

# **TAINWALA**

**CHEMICALS AND PLASTICS (INDIA) LTD.**

**28th Annual Report  
2012-13**

## TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED ANNUAL REPORT 2012 - 2013

**MANAGEMENT TEAM**

DUNGARMAL TAINWALA	Chairman and Whole-time Director
RAKESH TAINWALA	Managing Director
ABHAY SHETH	Independent Director
SUBHASH KADAKIA	Independent Director
MAYANK DHULDHOYA	Independent Director
SIMRAN MANSUKHANI	Vice President Accounts & CFO
ASHOK MUKHERJEE	Sr. Vice-President Marketing & Administration
V.M.RAJU	General Manager Works
MUKESH MITTAL	General Manager Finance & Accounts
MALAY SHAH	Company Secretary and Compliance Officer

**AUDITORS**

M/s RUNGTA & ASSOCIATES  
Chartered Accountants  
Mumbai

**BANKERS**

HDFC Bank Ltd.

**REGISTERED OFFICE**

Tainwala House  
Road No. 18, M.I.D.C., Marol,  
Andheri (East), Mumbai-400 093  
Tel: 67166100  
Website: www.tainwala.in

**WORKS**

87, Government Industrial Estate  
Khadoli Village, Silvassa - 396230  
Dadra & Nagar Haveli – U.T.

**REGISTRAR & SHARE TRANSFER AGENTS**

LINK INTIME INDIA PVT. LTD  
C-13, Pannalal Silk Mills Compound,  
LBS Road,  
Bhandup (W), Mumbai 400 078.  
Tel.: 25963838.

### TWENTY EIGHTH ANNUAL GENERAL MEETING

- Friday, 20th September, 2013
- 11.00 a.m.
- The All India Plastics Manufacturers Association, A-52, Street no. 1, M.I.D.C., Andheri (East), Mumbai – 400093.

**CONTENTS**

Notice	2
Directors' Report	4
Corporate Governance Report	6
Management Discussion & Analysis	15
Independent Auditor's Report	17
Balance Sheet	20
Statement of Profit & Loss Account	21
Cash Flow Statement	22
Notes to Financial Statement	23

**NOTICE**

Notice is hereby given that the TWENTY EIGHTH ANNUAL GENERAL MEETING of the Members of TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED will be held at The All India Plastics Manufacturers Association, A-52, Street No 1, M.I.D.C, Marol, Andheri (East), Mumbai - 400 093 on Friday, 20th September, 2013 at 11.00 a.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Mayank Dhuldhoya who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/S. Rungta and Associates, Chartered Accountants, the Statutory Auditors of the Company to hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS :**

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION :

“RESOLVED THAT, Mr. Chandraprakash Kanhaiyalal Doshi, who has proposed his candidature for the Directorship to the Board of Directors through due notice in writing under Section 257 of the Companies Act, 1956, whose office shall be liable to determination by retirement of Directors by rotation.

By Order of the Board of Directors  
**For TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED**

(RAKESH TAINWALA)  
Managing Director

Registered Office :  
"Tainwala House ",  
Road No. 18, M.I.D.C., Marol,  
Andheri (East),  
Mumbai - 400 093.

Place: Mumbai.  
Date: 27th May, 2013

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL, INSTEAD OF HIMSELF, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, THE INSTRUMENT MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 14.09.2013 to 20.09.2013 (both days inclusive).
3. Members are requested to immediately intimate change of address if any, to the Company/Registrar and share transfer agent quoting reference to their Registered folio number.
4. Members are requested to send all share transfer lodgments (physical mode)/correspondence to the Registrar and Share Transfer Agent At the following address up to the date of book closure :  
  
M/S. LINK INTIME INDIA PVT. LTD.  
C-13, Pannalal Silk Mills Compound,  
LBS Road, Bhandup (West),  
Mumbai – 400 078. Tel:25963838
5. Members who have multiple accounts in identical names or joint accounts in same order are requested to send all the share certificates to Link Intime India Pvt. Ltd. for Consolidation of all such shareholdings into one account to facilitate better service.
6. Members can avail nomination facility by filling in and forwarding the nomination form to the RTA, pursuant to Section 109A of the Companies Act, 1956, form to the RTA, if not already done.
7. Members can address their queries to the Company at [cs@tainwala.in](mailto:cs@tainwala.in) / [simran@tainwala.in](mailto:simran@tainwala.in).
8. Members are requested to bring their attendance slip duly filled in details like DP Id and Client Id along with their copy of annual reports to the meeting.
9. Members having any questions on accounts are requested to send their queries atleast 15 days in advance to the Company at its Registered office address to enable the Company to collect the relevant information.
10. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 10.00 a.m. and 12.00 p.m. on any working day up to the date of AGM.
11. In order to support the Green Initiative of the Government and to save paper, Members are requested to please register email ID with their depositories and RTA with a copy to the Company to enable the Company to send documents like Report, Accounts, Notices etc. through electronic mode for convenience of members.

By Order of the Board of Directors  
**For TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED**

Place: Mumbai  
Date: 27th May, 2013

**(RAKESH TAINWALA)**  
Managing Director

**Annexure to the Notice  
Explanatory Statement under Section 173(2) of the Companies Act, 1956.**

## Item No. 4

Mr. Chandraprakash Kanhaiyalal Doshi, has been proposed to be appointed as Director of the Company by the Board of Directors. Due notice under Section 257 of the Companies Act has been received proposing the appointment of Mr. C. K. Doshi as a Director of the Company, whose office shall be liable to determination by retirement of Directors by rotation. None of the Directors, except Mr. C. K. Doshi is concerned or interested in the resolution at Item No. 4.

**DIRECTORS' REPORT**

To  
The Members,  
Tainwala Chemicals And Plastics (India) Limited.

Your Directors have pleasure in presenting the 28th Annual Report and Audited Statement of Accounts for the Year ended 31st March 2013.

Financial Results : (₹ in Lacs)

	Year ended 31st March 2013	Year ended 31st March 2012
Income from Sale	982.23	1062.10
Other Income	213.84	233.67
Total Income	1196.07	1295.77
Profit before Depreciation	134.74	93.99
Less: Depreciation	(75.62)	(68.78)
Profit for the year before tax & exceptional items	59.12	25.21
Add: Exceptional Items	---	---
Profit before taxation	59.12	25.21
Less: Provision for Tax	(10.01)	---
Add: Tax adjustment relating to earlier years	10.38	0.54
Net Profit after Tax	59.49	25.75
Balance b/f from previous year	123.58	97.83
Surplus (Deficit) carried to Balance Sheet	183.07	123.58

**OPERATIONS :**

The financial year 2012-13 was a year of challenges and uncertainties for businesses across various segments of industry with the financial crisis and volatile Markets, but your Company continues to demonstrate the robustness of its business model. Your Company has been able to achieve a turnover of ₹ 982.23 lakhs and a competitive Net Profit of ₹ 59.49 lakhs.

**DIVIDEND :**

With a view to conserve resources of the Company, your Director considered it prudent not to declare dividend for the year under review.

**FIXED DEPOSITS :**

During the year under review, the Company has not accepted any deposits within the meaning of Section 58A and Section 58AA of the Companies Act, 1956 and Rules meant there under.

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

Information pursuant to Section 217(1)(e) of the

Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in Annexure "A" to this report .

**DEPOSITORIES :**

The Company is registered with both National Securities Depositories Limited (NSDL) and Central Depository (Services) Limited (CDSL). The shareholders can take advantage of holding their shares in dematerialized mode.

**INSURANCE :**

All the assets of the Company, wherever necessary and to the extent required, have been insured.

**SHARE CAPITAL AND LISTING OF SECURITIES :**

The equity shares of the Company are listed with Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). Annual Listing fee has been paid to exchange.

**PARTICULARS OF EMPLOYEES :**

There was no employee during the year requiring the disclosure requirement under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time.

**DIRECTORS :**

The Board of Directors of the Company provides leadership and strategic guidance objective judgment, independent of management to the Company & exercise control over the Company while remaining at all times accountable to the Shareholders.

In accordance with the provisions of the Companies Act, 1956 and Company's Articles of Association, Mr. Mayank Dhuldhoya retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment. Your Directors recommended his reappointment as Director.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Board of Directors of the Company hereby state and confirm that:

- (i) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures ;
- (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 at the end of the financial year and of the Profit of the Company for the year ;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the

Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities ;

- (iv) the Directors had prepared the annual accounts on a going concern basis.

**AUDITORS:**

M/s. Rungta & Associates, Chartered Accountants, having firm registration no.108888W, retire at the ensuing Annual General Meeting and being eligible have offered themselves for Re-appointment. The Company has received a letter as required under section 224(1B) of the Companies Act 1956 from M/s Rungta & associates confirming their eligibility and willingness to act as Statutory auditors, if reappointed. Members are requested to elect auditors for the current year and fix their remuneration.

**BOARD COMMITTEES :**

In order to ensure compliance with the applicable provisions of the Companies Act,1956 as well as the provisions of the Listing Agreement the Board has constituted an Audit Committee, Shareholders / Investors Grievance Committee and Remuneration Committee. Details of these committees are given in the Corporate Governance Report which is annexed to the Directors' Report.

**CORPORATE GOVERNANCE :**

During the year under review, your Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as stipulated in clause 49 of the Listing Agreement have been complied with. A separate Report on Corporate Governance along with the Auditors' Certificate on its compliance is given in "Annexure B" to this Report.

**AUDITORS' REPORT :**

With reference to the auditors comments in para 3(a), 3(b) and 3(c) of Annexure to the Auditors Report, management would like to state that these loans were given in earlier years and the Company is confident of recovering the full amount.

With reference to the auditors comments in para 7 of Annexure to the Auditors Report, management would like to state that the Board is finding out the area of improvement in the Internal Audit System.

**WHOLE-TIME COMPANY SECRETARY :**

The company has appointed Mr. Malay Shah as Company Secretary and Compliance Officer w.e.f 14th January, 2013 and Mr. Rohish Samant has resigned as Company Secretary and Compliance Officer w.e.f. 12th January, 2013.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT :**

Management Discussion and Analysis Report for the financial year under review as stipulated in Clause 49 of

the Listing Agreement entered into with the Stock Exchanges is given in this report.

**PERSONNEL :**

Your Directors are pleased to inform you that employee relations continued to be cordial and peaceful both at the factory and at the office during the year under review.

**APPRECIATION :**

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation received by the Company from its Bankers, Stakeholders, State and Central Government Authorities, Business Associates, Customers, Dealers and Suppliers. Your Directors also wish to place on record their sincere appreciation for the employee for their commitments, dedication and hard work put by them at all levels.

For and on behalf of the Board of Directors

**(DUNGARMAL TAINWALA)**  
Chairman

Place: Mumbai.

Date: 27th May, 2013

**ANNEXURE 'A' TO THE DIRECTORS' REPORT :**

Information as per Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2013.

