as Director.

Mr. Mukesh B. Shah aged about 54, is having 32 years experience in trading of stainless steel utensils, electrical goods and mechanical products. He is on the Board since public issue of the company. Company has been benefited through his advising suggestion.

Remuneration to Directors

Name of Director	Sitting Fees	Salary & Perks	Total Rs.
Mr. Roshan P. Sanghvi	---	8,83,077	8,83,077
Mr. Deepak T. Mehta	---	8,83,077	8,83,077
Mr. Satish A. Mehta	---	8,83,077	8,83,077

Information Placed before the Board Of Directors

All major decisions regarding resource mobilization, capital expenditure, etc. are considered by the Board, in addition to day-to-day matters, which are statutorily required to be placed before the Board of Directors for its approval. Following information is regularly put up before the Board for its consideration and approval:

- Review of operational results
- Quarterly financial results
- Minutes of the meeting of Audit Committee, Remuneration Committee as well as Shareholder's/Investors' Grievance Committee of the Board.
- Compliance with various statutory requirements.

The Board is informed of all material, financial and commercial decision from time to time.

Audit Committee

The Audit Committee was constituted in Board Meeting. The committee comprises of Mr. Venubhai B. Purohit, as the Chairman of the Committee and Mr. Manharlal A. Mehta, Mr. Mukesh B. Kothari, as Members.

The above composition meets all the requirements of Clause 49 of Listing Agreement and Section 292A of the Companies Act, 1956. The Manager (Operation) acts as the Secretary of the Audit Committee.

The terms of reference of Audit Committee are wide enough covering the matters specified for Audit Committee under the Listing Agreement. The Auditors of the Company and Senior personnel are invited to attend the meetings of the Audit Committee.

Meeting and the attendance during the year:

There were 4 meetings of the Audit Committee held during the period 2012-13. The attendance of each members of the Committee is given below.

Name of the Director	Category	No. Of Meeting attend
Mr. Venibhai B. Purohit	Chairman & Independent Director	5
Mr. Manharlal A. Mehta	Vice- Chairman & Independent Director	5
Mr. Mukesh B. Kothari	Director & Independent Director	5

The Audit Committee was held on 02.09.2013 to consider and recommend to the Board the Audited Financial Results for the period ended 31st March 2013.

Investors' Grievance Committee

The Shareholders Grievance Committee as a sub-committee of the Board has been constituted by the Board of Directors to focus on servicing of shareholder requirements. The committee comprises of Mr. Venibhai B. Purohit as the Chairman of the Committee and Mr. Manharlal A. Mehta and Mr. Mukesh B Kothari as Members.

There were 4 meetings of the Grievance Committee held during the period 2012-13. The attendance of each member of the Committee is given below.

Name of the Director	Category	No. of Meeting attend
Mr. Venibhai B. Purohit	Chairman & independent Director	4
Mr. Manharlal A. Mehta	Vice chairman & Independent Director	4
Mr. Mukesh B. Kothari	Director & Independent Director	4

Mr. Deepak T Mehta, Executive Director provides secretarial support to the Committee and is also the designated Compliance Officer for such matters.

The equity shares of the Company are compulsorily traded in electronic form on the stock exchanges and hence the handling of physical transfer of shares is minimal.

There were no pending transfers of equity shares as at 31st March 2013.

Remuneration Committee

The Remuneration Committee as a sub-committee of the Board was constituted by the Board of Directors to determine and recommend to Board, the company's policies on remuneration packages for executive and non-executive directors. The committee comprises of Mr. Venibhai B. Purohit Joshi as the Chairman of the Committee and Mr. Manharlal A. Mehta and Mr. Mukesh B. Kothari as Members.

During the year, the remuneration committee met once in which all the three members were present.

The company pays remuneration to its Managing Director by way of Salary, Perquisites and allowances, as approved by the members in the General Meeting. The details of remuneration paid to directors are provided elsewhere in this report under the head Remuneration to Directors.

The remuneration committee has approved remuneration paid to Mr. Roshan Sanghvi and Mr. Satish Mehta during the year.

Subsidiary Companies

The company does not have any subsidiary.

Risk Management

The company manages risks as an integral part of its decision making process and has a structured framework for risk assessment and minimization procedures.

Investors' Grievances

At each meeting of the Investors' Grievances Committee, all matters pertaining to investors including their grievances and redressal are reported.

General Body Meetings

The last three Annual General Meetings of the company were held as under:

AGM	Date	Time	Venue	No. of special Resolution passed
23rd AGM	30/09/2010	3.30 p.m.	Tirupati House, 4th Floor, Nr. Topaz Restaurant, University Road, Polytechnic Char Rasta, Ambawadi, Ahmedabad – 15	—
24th AGM	30/09/2011	3.30 p.m.	Tirupati House, 4th Floor, Nr. Topaz Restaurant, University Road, Polytechnic Char Rasta, Ambawadi, Ahmedabad – 15	—
25th AGM	29/09/2012	3.00 p.m.	Tirupati House, 4th Floor, Nr. Topaz Restaurant, University Road, Polytechnic Char Rasta, Ambawadi, Ahmedabad – 15	—

Resolutions at above Annual General Meetings were passed by show of hands and by Poll. None of resolutions placed before the previous AGM required a postal ballot under section 192A of the Companies Act, 1956. Similarly no special resolution requiring a postal ballot is being proposed at the ensuing AGM.

Disclosures

- There were no materially significant related party transaction i.e. transactions of the company of material nature with its promoters the directors of the management their subsidiaries or relatives etc. that may have potential conflict with the interests of the

company at large. The related party transactions are duly disclosed in the Notes on Accounts to the Balance Sheet

- b. There were no cases of non-compliances by the company and no penalties, strictures were imposed on the company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last year
- c. No treatment different from the Accounting Standards, prescribed by the Institute of Chartered Accountants of India, has been followed in the preparation of Financial Statements except non compliance of AS-15 regarding provision of gratuity.
- d. The company has complied with the mandatory requirements of Clause 49 of the Listing Agreement
- e. The company at present has adopted the non-mandatory requirements in regard to constitution of Remuneration Committee.

Management Discussion & Analysis

Management Discussion & Analysis Report forms part of the Annual Report and include discussions on various matters specified under Clause 49 (IV)(F) of the Listing Agreement.

