

## CORPORATE INFORMATION

### KEY MANAGERIAL PERSONNEL

Mr. Bharat Parekh  
Managing Director

Mrs. Darshana Parekh  
Director

Mr. Akshay Bhatt  
Non Executive Director

Mr. Ishan Selarka  
Independent Director

Mr. Ravindra Shukla  
Independent Director  
(Appointed w. e. f. August 14, 2017)

Ms. Payal Kotak  
Company Secretary  
(Appointed w. e. f. May 30, 2017)

CIN : L28129MH1982PLC026917

Registered Office: Plot No. J-61, Additional -  
MIDC, Murbad District,  
Thane, Mumbai 421401

Telephone No: +91 22 22873078/22843293

Fax No: +91 22 22874479

E-mail: [ir@tpiindia.com](mailto:ir@tpiindia.com)

Website: [www.tpiindia.in](http://www.tpiindia.in)

Registrar and Transfer Agents: Big Share Services Pvt. Ltd.  
1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri (East) Mumbai 400059

Telephone No: +91 22 62638200/295

E-mail: [info@bigshareonline.com](mailto:info@bigshareonline.com)

Bankers: Union Bank of India  
Konkan Merchantile Co-op Bank Ltd

Financial Institution: SICOM Investment and Finance Limited

## NOTICE TO THE MEMBERS

NOTICE is hereby given that the 36<sup>th</sup> Annual General Meeting of the Members of TPI INDIA Limited will be held on Saturday the 22<sup>nd</sup> September, 2018 at 11.30 am at Plot No. J-61, Additional MIDC Area, Murbad, Thane – 421401 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, 2018, 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 No. 02650644), who retires by rotation, and being eligible offers himself for reappointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

\*RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. V. R. Renuka & Co, Chartered Accountants (Firm Registration No. 108826W), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2019-20 (subject to rectification in each financial year) on such remuneration as may be determined by the Board of Directors.

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING MAY APPOINT PROXY TO ATTEND AND ON A POLL VOTE, INSTEAD OF HIMSELF/HERSELF. (A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. A Person shall not act as a Proxy for more than 50 Members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However a single person may act as a Proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a Proxy for any other person.
3. The Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013 are annexed hereto.
4. Corporate Members are requested to send to the Company, at its Registered Office a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.
5. Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, September 17, 2018 to Friday, September 21, 2018 (both days inclusive).
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), Mandates,

Nomination, Power of Attorney, Change of Address, Change of Name, Email Address, Contact Numbers etc. to their respective Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and its Transfer Agents to provide efficient and better services. Members holding shares in Physical Form are requested to intimate such changes to Transfer Agents M/s. Big Share Services Pvt. Ltd.

8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.
9. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website [www.garnetconstructions.com](http://www.garnetconstructions.com) for their download. All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the Meeting and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11:00 a.m. and 1:00 p.m. on all days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the Annual General Meeting.
10. Notice of the AGM along with Annual Report 2017-18 is being sent by electronic mode to those members whose email addresses are registered with the Company / Depository Participants unless any member has requested for the physical copy of the same. For Members who have not registered their email addresses, physical copies are being sent by permitted mode. To support the Green Initiative, members (holding shares in electronic form) who have not registered their email addresses, are requested to register the same with their Depository Participants. Members holding shares in physical mode are requested to register their email ID with the Registrar and Share Transfer Agent of the Company.
11. Brief profile of the Directors retiring by rotation and being eligible for re-appointment and the Directors proposed to be re-appointed/appointed at this Annual General Meeting has been furnished in this Annual Report.
12. Members desirous of obtaining any information with regard to accounts are requested to write to the Company Secretary at the Registered Office of the Company, at least 10 days in advance, so as to compile the same.
13. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 are requested to fill up the Form SH-13 and send to the office of the Company's Transfer Agent.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Transfer Agent.
15. Voting Through Electronic Means

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of 36<sup>th</sup> Annual General Meeting of the Company.

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The instructions for shareholders voting electronically are as under :

- i. The voting period begins on Wednesday, 19<sup>th</sup> Day of September, 2018 at 9:00 a.m. and ends on Friday, 21<sup>st</sup> Day of September, 2018 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, 27<sup>th</sup> Day of August, 2018, 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. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on Shareholders.
- v. 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below :

|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PAN                   | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department<br/>(Applicable for both demat shareholders as well as physical shareholders)</p> <p>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p> |
| Dividend Bank Details | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v)</p>                                                                                                                                                                                                                                                         |

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant on which you choose to vote.
- xiii. 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.
- ixv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. 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.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xviii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xx. Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - 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.

xxi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### General Instructions :

- a. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Monday, 27 Day of August, 2018.
- b. A copy of this notice has been placed on the website of the Company and the website of CDSL.
- c. In case of any other queries/grievances connected with voting by electronic means, you may also contact Company Secretary.
- d. Ms. Namrata G Vyas, (CP No. 17283), Practicing Company Secretaries from Namrata Vyas & Associates, Company Secretaries have been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- e. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witness not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutiniser's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- f. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.tpiindia.in](http://www.tpiindia.in) and on the website of CDSL within 48 hrs of conclusion of the General Meeting and communicated to the BSE Limited.

Place : Mumbai

Date : 14th August, 2018

By Order of the Board

Bharat Parekh  
Managing Director  
DIN : 02650644

**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                                                                                                   | 55 Years          |
| Position Held                                                                                          | Managing 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 36<sup>th</sup> Annual Report of TPI INDIA LIMITED together with the Audited Statement of Accounts for the year ended March 31, 2018.

### Highlights of Financial Performance (Standalone)

The Company has recorded the following financial performance, for the year ended March 31, 2018:

Amount in Lacs

| Particulars                                                  | Year Ended<br>31.03.2018 | Year Ended<br>31.03.2017 |
|--------------------------------------------------------------|--------------------------|--------------------------|
| Total Income                                                 | 2759.64                  | 4062.00                  |
| Total Expenditure                                            | 3024.72                  | 4539.83                  |
| Profit / (loss) Before Interest, Depreciation & Tax (EBITDA) | (265.08)                 | (477.83)                 |
| Less : Finance Charges                                       | 100.32                   | 103.19                   |
| Depreciation                                                 | 71.71                    | 40.36                    |
| Profit / (Loss) before Exceptional Item and Tax              | (437.11)                 | (621.38)                 |
| Add : Exceptional Item                                       | 0.00                     | 184.90                   |
| Profit/(Loss) before Tax                                     | (437.11)                 | (436.48)                 |
| Provision for Tax                                            | 0.00                     | 0.00                     |
| Profit/(Loss) after Tax                                      | (437.11)                 | (436.48)                 |

### Indian Accounting Standards (Ind AS) :

The Ministry of Corporate Affairs (MCA), vide its notification dated 16<sup>th</sup> February, 2015, notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Being applicable, the Company has adopted Ind AS from April 1, 2017 and accordingly, the transition was carried out, from the Accounting Principles generally accepted in India as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (previous GAAP) to Ind AS 101 "First time adoption of Indian Accounting Standards".

The impact of transition has been recorded in opening reserves as at April 1, 2016 and the periods presented have been restated / reclassified. The reconciliation and descriptions of the effect of the transition from Indian GAAP to Ind AS have been provided in Note 34, 35 & 36 of the notes forming part of separate financial statements.

### Summary of Operations

During the year under review the Company's total income has decreased to is Rs. 2759.64 lacs as against previous year Rs. 4062.00, the same is on account of low capacity utilisation. Therefore the company has posted net loss of Rs. 437.11 Lacs as against previous year loss of Rs. 436.48, 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 Product. There has been no change in the business of the Company during the financial year ended 31st March, 2018.

### Dividends

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

The dividend payout for the year under review is in accordance with the Company's policy to pay sustainable dividend linked to long term growth objectives of the Company to be met by internal cash accruals.

### 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 12<sup>th</sup> December, 2005 and IDBI was appointed as operating agency.

At the hearing held on 1<sup>st</sup> 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.

### Share Capital

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

### Directors and Key Managerial Personnel

Mr. Bharat Parekh, Managing 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 in their meeting held on 14<sup>th</sup> August, 2018.

Besides above during the year Mr. Ravindra C Shukla appointed as Director with effect from 14<sup>th</sup> August, 2017.

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 taking 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 4 Board Meetings and 4 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 30<sup>th</sup> May, 2017, 14<sup>th</sup> August, 2017, 13<sup>th</sup> November, 2017 and 14<sup>th</sup> February, 2018.

#### 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), Mrs. Darshna Parekh, and Mr. Akshay Bhatt. 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, 2018, four (4) Audit Committee meetings were held on May 30, 2017, August 14, 2017, November 13, 2017 and February 14, 2018.

#### 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), Mrs. Darshna Parekh, and Mr. Akshay Bhatt. 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, 2018, Two (2) Nomination and Remuneration Committee meetings were held on August 14, 2017 and February 14, 2018.

#### 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), Mrs. Darshna Parekh, and Mr. Akshay Bhatt. Stakeholders Relationship Committee acts in accordance with the terms of reference specified from time to time by the Board.

No Stakeholders Relationship Committee meeting was held during the Year 2017-18.

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

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

**Auditors**

M/s V. R. Renuka & Co, Chartered Accountants, Mumbai were appointed as Statutory Auditor of the Company to hold office for upto financial year 2019-20, subject to ratification of their appointment the members are requested to ratify their appointment. The Audit Committee and Board of Directors have recommended ratification of their appointment as Statutory Auditor.

**Auditors Reports**

Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

During the year, the statutory auditor had not reported any matter under Section 143 (12) of the Companies Act, 2013, therefore no details is required to be disclosed under Section 134 (3) (ca) of the Companies Act, 2013.

**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 2018-19.

**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 III 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 per section 203 of the Act.

The Company is looking after for a suitable person to be appointed as Chief Financial Officer, however company is appoint the same on urgent basis.

2. The Company has not appointed Internal Auditor as per section 138 of the Act.

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

**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.

**Extract of Annual Return**

The extract of Annual Return in Form No.MGT-9 as required under Section 92 of the Companies Act, 2013 for the financial year ending March 31, 2018 is annexed and forms part of this report.

#### 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, 2018 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 44 to the Balance Sheet as on 31<sup>st</sup> March, 2018.

#### 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 31<sup>st</sup>, March 2018.

#### Dematerialization of Shares

With reference to the BSE notice no. 20170410-18 dated 10<sup>th</sup> April, 2017, suspension in trading of equity shares of the company has been revoked w.e.f. 18<sup>th</sup> April, 2017. The same notice also mandates the company for the entire holding to be locked in upto 31<sup>st</sup> December, 2017.

Currently after the lock in period has been completed the company has finished the process of dematerialization of 96% of the entire promoter holding. The balance 4% holding is currently with the deceased promoters. The living promoters are in process of filing a succession certificate for the deceased promoters to get the shares transferred and pursuant to that get the shareholding dematerialized.

#### Deposits

The Company had accepted unsecured loan to meet the working capital requirement of the Company from the friends and relatives of the Promoter. The acceptance of said unsecured loan has resulted into non-compliance with section 73 of the Companies Act, 2013. The interest is timely paid on these unsecured Loans and such loan has no specific maturity date as such. The business circumstances have forced the Company to avail unsecured loan. The Management is of the opinion that considering the Company being under BIFR purview, the consequences associated with contravention of section 73 of the Companies Act, 2013 will be diluted.

#### 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 31<sup>st</sup> March, 2018, 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. The 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. The 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. The have prepared the annual accounts on a 'going concern' basis.
5. The have laid down internal finance control to be followed by the Company and such internal finance control are adequate and operating effectively;
6. The have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

**Acknowledgement**

The Board of Directors would like to express their sincerer 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.

For and on behalf of the Board

Date: 14/08/2018

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, 2018**

[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 programme 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 II - FORM NO. MGT-9  
EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2018**

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

**I. REGISTRATION & OTHER DETAILS:**

|    |                                                                            |                                                                                                                                                                                             |
|----|----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | CIN                                                                        | L28129MH1982PLC026917                                                                                                                                                                       |
| 2. | Registration Date                                                          | 14/04/1982                                                                                                                                                                                  |
| 3. | Name of the Company                                                        | TPI INDIA LIMITED                                                                                                                                                                           |
| 4. | Category/Sub-category of the Company                                       | Public Company - Limited by shares                                                                                                                                                          |
| 5. | Address of the Registered Office & contact details                         | Plot No. J-61, Additional MIDC Area, Murbad,<br>District Thane, Kalyan - 421401.<br>Tel.: 022-22873078 / 22843293<br>Email: ir@tpiindia.in<br>Website: www.tpiindia.in                      |
| 6. | Whether listed company                                                     | YES                                                                                                                                                                                         |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | M/s. Bigshare Services Private Limited<br>1st Floor, Bharat Tin Works Building,<br>Opp. Vasant Oasis, Makwana Road,<br>Marol, Andheri (East) Mumbai 400059<br>Tel.: 022-62638200 / 62638295 |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Name and Description of main Products/ Services | NIC Code of the Product/ Services | % of the Total Turnover of the Company |
|-------------------------------------------------|-----------------------------------|----------------------------------------|
| Packaging of goods                              | 63053200                          | 60                                     |
| Plastic Packing                                 | 39232990                          | 40                                     |

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

| Sr. No. | Name And Address Of The Company | CIN/ GIN | Holding/ Subsidiary / Associate | % Of Shares Held | Applicable Section |
|---------|---------------------------------|----------|---------------------------------|------------------|--------------------|
|         | N.A.                            | N.A      | N.A                             | N.A              | N.A                |