**A. Conservation of Energy:**

**a) Energy Conservation measures taken :**

1. Provided better load management.
2. Provided automatic power factor control unit.
3. Provided Voltage Stabilizer.
4. Reduced breakdown by proper preventive maintenance.
5. Provided PLC controlled systems on machine.
6. Provided extra –insulation on chilled water pipelines to reduce energy consumption.

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

Implementations of the aforementioned measures have resulted in efficient energy management.

**c) Power & Fuel Consumption :**

	Year ended 31/03/13	Year Ended 31/03/12
a) Electricity :		
Units Purchased	855,040	859,776
Total amount (₹)	3,518,879	3,619,370
Rate per Unit (₹)	4.12	4.21
b) Own Generation through Diesel Generator :		
Units Generated	13,640	19,840
Quantity of Diesel Used	4,400 ltrs	6,200 ltrs
Total Amount (₹)	190,499	264,484
Cost per unit (₹)	13.97	13.33
c) Consumption per unit of production Details:		
Production (Kgs)	939,829	921,071.23
Electricity (₹)	3,518,879	3,619,370
Cost per Unit ₹	₹ 3.95 Per Kg.	₹ 4.21 Per Kg.

**B. Technology Absorption :**

**1. Research and Development (R & D) :**

- a) Specific areas in which R & D carried out in the Company.  
Nil .
- b) Benefits:  
Not Applicable

c) Future Plan of Action :

On-going Development in product quality and process conditions.

d) Expenditure on R & D :

Expenditure on R & D is an on going process at every stage of operation and forms part of the regular activities of the Company and hence the cost element in the form of R & D is not easily identifiable.

**2. Technology Absorption, Adaptation and Innovation:**

The company has not acquired any indigenous or imported technology.

**C. Foreign Exchange Earnings and Outgoings :**

	2013	2012
	₹	₹
Foreign Exchange Earning	NIL	NIL
Foreign Exchange Outgoings	2,12,52,884	1,86,86,619

**ANNEXURE 'B' TO THE DIRECTORS' REPORT**

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2012-2013**

(As required under the Revised Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

Your Company continues to lay great emphasis on Corporate Governance. Our pursuit towards achieving good governance is an ongoing process. In this Report, we confirm the compliance of the Corporate Governance criteria as required under the revised Clause 49 of the Listing Agreement.

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

Your Company believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhancing stakeholders' value. In this pursuit, your Company's philosophy on Corporate Governance is led by a strong emphasis on transparency, accountability and integrity and your Company has been practicing the principles of Corporate Governance over the years. All directors and employees are bound by a Code of Conduct that sets forth the Company's policies on important issues, including its relationship with customers, shareholders and Government.

**2. BOARD OF DIRECTORS :-****a. COMPOSITION AND CATEGORY :-**

The Company has an optimum combination of Executive and Non-Executive Directors. The Board of Directors comprises of 5 (Five) Directors i.e. 2 (two) Executive Directors and 3 (Three) Non-Executive Directors. During the year, the Board was headed by Executive Chairman – Mr. Dungarmal Tainwala.

The composition of the Board and other relevant details relating to Directors are given below :

Name of the Director	Category	Number of Directorships in other Companies**	Number of committee positions held in other Companies	
			Member	Chairman
Dungarmal Tainwala	Promoter & Executive	Nil	Nil	Nil
Rakesh Tainwala	Promoter & Executive	Nil	Nil	Nil
Subhash Kadakia	Independent & Non-Executive	Nil	Nil	Nil
Abhay Sheth	Independent & Non-Executive	Nil	Nil	Nil
Mayank Dhuldhoya	Independent & Non-Executive	Nil	Nil	Nil

\*\* excluding directorship in Private Companies

None of the above referred Independent Directors have any material pecuniary relationship or transaction with the Company, its promoters or with its Management, except Mr. Subhash Kadakia – Independent Director who holds 200 equity shares in the Company, which would not affect the independence or judgment of Directors.

The Board meets at least once a quarter inter- alia, to review the quarterly performance and financial results and the gap between two meetings is not more than four months.

**b. INFORMATION REQUIRED UNDER CLAUSE 49(IV)(G) OF THE LISTING AGREEMENT ON DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT :**

Name : Mr. Mayank Dhuldhoya, Age : 56 Years, Qualifications : B.Com Expertise : Mr.Mayank Dhuldhoya is director of Shri Hap Chemicals Enterprises Pvt Ltd. He has rich and wide ranging experience in the plastic industry having extensive knowledge in the field of PVC compounds.

Other Directorship in Public Limited Company      NIL      Number of Shares held      NIL

**c. BOARD MEETINGS AND ANNUAL GENERAL MEETINGS :**

During the financial year ended 31st March, 2013 4 (Four) Board Meetings were held i.e. on 30-05-2012, 8-8-2012, 5-11-2012 and 23-1-2013. The last i.e. the 27th Annual General Meeting of the Company was held on Tuesday, 18th September 2012. Details of attendance of each Director at the Board Meetings and at the Annual General Meeting are given below :

Name of the Director	No. of Board Meetings Attended	Attended at last AGM
Rakesh Tainwala	4	Yes
Dungarmal Tainwala	4	Yes
Subhash Kadakia	4	Yes
Abhay Sheth	4	No
Mayank Dhuldhoya	4	Yes



**3. BOARD COMMITTEES :-**

The Board had constituted the following Committees of Directors.

**I AUDIT COMMITTEE :**

The Audit Committee comprises of three members all Non-Executive Independent Directors.

**A. COMPOSITION OF AUDIT COMMITTEE AND DETAILS OF ATTENDANCE AT AUDIT COMMITTEE MEETINGS :**

During the financial year ended 31st March,2013, 4 (Four) Audit Committee meetings were held during the year i.e. on 30-05-2012, 8-8-2012, 5-11-2012 and 23-01-2013.

The Composition of the Audit Committee during the financial year is as follows:

Name of the Directors	Category	Number of Meetings attended
Subhash Kadakia	Chairman, Non-Executive & Independent	4
Abhay Sheth	Non-Executive & Independent	4
Mayank Dhuldhoya	Non-Executive & Independent	4

All the members of the Audit Committee have good knowledge of finance, Accounts and Business management.

**B. TERMS OF REFERENCE OF AUDIT COMMITTEE :**

The terms of Reference of the Audit Committee broadly include reviewing the Companies internal control system, audit procedures, compliance with statutory and regulatory requirements, financial reporting process and the disclosure of its financial information to ensure that the financial statements are true and correct. It also reviews the quarterly, half yearly and annual financial results before submission to the Board.

**II. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE :-**

The Share Transfer / Investors Grievance Committee:

- Approves and monitors transfers and transmission of shares, splitting and consolidation of shares and issue of duplicate share certificates.
- Monitors redressal of complaints received from shareholders relating to transfer and transmission of shares, issue of duplicate share certificates, non-receipt of Annual Reports, dematerialization of shares, etc.

**A. COMPOSITION OF SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE AND DETAILS OF ATTENDANCE AT SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE MEETINGS :**

Mr. Subhash Kadakia – Non Executive and Independent Director is the Chairman of the Shareholders/Investors Grievance Committee.

During the year 2012-2013 the Committee held 13 (Thirteen) meetings on 16-04-2012, 30-05-2012, 15-06-2012, 30-06-2012, 16-07-2012, 30-07-2012, 16-08-2012, 30-08-2012, 29-09-2012, 20-11-2012, 8-1-2013, 5-2-2013 and 30-03-2013.

Attendance of each member at the Shareholders / Investors Grievance Committee during the year 2012-2013 are detailed below:

Name of the Directors	Executive/Non Executive	No. of Committee Meetings Attended
Dungarmal Tainwala	Executive	13
Subhash Kadakia	Non - Executive	13
Abhay Sheth	Non-Executive	13

**B. STATUS OF SHAREHOLDERS/INVESTORS GRIEVANCES AND THEIR REDRESSAL :**

During the year under report, the Company has received 3 (Three) complaints which were resolved satisfactorily. All requests for transfer of shares have been processed normally within prescribed time.

**C. NAME AND DESIGNATION OF COMPLIANCE OFFICER :**

Mr. Malay Shah – Company Secretary is appointed as Compliance Officer of the Company with effect from 14th January, 2013.

**III. REMUNERATION COMMITTEE :**

The Remuneration Committee functions inter alias includes a. Review and recommend Remuneration of Managing Director/Whole Time Director. b. Recommend suitable revision/increments whenever required to the Board of Directors.

**A. COMPOSITION OF REMUNERATION COMMITTEE AND DETAILS OF REMUNERATION COMMITTEE MEETINGS AND ATTENDANCE OF MEMBERS :**

During the financial year under review the Committee held 1 (One) meeting on 30-05-2012 Attendance at its Meeting is given hereunder :

The Composition of the Remuneration Committee during the financial year is as follows :

Name of the Directors	Category	No. of Meetings Attended
Abhay Sheth	Chairman, Non-Executive & Independent	1
Subhash Kadakia	Non-Executive & Independent	1
Mayank Dhuldhoya	Non-Executive & Independent	1

**1. REMUNERATION OF DIRECTORS :****A. DETAILS OF REMUNERATION OF DIRECTORS FOR THE FINANCIAL YEAR 2012-13****Executive Directors**

Name of the Director	Salary/Benefits **	Stock Option
Rakesh Tainwala –Managing Director	₹ 23,67,000/- p.a.	-
Dungarmal Tainwala-Whole-Time Director	₹ 821,400/- p.a.	-

\*\* includes Company's contribution to Provident Fund and Medical Reimbursement

**Non executive Directors**

Details of Sitting Fees paid to Non-Executive Directors for attending Board and Committee Meeting during the year 2012-2013 are given below :-

Name	Board Meeting (₹)	Committee Meeting (₹)***	Total (₹)
Subhash Kadakia	4,000	5,750	9,750
Abhay Sheth	3,000	5,000	8,000
Mayank Dhuldhoya	4,000	2,500	6,500
TOTAL	11,000	13,250	24,250

\*\*\* Includes Shareholders / Investors Grievance Committee Meeting, Audit Committee Meeting and Remuneration Committee Meeting.

**5. GENERAL BODY MEETINGS :****a. Details of previous Three Annual General Meetings are as under:**

Financial Year	Date of Meeting	Time	Place	Resolution
2011-2012	18.09.2012	11.00 a.m	All India Plastics Manufacturers Association A-52, Street No. 1, MIDC, Marol, Andheri (E),	i. Re-appointment of Mr. Rakesh Tainwala as Managing Director for a period of five years with effect from 26th June, 2012. ii. Re-appointment of Mr. Dungarmal Tainwala as Whole time Director for period of five years with effect from 1st July, 2012.
2010-2011	27.09.2011	11.00 a.m.	Mumbai-400 093.	Revision in the remuneration of Mr. Rakesh Tainwala as a Managing director for the remaining tenure i.e. till 25th June, 2012.
2009-2010	28.09.2010	11.00 a.m.		Revision in the remuneration of i. Mr. Rakesh Tainwala, Managing Director for the remaining tenure of two years i.e. 25th June 2012. ii Mr. Dungarmal Tainwala, Whole Time Director for the remaining tenure of two years i.e. 30th June 2012.

