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## Company Information

### Board Of Directors

Shri H.N. Taparia  
Chairman and Managing Director

Shri P.N. Shah  
Independent Director

Shri M.V. Gore  
Non-Executive Director  
(upto 3/11/2014)

Shri B.B. Ladda  
Independent Director

Shri G.S. Manasawala  
Independent Director

Shri Rajeev J. Mundra  
Independent Director

Shri Shyam Malpani  
Independent Director

Miss Bhavna S. Shamdasani  
Independent Director

Shri J.K. Taparia  
Non-Executive Director

Shri M.P. Taparia  
Non-Executive Director

Shri D.P. Taparia  
Non-Executive Director

Shri Virendraa Bangur  
Non-Executive Director

Shri Sivaramakrishnan  
Director – Operations

**Company Secretary**  
Shri V. S. Datey

**Chief Financial Officer**  
Shri S. R. Bagad

### Board Committees

#### Audit Committee

Shri G.S. Manasawala (*Chairman*)

Shri P.N. Shah

Shri B.B. Ladda

Shri Rajeev J. Mundra

Shri Shyam Malpani

#### Nomination and Remuneration Committee

Shri G.S. Manasawala (*Chairman*)

Shri P.N. Shah

Shri B.B. Ladda

Shri Rajeev J. Mundra

Shri Shyam Malpani

#### Shareholders Grievance Committee

Shri D.P. Taparia (*Chairman*)

Shri H.N. Taparia

Shri Sivaramakrishnan

#### Corporate Social Responsibility Committee

Shri H.N. Taparia (*Chairman*)

Shri B.B. Ladda

Shri D.P. Taparia

#### Risk Management Committee

Shri G.S. Manasawala(*Chairman*)

Shri B.B. Ladda

Shri Rajeev J. Mundra

Shri Shyam Malpani

Shri Sivaramakrishnan

### Bankers

HDFC Bank Ltd.

### Solicitors

M/s. Mulla and Mulla Craigie Blunt  
and Caroe, Mumbai

### Auditors

M/s. Batliboi and Purohit,  
Chartered Accountants, Mumbai

### Secretarial Auditor

CS Dipti Chandratre, Nashik

### Registrar & Transfer Agents

Universal Capital Securities Pvt. Ltd.  
Mumbai

### Corporate Office

423/24, (A-2), Shah and Nahar,  
Lower Parel (W), Mumbai – 400 013,  
Maharashtra

Tel.: (91) (22) 24938646-50,

Fax: (91) (22) 24953230

E-Mail: [hntaparia@tapariatools.com](mailto:hntaparia@tapariatools.com)

### Plants

52 & 52B, MIDC Area, Satpur,  
Nashik – 422 007 (Maharashtra)  
Plot No.L-29, Cuncolim Industrial  
Estate, Cuncolim - 403 703, (Goa)

### Registered Office

52 & 52B, MIDC Area, Trimbak Road,  
Satpur, Nashik – 422 007,  
Maharashtra

Tel. :(0253) 2350317/318/418,

Fax : (0253) 2350740

CIN: L99999MH1965PLC013392

E-Mail: [nashik@tapariatools.com](mailto:nashik@tapariatools.com)

Web Site: [www.tapariatools.com](http://www.tapariatools.com)

## Notice

NOTICE is hereby given that Forty Ninth Annual General Meeting of TAPARIA TOOLS LIMITED will be held at BON VIVANT, Patil Park, Old Gangapur Naka, Opp. to Dongre Vasti Gruha, Nashik – 422 002 on Tuesday, the 29<sup>th</sup> day of September, 2015 at 9.30 a.m. to transact the following business:

### AS ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2015 including the Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri J. K. Taparia (DIN 00126945), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED that** pursuant to the provisions of Section 139 and Section 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the first proviso to Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/S. BATLIBOI & PUROHIT, Chartered Accountants, Mumbai (Registration No.101048W), be and are hereby appointed as the Statutory Auditors of the Company to hold Office as Auditors from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting including adjourned Annual General Meeting, if any, of the Company at a remuneration of ₹ 3,00,000/- (Rupees three lakhs only) plus Service Tax as applicable, and reimbursement of actual out-of-pocket expenses as may be incurred for the purpose of Audit”.

