

# CORPORATE GOVERNANCE REPORT

## CORPORATE PHILOSOPHY:

TIPS firmly believes in and has consistently practiced good corporate governance. The Company continues to deliver value to its various stakeholders. The practice of responsible governance has enabled the Company to achieve sustainable growth, while meeting the expectations of all stakeholders and the society at large. The Company endeavors to improve upon aspects like transparency, professionalism, accountability and fair disclosures, on an ongoing basis and takes necessary steps towards growth and enhancing value for its shareholders.

A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of Listing Regulations is given below:

- **Category/position of Directors and the number of companies and committees where he/she is Director/Member/Chairman in other companies as on March 31, 2016:**

Name	Category / position	No. of Directorships in other Public Ltd. Companies (Excluding Tips)	Chairmanship/Membership of Committees in other Public Ltd. Companies (Excluding Tips)	
			Chairman	Member
<b>Mr. Kumar Taurani</b> DIN : 00555831	Promoter & Executive (Chairman & Managing Director)	NIL	NIL	NIL
<b>Mr. Ramesh Taurani</b> DIN : 00010130	Promoter & Executive (Managing Director)	NIL	NIL	NIL
<b>Mr. Amitabh Mundhra</b> DIN : 00014227	Non-Executive Independent Director	4	1	1
<b>Mrs. Radhika Pereira</b> DIN : 00016712	Non-Executive Independent Director	4	1	3

**Notes:**

- ❖ Excludes Directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.
- ❖ Includes only Audit Committee and Stakeholders' Relationship Committee.
- ❖ Mr. Kumar Taurani and Mr. Ramesh Taurani are related to each other. None of other directors are related to each other.

- **Independent Directors:**

The Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulation. As per the provision Companies Act, 2013 and Listing Regulation, terms and conditions of appointment of independent directors has been disclosed on the website of the Company viz: [http://www.tips.in/uploads/pdfupload/corporate\\_governance/Terms\\_and\\_Condition\\_of\\_Appointment\\_of\\_Independent\\_Directors.pdf](http://www.tips.in/uploads/pdfupload/corporate_governance/Terms_and_Condition_of_Appointment_of_Independent_Directors.pdf)

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulation, a separate meeting of the Independent Directors of the Company was held on February 11, 2016 to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

All the Independent Directors were present for the Meeting.

- **Board Meetings:**

The Board of Directors of the Company met five times during the financial year i.e. from April 1, 2015 to March 31, 2016 on May 8, 2015, August 14, 2015, November 4, 2015, November 5,

2015 and February 11, 2016. The maximum time gap between any of two consecutive meetings did not exceed one hundred and twenty days.

Agenda papers containing all necessary information/ documents are made available to the Board in advance to enable the Board to discharge its responsibilities effectively and take informed decisions.

- **Attendance of each Director at the Board meetings during the year and last Annual General Meeting and Number of shares held by the directors in the Company:**

Name	No. of Board Meeting		Attendance at last AGM held on August 14, 2015	Number of shares held in the Company
	Held	Attended		
Mr. Kumar Taurani	5	5	Yes	28,81,915
Mr. Ramesh Taurani	5	5	Yes	28,75,911
Mr. Amitabh Mundhra	5	5	Yes	NIL
Mrs. Radhika Pereira	5	5	Yes	NIL
Mr. Vijay Agarwal*	2	2	Yes	NIL

\* Resigned w.e.f. closure of business hours of August 14, 2015

- **Familiarisation Programme for Independent Directors:**

Any new Director who joins the Board is presented with a brief background of the Company, its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and Senior Management, the Code of Conduct for Prevention of Insider Trading, Policy on Related Party Transactions, Nomination and Remuneration Policy, Whistle Blower Policy, Risk Management Policy, Policy for determination of materiality of events or information, Policy on preservation of documents and Archival Policy and Corporate Social Responsibility policy. The details of the familiarisation programme have been disclosed on website at the below

mentioned link: [http://www.tips.in/uploads/pdfupload/corporate\\_governance/Familiarisation\\_programme\\_for\\_Independent\\_Directors1.pdf](http://www.tips.in/uploads/pdfupload/corporate_governance/Familiarisation_programme_for_Independent_Directors1.pdf)

- **Code of Conduct:**

The Board has adopted code of conduct for Directors and senior management of the Company. The code of conduct is available on the website of the Company. The Company has received declaration of compliance with the Code of Conduct from all Directors and senior management. The Declaration by Chairman & Managing Director affirming compliance of the Board of Directors and senior management to the code of conduct is appended to this Report.