**b. No Special Resolutions were required to be put through Postal Ballot.****6. CORPORATE SOCIAL RESPONSIBILITIES :**

The Company, as a Corporate Citizen of the Country, is well aware of its social obligations. As a good Corporate Citizen, the Company pays all the taxes, Government dues, cess, duties, etc. well on time.

**7. OTHER DISCLOSURES:**

- The Company has duly complied with all the mandatory requirements as per Clause 49 of the Listing Agreement.
- Compliance with Non-mandatory requirements is furnished separately under the heading "Non-mandatory Requirements".
- No penalties have been imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital Markets.

**8. CEO/CFO Certification**

A CEO/CFO Certificate on the Audited/Unaudited Financial Statements of the Company for the each Quarter and Annual Financial Results were placed before the Board.

**9. MEANS OF COMMUNICATION :**

Quarterly Financial Results are sent to the Stock Exchanges immediately after the Approval of the Board and published in the "Free Press Journal" and "Navshakti" newspapers. The Annual Audited Accounts are also like-wise published. Annual Reports are sent to each shareholders at their address registered with the Company. Annual Reports are available on the Company's Website: [www.tainwala.in](http://www.tainwala.in)

The Company has designated the Email Id's: (i) [cs@tainwala.in](mailto:cs@tainwala.in),

(ii) [sirman@tainwala.in](mailto:sirman@tainwala.in) exclusively for Investor servicing.

No presentation to any institutional investors or analysts has been made during the year ended 31st March, 2013.

**10. CODE OF CONDUCT :**

The Board of Directors has laid down a Code of Conduct for all the Board members and Senior Management of the Company to ensure adherence to a high ethical professional conduct by them in the discharge of their duties. All the Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2012-13. A Declaration to this effect signed by Chief Executive Officer (CEO) of the Company is annexed to this report.

**11. GENERAL SHAREHOLDER INFORMATION :**

a) AGM Date, Time and Venue : Friday, 20th September 2013 at 11.00 a.m. at the All India Plastics Manufacturers Association A-52, Street No.1, Marol, M.I.D.C., Andheri(East), Mumbai - 400093.

b) Financial Calendar: 1st April to 31st March

Audited Annual results for the year ended 31st March 2013	By 30th May 2013
Unaudited First quarter results for quarter ended 30th June 2013	By 14th August 2013
Unaudited Second quarter results for quarter ended 30th September, 2013	By 14th November 2013
Unaudited Third quarter results for quarter ended 31st December 2013	By 14th February 2014
Audited Annual results for the year ended 31st March 2014	By 30th May 2014

c) Book Closure Date : 14/09/2013 to 20/09/2013.

d) Listing on Stock Exchange : Bombay Stock Exchange Limited.  
National Stock Exchange of India Limited.

e) Stock Code  
Bombay Stock Exchange Limited. : 507785  
National Stock Exchange of India Limited : TAINWALCHM

f) Payment of Annual Listing Fees : Listing Fees for the financial year 2012- 2013 has been paid to the concerned stock exchanges.

g) Dividend payment : Nil

h) Stock Market Data :

MONTH & YEAR	BOMBAY STOCK EXCHANGE			NATIONAL STOCK EXCHANGE		
	HIGH (₹)	LOW (₹)	SENSEX (₹)	HIGH (₹)	LOW (₹)	NIFTY (₹)
<b>2012</b>						
April	23.15	19.05	17318.81	23.95	18.90	5248.15
May	27.9	21.05	16218.53	28.25	21.00	4924.25
June	26.85	22.55	17429.98	26.85	23.50	5278.9
July	25	20.05	17236.18	25.50	20.70	5229
August	23	18.45	17429.56	22.40	18.65	5258.5
September	24.8	18.15	18762.74	25	18.85	5703.3
October	23.7	20.05	18505.38	24.50	19.60	5619.7
November	23	19.5	19339.9	25.65	19.70	5879.85
December	21.9	19.3	19426.71	21.75	19.55	5905.1
<b>2013</b>						
January	22.35	19.25	19894.98	22.40	19.30	6034.75
February	22.45	19.5	18861.54	22.45	19.85	5693.05
March	21.5	19.5	18835.77	22.75	19.80	5682.55

i) Share Transfer Agents :

The Company has appointed Link Intime India Pvt. Ltd., having their office at C-13, Pannalal Silk Mills Compound, LBS Road, Bhandup (West), Mumbai- 400078 as the Registrar & Share Transfer Agents. All Shareholders related services including transfer, demat/remat of shares is carried out by the Registrar & Share Transfer Agents.

j) Share Transfer System :

The share transfer requests are processed by the Company's Registrar and Share Transfer Agents as mentioned above.

k) Distribution of Shareholdings as on 31st March 2013 :

No. of Equity shares held	No. of Shareholders	% of Shareholders	Total No. of Shares Held	% of Shares
1 - 500	5782	88.43%	852,780	9.11%
501 - 1000	409	6.26%	328,049	3.51%
1001 - 2000	158	2.42%	235,150	2.51%
2001 - 3000	54	0.83%	138,801	1.49%
3001 - 4000	29	0.44%	103,305	1.10%
4001 - 5000	27	0.41%	124,464	1.32%
5001 - 10000	29	0.44%	230,109	2.45%
10001 & above	51	0.77%	73,51,205	78.51%
<b>TOTAL</b>	<b>6,539</b>	<b>100%</b>	<b>9,363,863</b>	<b>100%</b>

l) Shareholding pattern as on 31st March 2013 :

Category	No. of Shares Held	% to Total Capital	No. of Shareholders	% to Total Shareholders
Promoters	63,08,390	67.37%	8	0.12%
<b>NON-PROMOTERS</b>				
Mutual Funds & UTI	16,200	0.17%	9	0.14%
Financial Institutions/Banks	23,380	0.25%	7	0.10%
FII's	3,509	0.04%	3	0.04%
Bodies Corporate	174,316	1.86%	103	1.58%
NRI'S, OCB'S & Foreign companies	324,058	3.45%	232	3.55%
Public	24,22,510	25.88%	6,175	94.44%
Others (Govt. and other trusts)	91,500	0.98%	2	0.03%
<b>TOTAL</b>	<b>93,63,863</b>	<b>100.00%</b>	<b>6,539</b>	<b>100.00%</b>

m) Status of Dematerialisation of Shares as on 31st March 2013 :

Particulars	No. of Shares	% to Total Capital
NSDL	78,74,976	84.10%
CDSL	7,49,030	8.00%
PHYSICAL	7,39,857	7.90%
TOTAL	9,363,863	100.00%

- n) Company ISIN No. : INE123C01018
- o) Registered Office : Tainwala House, Road No.18, MIDC, Marol, Andheri (East), Mumbai – 400 093.
- p) Works : Plot No. 87 Government Industrial Estate, Khadoli Village, Silvassa Dadra & Nagar Haveli-U.T.
- q) Address for Correspondence : (1). Tainwala House, Road No.18, M I D C, Marol, Andheri (East), Mumbai – 400 093  
(2) Shareholders correspondence should be Addressed to :  
M/s Link Intime India Pvt. Ltd.  
C/13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai – 400 078  
Ph: 022-25946970/25963838  
Fax: 022- 25946969  
Email: [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in)
- r) GDRs/ADRs : The Company has not issued any GDRs/ADRs.
- s) Management Discussion and Analysis Report :  
The Management Discussion and Analysis Report is given as an Annexure to the Directors' Report.
- t) Risk Management Framework:  
The Board members discuss about the risk assessment and minimization procedures.

## 12. NON-MANDATORY REQUIREMENTS :

- (a) Chairman's office  
The Corporate Office of the company supports the Chairman and Managing Director in discharging the responsibilities.
- (b) Shareholders rights  
As the Company's Quarterly Financial Results are published in the English Newspaper having circulation all over India, and in Marathi Newspaper widely circulated in Maharashtra, the same are not sent to each Shareholder.
- (c) Training of board Members  
The Company's Board of Directors comprise of professionals with expertise in their respective fields. They endeavour to keep themselves abreast with changes in Global Economy and various legislations.
- (d) Mechanism for evaluation of Non Executive Board Members  
The Company does not have a mechanism to evaluate the performance of the Non Executive Directors of the Company.
- (e) Whistle Blower Policy  
The Company, at present, has not adopted any Whistle Blower Policy.

For and on behalf of the board

Place: Mumbai.  
Date: 27th May, 2013

**RAKESH TAINWALA**  
MANAGING DIRECTOR

**AUDITORS' CERTIFICATE**

To,  
The Members of  
Tainwala Chemicals and Plastics (India) Ltd.

We have examined the compliance of conditions of Corporate Governance by Tainwala Chemicals and Plastics (India) Ltd. for the year ended 31st March 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with guidance note on certification of the Corporate Governance (As stipulated in clause 49 of the listing Agreement) issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

**For RUNGTA & ASSOCIATES**  
CHARTERED ACCOUNTANT

Place : - Mumbai  
Date : - 27th May, 2013

Membership No. 42902  
Registration No. 108888W

**PAWAN KUMAR RUNGTA**  
(PROPRIETOR)

**ANNUAL CERTIFICATION BY THE MANAGING DIRECTOR PURSUANT  
TO CLAUSE 49 1D(ii) OF THE LISTING AGREEMENT**

As the Managing Director of Tainwala Chemicals and Plastics (India) Limited and as required pursuant to Clause 49 1 D (ii) of the Listing Agreement, I hereby declare and certify that all the Board members and Senior Management Personnel of Tainwala Chemicals and Plastics (India) Limited have affirmed compliance with the Code of Conduct adopted by the Company for the Financial Year 2012-13.