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## i) Category-wise Share Holding

| Category of Shareholders                                  | No. of Shares held at the beginning of the year<br>(01/04/2017) |                |                 |                  | No. of Shares held at the end of the year<br>(31/03/2018) |                |                 |                  | % of Change during the year |
|-----------------------------------------------------------|-----------------------------------------------------------------|----------------|-----------------|------------------|-----------------------------------------------------------|----------------|-----------------|------------------|-----------------------------|
|                                                           | Demat                                                           | Physical       | Total           | % of Total share | Demat                                                     | Physical       | Total           | % of Total share |                             |
| <b>A. Promoters</b>                                       |                                                                 |                |                 |                  |                                                           |                |                 |                  |                             |
| <b>(1) Indian</b>                                         |                                                                 |                |                 |                  |                                                           |                |                 |                  |                             |
| (g) Individuals/HUF                                       | 35000000                                                        | 2502097        | 37502097        | 87.29            | 35211620                                                  | 2290527        | 37502147        | 87.29            | 0                           |
| (h) Central Govt.                                         | 0                                                               | 0              | 0               | 0                | 0                                                         | 0              | 0               | 0                | 0                           |
| (i) State Govt (s)                                        | 0                                                               | 0              | 0               | 0                | 0                                                         | 0              | 0               | 0                | 0                           |
| (j) Bodies Corp.                                          | 0                                                               | 2714117        | 2714117         | 6.32             | 2048357                                                   | 665760         | 2714117         | 6.32             | 0                           |
| (k) Banks / FI                                            | 0                                                               | 0              | 0               | 0                | 0                                                         | 0              | 0               | 0                | 0                           |
| <b>(l) Any Other....</b>                                  |                                                                 |                |                 |                  |                                                           |                |                 |                  |                             |
| * Director's Relatives                                    | 0                                                               | 0              | 0               | 0                | 0                                                         | 0              | 0               | 0                | 0                           |
| * Person Acting in Concern                                | 0                                                               | 0              | 0               | 0                | 0                                                         | 0              | 0               | 0                | 0                           |
| <b>Sub Total (A)(1):-</b>                                 | <b>35000000</b>                                                 | <b>5216214</b> | <b>40216214</b> | <b>93.61</b>     | <b>37259977</b>                                           | <b>2956287</b> | <b>40216264</b> | <b>93.61</b>     | <b>0</b>                    |
| <b>(2) Foreign</b>                                        |                                                                 |                |                 |                  |                                                           |                |                 |                  |                             |
| (a) NRI Individuals                                       | 0                                                               | 0              | 0               | 0                | 0                                                         | 0              | 0               | 0                | 0                           |
| (b) Other Individuals                                     |                                                                 |                |                 |                  |                                                           |                |                 |                  |                             |
| (c) Bodies Corp.                                          | 0                                                               | 0              | 0               | 0                | 0                                                         | 0              | 0               | 0                | 0                           |
| (d) Banks / FI                                            | 0                                                               | 0              | 0               | 0                | 0                                                         | 0              | 0               | 0                | 0                           |
| <b>(e) Any Other....</b>                                  |                                                                 |                |                 |                  |                                                           |                |                 |                  |                             |
| <b>Sub Total (A)(2):-</b>                                 | <b>0</b>                                                        | <b>0</b>       | <b>0</b>        | <b>0</b>         | <b>0</b>                                                  | <b>0</b>       | <b>0</b>        | <b>0</b>         | <b>0</b>                    |
| <b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b> | <b>35000000</b>                                                 | <b>5216214</b> | <b>40216214</b> | <b>93.61</b>     | <b>37259977</b>                                           | <b>2956287</b> | <b>40216264</b> | <b>93.61</b>     | <b>0</b>                    |
| <b>B. Public Shareholding</b>                             |                                                                 |                |                 |                  |                                                           |                |                 |                  |                             |
| <b>(1) Institutions</b>                                   |                                                                 |                |                 |                  |                                                           |                |                 |                  |                             |
| (a) Mutual Funds                                          | 240                                                             | 0              | 240             | 0                | 240                                                       | 0              | 240             | 0                | 0                           |
| (b) Banks FI                                              | 1000                                                            | 257900         | 258900          | 0.58             | 1000                                                      | 7900           | 8900            | 0.00             | -0.58                       |
| (c) Central Govt.                                         | 0                                                               | 0              | 0               | 0                | 0                                                         | 0              | 0               | 0                | 0                           |
| (d) State Govt (s)                                        | 0                                                               | 0              | 0               | 0                | 0                                                         | 0              | 0               | 0                | 0                           |
| (e) Venture Capital Funds                                 | 0                                                               | 0              | 0               | 0                | 0                                                         | 0              | 0               | 0                | 0                           |

|                                                                                    |             |               |               |             |             |             |             |             |              |
|------------------------------------------------------------------------------------|-------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|--------------|
| (f) Insurance Companies                                                            | 0           | 0             | 0             | 0           | 0           | 0           | 0           | 0           | 0            |
| (g) FIs                                                                            | 0           | 0             | 0             | 0           | 0           | 0           | 0           | 0           | 0            |
| (h) Foreign Venture Capital Funds                                                  | 0           | 0             | 0             | 0           | 0           | 0           | 0           | 0           | 0            |
| (i) Others (specify)                                                               |             |               |               |             |             |             |             |             |              |
| * Any other                                                                        | 0           | 0             | 0             | 0           | 0           | 0           | 0           | 0           | 0            |
| <b>Sub-total (B)(1):-</b>                                                          | <b>1240</b> | <b>257900</b> | <b>259140</b> | <b>0.58</b> | <b>1240</b> | <b>7900</b> | <b>9140</b> | <b>0.00</b> | <b>-0.58</b> |
| <b>(2) Non-Institutions</b>                                                        |             |               |               |             |             |             |             |             |              |
| <b>(a) Bodies Corp.</b>                                                            |             |               |               |             |             |             |             |             |              |
| (i) Indian                                                                         | 39810       | 48224         | 88034         | 0.20        | 47100       | 48224       | 95324       | 0.22        | +0.02        |
| (ii) Overseas                                                                      | 0           | 0             | 0             | 0           | 0           | 0           | 0           | 0           | 0            |
| <b>(b) Individuals</b>                                                             |             |               |               |             |             |             |             |             |              |
| (i) Individual shareholders holding nominal share capital upto Rs. 2 lakh          | 764767      | 1630249       | 2395016       | 5.57        | 778770      | 1607486     | 2386296     | 5.55        | -0.02        |
| (ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh |             |               |               |             |             |             |             |             |              |
| <b>(c) Others (specify)</b>                                                        |             |               |               |             |             |             |             |             |              |

## ii) Shareholding of Promoter-

| Sr  | Name of Shareholders                                    | No. of shares held                        |                                  |                                                |                                     |                                  |                                               |                                          |
|-----|---------------------------------------------------------|-------------------------------------------|----------------------------------|------------------------------------------------|-------------------------------------|----------------------------------|-----------------------------------------------|------------------------------------------|
|     |                                                         | Shareholding at the beginning of the year |                                  |                                                | Shareholding at the End of the Year |                                  |                                               |                                          |
| No. |                                                         | No. of shares                             | % of Total Shares of the Company | % of shares pledged encumbered to total Shares | No. of shares                       | % of Total Shares of the Company | % of Total shares pledged encumbered to total | % Change in Shareholding during the year |
| 1   | BHARAT PAREKH                                           | 35671989                                  | 83.03                            | 100                                            | 35688099                            | 83.07                            | 100                                           | +0.04                                    |
| 2   | HASMUKEH PAREKH                                         | 1263488                                   | 2.94                             | 100                                            | 1220848                             | 2.84                             | 100                                           | -0.10                                    |
| 3   | B C PAREKH HUF                                          | 15200                                     | 0.04                             | 100                                            | 15200                               | 0.04                             | 100                                           | 0.00                                     |
| 4   | DARSHANA PAREKH                                         | 60060                                     | 0.14                             | 100                                            | 44000                               | 0.10                             | 100                                           | -0.04                                    |
| 5   | AVINASH PAREKH                                          | 37600                                     | 0.09                             | 100                                            | 37600                               | 0.09                             | 100                                           | 0.00                                     |
| 6   | POOJA PAREKH                                            | 44800                                     | 0.10                             | 100                                            | 44800                               | 0.10                             | 100                                           | 0.00                                     |
| 7   | ASHA PAREKH                                             | 31200                                     | 0.07                             | 100                                            | 73840                               | 0.17                             | 100                                           | +0.10                                    |
| 8   | SANJAY PAREKH                                           | 70240                                     | 0.16                             | 100                                            | 70240                               | 0.16                             | 100                                           | 0.00                                     |
| 9   | HASMUKEH C. PAREKH HUF                                  | 50560                                     | 0.12                             | 100                                            | 50560                               | 0.12                             | 100                                           | 0.00                                     |
| 10  | LALITA C. PAREKH                                        | 180000                                    | 0.42                             | 100                                            | 180000                              | 0.42                             | 100                                           | 0.00                                     |
| 11  | CHIMANLAL K. PAREKH                                     | 64960                                     | 0.15                             | 100                                            | 64960                               | 0.15                             | 100                                           | 0.00                                     |
| 12  | C K PAREKH HUF                                          | 12000                                     | 0.03                             | 100                                            | 12000                               | 0.03                             | 100                                           | 0.00                                     |
| 13  | OHM PACKAGINGS PRIVATE LIMITED                          | 590680                                    | 1.37                             | 100                                            | 590680                              | 1.37                             | 100                                           | 0.00                                     |
| 14  | SHREEJI EXPORTS PRIVATE LIMITED                         | 1457677                                   | 3.39                             | 100                                            | 1457677                             | 3.39                             | 100                                           | 0.00                                     |
| 15  | TRILLION INVESTMENT AND TRADING COMPANY PRIVATE LIMITED | 665760                                    | 1.55                             | 100                                            | 665760                              | 1.55                             | 100                                           | 0.00                                     |
|     |                                                         | 40216214                                  | 93.61                            |                                                | 40216264                            | 93.61                            |                                               | 0.00                                     |

## (iii) Change in Promoters' Shareholding (please specify, if there is no change)

| Sr. No. |                                                                                                                                                                                | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                                                                                                                                                                | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|         | At the beginning of the year                                                                                                                                                   | 40216214                                  | 93.61                            | 40216214                                | 93.61                            |
|         | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | N.A                                       | N.A                              | N.A                                     | N.A                              |
|         | At the End of the year                                                                                                                                                         |                                           |                                  | 40216264                                | 93.61                            |

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| Sr.No. |                                          | Shareholding at the beginning of the year<br>01/04/2017 |                                  | Cumulative Shareholding during the year<br>31/03/2018 |                                           | Type |
|--------|------------------------------------------|---------------------------------------------------------|----------------------------------|-------------------------------------------------------|-------------------------------------------|------|
|        |                                          | No. of Shares                                           | % of Total Shares of the company | No. of Shares                                         | % change in share holding during the year |      |
| 1.     | STRESSED ASSETS STABILISATION            |                                                         |                                  |                                                       |                                           |      |
|        | a) At the Beginning of the Year          | 250000                                                  | 0.58                             |                                                       |                                           |      |
|        | b) Changes during the year               |                                                         |                                  |                                                       |                                           |      |
|        | 06-Oct-17                                | -250000                                                 | -0.58                            | 0                                                     | 0.00                                      | Sell |
|        | c) At the End of the Year                |                                                         |                                  | 0                                                     | 0.00                                      |      |
| 2.     | JAGDISH HARIDAS MAVANI                   |                                                         |                                  |                                                       |                                           |      |
|        | a) At the Beginning of the Year          | 85120                                                   | 0.20                             |                                                       |                                           |      |
|        | b) Changes during the year               | -                                                       | -                                |                                                       |                                           |      |
|        | c) At the End of the Year                |                                                         |                                  | 85120                                                 | 0.20                                      |      |
| 3.     | ALPA H PAREKH                            |                                                         |                                  |                                                       |                                           |      |
|        | a) At the Beginning of the Year          | 80000                                                   | 0.19                             |                                                       |                                           |      |
|        | b) Changes during the year               | 0                                                       | 0                                |                                                       |                                           |      |
|        | c) At the End of the Year                |                                                         |                                  | 80000                                                 | 0.19                                      |      |
| 4.     | LIBERTY CAPITAL & FINAN SERVICES PVT LTD |                                                         |                                  |                                                       |                                           |      |
|        | a) At the Beginning of the Year          | 32600                                                   | 0.08                             |                                                       |                                           |      |
|        | b) Changes during the year               | -                                                       | -                                |                                                       |                                           |      |
|        | c) At the End of the Year                |                                                         |                                  | 32600                                                 | 0.08                                      |      |
| 5.     | RUPESH DILIP KAMDAR                      |                                                         |                                  |                                                       |                                           |      |
|        | a) At the Beginning of the Year          | 29300                                                   | 0.07                             |                                                       |                                           |      |
|        | b) Changes during the year               |                                                         |                                  |                                                       |                                           |      |
|        | 18-Sept-17                               | -29300                                                  | -0.07                            | 0                                                     | 0                                         | Sell |
|        | 19-Sept-17                               | 29300                                                   | 0.07                             | 0                                                     | 0                                         | Buy  |
|        | c) At the End of the Year                |                                                         |                                  | 29300                                                 | 0.07                                      |      |
| 6.     | SANJAY CHANDRAKANT                       |                                                         |                                  |                                                       |                                           |      |

|           |                                        |              |             |              |             |      |
|-----------|----------------------------------------|--------------|-------------|--------------|-------------|------|
| <b>6.</b> | <b>SANJAY CHANDRAKANT TANNA</b>        |              |             |              |             |      |
|           | <b>a) At the Beginning of the Year</b> | <b>27800</b> | <b>0.06</b> |              |             |      |
|           | <b>b) Changes during the year</b>      |              |             |              |             |      |
|           | 21-Apr-17                              | -11          | 0.00        | 26700        | 0.06        | Sell |
|           | 28-Apr-17                              | -1250        | 0.00        | 25450        | 0.06        | Sell |
|           | 05-May-17                              | -1200        | 0.00        | 24250        | 0.06        | Sell |
|           | 12-May-17                              | -2000        | -0.01       | 22250        | 0.05        | Sell |
|           | 19-May-17                              | -2000        | 0.01        | 20250        | 0.05        | Sell |
|           | 26-May-17                              | -2550        | -0.01       | 17700        | 0.04        | Sell |
|           | 02-June-17                             | -3500        | -0.01       | 14200        | 0.03        | Sell |
|           | 09-June-17                             | -450         | -0.00       | 13750        | 0.03        | Sell |
|           | 23-June-17                             | -500         | -0.00       | 13250        | 0.03        | Sell |
|           | 07-July-17                             | -300         | -0.00       | 12950        | 0.03        | Sell |
|           | 14-July-17                             | -600         | -0.00       | 12350        | 0.03        | Sell |
|           | 28-July-17                             | -300         | -0.00       | 12050        | 0.03        | Sell |
|           | 18-Aug-17                              | -300         | -0.00       | 11750        | 0.03        | Sell |
|           | 15-Sept-17                             | -300         | -0.00       | 11450        | 0.03        | Sell |
|           | 18-Sept-17                             | -11450       | -0.03       | 0            | 0.00        | Sell |
|           | 19-Sep-17                              | 11450        | 0.03        | 11450        | 0.03        | Buy  |
|           | 31-Oct-17                              | -2000        | -0.01       | 9450         | 0.02        | Sell |
|           | 03-Nov-17                              | -2550        | -0.00       | 6900         | 0.02        | Sell |
|           | 10-Nov-17                              | -2500        | -0.01       | 4400         | 0.01        | Sell |
|           | 17-Nov-17                              | -4400        | -0.01       | 0            | 0.00        | Sell |
|           | <b>c) At the End of the Year</b>       |              |             | <b>0</b>     | <b>0.00</b> |      |
| <b>7.</b> | <b>EZAAT NAMAZI</b>                    |              |             |              |             |      |
|           | <b>a) At the Beginning of the Year</b> | <b>25000</b> | <b>0.06</b> |              |             |      |
|           | <b>b) Changes during the year</b>      |              |             |              |             |      |
|           | 18-Sep-17                              | -25000       | -0.06       | 0            | 0.00        | Sell |
|           | 19-Sep-17                              | 25000        | 0.06        | 25000        | 0.06        | Buy  |
|           | <b>c) At the End of the Year</b>       |              |             | <b>25000</b> | <b>0.06</b> |      |
| <b>8.</b> | <b>KUSUM S MEHTA</b>                   |              |             |              |             |      |
|           | <b>a) At the Beginning of the Year</b> | <b>23420</b> | <b>0.05</b> |              |             |      |