- **Insider Trading Code:**

The Company has adopted code of conduct for regulating, Monitoring and reporting of trading by insiders in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code is applicable to designated person as defined in the code. This Code is displayed on the website of the Company.

## BOARD COMMITTEES:

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Buy-back Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. The Minutes of the Committee Meetings are sent to all Directors and tabled at the Board Meetings.

### I. AUDIT COMMITTEE:

The Audit Committee is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and the

provisions of Regulation 18 of the Listing Regulation. Members of the Audit Committee possess financial/accounting expertise/exposure.

- **Composition, Meetings and Attendance of each member of the Committee:**

Name of the Members	Designation	Category	Meetings Attended
Mr. Amitabh Mundhra	Chairperson	Independent Director	4
Mrs. Radhika Pereira	Member	Independent Director	4
Mr. Vijay Agarwal*	Member	Independent Director	2
Mr. Kumar Taurani#	Member	Executive Director	1

\* Resigned w.e.f. closure of business hours of August 14, 2015  
# Appointed as a member w.e.f. November 4, 2015.

The Audit Committee met four times during the financial year 2015-16 on May 8, 2016, August 14, 2015, November 4, 2015 and February 11, 2016. The necessary quorum was present for all Meetings. The Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company.

- **Terms of Reference:**

Terms of Reference and role of the Audit Committee includes the matters specified under the Companies Act, 2013 and Listing Regulations, which includes oversight of financial reporting process, recommendation of appointment, re-appointment of statutory auditors, review quarterly financial statements, annual financial statements, internal financial control and audit process etc.

### II. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the provisions of Regulation 19 of the Listing Regulation.

- Composition, Meeting and Attendance of each member of the Committee:**

Name of the Members	Designation	Category	Meetings Attended
Mrs. Radhika Pereira	Chairperson	Independent Director	3
Mr. Amitabh Mundhra	Member	Independent Director	3
Mr. Vijay Agarwal*	Member	Independent Director	2
Mr. Kumar Taurani#	Member	Executive Director	1

\* Resigned w.e.f. closure of business hours of August 14, 2015

# Appointed as a member w.e.f. November 4, 2015.

The Committee met three times during the year on May 8, 2015, August 14, 2015 and February 11, 2016. The necessary quorum was present for all Meetings. The Chairperson of the Committee was present at the last Annual General Meeting of the Company.

- Terms of Reference:**

Terms of Reference of the Nomination and Remuneration Committee includes the matters specified under the Companies Act, 2013 and Listing Regulations, which includes recommendation for appointment of Director, KMP and Senior Management personnel, formulation of criteria for evaluation of Independent Director and the Board as a whole, formulation of remuneration policy etc.

- Performance Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulation, a separate exercise was carried out to evaluate the performance of Independent Directors and Board as whole. The criteria of performance evaluation were a). Board experience, skill, role,

responsibility b). Attendance and Participation in the meetings c). Suggestion for effective functioning, Board process, policies, strategy and other.

The Board was satisfied with the evaluation results, which reflected the overall engagement of the Boards with the Company.

#### REMUNERATION TO THE DIRECTORS:

Detail of Remuneration paid to Non-Executive Independent Directors and Executive Directors of the Company for the year ended March 31, 2016 is as stated below:

- Non-Executive Independent Directors:**

The Non-Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company. Non-Executive Directors do not draw any remuneration from the Company except the sitting fees as permitted under the Companies Act, 2013 for attending the Board and Committee Meetings. During the year 2015-16, the total sitting fees paid to the Non-Executive Independent Directors are as stated below:

Director's Name	Mr. Amitabh Mundhra	Mrs. Radhika Pereira	Mr. Vijay Agarwal*
Sitting Fees	₹ 2.00 lakhs	₹ 2.00 lakhs	₹ 0.80 lakhs

\*Resigned w.e.f. closure of business hours of August 14, 2015.