Means of Communication

- The Company's website www.tirupatifoam.com provides information about the Company. The Annual Report of the Company is also available on the website in downloadable format.
- Quarterly, Half-yearly and Annual Financial Results are regularly submitted to the Stock Exchanges, published in prominent English and Gujarati daily news-papers and are displayed on the Company's Website.
- The quarterly Shareholding Pattern and Quarterly Corporate Governance Report are also displayed on the Company's Website.
- Official news releases on significant developments about the Company are also displayed on the Company's website.
- All disclosures to BSE and NSE are filed electronically through Corporate Filing and Dissemination System (CFDS). Investors can view these information by visiting the website www.corpfiling.co.in. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Financial Results, etc. are also filed electronically on NSE Electronic Application Processing System (NEAPS) and on BSE Listing Centre

COMPLIANCE

Mandatory Requirement

The Company is fully compliant with the applicable mandatory requirements of Clause 49 of the Listing Agreement.

Adoption of Non-mandatory requirement

- No specific tenure has been specified for the Independent Directors. However, none of the Independent Directors has a tenure exceeding in aggregate, a period of 9 years on the Board of the Company;

- All the Independent Directors on the Board have requisite qualifications and experience and they contribute effectively to the Company in the capacity as Independent Directors.
- The Financial Statements of the Company are free from any qualification by the Auditors.

Reconciliation of share capital audit

Pursuant to Clause 47(C) of the Listing Agreement with Stock Exchanges, certificate on half yearly basis has been filed with the Stock Exchanges for due compliance of share transfer formalities by the company obtain from qualified company secretary.

A qualified practicing chartered accountant carried out quarterly secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and the total issued and listed capital. The audits confirmed the total issued / paid-up capital is in agreement with the aggregate of total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Means of Communication with shareholders:

- (i) *Quarterly Results* : *Quarterly and half yearly results were taken on record by the Board of Directors and submitted to the Stock Exchanges in terms of the requirements of clause 41 of the Listing Agreement. The results were also published in two newspapers, Western Times (Both edition Gujarati & English)*
- (ii) *Website* : *www.tirupatifoam.com*
- (iii) *Compliance Officer* : *Mr. Deepak T Mehta
Add: Tirupati House, 4th Floor, Nr. Topaz Restaurant,
University Road, Polytechnic Char Rasta,
Ambawadi, Ahmedabad – 380 015*
- E-mail: tirufoam@tirupatifoam.com
Tel. No: 079 – 26304652*

Means of Communication

During the year, quarterly, half-yearly and annual financial results of the Company were submitted to the stock exchanges immediately after the conclusion of the Board Meetings and were also published within 48 hours in Western Times (Both edition Gujarati & English).

Shareholders' Information

Registered Office: Tirupati House, 4th Floor, Nr. Topaz Restaurant,
University Road, Polytechnic Char Rasta,
Ambawadi, Ahmedabad – 380 015
Phone: 079-26304652 – 55

Unit I: Plot No 4, Block No. 65, Khatrej, Kalol, Gandhinagar, Gujarat.

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

Month	No. of Shares	Highest	Lowest
April 2012	151	41.00	39.00
May 2012	104	42.90	40.00
June 2012	-	-	-
July 2012	124	38.10	38.10
August 2012	85	39.90	36.25
September 2012	10	40.95	40.90
October 2012	910	39.00	36.20
November 2012	-	-	-
December 2012	100	37.00	36.50
January 2013	279	36.00	34.00
February 2013	2,600	33.00	31.00

Shares held in physical and dematerialized form

The Company's shares are compulsorily traded in dematerialized mode. As on 31st March, 2013, 93.94% share were held in dematerialized form and balance 6.06 % shares were held in physical form. Those shareholders whose shares are held in physical form are requested to dematerialize the same at the earliest in their own interest. The demat security code (ISIN) for the equity shares is INE7115G01015 (For both NSDL & CDSL)

Distribution of Shareholding as on 31st March 2013

No. of Shares Held	No. of Share Holder	% of Share Holders	No. of Shares	% of Share Holding
1 – 500	778	78.74	1,52,487	03.46
501 – 1000	74	07.49	68,694	01.55
1001 – 2001	33	03.34	51,857	01.17
2001 – 3000	22	02.23	54,132	01.23
3001 – 4000	3	00.30	10,935	00.25
4001 – 5000	6	00.61	28,690	00.65
5001 – 10000	12	01.21	79,602	01.81
10001 – 20000	10	01.01	1,62,775	03.69
20001 and Above	50	05.07	37,97,828	86.18
Total	988	100.00	44,07,000	100.00

Share Holding Pattern as on 31st March, 2013

Category	No. of Shares held	% of Share Holding
Promoter & Prompter Group	26,41,041	59.92
Bodies Corporate	52,593	01.19
Individuals	17,05,043	38.69
NRIs	8,323	00.20
Total	44,07,000	100.00

Outstanding GDRS/ADRS/Warrants/Any other Convertible Instruments

Nil

Nomination Facility

It is in the interest of the Shareholders to appoint nominee for their investments in the Company. Those members who are holding shares in physical mode and has not appointed nominee or want to change the nomination, are requested to send us nomination form duly filled in and signed by all the joint holders.

Appointment of Registrar & Transfer Agent

In terms of SEBI circular D&CC/FITTC/CIR-15/2002 dated December 27, 2002, the Company has appointed M/s. Sharepro Services (India) Private Limited of Ahmedabad (details as mentioned below) as our Share Transfer Agent (R&T Agent) for physical as well as dematerialized shares.

Changes in Shareholders Details

In case you are holding your shares in dematerialized form (e.g. in electronic mode), communication regarding change in address, bank account details, change in nomination, dematerialization of your share certificates or other inquiries should be addressed to your DP where you have opened your Demat Account, quoting your client ID number. In case of physical holding of shares, any communication for change of any details should be address to our R&T agent of the company M/s. Sharepro Services (India) Private Limited., as per address mentioned below.

Investors Communication

Share Transfers/Dematerialization or other queries relating to Shares of the Company should be addressed to:

M/s. Sharepro Services (India) Private Limited
Unit: Tirupati Foam Ltd.,
416-420, 4th Floor, Devnandan Mall,
Opp. Sanyas Ashram, Ellisbridge, Ahmedabad – 380 006
e-mail : sharepro@shareproservices.com

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
TIRUPATI FOAM LIMITED

We have examined the compliance of conditions of corporate governance by Tirupati Foam Limited (the Company) for the year ended 31st March 2013 as stipulated in Clause 49 of the listing agreement of the Company with Stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned listing agreements.

We state that no investor grievances were pending for a period exceeding one month against the Company as per records maintained by the Shareholders/Investors Grievance Committee.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mayank Shah & Associates
Chartered Accountants
(FIRM REGN NO.106109W)

Place: Ahmedabad
Date: 30.05.2013

(M.S. Shah)
Partner
Mem. No. 44093

INDEPENDENT AUDITOR'S REPORT

To the Members of
TIRUPATI FOAM LIMITED.

