

# **TAINWALA**

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

**34th Annual Report  
2018-19**



**TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED  
ANNUAL REPORT 2018-2019**

**MANAGEMENT TEAM**

**RAKESH TAINWALA**

Chairman & Managing Director

**RAJKUMAR TAINWALA**

Executive Director

**SIMARAN R. MANSUKHAANI**

Director Finance & CFO

**KETAN DHIRAJLAL BARAI**

Independent Director

**MAYANK DHULDHOYA**

Independent Director

**C. K. DOSHI**

Independent Director

**V.M.RAJU**

General Manager Works

**RUCHIRA SINGHANIA**

Company Secretary and Compliance Officer  
(From 07/12/2018)

**AUDITORS**

**M/s GMJ & CO.**

Chartered Accountants  
Mumbai

**BANKERS**

**HDFC Bank Ltd.**

**REGISTERED OFFICE**

"Tainwala House"

Road No. 18, M.I.D.C., Marol,

Andheri (East), Mumbai-400 093

CIN No. L24100MH1985PLC037387

Tel: 67166100/161

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, 101, 247 Park, L. B. S. Marg,

Vikhroli (West), Mumbai – 400 083

Tel.: 49186000.

**CONTENTS**

Notice

Directors' Report

Corporate Governance Report

Management Discussion & Analysis

Independent Auditor's Report

Balance Sheet

Statement of Profit & Loss Account

Cash Flow Statement

Notes to Financial Statement

**THIRTY FOURTH  
ANNUAL GENERAL  
MEETING**

Monday, 23rd September, 2019  
11.00 a.m.

3rd Floor, "Tainwala House"  
Road No. 18, M.I.D.C., Marol,  
Andheri (East), Mumbai-400 093

**NOTICE**

Notice is hereby given that the THIRTY FOURTH ANNUAL GENERAL MEETING of the Members of TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED will be held at 3rd Floor, "Tainwala House ", Road No. 18, M.I.D.C., Marol, Andheri (East), Mumbai - 400 093 on Monday, 23rd September, 2019 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet, Profit & Loss Account and the Reports of Directors' and Auditors as on 31st March, 2019.
2. To appoint a Director in place of Mrs. Simaran R Mansukhaani (DIN: 06500475), who retires by rotation and being eligible, offers herself for re-appointment.

**SPECIAL BUSINESS:**

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

"RESOLVED THAT pursuant to the provisions of the Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made there under, read with Schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Mayank Guntant Dhuldhoya (DIN:00067165), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board, be and is hereby re-appointed as an independent Director of the Company to hold office for a second term of 5 (Five) consecutive years commencing from 24<sup>th</sup> September, 2019."

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

"RESOLVED THAT pursuant to the provisions of the Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made there under, read with Schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Chandraprakash Kanhaiyalal Doshi (DIN 02264856), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board, be and is hereby re-appointed as an independent Director of the Company to hold office for a second term of 5 (Five) consecutive years commencing from 24<sup>th</sup> September, 2019."

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

**(RUCHIRA SINGHANIA)  
(ACS No: 47494)  
Company Secretary**

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

**Place: Mumbai.  
Date: 20<sup>th</sup> May, 2019**

**EXPLANATORY STATEMENT**

## ITEM NO 3 and 4

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto 5 (five) consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto 5(five) consecutive years on the Board of a Company.

The Members of the Company had at the Annual General Meeting held on 24th September, 2014 approved the appointment of following independent director for a period of 5 years commencing from 24th September, 2014

1. Mr. Mayank Gunvant Dhuldhoya (DIN: 00067165)
2. Mr. Chandraprakash Kanhaiyalal Doshi (DIN 02264856)

Based on their performance evaluation and recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149,150,152 read with Schedule IV and all other applicable provisions of the Act and the Listing Regulations, Mr. Mayank Gunvant Dhuldhoya (DIN:00067165) and Mr. Chandraprakash Kanhaiyalal Doshi (DIN 02264856) are eligible for re-appointment as Independent Directors and had offered themselves for re-appointment. The Board of Directors recommends the proposal to re-appoint them as Independent Directors for a term as mentioned in the respective special resolutions.

The Board recommends the Special Resolution set out at item No.3 and 4 for approval of members.

## 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, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY 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 17.09.2019 to 23.09.2019 (both days inclusive).
3. Corporate Members intending to send their authorised representative to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the meeting.
4. 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.
5. Members are requested to send all share transfer lodgements (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 PRIVATE LIMITED

C 101, 247 Park, L. B. S. Marg,  
Vikhroli (West), Mumbai – 400 083  
Tel No: 022 - 49186000

6. 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.
7. Members can avail nomination facility by filling in and forwarding the nomination form to the RTA, pursuant to Section 72 of the Companies Act, 2013, form to the RTA, if not already done.
8. Members can address their queries to the Company at [cs@tainwala.in](mailto:cs@tainwala.in) / [simran@tainwala.in](mailto:simran@tainwala.in).
9. Members who have not registered their e-mail address with the Company can now register the same by submitting a duly filled in 'E-Communication Registration Form', available on the website of the Company [www.tainwala.in](http://www.tainwala.in).

10. 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.
11. Members having any questions on accounts are requested to send their queries atleast 15 days in advance to the Company at its Registered office to enable the Company to collect the relevant information.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Share Transfer Agent.
13. Pursuant to the provisions of Section 107 and 108, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the option of E-Voting facility to all members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting. The Members who wish to attend Annual General Meeting can vote at the Meeting. The Company has appointed Mr. Malay Shah, from Malay Shah & Associates, Practicing Company Secretary as a Scrutinizer.
14. Voting Instructions to all the shareholders who are desiring to vote through remote E-voting & are eligible to vote are as follows:
  - (i) The voting period begins on 20<sup>th</sup> September, 2019 at 09.00 am till 22<sup>nd</sup> September, 2019 at 05.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, 19<sup>th</sup> September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

**COMPANY NAME : TAINWALA CHEMICALS & PLASTICS (INDIA) LIMITED  
EVSN: 190729016**

**15. E-Voting Facility:**

For availing e-Voting facility, the following procedure is to be followed by the members:

- a) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- b) Click on "Shareholders" tab.
- c) Select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- d) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login).
- e) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- f) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as Physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the Demat account/ folio number in the PAN field.</li> <li>• In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB	DD/MM/YYYY
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.</li> </ul>

- g) After entering these details appropriately, click on "SUBMIT" tab.
- h) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through Central Depository Services (India) Limited (CDSL) platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j) Click on the EVSN for the relevant TAINWALA CHEMICALS & PLASTICS (INDIA) LIMITED on which you choose to vote.
- k) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- m) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- n) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- o) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- p) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- q) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to email id [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**IN CASE OF MEMBERS RECEIVING THE PHYSICAL COPY:**

- (A) Please follow all steps from serial no. (a) to serial no. (p) above to cast vote.
- (B) The voting period begins on Friday, 20th September, 2019 at 09.00 am till 22nd September, 2019 at 05.00 pm. The voting rights shall be as per the number of equity share held by the Member(s) as on Thursday, 19th September, 2019. Members are eligible to cast vote electronically only if they are holding shares as on that date. The e-voting module shall be disabled by Central Depository Services (India) Limited (CDSL) for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
16. 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 upto the date of AGM.
17. 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, and Notices etc. through electronic mode for convenience of members.

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

**(RUCHIRA SINGHANIA)  
(ACS No: 47494)  
(Company Secretary)**

**Place: Mumbai  
Date: 20th May, 2019**

**Details of Directors seeking appointment/ re-appointment at the forthcoming Annual General Meeting (Pursuant to Regulation 36 (3) of the Listing Regulation)****MRS. SIMARAN R MANSUKHAANI (DIN: 06500475)**

Mrs. Simaran R Mansukhaani, aged 50 years is qualified Chartered Accountant. She has rich experience in the field of Accounts, Finance and Taxation.

Mrs. Simaran R Mansukhaani was appointed as an Executive Director and Chief Financial Officer of the Company as on 24th September, 2014 & 29th October, 2015.

In the opinion of the Board, Mrs. Simaran R Mansukhaani fulfills the conditions for her re-appointment as an Executive Director of the Company

**DIRECTORS' INTEREST**

The Director may be deemed to be concerned or interested to the extent of Shares held by her in the Company as given in the table below.

Name of the Director	No. of Shares	% Holding
Mrs. Simaran R Mansukhaani	25	0.0003%



**DIRECTORS' REPORT**

To  
The Members,  
Tainwala Chemicals & Plastics (India) Limited

Your Directors have pleasure in presenting the 34th Annual Report and Audited Statement of Accounts for the Year ended 31st March, 2019.

**Financial Results: (Rs. in Lacs)**

	Year ended 31st March, 2019 As per Ind As	Year ended 31st March, 2018 As per Ind As
Income from Sale	1152.90	1149.65
Other Income	563.81	968.68
<b>Total Income</b>	<b>1716.71</b>	<b>2118.33</b>
Profit before Depreciation	219.74	675.69
Less: Depreciation	(41.05)	(39.08)
<b>Profit for the year before tax &amp; exceptional items</b>	<b>178.69</b>	<b>636.51</b>
Add: Exceptional Items	----	---
<b>Profit before taxation</b>	<b>178.69</b>	<b>636.51</b>
Add: Adjustment of tax of earlier periods	26.67	---
<b>Net Profit after Tax</b>	<b>205.35</b>	<b>636.51</b>
Remeasurement of gains(losses) on defined benefit plans	(0.71)	3.54
Equity Instruments Through Other Comprehensive Income	(52.35)	172.58
<b>Balance b/f from previous year</b>	<b>3851.35</b>	<b>3,038.72</b>
Less: Adjustment for Depreciation as per schedule II to the Companies Act,2013	-	-
<b>Surplus (Deficit) carried to Balance Sheet</b>	<b>4003.64</b>	<b>3851.35</b>

**OPERATIONS :**

The financial year 2018-19 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 Rs.1152.90 lakhs and a competitive Net Profit of Rs. 205.35 lakhs.

**DIVIDEND :**

Considering the future prospects and better operations of the company, the board is deciding not to declare dividend for the year under review.

**FIXED DEPOSITS :**

Your Company has not accepted any deposits covered by the provisions of Section 73 of the Companies Act, 2013 and the Rules framed there under.

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

Information pursuant to Section 134(3) (m) of the Companies Act, 2013 read with the Rule, 8 of The Companies (Accounts) Rules, 2014 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 the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). Annual Listing fee has been paid to exchanges.

**PARTICULARS OF EMPLOYEES :**

The Percentage of remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median of remuneration of the employees of the Company for the Financial Year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

**Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2018-19, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2018-19.

Sr. No.	Name of Director and Designation	Remuneration of Directors for financial year 2018-19 (in Rs.)	Ratio of remuneration of each Director/ to median remuneration of employees	% increase in Remuneration in the Financial Year 2018-19
1.	Mr. Rakesh Tainwala	64,87,200	40.23	58.74
2.	Mrs. Simaran R Mansukhaani	14,42,562	8.95	1.18
3.	Ms. Ruchira Singhania (From 07th December, 2018)	63,840	0.40	NA

- iii. The percentage increase in the median remuneration of Employees for the financial year was 7.35

- iii. The Company has 55 Permanent Employees on the payroll of Company as on 31st March, 2019.

**IV. Relationship between average increase in remuneration and Company's performance:**

The individual increment is decided on the basis of employees potential, experience, contribution to company's progress over a time and bench marking exercise that is undertaken with the similar profile organizations, consideration of cost of living adjustments/inflation. Salary increase during the year was in line with company's performance and as per company's market competitiveness in peer group.

- v. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company: Average increase in remuneration of key managerial personnel is based on individual performances, company's performance and as measure to motivate them for better future performance to achieve organization's growth expectations.

- vi. The Market Capitalisation of the Company as on 31st March, 2019 was Rs. 56.27 Crores as compared to Rs. 85.81 Crores as on 31st March, 2018.

The price earnings ratio of the Company was 27.44 as at 31st March, 2019 as compare to 13.47 as at 31st March, 2018. The closing share price of the Company at BSE Limited on 31th March, 2019 was Rs. 60.10/- per equity share of face value of Re. 10/- each.

- vii. Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 0.26% whereas the increase in the managerial remuneration was as above as mentioned point (i). The average increases every year is an outcome of Company's market competitiveness as against its peer group companies. In keeping with our reward philosophy and benchmarking results, the increases this year reflect the market practice.

- viii. The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year: None

- ix. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

**DIRECTORS :**

Your Company has 6 (Six) Directors consisting of 3 (Three) Executive Directors (Managing Director & Director) and 3 (Three) Independent Directors, as on 31st March, 2019.

**RESIGNATION & APPOINTMENT OF COMPANY SECRETARY:**

During the period under review, Ms. Ruchira Singhania has been appointed in place of Mr. Alfez Solanki on the post of Company Secretary w. e. f. 07th December, 2018.

**NUMBER OF BOARD MEETINGS:**

During the Year, 6(Six) meetings of the Board of Directors were held. The details of the meetings are furnished in the corporate governance report which forms part of this Annual Report.

**DIRECTOR'S RESPONSIBILITY STATEMENT :**

The Director's Responsibility Statement referred to in clause (c) of sub – section (5) of Section 134 of the Companies Act, 2013 shall state that

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial year and of the profit and loss of the Company for that period;
- (c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) They have prepared the annual accounts on a going concern basis; and
- (e) They have laid down internal financial controls for the Company and such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DECLARATION BY AN INDEPENDENT DIRECTOR (S) AND RE – APPOINTMENT IF ANY :**

In compliance of sub – section (7) of Section 149 of the Companies Act, 2013, all the Independent Directors of the Company have submitted their declarations stating that, they meet the criteria of independence as provided in sub-section (6) of the section 149 of the above said Act and Regulation 25 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

**INTERNAL FINANCIAL CONTROLS :**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observations has been received from the Auditors of the Company for inefficiency or inadequacy of such controls. Mr. Ravi Joshi is the Internal Auditor of the Company.

**SECRETARIAL AUDITOR :**

Pursuant to Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s. Malay Shah & Associates, Practicing Company Secretaries, Mumbai as its Secretarial Auditors to conduct the secretarial audit of the Company for the financial year 2018-19. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the financial year 2018-19 is set out as Annexure and forms part of this report.

**AUDITORS :**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof, for the time being in force), M/s. GMJ & Co., Chartered Accountants, (Firm Registration no. 103429W) were appointed as Statutory Auditors of the Company for a term of five (5) years, to hold office from the conclusion of Thirty first Annual General Meeting of the Company held on 20th September, 2016, subject to ratification of their appointment at every subsequent Annual General Meeting.

The requirement of seeking ratification of the members for continuance of their appointment has been withdrawn consequent upon the changes made by the Companies (Amendment) Act, 2018 with effect from May 7, 2018. Hence the resolution seeking ratification of the members for their appointment is not being placed at the ensuing Annual General Meeting.

Your Company has received necessary certificate form M/s. GMJ & Co., Chartered Accountants confirming that they satisfy the criteria provided under section 141 of the Companies Act, 2013 and are not disqualified from continuing

as Statutory Auditors of the Company.

