

# ***INNOVATIVE TYRES & TUBES LIMITED***

(CIN: L25112GJ1995PLC086579)

**29<sup>th</sup> ANNUAL REPORT**

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**2023-24**



## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Munish Chawla (DIN No. 06454015)– Managing Director (w.e.f. 9<sup>th</sup> August 2023)  
Mr. Robin Chawla (DIN No. 10277507)– Director (w.e.f. 9<sup>th</sup> August 2023), Director & CFO (w.e.f. 10<sup>th</sup> November, 2023)  
Mr. Ramesh Chander Chawla (DIN No. 08303533)– Director (w.e.f. 9<sup>th</sup> August 2023)  
Mrs. Roshni Chawla (DIN No. 10276412)– Director (w.e.f. 10<sup>th</sup> November 2023)  
Mr. Umesh Ved (DIN No. 00003393)– Independent Director (w.e.f. 10<sup>th</sup> November 2023)  
Ms. Jasmin Doshi (DIN No. 08686876)– Independent Director (w.e.f. 10<sup>th</sup> November 2023)

*(Below members were suspended by virtue of NCLT order dated 28-03-2022)*

Mr. Mukesh Desai (DIN No. 00089598)– Non-Executive Chairman (upto 9<sup>th</sup> August 2023)  
Mr. Keyoor Bakshi (DIN No. 00133588)– Independent Director (upto 9<sup>th</sup> August 2023)  
Dr. Mrs. Kalpana Joshipura (DIN No. 07849507)– Independent Director (upto 9<sup>th</sup> August 2023)

### **RESOLUTION PROFESSIONAL**

Mr. Abhishek Nagori  
Regn. No. IBBI/IPA-001/IP-P00020/2016-17/10044 (upto 9<sup>th</sup> August 2023)

### **COMPANY SECRETARY & COMPLIANCE OFFICER**

Mrs. Shweta Pankaj Sharma  
(w.e.f. 10-11-2023)

### **AUDIT COMMITTEE**

Mr. Umesh Ved – Chairman (w.e.f. 10-11-2023)  
Ms. Jasmin Doshi – Member (w.e.f. 10-11-2023)  
Mr. Ramesh Chander Chawla – Member (w.e.f. 10-11-2023)

### **STATUTORY AUDITORS**

**M/s. Haribhakti & Co. LLP,**  
Chartered Accountants,  
701, Leela Business Park,  
Andheri Kurla Road,  
Andheri (E), Mumbai – 400059

### **NOMINATION AND REMUNERATION COMMITTEE**

Mr. Umesh Ved – Chairman (w.e.f. 10-11-2023)  
Ms. Jasmin Doshi – Member (w.e.f. 10-11-2023)  
Mr. Ramesh Chander Chawla – Member (w.e.f. 10-11-2023)

### **INTERNAL AUDITORS**

**M/s Khode & Associates**  
Chartered Accountants  
307, Orion Arcade  
Near Rang Multiplex,  
Zadeshwar Road,  
Bharuch -392011

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Ms. Jasmin Doshi – Chairperson (w.e.f. 10-11-2023)  
Mr. Umesh Ved – Member (w.e.f. 10-11-2023)  
Mr. Ramesh Chander Chawla – Member (w.e.f. 10-11-2023)

### **REGISTRAR & SHARE TRANSFER AGENT**

**Link Intime India Private Limited**  
C-101, 247 Park, L.B.S.Marg,  
Vikhroli (West), Mumbai - 400083.  
Contact: 022 4918 6000  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

### **REGISTERED OFFICE**

1201, 1202, 1203 GIDC Halol,  
Panchmahal – 389350, Gujarat.  
Contact No: 02676 – 220621  
E-mail id:  
[investors@innovativetyres.co.in](mailto:investors@innovativetyres.co.in)  
Website: [www.innovativetyres.com](http://www.innovativetyres.com)

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 29<sup>th</sup> Annual General Meeting of the members of Innovative Tyres & Tubes Limited will be held on **Monday, 23<sup>rd</sup> September 2024** through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') at 10.00 a.m. to transact the following business(es):

### **Ordinary Business:**

#### **Item No. 1: Adoption of financial Statements**

To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2024 including Balance Sheet as at 31st March, 2024, Statement of Profit & Loss and Cash Flow Statement of the Company for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

#### **Item No. 2: Re-Appointment of Mr. Ramesh Chandar Chawla as a director liable to retire by rotation**

To Re-appoint Mr. Ramesh Chandar Chawla, as Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.

#### **Item No. 3: Ratification of appointment of statutory auditors**

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Audit and Auditors) Rules, 2014 ("Rules") (including any statutory modification or re-enactment thereof, for the time being in force), the Company hereby ratifies the appointment of M/s Haribhakti & Co. LLP, Chartered Accountants, (Firm Registration No. 103523W/W100048), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2025."

### **SPECIAL BUSINESS**

#### **Item No. 4: AUTHORITY TO THE BOARD OF DIRECTORS TO SELL/LEASE OR OTHERWISE DISPOSE OFF PART OF THE UNDERTAKING OF THE COMPANY**

**To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:**

**"RESOLVED THAT**, Pursuant to the provisions of section 180(1(a) of the Companies Act, 2013 read with relevant rules made thereunder, and any other applicable provisions, including any modification(s) thereto or re-enactment(s) thereof for the time being in force, subject to the provisions of the Memorandum and Articles of Association of the company and subject to such other approvals, sanctions, consents and permissions as may be necessary to be obtained, the consent of the members of the company be and is hereby accorded to the Board of Directors of the company to sell lease or otherwise dispose of the whole of the land, building, plant and Machinery, Office equipment, furniture and Computer installations, of its Tubes division of the Company to M/s S S Tyres and Tubes Private Limited (PAN No. ABNCS9657A), at such consideration, in such manner and on such terms and conditions as may be deemed appropriate and decided by the Board, with the power to the Board to finalize and execute all the required documents, memoranda, deeds of assignment/conveyance and any other incidental documents with such modifications as may be required from time to time.

**"FURTHER RESOLVED THAT** the Board be and is hereby authorized to execute any documents, deeds or writings as may be necessary to be executed in relation to the transfer and vesting of the whole of land and Building of the Company and to make applications to the regulatory and governmental authorities for the purpose of obtaining all approvals and sanctions as required to be obtained by the company in this regard."

**"FURTHER RESOLVED THAT** the Board be and is hereby authorized to do all acts and deeds as may be necessary, proper, desirable and/or expedient to give effect to this resolution, to settle any questions, difficulties or doubts that may arise in regard to such sale/disposal and transfer of the Land and Building as they may in their absolute discretion deem fit and as may be necessary for the completion of the transaction as aforesaid in the best interest of the company."

**Item No.5: Ratification of The Remuneration of the Cost Auditor for 2023-24 And 2024-25.**

To consider and if thought fit, to pass with or without modification, the following resolutions as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Companies (Cost Records and Audit) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, the remuneration of M/s. Diwanji & Co., Cost Accountants (Firm Registration Number:103523W/W100048), Cost Auditor of the Company for the Financial Year 2023-24 as appointed by the Board of Directors at a remuneration of Rs. 50,000 (Rupees Fifty Thousand only) p.a., to be paid to M/s. Diwanji & Co. (Firm Registration Number:103523W/W100048), Cost Accountants be and is hereby confirmed and ratified by the members.

**“RESOLVED THAT** pursuant to Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Companies (Cost Records and Audit) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, the remuneration of M/s. Diwanji & Co., Cost Accountants (Firm Registration Number:103523W/W100048), Cost Auditor of the Company for the Financial Year 2024-25 as appointed by the Board of Directors at a remuneration of Rs. 75,000 (Rupees Seventy-Five Thousand only) p.a., to be paid to M/s. Diwanji & Co. (Firm Registration Number:103523W/W100048), Cost Accountants be and is hereby confirmed and ratified by the members of the company.

Place: Halol  
Date: 29<sup>th</sup> August 2024

By order of the Board of Directors  
For Innovative Tyres & Tubes Limited

**Robin Chawla**  
DIN-10277507  
Director & CFO

**Registered Office:**  
1201, 1202, 1203, GIDC Halol,  
Panchmahal – 389350.  
CIN: L25112GJ1995PLC086579  
Website: [www.innovativetyres.com](http://www.innovativetyres.com)  
E-mail: [investors@innovativetyres.co.in](mailto:investors@innovativetyres.co.in)  
Tel: 02676 -220621

**NOTES:**

1. Pursuant to the General Circular nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 02/2021 dated January 13, 2021, 21/2021 dated December 14, 2021, 02/2022 dated May 05, 2022, 10/2022 dated December 28, 2022, 09/2023 dated 25<sup>th</sup> September 2023 issued by the Ministry of Corporate Affairs (“MCA”) and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P /2021/11, SEBI/ HO/CFD/CMD2/CIR/P/ 2022/ 62, and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 issued by The Securities and Exchange Board of India (“SEBI”) (hereinafter referred to as “the Circulars”), the Companies are allowed to hold AGM through video conference (“VC”) or other audio visual means (“OAVM”), without the physical presence of members at a common venue and also allowed to send notice and annual report through electronic mode only. Hence, in compliance with the aforesaid Circulars, the AGM of the Company is being held through VC. The deemed venue for AGM shall be the Registered Office of the Company.

In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12<sup>th</sup> May, 2020, Circular dated 15<sup>th</sup> January, 2021, SEBI Circular dated 13<sup>th</sup> May, 2022, SEBI Circular dated 5<sup>th</sup> January 2023 (hereinafter referred to as “SEBI Circulars”), the notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report will also be available on the Company’s website [www.innovativetyres.com](http://www.innovativetyres.com), website of National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com).

2. Since this AGM is being held through VC/ OAVM, pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.**

3. Participation of members through VC/ OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
4. Facility of joining the AGM through VC / OAVM shall open 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC / OAVM. Corporate members intending to authorize their representatives to participate and vote at the meeting, are requested to send a certified copy of the Board Resolution / authorization letter to the Company or upload on the VC / OAVM portal / e-voting portal.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM, based on the request being received on investors@innovativetyres.co.in.
7. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to investors@ innovativetyres.co.in
8. The Register of Members and Share Transfer Books of the Company will be closed from **11<sup>th</sup> September, 2024 to 23<sup>rd</sup> September 2024** (both days inclusive) for the purpose of the Twenty-Ninth AGM of the Company.
9. Members are requested to:
  - i) Register their correct email ID and correct Bank Account details:  
 In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/ Depositories, log in details for e-voting are being sent on the registered email address.  
 In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:
    - a) In the case of Shares held in physical mode: The shareholder may please email to RTA at rnt.helpdesk@linkintime.co.in or the Company at investors@innovativetyres.co.in.
    - b) In the case of Shares held in Demat mode: The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.
  - ii) Intimate the Registrar and Share Transfer Agent, M/s. Link Intime India Pvt. Ltd. for consolidation into a single folio Members, if they have shares in physical form in multiple folios in identical names or joint holding in the same order of names.
  - iii) Convert their holdings in dematerialized form to eliminate risks associated with physical shares and better management of the securities. Members can write to the company's registrar and share transfer agent in this regard.
  - iv) Members may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. Members holding shares in physical form may obtain the Nomination forms from the Company's Registrar and Share Transfer Agent and Members holding shares in electronic form may obtain the Nomination forms from their respective Depository Participant(s).
10. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts(s). Members holding shares in physical form can submit their PAN details to M/s. Link Intime India Pvt. Ltd. at C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083.



12. All documents referred to in the accompanying Notice can be obtained for inspection by sending E-mail to Company on investors@innovativetyres.co.in. Electronic copies of necessary statutory registers and auditors' report/certificates will be available for inspection by the members at the time of AGM.
13. Members desiring any information relating to the Accounts are requested to address their queries to the Registered Office of the Company at least seven days before the date of the AGM, to enable the management to keep the information ready.
14. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
15. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Link Intime India Private Limited, Company's Registrar and Transfer Agent for assistance in this regard.
16. Consolidation of Shares under one folio The Company would urge shareholders holding shares of the Company under different folios to consolidate the shares under one folio. This would substantially reduce paperwork and transaction costs and benefit the shareholders and the Company. Shareholders can do so by writing to the Registrar with details on folio numbers, order of names, shares held under each folio, and the folio under which all shareholding should be consolidated. Share certificates need not be sent.
17. The Members who hold shares in physical mode and have not registered their e-mail address may register their email ids with the Company / Registrar and Transfer Agent (Link Intime India Private Limited) to enable the Company to send Notices of General meeting/Postal Ballot, Annual Report and other shareholders communication by electronic mode.  
  
Members are requested to support this Green Initiative by registering/updating their e-mail addresses, with the Depository Participant (in case of Shares held in dematerialized form) or with Registrar and Share Transfer Agents. (in case of Shares held in physical form).
18. Voting through electronic means (Remote E-voting):
  - i) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the institute of Company Secretaries of India, the Company is pleased to provide to its Members the facility to exercise their right to vote on resolutions proposed to be considered at the 29<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Link Intime India Private Limited (LIPL).
  - ii) The remote e-voting period commences on **Friday, 20<sup>th</sup> day of September, 2024 (9:00 a.m. IST)** and ends on **Sunday, 22<sup>nd</sup> day of September, 2024 (5:00 p.m. IST)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Friday, 13<sup>th</sup> day of September 2024** may cast their vote electronically. The remote e-voting module shall be disabled by LIPL e-voting platform for voting thereafter.
  - iii) The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Friday, 13<sup>th</sup> day of September, 2024**, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice.
  - iv) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - v) The facility for e-voting at the AGM will be available and the Members attending the meeting who have not cast their vote by remote e-Voting shall be able to exercise their right at the meeting through e-voting.
  - vi) The Company has appointed Mrs. Swati Bhatt, Proprietor of M/s. Swati Bhatt & Co., Practising Company Secretaries as Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.
  - vii) The Scrutinizer shall, immediately after the conclusion of voting at the annual general meeting, would first unblock the e-voting at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2)

witnesses not in the employment of the company and make within a period not exceeding two (2) days from the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any and submit forth with to the Chairman of the Company or a person authorized by him in writing who shall countersign the same.

- viii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website <https://www.innovativetyres.com/> and on the website of LIPL immediately after the result is declared. The Company shall simultaneously forward the results to National Stock Exchange ("NSE"), where the shares of the Company are listed.
- ix) The Resolution shall be deemed to be passed on the date of AGM i.e. **23<sup>rd</sup> day of September, 2024**, subject to receipt of sufficient votes.

**Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:**

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9<sup>th</sup> June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

**Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ul style="list-style-type: none"> <li>• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password.</li> <li>• After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>• If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/ Ideas Direct Reg. jsp">https://eservices.nsdl.com/SecureWeb/ Ideas Direct Reg. jsp</a></li> <li>• Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>
Individual Shareholders holding securities in demat mode with <b>CDSL</b>	<ul style="list-style-type: none"> <li>• Existing user of who have opted for Easy / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easy / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>• After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote.</li> <li>• If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>• Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.</li> </ul>
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> <li>• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>• Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>



Type of shareholders	Login Method
<b>Individual Shareholders holding securities in Physical mode &amp; evoting service Provider is LINKINTIME.</b>	<ol style="list-style-type: none"> <li>1. Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a> <ul style="list-style-type: none"> <li>• Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -               <ol style="list-style-type: none"> <li>A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company.</li> <li>B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li>C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li> <li>D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</li> </ol> </li> <li>• Shareholders/ members holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above               <ul style="list-style-type: none"> <li>➤ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>➤ Click “confirm” (Your password is now generated).</li> </ul> </li> </ul> </li> <li>2. Click on ‘Login’ under ‘SHARE HOLDER’ tab.</li> <li>3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’.</li> <li>4. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.</li> <li>5. E-voting page will appear.</li> <li>6. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).</li> <li>7. After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.</li> </ol>

#### **Institutional shareholders:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘Custodian / Mutual Fund / Corporate Body’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same.

#### **Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:**

- o Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- o Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on ‘Submit’.
  - In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
  - Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
  - The password should contain minimum 8 characters, at least one special character (@! # \$ % & \*), at least one numeral, at least one alphabet and at least one capital letter.

#### **Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:**

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants’ website.
  - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions (‘FAQs’) and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 –4918 6000.

**Process and manner for attending the Annual General Meeting through InstaMeet:**

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>
  - > Select the “Company” and ‘Event Date’ and register with your following details: -
    - A. **Demat Account No. or Folio No:** Enter your 16-digit Demat Account No. or Folio No
      - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
      - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
      - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
    - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
    - C. **Mobile No.:** Enter your mobile number.
    - D. **Email ID:** Enter your email id, as recorded with your DP/Company.
      - > Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

**Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:**

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company mentioning their name, demat account no./folio no., email id, mobile no. at [investors@innovativetyres.co.in](mailto:investors@innovativetyres.co.in)
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

**NOTE:** Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

**Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not

exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

**Note:** Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

#### **Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET**

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>  
or
- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under: Step 1: Enter your First Name, Last Name and Email ID and click on Join Now.
  - 1 (A): If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
  - 1 (B): If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.  
Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now.

#### **General Guidelines for Shareholders:**

- I. A Member may participate in the AGM even after exercising his right to vote through remote e-Voting but shall not be allowed to vote again at the AGM.
- II. A person, whose name is recorded in the register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., 13<sup>th</sup> day of September, 2024, only shall be entitled to avail the facility of remote e-Voting as well as e-Voting at the AGM.

Institutional Shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as ‘Custodian/ Mutual Fund / Corporate Body’. They are also

required to upload a scanned certified true copy of the board resolution / authority letter / power of attorney, etc., together with attested specimen signature of the duly authorized representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

- III. During the voting period, Shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- IV. Shareholders holding multiple folios / demat account shall choose the voting process separately for each of the folios / demat account.
- V. In case the Shareholders have any queries or issues regarding e-Voting, please refer the Frequently Asked Questions (FAQs) and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or Call us: - Tel: +91 (022) – 4918 6000.
- VI. The Chairman shall, during the AGM / at the end of discussion / after every business item for the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by way of e-Voting system for the purpose of conducting a poll for all those Members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.
- VII. The Scrutinizer will submit his report to the Chairman or to any other person authorized by the Chairman after the completion of the scrutiny of the e-Voting (votes cast during the AGM and votes casted through remote e-Voting), not later than 2 working days from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to NSE and RTA and will also be displayed on the Company's website at [www.innovativetyres.com](http://www.innovativetyres.com) and on the RTA's website at <https://instavote.linkintime.co.in>.
- VIII. The voting results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.innovativetyres.com](http://www.innovativetyres.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the National Stock Exchange.

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

#### Item No.3

M/s Haribhakti & Co. LLP, Chartered Accountants, (Firm Registration No. 103523W/W100048), were re-appointed as Statutory Auditors of the Company at the previous Annual General Meeting (AGM) of the Company held on 29th December 2023, to hold the office till the conclusion of 32nd AGM. The said appointment was the Second year in their Second term of five years. Pursuant to the provisions of Section 139 of the Companies Act, 2013, the Statutory Auditors are appointed for a term of 5 consecutive years. Therefore, it is proposed to ratify the appointment of M/s Haribhakti & Co. LLP, Chartered Accountants, (Firm Registration No. 103523W/W100048), as Statutory Auditors of the Company.

The Board of Directors recommends the resolution at Item No. 3 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise in the resolution at Item No. 3 of this Notice.