Report on the Financial Statements

We have audited the accompanying financial statements of Tirupati Foam Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements, subject to Note No. 29 (regarding Non Provision

of future Liability of Gratuity) give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by these report comply with the Accounting Standards referred to in subsection(3C) of section 211 of the Act;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Mayank Shah & Associates

(FIRM REGN NO.106109W)

Chartered Accountants

Place: Ahmedabad

Date: 30-05-2013

(M.S. Shah)

Partner

Mem. No. 44093

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" section of our report of even date)

1. In respect of the Company's fixed assets :
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, no fixed asset has been disposed during the year and therefore, in our opinion, not affected the going concern status of the Company.

2. In respect of the Company's inventories :
 - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories and no material discrepancy were noticed on physical verification.

3. In respect of the loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered under Section 301 of the Companies Act, 1956 :
 - (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), and iii(c) of paragraph 4 of the Order are not applicable to the Company.
 - (b) According to the information and explanations given to us, the company had taken unsecured loan from 23 (Twenty Three) parties listed in the register under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 794.84 Lacs and year-end balance was Rs.592.54 Lacs.
 - (c) In our opinion, the rate of interest and other terms and conditions on which loan have been taken from the parties covered in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie prejudicial to the interest of the Company.
 - (d) The Company is regular in repaying the principal amount as stipulated and has been regular in the payment of interest.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, we have not observed any major weakness in such internal control system.
5. In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Act, to the best of our knowledge and belief and according to the information and explanations given to us, there were no contracts or arrangements [excluding items reported under paragraph 3 above] that needed to be entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956.
6. According to the information and explanation given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Act and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
9. According to the information and explanations given to us. in respect of statutory dues:
 - (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues, except Investor Education and Protection Fund, have generally been regularly deposited with the appropriate authorities. As explained to us, undisputed statutory dues in respect of Investor Education and Protection Fund payable were in arrears as at 31st March, 2013 for a period of more than six months from the date they become payable which are as follows :

Name of the Statute	Period of which the amount relates	Amount	Due date of Payment
Investor Education and Protection Fund	F.Y. 2004-05	21,819	03/11/2012

- (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2013 for a period of more than six months from the date they became payable.
10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. As the provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company, the provisions of Clause (xiii) of paragraph 4 of the Order is not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not dealing in shares, securities and debentures. Therefore, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution. Therefore, the provisions of clause 4(xv) of the Order are not applicable to the Company.
16. In our opinion and according to the information and explanations given to us, the term loan has been applied by the Company during the year for the purpose for which it has been obtained.
17. In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have prima facie not been used during the year for long-term investment.
18. According to the information and explanations given to us, during the year covered by our audit, the Company has not made preferential allotment of equity shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. According to the information and explanations given to us, during the year covered by our report, the Company has not issued any secured debentures.
20. During the year covered by our report, the Company has not raised any money by way of public issue.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For Mayank Shah & Associates

(FIRM REGN NO.106109W)

Chartered Accountants

Place: Ahmedabad

Date: 30-05-2013

(M.S. Shah)

Partner

Mem. No. 44093

TIRUPATI FOAM LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2013

PARTICULARS	NOTES	31/3/2013 AMOUNT RS.	31/3/2012 AMOUNT RS.
EQUITY AND LIABILITIES			
1 Shareholder's funds			
Share Capital	3	44,392,500	44,392,500
Reserves & Surplus	4	128,877,163	123,296,020
2 Non-current liabilities			
Long term Borrowings	5	220,282,230	209,875,045
Deferred Tax Liabilities (Net)	6	7,761,340	7,274,764
Other Non Current Liabilities	7	1,275,785	1,004,000
3 Current liabilities			
Short-term Borrowings	8	177,961,380	115,830,783
Trade Payables	9	98,944,100	49,180,068
Other Current Liabilities	10	38,081,719	36,673,848
Short-term Provisions	11	51,636	6,196,256
TOTAL		717,627,853	593,723,284
ASSETS			
1 Non-current Assets			
Fixed Assets			
Tangible Assets	12	271,169,223	267,162,409
Non-current Investments	13	2,500	2,500
Long-term Loans and Advances	14	1,231,013	1,204,331
Other Non Current Assets	15	1,354,027	1,830,500
2 Current Assets			
Inventories	16	145,185,811	98,660,001
Trade Receivables	17	267,812,277	199,784,970
Cash and Bank Balances	18	5,021,453	1,905,929
Short-term Loans and Advances	19	25,851,548	23,172,644
TOTAL		717,627,853	593,723,284

Summary of Significant Accounting Policies 2
The notes are an integral part of the financial statements

As per our report of even date attached.

FOR MAYANK SHAH & ASSOCIATES

FOR AND ON BEHALF OF THE BOARD

CHARTERED ACCOUNTANTS

(FIRM REGN. NO:-106109W)

(M.S.SHAH)
PARTNER
M.NO. 44093

(ROSHAN P.SANGHAVI)
MANAGING DIRECTOR

(DEEPAK T. MEHTA)
EXECUTIVE DIRECTOR

(SATISH A. MEHTA)
EXECUTIVE DIRECTOR

Place: **Ahmedabad**
Date : **30/05/2013**

Place: **Ahmedabad**
Date : **30/05/2013**

TIRUPATI FOAM LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31-03-2013

PARTICULARS	NOTES	31/3/2013 AMOUNT RS.	31/3/2012 AMOUNT RS.
INCOME			
Revenue from Operations	20	768,186,837	605,595,238
Other Income	21	5,515,904	4,454,100
Total Revenue		773,702,741	610,049,338
EXPENDITURE			
Cost of Materials Consumed	22	657,279,983	518,345,586
Purchase of Stock in Trade	23	-	5,220,703
Change in Inventories of Finished Goods, Work In Progress and Stock in Trade	24	(17,289,319)	(14,238,291)
Employee Benefit Expenses	25	6,319,369	4,730,566
Finance Costs	26	47,555,460	25,340,560
Depreciation and Amortisation Expense		22,401,290	11,803,393
Other Expenses	27	49,316,752	42,089,458
Total Expenses		765,583,535	593,291,975
Profit Before Tax		8,119,206	16,757,363
Tax Expenses			
Current Tax		1,566,815	3,355,700
MAT Credit Availed /(Entitlement)		684,685	(1,782,600)
Deferred Tax		486,576	3,607,839
Tax in respect of Earlier Years		(200,013)	320,944
		2,538,063	5,501,883
Profit for the year		5,581,143	11,255,480
Basic as well as Diluted Earning per Equity Share of face value of Rs. 10 each(in Rs.)		1.27	2.55

Summary of Significant Accounting Policies 2
The notes are an integral part of the financial statements

As per our report of even date attached.