The Auditors Report for 2018-19, does not contain any qualification, reservation or adverse remarks.

**CORPORATE GOVERNANCE :**

A separate Section on Corporate Governance with a detailed compliance report and the Certificate from The Practicing Chartered Accountant with respect to compliance with the provisions of Corporate Governance, as required by Regulation 27 of the Listing Regulation, is also annexed.

**AUDITORS' REPORT :**

With reference to the Auditors comments in Para 3(a), 3(b) 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.

**BOARD COMMITTEES :**

In order to ensure compliance with the applicable provisions of the Companies Act, 2013 as well the provisions of the Listing Regulation the Board has constituted an Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee and Risk Management Committee and details of these committees are given in the Corporate Governance Report which is annexed to the Director's Report.

**RISK MANAGEMENT :**

The Board of directors of the company has formulated risk management policy which aims at enlarging shareholders value and providing an optimum risk reward trade off. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continues risk assessment and mitigation measures.

**DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES :**

Your Company recognizes the value of transparency and accountability in its administrative and management practices. The Company promotes the ethical behavior in all its business activities. The Company has adopted the Whistle Blower Policy and Vigil Mechanism in view to provide a mechanism for the Directors and employees of the Company to approach Audit Committee of the Company to report existing/probable violations of laws, rules, regulations or unethical conduct.

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

The Company Pursuant to Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has constituted an Internal Complaints Committee. During the Year, no Complaint was lodged with the Internal Complaint Committee.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 :**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Financial Statements.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY**

All related party transactions that were entered into during the financial year were on an arm's length basis and wherein the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions were placed before the Audit Committee as also the Board for approval. The particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 disclosed in Form No. AOC -2 and is set out as Annexure and forms part of this report.

Your Directors draw attention of the members to Note 32 to the financial statement which sets out related party disclosure.

**EXTRACT OF THE ANNUAL RETURN :**

Pursuant to sub – section 3(a) of the Section 134 and sub – section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at 31st March, 2019 is set out as Annexure and forms part of this report.

**QUALITY :**

Your Company accord to high priority to quality, safety, training, development, health and environment. The Company endeavors to ensure continuous compliance and improvements in this regards.

**MANAGEMENT DISCUSSION AND ANALYSIS :**

The Management Discussion and Analysis Report for the year under review as stipulated as a Separate section forming part of this Annual Report.

**ACKNOWLEDGEMENT :**

I would like to end by expressing my sincere appreciation for the continued support of the shareholders, employees, Tainwala Group, suppliers and commercial partners during the year. I would also like to thank my colleagues on the Board for their support and guidance to the Company's management, which goes a long way in encouraging the management in meeting the challenges in the growth path.

**By Order of the Board**  
**Mr. Rakesh Dungarmal Tainwala**  
**Managing Director & Chairman**  
**(DIN: 00237671)**

**Place: Mumbai**

**Date: 20th May, 2019**

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

Information as per Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report.

**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. The dedicated team of professional is focusing on energy conservation across manufacturing sites.

**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 31/03/19	Year Ended 31/03/18
<b>a) Electricity :</b>		
Units Purchased	982,532	895,712
Total amount (Rs.)	5,143,750	3,988,207
Rate per Unit (Rs.)	5.23	4.45
<b>b) Own Generation through Diesel Generator :</b>		
Units Generated	9,360	17,500
Quantity of Diesel Used	2,600 Ltrs	5,000 Ltrs
Total Amount (Rs.)	181,106	296,844
Cost per unit (Rs.)	19.34	16.96
<b>c) Consumption per unit of production Details:</b>		
Production (Kgs)	814,563	839,266
Power Consumption (Rs.)	5,324,856	4,285,051
Cost per Unit Rs.	Rs. 6.53 per kg	Rs 5.1 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 ongoing 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;**

Particular	2019	2018
Foreign Exchange Earning	NIL	NIL
Foreign Exchange Outgoings	15,430,955	20,853,611

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31st March, 2019

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L24100MH1985PLC037387
2.	Registration Date	04/09/1985
3.	Name of the Company	TAINWALA CHEMICALS AND PLASTICS(INDIA)LIMITED
4.	Category/Sub-category of the Company	Public Listed Company
5.	Address of the Registered office & contact details	"Tainwala House" Road No. 18, Opp. Plot No. 118, MIDC, Marol, Andheri (East) Mumbai, Maharastra, India-400093 Ph: 022 67166100 Email. simran@tainwala.in, cs@tainwala.in Website – www.tainwala.in
6.	Whether listed company Yes / No	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	LINK INTIME INDIA PVT. LTD C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400 083 Ph: 49186000 Email: rnt.helpdesk@linkintime.co.in Website – www.linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Polymer Sheet	25201	93%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

SR. No.	Name and address of the company	CIN/GLN	Nature of Interest
	NA		

**IV.SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)  
Category-wise Share Holding**

Category of Shareholders	No. of Shares held as on 01-04-2018				No. of Shares held as on 31-03-2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	4454686	--	4454686	47.57	4462137	--	4462137	47.65	0.08
b) Central Govt	--	--	--	--					
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	1806658	--	1806658	19.29	1806658	--	1806658	19.29	0
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
<b>Total shareholding of Promoter (A)</b>	<b>6261344</b>	<b>--</b>	<b>6261344</b>	<b>66.86</b>	<b>6268795</b>	<b>--</b>	<b>6268795</b>	<b>66.95</b>	<b>0.08</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	--	16100	16100	0.17	--	16100	16100	0.17	--
b) Banks / FI	123	4780	4903	0.05	--	4780	4780	0.05	--
c) Central Govt/ State Govt(s)	--	--	--	--	--	--	--	--	--
d) Venture Capital Funds	--	--	--	--	--	--	--	--	--
e) Insurance Companies	--	--	--	--	--	--	--	--	--
f) FIs	--	3509	3509	0.04	--	3509	3509	0.04	--
g) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
h) Others (specify)	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(1):-</b>	<b>123</b>	<b>24389</b>	<b>24512</b>	<b>0.26</b>	<b>--</b>	<b>24389</b>	<b>24389</b>	<b>0.26</b>	<b>--</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	151416	4962	156378	1.67	143174	4962	148136	1.58	(0.09)
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	1283502	494747	1778249	18.99	1392627	453907	1846534	19.72	0.73
ii) Individual shareholders holding nominal share capital in excess of Rs 2lakh	602376	--	602376	6.43	677524	--	677524	7.24	0.81
c) Others (specify)	101249	--	101249	1.08	102007	--	102007	1.09	0.01
Non Resident Indians (Repat& Non Repat)	149612	92187	241799	2.58	151913	91787	243700	2.60	0.02



Overseas Corporate Bodies									
Foreign Nationals	--	--	--	--	--	--	--	--	--
Clearing Members	154476	--	154476	1.65	--	10383	10383	0.11	(1.54)
Trusts	--	--	--	--					
Foreign Bodies - D R	--	40700	40700	0.43	--	40700	40700	0.43	--
Market Maker	1180	--	1180	0.02	95	--	95	0.001	0.01
Office Bearers	--	1600	1600	0.02	-	1600	1600	0.02	---
<b>Sub-total (B)(2):-</b>	<b>2443811</b>	<b>634196</b>	<b>3078007</b>	<b>32.88</b>	<b>2477723</b>	<b>592956</b>	<b>3070679</b>	<b>32.79</b>	<b>(0.09)</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>2443934</b>	<b>658585</b>	<b>3102519</b>	<b>33.14</b>	<b>2477723</b>	<b>617345</b>	<b>3095068</b>	<b>33.05</b>	<b>(0.09)</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>8705278</b>	<b>658585</b>	<b>9363863</b>	<b>100</b>	<b>8746518</b>	<b>617345</b>	<b>9363863</b>	<b>100</b>	

**B) Shareholding of Promoter's and Promoters group -**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Concept Reality and Securities Pvt. Ltd.	1806658	19.29	0	1806658	19.29	0	0
2.	Shobha Tainwala	972069	10.38	0	972069	10.38	0	0
3.	Rajkumar Tainwala	515434	5.50	0	518910	5.54	0	0.04
4.	Lila Devi Tainwala	2885155	30.81	0	2890130	30.86	0	0.05
5.	Vandana Tainwala	81028	0.87	0	81028	0.87	0	0
6.	Amishi Tainwala	1000	0.01	0	0	0	0	(0.01)

**C) Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year/at the end of the year		% of total shares of the company
		No. of shares	% of total shares of the company	Increase/Decrease in promoters shareholding	No. of shares	
1.	Mrs. Lila Devi Tainwala	2885155	30.81	4975	2890130	30.86
	Closing Balance	-	-	-	2890130	30.86
2.	Mr. Rajkumar Tainwala	515434	5.50	3476	518910	5.54
	Closing Balance	-	-	-	518910	5.54
3.	Mrs. Amishi Tainwala	1000	0.01	(1000)	0	0
	Closing Balance				0	0

## D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Hitesh Ramji Javeri Mrs. Radhabai Ramji Javeri Mrs. Harsha Hitesh Javeri	160000	1.7087	160000	1.7087
2.	Mr. K NARESH KUMAR	-	-	84285	0.9001
3.	Mrs. Harsha Hitesh Javeri Mr. Hitesh Ramji Javeri Mrs. Radhabai Ramji Javeri	45000	0.4806	81869	0.8743
4.	Ms. Maya Hariram Melwaney	48400	0.5169	48400	0.5169
5.	Mr. Anil Agarwal	44121	0.4712	44121	0.4712
6.	Katyayan Construction and Developers LLP	43994	0.4698	43994	0.4698
7.	Kajal Ketan Barai	42206	0.4507	42206	0.4507
8.	Radhabai Ramji Javeri Hitesh Ramji Javeri	40000	0.4272	40000	0.4272
9.	Beena Agarwal	39045	0.4170	39045	0.4170
10.	Mr. Ramesh Dungarmal Tainwala	37497	0.4004	37497	0.4004

## E) Shareholding of Directors and Key Managerial Personnel :

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. RajkumarTainwala	515434	5.50	518910	5.54
2.	Mrs. Simran Ram Mansukhaani	25	0.00	25	0.00

## V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits (Security Deposits received from Customers)	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	17,59,890	-	125853	18,85,743
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	17,59,890		125853	18,85,743
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	17,59,890	-	27,777	17,87,667

<b>Net Change</b>	(17,59,890)	-	(27,777)	(17,87,667)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	98,076	98,076
ii) Interest due but not paid		-		
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	<b>98,076</b>	<b>98,076</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****A. Remuneration to Managing Director, Whole-time Directors and/or Manager :**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	
		Salary	Rakesh Tainwala
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		60,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		--
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	--	
2	Stock Option		--
3	Sweat Equity		--
4	Commission- as % of profit others, specify...	--	--
5	Others, please specify	Provident	4,87,200
	Total (A) Ceiling as per the Act		64,87,200

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Total Amount			
		C.K. Doshi	Mayank Dhuldhoya	Ketan Barai	Total
1	Independent Directors				
	Fee for attending board committee meetings	11500	5000	13500	30000
	Commission	--	--		--
	Others, please specify	--	--		--
	Total (1)	11500	5000	13500	30000
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	--	--		--
	Commission	--	--		--
	Others, please specify	--	--		--
	Total (2)	--	--		--
	Total (B)=(1+2)	11500	5000	13500	30000
	Total Managerial Remuneration				
	Overall Ceiling as per the Act	As per Section 197(5) of the Companies Act, 2013			

**C.REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

SN.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Salary	Simaran R Mansukhaani (Executive Director & CFO)	Ruchira Singhania (CS) 07/12/2018	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		13,48,962	60,000	1,408,962
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		--	--	--
2	Stock Option		--	--	--
3	Sweat Equity		--	--	--
4	Commission				
	- as % of profit		--	--	--
	Others, specify		--	--	--
5	Others, please specify	Provident Fund	93,600	3,840	97,440
	Total		14,42,562	63,840	1,506,402

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :**

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

**By Order of the Board**  
**Mr. Rakesh Dungarmal Tainwala**  
**Managing Director & Chairman**  
**(DIN: 00237671)**

**Place: Mumbai**

**Date: 20th May, 2019**

**FORM NO. AOC -2**  
**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act**  
**and Rule 8(2) of the Companies (Accounts) Rules, 2014**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	M/s. Abhishri Packaging Private Limited Managing Director is a Director of the said company.
b)	Nature of contracts/arrangements/transaction	Sale of goods, Purchase of goods , Job work income, Rent Income, Interest Income
c)	Duration of the contracts/arrangements/transaction	More than 5 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale & Purchase of goods at prevailing market rate & Dealing in day to day business relating goods & Services at Prevailing Market rate.
e)	Date of approval by the Board	20th May, 2019
f)	Amount paid as advances, if any	NIL

By Order of the Board  
**Mr. Rakesh Dungarmal Tainwala**  
 Managing Director & Chairman  
 (DIN: 00237671)

**Place: Mumbai**  
**Date: 20th May, 2019**

**FORM NO. MR-3****SECRETARIAL AUDIT REPORT****For the financial year ended March 31, 2019****[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
Tainwala Chemicals and Plastics (India) Limited  
CIN : L24100MH1985PLC037387  
Tainwala House, Road No 18, Opp. Plot No 118,  
MIDC, Andheri (East)  
Mumbai - 400093  
Maharashtra

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tainwala Chemicals and Plastics (India) Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable as the Company has not issued any further share capital during the period under review);
  - d. The Securities and Exchange Board of India (Share based Employee Benefits Regulations, 2014) (Not Applicable to the Company during the period under review);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008; (Not Applicable as the Company has not issued and listed any debt securities during the financial year under review);
  - f. The Securities and Exchange Board of India (Registrars to an issue and share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not Applicable to the Company during the period under review);
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the period under review);
- VI. Taking into consideration, business activities of the Company, there are no specific regulator / law whose approval is required for undertaking business operations of the Company and hence no comment is invited in respect of the same. We have in-principally verified existing systems and mechanism which is followed by the Company to ensure compliance of other applicable Laws like Labour Laws etc and have relied on the representation made by the Company and its officers in respect of aforesaid systems and mechanism for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

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

- i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meeting (SS-2) issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that

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

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For Malay Shah & Associates**  
**Company Secretaries**  
**Malay Shah**  
**(Proprietor)**  
**CP No: 12820, ACS No: 28281**

**Place: Mumbai**

**Date : 20/05/2019**

**Note: This report is to be read with our letter dated 20nd May, 2019 which is annexed as Annexure A and forms an integral part of this report.**

#### ANNEXURE A

To,  
The Members,  
Tainwala Chemicals and Plastics (India) Limited  
CIN: L24100MH1985PLC037387  
Tainwala House, Road No 18, Opp. Plot No 118,  
MIDC, Andheri (East)  
Mumbai - 400093

Our Report of even date is to be read along with this letter.

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

**For Malay Shah & Associates**  
**Company Secretaries**  
**Malay Shah**  
**(Proprietor)**  
**CP No: 12820, ACS No: 28281**

**Place: Mumbai**

**Date : 20/05/2019**

**ANNEXURE 'B' TO THE DIRECTORS' REPORT****REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2018-2019:**

In compliance with regulation 34 (3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company submits the report for the year ended 31st March, 2019 on the matters mentioned in the said regulation and lists the practice followed by the Company in compliance with the SEBI LODR Regulations.

