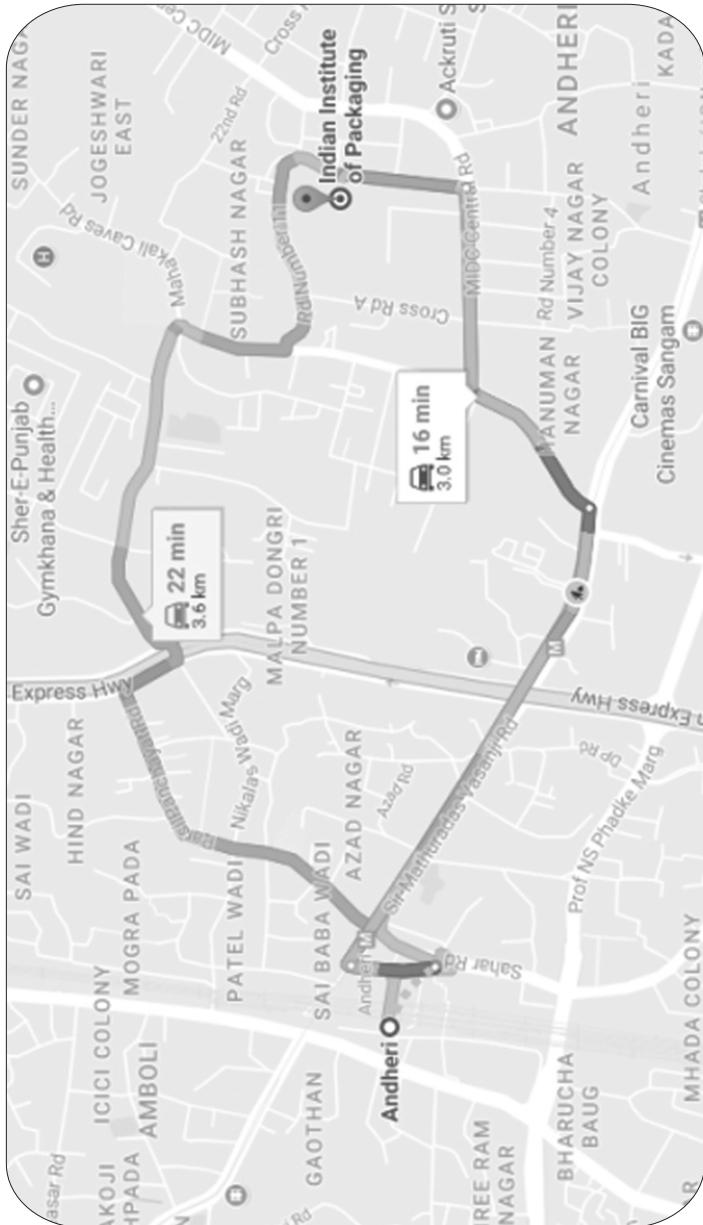




# **TAINWALA**

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

**32nd Annual Report  
2016-17**



**TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED**  
**ANNUAL REPORT 2016-2017**

**MANAGEMENT TEAM**

**RAKESH TAINWALA**

Chairman & Managing Director

**RAJKUMAR TAINWALA**

Executive Director

**SIMARAN R MANSUKHAANI**

Director Finance & CFO

**ASHOK KUMAR MUKHERJEE**

Executive Director

**KETAN DHIRAJLAL BARAI**

Independent Director

**ABHAY SHETH**

Independent Director

**MAYANK DHULDHOYA**

Independent Director

**C. K. DOSHI**

Independent Director

**V.M.RAJU**

General Manager Works

**POOJA KHEDKAR**

Company Secretary and Compliance Officer

**AUDITORS**

**M/s GMJ & CO.**

Chartered Accountants

Mumbai

**THIRTY SECOND  
ANNUAL GENERAL  
MEETING**

Tuesday, 26th September, 2017  
11.00 a.m.

The Indian Institute of Packaging  
E – 2, Road No. 8, MIDC Area,  
Near Reliance Energy office, MIDC,  
Andheri (East), Mumbai – 400093.

**REGISTERED OFFICE**

“Tainwala House”

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

Andheri (East), Mumbai-400 093

CIN No. L24100MH1985PLC037387

Tel: 67166100/161

Website: www.tainwala.in

**WORKS**

87, Government Industrial Estate

Khadoli Village, Silvassa - 396230

Dadra & Nagar Haveli – U.T.

**REGISTRAR & SHARE TRANSFER  
AGENTS**

**LINK INTIME INDIA PVT LTD**

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

Vikhroli (West), Mumbai – 400 083

Tel.: 49186000.

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**BANKERS**

**HDFC Bank Ltd.**

**NOTICE**

Notice is hereby given that the THIRTY SECOND ANNUAL GENERAL MEETING of the Members of TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED will be held at Indian Institute of Packaging (IIP) E – 2, Road No. 8, MIDC Area, near Reliance Energy office, MIDC, Andheri (East), Mumbai – 400 093 on Tuesday, 26th September, 2017 at 11.00 a.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet, Profit & Loss Account and the Reports of Directors' and Auditors as on 31st March, 2017.
2. To appoint a Director in place of Mrs. Simaran R Mansukhaani (DIN: 06500475), who retires by rotation and being eligible, offers herself for re-appointment.
3. To ratify the continuation of M/s. GMJ & CO., Chartered Accountants (FRN 103429W), as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting, till the conclusion of the next Annual General Meeting, and in this regard to consider and if thought fit to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the resolution passed by the members in the 31st Annual General Meeting of the Company held on 20th September, 2016 and pursuant to the provisions of the section 139, 142 and all other applicable provisions, if any of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time, the Company hereby ratifies the continuation of M/s. GMJ & CO., having firm Registration no: (FRN 103429W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 36th Annual General Meeting of the Company, at such remuneration as may be fixed by the Board of Directors of the Company in consultation with them.”

**SPECIAL BUSINESS:**

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

**“RESOLVED THAT** pursuant to Sections 160 & 161 of the Companies Act, 2013 and any other applicable provisions and rules if any, Mr. Ashok Kumar Mukherjee (DIN No: 00293592) who was appointed as an Additional Director on 10th February, 2017 be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** to give effect to this resolution, the Board of Directors of the Company be and are hereby severally authorized to file relevant forms with the Registrar of Companies, Mumbai and to do such other acts, deeds and things as may be necessary in connection with the above appointment.”

5. **“RESOLVED THAT** pursuant to Sections 160 & 161 of the Companies Act, 2013 and any other applicable provisions and rules if any, Mr. Ketan Dhirajlal Barai (DIN No: 00039816) who was appointed as an Additional Independent Director on 10th February, 2017 be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation in terms of Section 149 (4), (10) & (11) and 152 (6) (e) of the Companies Act, 2013 to hold office for a term of five years w. e. f. 26th September, 2017.

**RESOLVED FURTHER THAT** to give effect to this resolution the Board of Directors of the company be and are hereby severally authorized to file relevant forms with the Registrar of Companies, Mumbai and to do such other acts, deeds and things as may be necessary in connection with the above appointment.”

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

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197, Schedule V of the Companies Act, 2013 and other applicable provisions of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company hereby accords its approval and consent to the re-appointment of Mr. Rakesh Dungarmal Tainwala (DIN No: 00237671) as a Managing Director of the Company for a period of 5 (five) years w. e. f. 26th June, 2017 to 25th June, 2022 on the terms, conditions and stipulations including remuneration as approved by the Nomination and Remuneration Committee and the Board which have been detailed in the Explanatory Statement annexed hereto (which shall form part hereof) with a liberty to the Board of Directors of the Company (hereinafter referred

to as "the Board" which terms shall be deemed to be included any committee of the board as and when constituted) to fix, increase, alter or vary from time to time, the terms and conditions of the said appointment and remuneration and/or monetary value of the perquisites as may be agreed upon by the Board of Directors and Mr. Rakesh Dungarmal Tainwala, subject to the same not exceeding at any point of time, the ceiling specified in Schedule V to the said Act, (including any Statutory Modifications or re-enactment thereof for the time being in force) or any amendment and / or modifications that may hereinafter from time to time be made thereto by the Central Government.

**RESOLVED FURTHER THAT** where in any financial year during the currency of the tenure of said appointee, the company has no profit or its profits are inadequate, the company shall pay salary & perquisites as provided under Schedule V to the Companies Act, 2013 as minimum remuneration.

**RESOLVED FURTHER THAT** the aforesaid consent of the Company is accorded without prejudice to his right of holding managerial position of whatsoever nature in any other company and draw remuneration therefrom, subject to the regulatory guidelines and ceiling stipulated in his regard.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable in the best interest of the Company."

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

**(POOJA KHEDKAR)  
(ACS No: 32110)  
Company Secretary**

**Registered Office:  
"Tainwala House ",  
Road No. 18, M.I.D.C., Marol,  
Andheri (East),  
Mumbai - 400 093.  
Place: Mumbai.  
Date: 10th May, 2017**

**NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) in annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 19.09.2017 to 25.09.2017 (both days inclusive).
4. Corporate Members intending to send their authorised representative to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the meeting.
5. Members are requested to immediately intimate change of address if any, to the Company/Registrar and Share Transfer Agent quoting reference to their registered folio number.
6. Members are requested to send all share transfer lodgments (physical mode)/correspondence to the Registrar and Share Transfer Agent at the following address up to the date of book closure :

M/S. LINK INTIME INDIA PRIVATE LIMITED

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

Vikhroli (West), Mumbai – 400 083

Tel No: 022 - 49186000

7. Members who have multiple accounts in identical names or joint accounts in same order are requested to send all the share certificates to Link Intime India Pvt. Ltd. for Consolidation of all such shareholdings into one account to facilitate better service.
8. Members can avail nomination facility by filling in and forwarding the nomination form to the RTA, pursuant to Section 72 of the Companies Act, 2013, form to the RTA, if not already done.
9. Members can address their queries to the Company at [cs@tainwala.in](mailto:cs@tainwala.in) / [sirman@tainwala.in](mailto:sirman@tainwala.in).
10. Members who have not registered their e-mail address with the Company can now register the same by submitting a duly filled in 'E-Communication Registration Form', available on the website of the Company [www.tainwala.in](http://www.tainwala.in).
11. Members are requested to bring their attendance slip duly filled in details like DP Id and Client Id along with their copy of annual reports to the meeting.
12. Members having any questions on accounts are requested to send their queries at least 15 days in advance to the Company at its Registered office to enable the Company to collect the relevant information.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Share Transfer Agent.
14. Pursuant to the provisions of Section 107 and 108, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the option of E-Voting facility to all members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting. The Members who wish to attend Annual General Meeting can vote at the Meeting. The Company has appointed Mr. Malay Shah, from Malay Shah & Associates, Practicing Company

Secretary as a Scrutinizer.

15. Voting Instructions to all the shareholders who are desiring to vote through remote E-voting & are eligible to vote are as follows:
- (i) The voting period begins on 23rd September, 2017 at 09.00 am till 25th September, 2017 at 05.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 22nd September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

**COMPANY NAME: TAINWALA CHEMICALS & PLASTICS (INDIA) LIMITED**  
**EVSN: 170706011**

**16. E-Voting Facility:**

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

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

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

- After entering these details appropriately, click on "SUBMIT" tab.
- Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through Central Depository Services (India) Limited (CDSL) platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the relevant TAINWALA CHEMICALS & PLASTICS (INDIA) LIMITED on which you choose to vote.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- l) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - m) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - n) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - o) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - p) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

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

- (A) Please follow all steps from serial no. (a) to serial no. (p) above to cast vote.
  - (B) The voting period begins on Saturday, 23rd September, 2017 at 09.00 a.m. and ends on Monday, 25th September, 2017 at 05.00 p.m. The voting rights shall be as per the number of equity share held by the Member(s) as on Friday, 22nd September, 2017. Members are eligible to cast vote electronically only if they are holding shares as on that date. The e-voting module shall be disabled by Central Depository Services (India) Limited (CDSL) for voting thereafter.
  - (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
15. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 10.00 a.m. and 12.00 p.m. on any working day up to the date of AGM.
  16. In order to support the Green Initiative of the Government and to save paper, Members are requested to please register email ID with their depositories and RTA with a copy to the Company to enable the Company to send documents like Report, Accounts, Notices etc. through electronic mode for convenience of members.

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

**Place: Mumbai  
Date: 10th May, 2017**

**(POOJA KHEDKAR)  
(ACS No: 32110)  
Company Secretary**

**Annexure to the Notice:  
Item No 4 & 5**

The Board at its meeting held on 10th February, 2017, appointed Mr. Ashok Kumar Mukherjee (DIN No: 00293592) (Additional Executive Director) and Mr. Ketan Barai (DIN No: 00039816) (Additional Independent Director) w. e. f. such Board meeting dates pursuant to Section 161 of the Companies Act, 2013. Hence, they will hold the office up to the date of the ensuing annual general meeting.

The Company has received consent in writing to act as director in Form DIR – 2 and intimation in Form DIR– 8 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that they are not disqualified under sub-section (2) of the Section 164 of the Companies Act, 2013.