FOR MAYANK SHAH & ASSOCIATES

FOR AND ON BEHALF OF THE BOARD

CHARTERED ACCOUNTANTS

(FIRM REGN. NO:-106109W)

(M.S.SHAH)
PARTNER
M.NO. 44093

(ROSHAN P.SANGHAVI)
MANAGING DIRECTOR

(DEEPAK T. MEHTA)
EXECUTIVE DIRECTOR

(SATISH A. MEHTA)
EXECUTIVE DIRECTOR

Place: **Ahmedabad**
Date : **30/05/2013**

Place: **Ahmedabad**
Date : **30/05/2013**

TIRUPATI FOAM LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st March 2013

PARTICULARS	31/3/2013 AMOUNT RS.	31/3/2012 AMOUNT RS.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (loss) before Tax and Extra ordinary items	8,119,206	16,757,363
Adjustment for		
Add :Depreciation and amortisation expense	22,401,290	11,803,393
Interest	47,555,460	25,340,560
Miscellaneous Expenditure w/o	-	946
Less :Interest/Rent received	4,836,781	4,454,100
Operating profit before Working Capital Changes	73,239,175	49,448,162
Adjustment for :		
(Increase) / Decrease in Trade Receivables	(68,027,307)	(12,165,770)
(Increase) / Decrease in Inventories	(46,525,810)	(36,030,340)
(Increase) / Decrease in Loans & Advances, other current assets	(5,280,600)	(11,772,282)
Less:Increase/(Decrease) in Trade Payables and other payables	51,310,364	40,384,788
Cash generated from Operations	4,715,821	29,864,558
Direct Taxes Paid	(1,000,000)	4,079,613
Net Cash from Operating Activities (A)	5,715,821	25,784,945
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(26,408,104)	(137,247,771)
Decrease/(Increase) in Capital Work in Progress	-	19,656,420
Interest/Dividend/Rent received	4,836,781	4,454,100
Net Cash used in Investing Activities (B)	(21,571,323)	(113,137,251)
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Long Term Borrowings	10,407,185	84,598,420
Increase / (Decrease) in Short Term Borrowings	62,130,597	35,282,282
Interest Paid	(47,555,460)	(25,340,560)
Dividend Paid	(6,011,296)	(9,263,156)
Net Cash received from Financing Activities (C)	18,971,026	85,276,986
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	3,115,524	(2,075,320)
CASH & CASH EQUIVALENTS- OPENING BALANCE	1,905,929	3,981,249
CASH & CASH EQUIVALENTS- CLOSING BALANCE	5,021,453	1,905,929

Note : The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard AS - 3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.

As per our report of even date attached.

FOR MAYANK SHAH & ASSOCIATES

For and on behalf of the Board

CHARTERED ACCOUNTANTS

(FIRM REGN. NO:-106109W)

(M.S.SHAH)

PARTNER

M.NO. 44093

(ROSHAN P.SANGHAVI)

MANAGING DIRECTOR

(DEEPAK T. MEHTA)

EXECUTIVE DIRECTOR

(SATISH A. MEHTA)

EXECUTIVE DIRECTOR

Place: Ahmedabad

Date : 30/05/2013

Place: Ahmedabad

Date : 30/05/2013

TIRUPATI FOAM LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

1. GENERAL INFORMATION

The Company was incorporated as a Tirupati Foam Private Limited on 14th October, 1986, at Ahmedabad in the state of Gujarat. It was converted into Public Limited Company on 12th December 1995 and changed the name to Tirupati Foam Limited. The company's shares are listed at Ahmedabad Stock Exchange, Vadodara Stock Exchanges and Bombay Stock Exchange (Indonext).

2. SIGNIFICANT ACCOUNTING POLICIES

(A) Accounting Conventions

(i) Basis Of Accounting

The financial statements of the Company are prepared under the historical cost convention on accrual basis of accounting in all material respects in accordance with the notified Accounting Standards by Companies (Accounting Standards) Rules 2006 (as amended) and the relevant Provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the Company during the year.

The presentation of the accounts is based on the revised Schedule VI of the Companies Act, 1956. All assets and liabilities are classified in to current and non-current generally based on criteria of realization / settlement within twelve months period from the balance sheet date.

(ii) Use Of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

(B) Fixed Assets

Tangible Assets

Tangible Fixed Assets are stated at cost of acquisition / construction (Less: accumulated Depreciation, impairment loss, CENVAT Credit and Value Added Tax). Cost of acquisition includes non refundable taxes, duties, freight and other costs that are directly attributable to bringing assets to their working condition for its intended use. All costs, including financing costs till commencement of commercial production and adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

(C) Depreciation

Tangible Assets

Depreciation on Tangible Fixed Assets is provided by Straight Line Method on Pro-rata basis at rates and in manner specified in Schedule XIV of the Companies Act, 1956.

TIRUPATI FOAM LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

(D) Capital Work-In-Progress

Projects under commissioning and other Capital Work-in-Progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

(E) Impairment

At each balance sheet date, the management reviews the carrying amounts of each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Cash flows used to determine the value in use are derived from the annual budgets and strategic plans of the cash generating units. For certain cash generating units, variable growth has been considered even beyond five years, given the maturity of the business and scope for geographical expansion.

Reversal of impairment loss is recognized as income in the statement of profit and loss.

(F) Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

(G) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. Current Investments are valued at cost or Net Realizable Value, whichever is lower. All other investments are classified as long term investments. Long term investments are stated at cost of acquisition. Provision for diminution in value of long term investments is made, only if such decline is other than temporary.

(H). Inventories

Inventories of Raw materials, Packing Materials, Consumables, Stores & Spares and Finished goods (including for Trade) are stated at cost or net realizable value whichever is lower. Cost is computed on FIFO basis, in case of Raw Materials, Packing Materials, Consumables and Stores & Spares. Finished goods (including the consignment stock) include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is computed by Standard Cost Method in case of finished goods.

(I) Revenue Recognition

The company recognizes sale of goods when the significant risks and rewards of ownership are transferred to the buyer, which is usually when the goods are dispatched to customers.

Rent income is recognized on Accrual basis.