#### Item No 4

The members of the company are requested to note that as per section 180(1)(a) of the Companies Act, 2013 ("the Act"), the Board of Directors of a company ("the Board") can exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of any undertaking(s) of the company, only with the prior approval of the members of the company by way of a special resolution. As per Explanation (1) & (ii) of section 180(1)(a) of the Act:

i. "undertaking" means an undertaking in which the company's investment exceeds 20% of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates 20% of the total income of the company during the previous financial year

ii. "Substantially the whole of the undertaking" in any financial year means 20% or more of the value of the undertaking as per the audited balance sheet of the preceding financial year.

Your Company has identified the Land and Building as 'substantial' in terms of section 180(1)(a) of the Companies Act, 2013 and therefore requires member's approval by way of "Special Resolution for disposal of the said land and building.

Consequent upon high cost of production, reduced operations and poor marketing in last couple of months, the Board is of the view that the progress of the company is lying with its Tyre plant only or other diversified product and therefore, it will be better for the company to sell or otherwise dispose of all the assets of the Tubes division including land, Building, Plant and machineries, furniture, office equipment and computer installation.

Your company had invited bids from several parties to buy the assets of the Company, and M/s S S Tyres and Tubes Private Limited (PAN No. ABNCS9657A) has shown the interest in buying the said property viz. land and building and plant and machineries, furniture, office equipment and computer installation of the Tubes division and bid the highest amount to buy it.

The Board at its meeting held on 29th August 2024 accorded its approval to dispose of all the assets of the Tube Division of the Company including land Building, Plant, machineries etc.

The net proceeds from the sale of the assets will be utilized to repay the existing loans from Promoters and other liabilities.

None of the Directors and/or their respective relatives are interested financially or otherwise in the resolution set out at item no. 4 of the accompanying notice.

The Board re-commends the resolution set out at item no. 4 for approval of the members by means of a special resolution.

#### Item No 5

The Audit Committee of the Company at their meeting held on March 06, 2024 has recommended to the Board of Directors, for appointment and fixing of remuneration of M/s. Diwanji & Co., Cost Accountants, for audit of cost records of manufacturing units of the Company for the financial year 2023-24 and also for the financial year 2024-25. The Board of Directors of the Company at their meeting held on March 06, 2024 has appointed and fixed their remuneration as Cost Auditors of the Company subject to ratification by the members of the Company. In accordance with the provisions of Section 148, other applicable provisions of the Companies Act, 2013 and rules framed there under, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Therefore, the Board of Directors of the Company proposes



resolution as set out in Item No. 5 of the Notice for approval of Members of the Company.

None of the Directors / Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested in the aforesaid resolution.

The Board re-recommends the resolution set out at item no. 5 for approval of the members by means of an Ordinary resolution.

#### Annexure A

**Details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard- 2 on “General Meetings “issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM:**

#### Particulars

Date of Appointment	<b>Mr. Ramesh Chander Chawla (DIN- 08303533)</b> 09-08-2023
Designation	Director
Age	81 Years
Qualifications	High School
Experience (including expertise in specific functional area)/Brief Resume	Importer of Raw Rubber Materials from last 10 years
Terms and conditions of appointment/re-appointment	Compensation `Rs. Nil per annum. Period three years.
Relationship with other directors or Key Managerial Personnel	Mr. Munish Chawla (Son) Mr. Robin Chawla (Grand Son)
Names of listed entities in which the person also holds the directorship and the membership of Committees of the Board	Nil
Total shares held by him in the company	Nil

**Place:** Halol

**Date:** 29<sup>th</sup> August, 2024

By order of the Board of Directors  
**For Innovative Tyres & Tubes Limited**

#### Registered Office:

1201, 1202, 1203, GIDC Halol,

Panchmahal – 389350.

CIN: L25112GJ1995PLC086579

Website: [www.innovativetyres.com](http://www.innovativetyres.com)

E-mail: investors@innovativetyres.co.in

Tel: 02676 -220621

Robin Chawla

Director & CFO

DIN:10277507

## DIRECTORS' REPORT

To,  
The Members  
**Innovative Tyres & Tubes Limited**

Your Board of Directors present the 29<sup>th</sup> Annual Report and the Audited Financial Statements for the financial year ended March 31, 2024.

The members are informed that the Hon'ble National Company Law Tribunal, Ahmedabad Bench, ordered the Commencement of Corporate Insolvency Resolution Process vide NCLT order No. C.P (I.B) No. 261/NCLT(AHM)2021, Dated: 28.03.2022 (CIRP Process Commencement Date). The NCLT had, pursuant to the Admission Order, appointed an Interim Resolution Professional (IRP) for the Corporate Debtor vide its order of even date. In terms of the admission order, inter alia, the management of the affairs of the Corporate Debtor was vested with the IRP. Subsequently, the Committee of Creditors ("CoC") appointed the IRP as the Resolution Professional (RP) to manage the day-to-day affairs of the Company. On appointment of the IRP/RP, the powers of the Board of Directors of the Company were suspended.

In accordance with the provisions of the Code, resolution plan in respect of the Company was received by the RP. The CoC of the Company, in their meeting held on December 31, 2022 had approved the Resolution Plan submitted by M/s. Ten on Ten Rubtech Private Limited ("Successful Resolution Applicants") which was subsequently submitted to the Hon'ble NCLT in accordance with Section 30(6) of the Code.

The Hon'ble NCLT, Ahmedabad bench, vide its order dated August 09, 2023 approved the Resolution Plan submitted by the Successful Resolution Applicant. A new Board was constituted on August 09, 2023 and a new management was put in place.

The approved Resolution Plan is binding on the Company and its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force, such as authorities to whom statutory dues are owed such as guarantors and other stakeholders involved in the Resolution Plan.

The newly constituted Board of Directors were in office for the period starting from August 09, 2023 till the year ended March 31, 2024. During the period of the CIRP i.e. from March 28, 2022 till August 09, 2023, the IRP/RP was in-charge of the affairs of the Operations of the Company. The newly constituted Board is submitting this report in compliance with the provisions of the Companies Act, 2013, and the rules framed thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015. The newly constituted Board is not to be considered responsible to discharge fiduciary duties with respect to the oversight on financial and operational health of the Company and performance of the management for the period upto 17.08.2023 (Date of Handover by the Resolution Professional)

## FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2024 is summarized below:

(`Rs. in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2024	Year ended 31 <sup>st</sup> March 2023
Revenue from Operations	1417.79	162.44
Other Income	820.33	24.39
<b>Total Revenue</b>	<b>2238.12</b>	<b>186.83</b>
<b>Total expenses</b>	<b>2617.79</b>	<b>6,327.67</b>
<b>Profit/(Loss) before taxation and extraordinary items</b>	<b>(379.67)</b>	<b>(6,140.83)</b>
Exceptional items	3826.63	-
<b>Profit /(Loss) before taxation</b>	<b>3446.96</b>	<b>(6,140.83)</b>
Less: tax expense (including adjusted deferred tax)	(2.73)	847.18
<b>Profit /(Loss) after tax</b>	<b>3449.69</b>	<b>(5,293.65)</b>
EPS (Basic)	19.17	(29.42)
EPS (Diluted)	19.17	(29.42)

## STATEMENT OF COMPANIES AFFAIRS

During the year under review the total turnover from operations was Rs. ` 1417.79 lakhs as against the last year's turnover of ` Rs.162.44 lakhs. The revenue increased due to starting of manufacturing operations after CIRP period. During the year, the company recorded a Net profit of ` Rs.3449.69 lakhs as against the previous year's net loss of ` Rs.5293.65 lakhs.

In accordance with the provisions of the Insolvency and Bankruptcy Code, the Company was admitted to undergo CIRP pursuant to the Order of the Hon'ble NCLT, Ahmedabad Bench, on March 28, 2022 and came out of CIRP after order pronounced as on August 09, 2023.

## DIVIDEND

Considering the loss during the current financial year, your directors unanimously decided not to propose any dividend for the financial year ended March 31, 2024.

## TRANSFER TO RESERVE

During the year under review, the Company has not proposed any amount to be transferred to General Reserve out of Net profits of the Company for the financial year ended 31<sup>st</sup> March, 2024.

## SUBSIDIARIES AND CONSOLIDATED FINANCIAL STATEMENTS

The Company do not have any subsidiaries. Further in case of consolidation of associate concern, the Company is falling within the exemption of AS-23 hence; there is no need to prepare consolidated financial statement for the financial year 2023-24.

## LISTING WITH STOCK EXCHANGE

The Equity Shares of your Company are listed on the EMERGE platform of National Stock Exchange of India Limited ("NSE"). The Company had paid Annual Listing fees to the stock exchange for the Financial Year 2024-25. However, in view of Hon'ble NCLT Order dated 09-08-2023 read with Order dated 04-06-2024, the extinguishment of shares taking place therefore the trading of the equity shares is temporarily suspended w.e.f. 26-06-2024 vide Circular Ref. No: 1062/2024 dated 19-06-2024.

## MATERIAL CHANGES AND COMMITMENT:

There have not been any material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since 31<sup>st</sup> March, 2024.

Pursuant to the Order dated August 09, 2023 and Order dated 04-06-2024 passed by the Hon'ble NCLT, Ahmedabad bench, the following events took place;

- (i) Constitution of New Management: The new management has, w.e.f. August 17, 2023 being the effective date, taken control of the operations of the Company.
- (ii) Reconstitution of the Board of Directors: Consequent to the NCLT Order dated August 09, 2023, all the Directors as of the date of the order were deemed to have vacated/resigned from their office. New Board was re-constituted on August 09, 2023 consisting of Mr. Munish Chawla, Mr. Robin Chawla and Mr. Ramesh Chander Chawla and simultaneously Woman Director Mrs.Roshni Chawla and two Independent Directors Mr.Umesh Ved and Ms.Jasmin Doshi also got appointed on 10<sup>th</sup> November 2023 along with the appointment of Mrs.Shweta Sharma, Company Secretary of the Company.
- (iii) Implementation of Resolution Plan: The Resolution Plan envisages amongst other things, Reduction in the existing Share Capital of the Company, Consolidation of the Equity Shares of the Company, fresh issue and allotment of Equity Shares to the Successful Resolution Applicant. As per the Resolution plan approved by the Hon'ble NCLT vide order dated 09-08-2023, there was a mismatch in promoter and public shareholding. In order to correct the same an interlocutory application was filed before the Hon'ble NCLT and the order of the same was pronounced on dated 4<sup>th</sup> June 2024 i.e. after the audit of annual accounts of the year under review, the effect of the same was not incorporated except the receipt of share application money from the resolution applicant. The interlocutory application approved by the Hon'ble NCLT on 4-6-24 read with original order dated 09-08-2023 envisages the cancellation of erstwhile promoter's equity, reduction of public shareholding and allotment of new shares to new promoters. The effect of the same has been given on 26-06-2024 being the record date for the above corporate actions. However, the approval for the above corporate action from stock exchange is awaited. Therefore, the effect of the said corporate actions by the depositories yet to be given. The quantification of above has been given in detail at SHARE CAPITAL CLAUSE in this director's report.

- (iv) Constitution of Implementation and Monitoring: As provided for in the approved Resolution Plan the Implementation and Monitoring Committee was constituted on August 16, 2023, comprising of three members viz. the erstwhile Resolution Professional (re-designated as the Chairperson to the Implementation & Monitoring Committee), one member from Secured Creditors and one member from Resolution Applicant. The Company has made full payments to the Operational creditors, Financial Creditors, CIRP Cost, Employee dues as per the Resolution plan approved by the Hon'ble NCLT, Ahmedabad Bench.

Consequent to the full payment made and all compliances done the monitoring committee has also taken note of full payments made in its concluding meeting held on 8<sup>th</sup> August 2024.

No crystalized or contingent Liabilities as on the Resolution Plan approval date shall be payable which has not been specifically accepted and provided for in the Resolution Plan. All payment proposed against deemed assumed Liabilities, contingent Liabilities, disputed Liabilities and such other liabilities shall be considered as full and final amount payable towards such liabilities. No further claims or litigation shall be admissible against the Corporate Debtor or Resolution Applicants for any such Liabilities stated herein. No liabilities shall be admissible which has not specifically been assumed under the Resolution Plan. Further any liability crystallizing out of the contingent liabilities or disputed legal cases of the Company or any other unknown or unclaimed liability pertaining to a transaction or incident dating to a period prior to the Insolvency commencement date or during the CIRP which does not find a place in the approved Resolution Plan, shall be deemed to have lapsed/extinguished on the approval of the Resolution Plan and the Company shall be deemed to have been duly discharged from all legal liability arising from such antecedent claims. Hence no fresh claims shall be entertained by the company in future and all outstanding liabilities shall be deemed to be extinguished.

#### **RISK MANAGEMENT:**

During the year, all the risk related to compliance and activity in relation to Corporate Insolvency Resolution Process has been managed by Resolution Professional till 09-08-2023 and as soon as the successful Resolution Applicant has taken over the company and the new management got appointed all the responsibilities got transferred and within short period of time the export has also started.

The new management of the Company has reviewed the existing risk management policy and laid down defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. However, constitution of Risk Management Committee is not applicable as it is applicable to top 500 listed companies only.

#### **EXTRACT OF ANNUAL RETURN**

In accordance with the Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the annual return of the Company as on March 31, 2024 in the prescribed format is available on the Company's website. The web-link as required under the Act is as under:

LINK:[https://www.innovativetyres.com/investor\\_relations/announcements/innovativedraftAnnualReturnFY2023-24](https://www.innovativetyres.com/investor_relations/announcements/innovativedraftAnnualReturnFY2023-24)

#### **SECRETARIAL AUDIT REPORT**

In compliance of the provisions of section 204 of the Companies Act, 2013, other applicable provisions of the Act, the Companies (Appointment and Managerial Personnel) Rules, 2014, the Board of Directors at their meeting held appointed M/s. Swati Bhatt & Co., Practicing Company Secretary, Vadodara as Secretarial Auditor of the company for the F.Y. 2024-25. The Secretarial Audit Report of Financial year 2023-24 is attached as an **Annexure – 1**.

#### **CORPORATE GOVERNANCE**

Your company has incorporated the appropriate standards of corporate governance. Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company being SME listed company, is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, company is not filing Corporate Governance report to stock exchange quarterly. However as per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, company is giving report on corporate governance in Annual Report of the company. Corporate Governance Report is as per Annexure – 2. The requisite Certificate has been obtained from M/s. Swati Bhatt & Co., Practicing Company Secretary, Vadodara is attached to Corporate Governance Report.

**MANAGEMENT DISCUSSION & ANALYSIS REPORT:**

As per Regulation 34 read with Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 the Management Discussion and Analysis Report is attached as Annexure – 3 to this Annual Report.

**DISCLOSURE ON DEPOSITS UNDER CHAPTER V**

The Company has neither accepted nor renewed any deposits during the financial year 2023-24 in terms of Chapter V of the Companies Act, 2013. However, The Company has filed the Return of Deposits in which there are some amounts taken from Directors and from the Banks also. Further, the Company is not having any unpaid or unclaimed deposits at the end of the financial year.

**INTERNAL FINANCIAL CONTROL SYSTEM**

Pursuant to the taking over of the operations of the Company by the new management, the Company is putting in place a framework for Internal Financial Controls, commensurate with the size, scale and complexity of the Company's operations.

**DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board of Directors comprises of following directors:

Sr. No.	Name of Directors/KMP	Designation
1.	Mr. Mukesh Desai	Non-Executive Chairman (upto 09-08-2023)
2.	Mr. Keyoor Bakshi	Independent Director (upto 09-08-2023)
3.	Dr. Mrs. Kalpana Joshipura	Independent Director (upto 09-08-2023)
4.	Mr. Munish Chawla	Managing Director (w.e.f. 09-08-2023)
5.	Mr. Robin Chawla	Non-executive Director (w.e.f. 09-08-2023) and Director & CFO (w.e.f. 10-11-2023)
6.	Mr. Ramesh Chander Chawla	Non-executive Director (w.e.f. 09-08-2023)
7.	Mr. Umesh Ved	Independent Director (w.e.f. 10-11-2023)
8.	Ms. Jasmin Doshi	Independent Director (w.e.f. 10-11-2023)
9.	Mrs. Roshni Chawla	Non-Executive Director (w.e.f. 10-11-2023)
10.	Mrs. Shweta Pankaj Sharma	Company Secretary & Compliance Officer (w.e.f. 10-11-2023)

During part of the year the company was under CIRP and during the CIRP period (i.e. between March 28, 2022 till August 09, 2023), Resolution Professional was entrusted with and responsible for the management of the affairs of the Company.

**MEETINGS OF BOARD OF DIRECTORS**

During the year, the Board met 6 (six) times i. e. on 06 July 2023, August 22, 2023, two number of meetings on November 10, 2023, December 04, 2023 and March 06, 2024. Details of Directors presence in each board meeting is mentioned below:

Name of Directors	Number of Meetings attended / Total Meetings held during the F.Y. 2023-24.
Mr. Mukesh Desai	1/1
Mr. Keyoor Bakshi	0/1
Dr. Mrs. Kalpana Joshipura	0/1
Mr. Munish Chawla	05/05
Mr. Robin Chawla	05/05
Mr. Ramesh Chandar Chawla	05/05
Mrs. Roshni Chawla	04/04
Mr. Umesh Ved	04/04
Ms. Jasmin Doshi	04/04

**STATUTORY AUDITORS**



The members of the company at their Annual General Meeting held on 29<sup>th</sup> December, 2023, have appointed M/s Haribhakti & Co. LLP, Chartered Accountants, (Firm Registration No. 103523W/W100048), as Statutory Auditors of the Company to conduct the audit for remaining period of four years in their second term i.e up to 32<sup>nd</sup> Annual General Meeting 'subject to the ratification at every Annual General Meeting at such remuneration as may be decided by the Board and auditors mutually for the Financial year 2023-24 was made in the Annual General Meeting held on 29<sup>th</sup> December 2023. The Auditor's Report for financial year 2023-24 contains qualification, reservation.

The Board of Directors of the Company at their meeting held on 30<sup>th</sup> May 2024, have proposed, subject to approval of shareholders, the Ratification of Appointment of M/s Haribhakti & Co. LLP, Chartered Accountants, (Firm Registration No. 103523W/W100048), as Statutory Auditors of the Company, to hold office from the conclusion of ensuing Annual General Meeting up to the conclusion of next Annual General Meeting of the Company.

#### **FRAUD REPORTED BY AUDITOR UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013**

There was no instance of fraud reported by the auditor in their report under Section 143 (12) of the Companies Act, 2013.

#### **COST AUDITORS**

The Company has not appointed the Cost Auditor for the Financial year 2022-23. Appointment of M/s. Diwanji & Co., Cost Accountants, Vadodara was done in the meeting of the Board held on 06<sup>th</sup> March 2024, to conduct the Cost Audit for the financial year 2023-24 as per Section 148 of Companies Act, 2013.

There was no Cost Audit Report for the financial year 2022-23 as there was no cost Auditor during Financial Year 2022-23 as there was no production activity during the CIRP period. The Report for the Financial year 2023-24 is yet to be received from M/s. Diwanji & Co., Cost Accountants, Vadodara.

#### **INTERNAL AUDITOR:**

M/s Khode & Associates, Chartered Accountants, Internal Auditor of the company has submitted their Report for the Financial Year 2023-24 and now the firm has been re-appointed as the Internal Auditors of the Company for FY 2024-25 to conduct the Internal Audit on the basis of detailed Internal Audit Plan.

