



## CORPORATE INFORMATION

### KEY MANAGERIAL PERSONNEL

**Mr. Bharat Parekh**  
Managing Director

**Mr. Ishan Selarka**  
Independent Director

**Mr. Ravindra Shukla**  
Independent Director

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<b>CIN :</b>	<b>L28129MH1982PLC026917</b>
<b>Registered Office:</b>	<b>Plot No. J-61, Additional - MIDC, Murbad District, Thane, Mumbai 421401</b>
<b>Telephone No:</b>	<b>+91 22 22873078/40026214</b>
<b>Fax No:</b>	<b>+91 22 22874479</b>
<b>E-mail:</b>	<b>ir@tpiindia.com</b>
<b>Website:</b>	<b>www.tpiindia.in</b>
<b>Registrar and Transfer Agents:</b>	<b>Big Share Services Pvt. Ltd. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai 400059</b>
<b>Telephone No:</b>	<b>+91 22 62638200/295</b>
<b>E-mail:</b>	<b>info@bigshareonline.com</b>
<b>Bankers:</b>	<b>Konkan Mercantile Co-op Bank Ltd</b>
<b>Financial Institution</b>	<b>SICOM Investment and Finance Limited</b>
<b>Statutory Auditor</b>	<b>JAIN JAGAWAT &amp; KAMDAR &amp; CO. Chartered Accountants</b>
<b>Secretarial Auditor</b>	<b>Namrata Vyas &amp; Associate</b>

**MESSAGE FROM MANAGING DIRECTOR**

Dear Shareholders,

I sincerely hope that all of you and your dear ones are safe and healthy.

It is my privilege to write to you and present the annual report and progress of the Company during the financial year 21-22

The year began with the second wave of COVID19 and ended with Geopolitical uncertainties creating further challenges for business. Geopolitical conflict has caused significant dislocation in energy markets and disrupted traditional trade flows. The process of globalization, which drove the global economic growth over the last four decades, appears to have hit a wall. The cause of economic inter-dependence that globalization promoted to help align every country's interest and, thereby, help reduce conflicts, has taken a back seat

During the year a very sad incident took place, wherein your Women Director Mrs. Darshana Parekh (wife of Mr. Bharat Parekh) passed away. Please join us in our prayers that the departed soul may rest in peace and her blessings may take your company to new heights

During the year, your company was able to overcome all the pandemic-led difficulties to increase the Revenue by more than 20%, this was despite a visible demand contraction in the economy which are plagued with a looming recession and historical high rates of inflation. While this increase in revenue narrowed the losses of the company from the previous year, however due to low-capacity utilization the company is yet to post profits. Like all businesses, we were also impacted with rising costs for commodities and logistics that brought down our profitability and margins.

Polymer prices increased during FY 2021-22 amidst global demand boost and regional supply shortages due to lower import availability amid container shortage. However, in FY 2022-23 the global situations seems to come under control with increase in oil production which should lead to a reduction in polymer prices

Your company has withstood decades of challenges emerging strongly every year. This is no different and I am confident that the next time we speak there will be brighter opportunities in place

Full Capacity utilization and high cost borrowing remains the two main challenges for your company, however we have given a One-Time Settlement offer to the Financial institutions and other statutory bodies for settling its dues to reduce the financial burden on the company and awaiting their favorable feedback

The last two years were the most difficult for everyone in living memory. I have great admiration and appreciation for the scientists, doctors, nurses, and all front line workers who risked their lives for us

I would also like to place on record my sincere appreciation to the Board of Directors for their guidance. I would like to express my gratitude to all our workers, staff, suppliers, managers, bankers, financial institutions and all stakeholders for their continuing faith in the management

Keep Healthy, Keep Safe

**Bharat C. Parekh**

Managing Director

## NOTICE TO THE MEMBERS

**NOTICE** is hereby given that the 40th Annual General Meeting of the Members of TPI INDIA Limited will be held on Friday the **30th September, 2022** at 11.00 am through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”), to transact the following business :

### ORDINARY BUSINESS

1. To receive, consider and adopted the Audited Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and Auditors thereon; and
2. To appoint a Director in place of Mr. Bharat Parekh (DIN : 02650644), who retires by rotation, and being eligible offers himself for reappointment

### 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 Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M/s. Jain Jagawat Kamdar & Co., Chartered Accountants, Mumbai be and are hereby reappointed as Statutory Auditors of the Company and they shall hold the office of the Statutory Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration as may be fixed by the Board of Directors in consultation with them.”

**By Order of the Board**

**Date : September 5, 2022**

**Place : Mumbai**

**Bharat Parekh**  
**Managing Director**  
**DIN : 02650644**

### NOTICES

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting

votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.tpiindia.in](http://www.tpiindia.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com)

#### **THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM/EGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER :**

- (i) The voting period begins on Tuesday the 27th September, 2022 at 9.00 am and ends Thursday the 29th September, 2022 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly accesse-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> homepage. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeASfacility, please visit the e-Services website of NSDL. Open web browser bytyping the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeASe-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol>

Type of shareholders	Login Method
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

**Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.**

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or contact at 022-24994890

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
2. Click on "Shareholders" module.
3. Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company,
4. Next enter the Image Verification as displayed and Click on Login.
  5. 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 e-voting of any company, then your existing password is to be used.
  6. If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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 CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.

- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login 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.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [ir@tpiidnai.in](mailto:ir@tpiidnai.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
8. Register of Members and the Share Transfer Books of the Company will remain closed from Monday, September 26, 2022 to Friday, September 30, 2022 (both days inclusive)..
9. On account of threat posed by COVID-19 and in terms of the MCA and SEBI Circulars, the Company would send the Annual Report, Notice of e-AGM and e-Voting instructions only in electronic form to the registered e-mail addresses of the shareholders. Therefore, those shareholders who have not yet registered their e-mail address are requested to get their e-mail addresses registered with their DP or RTA for electronic and physical folios respectively. Members may note that this Annual Report will also be available on the Company's website viz. [www.tpiindia.in](http://www.tpiindia.in).
10. Shareholders holding shares in physical form are requested to intimate any change in their residential address to Bigshare Services Pvt. Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai - 400059, Registrar and transfer agent of the Company immediately.
11. Shareholders who are holding shares in Demat mode are requested to notify any changes in their residential addresses, bank accounts details and/ or email addresses immediately to their respective Depository Participants.

12. The Company has appointed M/s. Namrata Vyas & Associates, Company Secretary, Mumbai, to act as scrutinizer, to scrutinize the remote e-voting and e-voting at AGM in accordance with the law in a fair and transparent manner.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING (PURSUANT TO REGULATION 36 (3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015, ARE AS UNDER:**

Name of the Director	Bharat Parekh
Director Identification Number (DIN)	02650644
Aged	58 Years
Position Held	Director
Nationality	Indian
Date of Appointment on Board	02/05/1986
Qualification	Graduate
Shareholding in TPI India Ltd.	83.03%
List of Directorships held in other Companies (excluding foreign and Section 8 Companies)	Two
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	Nil

## Directors Report

Dear Shareholders,

On behalf of the Board of Directors, it is my pleasure to present the 40th Annual Report of TPI INDIA LIMITED together with the Audited Statement of Accounts for the year ended March 31, 2022.

### Highlights of Financial Performance (Standalone)

The Company has recorded the following financial performance, for the year ended March 31, 2022:

Amount in Lacs

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Total Income	2289.97	1838.69
Total Expenditure	2295.26	1962.54
<b>Profit / (loss) Before Interest, Depreciation &amp; Tax (EBITDA)</b>	(5.29)	(123.85)
Less : Finance Charges	65.78	64.04
Depreciation	25.64	44.96
Profit / (Loss) before Exceptional Item and Tax	(96.71)	(232.85)
Add : Exceptional Item	0.00	0.00
<b>Profit/(Loss) before Tax</b>	(96.71)	(232.85)
Provision for Tax	0.00	0.00
<b>Profit/(Loss) after Tax</b>	(96.71)	(232.85)

### Summary of Operations

During the year under review the total income of the company has increased and same is Rs. 2289.97 lacs as against previous year Rs. 1838.69 lacs, the same is on account of better capacity utilization. Therefore, the company has posted lower losses of Rs. 96.70 Lacs as against previous year losses of Rs. 232.85. Further there is no change among the business of the Company.

### State of Affairs

The Company is engaged in the business of Polymer Based Packaging. There has been no change in the business of the Company during the financial year ended 31st March, 2022.

### Dividends

Considering the accumulated losses and the loss of the current year, along with requirement for ongoing business activity, the Board has not recommended any dividend.

### Reserve

In view of the above losses during the year under review, the Board of Directors of your company does not propose to carry any amount to reserve.

### Sick Industrial Company

As members are aware that Company has been declared sick industrial company under section 3(i) of Sick Industrial Companies (Special Provision) Act, 1985 at hearing held on 12th December, 2005 and IDBI was appointed as operating agency.

At the hearing held on 1st December, 2010 BIFR has approved rehabilitation scheme. Since BIFR is abolished, the company is in the process of filing revival application with appropriate authority.

However recently Insolvency and Bankruptcy code was come into force and as per Insolvency and Bankruptcy code (Removal of Difficulties) Order, 2017 any scheme sanctioned under section 18 (12) (4) of Sick Industrial Companies (Special Provision) Act, 1985 shall be deemed to be an approved resolution plan under sub-section (1) of Section 31 of Insolvency and Bankruptcy Code, 2016 and the same shall be dealt with in accordance with the provisions of part II of said code. Therefore Company is making application and presentation to all the relevant authority to continue with the scheme which was sanctioned by BIFR.

#### **Dematerialization of Shares**

As on 31st March, 2022 Appx. 89.44 % of the total issued, subscribed and paid-up equity share capital of the company were in dematerialized form.