For Tainwala Chemicals and Plastics (India) Limited

Place : Mumbai  
Date : 27th May, 2013

**RAKESH TAINWALA**  
Managing Director

**CERTIFICATE PURSUANT TO CLAUSE 49 (V) OF THE LISTING AGREEMENT**

We, Mr. Rakesh Tainwala – Managing Director and Mrs. Simran Mansukhani - Chief Financial Officer of the Company hereby certify that :

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2013 and that to the best of our knowledge and belief :
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions have been entered into by the company during the year 2012-13 which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies of which we are aware in the design or operation of internal control systems and have taken the required steps to rectify the deficiency.
- (d) We have informed the auditors and the Audit Committee:
  - i. about significant changes in internal control over financial reporting during the year;
  - ii. that there have been no significant changes in accounting policies during the year;
  - iii. that there have been no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**FOR TAINWALA CHEMICALS AND PLASTICS (INDIA) LTD.**

Place: Mumbai  
Date: 27th May, 2013

**RAKESH TAINWALA**  
Managing Director

**SIMRAN MANSUKHANI**  
Chief Financial Officer

**ANNEXURE "C" TO THE DIRECTORS REPORT****MANAGEMENT DISCUSSION & ANALYSIS****INTRODUCTION :**

Tainwala Chemicals and Plastics (India) Limited is engaged in the business of manufacturing extruded plastic sheets of various polymers like PVC, PP, PPGL, HDPE, ABS etc. from 0.5 mm to 30 mm thickness. These sheets have diverse application in the fabrication of industrial equipments, lining of chemical tanks, signboards, automobiles and white goods industry as well as pollution control equipment. These sheets are a very good substitute for conventional materials like wood, metal etc. due to its advantages of being tough, light and anti-corrosive.

**INDUSTRY STRUCTURE:**

The Plastic Sheet industry has come a long way in India in the last decade. From a few sheet extrusion lines manufacturing engineering plastics, the number of manufacturers has grown almost three fold today. With new entrants in the industry there is excess capacity, as a result of which competition has increased. In spite of the stiff competition your Company is numero uno in the manufacture of PVC Extruded sheets manufacturing and marketing the widest range of PVC Extruded sheet of varying thickness from 0.5 mm to 30 mm. Your Company enjoys a majority market share in the PVC Extruded Sheets, in polypropylene sheets, though there are a large number of manufacturers, we continue to remain one of the few manufacturers of superior quality polypropylene sheets.

**FINANCIAL PERFORMANCE:**

During the year under review the Company achieved Turnover of 982.23 lacs. The Company achieved a Net Profit of Rs. 59.49 lacs. The Company continues to focus on tight working capital management. Stringent cost control measures have been initiated and implemented.

**FUTURE OUTLOOK :**

Your management has been identifying new areas of application where plastic sheets can replace traditional materials like stainless steel, asbestos, iron etc. The market for PVC Engineering Sheets is set to grow since sheets are mainly used as Pollution Control Equipment, in Waste Water Treatment applications, Sewage Treatment Plants as well as Portable Water Treatment Plants. As our economy moves from a developing to a developed one, the Sewage Treatment Plants and Portable Water Treatment as well as Effluent Treatment plants for treating industrial waste are a must. These are essential for preventing water pollution of both river as well as ground water and for providing safe drinking water to the country's Population. The Government's Policy on social sector development in areas such as low cost housing, safe sewage disposal and safe drinking water will increase the demand for PVC Sheets. In recent years the government has been according high priority to social development measures. The World Bank and other International

Regional Development Banks are coming forward to finance these projects in the developing countries including India. The Government of India has decided to implement these projects on priority basis as part of the social welfare measures. This itself is an indication that the future outlook for PVC Extruded Engineering Sheets is bright.

The Plastic industry in India symbolizes a promising industry and is creating new employment opportunities for the people of India. The per capita consumption of plastic products in India is growing and is moving towards 2.5 times GDP growth. The Government of India is trying to set up the economic reforms to elevate and boost the plastic industry by joint venturing, foreign investments and entrepreneurs are trying to provide high quality plastic products, so that it becomes a booming industry.

**OPPORTUNITIES AND THREATS :**

The PVC Extruded sheets are not only in demand in the domestic market, but also exports are expected to grow. This is because of the growing demand for these Sheets from the SAARC countries for applications in similar pollution control projects as those undertaken in our country. Similarly demand for PVC Extruded Plastic Sheets is also expected from the UAE, Saudi Arabia and other Middle East countries.

As these countries resort to cost cutting exercises due to a fall in the oil prices, they look forward to India as a potential low cost supplier for their requirements.

In spite of the immense opportunities for growth of the PVC Extruded Engineering Plastic Sheet Industry, this industry faces certain risk, especially since demand for PVC Sheets depends on the various projects undertaken by the government. China made products are also threat to the Company.

**SEGMENTWISE PERFORMANCE :**

The business activities of the Company comprises of two business segments i.e. Plastic Sheets and Securities trading and all the business operations are in India only.

**RISKS AND CONCERNS :**

The company makes responsible approaches towards Risk Management on an integrated basis to cover all aspects of operations to diminish each or a combination of known risks that could affect its business.

The company has a comprehensive insurance coverage and breakdown coverage for all its electronic equipments to protect all its assets from such damages.

Apart from the above, the Company has a well documented Risk Management System. The Company does identify a few risks, which are purely routine in nature and none of any significant impact. There is a mitigation system in place which addresses these risks as part of routine management process.



**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :**

Your Company has a system of internal controls commensurate with the size of its operation and nature of business to ensure optimum utilization and protection of resources, speedy and accurate reporting of financial transactions in compliance with applicable laws and regulations. The Company has an internal audit department which monitors and supplements the Company's operations through regular audits. The Board has also constituted an audit committee which meets periodically inter-alia to review the financial results, and the accuracy of financial records.

**HUMAN RESOURCES / INDUSTRIAL RELATIONS :**

The Company believes that the success of an Organisation largely depends on the quality of its workforce and hence has always recognised people as its key workforce. The belief 'great people create great organisations' has been at the core of the Company's approach to its people. The Company has created a favourable work environment that encourages innovation and meritocracy.

Employee relations both at the office and at the factory have remained cordial and peaceful throughout the year.

**RESEARCH AND DEVELOPMENT (R & D) :**

Your Company considers R & D as crucial for sustained growth of the Company and has inhouse test facility at its factory premises.

**CAUTIONARY STATEMENT :**

Any statements made in this report relating to Company's perception of future outlook, objectives, expectations etc. may be considered as forward looking within the meaning of applicable securities laws and regulations which may differ from the actual results. Factors that would make difference to Company operations include competition, price realisation, forex market, changes in government policies and regulations, tax regimes, economic development and other incidental factors.

**INDEPENDENT AUDITORS' REPORT**

TO

THE MEMBERS OF

**TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED.**

We have audited the accompanying financial statements of M/s TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED ("the Company") as at March 31st, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the financial statements :

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

**Auditor's Responsibility :**

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

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

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

Opinion :

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the

manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

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

Report on Other Legal and Regulatory Requirements :

1. As required by the Companies (Audit's Report) order, 2003 (as amended) issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act, 1956 (hereinafter referred to as the 'Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order, to the extent applicable.
2. Further to our comments in the Annexure referred to above, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of Section 211 of the Act;
  - e) On the basis of written representations received from the Directors as on March 31st, 2013, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31st, 2013, from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under Section 441A of the Act, nor has it issued any Rules under the said Section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Rungta & Associates  
Chartered Accountants  
(Registration No. 108888W)

**Pawan Kumar Rungta**  
Proprietor  
(Membership no. 42902)

Place: Mumbai  
Dated: 27th May, 2013

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT  
REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE  
FOR THE YEAR ENDED 31ST MARCH, 2013**

1. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) In our opinion and according to information and explanations given to us, physical verification of fixed assets has been conducted by the management at reasonable intervals and no material discrepancies were noticed on such verification.
  - c) During the year, no substantial part of its fixed assets has been disposed off by the Company
2. In respect of its inventories:
  - a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b) In our opinion and according to information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The Company is maintaining proper records of inventory. According to the information and explanations given to us, the discrepancies noticed on physical verification of inventory as compared to book records were not material and the same have been properly dealt with by the Company in the books of account.
3. In respect of loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
  - a) The Company had granted unsecured loans to two companies in earlier years and maximum amount involved during the year was ₹ 79,304,546 and year-end balance of loans given to such parties was ₹ 79,304,546.
  - b) The rate of interest and other terms and conditions of the loans given by the Company are prima facie, not prejudicial to the interest of the Company except for a loan of ₹ 39,115,942 which is fully provided for as doubtful.
  - c) The above loans are repayable on demand except for a loan of ₹ 39,115,942 which is already provided for in earlier years and in respect of overdue amounts, the Company is taking necessary steps for recovery.
  - d) The Company has not taken any loans, secured or unsecured, from companies, firms and other parties during the year covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)f and 4(iii)g of the order are not applicable to the Company.
4. In our opinion and according to information and explanations given to us, having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is adequate internal control system commensurate with the size of the Company and nature of its business, for the purchase of inventories and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
5. a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that Section.
  - b) There are no transactions during the year made in pursuance of such contracts or arrangements exceeding 500,000 in respect of each party.
6. The Company has not accepted any deposits from the public during the year.
7. The Company has an in-house internal audit system during the year, which needs to be strengthened to be commensurate with its size and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service

Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to the Company with appropriate authorities. According to information and explanations given to us, there are no amounts of statutory dues outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable.

- b) According to information and explanations given to us, there are no dues in respect of Sales Tax, Wealth Tax, Service Tax, Custom Duty, and Cess which have not been deposited on account of any dispute.
10. The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current as well as in the immediately preceding financial year.
  11. According to information and explanations given to us, the Company has not defaulted in repayment of dues to the banks. The Company does not have any borrowing from financial institution and by way of debentures.
  12. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures, and other securities.
  13. According to the information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society.
  14. The Company has kept adequate records of its transactions and contracts in respect of dealing in shares, securities and other investments and timely entries have been made therein. The shares, securities and other investments have been held in the name of the Company.
  15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
  16. According to information and explanations given to us, the Company has not raised any term loans during the year.
  17. According to information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis have not been used for long term investments.
  18. The Company has not made any preferential allotment of shares during the year.
  19. The Company has not issued any debentures during the year.
  20. The Company has not raised any money through public issue during the year.
  21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For Rungta & Associates  
Chartered Accountants  
(Registration No. 108888W)

**PAWAN KUMAR RUNGTA**  
Proprietor  
(Membership no. 42902)

Place: Mumbai  
Dated: 27th May, 2013

**BALANCE SHEET AS AT 31ST MARCH, 2013**

	NOTE NOS.	₹.	AS AT 31/03/2013 ₹.	₹.	AS AT 31/03/2012 ₹.
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholders' Funds</b>					
(a) Share Capital	2	93,638,630		93,638,630	
(b) Reserves and Surplus	3	294,073,948		288,124,465	
			387,712,578		381,763,095
<b>(2) Non-Current Liabilities</b>					
Long Term Provisions	4		3,580,591		1,757,356
<b>(3) Current Liabilities</b>					
(a) Trade payables	5	1,906,861		5,133,421	
(b) Other current liabilities	6	4,775,565		5,827,335	
(c) Short-term provisions	7	337,667		1,491,441	
			7,020,093		12,452,197
<b>Total</b>			<b>398,313,262</b>		<b>395,972,648</b>
<b>II. ASSETS</b>					
<b>(1) Non-current assets</b>					
(a) Fixed Assets	8				
i. Tangible		46,467,615		52,726,744	
ii. Intangible		483		2,169	
			46,468,098		52,728,913
(b) Non-current Investments	9	158,229,939		138,446,634	
(c) Long Term Loans and Advances	10	81,103,267		54,913,634	
			239,333,206		193,360,268
<b>(2) Current assets</b>					
(a) Current Investments	11	6,607,672		47,442,844	
(b) Inventories	12	39,130,430		50,105,770	
(c) Trade receivables	13	7,234,586		14,937,519	
(d) Cash and Bank balances	14	54,035,497		3,085,655	
(e) Short-term loans and advances	15	1,205,110		32,135,000	
(f) Other current assets	16	4,298,663		2,176,679	
			112,511,958		149,883,467
<b>Total</b>			<b>398,313,262</b>		<b>395,972,648</b>

Significant Accounting Policies and Notes to the the Financial Statements 1 to 37

As per our attached report of even date.