#### **SECRETARIAL AUDITORS**

Board of Directors at their meeting held on dated 4<sup>th</sup> December 2023 appointed M/s. Swati Bhatt & Co., Practicing Company Secretary, Vadodara as Secretarial Auditor to conduct the secretarial audit for the financial year 2023-24. Secretarial Audit Report for financial year 2023-24 is attached to this report as **Annexure - 1**.

Further, Considering the performance of Secretarial Auditor Board of Directors have decided to continue with the same secretarial Auditor and re-appointed M/s. Swati Bhatt & Co., Practicing Company Secretary, Vadodara as Secretarial Auditor to conduct the secretarial audit for the financial year 2024-25 at their meeting held on 30<sup>th</sup> May, 2024.

#### **STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION)**

The Impact of Audit Qualifications (for audit report with modified opinion) for financial year 2023-24 is attached to this report as **Annexure - 5**.

#### **BOARD'S COMMENT ON THE INDEPENDENT AUDITORS' REPORT**

In the Report of the Independent Auditors for the year ended March 31, 2024, forming part of this Annual Report, the Auditors have given basis of qualified opinion, emphasis of matter and observations: -

- 1) Clause (a) of Basis of Qualified Opinion of Independent Auditor's Report
- 2) Clause (b) of Basis of Qualified Opinion of Independent Auditor's Report
- 3) Clause (a) and (b) of Emphasis of Matter of Independent Auditor's Report
- 4) Clause (i) (a) and (i) (b) of the Annexure 1 to the Independent Auditor's Report.
- 5) Clause (vi) of the Annexure 1 to the Independent Auditor's Report.

In relation to the qualifications, emphasis of matters and observations referred above, the point wise submissions are as under:

- 1) During the year under review the Company could not cancel Equity shares held by Promoters and reduce equity share capital of the public shareholders as per the order of Hon'ble NCLT Ahmedabad pronounced on 9th August 2023, because, there is a difference in Promoter and Public shareholding as per Hon'ble NCLT order and Actual shareholding as on Date of Honorable NCLT Order (i.e. August 09, 2023). The Company has applied to Hon'ble NCLT for rectification in the Order through Interlocutory Application and the Hon'ble NCLT pronounced the order dated 04-06-2024. In compliance to the said order, the equity shares held by promoters were cancelled and also the public shareholding was reduced on record date of 26<sup>th</sup> June 2024.
- 2) Self-explanatory
- 3) Self-explanatory
- 4) During the year under review the Company has not maintained proper records of fixed assets showing full particulars including quantitative details and situation of property, plant and equipment and Physical verification thereof. However, since the new management has taken charge and will ensure the maintenance and physical verification in coming period.
- 5) During the year under review the cost records were not maintained. The manufacturing operations were closed for part of the year. Now, the new management has taken charge and started maintaining the records now.

#### SHARE CAPITAL

- (i) The Company's issued and paid up Share Capital before approval of Resolution plan was `Rs.17,99,15,610/- divided into 1,79,91,561 fully paid up Equity shares of `Rs. 10/- each. As per the approved resolution plan ordered on 09-08-2023 read with order pronounced on dated 04-06-2024 on the interlocutory application, the Equity Shares held by Public Shareholders i.e public shareholding was reduced to 5,45,000 equity shares of Rs. 10 each aggregating to Rs. 54,50,000/-. All public shareholders holding 100 Equity Shares of the company on the Record Date were issued 3.52 new Equity Shares of the company and The Resolution Applicant (i.e new promoter) got issued 94,55,000 Equity Shares of Rs. 10 each fully paid and the shareholding of erstwhile promoters were cancelled fully. This reorganization of the Equity Share Capital involving, the extinguishment of the Equity Shareholdings of the Promoter and reduction of equity shareholding of the public shareholders and the Issue of fresh equity shares to the Resolution Applicant has taken place on record date of 26-06-2024 which is after the approval of Annual Accounts as of now.

The Paid-Up Equity Share Capital of the Company after the aforesaid changes is Rs. 10,00,00,000 /- made up of 1,00,00,000 Equity Shares of Rs.10/- each as under.

Particulars	No. of Equity Shares	% of Shareholding
Promoter's Holding (New Promoter)	94,55,000	94.55
Public Holding	5,45,000	5.45
<b>Total</b>	<b>1,00,00,000</b>	<b>100</b>

#### FRESH ISSUE OF EQUITY SHARES

In compliance with the Hon'ble NCLT Order dated 09-08-2023 read with the order pronounced on Interlocutory application dated 04-06-2024, the Company has issued and allotted 94,55,000 equity shares of Rs. 10/-each on 26-06-2024 to the resolution applicant.

#### CHANGES IN SHARE CAPITAL

As per the order pronounced by the Hon'ble NCLT dated 4<sup>th</sup> June 2024 against Interlocutory Application filed by the Resolution Professional for mismatch in the shareholding of promoter and public in the original order dated August 9, 2023. The Reorganization of the Share Capital will be as under:

The Company's Paid-Up Capital till 26-06-2024 ( i.e Record Date) was Rs.17,99,15,610/- is divided into 1,79,91,561 Equity Shares of Rs. 10/- each fully paid up, and the same was held by the erstwhile promoters of the Company as well as the public shareholders. All issued and paid-up Equity Shares of the Company held by the Promoters and promoter Group on the Record Date shall stand cancelled and extinguished without any further act or deed to be done by the Company. The balance issued and paid-up Equity

Shares held by Public Shareholders of the Corporate Debtor on the Record Date shall stand reduced to 5,45,000 equity shares of Rs. 10 each aggregating to Rs. 54,50,000/-. All public shareholders holding 100 Equity Shares of the Company on the Record Date shall be issued 3.52 new Equity Shares of the Company upon such reduction of share capital of the Company Fractional Shareholdings of less than 1 Equity Share shall be rounded off to the nearest higher or lower integer, and the Registrar & Share Transfer Agents of the Company shall have absolute discretion in deciding such rounding off to ensure that the aggregate allotment of new Equity Shares to the public shareholders of the Company becomes exactly 5,45,000. The Record date mentioned herein shall be the date to be fixed by the Board of Directors of the Company to determine the eligibility of the public shareholders who would be issued new shares consequent upon reduction of their shares in terms of this Plan. The Resolution Applicant (Ten on Ten Rubtech Private Limited) and or its nominees shall be issued 94,55,000 Equity Shares of Rs. 10 each fully paid at par, aggregating to Rs. 9,45,50,000/- as Equity Capital infusion at par after the remittance of the Resolution Plan amount of Rs. 9,45,50,000/- to the Resolution Professional/Company after approval of the Resolution Plan and as per schedule of payment thereof.

This reorganization of the Equity Share Capital involving, the extinguishment of the Equity Shareholdings of the Promoter and, reduction of equity shareholding of the public shareholders and the Issue of fresh equity shares to the Resolution Applicant shall be deemed to be in compliance with all applicable Laws. The Paid-Up Equity Share Capital of the Company after the aforesaid changes shall be Rs. 10,00,00,000 /- made up of 1,00,00,000 Equity Shares of Rs.10/- each. The aggregate 1,00,00,000 Equity Shares as above comprising of 5,45,000 new Equity Shares to be issued to the public shareholders of the Company upon reduction of their share capital and 94,55,000 new Equity Shares to be issued to the Resolution Applicant and its nominees shall be listed by the Stock Exchange where the existing Equity Shares of the Company are presently listed.

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

With reference to Section 134(3)(g) of the Companies Act, 2013, no loans, guarantees and investments other than trade investments have been made under section 186 of the Companies Act, 2013 in the earlier years as well as during the year under review.

#### **RELATED PARTY TRANSACTIONS**

With reference to section 134(2)(h) of the Companies Act, 2013, related party transactions were entered into during the financial year ended 31<sup>st</sup> March, 2024 and all the Transactions are on Arm's length basis, Hence disclosure of AOC-2 is not required. The Board has approved a policy for related party transactions which has been updated on the Company's website. The web-link as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is [http://www.innovativetyres.com/investor\\_relations/policies\\_programme](http://www.innovativetyres.com/investor_relations/policies_programme)

#### **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CSR)**

The Company has not reconstituted this committee for the Financial Year 2023-2024 as the provisions of Section 135 of Companies Act, 2013 are not applicable to the company.

#### **DISCLOSURE OF COMPOSITION OF COMMITTEES**

In view of suspension of all the directors during the CIRP period by virtue of NCLT Order dated March 28, 2022 the committees viz. Audit Committee, Stakeholders Committee, Nomination and remuneration committee etc. were not functioning and appointment of all three committees has been done on dated 10<sup>th</sup> November 2023 as under.

#### **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE**

Pursuant to Section 177(1) of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013, the company has re-constituted Audit Committee. Composition of Audit Committee is as follows.

The Audit Committee of the company reconstituted with Two Independent Directors and one Non-Executive Director of the company. All the members have good understanding of Finance, Accounts and Law.

<b>Name of Member</b>	<b>Category</b>
Mr. Umesh Ved	Chairman to the Committee
Ms. Jasmin Doshi	Member to the Committee
Mr. Ramesh Chander Chawla	Member to the Committee

Mrs. Shweta Pankaj Sharma, Company Secretary acts as a Secretary to the committee.

**BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Approval or any subsequent modification of transactions of the Company with related parties;
- c) Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- d) Evaluation of internal financial controls and risk management systems;
- e) Monitoring the utilization of proceeds of a public issue, rights issue and preferential issue etc. before submitting the same to Stock Exchanges;
- f) Examination of the Financial statements

**COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

As per the provisions of Section 178 of the Companies Act, 2013, and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 the Company has been re-constituted its Nomination & Remuneration Committee inducting the following members w.e.f. 10th November 2023.

Name of Member	Category
Mr. Umesh Ved	Chairman to the Committee
Ms. Jasmin Doshi	Member to the Committee
Mr. Ramesh Chander Chawla	Member to the Committee

Mrs. Shweta Pankaj Sharma, Company Secretary acts as a Secretary to the committee.

The brief contents of Nomination & Remuneration Policy of the Company prepared in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 are provided in Corporate Governance Report. Minutes of Nomination & Remuneration Committee meeting are reviewed by the Board of directors.

**BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

In compliance with section 178 of the companies Act 2013 & Regulation 19 of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 The Company has reconstituted a Nomination & Remuneration Committee of the Board. All members of the committee are non-Executive Directors and two of them are Independent Directors. The terms of reference of Nomination and Remuneration Committee ("the Committee") would inter alia include:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and/or removal.
- To carry out the evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director.
- To recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees. Such Remuneration policy shall be disclosed in the Annual Report of the Company.
- To review and recommend, subject to the Shareholders' approval, the remuneration of the Managing Director and other Whole-time/ Executive Directors.

**STAKEHOLDERS GRIEVANCES COMMITTEE**

To solve the investor's grievances, company has constituted Stakeholders/Investor Grievance Committee.

The Chairperson of this Committee is non-executive director pursuant to the provisions of Regulation 20 of SEBI (LODR) Regulations, 2015.

**Composition of Committee is as follows:**

<b>Name of Member</b>	<b>Category</b>
Ms. Jasmin Doshi	Chairperson to the Committee
Mr. Umesh Ved	Member to the Committee
Mr. Ramesh Chander Chawla	Member to the Committee

#### **VIGIL MECHANISM**

In compliance with the requirement of Section 177(9) & (10) of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015, a Vigil Mechanism or Whistle Blower Policy for Directors, employees and other stakeholders to report genuine concerns has been established. The same has been uploaded on the website of the Company i.e. [www.innovativetyres.com](http://www.innovativetyres.com)

#### **THE DISCLOSURES PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT' 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016:**

The Disclosure pertaining to remuneration as required under Section 197(12) of the Companies Act' 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 is provided as Annexure – 4.

#### **DIRECTORS RESPONSIBILITY STATEMENT**

Members may kindly note that, the Directors of the company have joined the office from the period started from 09-08-2023. During the CIRP (i.e. between March 28, 2022 to August 09, 2023), Resolution Professional was entrusted with and responsible for the management of the affairs of the Company. The New (Reconstituted) Board is submitting this report in compliance with the Companies Act, 2013 and Listing Regulations.

Accordingly, pursuant to Section 134(5) of the Act, the New (Reconstituted) Board of Directors, based on the knowledge/ information gained by them, about the affairs of the Company, to the best of their knowledge state that:

- i. In preparation of the annual accounts for the financial year ended March 31, 2024, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- ii. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the loss of the Company for the year ended on that date;
- iii. The directors had Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The annual financial statements for the financial year ended March 31, 2024 have been prepared on “going concern” basis; Internal financial controls have been laid down to be followed by the Company and such financial controls are adequate and are operating effectively, and
- vi. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **BOARD EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information, functioning etc. The performance of the Committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committee, effectiveness of committee meetings etc.

The Board and the Nomination & Remuneration Committee reviewed the performance of the individual directors on the basis of criteria such as the contribution of individual director to the board and committee meetings, representation of shareholder's interest and enhancing shareholders value etc. In addition, Chairman was also evaluated on the key aspects of his role. Performance evaluation of independent directors were done by the entire board, excluding the independent director being evaluated.



**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO****A. CONSERVATION OF ENERGY**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo have been furnished below:

**1. Steps taken or impact on conservation of energy:**

➤ Steam utilization efficiency improvement (Leakage).

**2. The steps taken by the Company for utilizing alternate sources of energy: NIL****3. Capital investment on energy conservation equipments: NIL****B. EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION**

a. Efforts made towards technology absorption:

The Company is exploring technology options for better manufacturing process. Development of R & D Centre during the year is mainly focused for exploring better technologies available in the existing product and new models.

b. Benefits derived like product improvement, cost reduction, product development or import substitution

The company is able to cater its customers through innovation in technology and through product mix Quality improvement

c. Information regarding technology imported, during the last year: The Company has not imported technology.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO****(Rs. In lakhs)**

Particulars	2023-24	2022-23
Total foreign exchange outgo	NIL	2.30
Total foreign exchange inflow	7.05	NIL

During the year under review operations started after Hon'ble NCLT pronounced Order dated 09.08.2023, so the new management is trying to adopt proper systems as may be necessary.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations. However, the Hon'ble NCLT, Ahmedabad bench, has passed an Order dated 9th, August 2023 approving the Resolution Plan submitted by M/s Ten on Ten Rubtech Private Limited for revival of the Company.

**MATTER LISTED WITH NCLT**

An application was filed against Innovative Tyres & Tubes Limited under Section 9 of Insolvency and Bankruptcy Code, 2016 before the Hon'ble NCLT Ahmedabad with a prayer to commence the Corporate Insolvency Resolution Process (CIRP). The said application for initiation of Corporate Insolvency Resolution Process (CIRP), has been admitted by Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench (Hon'ble NCLT/Hon'ble Adjudicating Authority) vide its order dated 28th March 2022. Under the IBC proceedings, the powers of the Board were suspended with effect from 28th March, 2022. The NCLT order also provided for a moratorium with effect from 28th March 2022 till the completion of the Corporate Insolvency Resolution process (CIRP) or until it approves the resolution plan or passes an order for liquidation of the company, whichever is earlier.

Subsequently the Hon' ble NCLT, Ahmedabad bench, has passed an Order dated 9th August 2023 approving the Resolution Plan submitted by M/s Ten on Ten Rubtech Private Limited for revival of the Company, thereby the Company has come out of the CIRP.

The Company has complied with all the requirements including payments to all creditors as per the approved resolution plan. However, there was mismatch in the promoter's shareholding and public shareholding in the Hon'ble NCLT Order dated 09-08-2023. This discrepancy was because one of the promoters' groups has sold 9,87,000 (representing 5.49%) during CIRP period. Because of this discrepancy, the Company could not cancel promoter's shareholding and reduce public shareholding to 5,10,000 equity shares as per the NCLT Order. Considering above situation an Interlocutory Application has been filed by the Chairman of Monitoring Committee appointed for implementation of the Resolution Plan, before Honorable NCLT, Ahmedabad on dated 1st November, 2023 for modifying the stipulation of cancellation of equity share capital of promoter shareholders and reduction of equity share capital of the public shareholders which was rejected hence again a separate interlocutory application was filed on 8th March 2024. The Honorable NCLT, Ahmedabad has approved the application and passed order on 4th June 2024 and the effect of the re-organization of share capital has been given on the record date 26th June 2024.

### **DISCLOSURE OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE UNDER WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, the Company has not received any complaints under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **ADDITIONAL DISCLOSURES UNDER COMPANIES ACT, 2013:**

The Company has not issued any bonus shares, sweat equity shares, shares with differential voting rights and equity shares on rights basis during the year under review.

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

There was no change in the nature of business during the year under review.

The provisions regarding receipt of remuneration or commission from holding or subsidiary of the Company are not applicable and hence, the disclosure under Section 197 (14) is not required.

The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

### **ACKNOWLEDGEMENTS**

The Board acknowledges with gratitude the co-operation and assistance provided to your company by its bankers, Financial Institutions, and government as well as non-government agencies. The Board wishes to place on record its appreciation to the contribution made by employees of the company during the year under review. Your directors' thanks the customers, clients, vendors, other business associates, Auditors, RTA and members for their continued support in the Company's growth.

FOR THE BOARD OF DIRECTORS  
INNOVATIVE TYRES & TUBES LIMITED

Robin Chawla  
Director & CFO  
(DIN-10277507)  
Date: 29<sup>th</sup> August 2024  
Place: Halol

## ANNEXURE – 1

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31.03.2024

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

To,  
The Members,  
Innovative Tyres & Tubes Limited  
(CIN: L25112GJ1995PLC086579)  
Plot No. 1201, 1202, 1203 GIDC Halol,  
Panchmahals – 389350, Gujarat.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. INNOVATIVE TYRES & TUBES LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minutes book, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minutes book, forms and returns filed and other records maintained by M/s. Innovative Tyres & Tubes Limited (“The Company”) for the financial year ended on 31st March, 2024 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) is applicable to the Company: -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / The Securities and Exchange Board of India (Share Based Employees Benefits), Regulations, 2014; Not applicable as the Company has not issued any options/ shares under the said Regulations during the year under review.
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable as the Company has not issued any Debt Securities during the year under review.
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;  
Not applicable as the Company has not delisted any of its shares from any of the Stock Exchanges during the year under review.

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;  
Not applicable as the Company has not bought back any of its securities during the year under review.

j) The Company has complied with the requirements under the Equity Listing Agreements entered into with National Stock Exchange of India Limited;

VI. Other laws specifically applicable to the Company as per the representation given by the Company:

Name of Acts applicable to the Company are as under:

1. Air (Prevention and Control of Pollution) Act, 1981 and rules made there under.

2. Water (Prevention and control of pollution) Act, 1974 and rules made there under.

3. Apprentices Act, 1961 and Apprenticeship Rules, 1992.

4. Labour Welfare Fund (Gujarat) Rules, 1962.

5. The Customs Act, 1962.

6. Central Goods & Services Tax (CGST).

7. State Goods & Services Tax (SGST).

8. Integrated Goods and Service Tax (IGST).

9. Child Labour (prohibition & Regulation) Act, 1986.

10. Contract Labour Regulation and Abolition Act, 1970.

11. Customs Valuation (Determination of value of imported goods) Rules, 2007.

12. Electricity Act, 2003 and Indian Electricity Rules, 1956/2005.

13. Employee Deposit linked insurance scheme, 1976.

14. Employee Compensation Act, 1923 and rules made there under.

15. Employees Provident Fund and Miscellaneous Provisions Act, 1952.

16. Employee State Insurance Act, 1948.

17. Employment Exchange Act, 1959 and Rules made there under.

18. Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976.