**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 enhance the 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 comprise of 6(Six) Directors consisting of 3(Three) Executive Directors (Managing Director & Director) and 3 (Three) Independent Directors, as on 31st March, 2019. During the year, the Board was headed by Executive Chairman – Mr. Rakesh 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
Mr. Rakesh Tainwala	Executive & Promoter and Promoter group	Nil	Nil	Nil
Mr. Rajkumar Tainwala	Promoter – Executive	Nil	Nil	Nil
Mrs. Simaran Ram Mansukhaani	Executive & Chief Financial Officer	Nil	Nil	Nil
Mr. Chandraprakash Kanhaiyalal Doshi	Independent & Non-Executive	Nil	Nil	Nil
Mr. Mayank Dhuldhoya	Independent & Non-Executive	Nil	Nil	Nil
Mr. Ketan Barai	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.

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 120 days.

**b. INFORMATION REQUIRED UNDER REGULATION 36 (3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ON DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IS GIVEN IN THE EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013.****c. Attendance of each Director at the Board Meetings held during the year 2018-19 and at the last Annual general Meetings.**

During the financial year ended 31st March, 2019, 6 (Six) Board Meetings were held i.e. on 22nd May, 2018, 19th June, 2018, 06th August, 2018, 05th November, 2018, 07th December, 2018 and 11th February, 2019. The last i.e. the 33rd Annual General Meeting of the Company was held on Tuesday, 25th September 2018. Details of attendance of each Director at the Board Meetings and at the Annual General Meeting are given below:

The Board of Directors is presented with all the information as set out in Part A of Schedule II read with Regulation 17 (7) of the SEBI (LODR) Regulations to the extent it is applicable and relevant. Such information is submitted either as a part of the agenda papers in advance of the respective meetings or by way of presentations & discussions during the meeting.



Name of the Director	No. of Board Meetings Attended	Attended at last AGM
Mr. Rakesh Tainwala	6	Yes
Mr. Rajkumar Tainwala	6	Yes
Mrs. Simaran Ram Mansukhaani	6	Yes
Mr. Chandraprakash Kanhaiyalal Doshi	5	Yes
Mr. Mayank Dhuldhoya	4	Yes
Mr. Ketan Dhirajlal Barai	6	No

**3. BOARD COMMITTEES:-**

The Board had constituted the following Committees of Directors.

**I. AUDIT COMMITTEE:**

The Audit Committee comprises of 3 (Three) members in which Two are Non-Executive Independent Directors & 1(One) Executive Director.

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

During the financial year ended 31st March, 2019, 4 (Four) Audit Committee Meetings were held i.e. on 22nd May, 2018, 06th August, 2018, 05th November, 2018 and 11th February, 2019. The Composition of the Audit Committee during the financial year is as follows:

Name of the Directors	Category	Number of Meetings attended
Mr. Chandraprakash Kanhaiyalal Doshi	Chairman, Non-Executive & Independent	4
Mr. ketan Dhirajlal Barai	Non-Executive & Independent	4
Mrs. Simaran Ram Mansukhaani	Executive & Chief Financial Officer	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 Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia, performs the following functions:

- Discussing with Statutory Auditors, before the commencement of audit, on the nature and scope of audit as well as having post –audit discussion to ascertain area of concern, if any;
- Reviewing the financial statements.
- Recommending appointment, remuneration and terms of appointment of Internal Auditor of the Company;
- Reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
- Valuating undertaking or assets of the Company, Wherever it is necessary;
- Reviewing the progress made on cases that are reported under the code of Business Principles of the Company and Implication of these cases, if any, under the Companies Act, 2013.

**II. STAKEHOLDERS' RELATIONSHIP 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 redressed 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 STAKEHOLDERS' RELATIONSHIP COMMITTEE AND DETAILS OF ATTENDANCE AT STAKEHOLDER'S RELATIONSHIP COMMITTEE MEETINGS:**

Attendances of each member at the Stakeholder's Relationship Committee during the year 2018-2019 are detailed below:

Name of the Directors	Executive/Non Executive	No. of Committee Meetings Attended
Mr. Rajkumar Tainwala	Executive	24
Mr. Ketan Dhirajlal Barai	Non-Executive	18
Mr. Chandraprakash Kanhaiyalal Doshi	Non – Executive	16

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

During the year under report, the Company has received No complaint. All requests for transfer of shares have been processed normally within prescribed time.

**III. SEPARATE INDEPENDENT DIRECTORS' MEETINGS :**

The Independent Directors meet at least once in a year, without the presence of Executive Directors or Management representatives. They also have a separate meeting with the Non-Executive Chairman, to discuss issues and concerns, if any. The Independent Directors meeting held one time i.e. on 22nd March, 2019 during the Financial Year ended 31st March, 2019, to inter alia discussed following:

- The performance of Non-Independent Directors and the Board as a whole;
- The performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- The quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. In addition to these formal meetings, interactions outside the Board meetings also take place between the Chairman and Independent Directors.

**IV. NOMINATION & REMUNERATION COMMITTEE :**

The Remuneration Committee functions inter alia includes

- Review and recommends Remuneration of Managerial Personnel.
- Recommend suitable revision/increments whenever required to the Board of Directors.
- Carry on the evaluation of every director's performance.
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director.
- Recommended to the Board a policy relating to the remuneration of the directors, key managerial personal and other employees;

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

During the financial year under review the Committee held 2 (Two) meeting on 22nd May, 2018 and 05th January, 2019 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
Mr. Ketan Dhirajlal Barai	Chairman, Non-Executive & Independent	2
Mr. C.K. Doshi	Non-Executive & Independent	1
Mr. Mayank Dhuldhoya	Non-Executive & Independent	2

**Remuneration Policy :**

The Remuneration recommendations about the remuneration of Directors are subject to the approval of the Members of the Company and the remuneration of the Key Managerial Persons is to be recommended by the remuneration committee to the Board.

Managing Director is paid remuneration within the ceiling prescribed under Section 197 of the Act and Schedule V of the Act. The remuneration paid during financial year 2018-19 is not in excess of 5% of the net profit

computed in terms of section 198 of the Act and 10% of such profit for all Managerial persons. Similarly overall managerial remuneration is within the ceiling of 11% of the said profit.

The details of remuneration (including perquisites and retirement benefits) paid to the directors including the sitting fees and independent directors for the financial year 2018-19 has been given in MGT-9 forming part of this Annual report.

**(c) PROHIBITION OF INSIDER TRADING:**

With a view to regulate trading in securities by the Directors and designated employees, the company has adopted a Code of Conduct for Prohibition of insider trading.

**(d) RECONCILIATION OF SHARE CAPITAL AUDIT:**

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's Share capital is carried out by a Practicing Company Secretary with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services(India) Limited and held in physical form, with the issued and listed capital. The said Certificate with regard to same submitted to Bombay Stock Exchange Limited, The National Stock Exchange of India Limited where the Company's Shares are listed.

**4. GENERAL BODY MEETINGS:**

a. Details of previous Three Annual General Meetings and the summary of Special Resolutions passed are as under:

Financial Year	Date of Meeting	Time	Place	Resolution
2017-18	25.09.2018	11.00 a.m.	"Tainwala House ", Road No.18, M.I.D.C., Marol, Andheri (East), Mumbai - 400 093	No Special Resolution was passed in the AGM.
2016-17	26.09.2017	11.00 a.m.	The Indian Institute of Packaging E – 2, Road No. 8, MIDC Area, Near Reliance Energy office, MIDC, Andheri (East), Mumbai – 400093.	1. To consider and if thought fit, to pass, with or without modification(s), the following resolution, as a Special Resolution: "RESOLVED THAT in accordance with the provisions of Sections 196, 197, Schedule V of the Companies Act, 2013 (Act) and other applicable provisions of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company hereby accords its approval and consent to the re-appointment of Mr. Rakesh Dungarmal Tainwala (DIN No: 00237671) as a Managing Director of the Company for a period of 5 (five) years w. e. f. 26th June, 2017 to 25th June, 2022 on the terms, conditions and stipulations including remuneration as approved by the Nomination and Remuneration Committee and the Board which have been detailed in the Explanatory Statement annexed hereto (which shall form part hereof) with a liberty to the Board of Directors of the Company (hereinafter referred to as "the

				<p>Board" which terms shall be deemed to be included by any committee of the board as and when constituted) to fix, increase, alter or vary from time to time, the terms and conditions of the said appointment and remuneration and/or monetary value of the perquisites as may be agreed upon by the Board of Directors and Mr. Rakesh Dungarmal Tainwala, subject to the same not exceeding at any point of time, the ceiling specified in Schedule V to the said Act, (including any Statutory Modifications or re-enactment thereof for the time being in force) or any amendment and / or modifications that may hereinafter from time to time be made thereto by the Central Government.</p> <p><b>RESOLVED FURTHER THAT</b> where in any financial year during the currency of the tenure of said appointee, the company has no profit or its profits are inadequate, the company shall pay salary &amp; perquisites as provided under Schedule V to the Companies Act, 2013 as minimum remuneration.</p> <p><b>RESOLVED FURTHER THAT</b> the aforesaid consent of the Company is accorded without prejudice to his right of holding managerial position of whatsoever nature in any other company and draw remuneration therefrom, subject to the regulatory guidelines and ceiling stipulated in his regard.</p> <p><b>RESOLVED FURTHER THAT</b> for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable in the best interest of the Company."</p>
2015-16	20.09.2016	11.00 a.m.	Indian Institute of Packaging (IIP) E-2, Road No. 8, MIDC Area, near Reliance Energy office, MIDC, Andheri (East), Mumbai-400093.	No Special Resolution was passed in the AGM

b. No Special Resolutions were required to be put through Postal Ballot.

**5. DISCLOSURES :**

Disclosure regarding Materially Significant related party transactions:

All Transactions with related parties were in the ordinary course of business and at arm's length. The company has not entered into any transaction of a material nature with any of the related parties. Particulars of the Related Party Transaction have been disclosed in Note No.32 of the accounts.

**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:**

- a. The Company has duly complied with all the mandatory requirements as per Regulation 27 of the Listing Regulations, 2015.
- b. Compliance with Non-mandatory requirements is furnished separately under the heading "Non-mandatory Requirements".
- c. No penalties have been imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital Markets.
- d. Whistle Blower Policy and affirmation that, no personnel have been denied access to the audit committee. The Company has a vigil mechanism and whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. During the year under review, no employee was denied access to Audit Committee.

**8. A. 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.

**B. Annual Secretarial Compliance Report**

The Company has undertaken an audit for the financial year 2018-19 for all applicable compliances as per Securities and Exchange Board of India Regulations and circulars/Guidelines issued thereunder.

The Annual Secretarial Compliance Report has been submitted to the stock exchanges within 60 days of the end of the financial year.

**C. Certificate from Company Secretary in Practice**

Mr. Malay Shah of M/s. Malay Shah & Associates, Practicing Company Secretaries has issued a certificate as required under Listing Regulations, confirming that none of the Directors on the Board of the Company were debarred or disqualified from being appointed or continuing as directors of companies by Ministry of Corporate Affairs.

**9. MEANS OF COMMUNICATION:**

- i. Quarterly Results  
The Company's Quarterly Financial Results are Published in English Language is displayed on its website ([www.tainwala.in](http://www.tainwala.in)).
- ii. Newspaper wherein results normally displayed  
The Company's results are published normally in the vernacular dailies like Mumbai Lakshadeep and also leading dailies like Financial Express as per availability of the space at the time of publishing.
- iii. Any Website, Where displayed  
The Company's website ([www.tainwala.in](http://www.tainwala.in)) contains a separate dedicated section 'Investor' where shareholders' information is available. The Company Annual Report is also available in a user-friendly and downloadable form.
- iv. Whether it also displays official news release;  
During the period under review, the Company has no official news release.
- v. The Presentations made to institutional investors or to the analysts.

**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 2018-19. 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 : Monday, 23rd September, 2019 at 11.00 a.m.  
at 3rd Floor, "Tainwala House", Road No. 18, MIDC,  
Marol, Andheri (East), Mumbai-400093
- Financial Calendar : 1st April to 31st March

Audited Annual results for the year ended 31st March, 2019	By 30th May, 2019
Unaudited First quarter results for quarter ended 30th June, 2019	By 15th August, 2019
Unaudited Second quarter results for quarter ended 30th September, 2019	By 15th November, 2019
Unaudited Third quarter results for quarter ended 31st December, 2019	By 15th February, 2020
Audited Annual results for the year ended 31st March, 2020	By 30th May, 2020
Annual General Meeting	Within Statutory time Limit

Annual General Meeting:

- b) Book Closure Date : 17/09/2019 to 23/09/2019.
- c) Listing on Stock Exchange : Bombay Stock Exchange Limited .  
National Stock Exchange of India Limited
- d) Stock Code  
Bombay Stock Exchange Limited. : 507785  
National Stock Exchange of India Limited : TAINWALCHM
- e) Payment of Annual Listing Fees : Listing Fees for the financial year 2018- 2019 has been  
Paid to the concerned stock exchanges.
- e) Dividend payment : Nil

**h) Stock Market Data:**

MONTH & YEAR	BOMBAY STOCK EXCHANGE			NATIONAL STOCK EXCHANGE		
	HIGH (RS.)	LOW (RS.)	Volume	HIGH (RS.)	LOW (RS.)	Volume
2018						
April	136.4	93.85	228848	135.8	126.4	1561
May	141.2	112.5	28338	126	118	1118
June	120	85.4	8292	85.45	81.65	620
July	94.5	73	14747	95.4	91	95
August	101.85	86	24975	97	90	3385
September	97.9	75.35	30861	91.3	77	8414
October	91.85	76.1	11162	82.85	77.5	1052
November	98	72	30278	84.95	67.5	42203
December	85	71.1	19383	75	72.2	1109
2019						
January	88	66.8	6425	72	67.4	2414
February	72.95	55.2	6812	60.5	56.3	186
March	79.8	58	64169	65.05	57.1	4280

**i) Share Transfer Agents:**

The Company has appointed Link Intime India Pvt. Ltd., having their office at C-101, 247 Park, L.B.S. Marg, Vikhroli(West), Mumbai-400083, 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, 2019:**

No. of Equity shares held	No. of Shareholders	% of Shareholders	Total No. of Shares Held	% of Shares
1 - 500	5754	88.7826	796813	8.5094
501 - 1000	376	5.8016	292474	3.1234
1001 - 2000	169	2.6076	252838	2.7001
2001 - 3000	64	0.9875	164655	1.7584
3001 - 4000	17	0.2623	59653	0.6371
4001 - 5000	23	0.3549	106855	1.1411
5001 - 10000	30	0.4629	232302	2.4808
10001 & above	48	0.7406	7458273	79.6495
TOTAL	6481	100%	9,363,863	100%