#### **Share Capital**

There is no change in the share capital of the Company during the year.

#### **Directors and Key Managerial Personnel**

Mr. Bharat Parekh, Director retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment. Pursuant to the recommendation of Nomination and Remuneration Committee the Board of Directors of the Company. The Board regretfully report the sad demise of Mrs. Darshana Bharat Parekh, Director of the Company, the Board further express their heartfelt condolences for her untimely death and wishes to put on record their sincere and deep appreciation for her invaluable guidance and contribution from time to time in building up the Company's growth.

A separate meeting of Independent Director was held for the purpose of evolution of performance of non-independent directors, performance of board as a whole and of the chairman talking into account the views of the executive and non executive directors.

#### **Statement on Declaration Given By Independent Directors Under Sub-Section (6) of Section 149:-**

The company has received a declaration subject to Section 149 (7) of the Companies Act, 2013 from all the Independent Director confirming that they meet the criteria of Independent as provided in Section 149 (6) of the Companies Act, 2013 and Regulation 16 (b) of the Listing Regulations.

#### **Particulars of Employees**

In terms of the provisions of Section 197 (12) of the Act read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the details required therein forms part of this report. Having regard to the provisions of Section 136(1) read with the its relevant provision of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered office of the Company during working hours and any member interested in obtaining such information may write to the Company and the same will be furnished without any fee and free of cost. In terms of the requirement of Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided on request.

#### **Number of Meetings**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year 7 Board Meetings and 5 Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The board of director meet on 24th June, 2021, 13th July, 2021, 12th August, 2021, 4th October, 2021, 26th November, 2021, 28th November, 2021 and 12th February, 2022.

#### **Audit Committee: -**

In accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulation, 2015, the Company has constituted an Audit Committee comprising of the following Directors viz., Mr. Ishan Selarka (Chairman), Mr. Bharat Parekh, and Mr. Ravindra Shukla. Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

There is no such incidence where Board has not accepted the recommendation of the Audit Committee during the year under review.

During the year ended March 31, 2022, five (5) Audit Committee meetings were held on June 24, 2021, July 13, 2021, August, 12, 2021, November 26, 2021 and February 12, 2022.

#### **Nomination and remuneration Committee:-**

In accordance with the provisions of Section 178(1) of the Companies Act, 2013 and regulation 19 of SEBI (LODR) Regulations, 2015, the Company has constituted a Nomination and Remuneration Committee comprising of the following Directors viz., Mr. Ishan Selarka (Chairman), Mr. Bharat Parekh, and Mr. Ravindra Shukla. Nomination and Remuneration Committee acts in accordance with the terms of reference specified from time to time by the Board.

During the year ended March 31, 2022, Two (2) Nomination and Remuneration Committee meetings were held on July 13, 2021 and February 12, 2022.

#### **Stakeholders Relationship Committee: -**

In accordance with the provisions of Section 178(5) of the Companies Act, 2013 and regulation 20 of SEBI (LODR) Regulations, 2015, the Company has constituted a Stakeholders Relationship Committee comprising of the following Directors viz., Mr. Ishan Selarka (Chairman), Mr. Bharat Parekh, and Mr. Ravindra Shukla. Stakeholders Relationship Committee acts in accordance with the terms of reference specified from time to time by the Board.

During the year of Stakeholders Relationship Committee was meet on 12th February, 2022.

#### **Details of Subsidiaries, Joint Ventures or Associate Companies**

The Company does not have any Subsidiary, Joint Venture or Associate Company.

#### **Auditors**

At the Annual General Meeting held on October 30, 2021, M/s Jain Jagawat Kamdar & Co, Chartered Accountants (FRN: 122530W), were appointed as statutory auditors of the Company to hold office till the conclusion of this Annual General Meeting. The board decided to re-appoint them for the next financial year and requested members to re-appoint them.

#### **Auditors Reports**

The report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report and suitable explained in the Notes to Accounts attached with annual report.

#### **Disclosure about Cost Audit**

As per the Cost Audit Orders, Cost Audit is not applicable to the Company's packing and its allied business for the FY 2021-22.

#### **Secretarial Audit Report**

In terms of Section 204 of the Act and Rules made there under, Ms. Namrata Vyas, Practicing Company Secretary have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as Annexure to this report. The report is self-explanatory and do not call for any further comments.

However there are few adverse remarks in the report, management explanation is as under :-

1. The Company has not appointed Chief Financial Officer as well as Company Secretary as per section 203 of the Act.  
The Company is looking for a suitable person to be appointed as Chief Financial Officer, however company will appoint the same on urgent basis.
2. The Company has not Internal Auditor as per section 138 of the Act.

The Company is looking after for a suitable person to be appointed as Internal Auditor, however company will appoint the same on urgent basis.

3. The Company has not filed its Annual Return as per section 92 of the Act.  
The Company will file the same at the earliest.
4. The Company has not filed Managing Director appointment form DIR-12.  
The Company will file the same at the earliest.
5. The Company promoter holding is yet to dematerialize their shares in demat form, almost majority of promoter shareholding is still in physical mode.  
The Company is in the process of dematerialize its remaining promoter holding.
6. The Company has not filed MGT-14 for adoption of Directors report.  
The Company will the same.
7. The annual disclosure under regulation 30(1) and 30(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 has not been filed with the stock exchange.  
The Company will submit the SEBI disclosure to the stock exchange.
8. The trading in Company shares is suspended at stock exchange.  
The Company will try to revoke its suspension, in this regard we are working out available option and accordingly we will process the same.
9. Either Company has not filed or there is delay in submission / compliances with respect to Shareholding Pattern under Regulation 31, Un-audited financial result under Regulation 33, Reconciliation of Share Capital Audit under SEBI DP Regulation 55A, Half Yearly Certificate from Practicing Company Secretary under Regulation 40 (9), submission of Annual Report under Regulation 34.

In future the Company will file its required disclosures well with in time

#### **Risk Management policy**

The Board of Directors of the Company has formulated a 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 risks that the organization faces, disciplined risk monitoring and laid down procedure to inform the Board about risk assessment & minimization procedure. 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 continuous risk management and mitigation measures.

#### **Internal Financial Control**

The Company has in place adequate internal financial control with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was noticed.

#### **VIGIL MECHANISM & WHISTLE BLOWER POLICY**

In pursuance to the provisions of section 177(9) and (10) of the Companies Act, 2013, Vigil Mechanism to Directors and Employees to report genuine concerns has been established.

The Purpose of the Whistle blower Policy is to allow employees to raise concern about unacceptable, improper or unethical practices being followed in the organization. They will be protected against any adverse action and / or discrimination, as a result of such reporting, provided it is justified and made in good faith. The Chairman of the Audit Committee has been designated for the purpose of receiving and recording any complaints under this policy. The Vigil Mechanism Policy has been uploaded on the website of the Company i.e. [www.tpiindia.in](http://www.tpiindia.in)

**Web Link of Annual Return**

Pursuant to the provisions of section 134(3)(a) of the Companies Act, 2013, web link of the Annual Return for the Financial Year ended March 31, 2022 made under the provisions of section 92(3) of the Act is placed at Company website i.e. [www.tpiindia.in](http://www.tpiindia.in).

**Particulars of loans, guarantees or investments under section 186**

The particulars of loans, guarantees and investments give/made during the financial year under review and governed by the provisions of Section 186 of the Companies Act, 2013 have been disclosed in the financial statements.

**Related Party Transactions**

All related party transactions that were entered into during the financial year ended 31st March, 2022 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted.

Also, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required. However, the disclosure of transactions with related party for the year, as per Accounting Standard-18 Related Party Disclosures is given in Note no 38 to the Balance Sheet as on 31st March, 2022.

**Conservation of Energy and Technology Absorption**

The information pertaining to conservation of energy and technology absorption, as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure and is attached to this report.

**Foreign Exchange Earnings and Outgo**

The company had neither consumed nor earned any foreign exchange during the year ended 31st March, 2022.

**Deposits**

The Company has not accepted any deposits during the year under review.

**Corporate Governance**

During the year under review, the Paid Up Capital and Net Worth of the Company were less than 10 crores and 25 crores respectively as on 31st March, 2022, therefore Corporate Governance provisions as specified in Regulations 17, 18, 19, 20 21, 22, 23 24, 25, 26 27, and clause (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of the Schedule V of SEBI (Listing Obligations and Disclosure Requirement), Regulation 2015 is not applicable to the Company.

Whenever this regulation becomes applicable to the Company at a later date, we will comply with requirements those regulations within six months from the date on which the provisions became applicable to our Company.

**Material Changes and Commitments**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

**Significant and Material Orders Passed by Regulators, Courts and Tribunals**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

**Corporate Social Responsibility (CSR)**

CSR provisions are not applicable for the Company.

**Safe & Conducive Workplace**

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**General**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
2. The Company has no subsidiary and neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

**Directors Responsibility Statement**

Pursuant to Section 134(3) (c) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

1. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures.
2. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and of the loss of the Company for the year ended on that date.
3. They have taken proper and sufficient care for the 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 fraud and other irregularities.
4. They have prepared the annual accounts on a 'going concern' basis.
5. They have laid down internal finance control to be followed by the Company and such internal finance control are adequate and operating effectively;
6. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**Acknowledgement**

The board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Board of Directors also wish to Place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers, Managers, Financial institutions and all stakeholders.

**For and on behalf of the Board**

**Date : September 5, 2022**

**Place : Mumbai**

**Bharat Parekh**  
**Managing Director**  
**DIN : 02650644**



**Annexure – I**

**CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

**As on the financial year ended on 31st March, 2022**

[Pursuant to section 134(3) (m) of the Companies Act, 2013 and rule 8(3) of the Companies (Accounts) Rules, 2014]

**Conservation of Energy :**

Measures taken for conservation of Energy :

- a. Regular Monitoring of consumption, efforts for decrease power bill and upto date maintenance of units on regular basis.
- b. Uses of alternative sources for conservation of energy.
- c. Using better and improved method for better production and reduction of energy consumption.
- d. Regular awareness program for workers for reduction of energy bill and using different and efficient sources for conservation of energy.
- e. Company's regular investment and follow-up on alternative and better resources for energy consumption.