### SPECIAL BUSINESS

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

**“RESOLVED that** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof) read with Schedule- V of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded to the re-appointment of Shri H. N. Taparia (DIN 00126774) as Chairman and Managing Director of the Company with effect from September 17<sup>th</sup> 2015 for the period of 5 (five) years as well as the payment of salary (hereinafter referred to as “remuneration”) and perquisites, upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors.”

**“RESOLVED FURTHER THAT** the remuneration payable to Shri H. N. Taparia, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.”

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

**“RESOLVED THAT** pursuant to the provisions of section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Miss Bhavna Shewakram Shamdasani (DIN : 6980759), who qualifies for being appointed as an Independent Director and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the

Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 54th Annual General Meeting of the Company in the calendar year 2020 not liable to retire by rotation.”

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

**“RESOLVED THAT** pursuant to the provisions of section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Shyam Malpani (DIN:00205471), who qualifies for being appointed as an Independent Director and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 54th Annual General Meeting of the Company in the calendar year 2020 not liable to retire by rotation.”

By order of the Board

Mumbai, 08th August, 2015

**V. S. Datey**  
Company Secretary

**Registered Office:**

52 and 52B, MIDC Area, Trimbak Road, Satpur, Nashik – 422 007 (Maharashtra).

CIN: L99999MH1965PLC013392

E-mail : secretarial@tapariatools.com

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*Notes:*

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company.
- 2) The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
- 3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 4) The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Annexure II. The Company will also send communication relating to remote e-voting which *inter alia* would contain details about User ID and password along with a copy of this Notice to the members, separately.
- 5) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 6) Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees and shareholding in the Company as stipulated under Clause 49 of the Listing Agreement of BSE are provided in the Corporate Governance Report forming part of the Annual Report.

- 7) A Statement pursuant to section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 8) Members/Proxies are requested to bring their copy of the Annual Report and the Attendance Slip duly filled in with them at the Annual General Meeting.
- 9) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 10) Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
- 11) The Company has notified closure of Register of Members and Share Transfer Books from Wednesday, September 23 2015 to Tuesday, September 29, 2015 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
- 12) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / RTA.
- 13) The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2006-07 to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 24-09-2014 (date of last Annual General Meeting) on the website of the Company ([www.tapariatools.com](http://www.tapariatools.com)), as also on the website of the Ministry of Corporate Affairs.
- 14) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / RTA.
- 15) Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website [www.tapariatools.com](http://www.tapariatools.com) under the section 'Investor Relations'.
- 16) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into a single folio.
- 17) Non-Resident Indian Members are requested to inform RTA, immediately of
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- 18) Members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

**EXPLANATORY STATEMENT**

*(Pursuant to section 102 of the Companies Act, 2013) ("THE ACT")*

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The following statement sets out all material facts relating to the Special Business mentioned in the accompanying notice.

**ITEM NO.4****Re-appointment of Shri H.N. Taparia as Managing Director**

Shri H.N. Taparia, aged about 82 years, is a graduate in Commerce, Law & Industrial Management. He was first appointed as Director in 1977 and appointed as Managing Director of the Company in 1982 and has continued in the post of M.D. ever since. Throughout his tenure, the Company has achieved various milestones in the form of performance, results etc. and during the last decade, in particular, the Company has recorded consistent growth and has built strong fundamentals under his leadership. It is considered necessary for the Company to continue to have his continued presence and guidance for scaling greater heights.

In the Annual General Meeting of the Shareholders of the Company held on 30-09-2011, the shareholders fixed the ceiling limit of remuneration payable to Shri H.N. Taparia as Managing Director from its limit of ₹ 2,50,000/- per month to ₹ 5,00,000/- per month plus perquisites, provided that the salary payable to him shall not be lower than his existing salary.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in its Meeting held on August 08, 2015, re-appointed Shri H.N. Taparia as Managing Director of the Company for the period of five years with effect from 17-09-2015, and fixed the remuneration as under, subject to approval of shareholders by Special Resolution in the Annual General Meeting.