|            |                                        |              |             |              |             |      |
|------------|----------------------------------------|--------------|-------------|--------------|-------------|------|
|            | <b>b) Changes during the year</b>      |              |             |              |             |      |
|            | 18-Sep-17                              | -23420       | -0.05       | 0            | 0.00        | Sell |
|            | 19-Sep-17                              | 23420        | 0.05        | 23420        | 0.05        | Buy  |
|            | <b>c) At the End of the Year</b>       |              |             | <b>23420</b> | <b>0.05</b> |      |
| <b>9.</b>  | <b>USHA C PAREKH</b>                   |              |             |              |             |      |
|            | <b>a) At the Beginning of the Year</b> | <b>20000</b> | <b>0.05</b> |              |             |      |
|            | <b>b) Changes during the year</b>      | -            | -           |              |             |      |
|            | <b>c) At the End of the Year</b>       |              |             | <b>20000</b> | <b>0.05</b> |      |
| <b>10.</b> | <b>JAYDEEP S MEHTA</b>                 |              |             |              |             |      |
|            | <b>a) At the Beginning of the Year</b> | <b>13720</b> | <b>0.03</b> |              |             |      |
|            | <b>b) Changes during the year</b>      |              |             |              |             |      |
|            | 18-Sep-17                              | -13720       | -0.03       | 0            | 0.00        | Sell |
|            | 19-Sep-17                              | 13720        | 0.03        | 13720        | 0.03        | Buy  |
|            | <b>c) At the End of the Year</b>       |              |             | <b>13720</b> | <b>0.03</b> |      |

## (v) Shareholding of Directors and Key Managerial Personnel:

| Sr. No.   |                                                                                                                                                                     | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|           |                                                                                                                                                                     | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|           | <b>For Each of the Directors and KMP</b>                                                                                                                            |                                           |                                  |                                         |                                  |
| <b>1.</b> | <b>Bharat C Parekh</b>                                                                                                                                              | 35671989                                  | 83.03                            | 35671989                                | 83.03                            |
|           | At the beginning of the year                                                                                                                                        |                                           |                                  |                                         |                                  |
|           | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | 16110                                     | 0.04                             | 35688099                                | 83.07                            |
|           | At the End of the year                                                                                                                                              | 35671989                                  | 83.03                            | 35688099                                | 83.07                            |
| <b>2.</b> | <b>DARSHNA B PAREKH</b>                                                                                                                                             | 60060                                     | 0.14                             | 60060                                   | 0.14                             |
|           | At the beginning of the year                                                                                                                                        |                                           |                                  |                                         |                                  |
|           | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | -16060                                    | -0.01                            | 44000                                   | 0.10                             |
|           | At the End of the year                                                                                                                                              | 44000                                     | 0.10                             | 44000                                   | 0.10                             |

|    |                                                                                                                                                                     |     |      |     |      |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|------|-----|------|
| 3. | <b>ISHAN D SELARKA</b><br>At the beginning of the year                                                                                                              | 160 | 0.00 | 160 | 0.00 |
|    | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | -   | -    | -   | -    |
|    | At the End of the year                                                                                                                                              | 160 | 0.00 | 160 | 0.00 |
| 4. | <b>AKSHY D BHATT</b><br>At the beginning of the year                                                                                                                | 0   | 0.00 | 0   | 0.00 |
|    | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | -   | -    | -   | -    |
|    | At the End of the year                                                                                                                                              |     |      |     |      |

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Amount in Lacs

|                                                            | Secured Loans<br>excluding deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|------------------------------------------------------------|-------------------------------------|--------------------|----------|-----------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                     |                    |          |                       |
| i) Principal Amount                                        |                                     |                    |          |                       |
| ii) Interest due but not paid                              | 764.42                              | 521.02             | -        | 1285.45               |
| iii) Interest accrued but not due                          | -                                   | -                  | -        | -                     |
|                                                            | -                                   | -                  | -        | -                     |
| <b>Total (i+ii+iii)</b>                                    | <b>764.42</b>                       | <b>521.02</b>      | <b>-</b> | <b>-</b>              |
| <b>Change in Indebtedness during the financial year</b>    |                                     |                    |          |                       |
| <input type="checkbox"/> Addition                          | 0.20                                | -                  | -        | -                     |
| <input type="checkbox"/> Reduction                         | -                                   | -77.45             | -        | -                     |
| <b>Net Change</b>                                          | <b>0.20</b>                         | <b>(77.45)</b>     | <b>-</b> | <b>(77.25)</b>        |
| <b>Indebtedness at the end of the financial year</b>       |                                     |                    |          |                       |
| i) Principal Amount                                        | 764.62                              | 443.57             |          | 1208.20               |
| ii) Interest due but not paid                              | -                                   | -                  | -        | -                     |
| iii) Interest accrued but not due                          | -                                   | -                  | -        | -                     |
| <b>Total (i+ii+iii)</b>                                    | <b>764.62</b>                       | <b>443.57</b>      |          | <b>1208.20</b>        |

## V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Whole-time Directors:

| Sr. No. | Particulars of Remuneration                                                                                                                                                                                                              | Mr. Bharat Parekh                                                                                                                              |   |   | Total Amount |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|---|---|--------------|
| 1.      | Gross salary<br>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961<br>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961<br>(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | -                                                                                                                                              | - | - | Nil          |
| 2.      | Stock Option                                                                                                                                                                                                                             | -                                                                                                                                              | - | - | -            |
| 3.      | Sweat Equity                                                                                                                                                                                                                             | -                                                                                                                                              | - | - | -            |
| 4.      | Commission<br>- as % of profit<br>- others, Guarantee Commission                                                                                                                                                                         | -                                                                                                                                              | - | - | 300000       |
| 5.      | Others :<br>(Fee for attending board meetings / committee meetings)                                                                                                                                                                      | -                                                                                                                                              | - | - | -            |
|         | <b>Total (A)</b>                                                                                                                                                                                                                         | -                                                                                                                                              | - | - | -            |
|         | Ceiling as per the Act                                                                                                                                                                                                                   | 10% of Net Profit for all Executive Directors Managing and Whole Time Director;<br>5% of Net profit to any one Managing or Whole Time Director |   |   |              |

## B. Remuneration to other directors:

| Sr. No. | Particulars of Remuneration                           | Name of Directors |                   |                     |                     | Total Amount |
|---------|-------------------------------------------------------|-------------------|-------------------|---------------------|---------------------|--------------|
| 1.      | Independent Directors                                 | Mr. Akshay Bhatt  | Mr. Ishan Selarka | Mrs. Darshna Parekh | Mr. Ravindra Shukla |              |
|         | Fee for attending board meetings / committee meetings | 20000             | 25000             | -                   | 20000               | 65,000       |
|         | Commission                                            | -                 | -                 | -                   | -                   | -            |
|         | Others, please specify                                | -                 | -                 | -                   | -                   | -            |

|                                                       |   |                |
|-------------------------------------------------------|---|----------------|
| <b>2. Other Non-Executive Directors</b>               |   |                |
| Fee for attending board meetings / committee meetings | - | -              |
| Commission                                            | - | -              |
| Others, please specify                                | - | -              |
| <b>Total (2)</b>                                      | - | -              |
| <b>Total (8)={1+2}</b>                                |   | <b>65,000</b>  |
| <b>Total Managerial Remuneration</b>                  |   | <b>365,000</b> |

**C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD:**

| Sr. No.   | Particulars of Remuneration                                                         | Key Managerial Personnel |     |                 |
|-----------|-------------------------------------------------------------------------------------|--------------------------|-----|-----------------|
|           |                                                                                     | Company Secretary        | CFO | Total           |
|           |                                                                                     | Ms. Payal Kotak          | NA  |                 |
| <b>1.</b> | <b>Gross salary</b>                                                                 |                          |     |                 |
|           | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 1,60,000                 | -   | <b>1,60,000</b> |
|           | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -                        | -   | -               |
|           | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | -                        | -   | -               |
| <b>2.</b> | <b>Stock Option</b>                                                                 | -                        | -   | -               |
| <b>3.</b> | <b>Sweat Equity</b>                                                                 | -                        | -   | -               |
| <b>4.</b> | <b>Commission</b>                                                                   |                          |     |                 |
|           | - as % of profit                                                                    | -                        | -   | -               |
|           | - others, specify...                                                                | -                        | -   | -               |
| <b>5.</b> | <b>Others, please specify</b>                                                       | -                        | -   | -               |
|           |                                                                                     | -                        | -   | -               |
|           | <b>Total</b>                                                                        | -                        | -   | <b>1,60,000</b> |

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

Against the Company, Directors and other Officer in Default under the Companies Act, 2013: NONE

On behalf of the Board of Directors,  
For TPI India Limited

Mumbai  
August 14, 2018

Bharat Parekh  
Managing Director Date:  
DIN - 02650644



## Annexure – III

SECRETARIAL AUDIT REPORT  
FORM NO. MR – 3

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[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

I 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 me a reasonable basis for evaluating the corporate conduct/Statutory compliances and expressing my opinion thereon.

Based on my verification of Fraser And Company Limited's books, papers, minute books, form 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, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, form and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 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 Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit period)
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit period)
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit period)
  - f. The Securities and Exchange Board of India (Registration to an Issue and Share Transfer Agents) Regulation, 1993, regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit period)
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit period)

(6) Other laws applicable specifically to the Company:

- a. Bombay Shops and Establishments Act.
- b. Income Tax Act 1961 relating to Tax Deducted at source.

I 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Bombay Stock Exchange Limited (BSE).

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:

1. The Company has not appointed Chief Financial Officer as per section 203 of the Act.
2. The Company has not appointed Internal Auditor as per section 138 of the Act.

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: August 14, 2018

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

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.



TPI INDIA LIMITED

'Annexure A'

To,  
The Members,  
TPI India Limited

My report 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: August 14, 2018

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 of  
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, 2018.

For TPI India Limited  
Mr. Bharat Parekh  
(Managing Director)

Place: Mumbai  
Date: May 30, 2017

**INDEPENDENT AUDITOR'S REPORT****To The Members of TPI INDIA LIMITED****Report on the Financial Statements:**

We have audited the accompanying Ind AS financial statements of TPI INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Ind AS Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility:**

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

**l) Basis for Qualified Opinion:**

- (1) The Trade Receivables, Trade Payables, Current and Non-current Liabilities, Loans and Advances given and taken are subject to confirmation, reconciliation, adjustments and provision, if any, which may arise out of confirmation and reconciliation.
- (2) The Ind AS 109 in respect of Fair Market Value/ Amortised Value of Investment and Financial Assets/liabilities and expected loss in respect of Sundry Debtors and loans are not followed.
- (3) The Gratuity Liabilities is provided on the basis of estimated liability as per Management and not according to actuarial Liability.
- (4) The premium of Rs. 125 Lacs (Rs. 100 Lacs) on redemption of 9% Cumulative Preference Shares is not provided in the annexed Accounts.
- (5) Interest on deferred Sales Tax Liability of Rs. 17.35 Lacs (Rs. 17.35 Lacs) for the year 17-18 and Rs. 155.36 Lacs (Rs. 138.01) Lacs up to 31/03/18 have not been provided in the annexed accounts.
- (6) Interest of Rs. 275 (275) Lacs for the year 17-18 and Rs. 550 Lacs (Rs. 275) lacs up to 31/03/2018 on loans from SICOM Investment and Finance Ltd. have not been provided in the annexed accounts.

The amount of (1), (2) and (3) above cannot be ascertained precisely. The effect of the (4), (5) and (6) above will be to increase the loss for the year by Rs. 417.35 Lacs (Rs. 392.35 Lacs) and reduce the Reserve/increased the Debit Balance of P & L by Rs. 417.35 lacs (Rs. 392.35 Lacs). Increase in loss and the reduction in Reserve/increased the Debit Balance of P & L up to 31-03-2018 will be Rs. 830.36 lacs (Rs. 513.01 Lacs).

**Qualified Opinion:**

In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matter described in the Basis for Qualified Opinion paragraph and read together with other notes thereon, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under section 133 of the Act.

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b) in the case of the Statement of Profit and Loss, of the Loss, total comprehensive income, for the year ended on that date; and
- c) the changes in equity for the year ended on that date.
- d) in the case of the Cash Flow Statement of the cash flows for the year ended on that date.

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

1. As required by 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the aforesaid Ind AS financial statements subject to qualified opinion above, comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e) on the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 as on 31<sup>st</sup>, March 2018 in conjunction with our audit of the financial statement of the Company for the year ended on that date and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". 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 disclosed the impact of pending litigations on its financial position in its Ind AS financial statements.
    - ii. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii. There were Rs. 3.17 lacs which were not transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For V. R. Renuka & Co.  
Chartered Accountants  
(Firm's Registration No. 108826W)  
Vishnu Renuka  
Partner  
(Membership No. 032262)  
Mumbai, May 30, 2018

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE:**

Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TPI India Limited of even date)

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

We have audited the internal financial controls over financial reporting of TPI INDIA LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, 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.

**Auditor's Responsibility:**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls Over Financial Reporting:**

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

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

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

**Opinion:**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For V. R. Renuka & Co.  
Chartered Accountants  
(Firm's Registration No. 108826W)  
Vishnu Renuka  
Partner  
(Membership No. 032262)  
Mumbai, May 30, 2018

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE:**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report of even date to the Members of TPI INDIA Limited on the Ind AS Financial Statements as of and for the year ended 31st March, 2018.)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

**i. In respect of the Company's fixed assets:**

- (a) In our opinion and according to the information and explanation given to us and based on our examination of books, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the Fixed Assets have not been physically verified by the management during the year but the Company has a regular program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
  - ii. (a) The Inventories have been physically verified by the management at the end of the year. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion, the discrepancies noticed on verification between the physical stocks and the book records are not material and have been properly dealt in the books of accounts.
- iii. In our opinion and according to the information and explanation given to us and based on our examination of books, the Company has not granted any Loan Secured or Unsecured to companies, firms, Limited Liability Partnership or other the parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of clause (iii) (a), (b) and (c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us and based on our examination of books, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

- v. The Company has accepted certain deposits from public for which the directives issued by the Reserve Bank of India and the provision of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under have not been complied with. For the above referred accepted deposits, company has not complied with the provisions like advertisement in newspaper, filing of annual return, maintaining the liquid assets, rate of interest and the limit upto which the deposits can be accepted from the public.