So overall using above efforts company is efficiently saving energy bill, however exact impact we can't measured.

**Technology Absorption:**

The Management keep himself abreast of technology advancement in the industry and has adopted state of art technology and ready to adopt new method for better system and risk management solution.



## Annexure – III

**SECRETARIAL AUDIT REPORT  
FORM NO. MR – 3****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022**

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

**To,  
The Members,  
TPI India Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by TPI 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 here by report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 (hereinafter referred to as “Audit Period”) complied with the statutory provisions listed here under 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 March 31, 2022, according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (3) The Depository Act, 1996 and the Regulations and bye-laws framed thereunder;
- (4) 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;
- (5) The following Regulation 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 Take overs) 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, 2018; #
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and sweat Equity) Regulation, 2021; #
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; #
  - (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, 2021; # and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; #

# The Regulations or Guidelines, as the case may be were not applicable for the period under review.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review except said demise of one director.

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, 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.

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

- a. The Company has not appointed Chief Financial Officer as per section 203 of the Act.
- b. The Company has not appointed Internal Auditor as per section 138 of the Act.
- c. The Company has not filed its Annual Return as per section 92 of the Act.
- d. The Company has not filed Managing Director appointment form DIR-12.
- e. The Company promoter holding is yet to dematerialize their shares in demat form, almost majority of promoter shareholding is still in physical mode.
- f. The Company has not filed MGT-14 for adoption of accounts and Directors report.
- g. The annual disclosure under regulation 30(1) and 30(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 has not been filed with the stock exchange.
- h. The trading in Company shares is suspended at stock exchange.
- i. Either Company has not filed or there is delay in submission / compliances with respect to Shareholding Pattern under Regulation 31, Un-audited financial result under Regulation 33, Reconciliation of Share Capital Audit under SEBI DP Regulation 55A, Half Yearly Certificate from Practicing Company Secretary under Regulation 40 (9), submission of Annual Report under Regulation 34.
- j. The Company has not appointed Company Secretary as per section 203 of the Act.
- k. Promoter holding is in excess of 75 % as per SEBI (LODR) regulation.
- l. The Company has not paid the annual listing fees to the Stock exchange.
- m. The trading in company securities at Stock exchange in suspended. I 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 clarification on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

I further report that during the audit period, there were no instances of:-

- (i) Public/Right/ preferential issue of shares/ debentures/ sweat equity.
- (ii) Redemption/ buy-back of securities.
- (iii) Merger/ amalgamation/ reconstruction etc.
- (iv) Foreign technical collaborations.

**For Namrata Vyas & Associates**

Place: Mumbai  
Date: September 5, 2022

**Namrata Vyas**  
**Proprietor**  
ACS No. – 46184  
CP No.– 17283  
UDIN: A046184D000920741

This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report



## 'Annexure A'

**To,  
The Members,  
TPI India Limited**

Our Secretarial Audit Report for the Financial Year ended on 31st March, 2022 of even date is to be read along with this letter.

1. Maintenance of Secretarial record is responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process 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 facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance 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. My examination was limited to the verification of procedure 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 Namrata Vyas & Associates**

Place: Mumbai  
Date: September 5, 2022

**Namrata Vyas  
Proprietor**  
ACS No. – 46184  
CP No.– 17283

**COMPLIANCE WITH CODE OF CONDUCT**

Declaration under Regulation 34 Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**To,  
The Members,  
TPI India Limited**

Declaration by the Managing Director under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015

I, Bharat Parekh, Managing Director of TPI India Limited, hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management, for the year ended March 31, 2022.

**For TPI India Limited**

Place: Mumbai  
Date: September 5, 2022

**Mr. Bharat Parekh  
(Managing Director)**

**MANAGING DIRECTOR CERTIFICATE**

**(In terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

**To  
The Board of Directors  
TPI India Ltd.**

We the undersigned, certify to the Board that :

- (a) We have reviewed the Financial Statements and the cash flow statement for the year and that to the best of our knowledge and belief –
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing IND AS, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have also disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee –
  - (i) significant changes in internal Controls over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the Financial Statements; and
  - (iii) If Any, instances of significant fraud, of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For TPI India Ltd.**

Bharat Parekh  
Managing Director

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF TPI INDIA LIMITED****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of TPI INDIA LIMITED (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other Comprehensive Income), and the statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net loss, other comprehensive income and other financial information of the Company for the year then ended, except for the basis mentioned in the "Basis for Qualified Opinion" paragraph below.

**1) Basis for Qualified Opinion:****We draw your attention that the company: -**

- (1) has not accounted the Interest of Rs. 39.94 Lakhs @12% on Deferred Sales Tax Liabilities of Rs 332.81 Lakhs for the year 2021-22. The total unaccounted interest up to 31st March, 2022 was Rs. 247.35 Lakhs. Due to above, The Company's current year losses were understated by Rs. 39.94 Lakhs and total liabilities of the company were understated by Rs 247.35 Lakhs as at 31st March 2022.
- (2) has not accounted Interest of Rs 275 Lakhs against Secured loan for the year ended 31st March, 2022. The accumulated interest not recorded in books of account of Rs. 1659 Lakhs up to 31st March, 2022, the losses for the year are understated by Rs 275 Lakhs and liabilities understated by Rs. 1659 Lakhs.
- (3) has taken interest free unsecured loan from the Directors and Other Individual parties. The loan agreements with individuals are not available for verification. In the absence of sufficient and appropriate audit evidence with regards to terms and condition of the loan taken, we are unable to comment on the same. Further, resolutions validating such transaction as required U/s 283 of Companies Act 2013 are not produced before us, till the date of signing this audit report.
- (4) has send proposal to settle the long outstanding creditors of Rs 632.36 Lakhs as on 31st March, 2022 with mutual agreement, however agreement pertains to that is under process and hence we are unable to comment the balance stated as on 31st March, 2022 in the financial statement in absence of Final Agreement.
- (5) has not deposited Rs 3.17 Lakhs "Unpaid Dividend" amount pertains to FY 1995-96, 1996-97 and 1997-98 to "Investor Education and Protection Fund".

- (6) has provided the gratuity liability under “Provision for Gratuity” as per management's working which required to be evaluated by Registered Actuaries.
- (7) has accumulated losses exceeding the share capital and reserve, we draw your attention to Point No. 4 of the financial results wherein 'the management is confident to settle the dues of Lender under onetime settlement subject to that the company can be considered as going concern for near foreseeable future'.
- (8) has taken steps towards appointment of Company Secretary as per listing norms but appointment of full time Company Secretary and the secretarial compliances report with SEBI under listing norms is yet to be complied with.
- (9) Is yet to comply with Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) which mandates a listed entity to comply with the Minimum Public Shareholding (“MPS”) requirements specified in rules 19(2) and 19A of the Securities Contracts (Regulation) Rules, 1957 due to pledged with secured lenders and other listing compliances.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (“SA”)s 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the standalone 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Material Uncertainty Related to Going Concern**

We draw your attention to Note No. 9 & 10 of the Ind AS Financial Statements which indicates that, the company has accumulated losses and its net worth has been completely eroded & become negative. The company has defaulted in repayment of Loans to Financial Institutions & has also incurred a loss in the current and previous year. These events or conditions, indicate that material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. However, the IND AS Financial Statements of the Company have been prepared on a going concern basis as the management is confident to settle the dues of Lender under onetime settlement & improve its financial position in the near foreseeable future'.

#### **Emphasis of Matter**

The company's management and Board of Directors are responsible for the other information.

The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors report thereon.

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

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

materially misstated.

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

### **Key Audit Matters**

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not found any such matters related to the audit of this standalone financial statement which are to be reported here.

### **Responsibilities of Management and Those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 standalone 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order:
2. As required by Section 143(3) of the Act, based on our audit 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.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The standalone financial statement dealt with by this report is in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone 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;
  - e) On the basis of the written representations received from the directors as on March 31,2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has no pending litigations which would impact its financial position which are not disclosed in the standalone financial statements; except for those mentioned in Annexure A below
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. Company has not deposited Rs. 3.17 lakhs "Unpaid Dividend" amount pertains to FY1995-96, 1996-97 and 1997-98 in " Investor Education and protection fund".
    - iv.
      - a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding,

whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement
- v. No Dividends has been declared by the company during the financial year
- h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the company has paid managerial remuneration within the limit prescribed by section 197 for maximum permissible managerial remuneration provided to the directors of the company.

**For Jain Jagawat & Kamdar & Co.**

Chartered Accountants

Firm Registration No. 122530W

**CA Chandrashekhar Jagawat**

Partner

M No. 116078

UDIN: 21116078AAAAAEJ5522

**Mumbai, May 30th, 2022**

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**Report as required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (Refer to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date).**

**With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2022, we report the following**

- i. (a) (A) The Company has proper records related to full particulars including quantitative details and situation of Property, Plant and Equipment.  
(B) the company is not having any intangible asset. Therefore, the provisions of Clause (i)(a)(B) of paragraph 3 of the order are not applicable to the company.
- (b) In our opinion Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year.
- (c) The company does not hold any immovable property which is not held in the name of the company.
- (d) The company has not revalued its Property, Plant and Equipment during the year. Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company.
- (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i)(e) of paragraph 3 of the order are not applicable to the company.
- ii. (a) In our opinion, physical verification of inventory has been conducted at reasonable intervals by the management and the coverage and procedure of such verification by the management is appropriate. No material discrepancies were noticed on such verification.
- (b) The company has sanctioned working capital limits in excess of five crore rupees, the quarterly statement filed by the company with Bank wherever mandated are in agreement with the books of accounts.
- iii. During the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of clause 3(iii) of the said Order are not applicable to the company.
- iv. The company has not made any loans, investments, guarantees and security on which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Therefore, the provisions of clause 3(iv) of the said Order are not applicable to the company.

- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public during the year. Therefore, the provisions of Clause (v) of paragraph 3 of the order are not applicable to the Company.
- vi. As explained to us, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Therefore, the provisions of Clause (vi) of paragraph 3 of the order are not applicable to the Company.
- vii. (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, GST, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, value added tax, duty of customs, duty of excise or cess which have remained outstanding as at March 31, 2022 for a period of more than 6 months from the date they became payable, except the following:

Sr. No.	Nature of Dues	Financial Year	Amount	Remarks
1.	Deferred Sales Tax	1994-95 to 03-04	2,32,46,365/-	Relief sought under BIFR Scheme
2.	Additional Demand on Assessment of Sales Tax for above years	1994-95 to 03-04	1,61,84,583/-	Relief seeking to appropriate authority including this Additional Liabilities for setting off against un- availed Sales Tax Deferral limit of Rs. 524.60 Lac

- (b) According to the information and explanations given to us, there are not any statutory dues referred in sub-clause (a) which have not been deposited on account of any dispute. Therefore, the provisions of Clause (vii)(b) of paragraph 3 of the order are not applicable to the Company, except the following:

Name of the Status	Nature of Dues	Amount of Dues	Period to which the amount relates	Forum at which dispute is pending
I T Act	Penalty	66.80 Lacs	F Y 06-07	CIT (A)
Custom- DGFT	Penalty	807.94 Lacs	F Y 94-95 to 99-00	DGFT, Delhi.
Custom Act	Duty	27.69 lacs	F Y 08-09	CESTAT.

- viii. In our opinion and according to the information and explanations given to us, there are no transaction which are not recorded in the books of account & have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) except for the basis mentioned in the "Basis for Qualified Opinion" paragraph.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender, except the following:

Name	Nature	Period	Amount	Remarks
SIFL	Interest	Oct. 15 to March 2016	1,42,20,028/-	Written Back in F Y 16-17
SIFL	Interest*	April. 16 to March 2017	10,99,83,188/-	Not Provided
SIFL	Loan	Oct. 2015	1260 Lacs	Refer Note No. 14
SIFL	9% Cum Pref. Capital	Oct.2017	500 Lacs	Refer Note No 14
SIFL	Share Application Money	Since Oct, 2017.	300Lacs	Pending Approval of SEBI

\*The Company has not provided for interest on loan from SIFL after becoming NPA for the year ended 31st March 2018 to 31st March 2022 refer basis of qualified opinion para in Independent Auditor's Report.

- (a) In our opinion and according to the information and explanations given to us, the company has not been a declared willful defaulter by any bank or financial institution or other lender.
  - (b) In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained.
  - (c) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilized for long term purposes.
  - (d) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
  - (e) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of Clause (x)(a) of paragraph 3 of the order are not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the company has made preferential allotment of shares during the year and the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with.
- xi. (a) We have not noticed any case of fraud by the company or any fraud on the Company by its officers or employees during the year. The management has also not reported any case of fraud during the year. Therefore, the provisions of Clause (xi) (a) of paragraph 3 of the order are not applicable to the Company
- (b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As auditor, we did not receive any whistle-blower complaint during the year. Therefore, the provisions of Clause (xi) (b) of paragraph 3 of the order are not applicable to the Company.
- xii. The company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.

- xiii. As per the information and explanations received to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable, and the details have been disclosed in the Standalone financial statements, etc., as required by the applicable Indian Accounting Standards. Identification of related parties were made and provided by the management of the company.
- xiv. The company is a listed entity and covered by section 138 of the Companies Act, 2013. The company has not complied the provisions of Clause (xiv) (a) and (b) of paragraph 3 of the order.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with him for the year under review. Therefore, the provisions of Clause (xv) of paragraph 3 of the order are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.  
(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.  
(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.  
(d) As per the information and explanations received, the group does not have any CIC as part of the group.
- xvii. The company has incurred cash loss in current financial year as well in immediately preceding financial year.
- xviii. There has been no resignation of the previous statutory auditors during the year. Therefore, the provisions of Clause (xviii) of paragraph 3 of the order are not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. The provisions of Section 135 are not applicable to company during the current financial year therefore, the provisions of Clause (xx) (a) and (b) of paragraph 3 of the order are not applicable to the Company.
- xxi. The company has not made investments in subsidiary company. Therefore, the company does not require preparing consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

**For Jain Jagawat & Kamdar & Co.**

Chartered Accountants

Firm Registration No. 122530W

**CA Chandrashekhar Jagawat**

Partner

M No. 116078

UDIN: 21116078AAAAAEJ5522

**Mumbai, May 30th, 2022**

**“Annexure B” to the Independent Auditors' Report on the standalone financial statements of  
TPI INDIA LIMITED**

**Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Opinion**

We have audited the internal financial controls with reference to standalone financial statements of TPI INDIA LIMITED (“the Company”) as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

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

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 the 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 (hereinafter referred to as “the Act”).

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements were established and maintained and whether 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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 standalone 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 with reference to standalone financial statements.

#### Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 standalone 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 standalone financial statements.

#### Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **For Jain Jagawat & Kamdar & Co.**

Chartered Accountants

Firm Registration No. 122530W

#### **CA Chandrashekhar Jagawat**

Partner

M No. 116078

UDIN: 21116078AAAAAEJ5522

**Mumbai, May 30th, 2022**

## BALANCE SHEET AS AT MARCH 31, 2022

INR in ₹ 000

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
A Non-Current Assets			
a Property, Plant and Equipment	2	29,273	31,648
b Financial Assets			
(i) Investment in Equity Shares	3	920	920
c Other Non Current Assets	4	1,850	1,952
<b>Total (A)</b>		<b>32,043</b>	<b>34,340</b>
B Current Assets			
a Inventories	5	23,363	26,284
b Financial Assets			
(i) Trade Receivable	6	19,742	16,472
(ii) Cash and Cash Equivalents	7	682	959
c Other Current Assets	8	2,022	10,306
<b>Total (B)</b>		<b>45,810</b>	<b>54,021</b>
<b>TOTAL ASSETS (A+B)</b>		<b>77,853</b>	<b>88,361</b>
<b>EQUITY AND LIABILITIES</b>			
A Equity			
a Equity Share Capital	9	42,963	42,963
b Other Equity	10	(3,52,068)	(3,42,401)
<b>Total (A)</b>		<b>( 3,09,104)</b>	<b>(2,99,437)</b>
Liabilities			
B Non-Current Liabilities			
a Financial Liabilities			
Borrowings	11	19,785	21,479
b Provisions	12	373	407
<b>Total (B)</b>		<b>20,157</b>	<b>21,886</b>
C Current Liabilities			
a Financial Liabilities			
(i) Borrowings	13	2,00,029	1,97,186
(ii) Trade Payables	14	15,878	18,713
(iii) Other Financial Liabilities	15	1,01,029	1,01,566
b Other Current Liabilities	16	49,863	46,446
<b>Total (C)</b>		<b>3,66,799</b>	<b>3,65,912</b>
<b>TOTAL LIABILITIES (A+B+C)</b>		<b>77,853</b>	<b>88,361</b>

Significant Accounting Policies

1

Notes on Financial Statements

24 - 41

As per our Report of even date

For Jain Jagawat &amp; Kamdar &amp; Co.

Chartered Accountants

Firm Registration No. 122530W

CA Chandrashekhar Jagawat

Partner

M No. 116078

UDIN: 21116078AAAAEJ5522

Mumbai, May 30, 2022

For and on behalf of the Board of Directors

Bharat Chimanlal Parekh

Managing Director

DIN: 02650644

Ravindra Shukla

Independent Director

DIN: 00660027

Ishan Selarka

Independent Director

DIN: 03614005

Mumbai, May 30, 2022

## Statement of Profit and Loss for year ended March 31, 2022

INR in ₹ 000

Particulars	Note No.	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Income:</b>			
Revenue from Operations	17	2,28,130	1,83,262
Other Income	18	921	607
<b>Total Revenue</b>		<b>2,29,051</b>	<b>1,83,869</b>
<b>Expenses:</b>			
Cost of Materials Consumed	19 - a	1,73,237	1,51,926
Operational Expenses	19 - b	35,789	27,037
(Increase)/Decrease in Finished Goods and Work-in-Progress	20	802	(2,947)
Employee Benefit Expenses	21	10,944	11,620
Finance Costs	22	6,578	6,404
Depreciation and Amortization Expense		2,564	4,496
Other Expenses	23	8,797	8,618
<b>Total Expenses</b>		<b>2,38,712</b>	<b>2,07,154</b>
<b>PRIOR PERIOD EXPENSES</b>		<b>11</b>	
<b>Profit/(Loss) before Tax</b>		<b>(9,671)</b>	<b>(23,285)</b>
<b>Tax Expense:</b>			
(1) Current tax		-	-
(2) Deferred Tax		-	-
<b>Profit for the year</b>		<b>(9,671)</b>	<b>(23,285)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit and loss			
Change in fair value of FVOCI equity instruments		-	-
Income tax relating to above		-	-
<b>Other Comprehensive Income for the year</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>(9,671)</b>	<b>(23,285)</b>
Earnings Per Equity Share			
Basic and diluted ( in Rs.)		(0.2)	(0.5)