19. Explosives Act, 1884 and rules made there under.

20. Factories Act, 1948.

21. Foreign Trade Policy.

22. Foreign Trade (Development & Regulation) Act, 1992 and Foreign Trade (Regulation) Rules, 1993.

23.Gujarat Panchayats, Municipalities municipal corporation Act, 1992 and Rules made there under.

24.Gujarat Lifts and Escalators Act, 2008.

25.Income Tax Act, 1961 and Income Tax Rules, 1962.

26.Industrial Employment Act, 1946.

27.Information Technology Act, 2008.

28.Maternity Benefit Act, 1961.

29.Minimum Wages Act, 1948.

30.Motor Vehicles Act, 1988 and Central Motor Vehicle Rules, 1989.

31.Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975.

32.Payment of Gratuity Act, 1972.

33.Payment of Wages Act, 1936.

34.Petroleum Act, 1934 and Petroleum Rules, 2002.

35.Professional Tax Act, 1987.

36.Public Liability Insurance Act, 1991 and Public Liability Insurance Rules, 1991.

37.Gujarat Shop & Establishment Act.

38.Sexual Harassment of women at workplace prevention, prohibition redressal Act, 1991.

39.Shipping Bill and Bill of Export (Form) Regulations, 1991.

During the year under review, the Company generally complied with all applicable provisions of the aforementioned Acts. However, there have been continuing delays in the payment of undisputed statutory dues.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the National Stock Exchange of India Limited.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc as mentioned above subject to the following observation:

The Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench, initiated the Corporate Insolvency Resolution Process (CIRP) for M/s Innovative Tyres and Tubes Limited (Corporate Debtor) (CIN: L25112GJ1995PLC086579) through order No. C.P.(I.B)/261(AHM)2021 dated March 28, 2022. Accordingly, the Board was dissolved and Resolution Professional was appointed.

Subsequently, on August 9, 2023, the Resolution Plan submitted by M/s Ten On Ten Rubtech Private Limited (Resolution Applicant or RA) in the CIRP was approved by the Hon'ble NCLT, Ahmedabad Bench, vide its order dated August 9, 2023.

2) We further report that, the Company has, in our opinion, complied with the provisions of the Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Rules made under the said Act and the Memorandum and Articles of Association of the Company, with regard to:



- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) Closure of the Register of Members;
- c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government
- d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) Notice of Board meetings and Committee meetings of Directors;
- f) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) The Annual General Meeting held on 29th December, 2023 for the financial year 2022-23;
- h) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- k) Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- l) Appointment and remuneration of Auditors and Cost Auditors;
- m) Transfers and transmissions of the Company's shares and make necessary endorsement on the reverse side of the respective Share Certificates; (During the year under review, no shares were transferred and transmission.)
- n) Declaration and payment of dividends; (During the year under review, the Company has not declared dividend.)
- o) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs; (During the year under review, no dividend was declared, hence provision of investors education and protection fund is not applicable.)
- p) Borrowings and registration, modification and satisfaction of charges wherever applicable;
- q) Investment of the Company's funds including investments and loans to others;
- r) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- s) Directors' report;
- t) Contracts, common seal, registered office and publication of name of the Company; and
- u) Generally, all other applicable provisions of the Act and the Rules made under the Act.

3) We further report that:

- a) During the year, the Hon'ble NCLT, Ahmedabad Bench, approved a Resolution Plan submitted by a Resolution Applicant on August 9, 2023.

As per the Resolution plan approved by the Honourable NCLT, all the previous directors vacated their office and new directors were appointed accordingly. However, the order dated August 9, 2023, contained a discrepancy in the promoter's and public shareholding percentages (it was 14% and 86% whereas in the order of Honourable NCLT it was 19.49% and 80.51% respectively).

To address this inconsistency, the Chairman of the Monitoring Committee, appointed to implement the Resolution Plan, filed an Interlocutory Application with the Hon'ble NCLT, Ahmedabad, on November 1, 2023, seeking to modify the stipulation regarding the cancellation of equity share capital for promoter shareholders and the reduction of equity share capital for public shareholders. The Hon'ble NCLT had reserved the order and the final was passed on 4th June 2024 confirming the revised shareholding pattern for public and promoter shareholding.

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

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

- d) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

- e) The Company has obtained all necessary approvals under the various provisions of the Act; and

f) There was no prosecution initiated, nor were any fines imposed, except for the following:

1. A fine was imposed by the National Stock Exchange (NSE) due to a delay in the appointment of a qualified Company Secretary as the Compliance Officer for the quarters ended March 31, 2023, June 30, 2023, September 30, 2023, and December 31, 2023. The delay, lasting 92 days (from August 9, 2023, the date of the Hon'ble NCLT order, to November 10, 2023, the date of appointment), resulted in a fine of ₹1,000 per day plus GST. The total fine of ₹92,000 plus GST was paid by the Company on May 17, 2024.

2. A fine was also imposed by the NSE for the delay in submitting the audited financial statements for the year 2022-23, as required under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Although a waiver of the fine was granted, the update on the NSE website is still pending.

g) No Other penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

h) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.

4) The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

5) We further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed there under by the Depositories with regard to dematerialization / re-materialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

6) The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

7) We further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

8) We further report that during the period under review, the company has not allotted any equity shares. The Share application money received from new promoters was pending allotment due to non-receipt of the interlocutory order from the Hon'ble NCLT, Ahmedabad.

For, Swati Bhatt & Co.

Place: Vadodara  
Date: 29/08/2024

Swati Yash Bhatt  
Partner  
Membership No.: F7323  
COP No: 8004  
PRC No.: 3568/2023  
UDIN: F007323F001O70101

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.

**“ANNEXURE A TO SECRETARIAL AUDIT REPORT”**

To,  
The Members,  
M/s. INNOVATIVE TYRES & TUBES LIMITED  
CIN: L25112GJ1995PLC086579  
1201, 1202, 1203 - GIDC Halol,  
Panchmahals, Halol, Gujarat – 389350.  
Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Vadodara  
Date: 29/08/2024

Swati Bhatt  
Partner  
Membership No.: F7323  
COP No: 8004  
PRC No.: 3568/2023  
UDIN: UDIN: F007323F001O70101

**ANNEXURE – 2****CORPORATE GOVERNANCE REPORT**

In terms of Regulation 27 and 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing details of corporate governance systems and processes at Innovative Tyres & Tubes Limited is as under:

**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE****Background:**

In connection with the Corporate Insolvency Resolution Process of the Company, the NCLT vide its order dated August 09, 2023 and dated June 04<sup>th</sup>, 2024 approved the Resolution Plan, submitted by M/s. Ten on Ten Rubtech Private Limited (Successful Resolution Applicants).

Pursuant to the Hon'ble NCLT Order dated August 09<sup>th</sup> 2023, the Management of the operations of the Company have been taken over by the Representatives of Resolution Applicant/s on August 17,2023, being the Effective Date. A new Board has been constituted in the reporting period i.e. on August 09, 2023 and a new management has been put in place.

In accordance with the provisions of the Code and the NCLT order, the approved Resolution Plan is binding on the Company and its employees, members, Creditors including the Central Government any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force is due, guarantors and other stakeholders involved in the Resolution Plan till the date of the approved order.

**Company's Philosophy on Code of Governance**

The Company is committed to the adoption and adherence to Corporate Governance Practices that ensure; adequate transparency and build trust for Impactful collaboration with all its Stakeholders. The Company is committed to maintain high standards of Corporate Governance to achieve excellence and gain confidence of all stakeholders.

**Board of Directors of the Company (the "Board"):**

Since the powers of the Board stood suspended with effect from March 28, 2022 i.e. the date of commencement of the Insolvency proceedings and continued to remain so for the period under review, Six Board meetings were held during the financial year under review on 06-07-2023,22-08-2023,10-11-2023,10-11-2023,04-12-2023,06-03-2024

Details of Directors presence in each board meeting is mentioned below:

<b>Name of Directors</b>	<b>Number of Meetings attended / Total Meetings held during the F.Y. 2023-24.</b>
Mr. Mukesh Desai	1/1
Mr. Keyoor Bakshi	0/1
Dr. Mrs. Kalpana Joshipura	0/1
Mr. Munish Chawla	5/5
Mr.Robin Chawla	5/5
Mr.Ramesh Chandar Chawla	5/5
Mrs.Roshni Chawla	4/4
Mr. Umesh Ved	4/4
Ms.Jasmin Doshi	4/4

**Composition:**

During the period under review, the Board had 6 directors, comprising of one non-executive director & two Non-Executive Independent Directors. In terms of the SEBI (LODR) Regulations, 2015, a Company undergoing CIR process is not required to comply with Regulation 17, dealing with the requirement of composition of the Board of Directors up to 09-08-2023. Further, pursuant to the approval of the Resolution Plan, the existing Board ceased to exist and a new Board was reconstituted comprising of the following directors;

Mr. Munish Chawla, Managing Director,  
 Mr. Robin Chawla, Chief Financial Officer,  
 Mr. Ramesh Chander Chawla, Non-Executive Director  
 Mrs.Roshni Chawla, Director  
 Mr.Umesh Ved, Independent Director  
 Ms.Jasmin Doshi, Independent Director

Further the new Board has reconstituted all the committees dated 10<sup>th</sup> November 2023 as well as appointed Company secretary on 10<sup>th</sup> November 2023.

**DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:**

Directors Mr. Munish Chawla Robin Chawla Roshni Chawla and Ramesh Chander Chawla are the Family members. There is no personal relation with Independent Directors.

**NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS:**

Non-executive directors do not hold any shares and convertible instruments in the Company.

**FAMILIARIZATION TO INDEPENDENT DIRECTORS:**

In Compliance of SEBI (LODR) Regulation 2015 Company has conducted a familiarization program for Independent Directors of the Company for familiarizing with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The details of such familiarization program for Independent Directors are posted on the website of the Company and can be accessed at [http://www.innovativetyres.com/investor\\_relations/policies\\_programme](http://www.innovativetyres.com/investor_relations/policies_programme)

**Meeting and attendance:**

In view of the company remained under CIRP till August 09<sup>th</sup>, 2023 so, the Reconstitution of committees has been done on November 10<sup>th</sup>,2023. The last Annual General Meeting (AGM) was held on December 29, 2023. The AGM was attended by:

- Mr. Munish Chawla, Managing Director
- Mr. Robin Chawla, Director & Chief Financial Officer,
- Mr. Umesh Ved, Independent Director
- Ms. Jasmin Doshi, Independent Director

**Board Procedure:**

Since the powers of the Board was suspended, there matters required to be tabled to the Board of Directors were put up for the review and the decision of the Resolution Professional from time to time in accordance with the provisions of the Insolvency Bankruptcy Code, 2016, was obtained up to 09-08-2024 thereafter all the work has been handed over to the new management/Board.

**Audit Committee:**

The Audit Committee of the company consists of two Independent Directors and one Non-Executive Director of the Company. During the year appointment of both the independent directors was done. All the Directors have good understanding Finance, Accounts and Law. During the financial year under review, audit committee met three times November 10, 2023, December 04, 2023 and March 06, 2024. Composition of audit committee of the company is as follows:

Sr. No.	Name	Category	Nos. of meeting attended
1	Mr. Umesh Ved	Chairman	3/3
2	Ms. Jasmin Doshi	Member	3/3
3	Mr. Ramesh Chander Chawla	Member	3/3

Mrs. Shweta Pankaj Sharma, Company Secretary acts as a Secretary to the Committee.



**Brief description of terms of reference:**

Role of the Audit Committee is prescribed under the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 18 of the SEBI (LODR), Regulations, 2015. Brief description of the same includes:

1. Overseeing the Company's financial reporting process;
2. Approval or any subsequent modification of transactions of the company with related parties;
3. Recommendation for appointment, remuneration and terms of appointment/re-appointment of auditors of the company.
4. Evaluation of internal financial controls and risk management systems.
5. Monitoring the end use of funds raised through public offers and related matters.
6. Examination of the financial statement and auditor's report thereon.

**NOMINATION & REMUNERATION COMMITTEE:**

The Nomination & Remuneration Committee of the company consisted of three Independent Directors of the Company. During the year under review, one independent director resigned and one non-executive director was inducted. The members of the Nomination & Remuneration committee met on November 10<sup>th</sup>, 2023 and March 06<sup>th</sup>, 2024. Composition of Nomination & Remuneration committee of the company is as follows:

Sr. No.	Name	Category	Nos. of meeting attended
1	Mr. Umesh Ved	Chairman	2/2
2	Ms. Jasmin Doshi	Member	2/2
3	Mr. Ramesh Chander Chawla	Member	2/2

Mrs. Shweta Pankaj Sharma, Company Secretary acts as a Secretary to the Committee.

**Brief description of terms of reference:**

In compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR), Regulation, 2015, the Company has

constituted a Nomination & Remuneration Committee of the Board. All members of the Committee are Independent Directors. The terms of

reference of the Committee inter alia, include:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
3. Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.

The Board have approved a Nomination and Remuneration Policy of the Company and available on the website of the Company. This Policy

is in compliance with Section 178 of the Companies Act, 2013, read with the applicable rules thereto and Regulation 19 and Schedule II, Part D of the SEBI (LODR), Regulations, 2015.

**Performance Evaluation Criteria of selection of Independent Directors:**

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the process, format, attributes and criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

During the year, performance evaluation of the Chairman and the Executive Director were carried out by the Independent Directors at their separate meeting held on 06-03-2024. The Directors were satisfied with the evaluation results. Performance evaluation of entire Board, and individual directors and that of Committees for the financial year 2023-24 was done at their meeting held on 06-03-2024.

#### DETAILS OF REMUNERATION TO ALL THE DIRECTORS:

The aggregate value of salary and perquisites paid during the year 2023-24 to the Executive Directors are as follows:

Mr. Munish Chawla, Managing Director---	Rs. 1.10 Lakhs
Mr. Robin Chawla, Director & Chief Financial Officer –	Rs. 0.90 Lakhs

Sitting fees paid to Independent & Non-Executive Directors during the year 2023-24 are as follows:

Mr. Umesh Ved –	Rs.0.60 Lakhs
Ms. Jasmin Doshi --	Rs.0.60 Lakhs
Mr. Ramesh Chander Chawla--	Rs.0.60 Lakhs
Mrs.Roshni Chawla—	Rs.0.15 Lakhs

#### STAKEHOLDERS, SHAREHOLDERS'/ INVESTOR'S GRIEVANCES COMMITTEE:

In compliance with Section 178 of the Companies Act, 2013 and Regulation 20 and Schedule II, Part D of the SEBI (LODR) Regulations, 2015. A Stakeholders' Relationship Committee of the Board has been Re-constituted to solve the investor's grievances. During the year under review, Stakeholder's/Investor Grievance Committee met on 10-11-2023 and 06-03-2024. Composition of the Committee is as follows:

Name of Member	Category	No. Of meeting attended
Ms. Jasmin Doshi	Chairperson to the Committee	2/2
Mr. Umesh Ved	Member to the Committee	2/2
Mr. Ramesh Chander Chawla	Member to the Committee	2/2

#### Name of the Non-Executive Director heading the committee:

**Stakeholders' Relationship Committee is headed by Ms. Jasmin Doshi, Independent Director of the Company.**

Details of investor complaints received and redressed during the year 2023-24 are as follows:

Number of shareholder's complaints received and resolved –	NIL
Number of complaints not solved to the satisfaction of shareholders –	NIL
Number of pending complaints –	NIL

No complaints were received during the reporting period.

#### NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS:

Non-executive directors do not hold any shares and convertible instruments in the Company.

#### GENERAL BODY MEETING

The details of Annual General Meetings held during the last three years are as follows:

Year	Day, Date and Time	Venue
2022-23	Friday, 29 <sup>th</sup> December, 2023 at 10:00 a.m	Through Video Conferencing (VC) /Other Audio-Visual Means (OVAM).
2021-22	Wednesday, 28 <sup>th</sup> September, 2022 at 10:00 a.m.	Through Video Conferencing (VC) /Other Audio-Visual Means (OVAM).
2020-21	Wednesday, 29 <sup>th</sup> September, 2021 at 9:00 a.m.	Through Video Conferencing (VC) /Other Audio-Visual Means (OVAM).

#### Details of Special Resolutions passed in the previous three AGMs:

The members have passed following special resolutions in the 28<sup>th</sup> AGM held on 29<sup>th</sup>, December 2023 are:

1. Ratification of Appointment and Approve Remuneration of Mr. Munish Chawla (DIN:06454015) as Managing Director of the Company.
2. Ratification of Mr. Ramesh Chander Chawla (DIN:08303533) as Director of the Company.
3. Appointment of Mr. Umesh Ved (DIN: 00003399) as an Independent Director of the Company
4. Appointment of Ms. Jasmin Doshi (DIN: 08686876) an Independent Director of the Company.
5. Ratification of Appointment of Mr. Robin Chawla (DIN: 10277507) as Director & CFO of the Company.
6. To Approve Related Party Transactions to be entered into by the Company.

No special resolutions passed through postal ballot during last three years.

**MEANS OF COMMUNICATION**

Company is listed on NSE Emerge platform. Hence, during the financial year 2023-24, half year results and year ended results have been filed with Stock Exchange in compliance of Listing Regulations. Requirement of Publishing of Results in Newspaper as per Regulation 46 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 is not applicable for SME Listed companies. The official announcements, presentations are posted on official website of the company [www.innovativetyres.com](http://www.innovativetyres.com)

**GENERAL SHAREHOLDER INFORMATION**

Date, Time and Venue of AGM	23 <sup>rd</sup> September, 2024 through video conferencing or other audio-visual means at 10.00 A.M.
Financial Year	From 1st April to 31st March of the following year
Date of Book Closure	Wednesday 11 <sup>th</sup> September 2024 to Monday 23 <sup>rd</sup> September 2024, (both days inclusive)
Dividend payment date	No Dividend declared
Listed on Stock Exchange	National Stock Exchange of India, EMERGE platform
Trading Symbol	INNOVATIVE
ISIN	INE070Y01015 (New ISIN is awaited for corporate action)

**Market Price Data and Performance in comparison to other indices**

The Company is listed on EMERGE platform of National Stock Exchange of India. Monthly market price high, low for the year 2023-24 and comparison at NSE is given hereunder:

Months	High (Rs.)	Low (Rs.)	NSE-Shares (Volume in Nos.)	NSE-Shares (Value in Rs.)
Apr-23	2.60	2.20	1,56,000	3,88,800
May-23	2.55	2.00	2,37,000	5,59,650
Jun—23	2.65	2.10	2,04,000	4,87,800
Jul—23	2.85	2.10	4,02,000	10,29,600
Aug-23	4.25	2.45	7,80,000	24,90,750
Sep—23	8.70	4.45	30,12,000	2,10,29,550
Oct-23	7.05	4.80	21,09,000	1,28,53,350
Nov—23	5.80	4.50	15,09,000	75,79,500
Dec-23	6.75	4.75	19,53,000	1,09,87,800
Jan-24	10.25	6.80	36,33,000	3,01,99,950
Feb-24	9.45	7.20	14,88,000	1,24,94,400
Mar-24	8.50	5.30	10,29,000	68,27,850

**Details of Registrar and Share Transfer Agent  
M/s Link Intime India Private Limited**

C-101, 1<sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai, Maharashtra— 400083.  
Contact No: 022 4918 6000  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

### Share Transfer System

All the transfer requests received are processed by the Registrars and Transfer Agents.