(J) Foreign Currency Transactions :

- (i) All Transactions in foreign currency are recorded at the rates of exchange prevailing as at the date of the transaction.
- (ii) Monetary assets and liabilities in foreign currency, outstanding at the close of the year, are converted in Indian currency at the appropriate rates of exchange prevailing at the close of the year. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.
- (iii) In respect of forward exchange contracts entered into towards hedge of foreign currency risks, the difference between the forward rate and the exchange rate at the inception of the contract is recognized as income or expenditure over the life of the contract. Further, the exchange difference arising on such contracts are recognized as income or expenditure along with the exchange differences on the underlying assets/liabilities except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of fixed assets. Profit or Loss on cancellations/renewals of forward contracts is accounted for during the year.
- (iv) Premium or discount on forward contract, that are not intended for trading or speculation purposes, are amortized over the life of contract and it is recognized as an expense or income.

(K) Employee Benefits

a. Short Term Employees Benefit

Short Term Benefits are recognized as expenditure at the undiscounted value in the Statement of Profit & Loss of the year in which the related services are rendered.

b. Post Employment Benefit

(i) Defined Contribution Plans:--

Monthly contributions to the Provident Fund which are defined contribution schemes are charged to the Statement of Profit & Loss and deposited with the Provident Fund Authorities on monthly basis.

(ii) Defined Benefit Plans:--

Gratuity to Employees are recognized in the Statement of Profit and Loss as when paid to Employees.

c. Termination Benefits

Termination Benefits are charged to the Statement of Profit & Loss Account in the year of accrual.

(L) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when

TIRUPATI FOAM LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(M) Taxes On Income

Tax expense for a year comprises of current tax and deferred tax.

Current tax are measured at the amount expected to be paid to the tax authorities, after taking into consideration, the applicable deductions and exemptions admissible under the provisions of the Income tax Act, 1961.

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing difference of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. *Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.* If there is unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961.

(N) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(O) Cash And Cash Equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(P) Operating Cycle

Based on the nature of product and the time between the acquisition of assets for processing and the realization in Cash and Cash equivalent, the company has ascertained its operating cycle to be less than twelve months.

TIRUPATI FOAM LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

Particulars	As At 31-03-2013 In Rupees	As At 31-03-2012 In Rupees
3 SHARE CAPITAL		
Authorized:		
46,00,000 Equity Shares of Rs.10/-each	4,60,00,000	4,60,00,000
TOTAL RS.	4,60,00,000	4,60,00,000
Issued, Subscribed & Fully Paid-up:		
44,07,000 Equity Shares of Rs. 10/- each	4,40,70,000	4,40,70,000
Add: Share Forefeiture Account	3,22,500	3,22,500
TOTAL RS.	4,43,92,500	4,43,92,500

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	As At 31-03-2013		As At 31-03-2012	
	No. of Shares	Amount Rs.	No. of Shares	Amount Rs.
Equity Shares				
At the beginning of the period	44,07,000	4,40,70,000	44,07,000	4,40,70,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	44,07,000	4,40,70,000	44,07,000	4,40,70,000

3.2 Terms / rights attached to Shares

Equity Shares

The company has one class of Equity shares having a par value of Rs. 10 per share. Each share holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

3.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of Shareholders	As At 31-03-2013		As At 31-03-2012	
	Nos.	% Holding in the class	Nos.	% Holding in the class
Equity Shares				
Dhirajben Babulal Kothari	2,20,900	5.01	2,20,900	5.01%

3.4 There were no instances of shares issued, on which there were any calls remaining unpaid or instance of any forfeitures during the year ended March 31, 2013 and 2012.

TIRUPATI FOAM LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

Particulars	As At 31-03-2013 In Rupees	As At 31-03-2012 in Rupees
4 RESERVES & SURPLUS		
a) Capital Reserve		
Balance as at the beginning and at the end of the year	6,82,000	6,82,000
b) Securities Premium Account		
Balance as at the beginning and at the end of the year	2,56,10,000	2,56,10,000
c) Investment Allowance Reserves		
Balance as at the beginning and at the end of the year	4,254	4,254
d) General Reserve		
Balance as at the beginning	4,74,31,868	4,71,41,868
Add: Transfer From Profit and Loss Account	-	2,90,000
Balance as at the End	4,74,31,868	4,74,31,868
e) Profit & Loss Account		
Balance as at the beginning of the year	4,95,67,898	4,47,48,729
Add: Net Profit/(Net Loss) For the current year	55,81,143	1,12,55,480
Proposed Dividend	-	(52,88,400)
DDT On Proposed Dividend	-	(8,57,911)
Transfer To Genral Reserve	-	(2,90,000)
Balance as at the end of the year	5,51,49,041	4,95,67,898
TOTAL RS.	12,88,77,163	12,32,96,020

5 LONG-TERM BORROWINGS

Particulars	As At 31-03-2013 In Rupees	As At 31-03-2012 In Rupees
a) Secured Loan		
Term Loans		
From Bank	11,89,45,353	13,02,52,616
From Others	3,49,015	5,06,340
b) Unsecured		
From Related Parties	5,92,53,828	4,81,47,635
From Others	4,17,34,034	3,09,68,454
TOTAL RS.	22,02,82,230	20,98,75,045

TIRUPATI FOAM LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

5.1 Nature of Security and terms of repayment for Long Term secured borrowings

	Type of Loan/Nature of Security	Terms of Repayment
	Vehicle Loan amounting of Rs. 5.88 Lacs (March 31 2012: Rs. 7.45 Lacs)	
	Vehicle Loan is secured against hypothecation of a vehicle.	Repayable in 60 Monthly installments commencing from April,2011. Last installment due in March,2017
	Term Loan amounting of Rs 749.14 Lacs (March,31 2012:Rs.787.95 Lacs)	
	Term Loan is secured by way of Equitable Mortgage of Land & Building of Factory & Office.	Repayable in 84 Monthly installments commencing from April,2012. Last installment due in March,2019. Rate of interest 13.25 % p.a. as at year end. (Last Year 12.50% p.a.)
	Term Loan amounting of Rs.639.43 Lacs (March,31 2012:Rs. 746 Lacs)	
	Term Loan is against hypothecation of plant & machineries of the company	Repayable in 84 Monthly installments commencing from April,2012. Last installment due in March,2019. Rate of interest 13.25 % p.a. as at year end. (Last Year 12.50% p.a.)
	Term Loan amounting of Rs 51.95 Lacs	
	Term Loan is secured by way of Equitable Mortgage of Land & Building of Factory & Office.	Repayable in 84 Monthly installments commencing from June,2013. Last installment due in May ,2020. Rate of interest 13.25 % p.a. as at year end.