For and on behalf of the Board

**FOR RUNGTA & ASSOCIATES**

Chartered Accountants

**MR. DUNGARMAL TAINWALA**  
Chairman

**(PAWAN KUMAR RUNGTA)**

Proprietor

**MR. RAKESH TAINWALA**  
Managing Director

Place : Mumbai

Dated : 27th May, 2013

**MR. MALAY SHAH**  
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013**

	Note Nos.	Current Year ₹	Previous Year ₹
<b>REVENUE</b>			
Revenue from operations	17	98,222,541	106,209,707
Other Income	18	21,383,991	23,367,786
<b>TOTAL REVENUE</b>		<b>119,606,532</b>	<b>129,577,493</b>
<b>EXPENSES</b>			
Cost of materials consumed	19	62,788,281	62,136,362
Purchase of Shares		5,771,039	12,282,400
Changes in inventories of finished goods, work-in-progress & stock-in-trade	20	3,618,088	10,443,098
Employee benefits expense	21	17,939,770	17,131,613
Finance costs	22	164,618	216,568
Depreciation and amortization expense	8	7,562,599	6,878,464
Other expenses	23	15,850,506	17,968,422
<b>TOTAL EXPENSES</b>		<b>113,694,901</b>	<b>127,056,927</b>
Profit before tax		5,911,631	2,520,566
Tax expense :			
Current Tax (MAT)		(1,000,573)	-
Profit After tax		4,911,058	2,520,566
Prior Period Taxation Adjustments		1,038,425	54,719
Profit After tax for the Year		5,949,483	2,575,285
Earnings per equity share:			
Basic and Diluted	32	0.64	0.28

Significant Accounting Policies and Notes to the Financial Statements 1 to 37

As per our attached report of even date.

**For and on behalf of the Board**

**FOR RUNGTA & ASSOCIATES**

Chartered Accountants

**MR. DUNGARMAL TAINWALA**  
Chairman

**(PAWAN KUMAR RUNGTA)**

Proprietor

**MR. RAKESH TAINWALA**  
Managing Director

Place : Mumbai

Dated : 27th May, 2013

**MR. MALAY SHAH**  
Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

	Current Year ₹	Previous Year ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit before tax	5,911,631	2,520,566
<b>Adjustments for:</b>		
Depreciation and Amortization Expense	7,562,599	6,878,464
Gain on Redemption of Long Term Investment in Mutual Fund	(2,487,557)	-
Sundry Balances and provisions no longer required written back (net)	(7,664)	(289,758)
(Profit ) / loss on sale of fixed assets (net)	(156,264)	-
(Profit) / loss on Sale/ Redemption of Units of Mutual Fund (Current investments) (net)	(190,947)	(72,777)
Dividend income from Investments	(675,666)	(11,263,599)
Interest income	(12,645,275)	(10,259,170)
Finance Costs	164,618	216,568
<b>Operating Loss before working capital changes</b>	<b>(2,524,525)</b>	<b>(12,269,706)</b>
<b>Movements in working capital</b>		
Decrease in Inventories	10,975,340	9,160,037
Decrease in Trade receivables	7,702,933	3,381,433
Decrease/(Increase) in Loans & Advances and Other Assets	(1,311,595)	1,285,554
Increase / (Decrease) in Trade Payable, Provisions & Other Current Liabilities	(2,599,006)	2,050,893
<b>Cash Generated from Operations</b>	<b>12,243,147</b>	<b>3,608,211</b>
Direct taxes (paid)/ refund (net)	8,176,638	(1,362,330)
<b>Net Cash Flow From Operating Activities</b>	<b>20,419,785</b>	<b>2,245,881</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	(1,595,520)	(461,867)
Sale of fixed assets	450,000	-
(Purchase) / Sale/ Redemption of investments (net)	23,730,371	(50,588,428)
Inter-corporate Deposits	(5,000,000)	5,000,000
Dividend income from Investments	675,666	11,263,599
Interest received	12,089,558	15,477,012
<b>Net Cash Flow from/ (used in) Investing Activities</b>	<b>30,350,075</b>	<b>(19,309,684)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Repayment of Borrowings	(30,700)	-
Proceed From Borrowings	-	3,000
Finance Costs Paid	(164,618)	(216,568)
<b>Net cash used in financing activities</b>	<b>(195,318)</b>	<b>(213,568)</b>
<b>Net increase /(decrease) in Cash and cash equivalents ( A+B+C )</b>	<b>50,574,542</b>	<b>(17,277,371)</b>
Cash and cash equivalents at beginning of the year	1,333,616	18,610,987
Cash and cash equivalents at the end of the year	51,908,158	1,333,616
<b>Net increase/(decrease) as disclosed above</b>	<b>50,574,542</b>	<b>(17,277,371)</b>
<b>Cash and cash equivalents at the end of the year:</b>		
Cash on hand	85,690	116,606
Balances with scheduled banks in:		
Current accounts	322,468	1,217,010
Fixed deposits	51,500,000	-
	<b>51,908,158</b>	<b>1,333,616</b>

**Notes :**

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) - 3 on Cash Flow Statement.
- 2) Cash and cash equivalents exclude fixed / margin deposits of ₹ 21,27,339/- (previous year ₹17,52,039/-)
- 3) Previous year's figures have been regrouped/ rearranged/recast wherever necessary to conform to this year's classification.

As per our attached report of even date.

**FOR RUNGTA & ASSOCIATES**  
Chartered Accountants**(PAWAN KUMAR RUNGTA)**  
ProprietorPlace : Mumbai  
Dated : 27th May, 2013**For and on behalf of the Board**  
**MR. DUNGARMAL TAINWALA**  
Chairman**MR. RAKESH TAINWALA**  
Managing Director**MR. MALAY SHAH**  
Company Secretary

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013****NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

## a) General :

- (i) The financial statements are prepared in compliance with all material aspects of the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 by the Central Government of India and the relevant provisions of the Companies Act, 1956.
- (ii) The financial statements are prepared on the basis of historical cost convention, and on the accounting principles of a going concern.
- (iii) All expenses and income to the extent ascertainable with reasonable certainty are accounted for on accrual basis.

## b) Use of Estimates:

The presentation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively.

## c) Fixed Assets:

- (i) Fixed assets are capitalised at cost inclusive of freight, duties, taxes and all incidental expenses related thereto and net of cenvat credit.
- (ii) Pre-operative expenses incurred during construction period are allocated to various assets in proportion to their capital cost.
- (iii) Fixed assets are stated at cost less accumulated depreciation thereon.

## d) Depreciation / Amortisation:

- (i) Premium on leasehold land is being amortised over the period of lease.
- (ii) Depreciation on fixed assets is provided on straight-line method at the rates and in the manner as specified in Schedule XIV to the Companies Act, 1956.
- (iii) "Continuous Process Plant" as defined in the said Schedule, has been considered on technical assessment and depreciation provided accordingly.

## e) Investments:

Long-term investments are stated at cost of acquisition less provision for permanent diminution in the value of such investments determined for each investment individually. Current investments are valued at lower of cost and fair value.

## f) Inventories:

- (i) Raw materials are valued at lower of cost and net realisable value. Cost is computed on FIFO basis.
- (ii) Finished goods and stock-in-process include estimated cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- (iii) Stores and spares are charged to consumption in the year of procurement.
- (iv) Valuation of stock in trade of shares is carried out at lower of its cost and quoted market price, computed scrip wise. Cost is ascertained on FIFO basis.

## g) Operating Cycle:

Assets and Liabilities have been classified in to current and Non-Current based on the Operating Cycle.

## h) Revenue Recognition:

Revenue from sales is recognised on dispatch of material and when risk and reward are transferred to the customers. Revenue from sale of shares is recognised on the basis of broker's contract note.

## i) Equity Derivative Transactions:

Profit / loss in respect of the contracts for equity index options and/or commodity futures are accounted in the statement of profit and loss on the expiry of the respective contract or on the same being squared-off. In case of unsettled contracts for equity index options as at the balance sheet date, mark-to-market position is recognised in case of losses and ignored in case of profits, considering conservative principle.

## j) Accounting for Taxes on Income:

Provision for taxation comprises of current tax and deferred tax.

Current tax represents tax on Profits for the current year as determined as per the provisions of the Income Tax Act, 1961.

The deferred tax for timing differences between the book and tax profits for the year are accounted based on tax rates in force and tax laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences, are recognised to the extent there is reasonable / virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.



- k) **Borrowing Costs:**  
Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to the Statement of Profit and Loss.
- l) **Transactions in Foreign Currency:**  
Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/translation of monetary assets and liabilities are recognised in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.
- m) **Retirement Benefits:**  
Liability in respect of retirement benefits is provided and charged to the Statement of Profit and Loss on accrual basis as follows:  
a) **Provident / Pension Funds:** At a specified percentage of salary / wages for eligible employees.  
b) **Leave Encashment:** As determined on the basis of accumulated leave to the credit of the employees as at the year end as per the Company's rules.  
c) **Gratuity** is provided in accordance with the provisions of Accounting Standard (AS) – 15 "Employee Benefits" on the basis of actuarial valuation carried out as at year end by an independent actuary.
- n) **Impairment of Assets:**  
The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.
- o) **Accounting for Provisions and Contingent Liabilities:**  
The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

**NOTE 2: SHARE CAPITAL**

	<b>AS AT 31ST MARCH, 2013</b>	<b>AS AT 31ST MARCH, 2012</b>
	<b>₹.</b>	<b>₹.</b>
Authorised :		
14,000,000 Equity shares of ₹ 10 each	<b>140,000,000</b>	140,000,000
Issued, subscribed and paid-up :		
9,363,863 Equity shares of ₹ 10 each fully paid up	<b>93,638,630</b>	93,638,630
	<b>93,638,630</b>	93,638,630

- a) **Reconciliation of shares outstanding at the beginning and at the end of the year**  
Equity Shares

	<b>31ST MARCH, 2013</b>		<b>31ST MARCH, 2012</b>	
	<b>Number of Shares (₹)</b>		<b>Number of Shares (₹)</b>	
At the beginning	9,363,863	93,638,630	9,363,863	93,638,630
Changes during the year	-	-	-	-
<b>Outstanding at the end</b>	<b>9,363,863</b>	<b>93,638,630</b>	<b>9,363,863</b>	<b>93,638,630</b>

b) Details of shareholders holding more than 5% shares in the company

Name of the Shareholders	31ST MARCH, 2013		31ST MARCH, 2012	
	Number of Shares	% holding	Number of Shares	% holding
Dungarmal Tainwala	2,484,107	26.53	2,427,664	25.93
Concept Reality and Securities Pvt. Ltd.	1,806,658	19.29	1,806,658	19.29
Shobha Tainwala	972,069	10.38	972,069	10.38
Rajkumar Tainwala	584,556	6.24	504,676	5.39

c) **Terms and Rights attached to equity shares:**

The Company has only one class of equity shares having par value of ₹10 per share. Each Shareholder of equity is entitled to one vote per share.