Significant Accounting Policies

1

Notes on Financial Statements

24 - 41

As per our Report of even date

**For Jain Jagawat & Kamdar & Co.**

Chartered Accountants

Firm Registration No. 122530W

**CA Chandrashekhar Jagawat**

Partner

M No. 116078

UDIN: 21116078AAAAEJ522

Mumbai, May 30, 2022

**For and on behalf of the Board of Directors****Bharat Chimanlal Parekh**

Managing Director

DIN: 02650644

**Ravindra Shukla**

Independent Director

DIN: 00660027

**Ishan Selarka**

Independent Director

DIN: 03614005

Mumbai, May 30, 2022

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022** INR in ₹ 000

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>A. Cash Flow from Operating activities</b>		
<b>a. Net profit before tax</b>	(9670)	(23,286)
Adjustment for:	-	-
Depreciation	2,564	4,496
Interest Expenses	6,578	6,404
Interest Income	(65)	(56)
Dividend Income	(0)	-
<b>b. Operating profit before working capital changes</b>	(594)	(12,442)
Adjustments for :		
Trade and other receivables	(3,270)	(5,474)
Inventories	2,921	(8,026)
Other Assets	8,390	1,290
Trade payables	9262	(37,319)
Provisions	(34)	(593)
Other Financial Liabilities	4137	69,689
Other Liabilities	-	(240)
<b>c. Cash generated From operations</b>	12,538	6,884
Direct taxed paid [ net ]	-	-
Cash from operating activities before exceptional items	12,538	6,884
<b>d. Exceptional items</b>	-	-
Net cash from operating activities	12,538	6,884
<b>B. Cash flow from investing activities</b>		
Sale / (Purchase) of Property, Plant & Equipment	(369)	(968)
Loans advanced to other companies	-	-
Interest received	65	56
Dividend Received	0	-
Net cash from / [used in ] investing activities	(304)	(912)
<b>C. Cash flow from Financing activities</b>		
Increase/(decrease) in Short Term Borrowing	2,843	(8,518)
Increase/(decrease) in non-current liabilities	(3232)	-
Increase/(decrease) in current liabilities	(7449)	-
Proceeds from Long Term Borrowing	-	-
Repayments of Long Term Borrowing	(1,906)	8,611
Interest paid	(6,578)	(6,404)
Net Cash from / [ Used in ] financing activities	(12,511)	(6,311)
<b>D. Net Increase / ( decrease ) in Cash net Cash Equivalent</b>	(277)	(339)
Cash and Cash equivalent at beginning of the year	959	1,297
Cash and Cash equivalent at end of the year	682	959

As per our Report of even date

**For Jain Jagawat & Kamdar & Co.**

Chartered Accountants  
Firm Registration No. 122530W

**CA Chandrashekhar Jagawat**

Partner  
M No. 116078  
UDIN: 21116078AAAAEJ5522

Mumbai, May 30, 2022

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

**Bharat Chimanlal Parekh**

Managing Director  
DIN: 02650644

**Ravindra Shukla**

Independent Director  
DIN: 00660027

**Ishan Selarka**

Independent Director  
DIN: 03614005

Mumbai, May 30, 2022

### Statement of Changes in Equity for the year ended March 31, 2022 (SOCE)

INR in ₹ 000

Particulars	March 31, 2022	
	No. of Shares	
Outstanding At the beginning of the year (Face Value ` 1/- per share)	4,29,63,470	42,963.47
Add : Issue	-	-
Outstanding At the end of the year (Face Value ` 1/- per share)	4,29,63,470	42,963.47

#### (b) Other Equity

	Reserves and Surplus			Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	
Balance as at 31st March, 2020	1,84,284	19,924	(5,46,605)	(3,42,397)
Fair Value measurement of Investments	-	-	-	-
Restated balance at 31st March, 2020	1,84,284	19,924	(5,46,605)	(3,42,397)
Profit for the year	-	-	(9,671)	(9,671)
Changes in Fair value of Equity Investments through OCI.	-	-	-	-
Deferred Tax	-	-	-	-
Total Comprehensive Income for the year	-	-	(9,671)	(9,671)
Transfer to retained earnings	-	-	-	-
<b>Balance as at 31st March, 2021</b>	<b>1,84,284</b>	<b>19,924</b>	<b>(5,56,277)</b>	<b>(3,52,069)</b>

As per our Report of even date

#### For Jain Jagawat & Kamdar & Co.

Chartered Accountants  
Firm Registration No. 122530W

#### CA Chandrashekhar Jagawat

Partner  
M No. 116078  
UDIN: 21116078AAAAAJ5522

Mumbai, May 30, 2022

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

#### Bharat Chimanlal Parekh

Managing Director  
DIN: 02650644

#### Ravindra Shukla

Independent Director  
DIN: 00660027

#### Ishan Selarka

Independent Director  
DIN: 03614005  
Mumbai, May 30, 2022

## Notes to the Financial Statement for year ended March 31, 2022

### 1 Company Overview

TPI INDIA LTD (TPI) is a public company limited by shares incorporated and domiciled in India and is listed on BSE Limited (BSE). The registered office of the company and its factory is situated at Plot No J61 Additional MIDC Murbad District Thane, Mumbai- 42401. The Company has only one segment of business, i.e., Polymer based packing products and has no parent company.

#### I a) Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting standards (hereinafter referred to as the 'Ind AS') notified by the Ministry of Corporate Affairs under section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and Companies (Indian Accounting Standards) Amendment Rules, 2016 and the relevant provisions of the Act.

#### b) Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The accounts are prepared on "Going Concern basis". The continuation of the company as a going concern is dependent upon the implementation of Modified Rehabilitation Scheme, availability of adequate finance and future profitability of the company.

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.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

**Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

**Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

**Level 3** inputs are unobservable inputs for the asset or liability.

## Notes to the Financial Statement for year ended March 31, 2022

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### c) **Classifications of Assets and Liabilities in to current and non current**

All the assets and liabilities have been classified as current or non-current, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act.

## II **Critical Accounting Estimates And Judgements**

The preparation of financial statements in accordance with Ind AS requires management to make certain judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates, with the differences between the same being recognized in the period in which the results are known or materialize. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively..

Information about areas involving a higher degree of judgment or complexity or critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities are included in the following notes:

- (a) Estimation of useful life – Note on Property, Plant and Equipment
- (b) Recognition of deferred tax assets - Note on Deferred Tax

## III **Significant Accounting Policies**

### A **Property Plant and Equipment**

#### a) **Initial Measurement & Recognition**

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the assets to its working condition for its intended use with any trade discounts or rebates being deducted in arriving at purchase price. Cost of the assets also includes interest on borrowings attributable to acquisition, if any, of qualifying fixed assets incurred up to the date the asset is ready for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of Property, plant and equipment.

Cost of Property, plant and equipment not ready for intended use as on the balance sheet date, is disclosed as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advances under Other non-current Assets..

#### b) **Subsequent expenditure**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

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**Notes to the Financial Statement for year ended March 31, 2022**

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**c) Depreciation and Amortisation**

The Company depreciates its fixed assets on straight line method over the useful life in the manner prescribed in Schedule II of the Companies Act 2013. Depreciation on assets added/disposed off during the year is provided on pro-rata basis from the date of addition or up to the date of disposal, as applicable.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period.

**d) Derecognition**

The fixed assets are derecognised on disposal or when no future economic benefits are expected. The difference between carrying amount and net disposable proceeds is recognised in the Statement of Profit & Loss.

**B Inventories**

Inventories are stated at lower of cost and net realisable value. Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale. Finance cost generally are not part of the cost of inventories.

**C Financial Instruments****a Financial Assets****i. Classification**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**ii. Initial Recognition and Measurement**

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**iii. Subsequent Measurement**

For purposes of subsequent measurement financial assets are classified into two broad categories:

**a. Financial asset at fair value****b. Financial asset at amortised cost**

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit or loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

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**Notes to the Financial Statement for year ended March 31, 2022**

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**iv. Equity Investments**

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss..

**v. Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

**b Financial Liability****i. Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost or at fair value through Profit and Loss.

**ii. Initial Recognition and Measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

**iii. Subsequent Measurement**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to interest amortised bearing loans and borrowings.

**iv. De-recognition of financial liabilities**

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, canceled or expired. When the financial liability is exchanged or modified, the difference in carrying amount is recognised in the Statement of Profit and Loss account.

c An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

**D Revenue Recognition**

Domestic sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial

## Notes to the Financial Statement for year ended March 31, 2022

involvement with the goods and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and service tax, etc. Discounts given include rebates, price reductions and other incentives given to customers.

### E Other Income

Interest income is recognised/accounted on accrual basis determined by the amount outstanding and the rate applicable.

Dividend income is recognised when the right to receive the payment is established.

### F Employee benefits/ Retirement Benefits

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

#### i. Short-Term Obligation

Short-term employee benefits like salaries, wages, bonus and welfare expenses payable wholly within twelve months of rendering the services are accrued in the year in which the associated services are rendered by the employees and are measured at the amounts expected to be paid when the liabilities are settled.

#### ii. Long-Term Obligation

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

#### iii. Defined Contribution Plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

### G Taxation

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income. .

#### a) Current Tax

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest income/ expenses and penalties, if any, related to income tax are included in current tax expense.

## Notes to the Financial Statement for year ended March 31, 2022

No Provision for Income Tax is made since there will be no taxable income for the current year. No Provision is made for tax based on MAT as the provision of MAT is not applicable to sick industrial company in term of section 115JB read with explanation (1) (vii).

### b) **Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is recognized using the tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

c) **Minimum Alternate Tax (MAT)** credit is recognised as an asset only when and to the extent there is convincing evidences that Company will pay normal income tax during specified period.

### H **Foreign Currency Transactions**

The functional currency of the company is Indian national rupee (INR) which is also the presentation currency. All other currencies are accounted for as foreign currency.

During the year there have been no revenue booked in foreign currency.