We were informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for the above said defaults.

- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us and the record of the Company examined by us, in respect of statutory dues, in our opinion:
- (a) The Company has generally been regular in deposits undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities:
- (b) According to the information and explanations given to us, the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date becoming payable are mentioned below:

- (b) i) The undisputed statutory dues are as follows:-

| Sr. No. | Nature of Dues                                               | Financial Year   | Amount        | Remarks                                                                                                                                                    |
|---------|--------------------------------------------------------------|------------------|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Deferred Sales Tax                                           | 1994-95 to 03-04 | 2,47,97,881/- | 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 for in Revised MDRS (or including this Additional Liabilities for setting off against un-availed Sales Tax Deferral limit of Rs. 524.60 Lac |

- (b) ii) According to information and explanation given, the disputed statutory dues aggregating to Rs. 902.43 lacs in respect of income tax or sales tax or service tax or goods and service tax, duty of customs or duty of excise or value added tax and Cess that have not been provided and deposited on account of disputed matter pending before appropriate authorities are as under:

| Nature of the Status | Nature of Dues | Amount of Dues | Period to which the Amount relates | Forum at which dispute is pending |
|----------------------|----------------|----------------|------------------------------------|-----------------------------------|
| IT 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) Based on our audit procedure and according to the information and explanation given to us, we state that the company has not defaulted in repayment of loans or borrowings and interest to financial institution, bank, government or debenture holders 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 | 2,74,95,797/- | Note Provided;              |
| SIFL | Interest       | April 17 to March 2018 | 2,74,95,797/- | Note Provided;              |
| SIFL | 9%Pref. Shares | -                      | 5,00,00,000/- | Matured in Oct'17           |

- ix. According to the information and explanation given to us and based on our examination of books, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments); according to the information and explanation given to us and based on our examination of books, the Company has not availed new term loan during the year and hence reporting under clause 3 (ix) of the Order is not applicable to the Company and commented upon.
- x. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, in our opinion, we have neither come across or noticed during the year, any instances of material fraud by the Company or on the Company by its officers or employees, nor have we been informed of any such cases by the management.
- xi. In our opinion and according to the information and explanations given to us, the Company has not paid/provided any managerial remuneration in accordance without the requisite approvals mandated by provisions of Section 197 read with Schedule V of the Companies Act and hence reporting under clause 3 (ix) of the Order is not applicable to the Company. However guarantee commission of Rs. 3,00,000/- is paid to Managing Director for personal guarantee given to bank & financial institutions.
- xii. In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company and commented upon.
- xiii. In our opinion and according to the information and explanations given to us and on overall examination of Balance Sheet, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Ind AS.

- xiv. According to the information and explanations given to us and on an overall examination of the Balance Sheet, during the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company and commented upon..
- xv. In our opinion and according to the information and explanations given to us and on an overall examination of the books, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company and commented upon.
- xvi. According to the information and explanations given to us, in our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of CL 3(xvi) are not applicable and commented upon.

For V. R. Renuka & Co.  
Chartered Accountants  
(Firm's Registration No. 108826W)  
Vishnu Renuka  
Partner  
(Membership No. 032262)  
Mumbai, May 30, 2018

## BALANCE SHEET AS ON 31ST MARCH 2018

INR in ₹ 000

| Particulars                                              | Note No. | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2016 |
|----------------------------------------------------------|----------|----------------------|----------------------|---------------------|
| <b>ASSETS</b>                                            |          |                      |                      |                     |
| <b>A Non-Current Assets</b>                              |          |                      |                      |                     |
| a Property, Plant and Equipment                          | 1        | 48,351               | 54,905               | 56,357              |
| b Investment in Equity Shares                            | 2        | 709                  | 709                  | 709                 |
| c Non Current Tax Assets                                 | 3        | 137                  | 137                  | 103                 |
| d Other Non Current Assets                               | 4        | 575                  | 465                  | 465                 |
| <b>Total (A)</b>                                         |          | <b>49,771</b>        | <b>56,215</b>        | <b>57,634</b>       |
| <b>B Current Assets</b>                                  |          |                      |                      |                     |
| a Inventories                                            | 5        | 37,729               | 46,251               | 56,406              |
| b Financial Assets                                       |          |                      |                      |                     |
| (i) Trade Receivable                                     | 6        | 76,120               | 1,13,050             | 1,22,245            |
| (ii) Cash and Cash Equivalents                           | 7        | 817                  | 8,230                | 8,158               |
| (iii) Bank Balances Other Than Cash and cash equivalents | 8        | 317                  | 317                  | 317                 |
| (iv) Loans                                               | 9        | 781                  | 1,179                | 1,206               |
| (v) Other Financial Assets                               | 10       | 1,937                | 2,169                | 6,310               |
| c Other Current Assets                                   | 11       | 22,150               | 10,996               | 15,189              |
| <b>Total (B)</b>                                         |          | <b>1,39,852</b>      | <b>1,82,193</b>      | <b>2,09,830</b>     |
| <b>TOTAL ASSETS (A+B)</b>                                |          | <b>1,89,623</b>      | <b>2,38,409</b>      | <b>2,67,464</b>     |
| <b>EQUITY AND LIABILITIES</b>                            |          |                      |                      |                     |
| <b>A Equity</b>                                          |          |                      |                      |                     |
| a Equity Share Capital                                   | 12       | 42,963               | 42,963               | 42,963              |
| b Other Equity                                           | 13       | (2,04,534)           | 1,60,824             | (1,17,175)          |
| <b>Total (A)</b>                                         |          | <b>(1,61,571)</b>    | <b>1,17,860</b>      | <b>(74,212)</b>     |
| <b>Liabilities</b>                                       |          |                      |                      |                     |
| <b>B Non-Current Liabilities</b>                         |          |                      |                      |                     |
| a Financial Liabilities                                  |          |                      |                      |                     |
| Long term Borrowings                                     | 14       | 462                  | 442                  | 6,516               |
| b Long Term Provisions                                   | 15       | 1,554                | 1,465                | 1,345               |
| <b>Total (B)</b>                                         |          | <b>2,016</b>         | <b>1,907</b>         | <b>7,861</b>        |
| <b>C Current Liabilities</b>                             |          |                      |                      |                     |
| a Financial Liabilities                                  |          |                      |                      |                     |
| (i) Short term Borrowings                                | 16       | 2,66,151             | 2,60,061             | 2,78,233            |
| (ii) Trade Payables                                      | 17       | 42,203               | 53,539               | 14,221              |
| (iii) Other Financial Liabilities                        | 18       | 1,817                | 4,317                | 3,317               |
| b Other Current Liabilities                              | 19       | 39,006               | 36,445               | 38,044              |
| <b>Total (C)</b>                                         |          | <b>3,49,178</b>      | <b>3,54,362</b>      | <b>3,33,815</b>     |
| <b>TOTAL LIABILITIES (A+B+C)</b>                         |          | <b>1,89,623</b>      | <b>2,38,409</b>      | <b>2,67,464</b>     |

Significant Accounting Policies  
Notes on Ind AS Financial Statements

47  
38-46

As per our Report of even date

For V.R. Renuka & co  
Chartered Accountants  
Firm Registration No. 108826W

Vishnu Renuka  
Partner  
M No. 032263

Mumbai, May 30, 2018

For and on behalf of the Board of Directors

|                         |                        |                      |
|-------------------------|------------------------|----------------------|
| Bharat Chimanlal Parekh | Akshay Dinubhai Bhatt  | Ravindra Shukla      |
| Managing Director       | Non Executive Director | Independent Director |
| DIN: 02650644           | DIN: 00537101          | DIN: 00660027        |

|                      |                 |
|----------------------|-----------------|
| Ishan Selarka        | Darshana Parekh |
| Independent Director | Woman Director  |
| DIN: 03614005        | DIN: 07171160   |

Mumbai, May 30, 2018

## PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2018

| PARTICULARS                                                | Note Nos. | Year Ended March 31, 2018 | Year Ended March 31, 2017 |
|------------------------------------------------------------|-----------|---------------------------|---------------------------|
| <b>Income:</b>                                             |           |                           |                           |
| Revenue from Operations                                    | 20        | 2,74,946                  | 4,05,639                  |
| Other Income                                               | 21        | 1,017                     | 562                       |
| <b>Total Revenue</b>                                       |           | <b>2,75,964</b>           | <b>4,06,200</b>           |
| <b>Expenses:</b>                                           |           |                           |                           |
| Cost of Materials Consumed                                 | 22-a      | 2,14,424                  | 2,97,373                  |
| Operational Expenses                                       | 22-b      | 54,560                    | 94,373                    |
| (Increase)/Decrease in Finished Goods and Work-in-Progress | 23        | 5,095                     | 7,681                     |
| Employee Benefit Expenses                                  | 24        | 12,921                    | 14,578                    |
| Finance Costs                                              | 25        | 10,032                    | 10,319                    |
| Depreciation and Amortization Expense                      | 1         | 7,171                     | 4,036                     |
| Other Expenses                                             | 26        | 15,471                    | 39,979                    |
| <b>Total Expenses</b>                                      |           | <b>3,19,674</b>           | <b>4,68,339</b>           |
| <b>Profit/(Loss) before Tax</b>                            |           | <b>(43,711)</b>           | <b>(62,139)</b>           |
| <b>Tax Expense:</b>                                        |           |                           |                           |
| (1) Current tax                                            |           | -                         | -                         |
| (2) Deferred Tax                                           |           | -                         | -                         |
| <b>Profit for the year</b>                                 |           | <b>(43,711)</b>           | <b>(62,139)</b>           |
| Prior Period Expenses                                      | 27        | -                         | 1,495                     |
| Prior Period Income                                        | 28        | -                         | 19,986                    |
| <b>Total Comprehensive Income for the year</b>             |           | <b>(43,711)</b>           | <b>(43,648)</b>           |
| <b>Earnings Per Equity Share</b>                           |           |                           |                           |
| Basic and diluted (in Rs.)                                 |           | (1.02)                    | (1.02)                    |

Significant Accounting Policies

47

Notes on Ind AS Financial Statements

38-46

As per our Report of even date

For V.R. Renuka & co  
Chartered Accountants  
Firm Registration No. 1008126W

Vishnu Renuka  
Partner  
M No. 032263

Mumbai, May 30, 2018.

For and on behalf of the Board of Directors

Bharat Chimanlal Parekh Managing Director  
DIN: 02650644

Akshay Dinubhai Non Executive Director  
DIN: 00537101

Ishan Selarka Independent Director  
DIN: 03614005  
Mumbai, May 30, 2018

Bhaat Ravindra Shukla Independent Director  
DIN: 00660027

Darshana Parekh Woman Director  
DIN: 07171160

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

INR in ₹ 000

| Particulars                                                       | Year Ended<br>March 31, 2018 | Year Ended<br>March 31, 2017 |
|-------------------------------------------------------------------|------------------------------|------------------------------|
| <b>A-Cash Flow from Operating activities</b>                      | <b>2017-18</b>               | <b>2016-17</b>               |
| a. Net profit before tax                                          | (43,711)                     | (43,648)                     |
| Adjustment for: Extra Ordinary and Exceptional Items              | -                            | (812)                        |
| Depreciation                                                      | 7,171                        | 4,036                        |
| Interest Expenses                                                 | 10,032                       | 10,319                       |
| Interest Income                                                   | (328)                        | (306)                        |
| Dividend Income                                                   | (8)                          | (1)                          |
| b. Operating profit before working capital changes                | (26,836)                     | (30,492)                     |
| Adjustments for:                                                  | -                            | -                            |
| Trade and other receivables                                       | 33,698                       | 17,527                       |
| Inventories                                                       | 8,523                        | 10,155                       |
| Trade payables                                                    | (20,700)                     | 38,839                       |
| c. Cash generated from operations                                 | (5,316)                      | 36,029                       |
| Direct taxed paid (net)                                           | -                            | 34                           |
| Cash from operating activities before exceptional items           | (5,316)                      | 35,995                       |
| d. Exceptional items                                              | -                            | (812)                        |
| Extra Ordinary Items                                              | -                            | -                            |
| Net cash from operating activities                                | (5,316)                      | 36,807                       |
| <b>B: Cash flow from investing activities</b>                     | -                            | -                            |
| Purchase of fixed assets/ Capital Expenditure                     | (617)                        | (2,584)                      |
| Loans advanced to other companies                                 | 398                          | 27                           |
| Interest received                                                 | 543                          | 386                          |
| Dividend Received                                                 | 0                            | 1                            |
| Net cash from / (used in) investing activities                    | 324                          | (2,170)                      |
| <b>C: Cash flow from Financing activities</b>                     | -                            | -                            |
| Increase/(decrease) in short term borrowings                      | (54,280)                     | 4,103                        |
| proceeds from long term borrowings                                | 61,890                       | -                            |
| repayments of long term borrowings                                | -                            | (14,129)                     |
| Interest paid                                                     | (10,032)                     | (24,539)                     |
| Net Cash from / (Used in) financing activities                    | (2,421)                      | (34,565)                     |
| <b>D. Net Increase / ( decrease ) in Cash and Cash Equivalent</b> | <b>(7,413)</b>               | <b>72</b>                    |
| Cash and Cash equivalent at beginning of the year                 | 8,548                        | 8,475                        |
| Cash and Cash equivalent at end of the year                       | 1,135                        | 8,548                        |

As per our Report of even date

For V.R.Renuka & co  
Chartered Accountants  
Firm Registration No. 108826W

Vishnu Renuka  
Partner  
M No. 0132263

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

Akshay Dinubhai  
Non Executive Director  
DIN: 00537101

Ishan Selarka  
Independent Director  
DIN: 03634005

Bhatt Ravindra Shukla  
Independent Director  
DIN: 00660027

Darshan Parekh  
Woman Director  
DIN: 07171160  
Mumbai, May 30, 2018

Mumbai, May 30, 2018

ANNUAL REPORT 2017-2018

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**Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018**

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**Notes to the Ind AS Financial Statement for year ended March 31, 2018**

**47. SIGNIFICANT ACCOUNTING POLICIES**

**Company Overview**

TPI INDIA LTD (TPI) is a public company incorporated on 14th April, 1982 at Bombay, under the erstwhile Indian Companies Act, VI of 1956, as 'TPI INDIA LTD' 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 subsidiary Company.