**Remuneration :**

The ceiling of remuneration payable to Shri H.N. Taparia, Managing Director be remained same as per existing limit of ₹ 5,00,000/- per month plus existing perquisites.

The remuneration payable to Shri H.N. Taparia as Managing Director will be ₹ 3,50,000/- per month.

In case of loss or inadequacy of profit the remuneration will be subject to the limit prescribed in schedule V.

Shri H.N. Taparia is entitled to the following perquisites:

- a. Re-imbursment of actual travelling expenses for proceeding on leave from Mumbai to any place in India and return there from, once in a year, in respect of self and his family.
- b. Personal Insurance, premium of which shall not exceed the ceiling as may be fixed by the Board of Directors of the Company.
- c. Telephone at residence and provision for use of Company's car.
- d. Reimbursement of medical expenses incurred for self and family.

The Board of Directors recommends the resolution in relation to the re-appointment of Chairman and Managing Director and increase in the ceiling limit of remuneration, for the approval of the shareholders of the Company.

The disclosure under Clause 49 of the Listing Agreement is provided at Annexure I of this Notice.

In pursuance of Clause 49 of the Listing Agreement, Disclosure of Shri H.N. Taparia seeking re-appointment as Managing Director in the forthcoming Annual General Meeting is as per Annexure – I.

## **ITEM NO.5**

### **Appointment of Independent Director**

In the meeting of the Board held on 10-11-2014, Miss Bhavna Shewakram Shamdasani (DIN : 6980759) was appointed as an additional director.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has proposed that Miss Bhavna Shewakram Shamdasani be appointed as an Independent Director of the Company. The appointment of Miss Bhavna Shewakram Shamdasani shall be effective upon approval by the members in the Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Miss Bhavna Shewakram Shamdasani for the office of Director of the Company.

Miss Bhavna Shewakram Shamdasani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The Company has received a declaration from Miss Bhavna Shewakram Shamdasani that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Miss Bhavna Shewakram Shamdasani fulfills the conditions for her appointment as an Independent Director as specified in the Act and the Listing Agreement. Miss Bhavna Shewakram Shamdasani is independent of the management and possesses appropriate skills, experience and knowledge.

In pursuance of Clause 49 of the Listing Agreement, Disclosure of Miss Bhavna Shewakram Shamdasani seeking appointment in the forthcoming Annual General Meeting is as per Annexure – I.

Keeping in view her expertise and knowledge, it will be in the interest of the Company that Miss Bhavna Shewakram Shamdasani is appointed as an Independent Director of the Company.

Copy of the draft letter for appointment of Miss Bhavna Shewakram Shamdasani as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Save and except Miss Bhavna Shewakram Shamdasani and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

## **ITEM NO.6**

### **Appointment of Independent Director**

In the meeting of the Board held on 31-01-2015, Shri Shyam Malpani (DIN:00205471) was appointed as an additional director.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has proposed that Shri Shyam Malpani be appointed as an Independent Director of the Company. The appointment of Shri Shyam Malpani shall be effective upon approval by the members in the Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Shyam Malpani for the office of Director of the Company.

Shri Shyam Malpani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director

The Company has received a declaration from Shri Shyam Malpani that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Shri Shyam Malpani fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Shri Shyam Malpani is independent of the management and possesses appropriate skills, experience and knowledge.

In pursuance of Clause 49 of the Listing Agreement, Disclosure of Shri Shyam Malpani seeking appointment in the forthcoming Annual General Meeting is as per Annexure – I.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Shri Shyam Malpani is appointed as an Independent Director of the Company.