## I) Distribution Shareholding as on 31st March 2019 :

Category Code	Category of Shareholder	Total Number of shares	Total Number of shares	Number of Shares held in dematerialized form	Total shareholding as a percentage of total number of shares
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>				
<b>1.</b>	<b>Indian</b>				
a	Individuals/ Hindu Undivided Family	4	4462137	4462137	47.65%
b	Central Government/ State Government(s)	0	0	0	0
c	Bodies Corporate	1	1806658	1806658	19.29%
d	Financial Institutions / Banks	0	0	0	0
e	Any Others(Specify)	0	0	0	0
	<b>Sub Total(A)(1)</b>	<b>5</b>	<b>6268795</b>	<b>6268795</b>	<b>66.95%</b>
<b>2.</b>	<b>Foreign</b>	0	0	0	0
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0
b	Bodies Corporate	0	0	0	0
c	Institutions	0	0	0	0
d	Any Others(Specify)	0	0	0	0
	<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	5	6268795	6268795	66.95%
<b>(B)</b>	<b>Public shareholding</b>				
<b>1.</b>	<b>Institutions</b>				
a	Mutual Funds/ UTI	9	16100	0	0.17%
b	Financial Institutions / Banks	6	4780	0	0.05%
c	Venture Capital Funds	0	0	0	0
d	Insurance Companies	0	0	0	0
e	Foreign Institutional Investors	3	3509	0	0.04%
f	Foreign Venture Capital Investors	0	0	0	0
g	Any Other (specify)	0	0	0	0
	<b>Sub-Total (B)(1)</b>	<b>19</b>	<b>24389</b>	<b>0</b>	<b>0.26%</b>



2.	Central Government/ State Government/ President of India				
	Central Government/ State Government(s)	0	0	0	0
	<b>Sub-Total (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>3</b>	<b>Non- Institutions</b>				
a	Individuals				
i	Individuals - Individual shareholders holding nominal share capital up to Rs 2 lakh	5955	1846534	1846534	19.72%
ii	Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	13	677524	677524	7.24%
b	NBFCs registered with RBI	0	0	0	0
c	Employee Trusts	0	0	0	0
d	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0
e	Any Other ( Specify)	418	546621	546621	5.84%
i	Hindu Undivided Family	102	102007	102007	1.09%
ii	Foreign Company (Non-Dom. Com)	5	40700	0	0.43%
iii	Bodies Corporate	73	148136	148136	1.58%
iv	NRI (Repeat)	190	188041	188041	2.01%
v	NRI (Non-Repeat)	24	55659	55659	0.59%
vi	Clearing Member	14	10383	10383	0.11%
k	Market Maker	2	95	95	0.001%
l	Office bearer	8	1600	0	0.02%
	<b>Sub-Total (B)(3)</b>	<b>6386</b>	<b>3070679</b>	<b>3070679</b>	<b>32.80%</b>
<b>(B)</b>	<b>Total Public Shareholding (B)=(B)(1)+(B) (2)+(B)(3)</b>	<b>6404</b>	<b>3095068</b>	<b>3095068</b>	<b>33.05%</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>				
c-1	Promoter and Promoter Group	0	0	0	0
c-2	Public	0	0	0	0
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>6404</b>	<b>3095068</b>	<b>3095068</b>	<b>33.05%</b>

## m) Status of Dematerialization of Shares as on 31st March 2019:

Particulars	No. of Shares	% to Total Capital
NSDL	79,07,342	84.45
CDSL	8,39,176	08.96
PHYSICAL	6,17,345	6.59
<b>TOTAL</b>	<b>9,363,863</b>	<b>100.00%</b>

- n) Company ISIN No. : INE123C01018
- o) CIN No. : L24100MH1985PLC037387
- p) Works : Plot No. 87 Government Industrial Estate,  
Khadoli Village, Silvassa-396230.  
Dadra & Nagar Haveli-U.T
- q) Address for Correspondence : Shareholder's correspondence relating to transfer/  
transmission/issue of duplicate shares or for any queries or grievances should be addressed to  
Company's RTA at the address mentioned below:  
Registrar and Share Transfer Agent  
M/s Link Intime India Pvt. Ltd.  
C 107, 247 Park, L.B.S. Marg,  
Vikhroli (West),  
Mumbai – 400 083  
Phone: +91 22 49186000 | Extn: 2337  
Fax: +91 22 49186060  
Email: rnt.helpdesk@linkintime.co.in
- r) Registered Office : Tainwala House, Road No.18, M I D C, Marol,  
Andheri (East), Mumbai – 400 093  
Website: www.tainwala.in  
Email: cs@tainwala.in, simran@tainwala.in

**For and on behalf of the board**

**Mr. Rakesh Dungarmal Tainwala  
Chairman & Managing Director**

Place: Mumbai.

Date: 20th May, 2019

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members Of  
Tainwala Chemicals and Plastics (India) Limited

We, GMJ & Co., Chartered Accountants, the Statutory Auditors of Tainwala Chemicals and Plastics (India) Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D & E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

**Managements' Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

**Auditor's Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2019.

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

This certificate is issued solely for the purpose of complying with Listing Regulations and may not be suitable for any other purpose.

**For GMJ & Co.  
Chartered Accountants  
(FRN.: 103429W)**

**(CA HARIDAS BHAT)  
Partner  
Membership No.: 039070**

**Place: Mumbai  
Date: May 20, 2019**

**DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT**

I hereby declare that the Company has adopted a code of conduct for Directors and Senior Management Personnel of the Company at the meeting of the Board of Directors.

A Statement of allegiance to the Code of Conduct has been obtained from all the senior management personnel and functional heads and such statement of allegiance will be obtained on an annual basis from all the Directors, senior management personnel and functional heads.

**For Tainwala Chemicals Plastics (I) Limited**  
**Mr. Rakesh Dungarmal Tainwala**  
**Managing Director & Chairman**

**Place: Mumbai**

**Date: 20th May, 2019**

**CEO/CFO CERTIFICATION**

We, Mr. Rakesh Tainwala and Mrs. Simaran R Mansukhaani hereby certify that

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2019 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 nor do they 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) We state that to the best of our knowledge and belief, no transactions have been entered into by the company during the year which are fraudulent, illegal or violate of the company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls and have evaluated the effectiveness of internal control systems of the Company; and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control systems, if any and we have done or propose to do to rectify these;
- (d) We have also disclosed to the auditors and as well as the Audit Committee:
- Significant changes in accounting policies during the year;
  - Significant Changes in accounting policies during the year have been disclosed in the notes to the financial statements;

Instances of Significant fraud of which we have become aware and the involvement therein, by any of the management or an employee having a significant role in Company's control system over financial reporting.

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

**Simaran R Mansukhaani**  
**Executive Director & Chief Financial Officer**

**Rakesh Tainwala**  
**Managing Director**

**Place: Mumbai**

**Date: 20th May, 2019**

**ANNEXURE TO CORPORATE GOVERNANCE REPORT  
CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE**

[Pursuant to clause (i) of Point (10) of Para C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To  
The Members  
TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED  
CIN: L24100MH1985PLC037387  
"Tainwala House" Road No 18, Opp. Plot No 118, MIDC,  
Marol, Andheri (East), Mumbai - 400093

We have examined the following documents:

- i) Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
- ii) Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents'), as submitted by the Directors of Tainwala Chemicals and Plastics (India) Limited ('the Company') bearing CIN: L24100MH1985PLC037387 and having its Registered Office at "Tainwala House" Road No 18, Opp. Plot No 118, MIDC, Marol Andheri (East) Mumbai - 400093, to the Board of Directors of the Company ('the Board') for the financial year 2019-20. We have considered non-disqualification to include non-debarment.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Based on our examination of relevant documents made available to us by the Company and such other verifications carried out by us as deemed necessary and adequate, in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we certify that as on date of this Certificate, none of the Directors on the Board of the Company, as listed hereunder, have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Serial No.	Name of Director	Director Identification Number (DIN)
1	Mr. Rakesh Dungarmal Tainwala	00237671
2	Mrs. Simaran Ram Mansukhaani	06500475
3	Mr. Rajkumar Dungarmal Tainwala	00294029
4	Mr. Mayank Gunvant Dhuldhoya	00067165
5	Mr. Chandraprakash Kanhaiyalal Doshi	02264856
6	Mr. Ketan Dhirajlal Barai	00039816

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2019.

**For Malay Shah and Associates  
Company Secretaries  
Malay Shah**

**Proprietor  
Membership No. A28281  
CP No.12820**

**Place: Mumbai  
Date: 20th May, 2019**

**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 Rs. 1,152.90 lakhs. The Company achieved a Net Profit of Rs. 205.35 lakhs. 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. Thus it 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 Organization largely depends on the quality of its workforce and hence has always recognized people as its key workforce. The belief 'great people create great organizations' has been at the core of the Company's approach to its people. The Company has created a favorable 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 in-house 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 realization, forex market, changes in government policies and regulations, tax regimes, economic development and other incidental factors.

## Independent Auditor's Report

To  
The Members of,  
TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED

## Report on the Audit of the Ind AS Financial Statements

## Opinion

We have audited the accompanying Ind AS financial statements of TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to financial statements, including a summary of significant accounting policies (hereinafter referred to as the "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and the profit (Financial performance including total comprehensive income), changes in equity and its cash flows for the year ended on that date.

## Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr.No.	Key Audit Matter	How was the matter addressed in our audit
1	Balance Confirmations [refer note no. 39 to the Ind AS financial statements]  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.
2	Impairment of PPE [refer note no. 4 to the Ind AS financial statements]  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.	Based on our observations, no provision for impairment has been considered necessary as at March 31, 2019.
3	Deferred Tax Assets\ Liabilities [refer note no. 12 to the Ind AS financial statements]  Considering the probability of availability of future taxable profits in the period in	Deferred tax assets have not been recognised in respect of unabsorbed depreciation, business



which tax losses expire, deferred tax assets have not been recognised in respect of unabsorbed depreciation, business losses and long term capital losses carried forward by the Company.	losses and long term capital losses carried forward by the Company.
---	---

#### Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance, but does not include the Ind AS financial statements and our auditor's report thereon. The above stated reports are expected to be made available to us after the date of this auditor's report.

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

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

When we read the above stated reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and

the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

#### **As required by Section 143(3) of the Act, we report that:**

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Ind AS financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books.
- c) The company does not have any branches. Hence, the provisions of section 143(3)(c) is not applicable.
- d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- e) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

i) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position as referred to Note 33 to the Ind AS financial statement.

(ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.

(iii) There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For GMJ & Co.  
Chartered Accountants  
(FRN.: 103429W)**

**(CA HARIDAS BHAT)  
Partner  
Membership No.: 039070**

**Place: Mumbai**

**Date : May 20, 2019**

**Annexure 'A' to the Independent Auditors' Report**

(Referred to in paragraph 9 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (b) Property, Plant and Equipment have been physically verified by the management at regular intervals, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) According to the information and explanation given to us and on the basis of our verification, title deeds of all immovable properties are held in the name of the company.
- ii. As explained to us, management has conducted physical verification of inventory at regular intervals during the year and no material discrepancies were noticed on such physical verification.
- iii. The Company had granted unsecured loans to two companies in earlier years covered in the register maintained under Section 189 of the Act.
  - (a) In our opinion, the rate of interest and other terms and conditions of the grant of such loans were not, prima facie, prejudicial to the interest of the company.
  - (b) The Principal amount and interest are payable on demand and therefore, the question of overdue amount as such does not arise. However, receipt of interest is regular except for a interest free loan of Rs. 3,91,15,941 which is fully provided for as doubtful.
  - (c) The Company is taking necessary steps for recovery of the above interest free loan, however, in our opinion, more concerted efforts are needed to recover the same.
- iv. In our opinion and according to the information and explanations given to us, during the year, the Company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under section 185 of the Companies Act, 2013. In respect of loan has been given in the previous years, the provision of Section 186 of the Companies Act, 2013 have been complied with.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the services rendered by the Company. Therefore, the provisions of clause 3(vi) of the Order are not applicable to the company.
- vii. (a) The company has been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, wealth tax, sales tax, Goods and service tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited with the appropriate authorities. There are no outstanding dues as on the last day of the financial year for a period of more than six months from the date they became payable
- (b) According to the information and explanation given to us and on the basis of our examination of our records of the Company, in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, wealth tax, sales tax, Goods and service tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks during the year under audit. There are no dues to Financial Institution, Government and the Company has not issued any debentures.
- ix. According to the information and explanations given to us and based on the records and documents produced before us, during the year the company has not raised money by way of initial public offer or further public offer and the term loans have been applied for the purposes for which they were obtained.
- x. To the best of our knowledge and belief and according to the information given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.

- xi. According to the information and explanations given to us and based on the records and documents produced before us, managerial remuneration has been paid by the company in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013.
- xii. As the company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, therefore the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.
- xiii. According to the information and explanation given to us all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures.
- xiv. According to the information and explanations given to us and based on the records and documents produced before us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him under the provisions of section 192 of Companies Act, 2013
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

**For GMJ & Co.**  
**Chartered Accountants**  
**(FRN: 103429W)**

**(CA HARIDAS BHAT)**  
**Partner**  
**Membership No.: 039070**

**Place: Mumbai**

**Date: May 20, 2019**

#### **Annexure – 'B' to the Auditors' Report**

(Report on the Internal Financial Controls under Clause (f) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act"))

We have audited the internal financial controls over financial reporting of "TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED" ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For GMJ & Co.  
Chartered Accountants  
(FRN: 103429W)**

**(CA HARIDAS BHAT)  
Partner  
Membership No.: 039070**

**Place: Mumbai**

**Date: May 20, 2019**

## BALANCE SHEET AS AT 31ST MARCH, 2019

(Amount in INR Lakhs)

	NOTE NOS.	AS AT 31/03/2019 ₹.	AS AT 31/03/2018 ₹.
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	4	311.25	292.97
(b) Intangible Assets	5	0.20	0.77
(c) Financial Assets			
(i) Investments	6	5,354.67	5,012.70
(ii) Loans	6	939.99	1,093.67
(iii) Other Financial Assets	6	-	-
(d) Other Non-Current Assets	11	103.29	96.50
		<u>6,709.40</u>	<u>6,496.61</u>
<b>Current assets</b>			
(a) Inventories	7	577.01	474.02
(b) Financial Assets			
(i) Investments	6	-	248.02
(ii) Trade Receivables	8	65.28	163.76
(iii) Cash and Cash Equivalents	9	275.06	142.45
(iv) Bank Balances Other than (iii) above	10	72.68	37.80
(v) Other Financial Assets	6	190.02	78.82
(c) Other Current Assets		<u>52.31</u>	<u>87.05</u>
		<u>1,232.37</u>	<u>1,231.91</u>
	<b>TOTAL</b>	<b><u>7,941.77</u></b>	<b><u>7,728.52</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	13	936.39	936.39
(b) Other Equity	14	6,761.31	6,609.02
		<u>7,697.70</u>	<u>7,545.40</u>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	-	-
(b) Provisions	19	49.35	44.00
		<u>49.35</u>	<u>44.00</u>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	-	-
(ii) Trade Payables	17		
Micro, Small and Medium Enterprises		-	-
Others		153.76	90.98
(iii) Other Financial Liabilities	16	20.56	37.07
(b) Other Current Liabilities	18	11.11	4.65
(c) Provisions	19	9.29	6.40
		<u>194.72</u>	<u>139.11</u>
	<b>TOTAL</b>	<b><u>7,941.77</u></b>	<b><u>7,728.52</u></b>

Significant Accounting Policies and Notes to the Financial Statements

1 to 40

As per our attached report of even date.