**A Significant Accounting Policies**

**a) Statement of compliance**

The financial statements have been prepared in accordance with Ind AS's notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended 31st March 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

These financial statements are the Company's first Ind AS financial statements and are complied with Ind AS 101, first time adoption of Indian Accounting Standards (Ind AS 101). The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for purposes of Ind AS 101. Refer Note 35 for an explanation of how the transition from the previous GAAP to Ind AS has affected the financial position, financial performance and cash flows of the Company.

**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.

The Ind AS financial statements comply with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 to comply with Section 133 of the Companies Act, 2013 ("the 2013 Act"), and the relevant provisions of the 2013 Act / Companies Act, 1956 ("the 1956 Act"), as applicable.

The Ind AS financial statements upto the year ended 31st March 2017 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

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**Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018**

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These financial statements are the Company's first Ind AS financial statements and are complied with Ind AS 101, first time adoption of Indian Accounting Standards (Ind AS 101). The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for purposes of Ind AS 101.

Refer Note 33 for an explanation of how the transition from the previous GAAP to Ind AS has affected the financial position, financial performance and cash flows of the Company. 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.

**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.

- B** The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

**C Property Plant and Equipment**

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost, net of central credit, includes professional fees, non refundable Taxes, directly attributable cost and, for qualifying assets, borrowing costs capitalised up to the period assets are ready for intended use/commencement of commercial

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

production/in accordance with the Company's accounting policy, net charges on foreign exchange contracts and adjustment arising from exchange rate variations relating to borrowing attributable to the to the fixed assets. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

**E 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 Profit & Loss Statement.

**F 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).

**iv. Equity Investments**

All equity investments are measured at cost. No Equity instruments are held for trading.

**v. The Company de-recognise a financial asset only when the risk and rewards of ownership and assets expire,**

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

or it transfers the financial assets and substantially all risk and rewards of ownership of asset to other entity.

**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**

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net off directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

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

**c De-recognition of financial liabilities**

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled 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.

**G Inventories**

In general, all inventories of finished goods, work-in-progress etc., 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. Finance cost generally are not part of the cost of inventories. Raw material and stores and spares are stated at lower of cost and net realisable value.

**H Revenue Recognition**

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the company. Revenue from operations includes sales of goods. Revenue includes excise duty wherever charged from the customer but excludes service tax and sales tax / value added taxes/GST. Sales are accounted on the removal of finished goods from Factory. Sales are generally sold on 30 or 60 days credit.

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

Interest income is recognised on time basis determined by the amount outstanding and the rate applicable. Dividend income is recognised when the right to receive the payment is established.

**I 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 Taxation**

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of Profit and Loss for the year.

**a) Current Tax**

The provision for tax is based on the assessable profits of the company computed in accordance with the income tax act, 1961. 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 recognized subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized

**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.****K 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.

**L 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.

**M Provisions and Contingencies**

Provisions are determined based on Management's estimate to settle the obligation on balancesheet date. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. When (a) present obligation arising from past event, when it is not probable that an outflow of resources will be required to settle the obligation (b) a possible obligation, unless the probability of outflow of resources is remote

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

Contingent Assets are neither recognized nor disclosed in the financial statements. If an inflow of economic benefits has become probable, contingent assets are disclosed.

**N 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.

**O 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 segment viz. Polymer based packaging products in India.

**P 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.

**Q 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.

**R Earnings Per Share**

Basic EPS is arrived at based on net profit after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive, if any

**S 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.

**T Leave Encashment**

No provision has been made for leave encashment as the Company has the Policy to availed earned leave.

**U Gratuity**

Gratuity is provided on the basis of working done as per the Payment of Gratuity Act

**V Preliminary Expenses**

Capital issue and preliminary expenses are amortized as per section 35D of the Income Tax Act, 1961.

**W Subsidy**

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

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

## 1. Property, Plant and Equipment for the year ended March 31, 2018

(₹ in '000)

| Depreciation of Assets        | GROSS BLOCK (AT COST) |                           |                            |                     | DEPRECIATION        |                 |                             |                     | NET BLOCK           |                     |
|-------------------------------|-----------------------|---------------------------|----------------------------|---------------------|---------------------|-----------------|-----------------------------|---------------------|---------------------|---------------------|
|                               | As at<br>01/04/2017   | Additions<br>for the Year | Deductions<br>for the Year | As at<br>31/03/2018 | As at<br>01/04/2017 | For the<br>Year | Adjustments<br>for the Year | As at<br>31/03/2018 | As at<br>31/03/2018 | As at<br>31/03/2017 |
| Land                          | 1,934                 | -                         | -                          | 1,934               | -                   | -               | -                           | -                   | 1,934               | 1,934               |
| Factory building              | 32,344                | -                         | -                          | 32,344              | 4,002               | 4,842           | -                           | 8,844               | 23,401              | 18,242              |
| Plant & machinery             | 27,142                | 589                       | -                          | 27,730              | 3,845               | 2,213           | -                           | 6,058               | 21,722              | 22,337              |
| Electrical installation Plant | 616                   | -                         | -                          | 616                 | 52                  | 52              | -                           | 104                 | 532                 | 564                 |
| Factory Equipment             | 277                   | -                         | -                          | 277                 | 45                  | 31              | -                           | 77                  | 201                 | 232                 |
| Office equipment              | 221                   | -                         | -                          | 221                 | 70                  | 23              | -                           | 93                  | 130                 | 153                 |
| Furniture Fixtures            | 279                   | -                         | -                          | 279                 | 48                  | 18              | -                           | 66                  | 213                 | 231                 |
| Computer                      | 265                   | 18                        | -                          | 283                 | 52                  | 12              | -                           | 65                  | 218                 | 212                 |
| Total - Current Year          | 63,018                | 616                       | -                          | 63,635              | 8,113               | 7,170           | -                           | 15,284              | 48,350              | 54,904              |

## 2. Property, Plant and Equipment for the year ended March 31, 2017

| Depreciation of Assets        | GROSS BLOCK (AT COST) |                           |                            |                     | DEPRECIATION        |                 |                             |                     | NET BLOCK           |                     |
|-------------------------------|-----------------------|---------------------------|----------------------------|---------------------|---------------------|-----------------|-----------------------------|---------------------|---------------------|---------------------|
|                               | As at<br>01/04/2016   | Additions<br>for the Year | Deductions<br>for the Year | As at<br>31/03/2017 | As at<br>01/04/2016 | For the<br>Year | Adjustments<br>for the Year | As at<br>31/03/2017 | As at<br>31/03/2017 | As at<br>31/03/2016 |
| Land                          | 1,934                 | -                         | -                          | 1,934               | -                   | -               | -                           | -                   | 1,934               | 1,934               |
| Factory building              | 32,344                | -                         | -                          | 32,344              | 1,948               | 2,056           | -                           | 4,002               | 28,242              | 30,298              |
| Plant & machinery             | 26,529                | 253                       | -                          | 27,102              | 4,021               | 1,866           | 2,042                       | 7,929               | 22,337              | 22,908              |
| Electrical installation Plant | 616                   | -                         | -                          | 616                 | 350                 | 24              | 124                         | 52                  | 564                 | 467                 |
| Factory Equipment             | 277                   | -                         | -                          | 277                 | 41                  | 23              | 18                          | 82                  | 232                 | 230                 |
| Office equipment              | 207                   | 24                        | -                          | 231                 | 107                 | 21              | 108                         | 236                 | 152                 | 91                  |
| Furniture Fixtures            | 279                   | -                         | -                          | 279                 | 25                  | 24              | 2                           | 51                  | 231                 | 233                 |
| Computer                      | 265                   | -                         | -                          | 265                 | 94                  | 21              | 63                          | 178                 | 212                 | 171                 |
| Total - Current Year          | 62,741                | 226                       | -                          | 62,967              | 6,384               | 4,036           | 2,306                       | 12,726              | 50,241              | 56,357              |

## 3. Property, Plant and Equipment for the year ended March 31, 2016

| Depreciation of Assets        | GROSS BLOCK (AT COST) |                                                |                            |                     | DEPRECIATION        |                 |                             |                     | NET BLOCK           |                     |
|-------------------------------|-----------------------|------------------------------------------------|----------------------------|---------------------|---------------------|-----------------|-----------------------------|---------------------|---------------------|---------------------|
|                               | As at<br>01/04/2015   | Additions/<br>Reclassification<br>for the Year | Deductions<br>for the Year | As at<br>31/03/2016 | As at<br>01/04/2015 | For the<br>Year | Adjustments<br>for the Year | As at<br>31/03/2016 | As at<br>31/03/2016 | As at<br>31/03/2015 |
| Land                          | 1,934                 | -                                              | -                          | 1,934               | -                   | -               | -                           | -                   | 1,934               | 1,934               |
| Factory building              | 28,355                | 3,679                                          | -                          | 32,034              | -                   | 1,948           | -                           | 1,948               | 30,298              | 28,355              |
| Plant & machinery             | 26,613                | 308                                            | -                          | 27,321              | -                   | 4,021           | -                           | 4,021               | 22,908              | 26,613              |
| Electrical installation Plant | 616                   | -                                              | -                          | 616                 | -                   | 150             | -                           | 150                 | 467                 | 616                 |
| Factory Equipment             | 277                   | -                                              | -                          | 277                 | -                   | 41              | -                           | 41                  | 230                 | 277                 |
| Office equipment              | 197                   | -                                              | -                          | 197                 | -                   | 107             | -                           | 107                 | 91                  | 197                 |
| Furniture Fixtures            | 265                   | 14                                             | -                          | 279                 | -                   | 24              | -                           | 24                  | 233                 | 265                 |
| Computer                      | 239                   | -                                              | -                          | 239                 | -                   | 94              | -                           | 94                  | 171                 | 239                 |
| Total - Current Year          | 58,715                | 4,026                                          | -                          | 62,741              | -                   | 6,384           | -                           | 6,384               | 56,357              | 58,715              |

The Company has mortgaged its Property, Plant and Equipment against borrowings. Refer Note No. 17, 21 & 23 for details.

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

| Particulars                                                                                                                                                                                      | March 31, 2018<br>₹ in'000 | March 31, 2017<br>₹ in'000 | April 1, 2016<br>₹ in'000 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------|---------------------------|
| <b>2 Investments in Equity Shares</b>                                                                                                                                                            |                            |                            |                           |
| (i) Investment in other Unquoted/<br>Quoted Investment (At Cost)                                                                                                                                 |                            |                            |                           |
| a 640 (640) Equity Shares Of Industrial Development<br>Bank of India of Rs.10 Each, Market Value Rs.39776<br>(Previous Year Rs.56,992/-)                                                         | 57                         | 57                         | 57                        |
| b 63250 (50750) Shares Of Kokan Mercantile<br>Co Op Bank Ltd of rs.10/-<br>Non current Investment, at cost Unquoted:<br>-800 (800) Equity Shares Of Janaseva Sahakari<br>Bank Ltd of Rs. 25 each | 633<br>20                  | 633<br>20                  | 633<br>20                 |
| <b>Total</b>                                                                                                                                                                                     | <b>709</b>                 | <b>709</b>                 | <b>709</b>                |
| <b>3 Non Current Tax Assets</b>                                                                                                                                                                  |                            |                            |                           |
| Income Tax-TDS                                                                                                                                                                                   | 137                        | 137                        | 103                       |
| <b>Total</b>                                                                                                                                                                                     | <b>137</b>                 | <b>137</b>                 | <b>103</b>                |
| <b>4 Other Non Current Assets</b>                                                                                                                                                                |                            |                            |                           |
| Security Deposits EMD                                                                                                                                                                            | 575                        | 465                        | 465                       |
| <b>Total</b>                                                                                                                                                                                     | <b>575</b>                 | <b>465</b>                 | <b>465</b>                |
| <b>5 Inventories</b>                                                                                                                                                                             |                            |                            |                           |
| (a) Raw materials                                                                                                                                                                                | 8,664                      | 12,653                     | 14,815                    |
| (b) Work-in-process                                                                                                                                                                              | 25,084                     | 30,179                     | 37,860                    |
| (c) Stores and spares                                                                                                                                                                            | 3,981                      | 3,420                      | 3,731                     |
| <b>Total</b>                                                                                                                                                                                     | <b>37,729</b>              | <b>46,251</b>              | <b>56,406</b>             |
| <b>6 Trade Receivable</b>                                                                                                                                                                        |                            |                            |                           |
| Trade Receivable -Considered Good                                                                                                                                                                | 76,120                     | 1,13,050                   | 1,22,245                  |
|                                                                                                                                                                                                  | <b>76,120</b>              | <b>1,13,050</b>            | <b>1,22,245</b>           |
| <b>7 Cash and cash equivalents</b>                                                                                                                                                               |                            |                            |                           |
| Cash in hand                                                                                                                                                                                     | 737                        | 767                        | 1,627                     |
| Balances with banks                                                                                                                                                                              | -                          | -                          | -                         |
| In Current Accounts                                                                                                                                                                              | 80                         | 99                         | 31                        |
| In Deposit Accounts                                                                                                                                                                              | -                          | 7,364                      | 6,500                     |
| <b>Total</b>                                                                                                                                                                                     | <b>817</b>                 | <b>8,230</b>               | <b>8,158</b>              |

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

| Particulars                                                 | March 31, 2018<br>₹ in'000 | March 31, 2017<br>₹ in'000 | April 1, 2016<br>₹ in'000 |
|-------------------------------------------------------------|----------------------------|----------------------------|---------------------------|
| <b>8 Bank Balances Other Than Cash and cash equivalents</b> |                            |                            |                           |
| Balances with banks                                         |                            |                            |                           |
| In Unpaid Dividend Accounts in CA                           | 317                        | 317                        | 317                       |
| <b>Total</b>                                                | <b>317</b>                 | <b>317</b>                 | <b>317</b>                |
| <b>9 Loans</b>                                              |                            |                            |                           |
| Loans to other                                              |                            |                            |                           |
| Loan to employees                                           | 782                        | 1,179                      | 1,206                     |
| <b>Total</b>                                                | <b>781</b>                 | <b>1,179</b>               | <b>1,206</b>              |
| <b>10 Other Financial Assets</b>                            |                            |                            |                           |
| Balances with banks                                         |                            |                            |                           |
| Deposit                                                     | 1,937                      | 2,169                      | 6,310                     |
| <b>Total</b>                                                | <b>1,937</b>               | <b>2,169</b>               | <b>6,310</b>              |
| <b>11 Other Current Assets</b>                              |                            |                            |                           |
| Prepaid Expenses                                            | 304                        | 278                        | 119                       |
| Advance to Suppliers                                        | 379                        | 379                        | 10,155                    |
| Refund ( VAI/GST)                                           | 21,467                     | 10,339                     | 4,914                     |
| <b>Total</b>                                                | <b>22,150</b>              | <b>10,996</b>              | <b>15,189</b>             |
| <b>12 Share Capital</b>                                     |                            |                            |                           |
| <b>(a) Authorised Share Capital:</b>                        |                            |                            |                           |
| 500,000 9% Cumulative Preference Shares of ₹ 100/- each     | 50,000                     | 50,000                     | 50,000                    |
| 12,50,00,000 Equity Shares of ₹ 1/- each                    | 1,25,000                   | 1,25,000                   | 1,25,000                  |
| <b>Total</b>                                                | <b>1,75,000</b>            | <b>1,75,000</b>            | <b>1,75,000</b>           |
| <b>(b) Issued, subscribed and paid up:</b>                  |                            |                            |                           |
| 42,963,470 Equity Shares of ₹ 1/- each fully paid up:       | 42963                      | 42963                      | 42963                     |
| <b>Total</b>                                                | <b>42963</b>               | <b>42963</b>               | <b>42963</b>              |