Distribution of Shareholding as on 31<sup>st</sup> March, 2024

Sr. No.	Shareholding of Nominal Value (INR)		Number of Shareholders	% Of Total	Share Amount (INR)	% of Total Share Amount	
1	1	to	5000	1	0.05	100	0.0001
2	5001	to	10000	5	0.25	40000	0.0222
3	10001	to	20000	3	0.15	54420	0.0302
4	20001	to	30000	1337	66.85	40102960	22.2899
5	50001	to	100000	453	22.65	32010000	17.7917
6	100001	to	*****	201	10.05	107708130	59.8659
<b>Total</b>			<b>2000</b>	<b>100</b>	<b>179915610</b>	<b>100</b>	

### DEMATERIALIZATION OF SHARES AND LIQUIDITY:

As on 31<sup>st</sup> March, 2024 out of total 1,79,91,561 share, 1,58,53,793 shares (88.12% of the issued capital of the company) were in dematerialized mode. All promoters' shares are in dematerialized mode. Company is listed on NSE Emerge platform and all the shares are traded on NSE Emerge platform.

### Outstanding GDRs/ADRs/Warrants or any Convertible Instruments:

NIL

### Plant Locations:

Tyre Plant: Plot No. 1201, 1202,1203 GIDC Halol, Panchmahals – 389350, Gujarat.

Tube Plant: Plot No. 1704, GIDC Halol, Panchmahals – 389350, Gujarat.

### Address for Correspondence:

#### Innovative Tyres & Tubes Limited

Reg. Off.: Plot No. 1201, 1202, 1203 GIDC Halol,

Panchmahals –

389350, Gujarat.

E-mail: [investors@innovativetyres.co.in](mailto:investors@innovativetyres.co.in)

Contact No.: 02676 - 220621

CIN: L25112GJ1995PLC086579

### OTHER DISCLOSURES:

#### Related Party Transactions:

During the financial year under review, your Company has transactions / contracts / agreements that are classified as "Related Party Transactions" under provisions of the Companies Act, 2013 and the Rules framed thereunder. These contracts/arrangements/agreements have been in the ordinary course of business, to facilitate the business of the Company and have been approved by the Audit Committee from time to time. Necessary disclosures as required by Accounting Standards (AS-18) have been made in the Notes to the financial statements. As required under Regulation 46(2) of SEBI (LODR), Regulations, 2015, the Company has also formulated a Related Party Transactions Policy which is available on the website of the Company [http://www.innovativetyres.com/investor\\_relations/policies\\_programme](http://www.innovativetyres.com/investor_relations/policies_programme)

There are no materially significant transactions with the related parties viz. promoters, directors or the management or their relatives or subsidiaries/associate concerns etc. that had potential conflict with the company's interest. Therefore, there is no requirement to report any transaction in Form No. AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of

the Companies (Accounts) Rules, 2014.

**Legal Compliances:**

There were no instances of material non-compliances during the year under review. No strictures or penalties were imposed on the Company by SEBI, Stock Exchanges or any statutory authority on any matter related to capital markets during the last three years, except as stated in secretarial Audit Report by the Secretarial Auditor.

**Vigil Mechanism:**

The Company has a formal Whistle Blower Policy/ Vigil Mechanism Policy. The Directors of the Company affirms that no personnel have been denied access to the Audit Committee.

**Mandatory & Non-Mandatory Requirements:**

The Company has complied with all the mandatory requirements of Corporate Governance and endeavors to adopt good corporate governance practices which help in adoption of non-mandatory requirements.



## COMPLIANCE CERTIFICATE

{Under Regulation 34(3) and Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015}

To,  
The Members of  
Innovative Tyres and Tubes Limited,  
1201-02-03, GIDC Halol-389350  
District Panchmahals.

The Corporate Governance Report prepared by Innovative Tyres & Tubes Limited (“the Company”), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the Listing Regulations”) with respect to Corporate Governance for the year ended March 31, 2024 pursuant to the Listing Agreement of the Company with the National Stock Exchange Limited (Herein after referred to as the “Stock Exchange”).

### Management’s Responsibility:

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

### Auditor’s Responsibility:

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether for the year ended March 31, 2024 the Company has complied, with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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 audit nor an expression of opinion on the financial statements of the Company.

### Opinion:

In our opinion, based on our examination of the relevant records and to the best of our information and according to explanations given to us, and representations provided by the management, we certify that, the Company, has complied with the conditions of Corporate Governance as stipulated, in the above-mentioned Listing Regulations.

### Other Matters and Restriction on use:

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.

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, for the year ended March 31, 2024, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Swati Bhatt & Co.

Place: Vadodara  
Date: 29/08/2024

Swati Yash Bhatt  
Partner  
MembershipNo.: F7323  
COP No: 8004  
PRC No.: 3568/2023  
UDIN: F007323F001069989

**ANNUAL DECLARATION BY CEO / MANAGING DIRECTOR PURSUANT TO PART D OF  
SCHEDULE V (REGULATION 34) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENT)  
REGULATIONS, 2015**

I, Munish Chawla, Managing Director of M/s Innovative Tyres & Tubes Limited hereby declare that all the members of the Board of Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them as laid down by the Company in terms of Part D Schedule V (Regulation 34) of the Listing Regulation entered into with the Stock Exchanges for the financial year ended March 31, 2024.

**For Innovative Tyres & Tubes Limited**

**Place:** Vadodara  
**Date:** 24<sup>th</sup> August 2024

Sd/-  
**Munish Chawla**  
Managing Director  
(DIN 06454015)

## **ANNEXURE – 3**

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Management Discussion and Analysis Report (MDAR) is structured as follows:

- Industry structure and developments
- Opportunities
- Segment-wise or product-wise performance
- Outlook
- Threats, Risk and Concerns
- Internal Control System
- Financial and operational performance
- Material Development in Human Resources

Some Statements in this discussion may be forward looking. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements in the management discussion and analysis on account of various factors such as changes in Government regulations, tax regimes, impact of competition, etc.

### **INDUSTRY OVERVIEW**

The Company is principally engaged in the business of manufacturing and Processing of Automotive Tyres and Tubes. During the year under review the Company came out of CIRP process and started the production as well as Export.

### **OPPORTUNITIES AND THREATS:**

The new management of the Company is well equipped with the vision to take Company towards high growth with optimum utilization of resources of the Company in proper manner. New management is taking diligent efforts to boost the capacity utilization of the Company which remained underutilized in the past few years due to inadequate working capital. The Company is in the process of hiring qualified professionals to stimulate the vision of new management towards the Company. The Company is well placed to encash the opportunity in terms of ease of doing business and the relaxations provided by the government which will accelerate the business of the company in terms of revenue.

The Company was in CIRP since near about 2 years and not been performing well in the past few years with respect to business operations due to tremendous financial pressure which led to inadequate working Capital. The new management of the Company is trying to streamline the business activities of the Company. The extent of impact on the future operational and financial performance of the Company will depend on the future developments, the impact of the CIRP on customers, vendors all of which are to be convinced by the time.

### **SEGMENT WISE PERFORMANCE**

Since, the company operates its business under one segment only the report on segment wise performance is not furnished.

### **OUTLOOK:**

The new management of the Company shall review the existing risk management policy and lay down defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. Management is yet to set up exercises to be carried out to identify and evaluate, manage and monitor various risk.

## Annexure - 4

THE DISCLOSURES PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT' 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016 ARE AS UNDER:

The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Sr. No.	Name of Directors/KMP	Remuneration of Director/KMP for FY 2023-24 ( In Lakhs)	% Increase in Remuneration in the F.Y. 2023-24	Ratio of Remuneration of each Director/to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the company
1.	Mr.Munish Chawla (Managing Director)	1.10	N.A	N.A	The company has come out of CIRP on 09-08-2023 and remuneration of Directors and KMP are for part of the year. Hence, not comparable.
2.	Mr. Robin Chawla (Director & CFO)	0.90	N.A	N.A	
3.	Ms.Shweta Sharma (Company Secretary & compliance officer)	1.79	N.A.	N.A.	

The remuneration of KMP is as per the recommendations of the Nomination and Remuneration Committee.

It is hereby affirmed that the remuneration paid is as per the Companies Act 2013 and other applicable provisions as may be applicable to Key Managerial Personnel and other Employees.

*None of the employees of the company who has drawn salary more than the amount prescribed under the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 along with the circular issued by the Ministry of Corporate Affairs on June 30, 2016. Therefore, the Company is not required to provide statement under section 197[12] of the Act read with Rule 5[2] of the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 and hence the said statement is not available for inspection at the Registered Office of the Company.*

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Members of  
**Innovative Tyres and Tubes Limited,**  
1201-02-03, GIDC Halol-389350  
Dist Panchmahals.

We have examined the relevant Registers, Records, forms, returns and disclosures received from the Directors of Innovative Tyres and Tubes Limited having CIN: L25112GJ1995PLC086579 and having registered office at 1201-02-03, GIDC Halol-389350 Dist Panchmahals (hereinafter referred to as “the Company”), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory.

S No	Name of Director	DIN	Date of Appointment in the Company
1.	UMESH HARJIVANDAS VED	00003393	10/11/2023
2.	JASMIN JAYKUMAR DOSHI	08686876	10/11/2023
3.	ROSHNI CHAWLA	10276412	10/11/2023
4.	ROBIN CHAWLA	10277507	10/11/2023
5.	MUNISH CHAWLA	06454015	09/08/2023
6.	RAMESH CHANDER CHAWLA	08303533	09/08/2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Vadodara  
Date: 29/08/2024

For Swati Bhatt & Co.

Swati Yash Bhatt  
Partner  
Membership No.: F7323  
COP No: 8004  
PRC No.: 3568/2023  
UDIN: F007323F001070550

**CEO AND CFO CERTIFICATION**

I, Mr. Robin Chawla, Director & CFO, certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31<sup>st</sup> March, 2024 and 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) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2024 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 we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
  - i) There has not been any significant change in internal control over financial reporting during the year under reference;
  - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**Sd/-**

**Place: Vadodara**  
**Date: 29th August 2024**

**Robin Chawla**  
**Director & CFO (DIN 10277507)**



Annexure - 5

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024 [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016

I	Sr. No	Particulars	Rs. In Lacs Audited Figures (as reported before adjusting for qualifications)	Rs. In Lacs Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	2238.12	2238.12
	2	Total Expenditure	2617.79	2617.79
	3	Net Profit/(Loss)	3449.69	3449.69
	4	Earnings Per Share	19.17	19.17
	5	Total Assets	4212.89	4212.89
	6	Total Liabilities	4235.34	4235.34
	7	Net Worth	(22.45)	(22.45)
	8	Any other financial item(s) (as felt appropriate by the management)	--	--
II	<b>Audit Qualification (each audit qualification separately):</b>			
	a.	Details of Audit Qualification:	<p>a) As stated in Note 8 of the statement, the Company could not cancel Equity shares held by Promoters and reduce equity share capital of the public shareholders as per the order of Hon'ble NCLT Ahmedabad pronounced on 9<sup>th</sup> August 2023. However, there is a difference in Promoter and Public shareholding as per Hon'ble NCLT order and Actual shareholding as on Date of Honourable NCLT Order (i.e. August 09,2023). The Company has applied to Hon'ble NCLT for rectification in the Order. Since the Order is awaited, we are unable to determine the quantum of Cancellation and Reduction in Equity share capital.</p> <p>(b) As stated in Note 3 to the statement, Post approval of Resolution Plan by Hon'ble NCLT, Ahmedabad Bench, the approved resolution applicant took charge of the affairs of the Company with effect from August 71,2023 and constituted the new Board of Directors of the Company. Further, the note explains that since the new Board of Directors took charge of the Company with effect from August 17,2023, they are not liable or responsible for any actions regarding the information pertaining to the period prior to August 1.7,2023 and has relied upon the explanations, clarifications, representations and statements made by the Resolution Professional of the Company.</p>	

**Company management informed that**

The Company was in CIRP and The National Company Law Tribunal (NCLT) Ahmedabad Bench order dated 09th August 2023 has approved the Resolution Plan, accordingly, the insolvency proceedings against the company came to an end. As per the Resolution plan approved by the Honourable NCLT, all the previous directors vacated their office and new directors were appointed than only. In the order dated 09 08 2023 there was a mismatch in promoter's and public shareholding (it was 14% and 86% whereas in the order of Honourable NCLT it was 19.49% and 80.51% respectively). Therefore, an interlocutory Application was filed by the Chairman of Monitoring Committee appointed for implementation of the Resolution Plan, with Honourable NCLT, Ahmedabad on dated 1<sup>st</sup> November, 2023 for modifying the stipulation of cancellation of equity share capital of promoter shareholders and reduction of equity share capital of the public shareholders, which was rejected hence again a separate interlocutory application was filed on 8th March 2024. the last hearing was done on 14th May 2024 and the Honourable NCLT, Ahmedabad has reserved the order.

Consequent to above situation, the allotment of equity shares to the Successful Resolution Applicant could not be made and the share application money received to the tune of Rs.950.00 lakhs remained un allotted awaiting order from Honourable NCLT, Ahmedabad.

As it is First year after CIRP and manufacturing got started after completion of half year so earnings are not as per expectations.

b.	Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified
c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	This is first time since the company has been taken over by the new management.
d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Impact is not ascertainable as the reason mentioned in the Auditor's Report itself.
e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	i. Management's estimation on the impact of audit qualification	Impact is not ascertainable as the reason mentioned in the Auditor's Report itself.
	ii If management is unable to estimate the impact, reasons for the same	Impact is not ascertainable as the reason mentioned in the Auditor's Report itself.
	iii Auditors' Comments on (i) or (ii) above:	Impact is not ascertainable as the reason mentioned in the Auditor's Report itself.

### III. Signatories

For Haribhakti & Co LLP.  
Chartered Accountants  
FRN: 103523W/W100048  
Yash Bhatt  
M. No.117745

**Mr. Robin Chawla**  
Director & CFO  
DIN No: 10277507

**Mr. Umesh Ved**  
Audit Committee Chairman  
DIN :00003393  
Place: Vadodara  
Date: 30-05-2024

**Mr. Munish Chawla**  
Managing Director  
DIN: 06454015  
Place: Vadodara  
Dated:30-05-2024



## INDEPENDENT AUDITOR'S REPORT

To the Members of Innovative Tyres and Tubes Limited

Report on the Audit of the Financial Statements

### Qualified Opinion

We have audited the accompanying financial statements of Innovative Tyres and Tubes Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit and its cash flows for the year ended on that date.

### Basis for Qualified Opinion

- (a) As stated in Note Z(1)(Q) of the financial statement, The Company could not cancel Equity shares held by Promoters and reduce equity share capital of the public shareholders because of difference in Promoter and Public shareholding as per Hon'ble NCLT order and Actual shareholding as on Date of Honorable NCLT Order (i.e. August 09, 2023). The Company has applied to Hon'ble NCLT for rectification in the Order. Since the Hon'ble NCLT has reserved the order but the order is awaited, we are unable to determine the quantum of Cancellation and Reduction in Equity share capital.
- (b) As stated in Note Z(1)(Q) of the financial statement, Post approval of Resolution Plan by Hon'ble NCLT, Ahmedabad Bench, the approved resolution applicant took charge of the affairs of the Company with effect from August 17, 2023 and constituted the new Board of Directors of the Company. Further, the note explains that since the new Board of Directors took charge of the Company with effect from August 17, 2023, they are not liable or responsible for any actions and regarding the information pertaining to the period prior to August 17, 2023 and has relied upon the explanations, clarifications, representations and statements made by the Resolution Professional of the Company.

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit





of the financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the financial statements.

#### **Emphasis of Matter**

- (a) We draw attention to Note Z(1)(Q) of the financial statement wherein:
- i. The Company has reversed various liabilities (net) of Rs 3826.63 lakhs as per the Hon'ble NCLT order and the said gain of Rs 3826.63 lakhs has been treated and shown as exceptional items in the statement of profit and loss.
  - ii. As per the Hon'ble NCLT's order, the company is required to make payment to creditors as per the implementation schedule. The Company has made payments for the due creditors as per the implementation schedule of the Resolution Plan except for Rs. 4.91 lacs pertaining to a creditor and certain past employees for want of their banking details. This remaining amount has been deposited in a special account maintained by the Resolution Applicant M/s Ten on Ten Pvt Ltd.
- (b) We draw attention to Note J of the financial statement, the amount of Impairment Loss recognized in statement of Profit & Loss Account is Rs 9.23 Lacs and the amount of reversal of Impairment Loss in statement of Profit & Loss Account is Rs 806.34 lakhs on the basis of independent valuation reports.

Our report is not modified in respect of these matters.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matters described in the Basis for Qualified Opinion section above, we have determined that there are no other key audit matters to communicate in our report.

#### **Other Information**

The Resolution Professional (RP), Board of Directors and the management are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information are expected to be made available to us





Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Resolution Professional (RP), Management and Those Charged with Governance for the Financial Statements**

The Resolution Professional (RP) and Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to 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 principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

In preparing the financial statements, the management are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain



audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.





## Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we report in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by section 143(3) of the Act, we report that:

- a. We have sought and except for the matters described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. Except for the possible effects of the matters described in the Basis for Qualified Opinion section above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
- d. Except for the possible effects of the matters described in the Basis for Qualified Opinion section above, in our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder;
- e. The matters described under the Basis for Qualified Opinion above, in our opinion, may have an adverse effect on the functioning of the Company;
- f. On the basis of the written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act.
- g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section above.
- h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" and we have expressed disclaimer of opinion for the reasons stated in the said report;
- i. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

- j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

(i) Except for the matters described in the Basis for Qualified Opinion section above, The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note Z(3) on Contingent Liabilities to the financial statements;



(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

(iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iv) (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iv) (c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The Company has not declared nor paid any dividend during the year. Hence, reporting the compliance with section 123 of the Act is not applicable.

(vi) The Company has migrated its books of accounts to update version of tally accounting software and enable audit trail (edit log) facility effective from 1<sup>st</sup> April, 2023.

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048



**Yash Bhatt**

Partner

Membership No. 117745

**UDIN: 24117745BKBOZG8196**



Place: Vadodara

Date: May 30, 2024



## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Innovative Tyres and Tubes Limited ("the Company") on the Financial statements for the year ended March 31, 2024]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Financial statements of the Company and taking into consideration the information, explanations and written representation given to us by the management and the books of account and other records examined by us in the normal course of audit, we report that:

- (i)
- (a) (A) The Company has not maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company has not maintained proper records showing full particulars of Intangible Assets.
- (b) During the year, the Property, Plant and Equipment of the Company have not been physically verified by the management. Hence, we are unable to comment on the discrepancies if any.
- (c) The title deeds of all the immovable properties, disclosed in the financial statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment and Intangible Assets during the year.
- (e) No proceedings have been initiated or are pending against the Company as at March 31, 2024 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)
- (a) The management has conducted physical verification of inventory during the year. As per the information made available to us and explained to us, there is no material discrepancies between the physical inventory and inventory as per books and the physical inventory has been accounted in the books of accounts.
  - (b) The Company has not been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate from financial institution, on the basis of security of current assets. Therefore, reporting under clause (ii)(b) of paragraph 3 of the Order is not applicable.
- (iii) The Company has not made any investments in, provided any loans or provided advances in the nature of loans, or stood guarantee, or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under clause (iii) of paragraph 3 of the Order is not applicable.
- (iv) The Company has not granted any loans, made any investment or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Hence the provisions of sections 185 and 186 of the Act is not applicable on the Company.
- (v) In our opinion, the Company has complied with the directives issued by Reserve Bank of India, the provisions of sections 73 to 76 of the Act and the rules made there under with regard to the acceptance of deposits or amounts which are deemed to be deposits, Further, as informed, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits or amounts which are deemed to be deposits.