For and on behalf of the Board

**For GMJ & Co**Chartered Accountants  
Firm Registration No. 103429W**CA. Haridas Bhat**Partner  
Membership No. 039070**Rakesh Tainwala**  
Managing Director  
(DIN:00237671)**Simaran R Mansukhaani**  
Director Finance & CFO  
(DIN:06500475)**Place: Mumbai**  
**Date: May 20, 2019****Place: Mumbai**  
**Date: May 20, 2019****Ruchira Singhania**  
Company Secretary  
(ACS : 47494)

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019 (Amount in INR Lakhs)**

	Note Nos.	2018-19 ₹	2017-18 ₹
<b>REVENUE</b>			
Revenue from operations (net)	20	1152.90	1,149.65
Other income	21	563.81	968.68
<b>Total Revenue (I)</b>		<b>1,716.71</b>	<b>2,118.33</b>
<b>EXPENSES</b>			
Cost of materials consumed	22	949.03	709.92
Purchases for resale	23	283.56	309.51
Changes in inventories of finished goods, work-in-progress and other tradable items	24	(222.92)	15.54
Excise duty		-	1.68
Employee benefits expense	25	233.34	210.53
Finance costs	26	3.77	4.16
Depreciation and amortization expense	27	41.05	39.08
Other expenses	28	250.20	191.39
<b>Total Expenses (II)</b>		<b>1,538.02</b>	<b>1,481.82</b>
Profit/(loss) before exceptional items and tax (I-II)		<b>178.69</b>	<b>636.51</b>
Exceptional Items	29	-	-
Profit/(loss) before tax		178.69	636.51
Tax expense:			
Current tax		-	-
Deferred tax		-	-
Adjustment of tax relating to earlier periods		26.67	-
<b>Profit/(loss) for the period</b>		<b>205.35</b>	<b>636.51</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:</b>			
Remeasurement of gains (losses) on defined benefit plans		(0.71)	3.54
Income tax effect		-	-
Equity Instruments through Other Comprehensive Income		(52.35)	172.58
Income tax effect		-	-
<b>B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:</b>			
		-	-
<b>Other Comprehensive income for the year, net of tax</b>		<b>(53.06)</b>	<b>176.12</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>			
		<b>152.29</b>	<b>812.63</b>
Earnings per share for profit attributable to equity shareholders	29		
Basic and Diluted EPS		2.19	6.80
Significant Accounting Policies and Notes to the Financial Statements	1 to 40		

As per our attached report of even date.

For and on behalf of the Board

**For GMJ & Co**Chartered Accountants  
Firm Registration No. 103429W**CA. Haridas Bhat**Partner  
Membership No. 039070**Rakesh Tainwala**  
Managing Director  
(DIN:00237671)**Simaran R Mansukhaani**  
Director Finance & CFO  
(DIN:06500475)**Place: Mumbai****Date: May 20, 2019****Place: Mumbai**  
**Date: May 20, 2019****Ruchira Singhania**  
Company Secretary  
(ACS : 47494)



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in INR Lakhs)

	2018-19 ₹	2017-18 ₹
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
<b>Profit before tax</b>	178.69	636.51
<b>Adjustments for:</b>		
Depreciation and amortisation expense	41.05	39.08
Gain on sale of investments	(48.47)	(32.70)
Changes in fair value of financial assets at fair value through profit or loss	11.91	(99.89)
Loss allowance on financial assets	25.03	2.82
Sundry balances and provisions no longer required (written back)/written off (Net)	0.27	(2.40)
Dividend and interest income classified as investing cash flows	(531.57)	(823.44)
Finance costs	3.77	4.16
Unrealised foreign exchange differences	4.33	(3.88)
<b>Change in operating assets and liabilities:</b>		
(Increase)/Decrease in trade receivables	98.93	(56.45)
(Increase)/Decrease in inventories	(103.00)	11.43
Increase/(decrease) in trade payables	58.45	6.33
(Increase) in other financial assets		10.00
(Increase)/decrease in other assets	22.89	(37.80)
(Increase)/decrease in other bank balance	(34.88)	(15.74)
Increase/(decrease) in provisions	7.52	10.45
Increase/(decrease) in other financial liabilities	1.09	2.15
Increase/(decrease) in other current liabilities	6.18	(14.51)
<b>Cash generated from operations</b>	<b>(257.81)</b>	<b>(363.88)</b>
Less: Income taxes paid (Net)	(17.46)	(20.01)
<b>Net cash inflow from operating activities</b>	<b>(240.35)</b>	<b>(343.87)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments for property, plant and equipment	(55.36)	(8.85)
Payments for purchase of intangible assets	-	(0.32)
Payments for purchase of investments	(141.96)	(286.54)
(Increase)/decrease in Loans	153.68	17.34
Dividends received	331.15	658.87
Interest received	89.23	101.96
<b>Net cash outflow from investing activities</b>	<b>376.74</b>	<b>482.45</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of borrowings		(18.57)
Interest paid	(3.77)	(4.16)
<b>Net cash inflow (outflow) from financing activities</b>	<b>(3.77)</b>	<b>(22.73)</b>
Net increase (decrease) in cash and cash equivalents	132.62	115.85
Cash and Cash Equivalents at the beginning of the financial year	142.45	26.59
<b>Cash and Cash Equivalents at end of the year</b>	<b>275.06</b>	<b>142.45</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement:</b>		
Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents	275.06	142.45
Bank overdrafts		
<b>Balances per statement of cash flows</b>	<b>275.06</b>	<b>142.45</b>

**Notes :**

1.. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on 'Statement of Cash Flows'  
Significant Accounting Policies and Notes to the Financial Statements 1 to 40

As per our attached report of even date.

**For GMJ & Co**

Chartered Accountants  
Firm Registration No. 103429W

**CA. Haridas Bhat**  
Partner

Membership No. 039070

**Place: Mumbai**

**Date: May 20, 2019**

**For and on behalf of the Board**

**Rakesh Tainwala**  
Managing Director  
(DIN:00237671)

**Simaran R Mansukhaani**  
Director Finance & CFO  
(DIN:06500475)

**Place: Mumbai**  
**Date: May 20, 2019**

**Ruchira Singhania**  
Company Secretary  
(ACS : 47494)

**TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019****1. Corporate Information**

These statements comprise financial statements of Tainwala Chemicals & Plastics (India) Limited (the company)(CIN:L24100MH1985PLC037387) for the year ended March 31, 2019. The company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at Tainwala House, Road No. 18, M.I.D.C., Marol, Andheri (East), Mumbai - 400 093.

"The Company is principally engaged in the manufacturing of plastic sheets and trading."The financial statements were authorised for issue in accordance with a resolution of the directors on May 20, 2019."

**2. Significant Accounting Policies****2.1 Basis of preparation**

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013 ("the Act").

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2019 are the first the Company has prepared in accordance with Ind AS. Refer to Note 41 for information on how the Company adopted Ind AS.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and
- Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**2.2 Summary of significant accounting policies****(a) Property, plant and equipment**

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land are stated at cost. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition

of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work-in-progress.

#### **Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated on straight line basis using the useful lives as prescribed under Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a item of property, plant and equipment at the time of acquisition or the remaining useful life on a subsequent review is shorter than the envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/ remaining useful life. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term. Leasehold assets are amortised on a straight line basis over the balance period of lease.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

#### **(b) Intangible assets**

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

#### **Amortisation methods and periods**

Intangible assets comprising of Surface Rights are amortized on a straight line basis over the useful life of three years which is estimated by the management.

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

#### **(c) Impairment of non financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

#### **(d) Foreign currency translation**

##### **(i) Functional and presentation currency**

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit or loss. Non monetary assets and liabilities are carried at cost.

**(e) Financial Instruments**

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

**Initial Recognition**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

**Classification and Subsequent Measurement:****Financial Assets**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**(i) Amortised Cost**

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(ii) Fair Value through other comprehensive income**

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(iii) Fair Value through Profit or Loss**

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Classification and Subsequent Measurement: Financial liabilities**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

**(i) Financial Liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

**(ii) Other Financial Liabilities:**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised

cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### **Impairment of financial assets**

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

#### **Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

#### **Derecognition of financial liabilities**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **(f) Financial liabilities and equity instruments Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

#### **(g) Taxes**

##### **(i) Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### **(ii) Deferred tax**

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **(h) Inventories**

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

**Raw materials** : Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Valued at lower of cost and net realisable value. Cost is computed on FIFO basis.

**Finished goods and stock in progress** : Finished goods and stock-in-process are valued at lower of cost and net realizable value. Cost for this purpose includes estimated cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

**Traded goods** : Valuation of stock in traded goods is carried out at lower of its cost and quoted market price. Cost is ascertained on FIFO basis.

**Stores and spares** : Stores and spares are charged to consumption in the year of procurement.

#### **(i) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

#### **Recognising revenue from major business activities**

##### **(i) Sale of goods and other tradable items**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

##### **(ii) Interest income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

##### **(iii) Dividend income**

Revenue is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

##### **(j) Employee benefits**

##### **(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of

employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**(ii) Other long-term employee benefit obligations**

The earned leave obligations are presented as current liabilities in the balance sheet as the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**(iii) Post-employment obligations**

The company operates the following post-employment schemes:

- (a) defined benefit plans viz gratuity,
- (b) defined contribution plans viz provident fund/pension fund.

**Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The plan assets are administered by the approved gratuity fund trust.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

**Defined contribution plans**

The company pays provident fund/pension fund contributions to approved publicly administered provident funds/pension funds. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(iv) Termination benefits**

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

**(k) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**(i) As a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**(ii) As a lessor**

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the

Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

#### **(l) Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

#### **(m) Borrowing costs**

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate (EIR) applicable to the respective borrowing.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

All other borrowing costs are recognised as an expense in the period which they are incurred.

#### **(n) Segment Reporting - Identification of Segments**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

#### **(o) Earnings per share Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

#### **Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



**(p) Cash and cash equivalents**

"Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

"For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management."

**(q) Current/non current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

**(r) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**(s) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

**3. Significant accounting judgements, estimates and assumptions**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

**(i) Estimation of net realizable value for inventory**

Inventory is stated at the lower of cost and net realizable value (NRV). "NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified."

**(ii) Impairment of non - financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

**(iii) Recoverability of trade receivables**

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

**(iv) Useful lives of property, plant and equipment/intangible assets**

The Company reviews the useful life of property, plant and equipment/intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**(v) Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**A Equity Share Capital**

(Amount in INR Lakhs)

Particulars	Balance at the Beginning of the year	Changes in Equity share capital	Balance at the end of the year during the year
<b>March 31, 2019</b>			
Numbers	9,363,863	-	9,363,863
Amount	936	-	936.39
<b>March 31, 2018</b>			
Numbers	9,363,863	-	9,363,863
Amount	936	-	936.39

**B Other Equity**

(Amount in INR Lakhs)

Particulars	Reserves and Surplus			Equity Instruments through OCI	Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings		
As at April 1, 2018	250.50	2,507.16	2,054.71	1,796.64	6,609.02
Profit for the period			205.35	-	205.35
Other comprehensive income			(0.71)	(52.35)	(53.06)
Total comprehensive income for the year	-	-	204.65	(52.35)	152.29
As at March 31, 2019	250.50	2,507.16	2,259.36	1,744.29	6,761.31

Significant Accounting Policies and Notes to the Financial Statements

1 to 40

As per our attached report of even date.

**For and on behalf of the Board****For GMJ & Co**Chartered Accountants  
Firm Registration No. 103429W**CA. Haridas Bhat**

Partner

Membership No. 039070

**Place: Mumbai****Date: May 20, 2019****Rakesh Tainwala**Managing Director  
(DIN:00237671)**Simaran R Mansukhaani**Director Finance & CFO  
(DIN:06500475)**Ruchira Singhania**Company Secretary  
(ACS : 47494)**Place: Mumbai****Date: May 20, 2019**

## 4. PROPERTY, PLANT AND EQUIPMENT

Particulars	(Amount in INR Lakhs)									
	Land	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Computer Hardwares	Dies and Moulds	Total
GROSS CARRYING VALUE										
As at April 1, 2018	32.92	1.56	158.03	66.72	0.65	110.96	3.40	0.60	10.47	385.31
Additions					58.23			0.10	0.43	58.75
As at March 31, 2019	32.92	1.56	158.03	66.72	0.65	169.19	3.40	0.70	10.90	444.07
ACCUMULATED DEPRECIATION/IMPAIRMENT										
As at April 1, 2018	-	0.04	22.23	20.50	0.65	42.95	1.89	0.36	3.72	92.35
Depreciation for the year		0.02	10.51	8.48	-	18.98	0.65	0.12	1.72	40.48
As at March 31, 2019		0.06	32.74	28.98	0.65	61.93	2.54	0.48	5.44	132.82
Net Carrying value as at March 31, 2019	32.92	1.50	125.29	37.74	0.00	107.26	0.86	0.22	5.46	311.25
Net Carrying value as at March 31, 2018	32.92	1.52	135.80	46.22	-	68.01	1.51	0.24	6.75	292.97

**Notes :****i. Leased Assets**

Property, Plant and Equipment includes the following amounts where the company is a lessee under finance lease :

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
<b>Land</b>		
Cost	2.15	2.15
Accumulated Depreciation	0.66	0.64
<b>Net carrying amount</b>	<b>1.50</b>	<b>1.52</b>

**ii. Property, Plant and Equipment pledged as security against borrowings by the company**

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
Vehicles	-	58.63

**5. INTANGIBLE ASSETS**

(Amount in INR Lakhs)

Particulars	Computer Software
<b>GROSS CARRYING VALUE</b>	
As at April 1, 2018	1.42
Additions	-
<b>As at March 31, 2019</b>	<b>1.42</b>
<b>ACCUMULATED AMORTISATION AND IMPAIRMENT</b>	
As at April 1, 2018	0.65
Amortisation for the year	-
<b>As at March 31, 2019</b>	<b>0.65</b>
Amortisation for the year	0.57
<b>As at March 31, 2019</b>	<b>1.22</b>
<b>Net Carrying value as at March 31, 2019</b>	<b>0.20</b>
<b>Net Carrying value as at March 31, 2018</b>	<b>0.77</b>