The Board considers that their association would be of immense benefit to the Company and it is desirable to avail their services as Directors. Accordingly, the Board recommends the resolution nos. 4 & 5 in relation to appointment of Mr. Ashok Kumar Mukherjee & Mr. Ketan Dhirajlal Barai as Directors, respectively for the approval by the shareholders of the Company.



**Item No. 6**

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 10th May, 2017, subject to the approval of the members in General Meeting, approved re-appointment and terms of remuneration of Mr. Rakesh Dungarmal Tainwala aged 49 years w. e. f. 25th June, 2017 for a term of 5 years as a Managing Director of the Company.

**By Order of the Board of Directors**  
**For TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED**  
**(POOJA KHEDKAR)**  
**(ACS No: 32110)**  
**Company Secretary**

**Place: Mumbai**

**Date: 10th May, 2017**

**Details of Directors seeking appointment/ re-appointment at the forthcoming Annual General Meeting (Pursuant to Regulation 36 (3) of the Listing Regulation)**

**MR. RAKESH TAINWALA (DIN NO: 00237671)**

Mr. Rakesh Tainwala aged 49 years. Graduated with a B.Tech in Computer Engineering from Manipal Institute of Technology (M.I.T), is the Managing Director of Tainwala Chemicals And Plastics (India) Limited since the last 15 years. He has immense experience in management of publicly listed companies and has promoted many companies in his career of 28 years and successfully steered them through all times. He has experience of plastics processing & manufacturing with Tainwala Group of Companies. He has also been at the helm of affairs at Abhishri Packaging Pvt. Ltd. since inception.

**MR. ASHOK KUMAR MUKHERJEE (DIN NO: 00293592)**

Mr. Ashok Mukherjee, a Post Graduate in Marketing has over 30 year of invaluable experience in the product marketing sector.

With an eye for the finest of details and a keen follower of global developments in relevant fields, his overall contribution to the development of any product is second to none.

**MR. KETAN DHIRAJLAL BARAI (DIN NO: 00039816)**

Mr. Ketan Dhirajlal Barai, a B.E. Electronics Engineer has over 27 years of invaluable experience. He holds directorship in various companies i.e. Kaybee IT solutions Pvt. Ltd and Kaybee Realty Solutions Pvt Ltd.

He also is a Partner in Kaybee Residencies LLP and Kaybee Relcon LLP. Mr. Ketan Dhirajlal Barai is the Chairman of Devashish Co-op Hsg. Society, Andheri (E), member of Managing Committee of Heritage Plaza Co-op Housing Society, Andheri (E) and President of JVPD, 14 Co-Operative Housing Society Association Ltd.

**MRS. SIMARAN R MANSUKHAANI (DIN NO: 06500475)**

Mrs. Simaran R Mansukhaani, aged 48 years is qualified Chartered Accountant. She has rich experience in the field of Accounts, Finance and Taxation.

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

In the opinion of the Board, Mrs. Simaran R Mansukhaani fulfills the conditions for her re-appointment as an Executive Director as prescribed under the Act and Rules.

**DIRECTORS' INTEREST**

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

Name of the Director	No. of Shares	% Holding
Mrs. Simaran R Mansukhaani	25	0.00%

**DIRECTORS' REPORT**

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

Your Directors have pleasure in presenting the 32nd Annual Report and Audited Statement of Accounts for the Year ended 31st March, 2017.

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

	Year ended 31st March, 2017	Year ended 31st March, 2016
Income from Sale	572.60	952.83
Other Income	814.08	688.98
<b>Total Income</b>	<b>1386.68</b>	<b>1641.81</b>
Profit before Depreciation	550.72	438.43
Less: Depreciation	(53.91)	(52.00)
<b>Profit for the year before tax &amp; exceptional items</b>	<b>496.81</b>	<b>386.43</b>
Add: Exceptional Items	---	---
<b>Profit before taxation</b>	<b>496.81</b>	<b>386.43</b>
Less: Provision for Tax	----	----
Add: Tax adjustment relating to earlier years	0.00	0.50
<b>Net Profit after Tax</b>	<b>496.81</b>	<b>385.93</b>
<b>Balance b/f from previous year</b>	<b>749.66</b>	<b>363.73</b>
<b>Less: Adjustment for Depreciation as per schedule II to the companies Act, 2013</b>	<b>-</b>	<b>-</b>
<b>Surplus (Deficit) carried to Balance Sheet</b>	<b>1246.47</b>	<b>749.66</b>

**OPERATIONS :**

The financial year 2016-17 was a year of challenges and uncertainties for businesses across various segments of industry with the financial crisis and volatile Markets, but your Company continues to demonstrate the robustness of its business model. Your Company has been able to achieve a turnover of Rs.572.60 lakhs and a competitive Net Profit of Rs. 496.81 lakhs.

**DIVIDEND :**

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

**FIXED DEPOSITS:**

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

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

Information pursuant to Section 134(3) (m) of the Companies Act, 2013 read with the Rule, 8 of The Companies (Accounts) Rules, 2014 is given in Annexure "A" to this report.

**DEPOSITORIES :**

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

**INSURANCE :**

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

**SHARE CAPITAL AND LISTING OF SECURITIES :**

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

**PARTICULARS OF EMPLOYEES :**

The Percentage of remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median of remuneration of the employees of the Company for the Financial Year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :

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

i) Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2016-17, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2016-17.

Sr. No.	Name of Director	Remuneration of Directors for financial year 2016-17 (in Rs.)	Ratio of remuneration of each Director/ to median remuneration of employees	% increase in Remuneration in the Financial Year 2016-17
1.	Mr. Rakesh Tainwala	2,121,600	6.23:1	Nil
2.	Mrs. Simaran R Mansukhaani	1,000,800	13.20:1	69.51
3.	Ms. Pooja Khedkar	381,300	34.65:1	15.55

ii. The percentage increase in the median remuneration of Employees for the financial year was 5.90.

iii. The Company has 53 permanent Employees on the payroll of Company as on 31st March, 2017.

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

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

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

vi. The Market Capitalisation of the Company as on 31st March, 2017 was Rs. 52.95 Crores as compared to Rs.34.27 Crores as on 31st March, 2016.

The price earnings ratio of the Company was 10.64 as at 31st March, 2017 as compare to 8.88 as at 31st March, 2016. The closing share price of the Company at BSE Limited on 31st March, 2017 was Rs. 56.55/- per equity share of face value of Re. 10/- each.

vii. Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 5.90% whereas the increase in the managerial remuneration was Nil. The average increases every year is an outcome of Company's market competitiveness as against its peer group companies. In keeping with our reward philosophy and benchmarking results, the increases this year reflect the market practice

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

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

**DIRECTORS :**

Your Company has 8 (Eight) Directors consisting of 4 (Four) Executive Directors (Managing Director & Director) and 4 (Four) Independent Directors, as on 31st March, 2017.

**DIRECTOR'S APPOINTMENT :**

During the period under review, Mr. Ashok Kumar Mukherjee was appointed as an Executive Director and Mr. Ketan Dhirajlal Barai was appointed as an Independent Director of the Company w. e. f. 10th February, 2017.

**NUMBER OF BOARD MEETINGS :**

During the Year, 4(Four) meetings of the Board of Directors were held. The details of the meetings are furnished in the corporate governance report which forms part of this Annual Report.

**DIRECTOR'S RESPONSIBILITY STATEMENT :**

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

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

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

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

**INTERNAL FINANCIAL CONTROLS :**

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

**SECRETARIAL AUDITOR :**

Pursuant to Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s. Malay Shah & Associates, Practicing Company Secretaries, Mumbai as its Secretarial Auditors to conduct the secretarial audit of the Company for the financial year 2016-17. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the financial year 2016-17 is set out as Annexure and forms part of this report.

The Board has proposed to appoint M/s. Malay Shah & Associates, Practicing Company Secretaries as the Secretarial Auditors of the Company for the financial year 2017-18.

**AUDITORS:**

M/s. GMJ & CO., Chartered Accountants, were appointed as Statutory Auditors of the Company in the 31st Annual General Meeting (AGM) of the members held on 20th September, 2016 to hold office for 5 years, subject to ratification of their appointment in every AGM. In terms of the requirement the members are requested to ratify their appointment. The Audit Committee and Board of Directors have recommended ratification of their appointment as Statutory Auditors.

**CORPORATE GOVERNANCE:**

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

**AUDITORS' REPORT :**

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

**BOARD COMMITTEES :**

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

**RISK MANAGEMENT :**

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

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

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

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

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

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

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

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

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

Your Directors draw attention of the members to Note 31 to the financial statement which sets out related party disclosure.

**EXTRACT OF THE ANNUAL RETURN :**

Pursuant to sub – section 3(a) of the Section 134 and sub – section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at 31st March, 2017 is set out as Annexure and forms part of this report.

**QUALITY :**

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

**MANAGEMENT DISCUSSION AND ANALYSIS :**

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

**ACKNOWLEDGEMENT**

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

**By Order of the Board**

**Rakesh Dungalal Tainwala**  
(DIN: 00237671)  
**Managing Director & Chairman**

**Place: Mumbai**

**Date: 10th May, 2017**

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

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

**A. Conservation of Energy:****a) Energy Conservation measures taken:**

1. Provided better load management.
2. Provided automatic power factor control unit.
3. Provided Voltage Stabilizer.
4. Reduced breakdown by proper preventive maintenance.
5. Provided PLC controlled systems on machine.
6. Provided extra –insulation on chilled water pipelines to reduce energy consumption. The dedicated team of professional is focusing on energy conservation across manufacturing sites.

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

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

**c) Power & Fuel Consumption :**

	Year ended 31/03/17	Year Ended 31/03/16
<b>a) Electricity :</b>		
Units Purchased	966,048	887,872
Total amount (Rs.)	4,836,601	4,013,055
Rate per Unit (Rs.)	5.00	4.52
<b>b) Own Generation through Diesel Generator :</b>		
Units Generated	9,860	9,240
Quantity of Diesel Used	2,900Ltrs	2,800Ltrs
Total Amount (Rs.)	157,279	136,456
Cost per unit (Rs.)	15.95	14.76
<b>c) Consumption per unit of production Details :</b>		
Production (Kgs)	675,215	7,788,98
Power Consumption (Rs.)	5,001,741	4,149,512
Cost per Unit Rs.	Rs. 7.4 per kg.	Rs.5.32 per kg.

**B. TECHNOLOGY ABSORPTION:****1. Research and Development (R & D):****a) Specific areas in which R & D carried out in the Company.**

Nil.

**b) Benefits:**

Not Applicable

**c) Future Plan of Action:**

On-going Development in product quality and process conditions.

**d) Expenditure on R & D:**

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

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

The company has not acquired any indigenous or imported technology.

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

Particular	2017	2016
Foreign Exchange Earning	NIL	NIL
Foreign Exchange Outgoings	19,067,396	47,858,043

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

As on financial year ended on 31st March, 2017

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

**I. REGISTRATION & OTHER DETAILS :**

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

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Polymer Sheet	25201	95%

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

SR. No.	Name of the Company	CIN/GLN	Nature of Interest
1	Abhishri Packaging Private Limited	U28129MH2003PTC139261	Associate
2	Krishna Agro Private Limited	U01111MH2007PTC167349	Associate
3	Krish Gene Agro Private Limited	U01403MH2012PTC229426	Associate
4	Tainwala Personal Care Products Private Limited	U24246MH1991PTC064613	Associate
5	Tainwala Healthcare Products Private Limited	U24240MH1999PTC122321	Associate
6	Kaiross Lifestyle Products LLP	AAC-8908	Associate
7	Eruna Technologies LLP (formerly known as Sai Space Buildcon LLP)	AAB-1312	Associate

**IV.SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)  
CATEGORY-WISE SHARE HOLDING**

Category of Shareholders	No. of Shares held as on 01-04-2016				No. of Shares held as on 31-03-2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	4464920	--	4464920	47.68	4485636	--	4485636	47.90	0.22
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	1806658	--	1806658	19.29	1806658	--	1806658	19.29	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
<b>Total shareholding of Promoter (A)</b>	<b>6271578</b>	<b>--</b>	<b>6271578</b>	<b>67.27</b>	<b>6292294</b>	<b>--</b>	<b>6292294</b>	<b>67.20</b>	<b>(0.07)</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	--	16100	16100	0.17	--	16100	16100	0.17	--
b) Banks / FI	18600	4780	23380	0.25	0	4780	4780	0.05	(0.2)
c) Central Govt/ State Govt(s)	85108	--	85108	0.91	51269	--	51269	0.55	(0.36)
d) Venture Capital Funds	--	--	--	--	--	--	--	--	--
e) Insurance Companies	--	--	--	--	--	--	--	--	--
f) FIs	--	3509	3509	0.04	--	3509	3509	0.04	--
g) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
h) Others (specify)	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(1):-</b>	<b>103708</b>	<b>24389</b>	<b>128097</b>	<b>1.37</b>	<b>51269</b>	<b>24389</b>	<b>75658</b>	<b>0.008</b>	<b>(1.36)</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	94179	5162	99341	1.06	152742	5162	157904	1.69	0.63
ii) Overseas	--	--	--	--					
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	1378033	528126	1906159	20.35	1348199	516774	1864973	19.9167	(0.43)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	521486	--	521486	5.51	596845	--	596845	6.37	0.86
c) Others (specify)	53546	--	53546	0.57	69884	--	69884	0.74	0.17
Non Resident Indians	153573	108800	262373	2.80	140075	108800	248875	2.66	(0.14)
Overseas Corporate Bodies	--	--	--	--	--	--	--	--	--