- (vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and rules thereunder. We have broadly reviewed such records and are of the opinion that, prima facie, the prescribed accounts and records have not been made and maintained.
- (vii) (a) The Company is generally delaying but depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it, in all cases during the year. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.
- (b) There are no dues with respect to provident fund, employees' state insurance, income tax, GST, sales tax, service tax, value added tax, customs duty, excise duty and cess, which have not been deposited on account of any dispute.
- (viii) We have not come across any transaction which were previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) After the execution of resolution plan by the successful resolution applicant as per the Hon'ble NCLT order, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not obtain any money by way of term loans during the year. Accordingly, reporting under clause (ix) (c) of paragraph 3 of the Order is not applicable.
- (d) On an overall examination of the Financial statements of the Company, no funds raised on short-term basis have, been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture as defined under the Act. Hence reporting under clause (ix)(e) and (f) of the Order is not applicable.
- (x) (a) The Company has not raised money by way of initial public issue offer / further public offer (including debt instruments) during the year. Therefore, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and accordingly to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management.





- (b) No report under section 143(12) of the Act has been filed with the Central Government by the auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or upto the date of this report.
- (c) There are no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) All transactions entered into by the Company with the related parties, if any are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit Reports of the Company issued till date, for the period under audit.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause (xvi)(a) and (b) of paragraph 3 of the Order are not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without having a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi)(c) and (d) of paragraph 3 of the Order are not applicable.
- (xvii) The Company has not incurred cash loss during the year. the cash loss incurred by the Company during the immediately preceding financial year is Rs 400.06 lacs.
- (xviii) There has no resignation of the statutory auditors during the year and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.
- (xix) On basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of this audit report and that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



- (xx) The provisions of section 135 of the Act are not applicable to the Company. Hence, reporting under clause (xx) of paragraph 3 of the Order is not applicable.
- (xi) Since the Company is not required to prepare consolidated financial statements, clause 3 (xi) is not applicable.

For **Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 103523W / W100048

  
Yash Bhatt  
Partner



Membership No. 117745  
**UDIN: 24117745BKBOZG8196**  
Place: Vadodara  
Date: May 30, 2024



## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 2(h) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Innovative Tyres and Tubes Limited on the Financial statements for the year ended March 31, 2024]

**Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We were engaged to audit the internal financial controls with reference to financial statements of Innovative Tyres and Tubes Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls with reference to financial statements of the Company.

### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



### Disclaimer of Opinion

According to the information and explanation given to us, the Company has not established its internal financial controls with reference to financial statements on criteria based on or considering the essential components of internal control stated in the Guidance Note issued by ICAI.


Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls with reference to financial statements and whether such internal financial controls were operating effectively as at March 31, 2024.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the Financial statements of the Company, and the disclaimer does not affect our opinion on the Financial statements of the Company.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048

  
Yash Bhatt

Partner

Membership No. 117745

UDIN: 24117745BKBOZG8196



Place: Vadodara

Date: May 30, 2024



# INNOVATIVE TYRES & TUBES LTD

CIN: L25112GJ1995PLC086579

REGD. OFFICE: 1201,1202,1203-GIDC, Halol-389350, Panchmahal, Gujarat, India

website: www.innovativetyres.com Email: investors@innovativetyres.co.in Tel: 02676-220621

## Balance Sheet

(Rs. Lacs)

Particulars	Note No	As at 31st March, 2024	As at 31st March, 2023
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	A	1,799.16	1,799.16
(b) Reserves & Surplus	B	(2,771.61)	(6,221.30)
(c) Share Application Money Pending Allotment		950.00	-
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	C	1,862.46	-
(b) Deferred tax liabilities	D	-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions	E	0.75	-
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	F	1,618.59	3,800.70
(b) Trade payables	G		
(i) Due to Micro & Small enterprises		447.95	112.78
(ii) Others		119.60	2,862.70
(c) Other current liabilities	H	181.73	1,249.46
(d) Short-term provisions	I	4.27	-
<b>Total</b>		<b>4,212.89</b>	<b>3,603.49</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant & Equipments and Intangible Assets			
(i) Property, Plant & Equipments	J	3,580.65	3,210.09
(ii) Capital work-in-progress		24.67	24.67
(iii) Intangible assets		-	10.26
(b) Non-current investments	K	1.08	1.08
(c) Deferred Tax Assets	L	2.73	-
(d) Other Non Current Assets	M	193.22	170.77
<b>(2) Current assets</b>			
(a) Inventories	N	288.97	0.06
(b) Trade receivables	O	66.83	10.39
(c) Cash and cash equivalents	P	9.21	123.65
(d) Short-term loans and advances	Q	10.96	2.96
(e) Other Current Assets	R	34.56	49.55
<b>Total</b>		<b>4,212.89</b>	<b>3,603.49</b>

Notes forming Part of the Financial Statements

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As per our report of even date

**For Haribhakti & Co LLP.**

Chartered Accountants

F R No. 103523/W/100048


**Yash Bhatt**

Partner

M. No. 117745

Date : 30th May 2024




Munish Chawla  
 Managing Director  
 DIN No.06454015



Robin Chawla  
 Director & CFO  
 DIN No.10277507



  
 Shweta Sharma  
 Company Secretary

# INNOVATIVE TYRES & TUBES LTD

CIN: L25112GJ1995PLC086579

REGD. OFFICE: 1201,1202,1203-GIDC, Halol-389350, Panchmahal, Gujarat, India

website: www.innovativetyres.com Email: investors@innovativetyres.co.in Tel: 02676-220621

## Statement of Profit and Loss

Particulars	Note No	Year ended 31st March, 2024	Year ended 31st March, 2023
I. Revenue from operations	S	1,417.79	162.44
II. Other Income	T	820.33	24.39
<b>III. Total Income (I +II)</b>		<b>2,238.12</b>	<b>186.83</b>
<b>IV. Expenses:</b>			
Cost of materials, consumed	U	1,303.57	100.29
Purchases of Stock In Trade	V	55.60	-
Changes in inventories of Finished Goods and Work in progress	W	(44.68)	154.88
Employee benefits expense	X	123.33	19.83
Financial costs	Y	2.11	-
Depreciation and amortisation expense	J	442.41	818.32
Other expenses	Z	735.47	5,234.34
<b>V. Total Expenses</b>		<b>2,617.79</b>	<b>6,327.67</b>
VI. Profit/(Loss) before Exxtra-ordinary item & Tax		(379.67)	(6,140.83)
Exceptional item(Income)		3,826.63	-
VII. Profit/(Loss) before tax		3,446.96	(6,140.83)
VIII. Tax expense:			
Deferred Tax		(2.73)	(846.72)
Current Tax Expense		-	(0.46)
IX. Profit/(Loss) for the period		<b>3,449.69</b>	<b>(5,293.65)</b>
X. Earning per equity share: (FV Rs. 10/- each) (Refer item No. 8 of Note Z)			
- Basic		19.17	(29.42)
- Diluted		19.17	(29.42)

### Notes forming Part of the Accounts

As per our report of even date  
**For Haribhakti & Co LLP.**  
Chartered Accountants  
F R No. 103523WAW400048

**Yash Bhatt**  
Partner


M. No. 117745  
Date : 30th May 2024



  
Munish Chawla  
Managing Director  
DIN No.06454015

  
Robin Chawla  
Director & CFO  
DIN No.10277507



  
Shweta Sharma  
Company Secretary



INNOVATIVE TYRES & TUBES LTD

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Cash Flow Statement for the year ended on 31st March 2024

(Rs. in Lacs)

Sr. No.	Particulars	31.03.2024	31.03.2023
1)	<b>Cash Flow from Operating Activities</b>		
	Profit before taxation	3,446.96	(6,140.83)
	<b>Adjustment for:</b>		
	Depreciation	442.41	818.32
	Impairment loss/(gain)	(797.11)	4,922.45
	Extra ordinary item- reversal of liabilities	(3,826.63)	
	Provision for gratuity	5.01	-
	Provision for leave	-	-
	Interest Received	(4.51)	(7.41)
	Doubtful Debts	-	165.58
	Sundry balance write off/(write back)	(0.14)	3.80
	Interest and finance charges	2.11	-
	Operating profit before working capital changes	<b>(731.90)</b>	<b>(238.09)</b>
	<b>(Increase)/Decrease in</b>		
	Inventories	(288.91)	255.17
	Trade Receivables	(56.44)	18.00
	Short Term Loans and Advances	(8.00)	(0.02)
	Other current assets	14.99	42.61
	Other Non Current Assets	(22.45)	24.29
	<b>Increase/ (Decrease) in</b>		
	Trade payables	575.83	(59.44)
	Other current liabilities	(224.73)	1.29
	Short-term/long term provisions	-	-
	Other Long Term Liabilities	-	-
	Cash generated from operations	(741.61)	43.80
	Income taxes and other taxes (net of refunds)	-	2.19
	<b>Net cash from Operating Activities - A</b>	<b>(741.61)</b>	<b>45.99</b>
2)	<b>Cash flow from Investment Activities</b>		
	Purchase of fixed assets	(5.60)	-
	Interest received	4.51	7.41
	<b>Net cash from Investment Activity - B</b>	<b>(1.09)</b>	<b>7.41</b>
3)	<b>Cash Flow from Financing Activities:</b>		
	Net Proceeding(payment) from Secured borrowings	(2,182.11)	40.99
	Unsecured loan taken	1,862.46	-
	Proceeds from Share issue & premium from promoters	950.00	-
	Interest and finance charges paid	(2.11)	-
	<b>Net cash from Financing Activities - C</b>	<b>628.25</b>	<b>40.99</b>
	<b>Net Increase/(decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(114.44)</b>	<b>94.38</b>
	Cash and cash equivalents as on 1 <sup>st</sup> April, 2023	123.65	29.27
	<b>Cash and cash equivalents as on 31st March 2024</b>	<b>9.21</b>	<b>123.66</b>

As per our report of even date  
For Haribhakti & Co LLP.  
Chartered Accountants  
F R No. 103523W/W/100048

Yash Bhatt  
Partner  
M. No. 117745  
Date : 30th May 2024

Munish Chawla  
Managing Director  
DIN No.06454015

Robin Chawla  
Director & CFO  
DIN No.10277507

Shweta Sharma  
Company Secretary



Innovative Tyres & Tubes Ltd

Notes to Financial Statements

		As At 31.03.2024	As At 31.03.2023
<b>A. Share Capital :</b>			
<b>(a) Shares authorized :</b>			
1,90,00,000	Equity shares of Rs.10/- each (Previous year 1,90,00,000 equity shares of Rs. 10/- each)	1,900.00	1,900.00
<b>Total</b>		<b>1,900.00</b>	<b>1,900.00</b>
<b>(b) Shares issued, subscribed and fully paid :</b>			
1,79,91,561	Equity Shares of Rs.10/- each (Previous year 1,79,91,561 equity shares of Rs. 10/- each)	1,799.16	1,799.16
<b>Total</b>		<b>1,799.16</b>	<b>1,799.16</b>

**(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :**

	No. of shares	Amount Rs.
<b>Authorised Equity Share Capital</b>		
At the beginning of the year	1,90,00,000	19,00,00,000
Closing Balance at the end of the year	1,90,00,000	19,00,00,000
<b>Issued, Subcribed and Paid Up Equity Shares</b>		
At the beginning of the year	1,79,91,561	17,99,15,610
Closing Balance at the end of the year	1,79,91,561	17,99,15,610

**(d) The rights, preferences and restrictions attached to capital :**

The company is having only one class of shares i.e Equity carrying a nominal value of Rs.10/- per share.

Every holder of the equity share of the Company is entitled to one vote per share held. All other rights, preferences and restrictions attached to equity shares are as per provisions of Companies Act, 2013.

**(e) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held :**

**(i) Equity Shares**

	31st March 2024		31st March 2023	
	<u>Numbers of shares held</u>	<u>% of total shares</u>	<u>Numbers of shares held</u>	<u>% of total shares</u>
1 Pradeep R Kothari	16,95,676	9.42	16,95,676	9.42
2 Maxim Gold Development Limited	16,37,731	9.10	16,37,731	9.10

**(f) Shares held by promoters at the end of the year**

S No	Name of Promoter	31st March 2024			31st March 2023		
		<u>No. of Equity Shares</u>	<u>% of total shares</u>	<u>% change during the year</u>	<u>No. of Equity Shares</u>	<u>% of total shares</u>	<u>% change during the year</u>
1	Mr. Pradeep Kothari	16,95,676	9.42%	-	16,95,676	9.42%	-5.49%
2	Mr. Mukesh Desai	6,99,562	3.89%	-	6,99,562	3.89%	-
	<b>Total</b>	<b>23,95,238</b>	<b>13.31%</b>		<b>23,95,238</b>	<b>13.31%</b>	



Innovative Tyres & Tubes Ltd

Notes to Financial Statements

	As At 31.03.2024	As At 31.03.2023
<b>B. Reserves and Surplus :</b>		
<b>(a) Securities Premium A/c</b>		
Balance as per the last financial statements	3,625.74	3,625.74
	<u>3,625.74</u>	<u>3,625.74</u>
<b>(b) Revaluation Reserve</b>		
Balance as per the last financial statements	728.49	728.49
<b>(c) Surplus / (Deficit) in the Statement of Profit and Loss</b>		
Balance as per the last financial statements	(10,575.53)	(5,281.88)
Add : Amount transferred from Statement of Profit & Loss	3,449.69	(5,293.65)
<b>Total</b>	<u>(7,125.84)</u>	<u>(10,575.53)</u>
<b>Net Surplus in the Statement of Profit and Loss</b>	<u>(7,125.84)</u>	<u>(10,575.53)</u>
<b>Total Reserves and Surplus</b>	<u>(2,771.61)</u>	<u>(6,221.30)</u>
<b>Share Application Money</b>		
Application Money received from Resolution Applicant( Ten on Ten Rubtech Pvt Ltd)*	950.00	-
<b>Total</b>	<u>950.00</u>	<u>-</u>
* Refer note no. 1 Q of Notes forming part of the Financial Statements.		
<b>C. Long-term borrowings :</b>		
<b>Secured:</b>		
<b>Term Loan From Banks</b>		
Term Loan from State Bank of India (Loan-1)	-	143.53
Term Loan from State Bank of India (Loan-2)	-	238.29
Covid CECL Loan from State Bank of India	-	25.13
Covid GECL Loan from State Bank of India	-	370.14
Covid GECL Loan 4 from State Bank of India	-	213.00
Less: Current Maturities	-	(990.09)
<b>Total</b>	<u>-</u>	<u>-</u>
<b>Long Term maturities of Finance lease Obligations</b>		
<b>Vehicle Lease Finances</b>	<b>5.84</b>	<b>15.98</b>
Less: Current Maturities	(5.84)	(15.98)
<b>Secured by:</b> (hypothecation charge on respective Vehicles)		
<b>Total</b>	<u>-</u>	<u>-</u>
<b>Unsecured Loans from Financial Institutions</b>	<b>-</b>	<b>12.16</b>
Less: Current Maturities	-	(12.16)
<b>Total</b>	<u>-</u>	<u>-</u>
<b>Un Secured:</b>		
<b>Loans from Related Parties</b>	<b>1,862.46</b>	<b>-</b>
<b>Total</b>	<u>1,862.46</u>	<u>-</u>
<b>Total Term Loans</b>	<u>1,862.46</u>	<u>-</u>





Innovative Tyres & Tubes Ltd

Notes to Financial Statements

	As At 31.03.2024	As At 31.03.2023
<b><u>E. Long Term Provisions :</u></b>		
Provision for employee benefits		
Provision for Leave benefits	0.75	-
<b>Total</b>	<u>0.75</u>	<u>-</u>
<b><u>F. Short-term borrowings :</u></b>		
From Banks		
Working Capital facilities	-	2,659.14
Export Packing Credit	-	123.24
SBI NCLT Dues Payable*	1,571.15	-
IDBI Current Account	6.15	
Current Maturities of Long term borrowings		
i) Term Loan from banks	-	990.09
ii) Finance lease obligations(Vehicle Finance)*	5.84	16.06
ii) Unsecured Loans from NBFC	-	12.16
Bank Overdraft	35.45	-
(Secured by Hypothecation of Fixed Deposits of Rs 1000 lakhs of M/s Ten on Ten Rubtech Pvt Ltd)		
<b>Total</b>	<u>1,618.59</u>	<u>3,800.70</u>
<p>* As per Hon'able NCLT Order dated 09-08-2023, the total amount payable to financial creditors is determined as Rs. 3639.22 Lakhs. Out of which Rs. 2062.23 lakhs were due to be paid by 31-03-2024 and the same has been paid. Now the balance payable is Rs. 1576.99 lakhs (Rs. 1571.15 lakhs+ Rs. 5.84 lakhs) as on 31st March, 2024</p>		
<b><u>G. Trade Payable :</u></b>		
For supplies/services		
a) Due to Micro & Small enterprises	447.95	112.78
b) Others	119.60	2,862.70
<b>Total</b>	<u>567.55</u>	<u>2,975.48</u>
<b><u>H. Other current liabilities :</u></b>		
(a) Statutory Dues (Liabilities)		
- PF, ESI, Prof. Tax & Others	1.73	12.47
- VAT, CST, GST & CENVAT etc	3.38	0.50
- TDS & TCS	1.48	16.49
(b) (i) Staff payables	25.77	458.35
(b) (ii) Staff payables CIRP**	4.85	-
(c) (i) Advance from Customers	112.26	681.71
(c) (ii) Advance from Customers-CIRP**	0.06	-
(d) Creditors for Capital Goods	1.72	51.98
(e) Other Current Liabilities	9.48	27.98
(f) Trade Deposits	21.00	-
<b>Total</b>	<u>181.73</u>	<u>1,249.46</u>

\*\* Refer item 16 of Note ZA



Innovative Tyres & Tubes Ltd

Notes to Financial Statements

	<u>As At</u> <u>31.03.2024</u>	<u>As At</u> <u>31.03.2023</u>
<b><u>I. Short-term provisions :</u></b>		
<b>Provision for employee benefits</b>		
Provision for Leave benefits	-	47.61
Provision for Gratuity benefits	-	200.42
Less: Balance with LIC for Trust fund	-	(22.24)
Provision for Bonus	<u>4.27</u>	<u>178.18</u>
		35.95
Less: Transfer to staff payable in Current Liabilities	-	(261.75)
<b>Total</b>	<u><u>4.27</u></u>	<u><u>-</u></u>