The Criteria for making payments to non-executive directors has been disclosed on website at the below mentioned link: [http://www.tips.in/uploads/pdfupload/corporate\\_governance/Criteria\\_for\\_making\\_payments\\_to\\_non-executive\\_directors.PDF](http://www.tips.in/uploads/pdfupload/corporate_governance/Criteria_for_making_payments_to_non-executive_directors.PDF)

- Executive Directors:**

Director's Name and Designation	Salary & other allowances paid	Bonuses & Stock options	Service contracts	Notice Period
<b>Mr. Kumar Taurani</b> Chairman & Managing Director	₹ 7.50 lakhs p.m.	NIL	Appointed for a period of 3 Years	30 days
<b>Mr. Ramesh Taurani</b> Managing Director	₹ 7.50 lakhs p.m.	NIL		

**Notes:**

Mr. Kumar Taurani and Mr. Ramesh Taurani were re-appointed as Managing Director of the Company for the period of three years w.e.f. June 1, 2015 to May 31, 2018 at managerial remuneration of ₹ 120 lakhs p.a. i.e. ₹ 10.00 lakhs p.m. and approval from the shareholders for the same was obtained in the Annual General Meeting held on August 14, 2015. The Company has made an application in Form MR-2 on September 15, 2015 to the Central Government to pay the aforesaid remuneration as approved by the members. However, the approval from the Central Government is awaited.

The Nomination and Remuneration Policy has been disclosed on website of the Company viz: [http://www.tips.in/uploads/pdfupload/corporate\\_governance/NOMINATION\\_AND\\_REMUNERATION\\_POLICY.pdf](http://www.tips.in/uploads/pdfupload/corporate_governance/NOMINATION_AND_REMUNERATION_POLICY.pdf)

**III. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee is constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the provisions of Regulation 20 of the Listing Regulation.

- Composition, Meeting and Attendance of each member of the Committee:**

Name of the Members	Designation	Category	Meetings Attended
Mrs. Radhika Pereira	Chairperson	Non - Executive Independent Director	4
Mr. Kumar Taurani	Member	Executive Director	4

Mr. Ramesh Taurani	Member	Executive Director	4
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The Committee met four times during the year on May 8, 2015, August 14, 2014, November 4, 2015, and February 11, 2016. The necessary quorum was present for all Meetings. The Chairperson of the Committee was present at the last Annual General Meeting of the Company.

- Terms of reference:**

Terms of reference of the stakeholders Relationship Committee includes the matters specified under the Companies Act, 2013 and Listing Regulation, which includes to resolve the stakeholder's grievance regarding the transfer of shares, non-receipt of annual report, dividend etc.

- The details of Complaints received, redressed/ pending during the financial year 2015-16 is given below:**

Pending at the beginning of the year	Received during the year	Redressed / Replied during the year	Pending at the year
NIL	5	5	NIL

The Company has appointed Link Intime India Pvt. Ltd. as its Registrars and Share Transfer Agents to consider, approve or reject the share transfer, transmission, consolidations, splitting, demat & remat of shares and carry out related functions, documentation and procedures in connection with the same.

- Compliance officer and Address for Correspondence:**

Name & Designation	Address	E-mail I.D	Contact No.
<b>Bijal Patel</b> Company Secretary	601, Durga Chambers, 6th Floor, Linking Road, Khar (W), Mumbai -52	response@tips.in	022- 66431188

**IV. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

The Corporate Social Responsibility Committee is constituted in accordance with the provisions of Section 135 of the Companies Act, 2013 read with rules made thereunder. As per the provision of the Companies Act, 2013, the Company was required to spend ₹ 1.74 lakhs for the financial year 2015-16.

The Company formulated CSR Policy, which is uploaded on the website of the Company viz. [http://www.tips.in/uploads/pdfupload/corporate\\_csr/Annexure - IV.pdf](http://www.tips.in/uploads/pdfupload/corporate_csr/Annexure - IV.pdf)

- Composition, Meeting and Attendance of each member of the Committee:**

Name of the Members	Designation	Category	Meetings attended
Mr. Kumar Taurani	Chairperson	Executive Director	2
Mr. Amitabh Mundhra	Member	Independent Director	2
Mrs. Radhika Pereira	Member	Independent Director	2

The Committee met two times during the year on May 8, 2015 and November 4, 2015.