5.2 Installments falling due in respect of all the above Loans upto 31/03/2014 have been grouped under "Current maturities of long-term debt".

6. DEFERRED TAX LIABILITY (NET)

Particulars	31-03-2013 In Rupees	31-03-2012 In Rupees
Deferred Tax Liability		
Impact of difference between tax depreciation and book depreciation	77,61,340	72,74,764
Net Deferred Tax Liability	77,61,340	72,74,764

7. OTHER NONCURRENT LIABILITIES

Particulars	31-03-2013 In Rupees	31-03-2012 In Rupees
Security Deposit	12,75,785	10,04,000
TOTAL Rs.	12,75,785	10,04,000

TIRUPATI FOAM LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

8. SHORT TERM BORROWINGS

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Secured		
Loans repayable on demand from Banks	17,79,61,380	1,15,83,783
TOTAL Rs.	17,79,61,380	1,15,83,783

8.1 Working Capital Loans from Banks comprise of Cash Credit which is primarily secured by way of Hypothecation of Stocks and Book Debts of the Company and further secured by equitable mortgage of Factory Land and Building and by personal guarantee of all Directors.

9 TRADE PAYABLES

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
For Goods	9,54,34,029	4,62,10,347
For Others	35,10,071	29,69,721
TOTAL Rs.	9,89,44,100	4,91,80,068

9.1 Other Trade Payables represents amount payable to various parties for Services and Expenses.

9.2 The Company has not received any intimation from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid as at year end together with interest paid/ payable under this Act have not been given.

10 OTHER CURRENT LIABILITIES

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Current maturities of long-term debt	2,53,46,362	2,33,82,072
Unclaimed dividends	3,01,384	1,66,369
Advance from Customers	1,98,255	27,93,447
Creditors for capital expenditure	16,32,684	7,04,700
Statutory Liabilities	60,38,858	47,98,009
Other Liabilities	45,64,176	48,29,251
TOTAL Rs.	3,80,81,719	3,66,73,848

10.1 Statutory liabilities represent amounts payable towards VAT, CST, Excise duty, Service Tax and TDS etc.

TIRUPATI FOAM LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

11. SHORT TERM PROVISIONS

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Provision for employee benefits		
Contribution to PF, ESIC etc.	51,636	49,945
Other Provisions		
Provision for Proposed Dividend	-	52,88,400
Provision for Tax on Proposed Dividend	-	8,57,911
TOTAL Rs.	51,636	61,96,256

12. FIXED ASSETS

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1/4/2012	Addition During the year	Deduction During the year	As at 31/3/2013	As at 1/4/2012	Addition During the year	Deduction During the year	As at 31/3/2013	As on 31/3/2013	As on 31/3/2012
Tangible Assets										
Land*	10,06,33,694		-	10,06,33,694	-	-	-	-	10,06,33,694	10,06,33,694
Office Building	99,67,507		-	99,67,507	20,91,032	393,823	-	24,84,855	74,82,651	78,76,474
Factory Building	6,73,77,087	1,90,78,711	-	8,64,55,798	2,51,13,808	5,021,450	-	3,01,35,258	5,63,20,539	4,22,63,278
Plant & Machinery	16,46,58,687	66,87,572	-	17,13,46,259	5,40,56,906	15,898,616	-	6,99,55,522	10,13,90,737	11,06,01,781
Office Equipment	55,03,889	6,41,821	-	61,45,710	22,86,416	518,303	-	28,04,719	33,40,991	32,17,473
Furniture & Fixtures	28,19,178		-	28,19,178	18,00,078	167,646	-	19,67,724	8,51,454	10,19,100
Motor Car	52,66,301		-	52,66,301	37,15,693	401,452	-	41,17,145	11,49,156	15,50,608
Total Tangible Assets	35,62,26,343	2,64,08,104	-	38,26,34,447	8,90,63,933	22,401,290	-	11,14,65,223	27,11,69,223	26,71,62,410
Previous Year	20,32,66,513	15,29,92,388	(32,558)	35,62,26,343	7,72,92,151	11,803,393	(31,611)	89,0,63,933	26,71,62,410	12,59,74,362

* Land includes Land Development

13. NON CURRENT INVESTMENTS

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Trade Investments (Unquoted)		
10 Equity Shares (Previous Year 10) of Hare Krishna Complex Association of Rs.250 each	2,500	2,500
TOTAL Rs.	2,500	2,500
Aggregate of Unquoted Investments	2,500	2,500

14. LONG TERM LOANS AND ADVANCES

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Unsecured Considered good		
Security Deposit	7,31,115	5,79,390
Advance Income Tax (Net of Provision)	4,99,898	6,24,941
TOTAL Rs.	12,31,013	12,04,331

TIRUPATI FOAM LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

15. OTHER NONCURRENT ASSETS

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Other Receivables	47,900	47,900
MAT Credit Entitlement	13,06,127	17,82,600
TOTAL Rs.	13,54,027	18,30,500

16. INVENTORIES

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Raw Materials	7,33,70,320	4,12,92,121
Goods In Process	4,44,37,054	2,92,89,475
Finished Goods	1,76,13,667	1,52,07,208
Packing Materials	15,47,617	24,36,864
Stock In Trade	43,615	43,615
Consumables	81,73,538	1,03,90,718
TOTAL Rs.	14,51,85,811	9,86,60,001

Broad categories of Inventories

16.1. Details of Raw Materials

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Polyol	2,35,42,986	1,90,38,163
TDI	3,59,52,863	81,52,600
Cloth	34,12,688	58,34,606
Others	1,04,61,783	82,66,752
TOTAL Rs.	7,33,70,320	4,12,92,121

16.2. Details of Finished Goods

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
P.U. Foam	1,43,40,508	1,30,18,098
Mattresses & Articles	32,73,159	21,89,110
TOTAL Rs.	1,76,13,667	1,52,07,208

TIRUPATI FOAM LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

17. TRADE RECEIVABLES

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Trade receivables outstanding for a period exceeding Six months from the due date of payment Unsecured considered good	2,64,07,687	1,62,22,048
Trade receivables outstanding for a period less than Six months from the due date of payment Unsecured considered good	24,14,04,590	18,35,62,922
TOTAL Rs.	26,78,12,277	19,97,84,970