**J. PROPERTY PLANT AND EQUIPMENTS :**

ASSETS	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK		
	As on 01.04.2023	Additions	Deductions / Adjustments	As on 31.03.2024	As on 01.04.2023	Addition	Impairment Adjustments	For the year	As on 31.03.2024	As on 31.03.2024	As on 31.03.2023
<b>(i) TANGIBLE</b>											
Lease hold Land	780.66	-	-	780.66	-	-	-	-	-	780.66	780.66
Plant & Equipment	12,046.64	1.50	-	12,048.14	10,050.84	396.75	-	(799.31)	9,648.28	2,399.86	1,995.80
Electrical Installation	246.22	-	-	246.22	201.82	7.03	-	(7.03)	201.82	44.40	44.40
Laboratory Equipments	40.89	2.72	-	43.61	27.69	2.22	-	9.23	39.14	4.47	13.20
Building	660.49	-	-	660.49	311.86	20.94	-	-	332.80	327.69	348.63
Furniture & Fixtures	22.61	-	-	22.61	21.28	0.04	-	-	21.32	1.28	1.33
Office Equipments	50.43	1.39	-	51.82	45.55	0.58	-	-	46.13	5.69	4.88
Vehicles	36.77	-	-	36.77	16.44	4.37	-	-	20.81	15.96	20.33
Computer & Peripherals	24.35	-	-	24.35	23.50	0.23	-	-	23.72	0.63	0.85
<b>Total A</b>	<b>13,909.06</b>	<b>5.60</b>	<b>-</b>	<b>13,914.66</b>	<b>10,698.98</b>	<b>432.15</b>	<b>-</b>	<b>(797.11)</b>	<b>10,334.02</b>	<b>3,580.65</b>	<b>3,210.08</b>
<b>(ii) INTANGIBLE</b>											
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets	136.19	-	-	136.19	125.98	10.22	-	-	136.19	-	10.22
Technical Knowhow	1.71	-	-	1.71	1.66	0.05	-	-	1.71	-	0.05
<b>Total B</b>	<b>137.90</b>	<b>-</b>	<b>-</b>	<b>137.90</b>	<b>127.64</b>	<b>10.26</b>	<b>-</b>	<b>-</b>	<b>137.90</b>	<b>-</b>	<b>10.26</b>
<b>(iii) Capital work-in-progress</b>											
Capital WIP	24.67	-	-	24.67	-	-	-	-	-	24.67	24.67
<b>Total C</b>	<b>24.67</b>	<b>-</b>	<b>-</b>	<b>24.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24.67</b>	<b>24.67</b>
<b>GRAND TOTAL (A+B+C)</b>	<b>14,071.63</b>	<b>5.60</b>	<b>-</b>	<b>14,077.23</b>	<b>10,826.62</b>	<b>442.41</b>	<b>-</b>	<b>(797.11)</b>	<b>10,471.92</b>	<b>3,605.32</b>	<b>3,245.01</b>
Previous Year	14,045.25	10.22	10.22	14,045.25	5,084.19	818.32	-	4,922.45	10,824.96	3,220.31	8,961.06

**Sub Notes:**

**1. Ageing Schedule of Capital WIP as on 31st March, 2024**

Rs. in Lakhs

Particulars	Outstanding for following periods from due date				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Project in Process	-	-	-	-	-
Project temporarily suspended	-	-	-	24.67	24.67

**Ageing Schedule of Capital WIP as on 31st March, 2023**

Rs. in Lakhs

Particulars	Outstanding for following periods from due date				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Project in Process	-	-	-	-	-
Project temporarily suspended	-	-	3.74	20.93	24.67

2. Land was revalued during F.Y. 2016-17 (effective date is 31-03-2017) based on independent valuers Report. The cost of land is Rs. 52.17 lakhs and it was valued as per prevailing market rates which works out to Rs. 780.66 lakhs. The balance of Rs. 728.49 lakhs is shown as revaluation reserve and not used for any distribution of profits.

3. Based on independent Valuation reports under AS-28, the Company has made impairment assessment of its Cash Generating Unit viz. Property, Plant and Equipment resulting in net reversal of impairment loss claimed in previous years.

The Disclosure as per AS-28 "Impairment of Assets" is as under:

- The Amount of Impairment Loss recognised in statement of Profit & Loss Account is Rs 9.23 Lacs.
- The Amount of reversal of Impairment Loss in statement of Profit & Loss Account is Rs 806.34 lakhs.
- The Amount of impairment loss recognised directly against revaluation surplus during the year is Nil.
- The Amount of reversal of impairment loss recognised directly in revaluation surplus during the year is Nil.
- Recoverable Amount of the Asset is its net selling pricing estimated based on independent valuation reports.
- the class of Property, Plant and Equipment impaired and its impairment amount is shown in above table. (Note J)





Innovative Tyres & Tubes Ltd

Notes to Financial Statements

	As At 31.03.2024	As At 31.03.2023
<b><u>K. Non-Current Investments (At Cost) :</u></b>		
<b><u>Trade Investments :</u></b>		
<b>Quoted Equity Instruments</b>		
<b>Others</b>		
1,100 (Previous year- 1,100) equity shares of Rs.10/- each fully paid up in Indian Overseas Bank.	0.26	0.26
<b>Unquoted Equity Instruments</b>		
<b>Associate*</b>		
7500 (Previous year- 7500) equity shares of Rs.10/- each fully paid up in Halol Industries Environment & Infrastructure Ltd. Halol	0.75	0.75
<b>Others</b>		
140 (Previous year- 140) equity shares of Rs.50/- each fully paid up in The Halol Mercantile Co Operative bank Ltd. Halol	0.07	0.07
	<b>1.08</b>	<b>1.08</b>
Aggregate book value of unquoted investments	0.82	0.82
Aggregate book value of quoted investments	0.26	0.26
Aggregate market value of quoted investments	0.66	0.20

\* Refer to item No. 1 ( c) of Note ZA

**L. Deferred Tax Assets (Net)**

Deferred Tax Assets	2.73	-
<b>Total</b>	<b>2.73</b>	<b>-</b>

**M. Other Non Current Assets**

Income tax Assets (MAT Credit)	125.66	125.66
Security Deposit	45.11	45.11
Balance with Gratuity trust Account with LIC (net of gratuity liability)	22.45	
<b>Total</b>	<b>193.22</b>	<b>170.77</b>

**N. Inventories**

(a) Raw materials	244.29	0.06
(b) Work-in-progress	16.00	-
(c) Finished goods	28.68	-
(d) Stores, Spares & Consumables	-	-
<b>Total</b>	<b>288.97</b>	<b>0.06</b>



Raw Material, Work in progress, Semi finished goods, stores, spares and packing material valued at cost  
Finished Goods valued at Cost or Realisable value, whichever is lower.

\* Refer item No. 1(D) of Note ZA -Accounting Policies for basis of Valuation.



**Innovative Tyres & Tubes Ltd**

**Notes to Financial Statements**

	<u>As At</u> <u>31.03.2024</u>	<u>As At</u> <u>31.03.2023</u>
<b><u>O. Trade Receivables (Unsecured) :</u></b>		
(a) Over Six months from the due date		
Considered good	-	10.30
Considered doubtful	-	263.26
Less : Provision for doubtful debts	-	263.26
	<u>-</u>	<u>10.30</u>
(b) Others Considered good	66.83	0.09
(Includes Receivable from Related party Rs. 31.90 lakhs)		
<b>Total</b>	<u><u>66.83</u></u>	<u><u>10.39</u></u>
<b><u>P. Cash &amp; Cash Equivalents :</u></b>		
(a) Cash & Cash equivalents :		
(i) Balances with Bank in Current Accounts	2.58	17.93
(ii) Cash on hand	1.98	-
(b) Other Bank Balance :		
- in Deposit Accounts with Bank having Maturity Period upto 12 months ( Held as Margin Money against bank Guarantee)	4.65	4.38
- in Deposit Accounts with Bank having Maturity Period upto 12 months	-	101.34
<b>Total</b>	<u><u>9.21</u></u>	<u><u>123.65</u></u>
<b><u>Q. Short-Term Loans and Advances (Unsecured, considered good) :</u></b>		
(a) Advance given to Trade Creditors	10.56	2.96
(b) Advance Given to Employees	0.40	-
<b>Total</b>	<u><u>10.96</u></u>	<u><u>2.96</u></u>
<b><u>R. Other Current Assets:</u></b>		
(a) Assets held for Sale	-	8.00
(c) Balance with Government Authorities	17.78	32.79
(d) Advance Recoverable in cash or in kind	9.27	1.88
(e) Accrued Income	2.61	2.10
(f) Income Tax assets (net of provisions)	4.90	4.78
<b>Total</b>	<u><u>34.56</u></u>	<u><u>49.55</u></u>



Innovative Tyres & Tubes Ltd

Notes to Financial Statements

	Year Ended <u>31.03.2024</u>	Year Ended <u>31.03.2023</u>
<b><u>S. Revenue from :</u></b>		
<b>a Sale of products</b>		
- Domestic	1,295.03	162.44
- Exports	-	-
	<u>1,295.03</u>	<u>162.44</u>
<b>b Other Operating Revenues</b>		
- Disposal Sales	45.56	-
- Service Income	70.16	-
- Service Income (Export)	7.05	-
	<u>122.76</u>	<u>-</u>
<b>Revenue from Operations</b>	<u><u>1,417.79</u></u>	<u><u>162.44</u></u>
<b><u>T. Other Income :</u></b>		
Interest Income		
From Banks	1.52	3.49
From Others	2.99	3.92
Lease Rental Income	16.80	16.98
Reversal of Impairment Loss*	797.11	-
Sundry Balance written back	0.14	-
Provision no longer required	1.78	-
	<u>820.33</u>	<u>24.39</u>
<b>Total</b>	<u><u>820.33</u></u>	<u><u>24.39</u></u>
*Refer sub-note 3 of Note -J		
<b><u>U. Cost of Raw Material Consumed :</u></b>		
Inventory at the beginning of the year	0.06	100.35
Add : Purchases	1,547.81	-
	<u>1,547.87</u>	<u>100.35</u>
Less : Inventory at the end of the year	244.29	0.06
	<u><u>1,303.57</u></u>	<u><u>100.29</u></u>
<b><u>V. Purchase of Stock In Trade :</u></b>		
Purchase of Finished Goods	55.60	-
<b>Total</b>	<u><u>55.60</u></u>	<u><u>-</u></u>
<b><u>W. Change in inventories of finished goods and work-in-progress:</u></b>		
Inventory at the end of the year		
Work in Process	16.00	-
Finished Goods	28.68	-
	<u>44.68</u>	<u>-</u>
Inventory at the beginning of the year		
Work in Process	-	14.52
Finished Goods	-	140.36
	<u>-</u>	<u>154.88</u>
<b>Total</b>	<u><u>(44.68)</u></u>	<u><u>154.88</u></u>



**Innovative Tyres & Tubes Ltd**

**Notes to Financial Statements**

	Year Ended <u>31.03.2024</u>	Year Ended <u>31.03.2023</u>
<b><u>X. Employee benefits expense:</u></b>		
Salaries,Wages & Bonus (Refer note below)	114.28	19.35
Retirement benefits	0.53	-
Contribution to Provident and other funds	8.52	0.48
<b>Total</b>	<u>123.33</u>	<u>19.83</u>
(Note: Salary, Wages & Bonus includes Directors' Remuneration Rs. 2.00 Lakhs ( PY Rs. NIL)		
<b><u>Y. Finance Cost :</u></b>		
Interest on Working Capital	2.03	-
Other Interest	0.07	-
<b>Total</b>	<u>2.11</u>	<u>-</u>
<b><u>Z. Other Expenses :</u></b>		
Stores, Spares & Consumables	32.63	1.47
Labour Charges	13.83	0.30
Repairs and Maintenance		
Buildings	9.52	0.22
Plant & Machinery	68.47	
Computers	0.17	-
Others	-	0.08
Vehicle Maintenance	0.06	-
Freight and Forwarding Charges	16.90	0.12
Power & Fuel	482.16	37.18
Water Charges	13.87	-
Other manufacturing expenses	5.27	-
Business Promotion Expenses	0.11	-
Travelling & Conveyance Expense	0.65	1.68
Selling & Distribution Expenses	0.75	1.68
Rates and Taxes	0.62	1.13
Insurance	11.45	19.31
Filing Fees	0.44	0.64
Licence & Fees	6.32	7.06
Legal & Professional Fees	45.54	38.05
Statutory Compliance Expenses	52.30	45.75
Payment to Auditor		
Audit Fees	0.50	1.55
Tax Audit Fees	2.50	-
Reimbursement of expenses	-	1.55
Allowances for Doubtful debts	-	165.58
Directors' Sitting fees	1.95	-
Sundry balance Written off	-	3.80
Loss on impairment on assets	-	4,922.45
Bank Charges	0.72	8.77
Printing, Stationery, Telephone & Courier Expenses	1.04	0.74
Advertisement expenses	0.22	1.74
Office Expenses	-	0.50
Security Expenses	18.43	16.20
Membership fee & Subscription	0.15	0.32
Miscellaneous Expenses	1.92	5.44
Office & Other Expenses	21.77	24.94
<b>Total</b>	<u>735.47</u>	<u>5,234.34</u>





NOTE: Z

Notes forming part of Accounts:

1 SIGNIFICANT ACCOUNTING POLICIES:

(A) Basis of Accounting:

Financial statements have been prepared by the management of the company. The financial statements are prepared as per historical cost convention and on going concern basis and comply with the applicable accounting standards specified under section 133 of the Companies Act, 2013 read with Rules 7 of the Companies(Accounts) Rules 2014.

(B) Property, Plant and Equipment:

i) Property, Plant and Equipments are recorded at cost of acquisition / construction less accumulated depreciation & impairment loss, if any, except for land which has been shown at revalued amount. Cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use, but excluding GST credit availed.

ii) In respect of fixed assets (other than capital work-in-progress) acquired during the year, depreciation is charged on a Straight Line Basis so as to write off the cost of the assets over the useful lives. In respect of fixed assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life. The useful life of the fixed assets has been adopted as prescribed under the Companies Act, 2013.

(C) Investments :

(i) Investments are Long-term, unless stated otherwise and are stated at cost except where there is diminution in value other than temporary, in which case a provision is made to the carrying value to recognise the diminution.

ii) In accordance with Accounting Standard – 23 'Accounting for Investments in Associates in Consolidated Financial Statements', issued by the Institute of Chartered Accountants of India, the Company is required to furnish Consolidated Financial Statements alongwith the accounts of M/s Halol Industries Environment & Infrastructure Ltd. where the shareholding of the company is more than 20% as at Balance Sheet date.

However, considering the long term restrictions imposed by M/s Halol Industries Environment & Infrastructure Ltd. on transfer of equity shares as well as the restriction on declarations on dividend, the company falls within the exemptions as stipulated in the AS-23. Consequently the Company is not required to prepare Consolidated Financial Statements. Therefore, the Company has not prepared Consolidated Financial Statement which is in line within AS-23.

(D) Inventories:

All Inventories are valued at lower of cost and net realisable value.

i) Raw materials, Packing materials, Stores and consumables are valued using First -in-First Out method. The cost of Raw materials, stores and consumables includes cost of purchases after adjusting for GST, direct expenses and other cost incurred in bringing the inventories to their present location and condition.

ii) Work in Progress goods has been identified as such depending upon stage of completion of finished goods technically determined by the management. Work in Progress goods are valued at raw materials cost as calculated above including appropriate proportion of cost of conversion to the extent of stage of progress and certified by the management.

iii) Finished goods are valued at lower of cost or net realisable value. Finished goods are valued at cost of production, including appropriate proportion of allocable cost.

iv) Scrap is valued at net Realisable Value.

(E) Revenue from Operations:

i) Sale of products are recognised when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods. Sales are net of Sales return and Goods & Service Tax.

ii) Export benefits available under prevalent schemes are accounted on entitlement basis.

iii) Service Income is recognised on completion of job work and are shown net of claims.

(F) Foreign Currency Transactions :

i) Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates.

iii) The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions are recognised in the Profit and Loss Account.



**(G) Employee Benefits:**

**(a) Short term employee benefits**

All employee Benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as Salaries, wages, and short term compensated absences etc. is recognised in the period in which the employee renders the related service.

**(b) Post Employment Benefits:**

**i. Defined Contribution Plans :**

Define contribution plans are post employment benefit plans under which the company pays fixed contributions into separate entities (fund) or to financial institutions or state managed benefit schemes. The Company operates defined contribution plans pertaining to Provident Fund, Employees state Insurance, Pension Fund Scheme for eligible employees. The Company contribution to defined contribution plans are recognised in the profit and loss account in the financial year to which they relate.

**ii. Defined Benefit Plans:**

The gratuity liabilities are funded partly with the Life Insurance Corporation of India with a recognized fund, which is administered by the trustees. The Company provides for gratuity liability payable on retirement on the basis of Actuarial Valuation as at the year end and the same is charged to profit and loss account under head Employees Cost.

The Company provides for accumulated leave liability payable on retirement on the basis of Actuarial Valuation as at the year end and the same is charged to profit and loss account under head Employees Cost.

**(H) Borrowing Cost:**

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

**(I) Earnings per share :**

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year. (Including diluted potential equity shares in case of diluted EPS)

**(J) Taxes on Income:**

i) Provision for taxation is made on the basis of the estimated taxable income for the current Accounting period in accordance with provision of the Income Tax Act, 1961.

ii) The benefit of credit against the payment made towards MAT for the earlier years is available in accordance with the provisions of section 115J (AA) of income tax act 1961 over a period of subsequent 15 assessment years and it is recognised to the extent of deferred tax liability in view of the certainty involved of its realisation against reversal of deferred tax liability.

iii) In accordance with Accounting Standard – 22 ' Accounting for Taxes on Income', issued by the Institute of Chartered Accountants of India, the Deferred Tax for timing differences between the book profit and tax profit for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date.

iv) Deferred tax assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the assets will be realized in future. In situations, where the company has un absorbed depreciation and carry forward losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidences, that the same can be realised against future taxable profits.

**(K) Segment Reporting :**

There is no separate reportable primary segment as per Accounting Standards 17, as most of the operations are related to only one Segment viz. Tyres & Tubes.

**(L) Impairment of Assets :**

A Property, Plant and Equipment is treated as impaired when the carrying cost of assets exceeds its recoverable value. An Impairment Loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The Impairment Loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**(M) Provisions, Contingent Liabilities and Contingent Assets :**

Provisions are recognised only when there is a present obligation as a result of past event and when a reliable estimate of the amount of the obligation can be made. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognised in the financial statements.

**(N) Use of Estimates**

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of Assets and Liabilities (including Contingent Liabilities) as of the date of the financial statements and the reported income and expenses during the reported period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could, however, differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised





(O) Government grants

Government grants are recognised:

- (a) where there is reasonable assurance that the company will comply with the conditions attached to them and  
(b) where such benefits have been earned by the company and ultimate collection is reasonably certain.

(P) Leases

Operating lease

Payments are recognised as expenditure in the Statement of Profit and Loss on a straight-line basis over the lease term.

Finance Lease

The lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as Fixed Assets with corresponding amount disclosed as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to Profit and Loss Statement.