- Terms of Reference:**

Terms of Reference of the Corporate Social Responsibility Committee includes the matters specified under the Companies Act, 2013, which includes recommendation of Corporate Social Responsibility Policy and amount of expenditure to be incurred on the CSR activities, Monitor the CSR Policy etc.

**V. BUY-BACK COMMITTEE:**

- Composition, Meeting and Attendance of each member of the Committee:**

Name of the Members	Designation	Category
Mr. Amitabh Mundhra	Chairperson	Non-Executive Independent Director
Mr. Kumar Taurani	Member	Executive Director
Mr. I. T. Gursahani	Member	Chief Financial Officer

The Committee met on November 5, 2015. All members were present for the meeting.

- Buy-back Offer:**

The Buy-back Committee and the Board of Directors of the Company at its meeting held on November 5, 2015 had approved the buy-back of the Company's fully paid-up equity shares of face value of ₹ 10/- each from the existing equity shareholders/beneficial owners, other than promoters of the Company, from the open market through BSE Limited and National Stock Exchange of India Limited using their nationwide electronic trading terminals for a maximum amount of ₹ 680 lakhs (excluding brokerage, transactional charges and taxes, if any) and at a price not exceeding ₹ 70/- (excluding brokerage, transactional charges and taxes, if any) per equity share.

The Buy-back offer commenced on November 26, 2015 and closed on May 25, 2016, the Company has bought back 10,39,981 equity shares of ₹ 10/- each. The total fund utilized in the Buy-back is ₹ 6,52,95,997.15 (excluding brokerage, transactional charges and taxes). The Equity Shares were bought back at an average price of ₹ 62.79 (excluding brokerage, transactional charges and taxes, if any) per Equity Share.

**GENERAL BODY MEETINGS:**

- **The details of date, location and time of the last three Annual General Meetings held are as under:**

Date and Time	Location	Special Resolutions
August 14, 2015 at 11.00 a.m.	The Jubilee Room, Hotel Sun-N-Sand, Juhu, Mumbai- 400049	Re-appointment of Mr. Kumar Taurani and Mr. Ramesh Taurani, as the Managing Directors of the Company for a period of three years commencing from June 1, 2015 at remuneration of ₹ 10 lakhs p.m. respectively.
August 8, 2014 at 11.00 a.m.		Borrowing Limit and Creation of Charges in connection with borrowing of the Company
August 29, 2013 at 4.00 p.m.		There was no matter that required passing of Special Resolution.

- **Postal Ballot:**

Pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, the Company has passed the special resolution under Section 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 for waiver of recovery of excess remuneration of ₹ 80 lakhs

**The details of the results are as below:-**

Resolutions	Particulars of Voting	Remote e-Voting	% of total number of votes cast	Postal Ballot	% of total number of votes cast	Voting Result	% of total number of valid votes cast
To waive of recovery of excess remuneration of ₹ 80/- lakhs paid during the period from June 1, 2012 to September 30, 2013 to Mr. Kumar Taurani, Chairman & Managing Director of the Company.	Votes cast in favour	2513357	73.96	653724	19.24	3167081	93.20
	Votes cast in Against	214440	6.31	16554	0.49	230994	6.80
	Invalid Votes	0	0.00	10	0.0003	10	0.0003
To waive of recovery of excess remuneration of ₹ 80/- lakhs paid during the period from June 1, 2012 to September 30, 2013 to Mr. Ramesh Taurani, Managing Director of the Company.	Votes cast in favour	2507357	73.92	653679	19.27	3161036	93.19
	Votes cast in Against	214440	6.32	16554	0.49	230994	6.81
	Invalid Votes	0	0.00	55	0.002	55	0.002

each paid, during the period from June 1, 2012 to September 30, 2013, to Mr. Kumar Taurani, Chairman & Managing Director of the Company, and Mr. Ramesh Taurani, Managing Director of the Company, through postal ballot notice dated August 14, 2015.