18. CASH AND BANK BALANCES

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Cash & Cash Equivalent		
Cash on hand	5,45,281	6,52,171
Balance with Banks	41,40,462	1,62,605
Margin money deposit against Bank Guarantee with maturity less than 3 months	-	9,00,000
TOTAL (A)	4685743	17,14,776
Other Bank Balances		
Margin money deposit against Bank Guarantee with maturity more than 3 months but less than 12 months	34,326	32,224
In Unclaimed Dividend Account	3,01,384	1,58,929
TOTAL (B)	3,35,710	1,91,153
TOTAL (A+B)	50,21,453	19,05,929

19. SHORT-TERM LOANS AND ADVANCES

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
(Unsecured & considered good Unless otherwise stated)		
Balance with Government Authorities	1,50,22,468	1,48,56,006
Advances to Capital Goods	67,05,142	48,64,072
Advances for Suppliers	4,17,962	6,08,320
Advance for Expense	2,38,307	2,15,419
Prepaid Expenses	31,66,210	22,27,384
Other Receivable	46,573	23,759
Other Advance	2,54,887	3,77,684
TOTAL Rs.	2,58,51,548	2,31,72,644

20. REVENUE FROM OPERATIONS

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Sale of Products	86,25,00,329	66,62,51,652
Less: Excise Duty	(9,43,13,492)	(6,06,56,414)
TOTAL Rs.	76,81,86,837	60,55,95,238

TIRUPATI FOAM LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

20.1 Details of Products Sold

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Manufactured Goods		
P.U. Foam	69,77,23,395	51,90,04,314
Mattresses & Articles	6,45,73,777	7,70,24,025
Others	57,54,355	36,88,184
Traded Goods		
TDI	-	58,07,000
Fiber Pillow	1,35,310	58,695
Spring Mattresses	-	13,020
TOTAL Rs.	76,81,86,837	60,55,95,238

21. OTHER INCOME

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Interest Income	5,02,501	1,26,516
Sundry Balance written off	6,79,123	-
Rent	43,34,280	43,27,584
TOTAL Rs.	55,15,904	44,54,100

22. COST OF RAW MATERIALS AND CONSUMABLES CONSUMED

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Raw Material Consumption		
Opening Stock	4,12,92,121	2,76,30,319
Add: Purchase during the year	66,73,82,848	51,66,53,262
	70,86,74,969	54,42,83,581
Less: Closing Stock	(7,33,70,320)	(4,12,92,121)
Total Rs.(A)	63,53,04,649	50,29,91,460
Consumables Consumed		
Opening Stock	1,03,90,718	47,86,966
Add: Purchase during the year	1,97,58,154	2,09,57,878
	3,01,48,872	2,57,44,844
Less: Closing Stock	(81,73,538)	(1,03,90,718)
Total Rs.(B)	2,19,75,334	1,53,54,126
TOTAL Rs. (A)+(B)	65,72,79,983	51,83,45,586

TIRUPATI FOAM LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

22.1. Details of Raw Materials and Consumables consumed

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Raw Material		
Polyol	26,24,01,316	23,88,74,791
TDI	28,36,62,328	17,85,57,977
Cloth	74,31,903	44,74,813
Others	8,18,09,102	8,10,83,879
Consumables Consumed	2,19,75,334	1,53,54,126
TOTAL Rs.	65,72,79,983	51,83,45,586

22.2 Composition of Raw materials and consumables consumed.

Particulars	31-03-2013		31-03-2012	
	Amount	%	Amount	%
Raw Materials				
Imported	37.01	23,51,41,156	26.91%	13,53,51,756
Indigenous	62.99	40,01,63,493	73.09%	36,76,39,704
TOTAL	100.00	63,53,04,649	100.00%	50,29,91,460
Consumables				
Imported	-	Nil	0.00%	Nil
Indigenous	100.00	2,19,75,334	100.00%	1,53,54,126
TOTAL	100.00	2,19,75,334	100.00%	1,53,54,126

23. PURCHASE OF STOCK-IN-TRADE

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Purchase of Stock In Trade	-	52,20,703
Total Rs.	-	52,20,703

24. CHANGES IN INVENTORIES OF FINISHED GOODS, WIP & STOCK IN TRADE

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Closing Stock of Finished Goods	(1,76,13,667)	(1,52,07,208)
Closing Stock of WIP	(4,44,37,054)	(2,92,89,475)
Closing Stock of Stock In Trade	(43,615)	(43,615)
Opening Stock Finished Goods	1,52,07,208	1,17,38,016
Opening Stock of WIP	2,92,89,475	1,79,40,530
Opening Stock of Stock In Trade	43,615	46,730
Variation in Excise Duty on Closing & Opening stock of F.G.	2,64,719	576,731
Total Rs.	(1,72,89,319)	(1,42,38,291)

TIRUPATI FOAM LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

25. EMPLOYEE BENEFITS EXPENSES

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Salaries Bonus & Allowances	5,561,167	41,51,230
Contribution towards Gratuity & Provident Fund	6,77,429	4,91,658
Staff & Labour Welfare expenses	80,773	87,678
TOTAL Rs.	63,19,369	47,30,566

26. FINANCE COST

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Interest Expenses	4,59,99,676	2,48,74,067
Other borrowing costs	15,55,784	4,66,493
TOTAL Rs.	4,75,55,460	2,53,40,560

TIRUPATI FOAM LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

27. OTHER EXPENSES

Particulars	31-03-2013 Amount Rs.	31-03-2012 Amount Rs.
Manufacturing Expenses		
Electricity Exps	46,22,341	28,40,403
Insurance Charges	36,21,437	22,42,870
Labour charges	47,91,297	35,36,850
Power & Fuel	7,62,416	5,24,584
Machinery Repairing Exp.	11,39,448	14,16,015
Factory Exp.	5,40,123	29,632
Total (A)	1,54,77,062	1,05,90,354
Selling & Distribution Expenses		
Advertisement	11,39,905	29,94,086
Sales Promotion	38,23,029	23,57,909
Sales Incentives	43,69,035	58,54,030
Packing Material Consumed	1,27,79,994	98,43,350
Total (B)	2,21,11,963	2,10,49,375
Administrative And Other Expenses		
Consultancy Fees	10,48,188	9,46,214
Legal & Professional Fees \$	10,22,694	6,72,055
Rate, Rent & Taxes	2,71,460	1,52,802
Premium on forward contract	1,03,160	40,207
Income Tax Exp.	23,905	-
Office Exp.	1,47,742	1,54,440
Donation Exp.	25,000	20000
Security Charges	8,17,323	4,94,441
Foreign Exchange Fluctuation	34,58,461	14,72,550
Stationary Expenses	10,45,687	11,88,362
Telephone & Postage Exp.	5,21,938	4,15,712
Travelling Exp.	16,77,512	29,22,444
Vehicle Exp.	5,85,832	5,98,202
Electricity Expense	2,77,819	2,51,039
Other Expenses	7,01,006	11,21,261
Total (C)	1,17,27,727	1,04,49,729
Total (A+B+C)	4,93,16,752	4,20,89,458

\$ Includes payment to Statutory Auditors

	2012-2013	2011-2012
i) Audit Fees	1,20,000	95,000
ii) Tax Audit Fees	30,000	30,000

TIRUPATI FOAM LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

28. CONTINGENT LIABILITIES:

Nature of Liabilities	2012-13	2011-12
Letters of Credit	NIL	6,000,000

29. EMPLOYEE BENEFITS

(a) Defined Benefit Plan

No Liability in respect of present or future liability of Gratuity has been ascertained and provided in the accounts (P.Y.—not ascertained and provided for).