Foreign Nationals	--	--	--	--	--	--	--	--	--
Clearing Members	78326	--	78326	0.84	14474	--	14474	0.15	(0.69)
Trusts	--	--	--	--	--	--	--	--	--
Foreign Bodies - D R	--	40700	40700	0.43	--	40700	40700	0.43	--
Market Maker	457	-	457	0.01	456	---	456	0.01	--
Office Bearers	--	1800	1800	0.02	--	1800	1800	0.02	--
<b>Sub-total (B)(2) :-</b>	<b>2279600</b>	<b>684588</b>	<b>2964188</b>	<b>31.66</b>	<b>2322675</b>	<b>673236</b>	<b>2995911</b>	<b>31.99</b>	<b>0.33</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>2383308</b>	<b>708977</b>	<b>3092285</b>	<b>33.02</b>	<b>2373944</b>	<b>697625</b>	<b>3071569</b>	<b>32.802</b>	<b>(0.22)</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>8654886</b>	<b>708977</b>	<b>9363863</b>	<b>100</b>	<b>8666238</b>	<b>697625</b>	<b>9363863</b>	<b>100</b>	<b>--</b>

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

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Concept Reality and Securities Pvt. Ltd.	1806658	19.29	0	1806658	19.29	0	0
2.	Shobha Tainwala	972069	10.38	0	972069	10.38	0	0
3.	Rajkumar Tainwala	515434	5.50	0	515434	5.50	0	0
4.	Lila Devi Tainwala	385732	4.12	0	2916305	31.14	0	27.02
5.	Vandana Tainwala	80828	0.86	0	80828	0.86	0	0
6.	Amishi Tainwala	1000	0.01	0	1000	0.01	0	0
7.	Dungarmal Tainwala	2509857	26.80	0	0	0.00	0	0
	Total	6271578	66.97	0	6292294	67.20	0	0.23

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		% of total shares of the company
		No. of shares	% of total shares of the company	Increase/Decrease in promoters shareholding	No. of shares	
1.	Mr. Rajkumar Tainwala	515434	5.50	-	515434	5.50
	Closing Balance	-	-	-	515434	5.50
2.	Mrs. Lila Devi Tainwala	385732	4.12	2530573	2916305	31.14
	Closing Balance	-	-	-	2916305	31.14
3.	Mr. Dungarmal Tainwala	2509857	26.80	(2509857)	0	0
	Closing Balance	-	-	-	0	0.00

**D) Shareholding Pattern of top ten Shareholders:**

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Hitesh Ramji Javeri Mrs. Radha bai Ramji Javeri Mrs. Harsha Hitesh Javeri	119247	1.2735	155000	1.6553
2.	Mr. K Naresh Kumar	114412	1.2218	114412	1.2218
3.	Ms. Maya Hariram Melwaney	48400	0.5169	48400	0.5169
4.	Mr. Anil Agarwal	44121	0.4712	44121	0.4712
5.	Katyayan Construction and Developers Pvt Ltd	-	-	43994	0.4698
6.	Mrs. Beena Agarwal	39045	0.4170	39045	0.4170
7.	Mr. Ramesh Dungarmal Tainwala	37497	0.4004	37497	0.4004
8.	United India Insurance Company	34200	0.3652	34200	0.3652
9.	Mr. Radhe shyam Shrinivas Manihar	32745	0.3497	32745	0.3497
10.	Mr. Jagannath D Devdiga	32393	0.3459	32393	0.3459

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

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

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits (Security Deposits received from Customers)	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	5,535,673	-	339,927	5,875,600
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	31,729	-	-	31,729
<b>Total (i+ii+iii)</b>	<b>5,567,402</b>		<b>339,927</b>	<b>5,907,329</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	1,919,076	-	-	1,919,076

<b>Net Change</b>	-		-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3,616,597	-	339,927	3,956,524
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	21,809	-	-	21,809
<b>Total (i+ii+iii)</b>	<b>3,638,406</b>	<b>-</b>	<b>339,927</b>	<b>3,978,333</b>

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	
		Salary	Rakesh Tainwala
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		2,100,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	--	--
2	Stock Option		--
3	Sweat Equity		--
4	Commission- as % of profit others, specify...	--	--
5	Others, please specify	Provident	21,600
	Total (A) Ceiling as per the Act		2,121,600

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Total Amount			
		C.K. Doshi	Abhay Sheth	Mayank Dhuldhoya	Total
1	Independent Directors				
	Fee for attending board committee meetings Commission	6500	13750	13750	34000
	Others, please specify	--	--	--	--
	Total (1)	6500	13750	13750	34000
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	--	--	--	--
	Commission	--	--	--	--
	Others, please specify	--	--	--	--
	Total (2)	--	--	--	--
	Total (B)=(1+2)	6500	13750	13750	34000
	Total Managerial Remuneration				
	Overall Ceiling as per the Act	As per Section 197(5) of the Companies Act, 2013			

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

SN.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Salary	Simaran R Mansukhaani (Executive Director & CFO)	Pooja Khedkar	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		924,000	360,000	1,284,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		--	--	--
2	Stock Option		--	--	--
3	Sweat Equity		--	--	--
4	Commission				
	- as % of profit		--	--	--
	Others, specify		--	--	--
5	Others, please specify	Provident Fund	98,100	21,300	98,100
	Total		1,100,800	381,300	1,382,100

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

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

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

**Place: Mumbai**  
**Date: 10th May, 2017**

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

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

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

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

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	M/s. Abhishri Packaging Private Limited Managing Director is a Director of the said company.
b)	Nature of contracts/arrangements/transaction	Sale of goods, Purchase of goods , Job work income, Rent income, Interest Income
c)	Duration of the contracts/arrangements/transaction	More than 5 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale & Purchase of goods at prevailing market rate & Dealing in day to day business relating goods & Services at Prevailing Market rate.
e)	Date of approval by the Board	10th May, 2017
f)	Amount paid as advances, if any	Nil

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

**Place: Mumbai**  
**Date: 10th May, 2017**

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT**

**For the financial year ended March 31, 2017**

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

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

applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

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

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

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

We further report that

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

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

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

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

**For Malay Shah & Associates  
Company Secretaries  
Malay Shah  
(Proprietor)**

**Date : 10/05/2017**

**CP No: 12820, ACS No: 28281**

Note: This report is to be read with our letter dated 10th May,2017which is annexed as Annexure A and forms an integral part of this report.

#### **ANNEXURE A**

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

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

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

**For Malay Shah & Associates  
Company Secretaries  
Malay Shah  
(Proprietor)**

**Date : 10/05/2017**

**CP No: 12820, ACS No: 28281**

**ANNEXURE 'B' TO THE DIRECTORS' REPORT  
REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2016-2017:**

**In compliance with regulation 34 (3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company submits the report for the year ended 31st March, 2017 on the matters mentioned in the said regulation and lists the practice followed by the Company in compliance with the SEBI LODR Regulations.**

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

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

**2. BOARD OF DIRECTORS:-**

**a. COMPOSITION AND CATEGORY:-**

The Company has an optimum combination of Executive and Non-Executive Directors. The Board of Directors comprises of 8 (Eight) Directors i.e. 4 (four) Executive Directors and 4 (four) Non-Executive Directors & Independent Directors. During the year, the Board was headed by Executive Chairman – Mr. Rakesh Tainwala. The composition of the Board and other relevant details relating to Directors are given below:

Name of the Director	Category	Number of Directorships in other Companies**	Number of committee positions held in other Companies	
			Member	Chairman
Mr. Rakesh Tainwala	Executive & Promoter and Promoter group	Nil	Nil	Nil
Mr. Rajkumar Tainwala	Promoter – Executive	Nil	Nil	Nil
Mrs. Simaran R Mansukhaani	Executive & Chief Financial Officer	Nil	Nil	Nil
Mr. Ashok Kumar Mukherjee	Executive	Nil	Nil	Nil
Mr. Abhay Sheth	Independent & Non-Executive	Nil	Nil	Nil
Mr. Chandraprakash Kanhaiyalal Doshi	Independent & Non-Executive	Nil	Nil	Nil
Mr. Mayank Dhuldhoya	Independent & Non-Executive	Nil	Nil	Nil
Mr. Ketan Barai	Independent & Non-Executive	Nil	Nil	Nil

**\*\* excluding directorship in Private Companies**

None of the above referred Independent Directors have any material pecuniary relationship or transaction with the Company, its promoters or with its Management.

The Board meets at least once a quarter inter- alia, to review the quarterly performance and financial results and the gap between two meetings is not more than 120 days.

**b. INFORMATION REQUIRED UNDER REGULATION 36 (3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ON DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IS GIVEN IN THE EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013.**

**C. Attendance of each Director at the Board Meetings held during the year 2016-17 and at the last Annual general Meetings.**

During the financial year ended 31st March, 2017, 4 (Four) Board Meetings were held i.e. on 20th May, 2016, 11th August, 2016, 07th November, 2016 and 10th February, 2017. The last i.e. the 31st Annual General Meeting of the Company was held on **Tuesday, 20th September 2016**. Details of attendance of each Director at the Board Meetings and at the Annual General Meeting are given below:

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



Name of the Director	No. of Board Meetings Attended	Attended last AGM
Mr. Rakesh Tainwala	4	Yes
Mr. Rajkumar Tainwala	4	Yes
Mrs. Simaran R Mansukhaani	4	Yes
Mr. Ashok Kumar Mukherjee	0	No
Mr. Abhay Sheth	4	Yes
Mr. Chandraprakash Kanhaiyalal Doshi	4	Yes
Mr. Mayank Dhuldhoya	4	Yes
Mr. Ketan Dhirajlal Barai	0	No

### 33. BOARD COMMITTEES:-

The Board had constituted the following Committees of Directors.

#### I. AUDIT COMMITTEE:

The Audit Committee comprises of 4(Four) members out of which 3(Three) are Non- Executive Independent Directors and 1(One) Executive Director

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

During the financial year ended 31st March, 2017, 4 (Four) Audit Committee Meetings were held i.e. on 20th May, 2016, 11th August, 2016, 07th November, 2016 and 10th February, 2017. The Composition of the Audit Committee during the financial year is as follows:

Name of the Directors	Category	Number of Meetings attended
Mr. Abhay Sheth	Non-Executive & Independent	4
Mr. Chandraprakash Kanhaiyalal Doshi	Chairman, Non-Executive & Independent	4
Mr. Mayank Dhuldhoya	Non-Executive & Independent	4
Mrs. Simaran R Mansukhaani	Executive & Chief Financial Officer	4

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

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

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia, performs the following functions:

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

#### II. STAKEHOLDERS' RELATIONSHIP COMMITTEE:-

The Share Transfer / Investors Grievance Committee:

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

**A. COMPOSITION OF STAKEHOLDERS' RELATIONSHIP COMMITTEE AND DETAILS OF ATTENDANCE AT STAKEHOLDER'S RELATIONSHIP COMMITTEE MEETINGS:**

Attendances of each member at the Stakeholder's Relationship Committee during the year 2016-2017 are detailed below:

Name of the Directors	Executive/Non Executive	No. of Committee Meetings Attended
Mr. Rajkumar Tainwala	Executive	24
Mr. Abhay Sheth	Non-Executive	24
Mr. Mayank Dhuldhoya	Non – Executive	24

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

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

**III. RISK MANAGEMENT COMMITTEE:**

The members of Risk Management Committee are as given below:

1. Mrs. Simaran R Mansukhaani
2. Mr. Rajkumar Tainwala
3. Mr. Rakesh Tainwala

The role and responsibilities of the Committee are to formulate and recommend to the board, a risk management plan, recommend the amount of expenditure to be incurred on the activities referred to in clause and implementing and monitoring the risk management plan of the Company from time to time.

**IV. SEPARATE INDEPENDENT DIRECTORS' MEETINGS**

The Independent Directors meet at least once in a year, without the presence of Executive Directors or Management representatives. They also have a separate meeting with the Non-Executive Chairman, to discuss issues and concerns, if any. The Independent Directors meeting held one time i.e. on 22nd March, 2017 during the Financial Year ended 31st March, 2017, to inter alia discussed following:

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

**V. NOMINATION & REMUNERATION COMMITTEE:**

The Remuneration Committee functions inter alia includes

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

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

During the financial year under review the Committee held 2 (Two) meeting on 20th May, 2016 and 11th August, 2016. Attendance at its Meeting is given hereunder:

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

Name of the Directors	Category	No. of Meetings Attended
Mr. Abhay Sheth	Chairman, Non-Executive & Independent	2
Mr. C.K. Doshi	Non-Executive & Independent	2
Mr. Mayank Dhuldhoya	Non-Executive & Independent	2

**Remuneration Policy :**

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

Managing Director is paid remuneration within the ceiling prescribed under Section 197 of the Act and Schedule V of the Act. The remuneration paid during financial year 2016-17 is not in excess of 5% of the net profit computed in terms of section 198 of the Act and 10% of such profit for all Managerial persons. Similarly overall managerial remuneration is within the ceiling of 11% of the said profit.