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

## (c) A reconciliation of the number of shares outstanding is set out below:

| Particulars                                                              | March 31, 2018 |           | March 31, 2017 |           | April 1, 2016 |           |
|--------------------------------------------------------------------------|----------------|-----------|----------------|-----------|---------------|-----------|
|                                                                          | No. of Shares  | In Rupees | No. of Shares  | In Rupees | No. of Shares | In Rupees |
| Outstanding At the beginning of the year<br>(Face Value ₹ 1/- per share) | 42963470       | 42,963    | 42963470       | 42,963    | 42963470      | 42,963    |
| Outstanding At the end of the year (Face Value ₹ 1/- per share)          | 42963470       | 42963     | 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:

| Name of the Shareholder | March 31, 2018 |           | March 31, 2017 |           | April 1, 2016 |           |
|-------------------------|----------------|-----------|----------------|-----------|---------------|-----------|
|                         | No. of Shares  | % holding | No. of Shares  | % holding | No. of Shares | % holding |
| Equity -Bharat C Parekh | 35671989       | 83.03     | 35671989       | 83.03     | 35671989      | 83.03     |

## 13. Other Equity

| Particulars                  | March 31, 2018 |            | March 31, 2017 |            | March 31, 2016 |            |
|------------------------------|----------------|------------|----------------|------------|----------------|------------|
| Capital Reserve              |                |            |                |            |                |            |
| At the beginning of the year | 184284         |            | 184284         |            | 184284         |            |
| Capital Reserve              |                | 184284     |                | 184284     |                | 184284     |
| Capital Redemption Reserve   |                | 0          |                | 0          |                | 0          |
| Securities Premium Reserve   |                |            |                |            |                |            |
| At the beginning of the year | 19924          |            | 19924          |            | 19924          |            |
| At the end of the year       |                | 19924      |                | 19924      |                | 19924      |
| Retained Earnings            |                |            |                |            |                |            |
| At the beginning of the year | (3,65,032)     |            | (3,21,383)     |            | (3,06,832)     |            |
| Add: Profit during the year  | (43,711)       |            | (43,648)       |            | (14,551)       |            |
| At the end of the year       |                | (4,08,742) |                | (3,65,032) |                | (3,21,383) |
| Total                        |                | (2,04,534) |                | (1,60,824) |                | (1,17,175) |

NOTE: The share premium account denotes:

(A) PREMIUM RECEIVED ON ISSUE OF 671000 EQUITY SHARES OF RS. 10 EACH AT A PREMIUM OF RS. 15 PER SHARE

(B) PREMIUM RECEIVED ON ISSUE OF 1515150 EQUITY SHARES OF RS. 10 EACH AT A PREMIUM OF RS. 6.50 PER SHARE

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

Rs. in '000

| Particulars                                      | March 31, 2018<br>₹ in'000 | March 31, 2017<br>₹ in'000 | April 1, 2016<br>₹ in'000 |
|--------------------------------------------------|----------------------------|----------------------------|---------------------------|
| <b>14 Non Current Financial Liabilities</b>      |                            |                            |                           |
| Secured Loan                                     |                            |                            |                           |
| Kokan Mercantile co-op bank Ltd From (Term Loan) | 462                        | 442                        | 6,516                     |
| <b>Total</b>                                     | <b>462</b>                 | <b>442</b>                 | <b>6,516</b>              |

The Above loans are secured by Pari Passu charge of the following:

(A) The Pari Passu charge by mortgage of factory premises located at Plot No. J-61, Addl. MIDC, Murbad and all the fixed assets of the company and F-4, MIDC, Murbad and office at 102, Atlanta, 10th Floor, Nariman Point, Mumbai - 21 owned by Mg. Director Mr. Bharat C. Parekh.

(B) The pari passu charge by Hypothecation of all current assets of the company at the above location

(C) Pledge of 39734626 (92.48%) equity shares in the company of Promoters Parekh Family

(D) Personal Gaurantees of Director Shri Bharat C. Parekh

|                               |              |              |              |
|-------------------------------|--------------|--------------|--------------|
| <b>15 Long Term Provision</b> |              |              |              |
| Provision for Gratuity        | 1,554        | 1,465        | 1,345        |
| <b>Total</b>                  | <b>1,554</b> | <b>1,465</b> | <b>1,345</b> |

**16 Short Term Borrowings**

|                                                                 |                 |                 |                 |
|-----------------------------------------------------------------|-----------------|-----------------|-----------------|
| Secured                                                         |                 |                 |                 |
| Kokan Mercantile Co-Op Bank Ltd C.C                             | 27,679          | 31,958          | 27,855          |
| SICOM INVESTMENTS & FINANCE LTD-<br>Term Loan dur for repayment | 76,000          | 76,000          | 76,000          |
| SICOM INVESTMENTS & FINANCE LTD-<br>Working Capital             | 50,000          | 50,000          | 50,000          |
| SICOM INVESTMENTS & FINANCE LTD-<br>Interest accrued and due    | -               | -               | 14,220.03       |
| <b>Total (A) *</b>                                              | <b>1,53,679</b> | <b>1,57,958</b> | <b>1,68,075</b> |

Borrowings from SICOM are over due and no interest there on is prided in view of Proposed OTS

|                                                               |                 |                 |                 |
|---------------------------------------------------------------|-----------------|-----------------|-----------------|
| Unsecured                                                     |                 |                 |                 |
| Unsecured Loans- Directors                                    | 18,115          | 6,9450          | 10,500          |
| Unsecured Loans- DCK due                                      | 40,982          | 40,982          | 40,982          |
| Unsecured Loans- Others                                       | 3,375           | 4,175           | 8,675           |
| SIFL 9% Cum. Preference Shares (Matured<br>during F.Y. 17-18) | 50,000.00       | 50,000.00       | 50,000          |
| <b>Total (B)</b>                                              | <b>1,12,472</b> | <b>1,02,102</b> | <b>1,10,157</b> |

Borrowings from SICOM and DCK are over due and no interest there on is prided in view of OTS

|                          |                 |                 |                 |
|--------------------------|-----------------|-----------------|-----------------|
| <b>Total (A) and (B)</b> | <b>2,66,151</b> | <b>2,60,060</b> | <b>2,78,233</b> |
|--------------------------|-----------------|-----------------|-----------------|

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

Rs. in '000

| Particulars | March 31, 2018<br>₹ in'000 | March 31, 2017<br>₹ in'000 | April 1, 2016<br>₹ in'000 |
|-------------|----------------------------|----------------------------|---------------------------|
|-------------|----------------------------|----------------------------|---------------------------|

\* The Above Secured Short Term Borrowings are secured by Pari Passu charge of the following:

(A) The Pari Passu charge by mortgage of factory premises located at Plot No. J-61, Addl. MIDC, Murbad & F-4, MIDC, Murbad and all the fixed assets of the company and office at 102, Atlanta, 10th Floor, Nariman Point, Mumbai - 21 owned by Mr. Bharat C. Parekh

(B) The pari passu charge by Hypothecation of all current assets of the company at the above location

(C) Pledge of 39734626 (92.48%) equity shares in the company of Promoters Parekh Family

(D) Personal Gaurantees of Director Shri Bharat C. Parekh

(E) For default in repayment of interest payable to SIFL note No.31

Refer Note No.44 for related party payables

|                                                                 |               |               |               |
|-----------------------------------------------------------------|---------------|---------------|---------------|
| <b>17 Trade Payables</b>                                        |               |               |               |
| Due to Micro, Small and Medium Enterprises<br>Refer Note No. 43 | -             | -             | -             |
| Others                                                          | 42,203        | 53,539        | 14,221        |
| <b>Total</b>                                                    | <b>42,203</b> | <b>53,539</b> | <b>14,221</b> |

**18 Other Financial Liabilities**

|                                                             |              |              |              |
|-------------------------------------------------------------|--------------|--------------|--------------|
| Current Maturities of Long Term Liabilities -<br>KOKAN Bank | 1,500        | 4,000        | 3,000        |
| Unpaid Dividend                                             | 317          | 317          | 317          |
| <b>Total</b>                                                | <b>1,817</b> | <b>4,317</b> | <b>3,317</b> |

**19 Other Current Liability**

|                                                                      |               |               |               |
|----------------------------------------------------------------------|---------------|---------------|---------------|
| Statutory Dues Payable                                               | 9,006         | 6,445         | 8,044         |
| Shares Application Money pending Allotment/<br>pending SEBI approval | 30,000        | 30,000        | 30,000        |
| <b>Total</b>                                                         | <b>39,006</b> | <b>36,445</b> | <b>38,044</b> |

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

Rs. In '000

| Particulars                                      | Apr'17 -<br>Mar-18 | Apr'16 -<br>Mar '17 |
|--------------------------------------------------|--------------------|---------------------|
| <b>20 Revenue from Operations</b>                |                    |                     |
| Sale of Products                                 |                    |                     |
| Polymer Based Packaging Products                 | 2,74,946           | 4,01,292            |
| Other Operating Revenues                         | -                  | -                   |
| Revenue from Services                            | -                  | 4,347               |
| <b>Total</b>                                     | <b>2,74,946</b>    | <b>4,05,639</b>     |
| <b>21 Other Income</b>                           |                    |                     |
| Interest Income                                  | 171                | 284                 |
| Dividend                                         | 0                  | 1                   |
| Interest on MSEB                                 | 90                 | 102                 |
| Sundry Balances Written Back                     | 29                 | 175                 |
| Insurance Claim                                  | 727                | -                   |
| <b>Total</b>                                     | <b>1,017</b>       | <b>562</b>          |
| <b>22 Cost of Materials consumed</b>             |                    |                     |
| Opening stock of Raw material                    | 12,653             | 14,815              |
| Add: Purchase                                    | 2,09,207           | 2,89,916            |
| Freight Inward                                   | 1,229              | 1,195               |
| Less: Closing stock of Raw Material              | (8,664)            | (12,653)            |
| <b>Material used in Manufacturing Activities</b> | <b>214,424</b>     | <b>2,93,274</b>     |
| Purchase Traded                                  | 0                  | 4099                |
| <b>a Total Material used.</b>                    | <b>2,14,424</b>    | <b>2,97,373</b>     |
| <b>b Operational Expenses</b>                    |                    |                     |
| Labour charges                                   | 27,070             | 28,222              |
| Consumption of stores                            | 4,072              | 5,946               |
| Power & fuel                                     | 12,981             | 13,834              |
| Excise Duty                                      | 8,461              | 44,735              |
| Water charges                                    | 314                | 345                 |
| Factory Insurance                                | 779                | 689                 |

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

Rs. In '000

| Particulars                                                                             | Apr'17 -<br>Mar-18 | Apr'16 -<br>Mar '17 |
|-----------------------------------------------------------------------------------------|--------------------|---------------------|
| Repairs: (A) Building                                                                   | 89                 | 14                  |
| (B) Plant & machinery                                                                   | 793                | 588                 |
| <b>Total</b>                                                                            | <b>54,560</b>      | <b>94,373</b>       |
| <b>Total</b>                                                                            | <b>2,68,984</b>    | <b>3,91,746</b>     |
| <b>23 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade</b> |                    |                     |
| Finished Goods                                                                          |                    |                     |
| Opening Stock                                                                           |                    |                     |
| Closing Stock                                                                           |                    |                     |
| Changes in Inventory of Finished Goods                                                  | -                  | -                   |
| Work in Progress                                                                        |                    |                     |
| Opening Stock                                                                           | 30,179             | 37,860              |
| Closing Stock                                                                           | 25,084             | 30,179              |
| Changes in Inventory Work in Progress                                                   | 5,095              | 7,681               |
| <b>Total</b>                                                                            | <b>5,095</b>       | <b>7,681</b>        |
| <b>24 Employee benefit expenses</b>                                                     |                    |                     |
| Salaries Wages and Bonus                                                                | 11,792             | 13,342              |
| Contribution to Provident Fund and Other Funds                                          | 210                | 190                 |
| Gratuity                                                                                | 110                | 120                 |
| Staff Welfare Expenses                                                                  | 809                | 927                 |
| <b>Total</b>                                                                            | <b>12,921</b>      | <b>14,578</b>       |
| <b>25 Finance Costs</b>                                                                 |                    |                     |
| Interest expense- Bank                                                                  | 5,258              | 5,681               |
| Interest expense- Others                                                                | 4,774              | 4,638               |
| <b>Total</b>                                                                            | <b>10,032</b>      | <b>10,319</b>       |
| <b>26 Other Expenses</b>                                                                |                    |                     |
| Printing and stationery                                                                 | 228                | 358                 |
| Telephone                                                                               | 316                | 513                 |
| Postage and Courier charges                                                             | 286                | 113                 |
| Vehicle Expenses                                                                        | 563                | 595                 |

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

Rs. In '000

| Particulars                                             | Apr'17 -<br>Mar-18 | Apr'16 -<br>Mar '17 |
|---------------------------------------------------------|--------------------|---------------------|
| Repairs and maintenance of others                       | 36                 | 182                 |
| Insurance other                                         | 3                  | 3                   |
| Rent                                                    | 90                 | 110                 |
| Rates and taxes                                         | 114                | 321                 |
| Packaging, forwarding charges                           | 7,850              | 12,036              |
| Legal and professional fees                             | 1,288              | 961                 |
| Travelling expenses                                     | 570                | 685                 |
| Conveyance                                              | 298                | 272                 |
| Donation                                                | 20                 | 24                  |
| Brokerage & commission                                  | 304                | 1,060               |
| Directors sitting fees                                  | 66                 | 65                  |
| Brokerage                                               | -                  | 449                 |
| Sales promotion & presentation                          | 756                | 422                 |
| Fees and subscription                                   | 93                 | 35                  |
| Electricity                                             | 86                 | 155                 |
| bank charges                                            | 244                | 176                 |
| Service tax                                             | 251                | 791                 |
| Computer Maintenance Expenses                           | 128                | 82                  |
| Guarantee Commission to Director                        | 300                | 300                 |
| Sundry expenses                                         | 1,371              | 19,960              |
| Share, Listing and RTA Expenses                         | 130                | 233                 |
| Auditors remuneration                                   | 80                 | 80                  |
| <b>Total</b>                                            | <b>15,471</b>      | <b>39,979</b>       |
| <b>27 PRIOR PERIOD EXPENSES</b>                         |                    |                     |
| Shares Listing Fees                                     | -                  | 1,495               |
| <b>Total</b>                                            | <b>-</b>           | <b>1,495</b>        |
| <b>28 PRIOR PERIOD INCOME</b>                           |                    |                     |
| Sundry Cr Bal.W/back- Sicom Interest/Tds                | -                  | 17,679              |
| Excess depreciation provided Previous Year written back | -                  | 2,307               |
| <b>Total</b>                                            | <b>-</b>           | <b>19,986</b>       |

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

- 29 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.