(Q) CORPORATE INSOLVENCY RESOLUTION PROCESS

**MATTER LISTED WITH NCLT**

An application was filed for the initiation of Corporate Insolvency Resolution Process ("CIRP") under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("IBC") against Innovative Tyres & Tubes Limited ("the Company") before the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("NCLT"), with a prayer to commence the CIRP. The Hon'ble NCLT vide its order dated 28th March 2022 admitted the said application for initiation of CIRP against the Company. Further, the Hon'ble NCLT gave orders for the appointment of Mr. Abhishek Nagori as the Interim Resolution Professional ("IRP") to perform all the functions as per the IBC and that the management of the Company shall vest in the IRP. The NCLT order also provided for a moratorium with effect from 28th March 2022 till the completion of the CIRP under the IBC, or until the Hon'ble NCLT approves the resolution plan or passes an order for liquidation of the company, whichever is earlier. Further, in the ongoing CIRP of the Corporate Debtor, the Resolution Professional (RP) with the approval of Committee of Creditors (CoC) invited the Expression of Interest (EOI) in Form G on 31.10.2022 from the Potential Resolution Applicants (PRAs) to submit the Resolution Plan. Thereafter, the RP has received Resolution Plans from the Resolution Applicants. Subsequently, the CoC has approved the Resolution Plan submitted by Resolution Applicant in the 12th meeting held on 31.12.2022 and the said Resolution Plan has also been submitted to the honourable NCLT for approval. Further, in the ongoing CIRP of the Corporate Debtor, the Resolution Plan submitted on 31-12-2022 by M/s Ten on Ten Rubtech Private Limited was approved by Hon'ble NCLT vide order dated 09.08.2023. Accordingly, the Company has come out from the Corporate Insolvency Resolution Process (CIRP). Therefore, as per the order of Hon'ble NCLT, a Monitoring Committee has been constituted on 16-08-2023 to monitor the implementation of Approved resolution Plan and progress thereof.

As per the Honourable NCLT's order dated 9th August, 2023, the promoter's shareholding was stated as 35,06,104 (representing 19.49%) equity shares and public shareholding as 1,44,85,457 (representing 80.51%) equity share of Rs. 10/- each respectively whereas the actual shareholding on 9th August 2023, the promoter's shareholding was 25,19,104 (representing 14.00%) equity shares and public shareholding was 1,54,72,457 (representing 86.00%) equity share of Rs. 10/- each respectively. This discrepancy was because one of the promoters group has sold 9,87,000 (representing 5.49%) during CIRP period. Because of this discrepancy, the Company could not cancel promoter's shareholding and reduce public shareholding to 5,10,000 equity shares as per the NCLT Order.

Considering above situation an Interlocutory Application has been filed by the Chairman of Monitoring Committee appointed for implementation of the Resolution Plan, before Honourable NCLT, Ahmedabad on dated 1st November, 2023 for modifying the stipulation of cancellation of equity share capital of promoter shareholders and reduction of equity share capital of the public shareholders which was rejected hence again a separate interlocutory application was filed on 8th March 2024. The last hearing was done on 14th May 2024 and the Honourable NCLT, Ahmedabad has reserved the order.

Consequent to above situation, the allotment of equity shares to the Successful Resolution Applicant could not be made and the share application money received to the tune of Rs. 950.00 lakhs remained un allotted for more than 60 days an awaiting order from Honourable NCLT, Ahmedabad.

Since the RP has taken charge of the Company on 28 March, 2022, the Existing directors are not liable or responsible for any actions and has no personal knowledge of any such actions of the Company prior to their appointment and have relied on the position of the financial results of the Company as they existed on 17th August 2023 when the charge was handed over to the new board. The new board have relied upon the explanation, clarifications, certifications, representations and statements made by the existing officials of the Company, who were also part of the Company during the regime of the RP.

During the year ended 31st March, 2024, the new management taken over the possession of the company and started overhauling of the plant and it started operations at reduced capacity from 19th September, 2023

As per the Honourable NCLT's order, the company is required to make payment to creditors as per implementation schedule. The Company has made the payments due as per the of implementation schedule of the Resolution Plan. However, an amount of Rs. 4.91 lacs Could not be paid to creditor and employees for want of their banking details. This amount has remained deposited with special account maintained by the Resolution Applicant M/s Ten on Ten Pvt Ltd.

During the year ended 31st March, 2024 the Company has reversed various liabilities (net) of Rs. 3,826.63 lakhs as per the Hon'ble NCLT Order and shown as exceptional items. The Gross liabilities written off is Rs.3854.40 lacs and Gross expenses is Rs. 27.78 Lakhs.

2 Capital & Other Commitment

Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances) Rs. NIL (Previous year for Rs. NIL).

3 Contingent Liabilities :

		(Rs. in Lakhs)	
Sr.No.	Particulars	2023-2024	2022-2023
i)	Claims of Creditors exceeding books balances	NIL	Un ascertained



4 Defined benefit plans / compensated absences -

	(Rs. in Lakhs)	
	2023-2024 Gratuity	2023-2024 Leave Encashment
<b>Expense recognised in the Statement of Profit &amp; Loss for the year ended March 31, 2024</b>		
Current Service Cost	1.49	2.19
Interest Cost	-	-
Employee Contributions	-	-
Expected return on plan assets	(1.60)	-
Net Acturial (Gains) / Losses	(0.11)	-
Past Service Cost	-	-
Settlement Cost	-	-
<b>Total expense</b>	<b>(0.22)</b>	<b>2.19</b>
<b>Net Asset / (Liability) recognised in the Balance Sheet as at March 31, 2024</b>		
<b>Present value of Net Defined Benefit Obligation as at March 31, 2024</b>	<b>1.49</b>	<b>2.19</b>
Fair value of plan assets as at March 31, 2024	23.94	-
Funded status [Surplus / (Deficit)]	22.45	(2.19)
<b>Net asset / (liability) as at March 31, 2024</b>	<b>22.45</b>	<b>(2.19)</b>
<b>Change in Obligation during the Year ended March 31, 2024</b>		
<b>Present value of Defined Benefit Obligation at beginning of the year</b>	<b>200.42</b>	<b>47.61</b>
Current Service Cost	1.49	2.19
Interest Cost	-	-
Settlement Cost	-	-
Past Service Cost	-	-
Employee Contributions	-	-
Acturial (Gains) / Losses	(41.19)	(6.31)
Benefits Payments	(159.23)	(41.30)
<b>Present value of Defined Benefit Obligation at the end of the year</b>	<b>1.49</b>	<b>2.19</b>
<b>Change in Assets during the Year ended March 31, 2024</b>		
Plan assets at the beginning of the year	2.24	-
Assets acquired in amalgamation in previous year	-	-
Settlements	-	-
Expected return on plan assets	1.60	-
Contributions by Employer	-	-
Actual benefits paid	-	-
Acturial Gains / (Losses)	0.11	-
Plan assets at the end of the year	23.95	-
Actual return on plan assets	1.71	-
<b>Acturial Assumptions:</b>		
Discount Rate	7.20%	7.20%
Expected rate of return on plan assets	7.20%	NA
Mortality pre retirement	NA	NA
Mortality post retirement	-	-
Withdrawal rate	5% for all service groups	5% for all service groups
Medical premium inflation	NA	NA
Annual Increment in Salary cost	5%	5%

5 Micro, Small and Medium Enterprises Development Act, 2006

As per requirement of Section 22 of Micro, Small & Medium Enterprises Development Act, 2006 following information is disclosed to the extent identifiable:

		(Rs. in Lacs)	
		2023-2024	2022-2023
a)	(i) The Principal amount remaining unpaid to any supplier at the end of accounting year	447.95	112.78
	(ii) The interest due on above	-	-
	<b>Total of (i) &amp; (ii) above</b>	<b>447.95</b>	<b>112.78</b>
b)	Amount of interest paid by the buyer in terms of Section 16 of the Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Act.	-	-

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the company.

6 Segment Reporting :

a) Primary Segment:

The Company has identified "Tyres & Tubes" as the only primary reportable segment.

b) Secondary Segment (By Geographical Segment)

Particulars	Rs. in Lacs	
	2023-2024	2022-2023
India	1,295.03	162.44
Outside India (including Deemed exports)	-	-
<b>Total Sales</b>	<b>1,295.03</b>	<b>162.44</b>

In view of the inter-woven / inter-mixed nature of business and manufacturing facility, other secondary segmental information is not ascertainable.





7 Disclosure as required by the Accounting Standard - AS-18 relating to "Related Parties Disclosure" issued by The Institute of Chartered Accountants of India are as follows :

**Name of related parties and description of relationship**

**Key Management Personnel and Relatives of KMP :**

Mr. Mukesh G Desai	Non Executive Chairman (upto 09-08-2023)
Mr. Keyoor Bakshi	Independent Director (upto 09-08-2023)
Ms. Kalpana Joshipura	Independent Director (upto 09-08-2023)
Mr. Munish Chawla	Managing Director (w.e.f. 09-08-2023)
Mr. Robin Chawla	Director (w.e.f. 09-08-2023), Director & CFO (w.e.f. 10-11-2023)
Mr. Ramesh Chander Chawla	Director (w.e.f. 09-08-2023)
Mrs. Roshni Chawla	Director(w.e.f. 10-11-2023)
Mr. Umesh Ved	Independent Director (w.e.f. 10-11-2023)
Mrs. Jasmin Doshi	Independent Director (w.e.f. 10-11-2023)
Mrs. Shweta Sharma	Compliance Officer & Company Secretary (w.e.f. 10-11-2023)

**Related Parties:**

Associate Companies: Haloi Industries Environment & Infrastructure Limited

Other Related Parties: Ten on Ten Rubtech Pvt Ltd  
TOT Tyres Pvt Ltd  
Future Tyres Pvt Ltd

(Rs. in Lakhs)

Sr. No.	Particulars	Related parties		KMP and relatives	
		2023-24	2022-23	2023-24	2022-23
1	<b>Remuneration</b>				
	Mr Munish Chawla	-		1.10	-
	Mr. Robin Chawla	-		0.90	-
	Mrs. Shweta Sharma	-		1.79	-
2	<b>Purchase of Goods</b>				
	Ten on Ten Rubtech Pvt Ltd	196.01			
	TOT Tyres Pvt Ltd	22.78			
3	<b>Loan Received</b>				
	Ten on Ten Rubtech Pvt Ltd	1,089.69			
	Mr Munish Chawla			1,273.64	
	Mr. Robin Chawla			713.75	
	Mrs. Roshni Chawla			13.50	
4	<b>Job Work Income</b>				
	TOT Tyres Pvt Ltd	82.31			
5	<b>Share Application Money Received</b>				
	Ten on Ten Rubtech Pvt Ltd	950.00			
6	<b>Repayment of Loan</b>				
	Mr Munish Chawla			232.85	
	Mr. Robin Chawla			44.88	
7	<b>Sales of Goods</b>				
	Ten on Ten Rubtech Pvt Ltd	1.56			
	TOT Tyres Pvt Ltd	204.43			
8	<b>Sitting Fess</b>				
	Mr. Ramesh Chander Chawla	1.40			
	Mrs. Roshni Chawla	0.05			
	Mr. Umesh Ved	0.25			
	Mrs. Jasmin Doshi	0.25			
	<b>Outstanding Balances</b>				
9	<b>Creditors / Other Payable</b>				
	Directors Remuneration	2.00			
	KMP Remuneration			0.38	
	Sitting Fee Payable	1.76			
	Ten on Ten Rubtech Pvt Ltd	11.70			
10	<b>Loan Payable</b>				
	Ten on Ten Rubtech Pvt Ltd	139.30			
	Mr Munish Chawla			1,040.79	
	Mr. Robin Chawla			668.87	
	Mrs. Roshni Chawla			13.50	
11	<b>Debtors / Other Receivable</b>				
	Future Tyres Pvt Ltd	-	153.48		-
	TOT Tyres Pvt Ltd	31.90			
12	<b>Investment in Associate</b>				
	Haloi Industries Environment & Infrastructure Ltd.,		0.75		-



8 Earning Per Share:

		(Rs. in Lakhs)	
		As at 31st March, 2024	As at 31st March, 2023
<b>Earning per share has been computed as under:</b>			
a	Profit after Taxation & before extra ordinary items	3,449.69	(5,293.65)
b	Total Ordinary shares		
	Weighted Average Number of Equity Shares Outstanding	1,79,91,561	1,79,91,561
	Weighted Average Number of Equity Shares Outstanding (including potential Equity	1,79,91,561	1,79,91,561
c	Earning per Share (Face value Rs. 10/- per share) (in Rs.)		
	(Basic)	19.17	(29.42)
	(Diluted)	19.17	(29.42)

9 Information required under Schedule III of the Companies Act, 2013 as certified by Management.

		(Rs. in Lakhs)	
		2023-24	2022-23
<b>A</b>	Value of imports calculated on C.I.F. basis made by the Company during the year :		
	(i) Raw Materials ( including High Sea Purchases)	-	
	(ii) Capital goods	-	
<b>B</b>	Expenditure in foreign currency :		
	(i) Foreign Traveling expenses	-	
	(ii) Testing Charges	-	
	(iii) Subscription Charges	-	0.97
	(iv) Foreign Bank Charges	-	1.33
<b>C</b>	Value of imported raw materials, spare parts, Components and Packing materials consumed during the year.	-	-
	Value of indigenous raw materials, spare parts, Components and packing materials consumed during the year	-	-
	Percentage to total consumption :		
	(a) Imported raw materials, spare parts, components and packing materials consumed.	0.00%	#DIV/0!
	(b) Indigenous raw materials, spare parts, components and packing materials consumed.	0.00%	#DIV/0!
<b>D</b>	Earnings in Foreign Exchange (On accrual basis)		
	Export Sales (On FOB Basis)	-	-

10 Ageing of Trade Payable

As on 31st March 2024		Outstanding for following periods from due date of payment				Rs. Lakhs
Particulars	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total	
(i) MSME	447.95				447.95	
(ii) Others	119.60				119.60	
(iii) Disputed dues-MSME					-	
(iv) Disputed dues-Others					-	
<b>Total</b>	<b>567.55</b>	-	-	-	<b>567.55</b>	

As on 31st March 2023		Outstanding for following periods from due date of payment				Rs. Lakhs
Particulars	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total	
(i) MSME	-	68.65	26.21	17.92	112.78	
(ii) Others	-	1,042.45	835.56	984.69	2,862.70	
(iii) Disputed dues-MSME					-	
(iv) Disputed dues-Others					-	
<b>Total</b>	-	<b>1,111.10</b>	<b>861.77</b>	<b>1,002.61</b>	<b>2,975.48</b>	

11 Ageing of Trade Receivable

As on 31st March 2024		Outstanding for following periods from due date of payment					Rs. Lakhs
Particulars	Less than 6 months	6 months to 1 year	1-2 Years	2-3 years	More than 3 years	Total	
(i) Undisputed Trade Receivables-considered good	66.83	-		-	-	66.83	
(ii) Undisputed Trade Receivables-considered doubtful	-	-		-	-	-	
(iii) Disputed Trade Receivables-considered good	-	-		-	-	-	
(iv) Disputed Trade Receivables-considered doubtful	-	-		-	-	-	
<b>Total</b>	<b>66.83</b>	-		-	-	<b>66.83</b>	





As on 31st March 2023

Rs. Lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables-considered good	0.09	-	10.30	-	-	10.39
(ii) Undisputed Trade Receivables-considered doubtful	-	-	165.58	-	-	165.58
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered doubtful	-	-	2.40	30.35	64.93	97.68
<b>Total</b>	<b>0.09</b>	<b>-</b>	<b>178.28</b>	<b>30.35</b>	<b>64.93</b>	<b>273.65</b>

## 12 Ratio Analysis

Particulars	Numerator	Denominator	31.03.2024	31.03.2023	% Variance	Reason for variance
Current Ratio (in times)	Current Assets	Current Liabilities	0.17	0.02	644.27%	Refer Note 1
Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	(72.10)	(0.86)	8288.43%	Refer Note 1
Debt Service Coverage Ratio (in times)	Earning available for debt service	Debt Service	2.01	2.66	-24.47%	Refer Note 1
Return on Equity Ratio (in times)	Net profit	Average shareholders equity	(1.55)	2.98	-152.06%	Refer Note 1
Inventory Turnover Ratio (in times)	Sales	Average inventory	9.81	1.27	670.90%	Refer Note 1
Trade Receivables turnover Ratio (in times)	Sales	Average Trade receivables	36.72	1.59	2210.02%	Refer Note 1
Trade Payable turnover Ratio (in times)	Purchases	Average Trade payable	0.92	0.03	3406.34%	Refer Note 1
Net Capital Turnover Ratio (in times)	Net Sales	Working Capital	(0.29)	(0.02)	1275.82%	Refer Note 1
Net Profit Ratio (in percentage)	Net Profit	Net Sales	2.43	(32.59)	-107.47%	Refer Note 1
Return on Capital Employed (in percentage)	Earning before interest & taxes	Capital employed	(0.11)	(9.88)	-98.90%	Refer Note 1
Return on Investment (in percentage)	Earning before interest & taxes	Total Assets	0.34	0.42	-20.71%	

Note 1: As per NCLT order dated 09-08-2023 the long term and short term liabilities were reduced by Rs. 3826.63 Lakhs which has resultant into decrease in current and non current liabilities, increase in profit for the year, increase in net worth etc. The said gain due to written back of liabilities has been considered as exceptional and extra ordinary item. The said accounting impact as per NCLT Order has lead to drastic changes in the ratios of the current year as compare to last year.

## 13 Corporate Social Responsibility

The Company is consistently incurring losses. In accordance with section 135 of the Companies Act, 2013 the Company is not required to spend expenditure under the Corporate Social Responsibility.

14 To the best of our knowledge and information available to us, the company has not entered any transaction with companies struck off under section 248 of Companies Act 2013 or Section 560 of Companies Act 1956.

15

During the year ended 31st March, 2024 the Company has made reversal of impairment loss on its property plant and equipment as per AS-28. On the basis of independent valuation, the company has recognised Rs. 797.11 lakhs as improvement in value of Property, plant & equipment and accounted it as reversal of previously booked impairment loss and shown it as other income in the year ended 31st March 2024.

## 16 Amount payable as per Resolution Plan

Particulars	Rs. in Lacs	
		31-03-2024
Staff Payable- Salary	-	1.53
Staff Payable- Bonus	-	0.91
Staff Payable- Leave Salary	-	1.45
Staff Payable- Gratuity	-	0.96
Advance from customers-foreign	-	0.06
<b>TOTAL</b>	<b>-</b>	<b>4.91</b>

The amount due, payable and remained unpaid as on 31st March 2024 is Rs. 4.91 lakhs which could not be paid for want of banking details of old employees and foreign customer. This amount has been deposited by the Successful Resolution Applicant i.e. M/s Ten on Ten Rubtech Pvt Ltd into special account opened by it specially for this purpose only.



- 17 The Company is engaged in the business of Tyre & Tubes and therefore, there is only one reportable segment in accordance with the Accounting Standard on Segment Reporting (AS-17).
- 18 In the Opinion of the Board, the Current Assets / Non Current Assets, Loans & Advances (including Export Benefits / Incentive, Trade Payables are approximately of the value stated, if realized / paid in the ordinary course of business and are subject to confirmation / reconciliation.
- 19 The third party payments made / received on behalf of the Company as well as payment to third parties on behalf of suppliers by the Company are subject to confirmations from respective parties
- 20 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date  
For Haribhakti & Co LLP.  
Chartered Accountants  
F R No. 103523WAV100048

  
Yash Bhatt  
Partner  
M. No. 117745  
Date: 30th May 2024

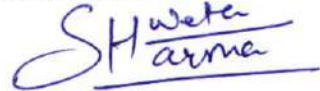




Munish Chawla  
Managing Director  
DIN No.06454015



Robin Chawla  
Director & CFO  
DIN No.10277507



Shweta Sharma  
Company Secretary