The details of remuneration (including perquisites and retirement benefits) paid to the directors including the sitting fees and independent directors for the financial year 2016-17 has been given in MGT-9 forming part of this Annual report.

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

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

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

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

**4. GENERAL BODY MEETINGS :**

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

Financial Year	Date of Meeting	Time	Place	Resolution
2015-16	20.09.2016	11.00 a.m	The Indian Institute of Packaging E – 2, Road No. 8, MIDC Area, Near Reliance Energy office, MIDC, Andheri (East), Mumbai – 400093.	i. To consider and if thought fit, to pass, with or without modification(s), the following resolution : "Resolved that pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013, read with applicable Rules under Companies (Meeting of Board and its Power) Rules, 2014 and in terms of applicable provisions of new Listing agreement executed with the Stock Exchanges (including any amendment, modification or re-enactment thereof) if any, consent of the members of the Company be and is hereby accorded for entering into related party transactions with M/s. Abhishri Packaging Private Limited for the financial year 2016-17 and every year thereafter, upto the maximum per annum limit of Rs. 7 Crores* (Rupees Seven Crores) only. *Expected maximum annual value of transaction over the next three to four years
2014-2015	29.09.2015	11.00 a.m.		i. Appointment of Mr. Rajkuma Tainwala as a Director of the Company.

2013-2014	24.09.2014	11.30 a.m.	All India Plastics Manufacturers Association A-52, Street No. 1, MIDC, Marol, Andheri (E), Mumbai-400 093.	i. Adoption of New Articles of Association of the Company. ii. Appointment of Mr. Mayank Dhuldhoya, Mr. Subhash Kantil Kadakia, Mr. Abhay Natwarial Sheth and Mr. Chandraprakash Kanhaiyalal Doshi as an Independent Director to hold office upto for 5 (five) Consecutive years. iii. Appointment of Mrs. Simaran R Mansukhaani as a Director of the Company.
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b. No Special Resolutions were required to be put through Postal Ballot.

#### 5. DISCLOSURES:

Disclosure regarding Materially Significant related party transactions:

All Transactions with related parties were in the ordinary course of business and at arm's length. The company has not entered into any transaction of a material nature with any of the related parties. Particulars of the Related Party Transaction have been disclosed in Note No.31 of the accounts.

#### 6. CORPORATE SOCIAL RESPONSIBILITIES:

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

#### 7. OTHER DISCLOSURES:

- The Company has duly complied with all the mandatory requirements as per Regulation 27 of the Listing Regulations, 2015.
- Compliance with Non-mandatory requirements is furnished separately under the heading "Non-mandatory Requirements".
- No penalties have been imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital Markets.
- Whistle Blower Policy and affirmation that, no personnel have been denied access to the audit committee.

The Company has a vigil mechanism and whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. During the year under review, no employee was denied access to Audit Committee.

#### 8. CEO/CFO Certification

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

#### 9. MEANS OF COMMUNICATION:

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

#### 10. CODE OF CONDUCT:

The Board of Directors has laid down a Code of Conduct for all the Board members and Senior Management of the Company to ensure adherence to a high ethical professional conduct by them in the discharge of their duties. All the Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2016-17. A Declaration to this effect signed by Chief Executive Officer (CEO) of the Company is annexed to this report.

**11. GENERAL SHAREHOLDER INFORMATION:**

- a) AGM Date, Time and Venue : Tuesday, 26th September, 2017 at 11.00 a.m.  
at Indian Institute of Packaging (IIP), E-2 ,Road No. 8,  
MIDC AREA, near Reliance Energy office, MIDC,  
Andheri (East), Mumbai-400093
- Financial Calendar : 1st April to 31st March

Audited Annual results for the year ended 31st March, 2017	By 31st May, 2017
Unaudited First quarter results for quarter ended 30th June, 2017	By 15th August, 2017
Unaudited Second quarter results for quarter ended 30th September, 2017	By 15th November, 2017
Unaudited Third quarter results for quarter ended 31st December, 2017	By 15th February, 2018
Audited Annual results for the year ended 31st March, 2018	By 30th May, 2018
Annual General Meeting	Within Statutory time Limit

**Annual General Meeting:**

- b) Book Closure Date : 19/09/2017 to 25/09/2017.
- c) Listing on Stock Exchange : Bombay Stock Exchange Limited.  
National Stock Exchange of India Limited
- d) Stock Code  
Bombay Stock Exchange Limited. : 507785  
National Stock Exchange of India Limited : TAINWALCHM
- e) Payment of Annual Listing Fees : Listing Fees for the financial year 2016- 2017 has been  
Paid to the concerned stock exchanges.
- e) Dividend payment : Nil

**h) Stock Market Data:**

MONTH & YEAR	BOMBAY STOCK EXCHANGE			NATIONAL STOCK EXCHANGE		
	HIGH (RS.)	LOW (RS.)	SENSEX (Closing)	HIGH (RS.)	LOW (RS.)	NIFTY (Closing.)
2016						
April	43.00	34.75	25,606.62	42.00	38.00	7,849.40
May	51.90	41.00	26,667.96	44.95	42.00	8,160.10
June	56.50	40.50	26,999.72	56.25	51.85	8,287.75
July	60.10	51.00	28,051.86	53.95	51.05	8,638.50
August	54.00	42.20	28,452.17	45.00	43.00	8,786.20
September	52.10	42.15	27,865.96	46.65	43.00	8,611.15
October	59.30	44.10	27,930.21	55.45	52.00	8,625.70
November	57.85	38.00	26,652.81	45.00	42.50	8,224.50
December	63.70	41.15	26,626.46	45.95	44.00	8,185.80
2017						
January	50.80	45.00	27,655.96	49.95	46.90	8,561.30
February	48.65	43.50	28,743.32	46.50	44.15	8,879.60
March	59.70	45.00	29,620.50	58.00	55.35	9,173.75

**i) Share Transfer Agents:**

The Company has appointed Link Intime India Pvt. Ltd., having their office at C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai- 400083 as the Registrar & Share Transfer Agents. All Shareholders related services including transfer, demat/remat of shares is carried out by the Registrar & Share Transfer Agents.

**j) Share Transfer System:**

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

**k) Distribution of Shareholdings as on 31st March, 2017:**

No. of Equity shares held	No. of Shareholders	% of Shareholders	Total No. of Shares Held	% of Shares
1 - 500	5652	88.30	814186	8.6950
501 - 1000	408	6.38	327976	3.50
1001 - 2000	160	2.50	239138	2.55
2001 - 3000	59	0.92	151587	1.62
3001 - 4000	27	0.42	95915	1.02
4001 - 5000	27	0.42	125757	1.34
5001 - 10000	20	0.31	165255	1.76
10001 & above	48	0.75	7444049	79.50
<b>TOTAL</b>	<b>6401</b>	<b>100</b>	<b>9,363,863</b>	<b>100</b>

**L) Distribution Shareholding as on 31st March, 2017:**

Category Code	Category of Shareholder	Total Number of shares	Total Number of shares	Number of Shares held in dematerialized form	Total shareholding as a percentage of total number of shares
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>				
<b>1.</b>	<b>Indian</b>				
a	Individuals/ Hindu Undivided Family	6	4485636	4485636	47.9037
b	Central Government/ State Government(s)	0	0	0	0
c	Bodies Corporate	1	1806658	1806658	19.2939
d	Financial Institutions/ Banks	0	0	0	0
e	Any Others(Specify)	0	0	0	0
	<b>Sub Total(A)(1)</b>	<b>7</b>	<b>6292294</b>	<b>6292294</b>	<b>66.1976</b>
<b>2.</b>	<b>Foreign</b>	0	0	0	0
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0
b	Bodies Corporate	0	0	0	0
c	Institutions	0	0	0	0
d	Any Others(Specify)	0	0	0	0
	<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Shareholding of Promoter and</b>	<b>7</b>	<b>6292294</b>	<b>6292294</b>	<b>66.1976</b>

	<b>Promoter Group (A)= (A)(1)+(A)(2)</b>				
<b>(B)</b>	<b>Public shareholding</b>				
<b>1.</b>	<b>Institutions</b>				
a	Mutual Funds/ UTI	9	16100	0	0.1719
b	Financial Institutions / Banks	6	4780	0	0.0510
c	Venture Capital Funds	0	0	0	0
d	Insurance Companies	0	0	0	0
e	Foreign Institutional Investors	3	3509	0	0.0375
f	Foreign Venture Capital Investors	0	0	0	0
g	Any Other (specify)	0	0	0	0
	<b>Sub-Total (B)(1)</b>	<b>18</b>	<b>24389</b>	<b>0</b>	<b>0.2605</b>
2.	Central Government/ State Government/ President of India				
	Central Government/ State Government(s)	2	51269	51269	0.5475
	<b>Sub-Total (B)(2)</b>	<b>2</b>	<b>51269</b>	<b>51269</b>	<b>0.5475</b>
<b>3</b>	<b>Non- Institutions</b>				
a	Individuals				
i	Individuals - i. Individual shareholders holding nominal share capital up to Rs 2 lakh	5909	1864973	1348199	19.9167
ii	Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	13	596845	596845	6.3739
b	NBFCs registered with RBI	0	0	0	0
c	Employee Trusts	0	0	0	0
d	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0
e	Any Other ( Specify)	452	534093	377631	5.7038
i	Hindu Undivided Family	99	69884	69884	0.7463
ii	Foreign Company (Non-Dom. Com)	5	40700	0	0.4346
iii	Bodies Corporate	87	157904	152742	1.6863
iv	NRI (Repeat)	197	193195	90730	2.0632
v	NRI (Non-Repeat)	23	55680	49345	0.5946
vi	Clearing Member	29	14474	14474	0.1546

k	Market Maker	3	456	456	0.0049
l	Office bearer	9	1800	0	0.0192
	<b>Sub-Total (B)(3)</b>	<b>6374</b>	<b>2995911</b>	<b>2322675</b>	<b>31.9944</b>
<b>(B)</b>	<b>Total Public Shareholding (B)(1)+(B) (2)+(B) (3)</b>	<b>6401</b>	<b>3071569</b>	<b>2373944</b>	<b>32.8024</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>				
c-1	Promoter and Promoter Group	0	0	0	0
c-2	Public	0	0	0	0
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>6394</b>	<b>9363863</b>	<b>8666238</b>	<b>100.00</b>

**m) Status of Dematerialization of Shares as on 31st March, 2017 :**

Particulars	No. of Shares	% to Total Capital
NSDL	78,50,457	83.84
CDSL	8,15,781	08.71
PHYSICAL	6,97,625	07.45
<b>TOTAL</b>	<b>9,363,863</b>	<b>100.00</b>

- n) Company ISIN No.** : INE123C01018
- o) CIN No.** : L24100MH1985PLC03738
- p) Works** : Plot No. 87 Government Industrial Estate,  
Khadoli Village, Silvassa-396230.  
Dadra & Nagar Haveli-U.T
- q) Address for Correspondence** : Shareholder's correspondence relating to transfer/  
transmission/issue of duplicate shares or for any queries  
or grievances should be addressed to Company's RTA  
at the address mentioned below:  
  
Registrar and Share Transfer Agent  
M/s Link Intime India Pvt. Ltd.  
C 107, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai – 400 083  
Phone: +91 22 49186000 | Extn: 2337  
Fax: +91 22 49186060  
Email: rnt.helpdesk@linkintime.co.in
- r) Registered Office** : Tainwala House, Road No.18, MID C, Marol,  
Andheri (East), Mumbai – 400 093  
Website: www.tainwala.in  
Email: cs@tainwala.in, simran@tainwala.in

For and on behalf of the board

Place: Mumbai.  
Date: 10th May, 2017**Rakesh Durgarmal Tainwala**  
Chairman & Managing Director



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**DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT**

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

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

**Place : Mumbai.  
Date: 10th May, 2017**

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

**CEO/CFO CERTIFICATION**

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

(a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2017 and that to the best of our knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading;

(ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) We state that to the best of our knowledge and belief, no transactions have been entered into by the company during the year which are fraudulent, illegal or violate of the company's code of conduct.

(c) We are responsible for establishing and maintaining internal controls and have evaluated the effectiveness of internal control systems of the Company; and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control systems, if any and we have done or propose to do to rectify these;

(d) We have also disclosed to the auditors and as well as the Audit Committee:

i. Significant changes in accounting policies during the year;

ii. Significant Changes in accounting policies during the year have been disclosed in the notes to the financial statements;

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

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

**Place: - Mumbai  
Date: - 10th May, 2017**

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

**Rakesh Tainwala  
Managing Director**

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

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

**INDUSTRY STRUCTURE :**

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

**FINANCIAL PERFORMANCE :**

During the year under review the Company achieved Turnover of 572.60 lakhs. The Company achieved a Net Profit of Rs. 496.81/- lakhs. The Company continues to focus on tight working capital management. Stringent cost control measures have been initiated and implemented.