- 30 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. 2,47,97,881/- 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. 138.01 (Rs. 120.65) Lacs upto 31-03-2018 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 deferred 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) 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

- 31 The Company has made an application to SICOM INVESTMENT AND FINANCE LIMITED for reduction in interest rate of 22% p.a to 8% p.a. on their Loan of Rs. 1260 lacs from 01.04.2015. The proposal was made on 17th March, 2017. In anticipation of the acceptance, the Company has written back in F.Y 16-17, the interest and TDS there on of Rs. 174.73 lacs. In view of the above, no provision has been made in the annexed accounts for the interest of Rs.275 Lacs (Rs. 275 lacs) for the Y e 31-03-2018 and Rs. 725 Lacs (Rs. 450 lacs) lacs up to 31-03-2018 on SIFL loans of Rs. 1260 lacs. The Company has even made an application to SIFL on 17/03/2017 for reduction of principal amount of loans from Rs. 1260 lacs to Rs. 500 lacs. This will help the company bring down its debt and interest burden and help in its revival plans. The loan from SICOM has been considered as Short Term Financial liability.
- 32 The Assessment of Sales Tax for the period 1995-96 to 2003-04 has been completed and consequential additional demand of Rs. 1,61,84,583/- (covered under deferral scheme) of which the debit notes of the same amount had been raised to the defaulting customers for recovery. However under the Revised /Amended MDRS, the Company has sought relief from BIFR to adjust this liability against the un-utilised deferred limit of rs. 524 lacs and payment of the same to be deferred for five years from sanction of MDRS.

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Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

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33. As stated in Note 1, the Company's financial statements for the year ended March 31, 2018 are the first annual financial statements prepared in compliance with Ind AS.

The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 1, 2016 as the transition date. Ind AS 101 requires that all Ind AS that are effective for the first Ind AS Financial Statements for the year ended March 31, 2017, be applied consistently and retrospectively for all fiscal years presented.

All applicable Ind AS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and Previous GAAP as of the Transition Date have been recognised directly in equity at the Transition Date.

In preparing these financial statements, the Company has availed itself of certain exemptions and exceptions in accordance with Ind AS 101 as explained below:

**a Ind AS mandatory exceptions**

**i Estimate**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP and hence application of previous GAAP do not require change in estimates. The Company has opted to continue with the carrying values measured under the previous GAAP and use the carrying value as deemed cost for property, plant and equipments on the date of transition. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

1. Investment in equity instruments carried at Fair Value; however it is valued at cost;
2. Impairment of financial assets based on expected credit loss model

The fair value measurement of financial assets and liabilities: The Company has not applied the provisions of Ind AS 109, Financial instruments, upon initial recognition of the financial instruments as the fair value approximate their carrying amounts largely due to short term maturities.

**ii De-recognition of Financial Assets and Liabilities**

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the derecognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

**34. Reconciliations**

In preparing our opening IND AS Balance Sheet, we have adjusted amounts reported in financial statements prepared in accordance with IGAAP. An explanation of how the transition from IGAAP to IND AS has affected P & L Statement, cash flows and financial position is set out in the following tables and the notes that accompany the tables. On transition, we did not revise estimates previously made under IGAAP except where required by IND AS.

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:\*

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018 Rs. in '000

| Particulars                                                        | Amount as per IGAAP* | Effects of transition to Ind AS | Amount as per Ind AS | Remarks                                                                                |
|--------------------------------------------------------------------|----------------------|---------------------------------|----------------------|----------------------------------------------------------------------------------------|
| <b>35 i. Reconciliation of Balance Sheet as at April 01, 2018:</b> |                      |                                 |                      |                                                                                        |
| <b>ASSETS</b>                                                      |                      |                                 |                      |                                                                                        |
| <b>A Non-Current Assets</b>                                        |                      |                                 |                      |                                                                                        |
| a. Property, Plant and Equipment                                   | 56,357               | -                               | 56,357               |                                                                                        |
| b. Capital Work in Progress                                        | -                    | -                               | -                    |                                                                                        |
| c. Investment Property                                             | -                    | -                               | -                    |                                                                                        |
| d. Investment in Equity Shares                                     | 709                  | -                               | 709                  |                                                                                        |
| e. Non Current Tax Assets                                          | -                    | (103)                           | 103                  | Reclassification of TDS from Short term loan advance as per management Assessment      |
| f. Other Non Current Assets                                        | -                    | (465)                           | 465                  | Reclassification of deposits from Short term loan advance as per management Assessment |
| <b>Total (A)</b>                                                   | <b>57,066</b>        | <b>(568)</b>                    | <b>57,634</b>        |                                                                                        |
| <b>B Current Assets</b>                                            |                      |                                 |                      |                                                                                        |
| a. Inventories                                                     | 56,406               | -                               | 56,406               |                                                                                        |
| b. Financial Assets                                                | -                    | -                               | -                    |                                                                                        |
| (i) Current Investments                                            | -                    | -                               | -                    |                                                                                        |
| (ii) Trade Receivable                                              | 122,245              | -                               | 122,245              |                                                                                        |
| (iii) Cash and Cash Equivalents                                    | 8,475                | 317                             | 8,158                | Reclassification as per IndAS                                                          |
| (iv) Bank Balances Other Than Cash and cash equivalents            | -                    | (317)                           | 317                  | Reclassification as per IndAS                                                          |
| (v) Loans                                                          | -                    | (1,206)                         | 1,206                |                                                                                        |
| (vi) Other Financial Assets                                        | -                    | 6,309                           | 6,309                |                                                                                        |
| c. Other Current Assets                                            | 23,272               | 8,083                           | 15,189               | Reclassification to Short term loan advance as per management Assessment               |
| <b>Total (B)</b>                                                   | <b>210,398</b>       | <b>568</b>                      | <b>209,830</b>       |                                                                                        |
| <b>TOTAL ASSETS (A+B)</b>                                          | <b>267,464</b>       | <b>-</b>                        | <b>267,464</b>       |                                                                                        |
| <b>EQUITY AND LIABILITIES</b>                                      |                      |                                 |                      |                                                                                        |
| <b>A Equity</b>                                                    |                      |                                 |                      |                                                                                        |
| a. Equity Share Capital/                                           | 42,963               | -                               | 42,963               |                                                                                        |
| b. Preference shares 9%                                            | 50,000               | 50,000                          | -                    | Reclassification on maturity FY 17-18                                                  |
| c. Reserves & surplus                                              | (117,175)            | -                               | (117,175)            |                                                                                        |
| d. Share application Money Pending Allotment                       | 30,000               | 30,000                          | -                    | Reclassified as per IndAS                                                              |
| <b>Total (A)</b>                                                   | <b>5,788</b>         | <b>80,000</b>                   | <b>(74,212)</b>      |                                                                                        |
| <b>B Non-Current Liabilities</b>                                   |                      |                                 |                      |                                                                                        |
| a. Financial Liabilities                                           |                      |                                 |                      |                                                                                        |
| (i) Long Term Borrowings                                           | 82,516               | -                               | 82,516               | Reclassification to ST borrowings on due basis                                         |
| (ii) Other Financial Liabilities                                   | 60,157               | -                               | 60,157               | Reclassification to Short term Borrowings                                              |
| b. Deferred Tax Liability                                          | -                    | -                               | -                    |                                                                                        |
| c. Long Term Provisions                                            | -                    | (1,345)                         | 1,345                | Reclassification to LT Provision                                                       |
| <b>Total (B)</b>                                                   | <b>142,674</b>       | <b>(1,345)</b>                  | <b>144,019</b>       |                                                                                        |
| <b>C Current Liabilities</b>                                       |                      |                                 |                      |                                                                                        |
| a. Financial Liabilities                                           |                      |                                 |                      |                                                                                        |
| (i) Short Term Borrowings                                          | 77,855               | (14,220)                        | 92,075               |                                                                                        |
| (ii) Trade Payables                                                | 23,610               | 9,309                           | 14,221               |                                                                                        |
| (iii) Other Financial Liabilities                                  | -                    | (3,000)                         | 3,000                |                                                                                        |
| b. Other Current Liabilities                                       | 17,537               | (70,824)                        | 88,361               |                                                                                        |
| c. Short Term Provisions                                           | -                    | -                               | -                    |                                                                                        |
| <b>Total (C)</b>                                                   | <b>119,002</b>       | <b>(78,655)</b>                 | <b>197,657</b>       |                                                                                        |
| <b>TOTAL LIABILITIES (A+B+C)</b>                                   | <b>267,464</b>       | <b>-</b>                        | <b>267,464</b>       |                                                                                        |

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018 Rs. In '000

| Particulars                                                    | Amount as per IGAAP* | Effects of transition to Ind AS | Amount as per Ind AS | Remarks                                                                                |
|----------------------------------------------------------------|----------------------|---------------------------------|----------------------|----------------------------------------------------------------------------------------|
| <b>ii Reconciliation of Balance Sheet as at March 31, 2017</b> |                      |                                 |                      |                                                                                        |
| <b>ASSETS</b>                                                  |                      |                                 |                      |                                                                                        |
| <b>A Non-Current Assets</b>                                    |                      |                                 |                      |                                                                                        |
| a Property, Plant and Equipment                                | 54,905               | -                               | 54,905               |                                                                                        |
| b Capital Work in Progress                                     | -                    | -                               | -                    |                                                                                        |
| c Investment Property                                          | -                    | -                               | -                    |                                                                                        |
| d Investment in Equity Shares                                  | 709                  | -                               | 709                  |                                                                                        |
| e Non Current Tax Assets                                       | -                    | (137)                           | 137                  | Reclassification of TDS from Short term loan advance as per management Assessment      |
| f Other Non Current Assets                                     | -                    | (465)                           | 465                  | Reclassification of deposits from Short term loan advance as per management Assessment |
| <b>Total (A)</b>                                               | <b>55,614</b>        | <b>(602)</b>                    | <b>56,215</b>        |                                                                                        |
| <b>B Current Assets</b>                                        |                      |                                 |                      |                                                                                        |
| a Inventories                                                  | 46,251               | -                               | 46,251               |                                                                                        |
| b Financial Assets                                             | -                    | -                               | -                    |                                                                                        |
| (i) Current Investments                                        | -                    | -                               | -                    |                                                                                        |
| (ii) Trade Receivable                                          | 113,050              | -                               | 113,050              |                                                                                        |
| (iii) Cash and Cash Equivalents                                | 8,548                | 117                             | 8,230                | Reclassification as per IndAS                                                          |
| (iv) Bank Balances Other Than Cash and cash equivalents        | -                    | (117)                           | 317                  | Reclassification as per IndAS                                                          |
| (v) Loans                                                      | -                    | (1,179)                         | 1,179                |                                                                                        |
| (vi) Other Financial Assets                                    | -                    | (2,169)                         | 2,169                |                                                                                        |
| c Other Current Assets                                         | 14,946               | 1,950                           | 10,996               | Reclassification to Short term loan advance as per management Assessment               |
| <b>Total (B)</b>                                               | <b>182,795</b>       | <b>602</b>                      | <b>182,193</b>       |                                                                                        |
| <b>TOTAL ASSETS (A+B)</b>                                      | <b>238,409</b>       | <b>-</b>                        | <b>238,409</b>       |                                                                                        |
| <b>EQUITY AND LIABILITIES</b>                                  |                      |                                 |                      |                                                                                        |
| <b>A Equity</b>                                                |                      |                                 |                      |                                                                                        |
| a Equity Share Capital                                         | 42,963               | -                               | 42,963               |                                                                                        |
| b 9% Cum Redeemable Pref. Shares                               | 50,000               | 50,000                          | -                    | Reclassification on maturity F.Y. 17-18                                                |
| c Reserves & surplus                                           | (160,824)            | -                               | (160,824)            |                                                                                        |
| d Share application Money Pending Allotment                    | 30,000               | 30,000                          | -                    | Reclassified as per IndAS                                                              |
| <b>Total (A)</b>                                               | <b>(37,860)</b>      | <b>80,000</b>                   | <b>(117,860)</b>     |                                                                                        |
| <b>B Non-Current Liabilities</b>                               |                      |                                 |                      |                                                                                        |
| a Financial Liabilities                                        |                      |                                 |                      |                                                                                        |
| (i) Long Term Borrowings                                       | 76,442               | 76,000                          | 442                  | Reclassification to ST borrowings on due basis                                         |
| (ii) Other Financial Liabilities                               | 52,102               | 52,102                          | 0                    | Reclassification to Short term Borrowings                                              |
| b Deferred Tax Liability                                       | -                    | -                               | -                    |                                                                                        |
| c Long Term Provisions                                         | 1,465                | -                               | 1,465                |                                                                                        |
| <b>Total (B)</b>                                               | <b>130,010</b>       | <b>128,102</b>                  | <b>1,907</b>         |                                                                                        |
| <b>C Current Liabilities</b>                                   |                      |                                 |                      |                                                                                        |
| a Financial Liabilities                                        |                      |                                 |                      |                                                                                        |
| (i) Short Term Borrowings                                      | 81,958               | (178,102)                       | 260,061              |                                                                                        |
| (ii) Trade Payables                                            | 59,984               | 6,445                           | 53,539               |                                                                                        |
| (iii) Other Financial Liabilities                              | -                    | (4,317)                         | 4,317                |                                                                                        |
| b Other Current Liabilities                                    | 4,317                | (32,128)                        | 36,445               |                                                                                        |
| c Short Term Provisions                                        | -                    | -                               | -                    |                                                                                        |
| <b>Total (C)</b>                                               | <b>146,260</b>       | <b>(208,102)</b>                | <b>354,362</b>       |                                                                                        |
| <b>TOTAL LIABILITIES (A+B+C)</b>                               | <b>238,409</b>       | <b>0</b>                        | <b>238,409</b>       |                                                                                        |