## 6. FINANCIAL ASSETS

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
<b>(A) INVESTMENTS</b>		
<b>Non Current</b>		
<b>(1) Investments carried at fair value through Other Comprehensive Income</b>		
<b>Quoted</b>		
"500 Equity Shares of Elegant Pharmaceuticals Ltd" (March 31,2018: 500 )"	0.16	0.16
Less: Loss allowance	-0.16	-0.16
<b>Unquoted</b>		
30,69,873 Equity Shares of Samsonite South Asia Private Limited (March31,2018:30,69,873 )	2548.77	2610.01
17,500 Equity Shares of Periwinkle Fashions Pvt. Ltd. (March 31,2018:17,500 )	202.51	193.63
	<b>2751.28</b>	<b>2803.63</b>
<b>(2) Investments carried at fair value through Profit and Loss</b>		
<b>(a) Investments in Equity Instruments</b>		
<b>Quoted</b>		
Nil Units of Franklin India High Growth Companies Fund (March 31,2018:60,186)	0	14.62
Nil Units of Franklin India Smaller Growth Companies Fund (March 31,2018:60,654 )	0	17.48
14,040 Units of India Advantage fund (March 31,2018:68,850)	14.04	68.85
IIFL Real Estate Discretionary PMS RE 3 63.39 Units of IIFL India Reit Apt -(Piramal Fund) (March 31,2018:75)	85.55	121.36
Nil Units of ICICI Prudential Focused BlueChip Equity Fund (March 31,2018:95,171)	53.68	92.53
118.72 units of ICICI Prudential Liquid Fund -Daily Dividend (March 31,2018:Nil )	0	36.77
250 Units of Kotak India Growth Fund II (March 31,2018:250 )	0.12	0
Nil Units of Mirae Asset Emerging Bluechip Fund (March 31,2018:36,761)	118.02	126.57
88,929 Units of India Realty Excellence -3 (31 March 2018:63,036 )	0	17.47
75,227.55 Units of DSP Black Rock Emerging Star Fund (March 31,2018:75,227.55)	89.61	63.04
Nil Units of IIFL Wealth Finance Ltd IFPD 6 (March 31,2018:100.00)	114.91	127.86
IIFL Special Opportunities Fund	0	110.2
Nil Units of IIFL India Growth Fund Regular Dividend (March 31,2018:83,772.44 )	107.25	81.39
IIFL Real Estate Fund Domestic Series IV 87,300.1018 Units of Malabar Value Fund (March 31,2018:87,300.1018 )	0	10.31
Nil Units of Motilal Oswal Most Focused Multicap 35 Fund Regular (March 31,2018:1,89,850.623)	98	102.61
Nil Units of IDFC ULTRA SHORT TERM FUND DAILY DIVIDEND (March 31,2018:1,03,525)	101.42	112.51
Nil Units of Birla Sunlife Advantage fund Growth (March 31,2018:8,6633)	0	45.92
	0	10.43
	0	35.13

14,593 Units of Canara Robeco Liquid Fund Regulr DDR ( March 31, 2018: Nil )	0.15	0
Nil Units of Canara Robeco Emerging Equity Regular Growth ( March 31, 2018: 40,863)	0	36.87
Nil Units of Franklin Templeton (March 31,2018:26.932)	0	0.12
Nil Units of HDFC Mid Cap (March 31,2018:13,355.433)	0	7.41
Nil Units of Kotak Select Focus fund (March 31,2018:1,12,615.984)	0	35.83
Nil Units of Reliance Top 200 Fund (March 31,2018:1,16,812)	0	36.23
157 Units of SBI Mutual Fund Magnum Multi Cap fund (March 31,2018:157)	0.12	0.12
9,38,984.47 Units of Motilal Oswal Focus Multicap Opportunity Fund (March 31,2018:9,38,984.47)	98.15	97.33
Reliance Equity Opportunities AIF Scheme I	93.47	28.98
Motilal Oswal- Next Trillion Dollar Opportunities Strategy	225.59	225.12
2,50,000 Units of HDFC EOF REGULAR PLAN (March 31,2018:2,50,00 )	26.97	25.06
India Opportunities Portfolio Strategy	24.09	28.55
India Opportunities Portfolio Strategy V2	22.43	25.74
Nil Units of Birla Sunlife Cash Plus Daily Dividend (March 31,2018: 10,734.509)	0	10.76
Nil Units of Birla sunlife Equity Fund Plan A (March 31,2018:30,172)	0	30.56
IIFL LONG TERM GROWTH FUND	110.75	101.12
Nil Units of MOST ULTRA SHORT TERM BOND FUND DAILY DIV (March 31,2018:1,36,215.721 )	0	13.64
IIDFC CLASSIC Equity Fund Plan A dividend (March 31,2018:2,37,843 )	0	36.28
1,04,210.088 Units of OBCM VANTAGE EQUITY FUND (March 31,2018:1,04,210)	94	99.16
AXIS NEW OPPORTUNITIES AIF -1	48.62	25.16
IIFL Income Opportunities PMS ( Manipal)	500	0
10 Units of IIFLWF-ZERO-COUPON SUBDEBT-SERIES A FV 10LAC 02-MAY-2023	114.41	0
IIFL Special Opportunities Fund	0	
IIFL INDIA PRIVATE EQUITY FUND - CLASS A (AIF CATEGORY II)	47.74	0
Reliance Equity Opportunities AIF Scheme I	0	
Motilal Oswal Focus Multicap Opp Fund	0	
10.49 units of HDFC Liquid Fund Regular Fund -DDR (March 31,2018:Nil)	0.11	0
9.11 Units of Kotak Liquid Regular Plan DDR	0.11	0
7.622 units of RELIANCE LIQUID FUND DDR (March 31,2018:Nil)	0.12	0
India Realty Excellence Fund IV	33.64	0
10 Units of Jana Holdings Ltd (March 31,2018:Nil)	122.38	0
100 units of SAMASTA MICROFINANCE LIMITED (March 31,2018:Nil)	107.74	0
110.935 units of Birla Sunlife Liquid Fund -DDR -Reinvest (March 31,2018:Nil)	0.11	0
11.809 units of Franklin India Liquid Fund -Super Instit Fund-DDR (March 31,2018:Nil)	0.12	0

<b>Unquoted</b>		
<b>Investments in Convertible Debentures</b>		
4,401 Debentures of Tikona Digital Network Private Limited Series C (March 31,2018:4,401 )	149.99	149.99
	<b>2603.39</b>	<b>2209.07</b>
<b>Total</b>	<b>5354.67</b>	<b>5012.7</b>
Aggregate amount of quoted investments	2453.56	2059.24
Aggregate amount of unquoted investments	2901.27	2953.63
Aggregate amount of impairment in the value of investments	-0.16	-0.16
<b>Investments carried at fair value through other comprehensive income</b>	<b>2751.28</b>	<b>2803.63</b>
<b>Investments carried at fair value through profit and loss</b>	<b>2603.39</b>	<b>2209.07</b>
<b>Current</b>		
<b>Investments carried at fair value through Profit and Loss</b>		
<b>Quoted</b>		
<b>Investments in Mutual Funds</b>		
Nil Units of HDFC Cash Management Fund (March 31,2018:8,64,309.572 )	0	248.02
<b>Total</b>	<b>0</b>	<b>248.02</b>
Aggregate amount of quoted investments	0	248.02
<b>Investments carried at fair value through profit and loss</b>	<b>0</b>	<b>248.02</b>
<b>(B) LOANS</b>		
<b>Non Current</b>		
<b>Unsecured, considered good unless otherwise stated</b>		
Loans to Related Parties	401.89	401.89
Other loans	538.1	691.78
<b>Total</b>	<b>939.99</b>	<b>1093.67</b>
<b>Other financial assets</b>		
<b>Receivables on redemption of units of mutual funds</b>		
Accrued interest on :		
- Bank Deposits	2.24	1.03
- Intercorporate Deposits	187.78	77.79
<b>Total</b>	<b>190.02</b>	<b>78.82</b>

**7. INVENTORIES**

(Amount in INR Lakhs)

<b>Particulars</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
(Valued at lower of Cost and Net Realisable value)		
Raw materials	38.72	158.65
Stock in process	85.86	71.73
Finished goods	160.99	107.71
Other tradable items	291.44	135.93
<b>Total</b>	<b>577.01</b>	<b>474.02</b>



## 8. TRADE RECEIVABLES

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
<b>Current</b>		
Trade Receivables	65.28	163.76
	65.28	163.76
<b>Breakup of Security details</b>		
Secured, considered good	-	-
Unsecured, considered good	98.93	172.37
Doubtful	-	-
	98.93	172.37
<b>Loss Allowance (allowance for bad and doubtful debts)</b>		
Unsecured, considered good	33.65	8.62
Doubtful	-	-
	33.65	8.62
	65.28	163.76

Trade or Other Receivable due from directors or other officers of the company either severally or jointly with any other person amounted to INR NIL (Previous year INR NIL)

Trade or Other Receivable due from firms or private companies respectively in which any director is a partner, a director or a member amounted to INR NIL (Previous year INR NIL)

## 9. CASH AND CASH EQUIVALENTS

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
Balances with banks on current accounts	274.07	141.45
Cash on hand	0.99	1.00
	<b>275.06</b>	<b>142.45</b>

## 10. OTHER BANK BALANCES

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
Deposits with banks to the extent held as margin money	72.68	37.80
	<b>72.68</b>	<b>37.80</b>

## 11. OTHER ASSETS

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
<b>Non Current</b>		
<b>Capital Advances</b>	-	-
<b>Advances other than Capital advances</b>		
- Security Deposits	1.72	1.01
<b>Others</b>		
- Payment of Taxes (Net of Provisions)	78.62	72.54
- Balances with Statutory, Government Authorities	22.95	22.95
<b>Total</b>	<b>103.29</b>	<b>96.50</b>
<b>Current</b>		
<b>Advances other than Capital advances</b>		
- Trade Advances	23.02	18.01
- Employees	1.10	3.27
- Advances to Suppliers	2.27	1.47
<b>Others</b>		
- Prepaid expenses	2.22	8.85
- Balances with Statutory, Government Authorities	23.71	55.45
<b>Total</b>	<b>52.31</b>	<b>87.05</b>

**12. INCOME TAX****Deferred Tax**

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
<b>Deferred tax relates to the following:</b>		
Temporary difference in the carrying amount of property, plant and equipment	(13.62)	(4.10)
Revaluation of FVTPL/FVTOCI investments to fair value	(523.16)	(68.66)
Provision for employee benefits	25.69	13.86
Provision for loss on financial assets	8.75	2.24
Losses available for offsetting against future taxable income	502.34	56.66
Net Deferred Tax Assets / (Liabilities)	-	-
	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>Unrecognised deferred tax assets</b>		
Deductible temporary differences		-
Unrecognised tax losses	(242.62)	172.01

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority

Considering the probability of availability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognised in respect of unabsorbed depreciation, business losses and long term capital losses carried forward by the Company

**Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2019 and March 31, 2018**

	March 31, 2019	March 31, 2018
<b>Accounting profit before income tax</b>	<b>178.69</b>	<b>636.51</b>
Enacted tax rate in India	26.00%	30.90%
<b>Income tax on accounting profits</b>	<b>46.46</b>	<b>196.68</b>
<b>Tax effect of</b>		
Depreciation	(3.54)	(0.80)
Expenditure allowable on payment basis and other disallowances	98.83	46.15
Income considered separately	(136.02)	(35.86)
Dividend income	(86.10)	(203.59)
Carried forward losses adjusted	85.79	7.80
Others	(5.41)	(10.38)
<b>Tax at effective income tax rate</b>	<b>0.00</b>	<b>0.00</b>

**Changes in tax rate**

Where the applicable tax rate changed during the year, the adjustments to the deferred tax balances appear as another reconciling item in the reconciliation of accounting profit multiplied by tax rate to income tax expense. The associated explanations could be along the following lines:

The reduction of the Indian corporate tax rate from 30.90% to 26.00% was substantively enacted on Finance Act, 2018 and will be effective from April 2018. As a result, the relevant deferred tax balance have been remeasured. Deferred tax expected to reverse in the year to March 31, 2019 has been measured using the effective rate that will apply in India for the period (26%).

The impact of the change in tax rate has been recognised in tax expense in profit or loss, except to the extent that it relates to items previously recognised outside profit or loss

**13. SHARE CAPITAL****i. Authorised Share Capital**

(Amount in INR Lakhs)

**At April 1, 2018**

Increase/(decrease) during the year

**At March 31, 2019**

	Equity Share	
	Number	Amount
At April 1, 2018	14,000,000	1,400
Increase/(decrease) during the year	-	-
<b>At March 31, 2019</b>	<b>14,000,000</b>	<b>1,400</b>

**Terms/rights attached to equity shares**

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. In the event of liquidation of 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, 2013, read together with the Memorandum of Association and Articles of Association of the Company, as applicable.

**ii. Issued Capital**

(Amount in INR Lakhs)

	Number	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2018	9,363,863	936.39
Issued during the period	-	-
<b>At March 31, 2019</b>	<b>9,363,863</b>	<b>936.39</b>

**iii. Details of shareholders holding more than 5% shares in the company**

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	Number	% holding	Number	% holding
<b>Equity shares of INR 10 each fully paid</b>				
Lila Devi Tainwala	2,890,130	30.86%	2,885,155	30.81%
Concept Reality and Securities Private Limited	1,806,658	19.29%	1,806,658	19.29%
Shobha Tainwala	972,069	10.38%	972,069	10.38%
Rajkumar Tainwala	518,910	5.54%	515,434	5.50%

iv. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date - NIL:

v. None of the above shares are reserved for issue under options/contract/commitments for sale of shares or disinvestments.

vi. The Company does not have any holding company.

**14. OTHER EQUITY****i. Reserves and Surplus**

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
Capital Reserve	250.50	250.50
Securities Premium Reserve	2,507.16	2,507.16
Retained Earnings	2,259.36	2,054.71
	<b>5,017.02</b>	<b>4,812.37</b>

**(a) Capital Reserve**

(Amount in INR Lakhs)

	March 31, 2019	March 31, 2018
Opening balance	250.50	250.50
Add/(Less):	-	-
<b>Closing balance</b>	<b>250.50</b>	<b>250.50</b>

Capital reserve is created as per the provisions of the Companies Act, 2013.