**FUTURE OUTLOOK :**

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

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

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

**OPPORTUNITIES AND THREATS :**

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

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

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

**SEGMENTWISE PERFORMANCE:**

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

**RISKS AND CONCERNS:**

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

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

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

as part of routine management process.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :**

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

#### **HUMAN RESOURCES / INDUSTRIAL RELATIONS :**

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

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

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

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

#### **CAUTIONARY STATEMENT :**

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

#### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF M/s. TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of "Tainwala Chemicals And Plastics (India) Limited" ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility :**

Our responsibility is to express an opinion on these financial statements based on 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.

We have conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial

statements, whether due to fraud or error. In making those risk assessments, the auditor considers the 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, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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 financial statements.

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

#### Opinion :

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31st March 2017, its profit and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that :
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit ;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31st March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in the financial statements [note no. 39 (a)] as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

**For GMJ & Co**  
**Chartered Accountants**  
**Firm's Reg. No. 103429W**

**(CA S. Maheshwari)**  
**Partner**  
**M. No. 038755**

**PLACE : MUMBAI**  
**DATED : 10th May, 2017**

**ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- I (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the title deeds of all immovable properties are held in the name of the Company.
- ii According to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such physical verification during the year.
- iii The company had granted unsecured loans to two companies in earlier years covered in the register maintained under section 189 of the Companies Act, 2013.
  - (a) In our opinion, the rate of interest and other terms and conditions of the grant of such loans were not, prima facie, prejudicial to the interest of the Company.
  - (b) The Principal amount and interest are payable on demand and therefore, the question of overdue amount as such does not arise. However, receipt of interest is regular except for an interest free loan of Rs. 3,91,15,941 which is fully provided for as doubtful.
  - (c) The Company is taking necessary steps for recovery of the above interest free loan, however, in our opinion, more concerted efforts are needed to recover the same.
- iv In our opinion and according to the information and explanations given to us, during the year, the Company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under section 185 of the Companies Act, 2013. In respect of loans granted and investments made during the year, the provision of Section 186 of the Companies Act, 2013 have been complied with.
- v The company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under to the extent notified.
- vi The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the services rendered by the Company. Therefore, the provision of clause 3(vi) of the Order are not applicable to the Company.
- vii (a) The company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. There are no outstanding dues as on the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there have been no disputed dues which have not been deposited in respect of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax as at 31st March, 2017.
- viii In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institution during the year under audit. There are no dues to Government and the Company has not issued any debentures.
- ix The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable.
- x According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
- xii In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii According to the information and explanations given to us and based on our examinations of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section

133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- xiv The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the order are not applicable to the Company.
- xv In our opinion and according to the information and explanations given to us, 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.
- xvi The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For GMJ & Co**  
**Chartered Accountants**  
**Firm's Reg. No. 103429W**

**(CA S. Maheshwari)**  
**Partner**  
**M. No. 038755**

**PLACE: MUMBAI**

**DATED: 10th May, 2017**

### **"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the financial statements of Tainwala Chemicals And Plastics (India) Limited)

Report on the Internal Financial Controls 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 Tainwala Chemicals And Plastics (India) Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

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

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For GMJ & Co  
Chartered Accountants  
Firm's Reg. No. 103429W**

**(CA S. Maheshwari)  
Partner  
M. No. 038755**

**PLACE: MUMBAI  
DATED: 10th May, 2017**

**BALANCE SHEET AS AT 31ST MARCH, 2017**

	NOTE NOS.	₹.	AS AT 31/03/2017 ₹.	₹.	AS AT 31/03/2016 ₹.
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholders' Funds</b>					
(a) Share Capital	2	93,638,630		93,638,630	
(b) Reserves and Surplus	3	<u>400,413,741</u>	494,052,371	<u>350,732,754</u>	444,371,384
<b>(2) Non-Current Liabilities</b>					
(a) Long Term Borrowings	4	1,585,248		3,638,738	
(b) Other Long Term Liabilities	5	339,927		339,927	
(c) Long Term Provisions	6	<u>3,750,698</u>		<u>2,390,289</u>	
			5,675,873		6,368,954
<b>(3) Current Liabilities</b>					
(a) Short Term Borrowings	7	-		2,451,487	
(b) Trade Payables	8				
Total outstanding dues to micro enterprises "and small enterprises"		-		-	
Total outstanding dues to creditors other than micro enterprises and small enterprises"		8,853,459		4,098,832	
(c) Other Current Liabilities	9	5,580,138		7,887,138	
(d) Short-Term Provisions	10	<u>599,369</u>		<u>620,030</u>	
			<u>15,032,966</u>		<u>15,057,487</u>
<b>Total</b>			<b><u>514,761,210</u></b>		<b><u>465,797,825</u></b>
<b>II. ASSETS</b>					
<b>(1) Non-Current Assets</b>					
(a) Fixed Assets (Net)	11				
Tangible		32,287,156		32,920,326	
Intangible		77,405		53,929	
(b) Non-current Investments	12	257,063,456		210,541,196	
(c) Long Term Loans and Advances	13	<u>119,732,457</u>		<u>91,983,065</u>	
			<u>409,160,474</u>		<u>335,498,516</u>
<b>(2) Current Assets</b>					
(a) Current Investments	14	30,031,903		40,224,288	
(b) Inventories	15	48,545,200		35,465,058	
(c) Trade Receivables	16	11,592,520		26,708,968	
(d) Cash and Bank Balances	17	4,864,648		4,721,656	
(e) Short-Term Loans and Advances	18	8,944,587		6,738,444	
(f) Other Current Assets	19	<u>1,621,878</u>		<u>16,440,895</u>	
			<u>105,600,736</u>		<u>130,299,309</u>
<b>Total</b>			<b><u>514,761,210</u></b>		<b><u>465,797,825</u></b>
Significant Accounting Policies and Notes to the Financial Statements	1 to 39				

As per our attached report of even date.

For and on behalf of the Board

For GMJ &amp; Co.

Chartered Accountants

"FRN No: 103429W"

CA. S Maheshwari

Partner

Place : Mumbai

Dated : 10th May, 2017

RAKESH TAINWALA

Managing Director

DIN NO: 00237671

CHANDRA PRAKASH DOSHI

Director

DIN: 02264856

SIMARAN R MANSUKHAANI

Director Finance &amp; CFO

DIN: 06500475

POOJA KHEDKAR

Company Secretary



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

	Note Nos.	Current Year ₹	Previous Year ₹
<b>REVENUE</b>			
Revenue from Operations	20	57,260,368	95,283,436
Other Income	21	<u>81,408,442</u>	<u>68,897,743</u>
<b>TOTAL</b>		<b><u>138,668,810</u></b>	<b><u>164,181,179</u></b>
<b>EXPENSES</b>			
Cost of Materials Consumed	22	41,017,475	72,850,066
Purchase of Materials for resale			5,885,721
Purchase of Shares		6,550,584	3,729,875
Changes in Inventories of Finished Goods and Work-in-Progress	23	(2,655,943)	(5,380,694)
Employee Benefits Expense	24	18,822,723	21,544,223
Finance Costs	25	758,215	940,419
Depreciation and Amortisation Expense	11	5,391,270	5,200,198
Other Expenses	26	<u>19,103,501</u>	<u>20,768,218</u>
<b>TOTAL EXPENSES</b>		<b><u>88,987,825</u></b>	<b><u>125,538,026</u></b>
<b>Profit before tax</b>		<b>49,680,985</b>	<b>38,643,153</b>
<b>Tax expense :</b>			
Current Tax (MAT)		-	
Profit for the year		49,680,985	38,643,153
Prior Period Taxation (MAT)		-	50,000
<b>Profit After tax</b>		<b><u>49,680,985</u></b>	<b><u>38,593,153</u></b>
Earnings per equity share:			
Basic and Diluted	33	5.31	4.12
Significant Accounting Policies and Notes to the Financial Statements	1 to 39		

As per our attached report of even date.

For and on behalf of the Board

**For GMJ & Co.**  
Chartered Accountants  
"FRN No: 103429W"  
CA. S Maheshwari  
Partner

Place : Mumbai  
Dated : 10th May, 2017

RAKESH TAINWALA  
Managing Director  
DIN NO: 00237671  
CHANDRA PRAKASH DOSHI  
Director  
DIN: 02264856

SIMARAN R MANSUKHAANI  
Director Finance & CFO  
DIN: 06500475  
POOJA KHEDKAR  
Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	Current Year ₹	Previous Year ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit before tax	49,680,985	38,643,153
Adjustments for:		
Depreciation and Amortisation Expense	5,391,270	5,200,198
Unrealised Foreign Exchange (Gain)/Loss	(177,162)	(47,028)
Gain on Redemption of Long Term Investments in Mutual Fund/Debentures	(4,954,390)	(4,139,166)
Sundry Balances and provisions no longer required (written back)/ Written off (net)	(119,474)	200,618
Profit on sale of fixed assets	-	-
Gain on Option Trading (Equity Derivatives)	-	-
Dividend income from long term Investments	(62,846,378)	(48,439,618)
Interest income	(11,648,455)	(15,295,310)
Finance Costs	758,215	940,419
<b>Operating Loss before working capital changes</b>	<b>(23,915,389)</b>	<b>(22,936,734)</b>
Changes in working capital		
(Increase)/Decrease in Inventories	(13,080,142)	(5,728,713)
Increase in Trade receivables	15,116,448	(3,004,858)
Increase in Loans & Advances and Other Assets	16,042,908	(20,599,440)
(Increase)/Decrease in Trade Payable, Other Current Liabilities and Provisions	3,949,597	(2,219,317)
Cash used in Operations	(1,886,578)	(54,489,062)
Direct taxes (paid)/ refund (net)	(1,469,205)	(1,640,501)
<b>Net Cash Flow used in Operating Activities</b>	<b>(3,355,783)</b>	<b>(56,129,563)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets (Including variations in capital advances given)	(4,781,575)	(14,527,552)
Sale of fixed assets	-	-
Purchase of investments (Net)	(31,375,484)	(39,360,267)
Gain on Option Trading (Equity Derivatives)	-	-
Inter-corporate Deposits Given / (Repaid) (Net)	(28,701,524)	29,989,641
Dividend received on Investments	62,846,378	48,439,618
Interest received	12,519,889	17,247,838
<b>Net Cash Flow from Investing Activities</b>	<b>10,507,684</b>	<b>41,789,278</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Long Term Borrowings [Taken / (Repayment)]	(1,919,076)	5,535,673
Short Term Borrowings [Taken / (Repayment)]	(2,451,487)	2,451,487
Finance Costs Paid	(758,215)	(940,420)
<b>Net Cash Flow from/ (used in) Financing Activities</b>	<b>(5,128,778)</b>	<b>7,046,740</b>
<b>Net decrease in Cash and cash equivalents (A+B+C)</b>	<b>2,023,123</b>	<b>(7,293,545)</b>
Cash and cash equivalents at beginning of the year	636,042	7,929,587
Cash and cash equivalents at the end of the year	2,659,165	636,042
<b>Net Decrease as disclosed above</b>	<b>2,023,123</b>	<b>(7,293,545)</b>
Cash and cash equivalents at the end of the year:		
Cash on hand	180,939	36,013
Balances with scheduled banks in:		
Current accounts	2,478,226	600,029
	2,659,165	636,042

## Notes :

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) -3 on Cash Flow Statement.
- Cash and cash equivalents exclude fixed / margin deposits of Rs. 22,05,483 (previous year Rs. 40,85,614)
- Previous year's figures have been regrouped/ rearranged/recast wherever necessary to conform to this year's classification.

As per our attached report of even date.

For GMJ &amp; Co.

Chartered Accountants

"FRN No: 103429W"

CA. S Maheshwari

Partner

Place : Mumbai

Dated : 10th May, 2017

## For and on behalf of the Board

RAKESH TAINWALA

Managing Director

DIN NO: 00237671

CHANDRA PRAKASH DOSHI

Director

DIN: 02264856

SIMARAN R MANSUKHAANI

Director Finance &amp; CFO

DIN: 06500475

POOJA KHEDKAR

Company Secretary

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**TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****a) Basis of Accounting :**

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared as a going concern on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**b) Use of Estimates :**

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

**c) Fixed Assets :**

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

**d) Depreciation / Amortisation :**

- (i) Depreciation on Tangible Assets is provided on straight line method, at the rates determined with reference to useful lives specified in Schedule II of the Companies Act, 2013.
- (ii) Intangible Assets are being amortised over a period of three years.

**e) Investments :**

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

**f) Inventories :**

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

**g) Operating Cycle :**

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

**h) Revenue Recognition :**

Revenue from sales of goods is recognised on dispatch of material and when risk and reward are transferred to the customers.

Revenue from sale of shares is recognised on the basis of broker's contract note.

Interest Revenue is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

**i) Accounting for Taxes on Income :**

Tax expense comprises both current and deferred tax at the applicable enacted/ substantively enacted rates. Current tax represents the amount of income tax payable/ recoverable in respect of the taxable income/ loss for the reporting period.