The Board of Directors have appointed Mr. Shirish Shetye, Practicing Company Secretary as the scrutinizer for conducting the postal ballot voting process in a fair and transparent manner.

The Company had completed the dispatch of the Postal Ballot Notice together with the explanatory statement on Thursday, October 8, 2015, along with forms and postage prepaid business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members/list of beneficiaries as on cut-off date i.e. Friday, September 25, 2015.

The voting under the postal ballot was kept open from 10.00 a.m. on Friday, October 9, 2015 to 5.00 p.m. on Saturday, November 7, 2015, (either physically or through electronic mode).

All postal ballots forms received upto 5:00 p.m, on November 7, 2015 the last date and time fixed by the Company for receipt of the forms, had been considered for scrutiny or voting purpose.

On Tuesday, November 10, 2015, the results of the postal ballot as per the Scrutinizer's Report was announced and declared that the special resolutions were passed with requisite majority.

**DISCLOSURES:**

- **Related Party Transaction:**

During the year ended March 31, 2016, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. The transactions with related parties are disclosed in the Note to Accounts. Policy on related party transactions has been uploaded on website of the Company at below mentioned link: [http://www.tips.in/uploads/pdfupload/corporate\\_governance/Policy\\_on\\_Related\\_Party\\_Transactions.pdf](http://www.tips.in/uploads/pdfupload/corporate_governance/Policy_on_Related_Party_Transactions.pdf)

- **Disclosure of non-compliance of the Company:**

There were no instances of non-compliance, penalty or strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

- **Details of establishment of Vigil Mechanism/Whistle Blower policy:**

The Board of Directors has adopted a "Whistle Blower Policy/ Vigil Mechanism Policy" for directors and employees of the Company. No employee of the Company was denied access to meet the Chairman of the Audit Committee. A copy of the Whistle Blower Policy is also available on the website of the Company at below mentioned link: [http://www.tips.in/uploads/pdfupload/corporate\\_governance/Whistle\\_Blower\\_Policy-Vigil\\_Mechanism\\_Policy.pdf](http://www.tips.in/uploads/pdfupload/corporate_governance/Whistle_Blower_Policy-Vigil_Mechanism_Policy.pdf)

- **Disclosure of Accounting Standard:**

In the preparation of the financial statement, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

- **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has complied with all the mandatory requirements of the Corporate Governance as prescribed in Listing Regulation. Adoption of non-mandatory requirements of Listing Regulation is being reviewed by the Board from time-to-time.

- **Web link where policy for determining 'material' subsidiaries is disclosed:**

The Company does not have any 'material' subsidiaries.

**MEANS OF COMMUNICATION:**

Quarterly Results of the Company are published in Asian Age/ Business Standard/Financial Chronicle and Mumbai Lakshadeep. It is also published in prominent daily newspapers viz., The Economic Times in English & Gujarati Newspaper. The Financial Results are made available on the corporate website of the Company: [www.tips.in](http://www.tips.in). The Company has not made any presentation to Institutional Investors or to the analysts.

**GENERAL SHAREHOLDERS INFORMATION:**

- **Annual General Meeting:**

Date	Friday, September 16, 2016
Time	11.00 A.M.
Venue	Jubilee Room, Hotel Sun-N-Sand, Juhu, Mumbai - 400049

- **Financial Year:**

Financial Year	April 1, 2015 to March 31, 2016
Date of Book Closure	September 10, 2016 to September 16, 2016 (both days inclusive)
Dividend Payment Date	On or before October 15, 2016



- Listing on Stock Exchanges:**

The Company's shares are listed on BSE Limited and National Stock Exchange of India Limited.

BSE Limited	National Stock Exchange of India Limited
P.J Towers, Dalal Street, Fort, Mumbai - 400 001	Exchange Plaza, Plot No. C/1, Block G, Bandra-Kurla Complex Bandra (E), Mumbai - 400 050.

The listing fees for the year 2016-17 has been paid to the above Stock Exchanges.