**(b) Securities Premium Reserve**

	March 31, 2019	March 31, 2018
Opening balance	2,507.16	2,507.16
Add/(Less):	-	-
<b>Closing balance</b>	<b>2,507.16</b>	<b>2,507.16</b>

The amount received in excess of face value of the equity shares is recognised in Share premium reserve. This is not available for distribution of dividend but can be utilised for issuing bonus shares

**(c) Retained Earnings**

(Amount in INR Lakhs)

	March 31, 2019	March 31, 2018
Opening balance	2,054.71	1,414.66
Net Profit/(Loss) for the period	205.35	636.51
Add/(Less):		
Items of Other Comprehensive Income directly recognised in Retained Earnings		
Remeasurement of post employment benefit obligation, net of tax	(0.71)	3.54
<b>Closing balance</b>	<b>2,259.36</b>	<b>2,054.71</b>

**ii. Components of Other Comprehensive Income**

Particulars	March 31, 2019	March 31, 2018
Equity Instruments through OCI	1,744.29	1,796.64
	<b>1,744.29</b>	<b>1,796.64</b>

**Equity Instruments through OCI**

	March 31, 2019	March 31, 2018
Opening balance	1,796.64	1,624.06
Add/(Less):		
Fair value changes recognised in OCI	(52.35)	172.58
<b>Closing balance</b>	<b>1,744.29</b>	<b>1,796.64</b>

**15. BORROWINGS**

Particulars	March 31, 2019	March 31, 2018
<b>Non Current Borrowings</b>		
<b>Secured</b>		
Vehicle Loans from Non Banking Financial Institution		17.60
(A)	-	<b>17.60</b>
<b>Current Maturity of Non Current Borrowings</b>		
Vehicle Loans from Non Banking Financial Institution		17.60
(B)		<b>17.60</b>
<b>Total (A)-(B)</b>		-
<b>Current Borrowings</b>		
<b>Secured</b>		
Cash Credit from Bank	-	-
<b>Total</b>		-

Particulars	March 31, 2019	March 31, 2018
<b>Non Current Borrowings</b>		
<b>Secured</b>		
"Vehicle Loans from Non Banking Financial Institution	-	17.60
"(Secured against hypothecation of Motor vehicles purchased		
"Repayable in 36 equal monthly installments of INR 1,84,894)"		
<b>Non Current Borrowings</b>	-	<b>17.60</b>
Less: Current maturity	-	(17.60)
<b>Non Current Borrowings (as per Balance sheet)</b>	-	-
<b>Current Borrowings</b>		
<b>Secured</b>		
Cash Credit from banks*	-	-
	-	-

**Net debt Reconciliation**

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented  
(Amount in INR Lakhs)

	March 31, 2019	March 31, 2018
Current Borrowings	-	-
Non-current Borrowings		17.60
<b>Net Debt</b>	-	<b>17.60</b>

**Liabilities from financing activities**

	Non Current Borrowings	Current Borrowings	Total
<b>Net Debt as at April 1, 2018</b>	<b>16.70</b>	-	<b>16.70</b>
<b>Cash Inflow</b>		-	-
<b>Cash Outflow</b>	<b>(16.70)</b>	-	<b>(16.70)</b>
<b>Interest Expense</b>	<b>0.57</b>	-	<b>0.57</b>
<b>Interest Paid</b>	<b>(0.57)</b>	-	<b>(0.57)</b>
<b>Net Debt as at March 31, 2019</b>	<b>0.00</b>		<b>0.00</b>

**16. OTHER FINANCIAL LIABILITIES**

Particulars	March 31, 2019	March 31, 2018
<b>Current</b>		
<b>Financial Liabilities at amortised cost</b>		
Current maturities of long term Loan from bank	-	17.60
Security Deposits From Customers	0.98	1.26
Due to employees	19.58	18.21
<b>Total</b>	<b>20.56</b>	<b>37.07</b>

**17. TRADE PAYABLES**

Particulars	March 31, 2019	March 31, 2018
<b>Current</b>		
Trade Payables to Micro, Small and Medium Enterprises	-	-
Trade Payables to Others	153.76	90.98
<b>Total</b>	<b>153.76</b>	<b>90.98</b>

**18. OTHER LIABILITIES**

Particulars	March 31, 2019	March 31, 2018
<b>Current</b>		
Advance received from Customers	1.37	0.41
Statutory Liabilities	9.74	4.24
<b>Total</b>	<b>11.11</b>	<b>4.65</b>

**19. PROVISIONS**

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
<b>Non Current</b>		
Provision for employee benefits		
Gratuity	49.35	44.00
<b>Total</b>	<b>49.35</b>	<b>44.00</b>
<b>Current</b>		
Provision for employee benefits		
Gratuity	2.86	1.38
Leave encashment	6.43	5.02
<b>Total</b>	<b>9.29</b>	<b>6.40</b>

**20. REVENUE FROM OPERATIONS**

Particulars	2018-19	2017-18
<b>Sale of products (inclusive of excise duty)</b>		
Sale of Products	1,069.55	846.52
Sale of Other tradable items	83.35	303.13
	<b>1,152.90</b>	<b>1,149.65</b>

Sale of goods includes excise duty collected from customers of INR NIL Lakhs (March 31, 2018: INR 19.12 Lakhs)

**21. OTHER INCOME**

Particulars	2018-19	2017-18
<b>Interest income on</b>		
Bank fixed deposits	3.90	1.89
Inter corporate deposits	130.87	117.63
Customers and others	61.58	45.04
<b>Dividend Income On Investments</b>	4.07	-
- Long Term	314.79	617.95
- Units of Mutual Fund	16.37	40.93
<b>Other Non Operating Income</b>		
Fair value gain on financial instruments at fair value through profit and loss	-	99.89
Fair value gain on financial instruments at amortised cost	(11.91)	-
Net gain on disposal of property, plant and equipment	3.39	
Foreign Exchange Fluctuation Gain	(4.33)	3.88
Net gain on sale of Investments (Mutual Funds)	45.08	32.70
<b>Others</b>		
Rent received	-	6.36
Sundry balances written back	-	2.40
	<b>563.81</b>	<b>968.68</b>

**22. COST OF MATERIALS CONSUMED**

Particulars	2018-19	2017-18
As at beginning of the year	158.65	154.54
Add: Purchases	829.10	714.03
Less : As at end of the year	(38.72)	(158.65)
	<b>949.03</b>	<b>709.92</b>

**23. PURCHASES OF OTHER TRADABLE ITEMS**

Particulars	2018-19	2017-18
Purchase of other tradable items	283.56	309.51
	<b>283.56</b>	<b>309.51</b>

**24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND OTHER TRADEABLE ITEMS**

(Amount in INR Lakhs)

Particulars	2018-19	2017-18
<b>Inventories as at the beginning of the year</b>		
Stock in Process	71.73	97.41
Finished goods	107.71	101.80
Other tradable items	135.93	131.71
<b>Total</b>	<b>315.37</b>	<b>330.91</b>
<b>Less : Inventories as at the end of the year</b>		
Stock in Process	85.86	71.73
Finished goods	160.99	107.71
Other tradable items	291.44	135.93
<b>Total</b>	<b>538.29</b>	<b>315.37</b>
<b>Excise duty on decrease / (increase) of stock</b>	-	<b>1.68</b>
<b>Net decrease / (increase) in inventories</b>	<b>(222.92)</b>	<b>15.54</b>

**25. EMPLOYEE BENEFITS EXPENSE**

Particulars	2018-19	2017-18
Salaries, wages and bonus	209.45	189.97
Contribution to provident and other funds	20.13	16.71
Staff welfare expenses	3.77	3.85
	<b>233.34</b>	<b>210.53</b>

**26. FINANCE COST**

Particulars	2018-19	2017-18
Interest expense on debts and borrowings	3.77	4.16
	<b>3.77</b>	<b>4.16</b>

**27. DEPRECIATION AND AMORTISATION EXPENSE**

Particulars	2018-19	2017-18
Depreciation on tangible assets	40.48	38.76
Amortisation on intangible assets	0.57	0.32
	<b>41.05</b>	<b>39.08</b>

**28. OTHER EXPENSES**

Particulars	2018-19	2017-18
Job Work Charges	19.16	-
Power and fuel	62.79	50.08
Repairs and maintenance		
Building	22.89	4.97
Plant and Machinery	5.30	10.43
Others	4.06	10.12
Rates and taxes	7.82	3.85
Rent	9.89	-
Insurance	14.45	11.94
Directors' sitting fees	0.30	0.45
Legal and professional fees	5.24	5.37
Syndication / Portfolio Management fees	20.55	5.18
Payments to auditors (Refer note below)	2.00	2.00
Donation	0.25	0.11
Premium on Rent	1.43	4.32
Printing and Stationary	0.95	0.98

Security charges	10.46	9.85
Telephone and internet expenses	4.35	3.69
Travelling & conveyance expenses	12.63	21.82
Advertisement	0.57	0.64
Commission	2.44	18.32
Sundry Balances w/off	0.27	-
Discount	-	-
Sales promotion expenses	6.09	13.85
Carriage Outward	0.82	-
Loss allowance on financial assets	25.03	2.82
Miscellaneous expenses	10.46	10.60
<b>Total</b>	<b>250.20</b>	<b>191.39</b>
<b>Note : Details of Payments to auditors</b>		
<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Audit Fee	1.00	1.00
Tax audit fee	0.25	0.25
Limited review fee	0.75	0.75
	<b>2.00</b>	<b>2.00</b>

**29. EARNINGS PER SHARE**

Particulars	2018-19	2017-18
<b>(a) Basic and Diluted earnings per share</b>	2.19	6.80
<b>(b) Reconciliations of earnings used in calculating earnings per share</b>		
Profit attributable to the equity holders of the company used in calculating basic and diluted earnings per share	205.35	636.51
<b>(c) Weighted average number of shares used as the denominator</b>		
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	93.64	93.64

**30. EMPLOYEE BENEFIT OBLIGATIONS**

	March 31, 2019			March 31, 2018		
	Current	Non Current	Total	Current	Non Current	Total
Leave obligations	6.43	-	6.43	5.02	-	5.02
Gratuity	2.86	49.35	52.2	1.38	44.00	45.38
Total Employee Benefit Obligation	9.29	49.35	58.63	6.40	44.00	50.40

**(i) Leave Obligations**

The leave obligations cover the company's liability for sick and earned leave.

The amount of the provision of INR 6.43 Lakhs (March 31, 2018: INR 5.02 Lakhs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

**(ii) Post Employment obligations****a) Gratuity**

"The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service." "The gratuity plan is an unfunded plan."



The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows

	Present value of obligation
As at April 1, 2018	45.38
Current service cost	2.67
Interest expense/(income)	3.44
Total amount recognised in profit or loss	6.11
Remeasurements (Gain)/Loss arising on defined benefit obligation-	0.71
Total amount recognised in other comprehensive income	0.71
Employer contributions	-
Benefit payments	-
As at March 31, 2019	52.20

The significant actuarial assumptions were as follows:

	March 31, 2019	March 31, 2018
Discount rate	7.50%	7.70%
Salary growth rate	5.50%	5.50%
Retirement age	58 Years	58 Years
Withdrawal Rate	Age 21- 30 : 5%	Age 21- 30 : 5%
	Age 31- 40 : 3%	Age 31- 40 : 3%
	Age 41- 50 : 2%	Age 41- 50 : 2%
	Above 51 : 1%	Above 51 : 1%
Mortality Table	Indian Assured Live Mortality (2006-08) Ult	Indian Assured Live Mortality (2006-08) Ult

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is shown below :

Assumptions	Discount rate		Salary growth rate	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
<b>Sensitivity Level</b>				
<b>March 31, 2019</b>				
Impact on defined benefit obligation	(1.80)	1.89	1.52	(1.45)
% Impact	-3.44%	3.62%	2.91%	-2.78%
<b>March 31, 2018</b>				
Impact on defined benefit obligation	(1.68)	1.77	1.39	(1.33)
% Impact	-3.71%	3.91%	3.07%	-2.93%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected cash flows in future years:

(Amount in INR Lakhs)

	March 31, 2019	March 31, 2018
Year 1	2.86	1.38
Year 2	1.26	2.64
Year 3	5.05	1.18
Year 4	3.18	4.62
Year 5	7.29	2.96
Year 6 to 10	43.11	40.68
<b>Total expected payments</b>	<b>62.74</b>	<b>53.46</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 11.52 years (March 31, 2018: 11.98 years)

**b) Defined contribution plans**

The company also has defined contribution plans. Contributions are made to provident fund/pension fund in India for employees as per regulations. The contributions are made to registered provident fund/pension fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 6.82Lakh (March 31, 2018: INR 8.31 Lakh).

**31. COMMITMENTS AND CONTINGENCIES**

(Amount in INR Lakhs)

**A. Commitments****Capital Commitments**

Capital commitment contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	<u>March 31, 2019</u>	<u>March 31, 2018</u>
Capital commitment in respect of non current investments	588.75	458.54

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.

**B. Contingent Liabilities**

	<u>March 31, 2019</u>	<u>March 31, 2018</u>
Performance bank guarantees	15.98	49.75

**32. RELATED PARTY TRANSACTIONS**

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

<b>Name of Related Party</b>	<b>Nature of Relationship</b>
<b>Key management personnel</b>	
Rakesh Tainwala	Managing Director
Simaran R Mansukhaani	Executive Director and CFO
Rajkumar Tainwala	Executive Director
Shriddha Gupta (From March 1, 2018 to 13/06/2018)	Company Secretary
Alfez Solanki (From 13/06/2018 to 05/11/2018)	
Ruchira Singhania (From 07/12/2018)	
Mayank G Dhuldhoya	Director
Ketan Dhirajlal Barai	Director
Chandraprakash K Doshi	Director

**Relatives of Key management personnel**

Vandana Tainwala

Dungarmal Tainwala

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

Abhishri Packaging Private Limited

**(ii) Transactions with related parties**

The following transactions occurred with related parties

(Amount in INR Lakhs)

Nature of Relationship	Nature of Transaction	March 31, 2019	March 31, 2018
Key management personnel	Remuneration	82.57	55.12
Relatives of Key management personnel	Remuneration	17.02	17.17
Enterprises in which Key management personnel and/ or their relatives have significant influence	Sale of Goods	537.93	276.32
	Purchase of Goods	34.01	161.49
	Rent Income	0	7.46
	Interest Income	36.17	32.55

**(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 Rakesh Tainwala INR 64.87 Lakhs (Previous Year INR 40.87 Lakhs); Dungarmal Tainwala INR 9.60 Lakhs (Previous Year INR 9.75 Lakhs); Vandana Tainwala INR 7.42 Lakhs (Previous Year INR 7.42 Lakhs); and Simaran Mansukhaani INR 14.42 Lakhs (Previous Year INR 14.26 Lakhs)

Sale of goods has been made to Abhishri Packaging Private Limited INR 537.93 Lakhs (Previous year 276.32)

Purchase of goods has been made from Abhishri Packaging Private Limited INR 34.01 Lakhs (Previous Year INR 161.49 Lakhs)

Rent income from Abhishri Packaging Private Limited is NIL (Previous year INR 6.32 Lakhs) and from Tainwala Personal Care Products Private Limited is NIL (Previous year INR 1.13 Lakhs)

Interest income is from Abhishri Packaging Private Limited INR 36.16 Lakhs (Previous Year INR 32.55 Lakhs)

**(iv) Outstanding balances**

(Amount in INR Lakhs)

Nature of Relationship	Nature	March 31, 2019	March 31, 2018
Key management personnel	Remuneration Payable	3.67	3.74
Relative of a key management personnel	Remuneration Payable	1.33	1.31
Enterprises in which Key management personnel and/ or their relatives have significant influence	Loans given outstanding	401.89	401.89
	Receivable as at year end	391.16	391.16
	Less: Loss allowance	(391.16)	(391.16)
	Investments	1006.99	1,006.99

**(v) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:**

Loan balance as at year end given to Abhishri Packaging Private Limited INR 401.89 Lakhs (Previous Year INR 401.89 Lakhs)

Receivable as at year end (fully provided for loss allowance) relates to Tainwala Holdings Private Limited INR 391.16 Lakhs (Previous Year INR 391.16 Lakhs)

Investment at year end relates to Samsonite South Asia Private Limited INR 306.99 Lakhs (Previous Year INR 306.99 Lakhs) and Periwinkle Fashions Private Limited INR 700 Lakhs (Previous Year INR 700 Lakhs)

Payables for remuneration as at year end relates to Rakesh Tainwala INR 2.82 Lakhs (Previous year INR 3.67); Dungarmal Tainwala INR 0.76 Lakhs (Previous year INR 0.74 Lakhs); Vandana Tainwala INR 0.57 Lakhs (Previous year INR 0.56 Lakhs); and Simaran Mansukhaani INR 0.85 Lakhs (Previous year INR 0.70 Lakhs)