In the Event of Liquidation by the company, the shareholders will be entitled in proportion to the number of equity shares held by them to receive remaining assets of the company, after distribution to those it was secured.

The shareholders have all other rights as available to equity shareholders as per the provisions of the Companies Act, 1956, read together with the Memorandum of Association and Articles of Association of the company, as applicable.

**NOTE 3 : RESERVES AND SURPLUS**

**Capital reserve:**

Balance as per the last Financial Statements	25,049,992	25,049,992
(Arising on forfeiture of upfront payment received on convertible warrants)		

**Securities premium account:**

Balance as per the last Financial Statements	250,716,250	250,716,250
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**Surplus as per the Statement of Profit and Loss**

Balance as per the last Financial Statements	12,358,223	9,782,938
Add: Profit as per annexed Statement of Profit and Loss	5,949,483	18,307,706
<b>TOTAL</b>	<b>294,073,948</b>	<b>288,124,465</b>

<b>AS AT</b>	<b>AS AT</b>
<b>31ST MARCH, 2013</b>	<b>31ST MARCH, 2012</b>
<b>₹</b>	<b>₹</b>

**NOTE 4 : LONG TERM PROVISIONS**

**Employee Benefits**

Gratuity	3,580,591	1,757,356
<b>TOTAL</b>	<b>3,580,591</b>	<b>1,757,356</b>

**NOTE 5 : TRADE PAYABLES**

Trade Payables ( Refer Note 34)	1,906,861	5,133,421
<b>TOTAL</b>	<b>1,906,861</b>	<b>5,133,421</b>

**NOTE 6 : OTHER CURRENT LIABILITIES**

Statutory Dues	2,891,406	2,327,220
Advance from customers	78,628	1,720,005
Security Deposits	330,651	361,351
Due to employees	1,413,680	1,349,609
Payable for Fixed Assets	61,200	69,150
<b>TOTAL</b>	<b>4,775,565</b>	<b>5,827,335</b>

**NOTE 7 : SHORT TERM PROVISIONS**

**Employee Benefits**

Gratuity	94,851	1,014,119
Leave encashment	242,816	477,322
<b>TOTAL</b>	<b>337,667</b>	<b>1,491,441</b>

(Amount in ₹)

PARTICULARS	GROSS BLOCK (AT COST)			DEPRECIATION / AMORTISATION			NET BLOCK		
	As at 01/04/12	Addition	sales	As at 31/03/2013	Upto 31/03/2012	for the year	Adjustment	Upto 31/03/2013	As at 31/03/2012
<b>(a) Tangible Assets</b>									
Freehold Land	3,292,015	-	-	3,292,015	-	-	-	-	3,292,015
Leasehold Land	215,400	-	-	215,400	50,855	2,169	-	53,024	162,376
Buildings	33,432,380	-	401,956	33,030,424	13,425,240	879,479	108,220	14,196,499	18,833,925
Plant & Equipments*	71,137,864	829,957	-	71,967,821	53,282,739	4,672,273	-	57,955,012	14,012,809
Dies & Moulds	14,322,080	712,500	-	15,034,580	14,119,974	140,809	-	14,260,783	773,797
Laboratory Equipments	183,085	-	-	183,085	167,170	8,696	-	175,866	7,219
Furniture & Fixtures	4,186,842	-	-	4,186,842	3,572,616	75,674	-	3,648,290	538,552
Vehicles	16,341,805	-	-	16,341,805	7,241,670	1,515,703	-	8,757,373	7,584,432
Office Equipments	2,061,560	3,150	-	2,064,710	1,209,178	106,322	-	1,315,500	749,210
Computers	1,967,005	49,913	-	2,016,918	1,343,850	159,788	-	1,503,638	513,280
<b>(b) Intangible Assets</b>									
Software	112,590	-	-	112,590	110,421	1,686	-	112,107	483
<b>T O T A L</b>	<b>147,252,626</b>	<b>1,595,520</b>	<b>401,956</b>	<b>148,446,190</b>	<b>94,523,713</b>	<b>7,562,599</b>	<b>108,220</b>	<b>101,978,092</b>	<b>46,468,098</b>
Previous Year	146,790,759	461,867	-	147,252,626	87,645,250	6,878,464	-	94,523,713	52,728,913

NOTE:

\* Depreciation for the year includes ₹ 3,86,457/- related to previous year.

**NOTE 9 : NON-CURRENT INVESTMENTS**

Long Term, non-trade and Valued at cost unless otherwise stated

PARTICULARS	Face value ₹	As on 31/03/2013 (Nos/Units)	As on 31/03/2012 (Nos/Units)	As on 31/03/2013 ₹	As on 31/03/2012 ₹
<b>I. Equity Shares :</b>					
<b>a) Quoted</b>					
ABG Infralogistics Ltd., fully paid up	10	100	100	2,427	2,427
Elegant Pharmaceuticals Ltd., fully paid up	10	500	500	16,184	16,184
Jain Irrigation Systems Ltd., fully paid up	10	73*	73*	3,724	3,724
				<b>22,335</b>	<b>22,335</b>
Less: Provision for diminution in value of investments				(11,000)	(11,000)
				<b>11,335</b>	<b>11,335</b>
<b>b) Unquoted</b>					
Samsonite South Asia Pvt.Ltd., fully paid up	10	3,069,873	3,069,873	30,698,730	30,698,730
Periwinkle Fashions Pvt. Ltd., fully paid up	10	17,500	17,500	70,000,000	70,000,000
<b>II. Debentures</b>					
<b>a) Quoted</b>					
Protected Call Structure Plan, fully paid up	100,000	50	-	5,000,000	-
<b>b) Unquoted</b>					
Tikona Digital Network Private Ltd Series C (CCD), fully paid up	3,408	4,399	4,399	14,992,628	14,992,628
Tikona Digital Network Private Ltd Series C, fully paid up	3,408	2	2	6,816	6,816
ITCL Cornerstone Property Investments P. Ltd.-fully paid up	50,000	50	-	2,500,000	-
Sheth Buildwell Private Ltd., NCD-@19%p.a., fully paid up	100,000	50	-	5,000,000	-
<b>III. Units of Mutual Funds : (Unquoted)</b>					
Kotak India Growth Fund II, Rs 50,633 (previous year Rs 53,500) Paid up.	92,633	250	250	12,658,305	13,375,000
Kotak india Real estate fund -IV-Fully Paid up	1,000	4,862	1,862	4,862,125	1,862,125
India Advantage fund - Fully Paid Up	100	75,000	75,000	7,500,000	7,500,000
Real Estate Fund- Pvt Equity	100,000	50	-	5,000,000	-
<b>TOTAL</b>				<b>158,229,939</b>	<b>138,446,634</b>

<b>Aggregate value of quoted investments</b>		
Book value	10,011,335	11,335
Market value	10,009,187	23,087
<b>Aggregate value of unquoted investments</b>		
Book value	<b>148,218,604</b>	<b>138,435,299</b>

Note: \* Including 3 differential Voting rights bonus shares.

	AS AT 31/03/2013 ₹	AS AT 31/03/2012 ₹
<b>NOTE 10 : LONG TERM LOANS AND ADVANCES</b> (unsecured, considered good unless otherwise stated) <b>To Related Parties in the nature of Loans ( Refer note nos. 28 and 30)</b>		
Inter Corporate Deposits (net of provision for doubtful advances of ₹39,115,942 previous year ₹39,115,942)	40,188,604	40,188,604
<b>To Others</b>		
Inter Corporate Deposits	35,000,000	-
Security Deposits*	1,099,923	1,102,000
VAT Receivable	1,510,628	1,208,632
Income Tax Deducted at Source and Payments (Net of Provision for Income Tax ₹10,00,573/- , Previous Year ₹66,926/-)	3,304,112	12,414,398
<b>TOTAL</b>	<b>81,103,267</b>	<b>54,913,634</b>

\*Includes ₹1,000,000 given to a relative of Director.

**NOTE 11 : CURRENT INVESTMENTS**  
**PARTICULARS**

	Face value ₹	As on 31/03/2013 (Nos/Units.)	As on 31/03/2012 (Nos/Units.)	As on 31/03/2013 ₹	As on 31/03/2012 ₹
<b>Unquoted :</b>					
<b>Mutual Funds :</b>					
HDFC Cash Management Fund- Treasury Advantage - Daily Dividend	10	541,237	4,084,275	5,519,638	40,971,403
HDFC Cash Management Fund- Treasury Advantage - Weekly Dividend	10	96,931	-	1,000,000	-
Principal Cash Management Institutional Premium	1,644	-	237	-	389,735
Principal Cash Management Institutional Premium	1,140	78	-	88,034	-
Anand Rathi-Yield Enhancer	112,750	-	50	-	5,637,500
Morgan stanley fund Dividend scheme	1,000	-	444	-	444,206
<b>TOTAL</b>				<b>6,607,672</b>	<b>47,442,844</b>

**Aggregate value of unquoted investments**

Book value	6,607,672	47,442,844
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**NOTE 12 : INVENTORIES**

(As taken, valued and certified by the Managing Director)

Raw materials and components	3,141,927	10,499,179
Stock in process	7,036,200	12,437,476
Finished goods	12,775,450	9,622,190
Shares	16,176,853	17,546,925
<b>TOTAL</b>	<b>39,130,430</b>	<b>50,105,770</b>

**NOTE 13 : TRADE RECEIVABLES**

(Unsecured, considered good)

Outstanding for a period exceeding six months from the date of becoming due for payment