This is in contravention with the Accounting Standard 15 issued by the Institute of Chartered Accountants of India in respect of accounting for retirement benefits.

(b) Defined Contribution Plan

The Company has recognized the following amount in Profit and Loss Account which is included under contribution of funds.

Particulars	Amount (Rs.)
Employer's Contribution to Provident Fund	655,465
Employer's Contribution to ESIC	21,964

30. EARNING PER EQUITY SHARE (EPS)

PARTICULARS	31/03/2013	31/03/2012
Profit / (loss) after Tax	5,581,143	11,255,480
Weighted average numbers of Equity Shares for calculation of Basic and Dilutive Earning per Share	4,407,000	4,407,000
Basic and Diluted EPS	1.27	2.55
Nominal Value per Share	10	10

TIRUPATI FOAM LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2013

31. RELATED PARTY DISCLOSURE

A)	Name of related parties and nature of relationship:	
i)	Key Management Personnel	
	Mr.Roshan P.Sanghavi	- Managing Director
	Mr.Deepak T.Mehta	- Executive Director
	Mr.Satish A.Mehta	- Executive Director
ii)	Relatives of Key Management Personnel	
a)	Relatives of Mr. Roshan P.Sanghavi	
	Mrs.Meena R. Sanghavi	- Wife
	Mr.Poonamchand K. Sanghavi	- Father
	Mrs. Kantaben P. Sanghavi	- Mother
	Mr.Manish P.Sanghavi	- Brother
	Komil R. Sanghavi	- Son
	Roshan P. Sanghavi (HUF)	- HUF of Director
b)	Relatives of Mr. Deepak T. Mehta	
	Mrs. Urmila D.Mehta	- Wife
	Mr. Anurag D Mehta	- Son
	Mr. Takhatmal N.Mehta	- Father
	Mrs. Kamlaben T. Mehta	- Mother
	Mr. Lokesh T. Mehta	- Brother
	Mrs. Minal R. Shah	- Sister
	Deepak T. Mehta (HUF)	- HUF of Director
c)	Relatives of Mr. Satish A. Mehta	
	Mrs. Rita S.Mehta	- Wife
	Mr. Amritlal C.Mehta	- Father
	Mrs.Vimlaben A.Mehta	- Mother
	Mr. Naman S.Mehta	- Son
	Satish A. Mehta (HUF)	- HUF of Director
	Ms. Charmy S. Mehta	- Daughter
	Mrs. Vidhi N. Mehta	- Daughter In law

B) Transactions with related parties

Nature of transactions	Key Management Personnel	Relatives of Key Management Personnel
Volume of Transactions :	(Amt. in Rs.)	(Amt. in Rs.)
Remuneration	2,992,203	424,000
Unsecured Loan accepted (Net)	16,267,780	42,903,598
Repayment of Unsecured Loan (Net)	4,097,604	6,980,397
Interest expenses on Unsecured Loan	953,838	4,670,694
Payable at year end	7,624,726	51,629,102

Note: No amounts pertaining to related parties have been provided for as doubtful debts.
Also no amounts have been written off or written back during the year.

32. The Company has only one reportable primary segment i.e. Flexible Polyurethane Foam. It has identified Geographical segment as the secondary segment. During the year and the previous comparable year, the value of export sales made by the Company did not exceed the quantitative threshold set. Accordingly, reporting on disclosures in the secondary format of geographical segment are not applicable to the Company.

33. VALUE OF IMPORTS CALCULATED ON CIF BASIS:

PARTICULARS	2012-2013	2011-2012
Raw Material	245,712,771	125,440,220

34. EXPENDITURE IN FOREIGN CURRENCY:

PARTICULARS	2012-2013	2011-2012
Foreign Travelling Expenses	20,948	8,500
Capitall Goods	3,173,921	65,663,724
Spare Parts	128,644	679,153

35. Previous year's figures have been rearranged and reclassified wherever necessary.

Signature to Notes 1 to 35

As per our report of even date attached.

FOR MAYANK SHAH & ASSOCIATES

CHARTERED ACCOUNTANTS

(FIRM REGN. NO:-106109W)

For, and on behalf of the Board

(M.S.SHAH)
PARTNER
M.NO. 44093

(ROSHAN P.SANGHAVI)
MANAGING DIRECTOR

(DEEPAK T. MEHTA)
EXECUTIVE DIRECTOR

(SATISH A. MEHTA)
EXECUTIVE DIRECTOR

Place: **Ahmedabad**
Date : **30/05/2013**

Place: **Ahmedabad**
Date : **30/05/2013**

TIRUPATI FOAM LIMITED

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

ATTENDANCE SLIP

26th Annual General Meeting

Monday, the 30th September, 2013 at 3:00 P.M.

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

Affix
Rs. 1.-
Revenue
Stampe

Signature of Member/Proxy attending the meeting _____

Notes:

1. The meeting is only for members. Please, therefore, do not bring person in the meeting who is not a member.
2. Please bring this attendance slip duly signed and hand it over to the representative of the Company at the entrance of the meeting place.

TIRUPATI FOAM LIMITED

FORM OF PROXY

I/We _____

Of _____ in the district of _____

Being member/s of the above named company hereby appoint _____

Of _____ in the district of _____

Or failing him _____

Of _____ in the district of _____

As my/our Proxy to attend and vote for me/us on my/our behalf at the 26th Annual General Meeting of the Company, to be held on Monday, 30th September, 2013 and/or at any adjournment thereof.

Signed the _____ day of _____ 2013

Signature _____

N.B. : This Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.

**BOOK-POST
PRINTED MATTER**

If undelivered, please return to :

TIRUPATI FOAM LIMITED

Regd. Office:

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