### I **Borrowing Cost**

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

### J **Impairment of Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### K **Provisions and Contingent Liabilities**

Provisions are recognised when the Company (a) has a present obligation (legal or constructive) as a result of a past event, (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and (c) a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Contingent liabilities are

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**Notes to the Financial Statement for year ended March 31, 2021**

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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 or 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.

**L Government Grants**

Government grants and subsidies are recognized when there is reasonable assurance that the company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognized as income over the life of depreciable assets by way of a reduced depreciation charge while grants related to expenses are treated as other income in the income statement.

**M Segment Reporting**

The Chief Operational Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Currently the company operates only in one geographical segment viz, Polymer based packaging products in India.

**N Cash & Cash Equivalents**

The company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

**O Cash Flow Statement**

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

**P Earnings Per Share**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**Q Research & Development**

Revenue expenditure on research and development are charged as an expense in the year in which they are incurred. Capital expenditure on research and development are shown as an addition to fixed assets.

**R Subsidy**

Capital subsidy received from Maharashtra Government is credited to capital reserve account.

## Notes to the Financial Statement for year ended March 31, 2022

## 2. Property, Plant and Equipment for the year ended March 31, 2022

Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 01/04/2021	Additions for the Year	Deductions for the Year	As at 31/03/2022	As at 01/04/2021	For the Year for the Year	Adjustments for the Year	As at 31/03/2022	As at 31/03/2021
Land	1,934	-	-	1,934	-	-	-	1,934	1,934
Factory building	32,244	-	-	32,244	20,129	608	-	20,737	12,115
Plant & machinery	28,345	-	-	28,345	12,455	1,933	-	14,388	15,891
Electrical installation Plant	1,019	343	-	1,362	128	8	-	1,36	892
Factory Equipment	277	-	-	277	111	-	-	111	167
Office equipment	244	-	-	244	144	8	-	152	100
Furniture Fixtures	279	-	-	279	112	7	-	119	167
Computer	283	26	-	309	80	-	-	80	202
<b>Total - Current Year</b>	<b>64,626</b>	<b>369</b>	<b>-</b>	<b>64,995</b>	<b>33,158</b>	<b>2,564</b>	<b>-</b>	<b>35,722</b>	<b>31,468</b>
<b>Previous year</b>	<b>63,658</b>	<b>968</b>	<b>-</b>	<b>64,626</b>	<b>28,662</b>	<b>4,496</b>	<b>-</b>	<b>33,158</b>	<b>34,996</b>

The Company has mortgaged its Property, Plant and Equipment against borrowings. Refer Note No. 11 & 13 for details.

## Notes to the Financial Statement for year ended March 31, 2022

INR in ₹ 000

Particulars	March 31, 2022	March 31, 2021
<b>3 Investments in Equity Shares</b>		
<b>(i) Investment in Equity Shares</b>		
<b>Quoted - at Market Value</b>		
640 (640) Equity Shares Of Industrial Development Bank of India of Rs.10 Each,	12	12
<b>Unquoted - at cost</b>		
76250 (63250) Shares Of Kokan Mercantile Co Op Bank Ltd of Rs.10/-	888	888
800 (800) Equity Shares Of Janaseva Sahakari Bank Ltd of Rs. 25 each	20	20
<b>Total</b>	<b>920</b>	<b>920</b>
<b>4 Other Non Current Assets</b>		
Advances other than capital advances		
Security Deposits EMD & Others	1,850	1,952
Balance with Revenue Authorities		
Income Tax-TDS		
<b>Total</b>	<b>1,850</b>	<b>1,952</b>
<b>5 Inventories</b>		
(a) Raw materials	5,090	7,409
(b) Work-in-process	7,109	7,011
(c) Finished Goods	8,035	8,935
(d) Stores and spares	3,128	2,929
<b>Total</b>	<b>23,363</b>	<b>26,284</b>
<b>6 Trade Receivable</b>		
Trade Receivable -Unsecured, Considered Good	19,742	16,472
<b>Refer Note No.29 B</b>	<b>19,742</b>	<b>16,472</b>

Particulars	Outstanding for the following from the due of Payment					Total
	Less than 6 months	6 Month to 1 year	1 to 2 years	2 to 3 years	More than 3 Years	
(a) Undisputed Trade Receivables- Considered Good	17,572	79	98	219		17,967
(b) Undisputed Trade Receivables- Considered Doubtful		54		1,163		1,217
© Undisputed Trade Receivables- Considered Doubtful					599	599
<b>Total</b>	<b>17,572</b>	<b>333</b>	<b>98</b>	<b>1,382</b>	<b>599</b>	<b>19,742</b>

## Notes to the Financial Statement for year ended March 31, 2022

INR in ₹ 000

Particulars	March 31, 2022	March 31, 2021
<b>7 Cash and cash equivalents</b>		
<b>Balances with banks</b>		
In Current Accounts	280	367
Earmarked balances with bank (Unpaid dividend)	317	317
<b>Cash on hand</b>	<b>85</b>	<b>274</b>
<b>Total</b>	<b>682</b>	<b>959</b>
<b>8 Other Current Assets</b>		
Advances other than Capital Advances		
Other Advances		
Advance to staff	322	320
Prepaid Expenses	213	32
Advance to Suppliers	-	-
Balance with Revenue Authorities ( Refund)	1,487	9,954
<b>Total</b>	<b>2,022</b>	<b>10,306</b>
<b>9 Share Capital</b>		
<b>(a) Authorised Share Capital :</b>		
500,000 (PY: 500,000) 9% Cumulative Preference Shares of ₹ 100/- each	50,000	50,000
12,50,00,000 (PY: 12,50,00,000) Equity Shares of ₹ 1/- each	1,25,000	1,25,000
<b>Total</b>	<b>1,75,000</b>	<b>1,75,000</b>
<b>(b) Issued, subscribed and paid up:</b>		
4,29,63,470 (PY: 4,29,63,470) Equity Shares of ₹ 1/- each fully paid up.	42,963	42,963
<b>Total</b>	<b>42,963</b>	<b>42,963</b>

**(C) A reconciliation of the number of shares outstanding is set out below:**

Particulars	March 31, 2022		March 31, 2021	
	No. of Shares	In Rupees	No. of Shares	In Rupees
Outstanding At the beginning of the year (Face Value ₹1/- per share)	42963470	42,963	42963470	42,963
Add : Issue	0	0	0	0
Outstanding At the end of the year (Face Value ₹ 1/- per share)	42963470	42963	42963470	42,963

**Terms/rights attached to Equity shares :**

The Company has only one class of issued Equity Shares having a par value of ₹ 1 per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**(D) Details of shareholders, holding more than 5% shares in the company:**

Particulars	March 31, 2022		March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding
Equity -Bharat C Parekh	35671989	83.03	35671989	83.03

**Notes to the Financial Statement for year ended March 31, 2022****10 Other Equity**

INR in ₹ 000

	Reserves and Surplus			TOTAL
	Capital Reserve	Securities Premium Reserve	Retained Earnings	
<b>Balance as at 31st March, 2021</b>	1,84,284	19,924	(5,46,605)	<b>(3,42,397)</b>
<b>Fair Value measurement of Investments</b>	-	-	-	-
<b>Restated balance at 31st March, 2021</b>	1,84,284	19,924	(5,46,605)	<b>(3,42,397)</b>
Profit for the year	-	-	(9,670)	<b>(9,670)</b>
Changes in Fair value of Equity Investments through OCI	-	-	-	-
Deferred Tax	-	-	-	-
Total Comprehensive Income for the year	-	-	(9,670)	(9,670)
Transfer to retained earnings	-	-	-	-
<b>Balance as at 31st March, 2022</b>	<b>1,84,284</b>	<b>19,924</b>	<b>(5,56,276)</b>	<b>(3,52,068)</b>

## Notes to the Financial Statement for year ended March 31, 2022

**A. Nature and Purpose of Reserves**

- (a) Capital Reserve: The Companies Act, 2013 requires the company to create capital reserve based on statutory requirement. This reserve is not available for capitalisation/declaration of dividend/ share buy-back.
- (b) Securities Premium Reserve: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.
- (c) Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- (d) FVTOCI Equity Investments: The company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI Equity Investments reserve within equity. The company transfers amount from this reserve to retained earnings when the relevant equity securities are derecognised.

**11 Non Current Borrowings**

INR in ₹ 000

Particulars	March 31, 2022	March 31, 2021
Term Loans		
From Banks (Secured)		
Kokan Mercantile Co-op Bank Ltd	19,785	21,479
<b>Total</b>	<b>19,785</b>	<b>21,479</b>

INR in ₹ 000

Particulars	March 31, 2022	March 31, 2021
<b>12 Provision</b>		
Provision for Employee Benefits		
Provision for Gratuity	373	407
<b>Total</b>	<b>373</b>	<b>407</b>
<b>13 Current Borrowings</b>		
<b>A Loans repayable on demand from banks (Secured)</b>		
Kokan Mercantile Co-Op Bank Ltd C C	14,689	10,891
from other parties (Secured)		
SICOM INVESTMENTS & FINANCE LTD- Term Loan due for repayment	76,000	76,000
SICOM INVESTMENTS & FINANCE LTD- Working Capital	50,000	50,000
	1,40,689	1,36,891
<b>from other parties (Unsecured)</b>		
Unsecured Loans - Others	2,168	3,027
<b>B Loans from related parties</b>		
Unsecured		
Unsecured Loans- Directors	7172	7268
<b>C SIFL 9% Cum. Preference Shares Matured During F.Y. 17-18</b>	50,000	50,000
<b>Total (A) (B) and ©</b>	<b>2,00,029</b>	<b>1,97,186</b>