- Stock Code, ISIN & CIN:**

Stock Code:	BSE: 532375; NSE : TIPSINDLTD
International Security Identification Number (ISIN)	INE716B01011
Corporate Identification No (CIN)	L92120MH1996PLC099359

- Market price data - high, low during each month in last financial year:**

Month	Share Prices on the BSE		Share Prices on the NSE	
	Highest (₹)	Lowest (₹)	Highest (₹)	Lowest (₹)
Apr-15	51.40	38.00	51.40	38.30
May-15	44.00	32.15	44.00	36.50
Jun-15	41.60	32.00	42.00	34.60
Jul-15	67.00	38.40	67.80	38.65
Aug-15	70.90	40.55	70.70	42.50
Sep-15	48.00	35.00	46.80	39.60
Oct-15	56.05	41.05	56.00	39.20
Nov-15	63.70	46.80	63.50	46.50
Dec-15	70.10	59.10	70.80	58.10
Jan-16	69.00	49.00	69.40	56.60
Feb-16	69.00	56.70	72.20	55.00
Mar-16	66.45	58.30	68.30	57.50

- Performance in comparison to the board based indices such as BSE and NSE:**

Tips Share Price compared with BSE Sensex and NSE Nifty

Months	Closing Share Price		Closing Share Price	
	Tips (₹)	Sensex (₹)	Tips (₹)	Nifty (₹)
Apr-15	40.70	27011.31	40.55	8181.50
May-15	40.00	27828.44	39.25	8433.65
Jun-15	38.80	27780.83	39.00	8368.50
Jul-15	58.85	28114.56	58.80	8532.85
Aug-15	44.95	26283.09	44.65	7971.30
Sep-15	43.00	26154.83	42.25	7948.90
Oct-15	47.75	26656.83	47.25	8065.80
Nov-15	63.25	26145.67	62.95	7935.25
Dec-15	63.50	26117.54	63.05	7946.35
Jan-16	62.50	24870.69	62.45	7563.55
Feb-16	56.70	23002.00	57.80	6987.05
Mar-16	66.00	25341.86	66.00	7738.40

- There was no suspension of trading in Securities of the Company during the year under review.

- Share Transfer System:**

The share transfer activities in respect of the shares in physical mode are carried out by Registrar & Transfer Agent. The shares lodged for transfer are processed and share certificates duly endorsed are returned within the stipulated time, subject to documents being valid and complete in all respects. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulation, a Practicing Company Secretary carries out audit of the system of transfer and a certificate to that effect is issued.

- **Distribution of Shareholding as on March 31, 2016:**

No. of Equity Shareholdings	No. of Shareholders	Percentage of shareholders	No. of Shares	Percentage of shareholding
1 - 500	4713	86.43	587485	3.90
501 -1000	370	6.79	309637	2.05
1001 -2000	167	3.06	267597	1.77
2001 -3000	59	1.08	155514	1.03
3001 - 4000	31	0.57	112007	0.74
4001 - 5000	28	0.51	130770	0.87
5001 - 10000	46	0.84	338241	2.24
10001-above	39	0.72	13179257	87.39
<b>Total</b>	<b>5453</b>	<b>100.00</b>	<b>15080508</b>	<b>100.00</b>

As on March 31, 2016, the Company has bought back 2,90,958 Equity shares out of which 2,78,132 Equity Shares has been Extinguished. Thus, due to the extinguishment of 2,78,132 Equity Shares, the paid up capital of the Company has been reduced from 1,53,58,640 equity shares to 1,50,80,508 equity shares.

- **Shareholding Pattern as on March 31, 2016:**

Category	No. of Equity Shares held	Percentage of share held
Promoter & Directors	5757826	38.18
Promoters	4954936	32.86
Public	2521560	16.72
Other Bodies Corporate	1693789	11.23
Hindu Undivided Family	99126	0.66
Clearing Member	29312	0.19
Non Resident Indians	21892	0.15
Non Resident (Non- Repatriable)	2067	0.01
<b>Total</b>	<b>15080508</b>	<b>100.00</b>

As on March 31, 2016, the Company has bought back 2,90,958 Equity shares out of which 2,78,132 Equity Shares has been Extinguished. Thus, due to the extinguishment of 2,78,132 Equity Shares, the paid up capital of the Company has been reduced from 1,53,58,640 equity shares to 1,50,80,508 equity shares.