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018 Rs. In '000

| Particulars                                                                   | Amount as per IGAAP* | Effects of transition to Ind AS | Amount as per Ind AS | Remarks                                          |
|-------------------------------------------------------------------------------|----------------------|---------------------------------|----------------------|--------------------------------------------------|
| 35ii Reconciliation of Comprehensive Income for the year ended March 31, 2017 |                      |                                 |                      |                                                  |
| <b>Income:</b>                                                                |                      |                                 |                      |                                                  |
| Revenue from Operations                                                       | 360,904              | 44,735                          | 405,639              | Grossing of sales due to excise show in expenses |
| Other Income                                                                  | 562                  | -                               | 562                  |                                                  |
| <b>Total Revenue (A)</b>                                                      | <b>361,465</b>       | <b>44,735</b>                   | <b>406,200</b>       |                                                  |
| <b>Expenses:</b>                                                              |                      |                                 |                      |                                                  |
| Cost of Materials Consumed                                                    | 297,373              | -                               | 297,373              |                                                  |
| Operational Expenses                                                          | 49,638               | (44,735)                        | 94,373               | Excise reclassified as expenses                  |
| Change in FG and WIP                                                          | 7,681                | -                               | 7,681                |                                                  |
| Employee Benefit Expenses                                                     | 14,578               | -                               | 14,578               |                                                  |
| Finance Costs                                                                 | 10,319               | -                               | 10,319               |                                                  |
| Depreciation and Amortization Expense                                         | 4,036                | -                               | 4,036                |                                                  |
| Other Expenses                                                                | 39,979               | -                               | 39,979               |                                                  |
| <b>Total Expenses (B)</b>                                                     | <b>423,604</b>       | <b>(44,735)</b>                 | <b>468,339</b>       |                                                  |
| <b>Profit/(Loss) before Tax</b>                                               | <b>(62,139)</b>      | <b>-</b>                        | <b>(62,139)</b>      |                                                  |
| <b>Tax Expense:</b>                                                           |                      |                                 |                      |                                                  |
| (1) Current tax                                                               | -                    | -                               | -                    |                                                  |
| (2) Deferred Tax                                                              | -                    | -                               | -                    |                                                  |
| (3) Prior Period Expenses                                                     | 1,495                | -                               | 1,495                |                                                  |
| (4) Prior Period Income                                                       | 19,986               | -                               | 19,986               |                                                  |
| <b>(Loss) / Profit for the year</b>                                           | <b>(43,648)</b>      | <b>-</b>                        | <b>(43,648)</b>      |                                                  |
| Other Comprehensive Income for the year                                       |                      |                                 |                      |                                                  |
| Total Comprehensive Income for the year                                       |                      |                                 |                      |                                                  |

## 35 iv Impact of Ind AS adoption on the Statement of Cash Flow for the year ended 31st March 2017

| Particulars                                        | Amount as per IGAAP* | Effects of transition to Ind AS | Amount as per Ind AS | Remarks                       |
|----------------------------------------------------|----------------------|---------------------------------|----------------------|-------------------------------|
| Cash Flow from Operating Activities                | 32,766               | 4,041                           | 36,807               | Reclassification as per indAs |
| Cash Flow from Investing Activities                | (2,521)              | 351                             | (2,170)              | Reclassification as per indAs |
| Cash Flow from Financing Activities                | (30,386)             | (4,179)                         | (34,565)             | Reclassification as per indAs |
| Net Increase/(Decrease) in Cash & Cash Equivalents | (141)                | 214                             | 72                   |                               |
| Opening Balance of Cash & Cash Equivalents         | 8,475                | -                               | 8,475                |                               |
| Closing Balance of Cash & Cash Equivalents         | 8,334                | (214)                           | 8,548                |                               |

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

## 36 Financial Instruments - Fair Values and Risk Management

## Accounting classification and fair values

## A Carrying Value as on reporting date &amp; 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.

Rs. In '000

| Particulars                                                | FVTPL | 31-Mar-18<br>FVTOC<br>I | Amortised<br>Cost | Total           |
|------------------------------------------------------------|-------|-------------------------|-------------------|-----------------|
| <b>Financial Assets</b>                                    |       |                         |                   |                 |
| (i) Current Investments                                    | -     | -                       | -                 | -               |
| (ii) Trade Receivable                                      |       |                         | 76,120            | 76,120          |
| (iii) Cash and Cash Equivalents                            |       |                         | 817               | 817             |
| (iv) Bank Balances Other Than<br>Cash and cash equivalents |       |                         | 317               | 317             |
| (v) Loans                                                  |       |                         | 781               | 781             |
| (vi) Other Financial Assets                                |       |                         | 1,937             | 1,937           |
| <b>TOTAL</b>                                               | -     | -                       | <b>79,973</b>     | <b>79,973</b>   |
| <b>Financial Liabilities</b>                               |       |                         |                   |                 |
| (i) Non Current Financial Liabilities                      |       |                         | 462               | 462             |
| (ii) Other Financial Liabilities                           |       |                         | -                 | -               |
| (iii) Short Term Borrowings                                |       |                         | 2,66,151          | 2,66,151        |
| (iv) Trade Payables                                        |       |                         | 42,203            | 42,203          |
| (v) Other Financial Liabilities                            |       |                         | 1,817             | 1,817           |
| <b>TOTAL</b>                                               | -     | -                       | <b>3,10,634</b>   | <b>3,10,634</b> |
| <b>Financial Assets</b>                                    |       |                         |                   |                 |
| (i) Current Investments                                    | -     | -                       | -                 | -               |
| (ii) Trade Receivable                                      |       |                         | 1,13,050          | 1,13,050        |
| (iii) Cash and Cash Equivalents                            |       |                         | 8,230             | 8,230           |
| (iv) Bank Balances Other Than Cash and cash equivalents    |       |                         | 317               | 317             |
| (v) Loans                                                  |       |                         | 1,179             | 1,179           |
| (vi) Other Financial Assets                                |       |                         | 2,169             | 2,169           |
| <b>TOTAL</b>                                               | -     | -                       | <b>1,24,946</b>   | <b>1,24,946</b> |
| <b>Financial Liabilities</b>                               |       |                         |                   |                 |
| (i) Non Current Financial Liabilities                      |       |                         | 442               | 442             |
| (ii) Other Financial Liabilities                           |       |                         | -                 | -               |
| (iii) Short Term Borrowings                                |       |                         | 2,60,061          | 2,60,061        |

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

| Particulars                                             | FVTPL | 31-Mar-18<br>FVTOC<br>I | Rs. In '000       |                 |
|---------------------------------------------------------|-------|-------------------------|-------------------|-----------------|
|                                                         |       |                         | Amortised<br>Cost | Total           |
| <b>Financial Assets</b>                                 |       |                         |                   |                 |
| (iv) Trade Payables                                     |       |                         | 53,539            | 53,539          |
| (v) Other Financial Liabilities                         |       |                         | 4,317             | 4,317           |
| <b>TOTAL</b>                                            | -     | -                       | <b>3,18,359</b>   | <b>3,18,359</b> |
| <b>Financial Assets</b>                                 |       |                         |                   |                 |
| (i) Current Investments                                 |       |                         | -                 | -               |
| (ii) Trade Receivable                                   |       |                         | 1,22,245          | 1,22,245        |
| (iii) Cash and Cash Equivalents                         |       |                         | 8,158             | 8,158           |
| (iv) Bank Balances Other Than Cash and cash equivalents |       |                         | 317               | 317             |
| (v) Loans                                               |       |                         | 1,206             | 1,206           |
| (vi) Other Financial Assets                             |       |                         | 6,310             | 6,310           |
|                                                         | -     | -                       | <b>1,38,236</b>   | <b>1,38,236</b> |
| <b>Financial Liabilities</b>                            |       |                         |                   |                 |
| (i) Non Current Financial Liabilities                   |       |                         | 6,516             | 6,516           |
| (ii) Other Financial Liabilities                        |       |                         | -                 | -               |
| (iii) Short Term Borrowings                             |       |                         | 2,78,233          | 2,78,233        |
| (iv) Trade Payables                                     |       |                         | 14,221            | 14,221          |
| (v) Other Financial Liabilities                         |       |                         | 3,317             | 3,317           |
| <b>TOTAL</b>                                            |       |                         | <b>3,02,288</b>   | <b>3,02,288</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 2018, March 31, 2017 and April 1, 2016 are similar to carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

**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 foreign currency payables                | 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, 2018, 2017 and 1st April, 2016 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-18     | 31-Mar-17       | 01-Apr-16       |
|-------------------------------|---------------|-----------------|-----------------|
| Neither Past due nor impaired | 21,029        | 57,107          | 28,307          |
| Past due but not impaired     | -             | -               | -               |
| Past due more than 180 days   | 55,091        | 55,943          | 93,938          |
| <b>TOTAL</b>                  | <b>76,120</b> | <b>1,13,050</b> | <b>1,22,245</b> |

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

## ii Loans

The Loans have been given in the ordinary course of business. The management does not expect any impairment in the same.

Carrying amount of Loans that were not impaired was as follows -

| Carrying amount<br>(Current & Non Current) | 31-Mar-18  | 31-Mar-17    | 01-Apr-16    |
|--------------------------------------------|------------|--------------|--------------|
| Loan to employees                          | 782        | 1,179        | 1,206        |
| Loan to Others                             |            |              |              |
| <b>TOTAL</b>                               | <b>782</b> | <b>1,179</b> | <b>1,206</b> |

## iii Cash and Cash Equivalents

The Company held cash and bank balance with credit worthy banks of ₹1134698 at March 31, 2018 (March 31, 2017: 8547528 and April 1, 2016: 8475176). 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.

## 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

31-Mar-18

| Carrying amount is as below;      | Carrying Amount | within 1 Year | Between 1-5 years | More than 5 Years |
|-----------------------------------|-----------------|---------------|-------------------|-------------------|
| Non Current Financial Liabilities | 462             |               | 462               |                   |
| Other Financial Liabilities       | 1,817           | 1,817         |                   |                   |
| Short Term Borrowings*            | 2,66,151        | 2,66,151      |                   |                   |
| Trade Payables                    | 42,203          | 42,203        |                   |                   |

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

| Carrying amount (Rs in lacs)      | 31-Mar-17       |               |                   |                   |
|-----------------------------------|-----------------|---------------|-------------------|-------------------|
|                                   | Carrying Amount | within 1 Year | Between 1-5 years | More than 5 Years |
| Non Current Financial Liabilities | 442             |               | 442               |                   |
| Other Financial Liabilities       | 4,317           | 4,317         |                   |                   |
| Short Term Borrowings*            | 2,60,061        | 2,60,061      |                   |                   |
| Trade Payables                    | 53,539          | 53,539        |                   |                   |
| <b>31-Mar-16</b>                  |                 |               |                   |                   |
| Carrying amount (Rs in lacs)      | Carrying Amount | within 1 Year | Between 1-5 years | More than 5 Years |
|                                   |                 |               |                   |                   |
| Non Current Financial Liabilities | 6,516           |               | 6,516             |                   |
| Other Financial Liabilities       | 3,317           | 3,317         |                   |                   |
| Short Term Borrowings*            | 2,78,233        | 2,78,233      |                   |                   |
| Trade Payables                    | 14,221          | 14,221        |                   |                   |

\* The amount shown under 'Short Term Borrowings' is interest free loans received from Directors and 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 and 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.

**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.

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

## 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.

| 37 | CONTINGENT LIABILITIES                                                            | ASON<br>31.03.2017 | ASON<br>31.03.2018 |
|----|-----------------------------------------------------------------------------------|--------------------|--------------------|
|    | 1. Contingent Liabilities in respect of disputed suit/ claims pending against the | 902.43 Lacs        | 902.43 Lacs        |
|    | 9% Preference Shares Dividend Due                                                 | 200.59 Lacs        | 245.59 Lacs        |

38 Capital Commitment at the end of the year Rs. Nil Lac (Rs. Nil Lacs), [Advances paid Rs. Nil (Rs. Nil Lacs)]

39 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 Note 6 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.

| 40 | Payment to Auditors           | AS ON<br>31.03.2017 | AS ON<br>31.03.2018 |
|----|-------------------------------|---------------------|---------------------|
|    | Audit fees                    | 80000               | 80000               |
|    | Others/Out of pocket expenses | 4600                | 2700                |
|    | TOTAL                         | 84600               | 82700               |

|    |                                                                                                                                               |          |          |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| 41 | Payment to Directors for Guarantee Commission in respect of personal guarantees given for Loans and Credit facilities obtained by the Company | 3,00,000 | 3,00,000 |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|

## 42 Expenditure/Earnings in Foreign Currency

|                              |     |     |
|------------------------------|-----|-----|
| Travelling Expenses          | NIL | NIL |
| Earnings in Foreign Currency | NIL | NIL |

## Notes on Ind AS Financial Statements for the Year Ended 31st March, 2018

43. 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.
44. In terms of Ind AS 24 "Related Party Disclosures" issued by The ICAI, related party transactions are as follows:
- Parties where control exists:  
Sanjay Enterprises
  - Other related parties with whom transactions have taken place during the year: Key Management Personnel & Relatives  
B. C. Parekh- Managing Director
  - Nature of Transaction

| Key Management personnel & Relative & controlling firm (Net) | AS ON<br>31.03.2017 | AS ON<br>31.03.2018 |
|--------------------------------------------------------------|---------------------|---------------------|
| B. C. Parekh                                                 | 300000              | 300000              |

45. Earnings per Share:

|                                                                      |              |              |
|----------------------------------------------------------------------|--------------|--------------|
| (a) Profit/Loss before ordinary/exceptions item & tax                | -4,36,48,299 | -4,37,10,554 |
| Less: Dividend Provision on Preference Shares                        | -            | -            |
| Less : Exception Item                                                | -            | -            |
| (b) Profit/(Loss) after tax and exceptional items                    | -4,36,48,299 | -4,37,10,554 |
| (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 | -1.02        | -1.02        |
| (f) earnings per share   Basic and diluted   after exceptional item  | -1.02        | -1.02        |

46. Previous year figures have been regrouped wherever necessary, to correspond with the current periods classification/disclosure.

As per our Report of even date

For V.R.Renuka & co.  
Chartered Accountants  
Firm Registration No. 108826W

Vishnu Renuka  
Partner  
M No. 032263

Mumbai, May 30, 2018

For and on behalf of the Board of Directors

Bharat Chinsanlal Parekh  
Managing Director  
DIN: 02650644

Akshay Dinubhai  
Non Executive Director  
DIN: 00537101

Ishan Jelarka  
Independent Director  
DIN: 03614005

Bhatt Ravindra Bhukla  
Independent Director  
DIN: 00660027

Darshana Parekh  
Woman Director  
DIN: 07177160  
Mumbai, May 30, 2018