## Notes to the Financial Statement for year ended March 31, 2022

INR in ₹ 000

Particulars	March 31, 2022	March 31, 2021
<b>14 Trade Payables</b>		
Due to Micro, Small and Medium Enterprises Refer Note No. 37	-	-
Others	15,878	18,713
<b>Total</b>	<b>15,878</b>	<b>18,713</b>
<b>15 Other Financial Liabilities</b>		
Current Maturities of Long Term Debt - KOKAN Bank	3,600	3,600
Unpaid Dividend	317	317
Shares Application Money pending Allotment/ pending SEBI approval	30,000	30,000
Sundry Creditors - Long period	66,093	60,629
Sundry Debtors - Advance	1,018	7,020
<b>Total</b>	<b>1,01,029</b>	<b>1,01,566</b>
<b>16 Other Current Liability</b>		
Statutory Dues Payable	2,248	978
Unsecured Loans- DCK due	34,154	37,386
Expenses Payable	12,256	9,633
ESIC Payable	16	134
PF Payable	138	-
Professional Tax Payable	377	317
Salary & Wages Payable	674	-
<b>Total</b>	<b>49,863</b>	<b>48,448</b>
<b>17 Revenue from Operations</b>		
<b>Sale of Products</b>		
Polymer Based Packaging Products	2,09,501	1,78,045
Other Operating Revenues		
-Revenue from Services	18,629	5,217
<b>Total</b>	<b>2,28,130</b>	<b>1,83,262</b>

## Notes to the Financial Statement for year ended March 31, 2022

INR in ₹ 000

Particulars	March 31, 2022	March 31, 2021
<b>18 Other Income</b>		
Interest Income	-	-
Dividend	0	-
Interest on MSEB	-	56
Other Non-Operative Income		
Sundry Balances Written Back	921	551
Insurance Claim	-	-
<b>Total</b>	<b>921</b>	<b>607</b>
<b>19 Cost of Materials consumed</b>		
Opening stock of Raw material	7,409	2,009
Add: Purchase	1,70,089	1,56,385
Freight Inward	828	941
Less: Closing stock of Raw Material	(5,090)	7,409
<b>Material used in Manufacturing Activities</b>	<b>1,73,237</b>	<b>1,51,926</b>
Purchase Traders	-	-
<b>a Total Material used.</b>	<b>1,73,237</b>	<b>1,51,926</b>
<b>b Operational Expenses</b>		
Labour charges	18,222	13,424
Consumption of stores	4,591	3,064
Power & fuel	11,767	9,620
Water charges	310	276
Factory Insurance	255	326
Repairs: (A) Building	48	12
(B) Plant & machinery	594	315
<b>Total</b>	<b>35,789</b>	<b>27,037</b>
<b>Total (A+B)</b>	<b>2,09,025</b>	<b>1,78,963</b>

## Notes to the Financial Statement for year ended March 31, 2022

INR in ₹ 000

Particulars	March 31, 2022	March 31, 2021
<b>20 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade</b>		
Finished Goods		
Opening Stock	8,935	6,014
Closing Stock	7,109	8,935
<b>Changes in Inventory of Finished Goods</b>	<b>1,826</b>	<b>(2,921)</b>
<b>Work in Progress</b>		
Opening Stock	7,012	6,986
Closing Stock	8,035	7,012
Changes in Inventory Work in Progress	(1,023)	(26)
<b>Total</b>	<b>802</b>	<b>(2,947)</b>
<b>21 Employee benefit expenses</b>		
Salaries Wages and Bonus	9,240	11,094
Contribution to Provident Fund and Other Funds	299	40
Gratuity		
Staff Welfare Expenses	1,404	485
<b>Total</b>	<b>10,944</b>	<b>11,620</b>
<b>22 Finance Costs</b>		
Interest expense- Bank	6,096	5,530
Interest expense- Others	89	53
Other Borrowing Cost	393	821
<b>Total</b>	<b>6,578</b>	<b>6,404</b>
<b>23 Other Expenses</b>		
Printing and stationery	115	66
Telephone	83	113
Postage and Courier charges	18	18
Vehicle Expenses	559	156
Repairs and maintenance of others	5	39
Insurance other	3	111

## Notes to the Financial Statement for year ended March 31, 2022

INR in ₹ 000

Particulars	March 31, 2022	March 31, 2021
Rent	-	-
Rates and taxes	370	138
Packaging, forwarding charges	4,832	4,591
Legal and professional fees	714	791
Travailing expenses	186	146
Conveyance	163	94
Donation	5	52
Brokerage & commission	95	41
Directors sitting fees	45	15
Sales promotion & presentation	431	540
Fees and subscription	79	26
Electricity	57	32
Computer Maintenance Expenses	49	35
Guarantee Commission to Director	300	300
Bad debts written off	41	-
Sundry expenses	548	875
Share, Listing and RTA Expenses	-	21
Auditors remuneration	100	60
<b>Total</b>	<b>8,797</b>	<b>8,618</b>

- 24 The dividend payable of Rs 317,429/- is comprising of Rs 34,342.80 for F.Y. 95-96, Rs 98,376 for F.Y. 96-97 & Rs 184,710 for F.Y. 97-98 and not deposited with Investors Education and Protection Fund account. The same is lying with Bank of Baroda under dividend a/c no. 4326 and The Federal Bank Ltd. under dividend a/c no. 3884 and 4034. The management is in the process of transferring the same to the Investors Education and Protection Fund account.
- 25 At the hearing held on 01-09-2010 BIFR has approved the relief in respect of extension of repayment of existing Deferred Sales Tax Liability of Rs. 2,34,46,366/- along with accrued interest thereon at the concessional rate 7% per annum over the period of Five years subject to consideration of the same by Sales Tax Department. Accordingly the application is made with the concerned authority for the requisite approval to implement the relief sought and the same is pending. However the interest of Rs. 207.41 (Rs. 190.06) Lacs upto 31-03-2021 has not been provided in the annexed accounts on the outstanding deferred sales tax amount. However the Revised/Amended MDRS, the Company has sought relief for differed payment over the period of five years from the date of sanction of Scheme. On 25th November, 2016 vide its notification no. F.No.3/2/2011-IF.II and in exercise of powers conferred by sub-section (2) of section 2 of Sick Industrial Companies (Special Provisions)

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**Notes to the Financial Statement for year ended March 31, 2022**

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Repeal Act, 2003, the Central Government appointed from 1st December, 2016 that the act along with all its provisions be repealed including the BIFR bench.

Pursuant to the above the Insolvency and Bankruptcy Code was brought into force. As per Insolvency & Bankruptcy Code (Removal of Difficulties) Order 2017, any scheme sanctioned under sub-section (4) or any scheme under implementation under sub-section (12) of section 18 of the Sick Industrial Companies (Special Provisions) Act, 1985 shall be deemed to be an approved resolution plan under sub-section (1) of section 31 of Insolvency & Bankruptcy Code, 2016 and the same shall be dealt with in accordance with the provisions of part II of the said code.

Hence the company is making applications and presentations at all relevant authorities to continue with the scheme which was sanctioned by BIFR

26 The Company has made an application to SICOM INVESTMENT AND FINANCE LIMITED (SIFL) for One Time Settlement (OTS) on their Loan of Rs. 1260 lacs Vide the letter the company has shown its performance and has requested SIFL to settle all its dues including loans, unpaid interest, penal interest (if any) and the Preference Shares and the Share Application Money at INR 500lacs. The correspondance is ongoing and the company expects a positive feedback from SIFL

27 Previous year's figures have been rearranged and/or regrouped, reclassified wherever necessary to make them comparable with those of the current year.

**28 Financial Instruments - Fair Values and Risk Management**

Accounting classification and fair values

**A Carrying Value as on reporting date & Fair Value hierarchy:**

The following table shows carrying amount and fair values of financial assets and financial liabilities, including their levels in fair value hierarchy. It does not include fair value information of financial assets and liabilities not measured at fair value if the carrying amount is reasonable approximation of fair value.

## Notes to the Financial Statement for year ended March 31, 2022

INR in ₹ 000

Particulars	31-Mar-2022			Total	Fair Value hierarchy			Total
	FVTPL	FVTOCI	Amortised Cost		Level 1	Level 2	Level 3	
<b>Financial Assets</b>								
(i) Non Current Investments	-	12	908	920	12	908	-	920
(ii) Trade Receivable	-	-	19,742	19,742	-	-	-	-
(iii) Cash and Cash Equivalents	-	-	682	682	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>12</b>	<b>21,333</b>	<b>21,333</b>	<b>12</b>	<b>908</b>	<b>-</b>	<b>920</b>
<b>Financial Liabilities</b>								
(i) Current Borrowings	-	-	2,00,029	2,00,029	-	-	-	-
(ii) Trade Payables	-	-	15,878	15,878	-	-	-	-
(iii) Other Financial Liabilities	-	-	1,01,029	1,01,029	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>3,16,937</b>	<b>3,16,937</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Particulars	31-Mar-2021			Total	Fair Value hierarchy			Total
	FVTPL	FVTOCI	Amortised Cost		Level 1	Level 2	Level 3	
<b>Financial Assets</b>								
(i) Non Current Investments	-	12	908	920	12	908	-	920
(ii) Trade Receivable	-	-	16,472	16,472	-	-	-	-
(iii) Cash and Cash Equivalents	-	-	959	959	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>12</b>	<b>18,339</b>	<b>18,351</b>	<b>12</b>	<b>908</b>	<b>-</b>	<b>920</b>
<b>Financial Liabilities</b>								
(i) Current Borrowings	-	-	1,97,186	1,97,186	-	-	-	-
(ii) Trade Payables	-	-	18,713	18,713	-	-	-	-
(iii) Other Financial Liabilities	-	-	1,01,566	1,01,566	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>3,17,465</b>	<b>3,17,465</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

With respect to disclosure of fair value of financial instruments such as cash and cash equivalents, other bank balances, trade receivables and other receivables, other current and non current financial assets, short term borrowings and other current financial liabilities at March 2020 and March 31, 2019 are similar to carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

## Notes to the Financial Statement for year ended March 31, 2022

### B Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

The source of risk are as follows -

Risk	Exposure from	Measurement
Credit Risk	Trade Receivable, Cash and cash equivalents, financial assets measured at amortised cost	Credit Ratings
Liquidity Risk	Borrowings, Trade Payables and other liabilities	Cash flow forecast
Market Risk - Interest Rate Risk, Currency Risk and Price Risk	Price risk from investments, currency risk from	Sensitivity analysis

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

#### a Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans. Credit risk is managed 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 establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Company's maximum exposure to credit risk as at 31st March, 2019 and 2018 is the carrying value of each class of financial assets.