- **Dematerialization of Shares:**

As on March 31, 2016, 1,50,58,897 shares representing 99.86% of the Company's paid-up share capital (including 71.04% held by the Promoters) were held in dematerialized form with National Securities Depository Limited (NSDL) as well as the Central Depository Services (India) Limited (CDSL).

The break-up of Equity shares held in physical and Demat form as on March 31, 2016 is given below:

Particulars	Shares	%
Physical Shares	21611	0.14
Demat Shares		
NSDL	12774892	84.71
CDSL	2284005	15.15
<b>Total</b>	<b>15080508</b>	<b>100.00</b>

As on March 31, 2016, the Company has bought back 2,90,958 Equity shares out of which 2,78,132 Equity Shares has been Extinguished. Thus, due to the extinguishment of 2,78,132 Equity Shares, the paid up capital of the Company has been reduced from 1,53,58,640 equity shares to 1,50,80,508 equity shares.

- **Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity:**

The Company has not issued any Global Depository Receipts/ American Depository Receipts or Warrants and there are no outstanding convertible instruments as on March 31, 2016.

- **Plant locations:**

The Company does not have any plants.

- **Demat Suspense Account/ Unclaimed Suspense Account:**

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

- **CEO/CFO CERTIFICATION:**

As required under Regulation 17 of the Listing Regulations, the CEO/CFO Certificate has been attached as a part of the Annual Report.

- **Address for Correspondence:**

**Compliance Officer**

**Tips Industries Limited**

601, Durga Chambers, Linking Road,

Khar (West), Mumbai 400 052

Tel No.: 022-66431188

Fax No.: 022-66431189

Email I.D.: response@tips.in

**Registrars and Share Transfer Agents:**

**Link Intime India Pvt. Ltd**

C-13, Pannalal Silk Mills Compound,

L.B.S Marg, Bhandup (West), Mumbai – 400 078

Tel No.: 022-25946970

Fax No.: 022-25946969

Email I.D.: rnt.helpdesk@linkintime.co.in

**For and on behalf of the Board of Directors**

**Kumar S. Taurani**

Chairman and Managing Director

DIN: 00555831

Place: Mumbai

Date: May 25, 2016

## DECLARATION FROM THE CHAIRMAN AND MANAGING DIRECTOR

(Pursuant to Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of Tips Industries Limited,

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct of Board of Directors and Senior Management for the year ended on March 31, 2016.

**For and on behalf of the Board of Directors**

**Kumar S. Taurani**

Chairman and Managing Director

DIN: 00555831

Place: Mumbai

Date: May 25, 2016

## CEO AND CFO CERTIFICATION

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We, Kumar S. Taurani, Chairman and Managing Director of Tips Industries Limited and I. T. Gursahani, Chief Financial Officer of Tips Industries Limited, do hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2016 and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls,

if any, of which we are aware and the steps we have taken or we propose to take to rectify these deficiencies.

- (d) We have indicated to the auditors and the Audit Committee;
  - (i) Significant changes, if any, in internal control over financial reporting during the year;
  - (ii) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Kumar S. Taurani**  
Chairman & Managing Director  
DIN: 00555831

**Ishwar T. Gursahani**  
Chief Financial Officer

Date: May 25, 2016  
Place: Mumbai

Date: May 25, 2016  
Place: Mumbai

## AUDITORS CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To The Members of Tips Industries Limited

1. We have examined the compliance of the conditions of Corporate Governance by Tips Industries Limited (Company) for the year ended on March 31, 2016 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation of 46 and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Collectively referred to as "SEBI Listing Regulations, 2015).
2. The Compliance of the 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 the compliance of the conditions of Corporate Governance. It is neither an auditor nor an expression of opinion on the financial statements of the Company.
3. 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 SEBI Listing Regulations, 2015.
4. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For SSPA & Associates**  
Chartered Accountants  
Firm Registration No. 131069W

Place : Mumbai  
Date : May 25, 2016

**Parag Ved**  
Partner  
Membership Number : 102432