Others	86,594	862,586
<b>TOTAL</b>	<b>7,147,992</b>	<b>14,074,933</b>

	AS AT 31/03/2013 ₹	AS AT 31/03/2012 ₹
<b>NOTE 14 : CASH &amp; BANK BALANCES</b>		
<b>Cash and Cash equivalents</b>		
Balances with banks in current accounts	322,468	1,217,010
Cash on hand	85,690	116,606
Deposits with bank of maturity of less than 3 months	51,500,000	-
Other Bank Balances		
Margin money Deposits ( Lien Marked)	2,127,339	1,752,039
<b>TOTAL</b>	<b>54,035,497</b>	<b>3,085,655</b>
<b>NOTE 15 : SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Inter Corporate Deposits	-	30,000,000
Prepaid Expenses	570,643	504,041
Advances to Suppliers/expenses	224,047	865,596
Loans and Advances to Employees	15,500	810,190
	20,500	31,390,137
<b>Balances with Statutory/ Government Authorities</b>		
VAT Receivable	-	301,996
Balances with central excise authority	394,920	394,920
	442,867	744,863
<b>TOTAL</b>	<b>1,205,110</b>	<b>32,135,000</b>
<b>NOTE 16 : OTHER CURRENT ASSETS</b>		
Accrued interest on :		
Bank Deposits	52,968	5,804
Intercorporate Deposits	2,160,000	2,160,000
Debentures	299,590	-
Mutual Fund Units	208,964	-
Income Tax Refund	1,577,141	4,298,663
	10,875	2,176,679
<b>TOTAL</b>	<b>4,298,663</b>	<b>2,176,679</b>

	Current Year ₹	Previous Year ₹
<b>NOTE 17 : REVENUE FROM OPERATIONS</b>		
<b>a) Revenue from operations</b>		
<b>Sale of Products</b>	101,833,895	94,128,387
Less : Excise duty	(11,258,070)	(8,992,662)
<b>Revenue from operations(net)</b>	<b>90,575,825</b>	<b>85,135,725</b>
<b>b) Other Operating Revenue</b>		
Sale of shares	7,322,220	20,665,499
Dividend on traded shares	324,496	408,483
	<b>7,646,716</b>	<b>21,073,982</b>
<b>TOTAL</b>	<b>98,222,541</b>	<b>106,209,707</b>
<b>NOTE 18 : OTHER INCOME</b>		
<b>a) Interest on:</b>		
-Fixed deposits with Banks	266,355	421,053
-Inter corporate deposits	10,940,261	9,579,098
- Income Tax refund	3,552,908	284,121
-Debentures (Long Term Investment )	749,315	259,019
-Mutual Fund Units (Long Term Investment)	689,344	-
-Customers and others overdues	115,090	143,698
	<b>16,313,273</b>	<b>10,686,989</b>
<b>b) Dividend Income On Investments :</b>		
- Long Term	93	10,744,556
- Units of Mutual Fund (Current)	675,573	519,043
	<b>675,666</b>	<b>11,263,599</b>
<b>c) Gain on Redemption of Current Investments</b>		
Mututal Funds	23,026	71,300
Others	167,921	-
d) (Diminution)/ Appreciation in Value of Current Investments	-	1,477
e) Gain on arbitrage in commodities futures	-	444,720
f) Profit on sale of fixed assets	156,264	-
g) Rent income	660,000	444,000
h) Insurance Claim	7,209	1,674
i) Sundry balances and provisions no longer required written back (net)	7,664	289,758
j) Gain on Exchange rate difference (Net)	885,411	164,269
k) Gain on Redemption of Long Term Investment in Mutual Funds	2,487,557	-
<b>TOTAL</b>	<b>21,383,991</b>	<b>23,367,786</b>
<b>NOTE 19 : COST OF MATERIALS CONSUMED</b>		
Cost Of Raw Material Consumed		
Inventories at the beginning of the year:-	10,499,179	9,216,118
Add: Purchases	55,431,029	63,419,423
	<b>65,930,208</b>	<b>72,635,541</b>
<b>Less: Inventories at the end of the year:-</b>	<b>(3,141,927)</b>	<b>(10,499,179)</b>
<b>TOTAL</b>	<b>62,788,281</b>	<b>62,136,362</b>

	Current Year ₹	Previous Year ₹
<b>NOTE 20 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>Inventories at the end of the year:-</b>		
Finished goods	12,775,450	9,622,190
Stock in Process	7,036,200	12,437,476
Share stock	16,176,853	17,546,925
	<b>35,988,503</b>	<b>39,606,591</b>
<b>Inventories at the beginning of the year:-</b>		
Finished goods	9,622,190	10,784,608
Stock in Process	12,437,476	10,757,077
Share stock	17,546,925	28,508,004
	<b>39,606,591</b>	<b>50,049,689</b>
<b>TOTAL</b>	<b>(3,618,088)</b>	<b>(10,443,098)</b>
<b>NOTE 21 : EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, wages and Bonus	16,786,226	15,526,457
Contribution to provident and other funds	886,134	1,366,224
Staff welfare expenses	267,410	238,932
<b>TOTAL</b>	<b>17,939,770</b>	<b>17,131,613</b>
<b>NOTE 22 : FINANCE COSTS</b>		
Interest on Borrowings and others	137,402	185,207
Other Borrowing Cost	27,216	31,361
<b>TOTAL</b>	<b>164,618</b>	<b>216,568</b>
<b>NOTE 23 : OTHER EXPENSES</b>		
Job Work Charges	782,525	1,448,514
Power and fuel	4,444,177	4,605,921
Repairs and maintenance:		
Machinery	456,336	940,240
Buildings	186,307	205,073
Others	638,673	1,281,316
Rates and taxes	142,438	342,349
Rent	6,000	17,200
Insurance	297,036	328,114
Directors' sitting fees	24,250	26,750
Legal and professional	182,628	370,497
Syndication / Portfolio Management fees	383,683	355,783
<b>Auditors' Remuneration as:</b>		
Audit Fees	102,000	102,000
Other Services	32,000	32,000
Rebates and discounts	1,882,689	1,601,211
Donations	5,600	8,400
Premium on Rent	607,500	106,200
Printing and stationery	113,276	135,992
Security charges	1,469,326	1,253,127
Postage and telephone	465,593	562,436
Travelling and conveyance	1,552,683	2,814,824
Advertising	78,574	60,909
Bank Charges and Commission	4,407	132,380
Sales commission	68,280	33,322
Sales Promotion	440,830	683,427
Increase / (decrease) in excise duty on stocks of finished goods#	904,302	(108,050)
Carriage Outward	249,266	366,826
Miscellaneous expenses	330,127	334,807
<b>TOTAL</b>	<b>15,850,506</b>	<b>17,968,422</b>

# Excise Duty shown under expenditure represents the aggregate of excise duty borne by the company and the difference between excise duty on opening and closing stock of finished goods.



## 24. Commitments and contingent liabilities not provided for in respect of :

	As at 31/03/2013 ₹	As at 31/03/2012 ₹
i. Income tax demands against which appeals are pending (Excluding further interest liability as may be determined on conclusion of the matter) :		
a. Assessment Year 2004-05	NIL	1,091,941
b. Assessment Year 2006-2007	NIL	3,317,036
ii. Disputed liabilities in respect of central excise and custom duty	NIL	92,368
iii. Capital commitment in respect of long term investments	18,000,000	22,125,000

25. Working capital facilities from a bank are secured by hypothecation of stocks of raw materials, finished goods, stock in process and book debts and further secured by equitable mortgage of plot of land measuring about 3,000 square meters bearing Survey No. 26, Plot No. 87 in the Govt. Industrial Estate, Village Khadoli, Dadra & Nagar Haveli, Silvassa and also the personal guarantee of a Director of the Company. Borrowings under the said facilities as at the year end were Nil, previous year Nil.

26. No provision has been considered necessary for diminution in fair value of a long term unquoted equity investment, as in opinion of the management, such diminution is not of permanent nature and the investment was made on long term basis.

27. 'Stock in process' represents salvaged/ pelletised materials accumulated over a period of time to be consumed in the due course of time.

28. Disclosure, including as per requirement of Clause 32 of the Listing agreement :

- Tainwala Holdings Pvt. Ltd.: Balance as at 31/03/2013 ₹ 39,115,942 (as at 31/03/2012 ₹39,115,942) and maximum amount outstanding during the year ₹ 39,115,942 (Previous year ₹ 39,115,942).
- Abhishri Packaging Pvt. Ltd.: Balance as at 31/03/2013 ₹ 40,188,604 (as at 31/03/2012 ₹ 40,188,604) and maximum amount outstanding during the year ₹ 40,188,604 (Previous year ₹ 40,188,604).

29. a) The balances in accounts of certain trade receivables, trade payables and loans and advances given are subject to confirmation, and consequent reconciliations. Adjustments in this respect in the opinion of the management are not likely to be material and would be carried out as and when ascertained.

b) In the opinion of the management, assets other than Fixed assets and non-current investments have a value on realisation in the ordinary course of business at the amount at which they are stated.

30. Related party disclosures:

i. Related parties:

Key management personnel :

Mr. Dungarmal Tainwala -Chairman  
Mr. Rakesh Tainwala- Managing Director

Relatives of Key management personnel:

Ms. Vandana Tainwala  
Mr. Rajkumar Tainwala

Enterprises in which Key management personnel and/ or their relatives have significant influence:

Abhishri Packaging Pvt. Ltd.  
Tainwala Personal Care Products Pvt Ltd  
Abhishri Polycontainers (upto 31st March,2012)  
Tainwala Holdings Private Limited

## ii. Related party transactions:

(Amount in ₹)

Nature of transactions	Key management personnel	Relative of a key management personnel	Enterprises in which key management personnel and / or their relatives have significant influence	Total
Remuneration	3,188,400 (3,173,400)	537,600 (537,600)	-- (--)	3,726,000 (3,711,000)
Sale of Goods	-- (--)	-- (--)	122,838 (189,361)	122,838 (189,361)
Rent income	-- (--)	-- (--)	660,000 (444,000)	660,000 (444,000)
Interest income	-- (--)	-- (--)	3,616,974 (3,616,974)	3,616,974 (3,616,974)
Deposits given outstanding as at year end	- (--)	1,000,000 (1,000,000)	-- (--)	1,000,000 (1,000,000)
Debit balance as at year end	-- (--)	-- (--)	40,188,604 (40,424,068)	40,188,604 (40,424,068)
Receivable as at year end (fully provided for)	-- (--)	-- (--)	39,115,942 (39,115,942)	39,115,942 (39,115,942)

## Notes :

- Figures in brackets pertain to previous year.
- The related party relationships have been determined by the Company on the basis of the requirements of the Accounting Standard (AS)-18 'Related Party Disclosures' and the same have been relied upon by the auditors.
- The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year, except where control exists.