Provision for current tax is made based on estimated taxable income for the current accounting period in accordance with the provisions of Income tax Act, 1961.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized and carried forward

only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

#### j) Borrowing Costs :

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to the Statement of Profit and Loss.

#### k) Transactions in Foreign Currency :

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognised in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

#### l) Retirement Benefits :

Liability in respect of retirement benefits is provided and charged to the Statement of Profit and Loss on accrual basis as follows:

- Provident / Pension Funds: At a specified percentage of salary / wages for eligible employees.
- Leave Entitlements: As determined on the basis of accumulated leave to the credit of the employees as at the year end as per the Company's rules.
- Gratuity is provided in accordance with the provisions of Accounting Standard (AS) – 15 "Employee Benefits" on the basis of actuarial valuation carried out as at year end by an independent actuary.

#### m) Impairment of Assets :

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

#### n) Accounting for Provisions and Contingent Liabilities :

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

#### NOTE 2: SHARE CAPITAL

	AS AT 31ST MARCH, 2017 ₹.	AS AT 31ST MARCH, 2016 ₹.
<b>Authorised:</b>		
14,000,000 Equity shares of ₹ 10 each	140,000,000	140,000,000
<b>Issued, subscribed and paid-up:</b>		
9,363,863 Equity shares of ₹ 10 each fully paid up	93,638,630	93,638,630
	<u>93,638,630</u>	<u>93,638,630</u>

#### a) Reconciliation of shares outstanding at the beginning and at the end of the year:

Equity Shares	AS AT 31ST MARCH, 2017		AS AT 31ST MARCH, 2016	
	Number of Shares	₹.	Number of Shares	₹.
At the beginning	9,363,863	93,638,630	9,363,863	93,638,630
Changes during the year	-	-	-	-
<b>Outstanding at the end</b>	<u>9,363,863</u>	<u>93,638,630</u>	<u>9,363,863</u>	<u>93,638,630</u>

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

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

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

The shareholders have all other rights as available to equity shareholders as per the provisions of the Companies Act,2013, read together with the Memorandum of Association and Articles of Association of the Company, as applicable.

c) None of the above shares are reserved for issue under options/contract/commitments for sale of shares or disinvestment.

d) Shares allotted, as fully paid up, pursuant to contracts without payment being effected in cash / bonus shares / bought back / forfeited / call unpaid in previous five years-NIL.

e) The company does not have any holding company.

f) Details of shareholders holding more than 5% shares

Name of the Shareholders	AS AT 31ST MARCH, 2017		AS AT 31ST MARCH, 2016	
	Number of Shares	% holding	Number of Shares	% holding
Equity shares of Rs.10/- each fully paid up				
Lila Devi Tainwala	2,916,305	31.14	385,732	4.12
Concept Reality and Securities Pvt. Ltd.	1,806,658	19.29	1,806,658	19.29
Shobha Tainwala	972,069	10.38	972,069	10.38
Rajkumar Tainwala	505,436	5.40	515,434	5.50
Dungarmal Tainwala	-	-	2,509,857	26.80

**NOTE 3 : RESERVES AND SURPLUS**

	AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
<b>Capital Reserve:</b>		
Balance as per the last Financial Statements	25,049,992	25,049,992
(Arising on forfeiture of upfront payment received on convertible warrants)		
<b>Securities Premium Account :</b>		
Balance as per the last Financial Statements	250,716,250	250,716,250
<b>Surplus as per the Statement of Profit and Loss</b>		
Balance as per the last Financial Statements	74,966,514	36,373,359
Add: Profit as per annexed Statement of Profit and Loss	49,680,985	124,647,499
	<b>TOTAL</b>	<b>TOTAL</b>
	<b>400,413,741</b>	<b>350,732,754</b>

**NOTE 4 : LONG-TERM BORROWINGS****Secured Loan :****From Non Banking Financial Institutions :**

Vehicle Loans\*

\*Repayable in 36 equal monthly installments of Rs. 1,84,894/-)

\*\*(Secured by the way of hypothecation of Motor vehicles purchased there against)"

	1,585,248	3,638,738
<b>TOTAL</b>	<b>1,585,248</b>	<b>3,638,738</b>

**NOTE 5 : OTHER LONG TERM LIABILITIES**

Security Deposits from Customers

	339,927	339,927
<b>TOTAL</b>	<b>339,927</b>	<b>339,927</b>

**NOTE 6 : LONG TERM PROVISIONS**

Employee Benefits

Gratuity

	3,750,698	2,390,289
<b>TOTAL</b>	<b>3,750,698</b>	<b>2,390,289</b>

	AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
<b>NOTE 7 : SHORT TERM BORROWINGS</b>		
Secured: (Repayable on demand)		
Cash Credit from Bank*	-	2,451,487
<b>TOTAL</b>	<b>-</b>	<b>2,451,487</b>
*(Secured by hypothecation of stocks of raw materials, finished goods, stock in process and book debts and further secured by equitable mortgage of property consisting of "Tainwala House" at Road No. 18, M.I.D.C., Marol, Andheri East, Mumbai - 400093.)		
<b>NOTE 8 : TRADE PAYABLES</b>		
Total outstanding dues to micro enterprises and small enterprises (Refer Note 35)	-	-
Total outstanding dues to creditors other than micro enterprises and small enterprises	8,853,459	4,098,832
<b>TOTAL</b>	<b>8,853,459</b>	<b>4,098,832</b>
<b>NOTE 9 : OTHER CURRENT LIABILITIES</b>		
"Current Maturities of Long Term Borrowings (Refer Note 4 above)"	2,031,349	1,896,935
Statutory Dues	2,071,296	3,051,800
Advance from customers	85,113	1,143,716
Due to employees/ Directors	1,392,380	1,794,687
<b>TOTAL</b>	<b>5,580,138</b>	<b>7,887,138</b>
<b>NOTE 10 : SHORT TERM PROVISIONS</b>		
Employee Benefits		
Gratuity	107,472	175,416
Leave Entitlements	491,897	444,614
<b>TOTAL</b>	<b>599,369</b>	<b>620,030</b>

(Amount in ₹.)

NOTE: 11 : Fixed Assets

PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK		
	As at 01/04/16	Addition	sales	As at 31/03/2017	Upto 31/03/2016	for the year	Adjustment	Deduction	Upto 31/03/2017	As at 31/03/2017	As at 31/03/2016
(a) Tangible Assets											
Freehold Land	3,292,015	-	-	3,292,015	-	-	-	-	-	3,292,015	3,292,015
Leasehold Land	215,400	-	-	215,400	59,492	2,154	-	-	61,646	153,754	155,908
Buildings	33,030,424	-	-	33,030,424	17,227,396	1,170,904	-	-	18,398,300	14,632,124	15,803,028
Plant & Equipments	72,205,799	4,715,758	-	76,921,557	70,931,254	1,254,440	-	-	72,185,694	4,735,863	1,274,545
Dies & Moulds	15,528,650	-	-	15,528,650	14,641,712	214,600	-	-	14,856,312	672,338	886,938
Laboratory Equipments	183,085	-	-	183,085	183,085	-	-	-	183,085	-	-
Furniture & Fixtures	4,186,842	-	-	4,186,842	4,121,457	65,381	-	-	4,186,837	-	65,385
Vehicles	26,165,057	-	-	26,165,057	15,068,883	2,503,973	-	-	17,572,856	8,592,201	11,086,174
Office Equipments	2,452,383	9,849	-	2,462,232	2,136,630	116,741	-	-	2,253,371	208,861	315,753
Computers	2,118,368	-	-	2,118,368	2,087,788	30,585	-	-	2,118,373	-	30,580
(b) Intangible Assets											
Software	182,890	55,968	-	238,858	128,961	32,492	-	-	161,453	77,405	53,929
<b>TOTAL</b>	<b>159,560,913</b>	<b>4,781,575</b>	<b>-</b>	<b>164,342,488</b>	<b>126,586,658</b>	<b>5,391,270</b>	<b>-</b>	<b>-</b>	<b>131,977,927</b>	<b>32,364,561</b>	<b>32,974,255</b>
Previous Year	148,462,934	11,097,979	-	159,560,913	121,366,460	5,200,198	-	-	126,586,658	32,974,255	-

**NOTE 12 : NON-CURRENT INVESTMENTS**

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

PARTICULARS	Face value ₹	As on 31/03/2017 (Nos/Units)	As on 31/03/2016 (Nos/Units)	As on 31/03/2017 ₹	As on 31/03/2016 ₹
<b>I. Equity Shares :</b>					
<b>a) Quoted but suspended from trading</b>					
Elegant Pharmaceuticals Ltd., fully paid up	10.00	500.00	500.00	16,184	16,184
Less: Provision for diminution in value of investments				(16,184)	(16,184)
<b>b) Unquoted</b>					
Samsonite South Asia Pvt.Ltd., fully paid up	10.00	3,069,873.00	3,069,873.00	30,698,730	30,698,730
Periwinkle Fashions Pvt. Ltd., fully paid up	10.00	17,500.00	17,500.00	70,000,000	70,000,000
<b>II. Debentures (Unquoted)</b>					
Tikona Digital Network Pvt.Ltd. Series C (CCD), Fully paid up	3,408.19	4,399.00	4,399.00	14,992,628	14,992,628
Tikona Digital Network Pvt.Ltd. Series C, Fully paid up	3,408.00	2.00	2.00	6,816	6,816
<b>III. Units of Mutual Funds : (Unquoted)</b>					
Axis Equity Fund	10.00	105,097.00	105,097.00	2,000,000	2,000,000
Axis Midcap Fund	10.00	41,442.00	41,442.00	1,000,000	1,000,000
Birla Sunlife Top 100 Fund	10.00	47,293.00	47,293.00	2,000,000	2,000,000
DSP Black Rock Small and midcap fund	10.00	76,124.00	76,124.00	2,500,000	2,500,000
DSP Black Rock 3 Years Close Ended Regular Dividend	10.00	250,000.00	250,000.00	2,500,000	2,500,000
Franklin India High Growth Companies Fund dividend	10.00	60,186.00	60,186.00	1,500,000	1,500,000
Franklin India Smaller Growth Companies Fund dividend	10.00	60,654.00	60,654.00	1,500,000	1,500,000
India Advantage fund - Fully paid up	100.00	112,500.00	112,500.00	9,756,000	11,250,000
IIFL Real Estate Fund- Pvt Equity - Fully paid up	100,000.00	201.00	201.00	1,828,963	20,115,434
IIFI Real Estate Discretionary PMS RE3	10.00	-	-	17,008,779	-
IIFL NDA Fund Category III				8,500,000	10,000,000
IIFL India Reit Apt -(Piramal Fund)	100,000.00	74.00	49.00	6,663,374	4,915,730
ICICI Prudential Focused BlueChip Equity Fund	10.00	69,808.00	69,808.00	2,010,000	2,000,000
ICICI Prudential Fund Regular Plan Dividend	10.00	250,000.00	250,000.00	2,500,000	2,500,000
Kotak India Growth Fund II	*	250.00	250.00	13,570,848	18,073,831
Kotak Mahindra Trusteeship Services Ltd. A/C-KIREF	1,000.00	494.00	694.00	494,492	717,027
L&T Midcap Fund	10.00	25,104.00	25,104.00	2,000,000	2,000,000
Mirae Asset Emerging Bluechip Fund	10.00	36,761.00	36,761.00	1,000,000	1,000,000
Motilal Oswal Most Midcap 30 Fund	10.00	58,866.00	58,866.00	1,000,000	1,000,000
Malabar Value Fund	10.00	250,000.00	-	4,000,000	-
Motilal Oswal Most Focused Multicap 35 Fund Regular	100.00	7,710.00	-	1,000,000	-
DSP Black Rock Emerging Star Fund	100.00	100,000.00	50,000.00	10,000,000	5,000,000
IIFL Wealth Finance Ltd IIFPD 6	100,000.00	100.00	-	10,000,000	-
IIFL Special Opportunities Fund				2,500,000	-
IIFL India Growth Fund Regular Div	11.94	83,772.44	-	1,000,000	-
IIFL Real Estate Fund Domestic Series IV				10,000,000	-
Reliance Capital Bulider Fund II Series A Reg	10.00	250,000.00	250,000.00	2,500,000	2,500,000
Reliance Liquid Fund Treasury Plan	1,528.74	452.55	-	691,826	-
India Reality Excellence	100.00	47,710.00	7,710.00	4,771,000	771,000
Motilal Oswal Focus Multicap Opp Fund				3,000,000	-
Motilal Oswal PMS				12,500,000	-
Birla Sunlife Advantage fund Growth	311.59	32.09	-	10,000	-
Canara Robeco Emerging Equities Regular growth	65.99	151.54	-	10,000	-
Franklin Templeton	371.30	26.93	-	10,000	-
HDFC Mid Cap	47.76	209.36	-	10,000	-
Kotak Select Focus fund	24.47	408.66	-	10,000	-
Reliance Top 200 Fund	27.92	368.98	-	10,000	-
SBI Mutul Fund Magnum Multi Cap fund	64.81	156.71	-	10,000	-
<b>TOTAL</b>				<b>257,063,456</b>	<b>210,541,196</b>



<b>Aggregate value of quoted investments</b>		
Book value	-	5,184
Market value	-	4,752
<b>Aggregate value of unquoted investments</b>		
<b>Book value</b>	<b>257,063,456</b>	<b>210,536,012</b>

AS AT	AS AT
31/03/2017	31/03/2016
₹	₹

**NOTE 13 : LONG TERM LOANS AND ADVANCES****(Unsecured, considered good unless otherwise stated)****Inter Corporate Deposits**

- Related Parties (Refer note nos. 29 and 31)	79,304,545	79,304,545
Provision	<u>(39,115,941)</u>	<u>(39,115,941)</u>
Net of provision	40,188,604	40,188,604
- Others	70,911,883	42,210,359
Capital Advance against import of machinery	-	3,476,601
Security Deposits*	1,100,850	1,020,850
Balance with Government authorities :		
VAT Receivables	2,278,324	1,510,628
Payment of Taxes(Net of Provision)	5,045,228	3,576,023
Interest receivable on Income tax refund	<u>207,568</u>	<u>-</u>
<b>TOTAL</b>	<b><u>119,732,457</u></b>	<b><u>91,983,065</u></b>

\*Includes Rs. 1,000,000 (Previous Year Rs. 1,000,000) given to a relative of Executive Director.