#### i Trade and other receivables

Credit risk on trade receivables is limited based on past experience and management's estimate.

Ageing of trade and other receivables that were not impaired was as follows.

Carrying amount	31-Mar-22	31-Mar-21
Neither Past due nor impaired	17,571	14,390
Past due but not impaired	-	-
Past due more than 180 days	2,171	2,082
<b>TOTAL</b>	<b>19,742</b>	<b>16,472</b>

## Notes to the Financial Statement for year ended March 31, 2022

### ii Cash and Cash Equivalents

The Company held cash and bank balance with credit worthy banks of ₹ 6,82,042 at March 31, 2022 (March 31, 2021: ₹ 9,58,970). The credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks where credit risk is largely perceived to be extremely insignificant. Further the Company has an interest accrued but not due on above fixed deposit of ₹ 1322 at March 31, 2022 (March 31, 2021 ₹ 1322)

### b Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. The Company manages its liquidity risk by preparing monthly cash flow projections to monitor liquidity requirements. In addition, the Company projects cash flows and considering the level of liquid assets necessary to meet these, monitoring the Balance Sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

### i Exposure to Liquidity Risk

	Carrying Amount	31-Mar-22 within 1 Year	Between 1-5 Years	More than 5 Years
Current Borrowings *	2,00,029	2,00,029	-	-
Trade Payables	15,878	15,878	-	-
Other Financial Liabilities	1,01,029	1,01,029	-	-
		31-Mar-21		
	Carrying Amount	within 1 Year	Between 1-5 Years	More than 5 Years
Non Current Borrowings	-	-	-	-
Current Borrowings *	1,97,186	1,97,186	-	-
Trade Payables	18,713	18,713	-	-
Other Financial Liabilities	1,01,566	1,01,566	-	-

\* The amount shown under 'Current Borrowings' is interest free loans received from Directors and received from third parties. These have been received in ordinary course of business and are repayable on demand.

### c Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments. The Company is exposed to market risk primarily related to interest rate risk and the market value of the investments.

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**Notes to the Financial Statement for year ended March 31, 2022**

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**i Currency Risk**

The functional currency of the Company is Indian Rupee. Currency risk is not material, as the Company does not have any exposure in foreign currency.

**ii Interest Rate Risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

According to the Company interest rate risk exposure is only for floating rate borrowings. Company does not have any floating rate borrowings on any of the Balance Sheet date disclosed in this financial statements.

**iii Price Risk**

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in quoted instruments.

**a Fair value sensitivity analysis for fixed rate Instruments**

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through Profit or Loss. Therefore, a change in interest rates at the reporting date would not affect Profit or Loss.

**b Cash flow sensitivity analysis for variable rate Instruments**

The company does not have any variable rate instrument in Financial Assets or Financial Liabilities.

**30 Capital Management**

The company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-today needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

### Notes to the Financial Statement for year ended March 31, 2022

31	<b>CONTINGENT LIABILITIES</b>	<b>AS ON 31.03.2022</b>	<b>AS ON 31.03.2021</b>
	1. Contingent Liabilities in respect of disputed suit/ claims pending against the Company	902.43 Lacs	902.43 Lacs
	9% Preference Shares Dividend Due	425.59 Lacs	380.59 Lacs
32	Capital Commitment at the end of the year Rs. Nil Lac (Rs. Nil Lacs), [Advances paid Rs. Nil (Rs. Nil Lacs)		
33	Sundry Debtors, Sundry Creditors, Secured and Unsecured - Loans & Advances given and taken are subject to their confirmation, adjustments and provisions if any. However the Management is confident of its recovery hence it is shown in Notes of Audited Accounts as considered good. In the Opinion of the Company the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of Business. Provision for known liabilities is adequate and not in excess of amount reasonably necessary.		
34	<b>Payment to Auditors</b>	<b>AS ON 31.03.2022</b>	<b>AS ON 31.03.2021</b>
	Audit fees	100000	60000
	Others/Out of pocket expenses	2700	2700
	<b>TOTAL</b>	<b>62700</b>	<b>62700</b>
35	Payment to Directors for Guarantee Commission in respect of personal guarantees given for Loans and Credit facilities obtained by the Company	6,90,000	3,00,000
36	Expenditure/Earnings in Foreign Currency		
	Travelling Expenses	NIL	NIL
	Earnings in Foreign Currency	NIL	NIL
37	The amount due to Micro, Small & Medium Enterprises as per the Micro, Small & Medium Enterprises Development [MSMED] Act, 2006 is furnished under the relevant head, on the basis of information available with / received by the company regarding the status of Micro, Small & Medium Enterprises to which the company owes a sum exceeding rupees one lac for more than 30 days is Nil, Previous Year Nil. No interest is provided in respect thereof.		
38	In terms of Ind AS 24 "Related Party Disclosures" issued by The ICAI, related party transactions are as follows:		
	a. Parties where control exists: Sanjay Enterprises		
	b. Other related parties with whom transactions have taken place during the year: Key Management Personnel & Relatives B. C. Parekh- Managing Director		

## Notes to the Financial Statement for year ended March 31, 2022

## c. Nature of Transaction

Key Management personnel & Relative & controlling firm [Net]	AS ON 31.03.2022	AS ON 31.03.2021
B. C. Parekh	690000	300000

39	Earnings per Share:		
	[a] Profit/Loss before ordinary/exceptions item & tax	(9,671)	(23,286)
	Less: Dividend Provision on Preference Shares	-	-
	Less : Exception Item	-	-
	[b] Profit/(Loss) after tax and exceptional items	(9,671)	(23,286)
	[c] The weighted average number of Ordinary share	4,29,63,470	4,29,63,470
	[d] The nominal value per Ordinary Share	1	1
	[e] Earnings per share [ Basic and diluted ] before exceptional item	(0.23)	(0.54)
	[f] Earnings per share [ Basic and diluted ] after exceptional item	(0.23)	(0.54)

40 Summary of Significant Ratios:			
Sr.No	Particulars	As at 31.03.2022	As at 31.03.2022
1	Current Ratio	0.12	0.15
2	Debt-Equity Ratio	"-ve Network"	"-ve Network"
3	Debt Service coverage ratio	-0.47	-1.13
4	Return on Equity Ratio	"-ve Network"	"-ve Network"
5	Inventory Turnover Ratio	8.95	6.81
6	Trade Receivables Turnover Ratio	11.56	11.13
7	Trade Payables Turnover Ratio	10.71	8.36
8	Net Capital Turnover Ratio	-1.35	-1.63
9	Net Profit Ratio	-0.04	-0.13
10	Return on Capital employed	"-ve Network"	"-ve Network"

**Notes to the Financial Statement for year ended March 31, 2022****41 Additional Regulatory Information pursuant to Amendment in Schedule III to the Companies Act, 2013**

A	The company does not hold any immovable property which is not held in the name of the company.
B	The Company does not hold any Investment Property. Accordingly, reporting on fair valuation of Investment Property is not applicable.
C	The Company has not revalued its Property Plant & Equipment diuring the year.
D	The Company does not hold any Intangible Assets. Accordingly, reporting on revaluation of Intangible Assets is not applicable.
E	The Company has not advanced loans or advances in the nature of loans to promoters, directors, KMPs and the related parties.
F	The Company does not hold any Capital-work-in-progress. Accordingly, reporting on Capital Work-in-progress ageing and
G	The completion schedule is not applicable.
H	The Company does not hold any Intangibles assets under development. Accordingly, reporting on Intangibles assets under
I	development ageing and completion schedule is not applicable.
J	The Company does not have any property, where any proceeding has been initiated or pending against the Company for holding any benami property.
K	The Company has availed borrowings from banks or financial institutions on the basis of security of current assets &
L	The quarterly statements submitted to Banks wherever mandated are in agreement with the books of accounts.
M	The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.
N	The Company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of
O	The Companies Act, 1956. The Company has charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
P	The Company does not have any investment in subsidiaries. Accordingly, Compliance with the number of layers prescribed under clause (87) of section 2
Q	of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable.
R	Reporting under Compliance with approved Scheme(s) of Arrangements is not applicable to the Company.
S	The Company has not advanced or loaned or invested funds to any other person(s) or Company(ies), including foreign entities (Intermediaries) with
T	the understanding that the Intermediary shall:
U	directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate
V	beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
W	The Company has not received any fund from any person(s) or Company(ies), including foreign entities (funding party) with
X	The understanding (whether recorded in writing or otherwise) that the Company shall:

**For Jain Jagawat & Kamdar & Co.**  
Chartered Accountants  
Firm Registration No. 122530W

**CA Chandrashekhar Jagawat**  
Partner  
M No. 116078  
UDIN: 21116078AAAAEJ5522

Mumbai, May 30, 2022

**For and on behalf of the Board of Directors**  
**Bharat Chimanlal Parekh**  
Managing Director  
DIN: 02650644

**Ravindra Shukla**  
Independent Director  
DIN: 00660027

**Ishan Selarka**  
Independent Director  
DIN: 03614005  
Mumbai, May 30, 2022

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**2021-2022**

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