## iii. Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

- Remuneration includes, paid to Mr. Rakesh Tainwala ₹ 2,367,000(Previous year ₹ 2,367,000); Mr. Dungarmal Tainwala ₹ 821,400 (Previous year ₹ 806,400); Ms. Vandana Tainwala ₹ 537,600 (Previous year ₹ 537,600);
- Sale of goods has been made to Abhishri Packaging Private Ltd ₹122,838(Previous year ₹189,361)
- Rent income is from Abhishri Packaging Pvt. Ltd. ₹ 5,16,000 (Previous year ₹ NIL) from Abhishri Polycontainers ₹ NIL (Previous year ₹ 300,000) and from Tainwala Personal Care Products Pvt Ltd ₹144,000 (Previous year ₹144,000).
- Interest income is from Abhishri Packaging Pvt. Ltd. ₹ 3,616,974 (Previous year ₹ 3,616,974).
- Deposits outstanding as at year end ₹ 1,000,000 (Previous Year ₹ 1,000,000) is given to Mr. Rajkumar Tainwala towards industrial Premises hired by the Company.
- Debit Balance as at year end relates to Abhishri Packaging Pvt Ltd ₹ 40,188,604 (Previous Year ₹ 40,424,068) ,Abhishri Polycontainers ₹ Nil (Previous Year ₹61,800) and Tainwala Personal care products Pvt Ltd ₹ Nil (Previous Year ₹173,664).
- Receivables as at year end fully provided for relates to Tainwala Holdings Pvt. Ltd.

31. Segment reporting

The disclosure in respect of Segment information as per Accounting Standard (AS) - 17 on "Segment Reporting" is given as follows:

a. Primary segment reporting (Business segments) :

(Amount in ₹)

Particulars	2012-2013			2011-2012		
	Plastic Sheets	Securities Trading	Total	Plastic Sheets	Securities Trading	Total
REVENUE:						
External	90,575,825	7,646,716	98,222,541	85,135,725	21,073,982	106,209,707
Inter segment	--	--	--	--	--	--
Total revenue	90,575,825	7,646,716	98,222,541	85,135,725	21,073,982	106,209,707
RESULT :						
Segment results	(15,765,092)	430,134	(15,334,958)	(17,663,316)	(3,016,810)	(20,680,126)
Unallocable income/ (expense) (net)	--	--	5,070,718	--	--	12,730,271
Interest expenses	--	--	(137,402)	--	--	(216,568)
Interest income	--	--	16,313,273	--	--	10,686,989
Profit before taxation			59,11,631			25,20,566
Provision for tax	--	--	(1,000,573)	--	--	--
Prior Period Taxation Adjustment			1,038,425			54,719
Profit after tax			5,949,483			2,575,285
OTHER INFORMATION:						
Segment assets	80,471,922	16,236,169	96,708,091	90,253,571	17,754,710	108,008,281
Unallocable assets	--	--	301,605,171	--	--	273,754,814
Total assets			398,313,262			395,972,648
Segment liabilities	10,600,684	--	10,600,684	14,209,553	--	14,209,553
Unallocable liabilities	--	--	--	--	--	--
Total liabilities			10,600,684			14,209,553
Capital expenditure	1,595,520	--	1,595,520	461,867	--	461,867
Depreciation/ amortisation	7,562,599	--	7,562,599	6,878,464	--	6,878,464

b. Secondary segment reporting (Geographical segments):

In accordance with Accounting Standard (AS)-17 "Segment Reporting" there is no reportable geographical segment.

32. Calculation of Earnings per share (EPS) :

	Current Year ₹	Previous Year ₹
Profit after tax (₹)	59,49,483	25,75,285
Weighted average number of equity shares (Nos.)	9,363,863	9,363,863
Face value of equity shares (₹)	10	10
Basic and diluted earnings per share (₹)	0.64	0.28

33. As per Accounting Standard (AS)-22 "Accounting for taxes on Income", deferred tax assets (net) pertaining to timing difference arising for the period upto 31st March, 2013 of ₹ 20,742,871 (31/03/2012 ₹ 45,023,821) have been determined.

As the Company has unabsorbed depreciation and carry forward losses and there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised, deferred tax assets (net) upto 31st March 2013 has not been recognised.

Major components of deferred tax assets and liabilities, arising on account of timing differences are as under :

Particulars	As at 31/03/2013 ₹	As at 31/03/2012 ₹
Deferred tax assets on account of:		
Statutory payments under Section 43B of the Income-tax Act, 1961	1,326,206	985,263
Business loss	-	1,026,614
Capital loss	4,332,881	15,722,538
Speculation Loss	1,410,066	1,358,908
Unabsorbed depreciation	18,209,517	18,413,230
Provision for doubtful debts/ advances	-	12,086,826
<b>Total (A)</b>	<b>25,278,670</b>	<b>49,593,379</b>
Deferred tax liability on account of:		
Depreciation	4,535,799	4,569,558
<b>Total (B)</b>	<b>4,535,799</b>	<b>4,569,558</b>
Deferred tax asset / (liability) [Net]:		
[Total A – B]	20,742,871	45,023,821

34. As per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 following information are disclosed :

	As at 31/03/2013 ₹	As at 31/03/2012 ₹
a) (i) The principal amount remaining unpaid to any supplier at the end of accounting year included in sundry creditors	Nil	Nil
(ii) The interest due on above	Nil	Nil
The total of (i) & (ii)	Nil	Nil
b) The 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 the accounting year.	Nil	Nil
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.	Nil	Nil
d) The amounts of interest accrued and remaining unpaid at the end of accounting year	Nil	Nil
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the Act.	Nil	Nil

35. Gratuity payable to employees as per provision of the Payment of Gratuity Act 1972 is a defined benefit plan. As per the Accounting Standard (AS)-15 "Employee Benefits", disclosure in respect of defined benefit plan are as under:

		(Amount in ₹)	
		Gratuity	
		(Unfunded)	
		Current Year	Previous Year
I	Components of employer expense		
1	Current service cost	249,130	193,750
2	Interest cost	235,575	215,190
3	Actuarial losses/(gains)	629,839	(5,939)
4	Total expense recognised in the Statement of Profit and Loss Account	1,114,545	403,000
II	Net asset / (liability) recognised in Balance Sheet as at year end		
1	Present value of defined benefit obligation	(3,675,442)	(2,771,475)
2	Fair value on plan assets	---	---
3	Status [surplus/(deficit)]	(3,675,442)	(2,771,475)
4	Unrecognised past service cost	---	---
5	Net asset / (liability) recognized in Balance Sheet	(3,675,442)	(2,771,475)
III	Change in defined benefit obligations (DBO) during the year		
1	Present value of DBO at the beginning of period	2,771,475	2,608,359
2	Current service cost	249,130	193,750
3	Interest cost	235,575	215,190
4	Actuarial (gains)/ losses	629,839	(5,939)
5	Benefits paid	(210,577)	(239,884)
6	Present value of DBO at the end of the year	3,675,442	2,771,475
IV	Actuarial assumptions		
1	Discount rate (%)	8.25%	8.50%
2	Rate of increase in compensation level	4.75%	5.00%
3	Retirement age	58 years	58 years
4	Maturity table	LIC 1994-96	LIC 1994-96

36. The management based on their review of assets and operation of the Company has determined that there is no indication of potential impairment and that the recoverable amount of its fixed assets is not lower than its carrying amount. Accordingly, no provision for impairment has been considered necessary as at 31st March, 2013.

37. Additional Information pursuant to paragraphs 3 and 4 of part II of Schedule VI to the Companies Act, 1956:

A. Details of turnover and stocks of finished goods :

Items	Opening stock Value ₹	Turnover* Value ₹	Closing stock Value ₹
Processed Plastics**	9,622,190 (10,784,608)	101,833,895 (94,128,387)	12,775,450 (9,622,190)

Notes:

1. Figures in brackets relate to previous year.

2. \*Includes samples, breakages, damages, write-off, etc, sale of non usable palletized /salvaged materials.

3. \*\*Including excise duty.

## B. Raw materials consumed:

Items	Current year Value (₹)	Previous year Value (₹)
Chemicals	19,814,810	18,652,508
Plastic powder	42,232,081	42,658,732
Packing materials	741,390	825,122
	62,788,281	62,136,362

## C. Value of imported and indigenous Raw materials consumed and percentage thereof to the total consumption:

	%	Current year Value ₹	%	Previous year Value ₹
Imported	35.32	22,178,609	33.41	20,758,752
Indigenous	64.68	40,609,672	66.59	41,377,610
TOTAL	100.00	62,788,281	100.00	62,136,362

	Current Year ₹	Previous Year ₹
D. CIF value of imports :		
Raw materials	19,809,591	18,085,328
Plant & Machinery	1,384,664	--
Computer	---	110,635
E. Expenses in foreign currency:		
Travelling and others expenses	58,629	490,656

## F. Foreign currency exposure not hedged as at 31st March 2013 is as follows:

Particulars	Foreign Currency	Amount in Foreign Currency	Equivalent INR
Trade Payable	USD	---	---
		(---)	(---)

Signature to Notes 1 to 37

For and on behalf of the Board

**MR. DUNGARMAL TAINWALA**  
CHAIRMAN

**MR. RAKESH TAINWALA**  
MANAGING DIRECTOR

**MR. MALAY SHAH**  
COMPANY SECRETARY

Place : Mumbai  
Date : 27th May, 2013

**TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED**

Registered Office: Tainwala House, Road No. 18, M.I.D.C., Marol, Andheri (E), Mumbai - 400 093.

**ATTENDANCE SLIP**

(To be filled in and handed over at the entrance of the meeting hall)

Name of the attending Member . . . . .  
(in block letters)

Member's Folio Number/or . . . . .  
Client. ID & DP. ID

Name of Proxy . . . . .  
(in block letters to be filled in if the Proxy attends instead of the Member)

No. of Shares held . . . . .

\*I hereby record my presence at the TWENTY EIGHTH ANNUAL GENERAL MEETING of the Company being held at The All India Plastics Manufacturers Association, A-52, Street No. 1, M.I.D.C., Marol, Andheri (E), Mumbai - 400 093 at 11.00 a.m. on Friday, the 20th day of September, 2013.

\_\_\_\_\_  
\* Member's/Proxy's signature

\* To be signed at the time of handing over this slip.

**TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED**

Registered Office: Tainwala House, Road No. 18, M.I.D.C. Marol, Andheri (E), Mumbai - 400 093.

**PROXY FORM**

L.F. No.	:
Or Client ID & DP ID	:
No. of Shares held	:

I/We . . . . .  
of . . . . . being a Member(s) of TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED, hereby  
appoint . . . . . of . . . . . or failing him

of . . . . . as my/  
our proxy to attend and vote for me/us, on my/our behalf at the TWENTY EIGHTH ANNUAL GENERAL MEETING  
of the Company, to be held on Friday, the 20th day of September, 2013 at 11.00 a.m. and at any adjournment thereof.

Signed this . . . . . day of . . . . . 2013.

Signature . . . . .

Address . . . . .

Affix One Rupee Revenue Stamp
--

Note: The Proxy and the Power of Attorney (if any) under which it is signed or a notarially certified copy of the power of Attorney must be deposited at the Registered Office of the Company at "Tainwala House", Road No. 18, M.I.D.C., Marol, Andheri (E), Mumbai - 400 093, not less than 48 hours before the time for holding the Meeting.

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