**NOTE 14 :CURRENT INVESTMENTS****(Carried at lower of cost and quoted/ fair value)**

PARTICULARS	Face value Rs.	As on 31/03/2017 (Nos/Units.)	As on 31/03/2016 (Nos/Units.)	As on 31/03/2017 Rs.	As on 31/03/2016 Rs.
<b>Unquoted :</b>					
Mutual Funds :					
HDFC Cash Management Fund- -- Treasury Advantage - Daily Dividend	10	2,983,647	3,004,074	30,031,903	40,215,295
Principal Cash Management Institutional Premium	1,140	-	-		-
Goldman Sachs Mutual Fund Liquid Bees-Geojit	1,000	9	9	-	8,993
<b>TOTAL</b>				<b>30,031,903</b>	<b>40,224,288</b>

<b>Aggregate value of unquoted investments</b>					
Book value				30,031,903	40,224,288

	AS AT		AS AT	
	31/03/2017		31/03/2016	
	₹	₹	₹	₹
<b>NOTE 15 : INVENTORIES</b>				
Raw materials and components		15,453,709		5,029,510
Stock in process		9,740,633		5,352,367
Finished goods		10,180,163		13,953,719
Shares		<u>13,170,695</u>		<u>11,129,462</u>
<b>TOTAL</b>		<u><b>48,545,200</b></u>		<u><b>35,465,058</b></u>
<b>NOTE 16 : TRADE RECEIVABLES</b>				
(Unsecured, considered good)				
Outstanding for a period exceeding six months from the date of becoming due for payment		7,479,184		2,749,734
Others		<u>4,113,336</u>		<u>23,959,234</u>
<b>TOTAL</b>		<u><b>11,592,520</b></u>		<u><b>26,708,968</b></u>
<b>NOTE 17 : CASH AND BANK BALANCES</b>				
Cash and Cash equivalents :				
Balances with banks in current accounts		2,478,226		600,029
Cash on hand		180,939		36,013
Other Bank Balances				
- Margin money Deposits (Lien Marked)		<u>2,205,483</u>		<u>4,085,614</u>
<b>TOTAL</b>		<u><b>4,864,648</b></u>		<u><b>4,721,656</b></u>
<b>NOTE 18 : SHORT TERM LOANS AND ADVANCES</b>				
(Unsecured, considered good)				
Prepaid Expenses		924,687		1,241,519
Advances to/for Suppliers/expenses		1,227,403		2,844,132
Loans and Advances to Employees		148,865		64,001
Balances with central excise authority		<u>6,643,632</u>		<u>2,588,792</u>
<b>TOTAL</b>		<u><b>8,944,587</b></u>		<u><b>6,738,444</b></u>
<b>NOTE 19 : OTHER CURRENT ASSETS</b>				
Receivables on redemption of units of mutual funds		-		13,975,517
Accrued interest on :				
Bank Deposits	79,550		51,616	
Intercorporate Deposits	1,542,328		2,368,957	
Debentures	-	1,621,878	44,805	2,465,378
<b>TOTAL</b>		<u><b>1,621,878</b></u>		<u><b>16,440,895</b></u>

	Current Year ₹	Previous Year ₹
<b>NOTE 20 : REVENUE FROM OPERATIONS</b>		
<b>a) Revenue from operations</b>		
(I) Sale of Products	48,776,775	93,748,056
Less : Excise duty	(5,062,070)	(9,276,868)
	<b>43,714,705</b>	<b>84,471,188</b>
<b>(II) Re- Sale of Materials</b>	-	<b>5,928,199</b>
<b>(III) Sale of Shares</b>	<b>13,545,663</b>	<b>4,345,139</b>
<b>b) Other Operating Revenue</b>		
Die Development charges	-	67,500
Dividend on traded shares	-	471,410
	-	<b>538,910</b>
<b>TOTAL</b>	<b>57,260,368</b>	<b>95,283,436</b>
<b>NOTE 21 : OTHER INCOME</b>		
<b>a) Interest Income on:</b>		
- Fixed deposits with Banks	336,522	207,649
- Inter corporate deposits	11,053,504	10,400,127
- Income Tax refund	-	8,550
- Debentures (Long Term Investments )	-	339,929
- Mutual Fund Units (Long Term Investments)	-	4,218,863
- Customers and others	594,951	327,841
<b>TOTAL</b>	<b>11,984,977</b>	<b>15,502,959</b>
<b>b) Dividend Income On Investments :</b>		
- Long Term	61,889,500	47,583,032
- Units of Mutual Fund (Current)	956,878	856,586
<b>TOTAL</b>	<b>62,846,378</b>	<b>48,439,618</b>
<b>c) Other Income</b>		
i) Gain on Redemption of Long Term Investments in Mutual Funds/Debentures.	4,954,390	4,139,166
ii) Rent income	816,000	816,000
iii) Sundry Balances Written off / back	119,474	(200,618)
" iv) Increase / (decrease) in excise duty on stocks of finished goods [refer note no. 26(a)]	510,061	(589,602)
v) Foreign Exchange Fluctuation	177,162	(344,196)
	<b>6,577,087</b>	<b>3,820,750</b>
<b>TOTAL (a+b+c)</b>	<b>81,408,442</b>	<b>67,763,327</b>
<b>NOTE 22 : COST OF MATERIALS CONSUMED</b>		
Cost of Raw Materials Consumed		
Inventories at the beginning of the year	5,029,510	4,681,491
Add: Purchases	51,441,674	73,198,085
	56,471,184	77,879,576
Less: Inventories at the end of the year	(15,453,709)	(5,029,510)
<b>TOTAL</b>	<b>41,017,475</b>	<b>72,850,066</b>

	Current Year ₹	Previous Year ₹
<b>NOTE 23 : CHANGES IN INVENTORIES OF STOCK IN TRADE AND WORK-IN-PROGRESS</b>		
<b>Inventories at the end of the year :</b>		
Finished goods	10,180,163	13,953,719
Stock in Process	9,740,633	5,352,367
Share stock	13,170,695	11,129,462
<b>TOTAL</b>	<b>33,091,491</b>	<b>30,435,548</b>
<b>Inventories at the beginning of the year :</b>		
Finished goods	13,953,719	12,477,247
Stock in Process	5,352,367	1,411,040
Share stock	11,129,462	11,166,567
<b>TOTAL</b>	<b>30,435,548</b>	<b>25,054,854</b>
<b>TOTAL</b>	<b>(2,655,943)</b>	<b>(5,380,694)</b>
<b>NOTE 24 : EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus	17,781,378	20,192,960
Contribution to provident and other funds	716,340	1,017,136
Staff welfare expenses	325,005	334,127
<b>TOTAL</b>	<b>18,822,723</b>	<b>21,544,223</b>
<b>NOTE 25 : FINANCE COSTS</b>		
Interest on Borrowings and others	758,215	940,419
<b>TOTAL</b>	<b>758,215</b>	<b>940,419</b>
<b>NOTE 26 : OTHER EXPENSES</b>		
Loading & unloading Charges	446,011	566,412
Power and fuel	4,836,601	5,122,430
Repairs and maintenance:		
Machinery	582,947	1,024,126
Buildings	1,954,110	1,816,924
Others	585,987	605,888
	<u>3,123,044</u>	<u>3,446,938</u>
Rates and taxes	268,463	702,685
Rent	960,000	-
Insurance	1,229,214	542,447
Directors' sitting fees	41,975	24,350
Legal and professional	1,230,723	635,777
Syndication / Portfolio Management fees	35,804	611,914
Auditors' Remuneration as:		
Audit Fees	200,000	102,000
Other Services	12,060	33,500
	<u>212,060</u>	<u>135,500</u>
Rebates and discounts	412,947	927,423
Donations	600	500
Premium on Rent	743,127	439,800
Printing and stationery	99,096	96,596
Security charges	1,112,564	1,684,623
Postage and telephone	395,242	434,336
Travelling and conveyance	1,142,070	1,449,585
Advertising	71,431	39,461
Bank Charges and Commission	-	17,260
Sales commission	726,136	297,908
Sales Promotion	841,090	847,535
Carriage Outward	159,883	756,595
Provision for diminution in value of long term investments	-	5,184
Miscellaneous expenses	1,015,420	848,543
<b>TOTAL</b>	<b>19,103,501</b>	<b>19,633,802</b>

**27. Contingent liabilities and Commitment :**

Particulars	As at 31/03/2017 ₹.	As at 31/03/2016 ₹.
<b>Contingent Liabilities:</b>		
Performance bank guarantees	47,25,070	--
<b>Commitments :</b>		
Capital commitment in respect of long term investments	11,21,25,000	2,01,25,000

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

**29. a) Disclosure as required under Section186(4) of the Companies Act, 2013:**

Particulars	2016- 2017 (Amount in ₹.)	2015 - 2016 (Amount in ₹.)
<b>Loans given</b>		
Action Bridge Gap Constructing Pvt. Ltd.	3,00,00,000	3,00,00,000
Amazon Health Medical Tourism Pvt Ltd	7,00,000	7,10,350
Rakhi Trading Pvt. Ltd.	3,35,00,000	1,15,00,000
Perfect Ply	25,00,000	-

**Notes:**

- i Refer Note 31 for transactions with Related Parties of Loans given and Investments made.
  - ii Refer Notes 12 and 14 for details of investments made.
  - iii The purpose of loans given/ Investments made – Deployment of surplus fund of the Company.
- b) Refer Note 31 for Loans and Advances due from Directors or parties where they are interested as Directors/ Members.
30. a) The balances in accounts of certain trade receivables, trade payables and loans and advances given are subject to confirmation and consequent reconciliations. Adjustments in this respect in the opinion of the management are not likely to be material and would be carried out as and when ascertained.
- b) In the opinion of the management, assets other than Fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

**31. Related party disclosures:****i. Related parties :**

<b>Key management personnel:</b>	Mr. Rakesh Tainwala- Managing Director Mrs.Simaran R Mansukhaani- Executive Director Mr. Rajkumar Tainwala – Executive Director (with effect from 29/09/2015 )
<b>Relatives of Key management personnel :</b>	Ms. Vandana Tainwala Mr. Dungarmal Tainwala
<b>Enterprises in which Key management personnel and/ or their relatives have significant influence :</b>	Abhishri Packaging Pvt. Ltd. Tainwala Personal Care Products Pvt. Ltd. Tainwala Holdings Pvt. Ltd. Samsonite South Asia Pvt. Ltd. Periwinkle Fashions Pvt. Ltd.

## ii .Related party transactions:

(Amount in ₹)

Nature of transactions	Key management personnel	Relative of a key management personnel	Enterprises in which key management personnel and / or their relatives have significant influence	Total
Remuneration	31,22,400 (35,64,010)	17,16,600 (5,37,600)	(--) --	48,39,000 (41,01,610)
Sale of Goods	-- (--)	-- (--)	-- (25,00,946)	-- (25,00,946)
Purchase of Goods	-- (--)	-- (--)	1,44,12,731 (3,463,983)	144,12,731 (3,463,983)
Rent income	-- (--)	-- (--)	8,16,000 (8,16,000)	8,16,000 (8,16,000)
Interest income	-- (--)	-- (--)	36,09,529 (36,26,884)	32,48,576 (36,26,884)
Dividend Income	-- (--)	-- (--)	6,13,97,460 (4,75,83,032)	6,13,97,460 (4,75,83,032)
Deposits given outstanding as at year end	1,000,000 (1,000,000)	(--) (--)	- (--)	1,000,000 (1,000,000)
Debit balance as at year end	-- (--)	-- (--)	40,188,604 (40,188,604)	40,188,604 (40,188,604)
Receivable as at year end (fully provided for)	-- (--)	-- (--)	3,91,15,941 (3,91,15,941)	3,91,15,941 (3,91,15,941)
Investments	-- (--)	-- (--)	10,06,98,730 (10,06,98,730)	10,06,98,730 (10,06,98,730)
Payables for remuneration	1,96,173 (176,901)	1,03,015 (37,585)	-- (--)	2,99,188 (2,14,486)

**Notes:**

- Figures in brackets pertain to previous year.
  - The related party relationships have been determined by the Company on the basis of the requirements of the Accounting Standard (AS)-18 'Related Party Disclosures' and the same have been relied upon by the auditors.
  - The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year, except where control exists.
  - No amounts pertaining to related parties have been written off/back or provided for.
- iii. Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:
- Remuneration includes, paid to Mr. Rakesh Tainwala Rs. 21,21,600 (Previous year Rs. 23,67,000); Mr. Durgamal Tainwala Rs. 9,75,000 (Previous year Rs. 1,49,400); Ms. Vandana Tainwala Rs. 7,41,600 (Previous year Rs. 5,37,600); and Mrs. Simaran R Mansukhaani Rs. 10,00,800 (Previous year Rs. 6,90,882)
  - Sale of goods has been made to Abhishri Packaging Pvt. Ltd. Rs. Nil (Previous year Rs. 23,47,892). and to Samsonite South Asia Pvt. Ltd. Rs. Nil (Previous year Rs. 1,53,054)
  - Purchase of goods has been made from Abhishri Packaging Pvt. Ltd. Rs. 1,44,12,731 (Previous year Rs. 34,63,983).