#### (vi) Key management personnel compensation

(Amount in INR Lakhs)

	March 31, 2019	March 31, 2019
Short term employee benefits	82.57	55.12
Post-employment benefits	16.29	15.05
	<b>98.86</b>	<b>70.17</b>

#### (vii) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables and payables. For the year ended March 31, 2019, the loss allowance on amount receivable from related party is INR 391.16 Lakhs (Previous year : INR 391.16 Lakhs). This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

### 33. SEGMENT REPORTING

**A. For management purposes, the Company is organised into business units based on its products and services and has two reportable segments, as follows :**

- Plastic Sheets
- Securities Trading

No operating segments have been aggregated to form the above reportable operating segment

The Managing Director (MD) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

#### Year ended March 31, 2019

(Amount in INR Lakhs)

Particulars	Plastic Sheets	Securities Trading	"Total"Segments"
<b>Revenue</b>			
External customers	1,069.55	83.35	1,152.90
Inter-segment			
<b>Total revenue</b>	<b>1,069.55</b>	<b>83.35</b>	<b>1,152.90</b>
<b>Result:</b>			
Segment results	(210.70)	(65.25)	(275.95)
<b>Add(Less):</b>			
Interest expenses			(3.77)
Interest income			200.42
Other Unallocated income/(expense) (net)			257.99
<b>Profit before taxation</b>			
Tax expense			178.69
<b>Profit after tax</b>	<b>-</b>	<b>-</b>	<b>178.69</b>

<b>OTHER INFORMATION:</b>			
Segment assets	789.47	314.46	1,103.93
Unallocable assets			<b>6,837.84</b>
<b>Total assets</b>	<b>789.47</b>	<b>314.46</b>	<b>7,941.77</b>
Segment liabilities	244.07	-	244.07
Unallocable liabilities	-	-	
<b>Total liabilities</b>	<b>244.07</b>	<b>-</b>	<b>244.07</b>

Year ended March 31, 2018

(Amount in INR Lakhs)

Particulars	Plastic Sheets	Securities Trading	"Total" segments"
<b>Revenue</b>			
External customers	846.52	303.13	1,149.65
Inter-segment	-	-	-
<b>Total revenue</b>	<b>846.52</b>	<b>303.13</b>	<b>1149.65</b>
Result:			
Segment results	(362.33)	33.59	(328.74)
Interest expenses	-	-	(4.16)
Interest income	-	-	164.56
Unallocated income/(expense) (net)	-	-	804.54
Profit before taxation	-	-	636.51
Tax expense	-	-	-
<b>Profit after tax</b>	<b>-</b>	<b>-</b>	<b>636.51</b>
<b>OTHER INFORMATION:</b>			
Segment assets	954.65	135.93	1090.58
Unallocable assets	-	-	6,637.93
<b>Total assets</b>	<b>954.65</b>	<b>135.93</b>	<b>7,728.51</b>
Segment liabilities	183.11	-	183.11
Unallocable liabilities	-	-	-
<b>Total liabilities</b>	<b>183.11</b>	<b>-</b>	<b>183.11</b>

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

#### Revenue from Major Customers

Revenue from one customer amounted to INR 537,92,528 (March 31, 2018: INR 282,97,563), arising from sales in the Plastic Sheets Segment.

## 34. FAIR VALUE MEASUREMENTS

## i. Financial Instruments by Category

(Amount in INR Lakhs)

Particulars	Carrying Amount		Fair Value	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>FINANCIAL ASSETS</b>				
<b>Amortised cost</b>				
Trade Receivables	65.28	163.76	65.28	163.76
Loans	939.99	1,093.67	939.99	1,093.67
Cash and Cash Equivalents	275.06	142.45	275.06	142.45
Other Bank Balances	72.68	37.80	72.68	37.80
Other Financial Assets	190.02	78.82	190.02	78.82
<b>FVTPL</b>				
Investments in Mutual Funds	2,603.39	2,457.09	2,603.39	2,457.09
<b>FVTOCI</b>				
Investment in Unquoted Equity Instruments	2,751.28	2,803.63	2,751.28	2,803.63
<b>Total</b>	<b>6,897.70</b>	<b>6,777.21</b>	<b>6,897.70</b>	<b>6,777.21</b>
<b>FINANCIAL LIABILITIES</b>				
<b>Amortised cost</b>				
Borrowings	-	17.60	-	17.60
Trade Payables	153.76	90.98	153.76	90.98
Other financial liabilities	20.56	19.47	20.56	19.47
<b>Total</b>	<b>174.33</b>	<b>128.06</b>	<b>174.33</b>	<b>128.06</b>

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair values for loans and other non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the Fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

## ii. Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Assets and liabilities measured at fair value - recurring fair value measurement:

(Amount in INR Lakhs)

Particulars	March 31, 2019			Total	March 31, 2018			Total
	Fair value measurement using				Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
<b>Financial Assets</b>								
<b>Financial Assets at FVTPL</b>								
Investments in Mutual Funds	2603.39	-	-	2603.39	2,457.09	-	-	2,457.09
<b>Financial Assets at FVTOCI</b>								
Investment in Unquoted Equity Instruments	-	-	2751.28	2751.28	-	-	2,803.63	2,803.63
<b>Total Financial Assets</b>	<b>2603.39</b>	<b>-</b>	<b>2751.28</b>	<b>5354.67</b>	<b>2,457.09</b>	<b>-</b>	<b>2,803.63</b>	<b>5,260.72</b>

**There have been no transfers among Level 1, Level 2 and Level 3 during the period**

**Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2** - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

**Level 3** - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

**iii. Valuation technique used to determine fair value**

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the use of Breakup value/net asset value for unquoted equity instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

**iv. Valuation inputs and relationships to fair value**

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2019 and March 31, 2018 are shown as below:

Particulars	Valuation technique
Unlisted equity securities	Net Assets / Breakup value method

**v. Valuation processes**

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee. Discussions of valuation processes and results are held between the CFO, audit committee and the valuation team regularly.

**vi. Reconciliation of fair value measurement of financial assets classified as FVTOCI (Level 3):**

(Amount in INR Lakhs)

Particulars	Unquoted equity shares
<b>As at April 1, 2018</b>	<b>2,803.63</b>
Remeasurement recognised in OCI	(52.35)
<b>As at March 31, 2019</b>	<b>2751.28</b>

**35. FINANCIAL RISK MANAGEMENT**

The Company's activity exposes it to market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. This note explains the sources of risk which the entity is exposed to and how the company manages the risk.

**(A) Credit risk**

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

**i. Credit risk management**

Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

**ii. Provision for expected credit losses**

The company follows 'simplified approach' for recognition of loss allowance on Trade receivables.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

**iii. Reconciliation of loss allowance provision - Trade receivables**

(Amount in INR Lakhs)

Particulars	
<b>Loss allowance on April 1, 2018</b>	<b>8.62</b>
Changes in loss allowance	25.03
<b>Loss allowance on March 31, 2019</b>	<b>33.65</b>

**(B) Liquidity risk**

"Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company consistently generated sufficient cash flows from operations to meet its financial obligations. Also, the Company has unutilized credit limits with banks.

"Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements."



**Maturities of financial liabilities**

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings includes both interest and principal cash flows. To the extent that interest rates are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

(Amount in INR Lakhs)

**Contractual maturities of financial liabilities**

Particulars	Contractual cash flows				
	Carrying Amount	Total	Less than 1 year	1 to 5 years	More than 5 years
<b>March 31, 2019</b>					
Borrowings	-	-	-	-	-
Trade payables	153.76	153.76	153.76	-	-
Other financial liabilities	20.56	20.56	20.56	-	-
<b>Total financial liabilities</b>	<b>174.33</b>	<b>174.33</b>	<b>174.33</b>	-	-
<b>March 31, 2018</b>					
Borrowings	17.60	18.06	18.06	-	-
Trade payables	90.98	90.98	90.98	-	-
Other financial liabilities	19.47	19.47	19.47	-	-
<b>Total financial liabilities</b>	<b>128.06</b>	<b>128.52</b>	<b>128.52</b>	-	-

**(C) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as commodity risk.

**(i) Foreign currency risk**

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the import of goods.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies and standard operating procedures to mitigate the risks.

**(a) The company exposure to foreign currency risk at the end of the reporting period expressed in INR lakhs, are as follows**

	USD
<b>March 31, 2019</b>	
Trade Payable	(2.88)
<b>Net exposure to foreign currency risk</b>	<b>(2.88)</b>
<b>March 31, 2018</b>	
Trade Payable	(62.83)
<b>Net exposure to foreign currency risk</b>	<b>(62.83)</b>

**(b) Foreign currency sensitivity**

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

	2018-19		2017-18	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	(0.03)	0.03	(0.63)	0.63
<b>Net Increase/(decrease) in profit or loss</b>	<b>(0.03)</b>	<b>0.03</b>	<b>(0.63)</b>	<b>0.63</b>

**(ii) Interest rate risk**

The Company primarily borrows funds under fixed interest rate arrangements with banks and financial institutions and therefore the Company is not exposed to interest rate risk.

**(iii) Price risk**

The Company is not significantly exposed to changes in the prices of commodities/equity instruments.

**36. CAPITAL MANAGEMENT**

For the purpose of the company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

(Amount in INR Lakhs)

	March 31, 2019	March 31, 2018
Borrowings	-	17.60
Trade payables	153.76	90.98
Other financial liabilities	20.56	19.47
Less: Other Bank Balances	(72.68)	(37.80)
<b>Net Debt</b>	<b>101.65</b>	<b>90.26</b>
Equity share capital	936.39	936.39
Other Equity	6,761.31	6,609.02
<b>Total Capital</b>	<b>7,697.70</b>	<b>7,545.40</b>
<b>Capital and net debt</b>	<b>7,799.35</b>	<b>7,635.66</b>
<b>Gearing ratio(%)</b>	<b>1.30</b>	<b>1.18</b>

No financial covenants for capital structure have been stipulated in the contracts for borrowings

**37. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)**

(Amount in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
Principal amount due to suppliers under MSMED Act, 2006	-	-
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-
Payment made to suppliers ( other than interest ) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act, ( other than Section 16 )	-	-
Interest paid to suppliers under MSMED Act, ( Section 16 )	-	-
Interest due and payable to suppliers under MSMED Act, for payment already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-

The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the Company.

**38. DISCLOSURES REQUIRED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013**

Name of the Party	Nature	Rate of interest	March 31, 2019	March 31, 2018
Action Bridge Gap Constructing Private Limited	Loan Given	12%	300.00	300.00
Amazon Health Medical Tourism Private Limited	Loan Given	12%	7.00	7.00
Rakhi Trading Private Limited	Loan Given	12%	-	351.00

**39. STANDARDS ISSUED BUT NOT YET EFFECTIVE****Ind AS 115 - Revenue from Contracts with Customers**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Description of performance obligations is as follows:

- Revenue is recognised upon transfer of control of products or services to customers in an amount that reflects the consideration, which is net of estimated rebates and other similar allowances when the units of products are delivered.
- Dividends are credited to Income statement when the right to receive such dividend is established. Interest income is recognised using effective interest rate method.

Ind AS 115 supersedes Ind AS 11 Construction Contracts, Ind AS 18 Revenue and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

**OTHERS**

- 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.
- 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 March 31, 2019.

**40. Figures of the previous year have been regrouped, reclassified and/or rearranged wherever necessary**

Significant Accounting Policies and Notes forming part of the Financial Statements 1 to 40

As per our attached report of even date.

**For and on behalf of the Board**

**For GMJ & Co**

Chartered Accountants  
Firm Registration No. 103429W  
**CA. Haridas Bhat**

**Rakesh Tainwala**  
Managing Director  
(DIN:00237671)

**Simaran R Mansukhaani**  
Director Finance & CFO  
(DIN:06500475)

Partner  
Membership No. 039070

**Ruchira Singhania**  
Company Secretary  
(ACS : 47494)

**Place: Mumbai**  
**Date: May 20, 2019**

**Place: Mumbai**  
**Date: May 20, 2019**

**TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED**  
**CIN: L24100MH1985PLC037387**

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

**ATTENDANCE SLIP**

34th Annual General Meeting, 23rd September, 2019 at 11.00 a.m  
(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 THIRTY FOURTH ANNUAL GENERAL MEETING of the Company being held at 3rd Floor, "Tainwala House", Road No. 18, M.I.D.C., Marol, Andheri (East), Mumbai - 400 093 at 11.00 a.m. on Monday, the 23rd day of September, 2019.

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

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

**Form No. MGT-11  
Proxy Form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3)  
Of the Companies (Management And Administration) Rules, 2014]

**CIN: L24100MH1985PLC037387**

Name of the Company : **Tainwala Chemicals And Plastics India Limited**

Registered Office: "TAINWALA HOUSE" ROAD NO 18, OPP. PLOT NO 118, MIDC, MAROL, ANDHERI (EAST),  
MUMBAI-400093.

Name of the Member(S) : \_\_\_\_\_

Registered address : \_\_\_\_\_  
\_\_\_\_\_

E-Mail ID : \_\_\_\_\_

Folio No./Client Id & DP. Id : \_\_\_\_\_

I/We, being the member (S) of \_\_\_\_\_ Shares of the above named Company, hereby appoint

1) Name : \_\_\_\_\_

Address : \_\_\_\_\_  
\_\_\_\_\_

E-Mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_, or failing him

2) Name : \_\_\_\_\_

Address : \_\_\_\_\_  
\_\_\_\_\_

E-Mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_, or failing him

3) Name : \_\_\_\_\_

Address : \_\_\_\_\_  
\_\_\_\_\_

E-Mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the company, to be held on Monday, 23rd September, 2019 at 11.00 am and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution Nos.

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance Sheet, Profit & Loss Account and the Reports of Directors' and Auditors as on 31st March, 2019.
2. To appoint a Director in place of Mrs. Simaran Mansukhaani (DIN: 06500475), who retires by rotation and being eligible, offers herself for re-appointment.

**SPECIAL BUSINESS:**

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

"RESOLVED THAT pursuant to the provisions of the Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made there under, read with Schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Mayank Gunvant Dhuldhoya (DIN:00067165), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board, be and is hereby re-appointed as an independent Director of the Company to hold office for a second term of 5 (Five) consecutive years commencing from 24<sup>th</sup> September, 2019."

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

"RESOLVED THAT pursuant to the provisions of the Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made there under, read with Schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Chandraprakash Kanhaiyalal Doshi (DIN 02264856), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board, be and is hereby re-appointed as an independent Director of the Company to hold office for a second term of 5 (Five) consecutive years commencing from 24<sup>th</sup> September, 2019."

Signed this-----day of -----2019.

Signature of shareholders(s)

Signature of proxyholders(s)



Notes: 1.

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.



## REGISTERED-POST

If undelivered kindly return to:

**LINK INTIME INDIA PRIVATE LIMITED**

C 101, 247 Park, L.B. S. Marg,  
Vikhroli (West), Mumbai – 400 083.  
Ph.No.: 22 49186000