- Rent income is from Abhishri Packaging Pvt. Ltd. Rs. 720,000(Previous year Rs. 720,000) and from Tainwala Personal Care Products Pvt. Ltd. Rs. 96,000 (Previous year Rs. 96,000).
- Interest income is from Abhishri Packaging Pvt. Ltd. Rs. 36,09,529 (Previous year Rs. 3,626,884).
- Dividend Income is from Samsonite South Asia Pvt. Ltd. Rs. 6,13,97,460 (Previous year Rs. 4,75,83,032).
- Deposits given outstanding as at year end Rs. 1,000,000 (Previous Year Rs. 1,000,000) is to Mr. Rajkumar Tainwala towards industrial Premises hired by the Company.
- Debit Balance as at year end relates to Abhishri Packaging Pvt. Ltd. Rs. 40,188,604 (Previous Year Rs. 40,188,604).
- Receivable as at year end (fully provided for) relates to Tainwala Holdings Pvt. Ltd. Rs. 39,115,941 (Previous Year Rs. 39,115,941).
- Investment at year end relates to Samsonite South Asia Pvt. Ltd. Rs. 3,06,98,730 (Previous Year Rs. 3,06,98,730) and Periwinkle Fashions Pvt. Ltd. Rs. 7,00,00,000 (Previous Year Rs. 7,00,00,000).
- Payables for remuneration as at year end relates to Mr. Rakesh Tainwala Rs. 1,38,616 (Previous year Rs. 1,41,694); Mr. Dungalal Tainwala Rs.49,080 (Previous year Rs. NIL); Ms. Vandana Tainwala Rs. 53,935 (Previous year Rs. 37,585 ); and Mrs. Simaran R Mansukhaani Rs. 57,557 (Previous year Rs. 35,207).

### 32. Segment reporting

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

#### a. Primary segment reporting (Business segments):

Particulars	2016-2017			2015-2016		
	Plastic Sheets	Securities Trading	Total	Plastic Sheets	Securities Trading	Total
	₹	₹	₹	₹	₹	₹
<b>REVENUE :</b>						
External	43,714,705	13,545,663	57,260,368	9,04,66,887	48,16,549	9,52,83,436
Inter segment	--	--	--	--	--	--
<b>Total revenue</b>	<b>43,714,705</b>	<b>13,545,663</b>	<b>57,260,368</b>	<b>9,04,66,887</b>	<b>48,16,549</b>	<b>9,52,83,436</b>
<b>RESULT:</b>						
Segment results	(39,493,352)	9,034,139	(30,459,213)	(3,00,47,181)	7,33,010	(2,93,14,171)
Unallocable income/(expense) (net)	--	--	68,913,436	--	--	5,33,94,784
Interest expenses	--	--	758,215	--	--	(9,40,419)
Interest income	--	--	11,984,977	--	--	1,55,02,959
<b>Profit before taxation</b>			<b>49,680,985</b>			<b>3,86,43,153</b>
Provision for tax (MAT)	--	--	--	--	--	(50,000)
<b>Profit after tax</b>			<b>49,680,985</b>			<b>3,85,93,153</b>
<b>OTHER INFORMATION:</b>						
Segment assets	91,655,347	13,199,009	104,854,356	9,67,65,340	1,11,94,920	10,79,60,260
Unallocable assets	--	--	409,906,854	--	--	35,78,37,566
<b>Total assets</b>			<b>514,761,210</b>			<b>46,57,97,826</b>
Segment liabilities	18,783,664	--	18,783,664	1,74,47,776	--	1,74,47,776
Unallocable liabilities	--	--	--	--	--	--
<b>Total liabilities</b>			<b>18,783,664</b>			<b>1,74,47,776</b>
Capital expenditure	4,781,575	--	4,781,575	1,10,97,979	--	1,10,97,979
Depreciation/ amortization	5,391,270	--	5,391,270	52,00,198	--	52,00,198

a. Secondary segment reporting (Geographical segments) :

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

### 33 . Calculation of Earnings per share (EPS) :

	Current Year ₹	Previous Year ₹
(i) Profit after tax (Rs.)	4,96,80,985	3,85,93,153
(ii) Weighted average number of equity shares (Nos.)	9,363,863	9,363,863
(iii) Face value of equity shares (Rs.)	10	10
(iv) Basic and diluted earnings per share (Rs.)	5.31	4.12

34. The company has not recognised deferred tax asset on Unabsorbed Losses & Depreciation as there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available to realize such assets.

### 35. Details of dues to Micro, Small and Medium Enterprises :

The information has been determined to the extend such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding is given below :

	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
a) (i) The principal amount remaining unpaid to any supplier at the end of accounting year included in sundry creditors	Nil	Nil
(ii) The interest due on above	Nil	Nil
The total of (i) & (ii)	Nil	Nil
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ('Act'), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the 'Act'.	Nil	Nil
d) The amounts of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the 'Act'.	Nil	Nil



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

	Gratuity (Unfunded)	
	Current Year	Previous Year
<b>I Components of employer expense</b>		
1 Current service cost	179,155	183,473
2 Interest cost	190,020	253,163
3 Actuarial losses/(gains)	1,182,398	(650,269)
4 Total expense recognised in the Statement of Profit and Loss Account	1,551,573	(213,633)
<b>II Net liability / (assets) recognised in Balance Sheet as at year end</b>		
1 Present value of defined benefit obligation	3,858,170	2,565,705
2 Fair value on plan assets	---	---
3 Status [surplus/(deficit)]	---	---
4 Unrecognised past service cost	---	---
5 Net asset / (liability) recognized in Balance Sheet	3,858,170	2,565,705
<b>III Change in defined benefit obligations (DBO) during the year</b>		
1 Present value of DBO at the beginning of period	2,565,705	3,712,021
2 Current service cost	179,155	183,473
3 Interest cost	190,020	253,163
4 Actuarial (gains)/ losses	1,182,398	(650,269)
5 Benefits paid	(259,108)	(932,683)
6 Present value of DBO at the end of the year	3,858,170	2,565,705
<b>IV Actuarial assumptions</b>		
1 Discount rate (%)	7.20	7.75
2 Rate of increase in compensation level	5.50%	5.50%
3 Retirement age	58 years	58 years
4 Mortality Table	Indian Assured- 2006-08	Indian Assured- 2006-08

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the actuary.

37. The management based on their review of assets and operation of the Company has determined that there is no indication of potential impairment and that the recoverable amount of its fixed assets is not lower than its carrying amount. Accordingly, no provision for impairment has been considered necessary as at 31st March, 2017.

38. Additional Information :

A. Details of turnover and stocks of finished goods:

Items	Opening stock Value ₹	Turnover* Value ₹	Closing stock Value ₹
Processed Plastics**	13,953,719 (12,477,247)	48,776,775 (93,748,056)	10,180,163 (13,953,719)

**Notes:**

1. Figures in brackets relate to previous year.
2. \*Includes samples, breakages, damages, write-off, etc, sale of non usable palletized /salvaged materials.
3. \*\*Including excise duty.

**B. Raw materials consumed :**

Items	Current year Value (₹)	Previous year Value (₹)
Chemicals	13,570,667	16,009,842
Plastic powder	37,257,622	55,899,763
Packing materials	613,384	940,461
<b>TOTAL</b>	<b>51,441,674</b>	<b>72,850,066</b>

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

	Current year		Previous year	
	%	Value ₹	%	Value ₹
Imported	18.07	9,294,486	64.67	47,112,139
Indigenous	81.93	42,147,188	35.33	25,737,927
<b>TOTAL</b>	<b>100.00</b>	<b>51,441,674</b>	<b>100.00</b>	<b>72,850,066</b>

	<b>Current Year</b>	<b>Previous Year</b>
	₹	₹

**D. CIF value of imports :**

Raw materials	15,590,795	-
Advance against import of machinery	34,76,601	4,43,81,442
Capital Goods	34,76,601	-

**E. Expenses in foreign currency:**

Travelling and others expenses	--	--
--------------------------------	----	----

**F. Foreign currency exposure not hedged as at 31st March 2017 is as follows:**

Particulars	Foreign Currency	Amount in Foreign Currency	Equivalent INR
Trade Payable	USD	89,725	6,136,293
		(40,425)	(2,585,987)
Capital Advance	USD	---	---
		<b>(51,300)</b>	<b>(34,76,601)</b>

**39. (a) Disclosure On Specified Bank Notes (SBNs) :**

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below :

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	128,475	128,475
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	221,735	221,735
(-) Amount deposited in Banks	-	-	-
(+) Withdrawal from Bank accounts	-	384,000	384,000
Closing cash in hand as on 30.12.2016	-	290,740	290,740

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

39. (b) Previous year figures have been regrouped / rearranged, wherever considered necessary.

Signature to Notes 1 to 39

As per our attached report of even date.

**For GMJ & Co.**  
Chartered Accountants  
"FRN No: 103429W"

**CA. S Maheshwari**  
Partner

**Place : Mumbai**  
**Dated : 10th May, 2017**

**For and on behalf of the Board**

**RAKESH TAINWALA**  
Managing Director  
DIN NO: 00237671

**CHANDRA PRAKASH DOSHI**  
Director  
DIN: 02264856

**SIMARAN R MANSUKHAANI**  
Director Finance & CFO  
DIN: 06500475

**POOJA KHEDKAR**  
Company Secretary

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

**CIN: L24100MH1985PLC037387**

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

**ATTENDANCE SLIP**

32nd Annual General Meeting, 26th September, 2017 at 11.00 a.m.  
(To be filled in and handed over at the entrance of the meeting hall)

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

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

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

No. of Shares held . . . . .

\*I hereby record my presence at the THIRTY SECOND ANNUAL GENERAL MEETING of the Company being held at Indian Institute of Packaging (IIP) E – 2, Road No. 8, MIDC Area, near Reliance Energy office, MIDC, Andheri (East), Mumbai – 400 093 at 11.00 a.m. on Tuesday, the 26th day of September, 2017.

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

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

**Form NO. MGT-11  
Proxy Form**

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

**CIN: L24100MH1985PLC037387**

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

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

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

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

\_\_\_\_\_

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

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

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

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

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

\_\_\_\_\_

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

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

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

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

\_\_\_\_\_

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

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

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

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

\_\_\_\_\_

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the company, to be held on Tuesday, 26th September, 2017 at 11.00 am and at any adjournment thereof in respect of such resolution as are indicated below:

\_\_\_\_\_

Resolution Nos.

1. Adoption of Audited Financial Statement of the Company for the Financial Year ended 31st March, 2017 together with the report of Board of Director and Auditors thereon.
2. Re-appointment of Mrs. Simaran R Mansukhaani (holding DIN 06500475) , as a Director liable to be retire by rotation and being eligible, offers herself for re-appointment and in Place of those who retire by Rotation.
3. Ratification in continuation of M/s. GMJ & Co., Chartered Accountants (FRN 103429W), as the auditors of the Company from the conclusion of this Annual General Meeting, till the conclusion of the next Annual General Meeting.
4. Regularization of Mr. Ashok Mukherjee (DIN No: 00293592) as an Executive Director of the Company who was appointed as an Additional Director on 10th February, 2017.
5. Regularization of Mr. Ketan Barai (DIN No: 00039816) as an Independent Director of the Company who was appointed as an Additional Director on 10th February, 2017.
6. Re-appointment of Mr. Rakesh Dungarmal Tainwala (DIN No: 00237671) as a Managing Director of the Company for a period of 5 (five) years w. e. f. 26th June, 2017 to 25th June, 2022.

Signed this-----day of -----2017.

Signature of shareholders(s)



Signature of shareholders(s)

Notes: 1.

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

# REGISTERED-POST

If undelivered kindly return to:

**LINK INTIME INDIA PVT. LTD.**  
C 101, 247 Park, L.B. S. Marg,  
Vikhroli (West), Mumbai - 400 083.  
Ph. No.: 22 49186000