Copy of the draft letter for appointment of Shri Shyam Malpani as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Save and except Shri Shyam Malpani and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

By order of the Board

**V. S. Datey**

*Company Secretary*

Mumbai, 8th August, 2015

**Registered Office:**

52 and 52B, MIDC Area,

Trimbak Road, Satpur,

Nashik – 422 007 (Maharashtra)

CIN: L99999MH1965PLC013392

E-mail: secretarial@tapariatools.com



## *Annexure - I*

**Details of the directors seeking Appointment / Re-appointment in the forthcoming Annual General Meeting**  
(In pursuance of Clause 49 of the Listing Agreement)

<b>Name of the Director</b>	<b>Shri H.N. Taparia</b>	<b>Shri J.K. Taparia</b>
Date of Birth	25/09/1933	03/06/1942
Date of Appointment/Re-appointment	20/06/1977	26/09/1996
Relationship with Directors	Relative of Shri J.K. Taparia Relative of Shri D.P. Taparia. Relative of Shri M.P. Taparia.	Relative of Shri H.N. Taparia Relative of Shri D.P. Taparia. Relative of Shri M.P. Taparia.
Expertise in Specific functional areas	Wide managerial experience	Technical Aptitude in Mechanical Aspects of Engineering
Educational Qualifications	Graduate in Commerce, Law & Industrial Management	Graduate
Chairman/Member of the Committee of the Board of directors	Nil	Nil
Number of Shares held in the Company	364650	147476

<b>Name of the Director</b>	<b>Shri Shyam Malpani</b>	<b>Ms. Bhavna S. Shamdasani</b>
Date of Birth	19/03/1959	18/07/1987
Date of Appointment/Re-appointment	31/01/2015	10/11/2014
Relationship with Directors	N.A.	N.A.
Expertise in Specific functional areas	Economics, Finance & wide Business Administration experience	Finance
Educational Qualifications	Chartered Accountant	Chartered Accountant
Chairman/Member of the Committee of the Board of directors	Nil	Nil
Number of Shares held in the Company	Nil	Nil

## *Annexure - II*

### The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 26/09/2015 at 9 am. and ends on 28/09/2015 at 5 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22/09/2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
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*Financial Highlights***SHAREHOLDERS' FUNDS**

1967-1968 : ₹ 39.80 Lakhs

2014-2015 : ₹ 6843.33 Lakhs

(₹ in lakhs)

	2010-11	2011-12	2012-13	2013-14	2014-15
<b>FOR THE YEAR</b>					
1. GROSS REVENUE	18475.86	22419.25	24195.98	26737.74	29749.44
2. PROFIT BEFORE TAX	863.34	1126.85	1381.02	1853.31	1510.54
3. PROFIT AFTER TAX	580.44	727.42	957.54	1191.49	972.98
4. RETAINED EARNINGS	1703.36	2357.78	3217.32	4289.66	5150.34
5. CASH GENERATION	638.76	790.72	1024.19	1276.59	885.15
6. FOREIGN EXCHANGE EARNINGS	247.38	278.18	263.87	349.22	225.16

<b>AT YEAR END</b>					
7. GROSS FIXED ASSETS	2781.21	2847.59	3044.63	3038.53	3042.22
8. SHARE CAPITAL	303.58	303.58	303.58	303.58	303.58
9. RESERVES AND SURPLUS	2722.22	3444.02	4395.94	5581.81	6539.75
10. NET WORTH	3025.80	3747.60	4699.52	5885.38	6843.33
11. BORROWINGS	1569.30	2860.33	2616.77	2592.32	2669.44
12. CAPITAL EMPLOYED	4595.10	6607.93	7316.29	8477.70	9512.77

<b>PER SHARE (In ₹)</b>					
13. NET WORTH PER EQUITY SHARE	99.67	123.45	154.80	193.85	225.41
14. EARNINGS PER SHARE	19.12	23.96	31.54	39.25	32.05

<b>RATIO</b>					
15. DEBT: EQUITY RATIO (Debt: Equity Share Capital)	5.17	9.42	8.62	8.53	8.79

## Directors' Report

To the Members of Taparia Tools Limited,

Your Directors have pleasure in presenting the 49th Annual Report on the operations of the Company together with the Audited Financial Statements for the year ended March 31, 2015.

### FINANCIAL PERFORMANCE

	(₹ in Lakhs)	
	2014-15	2013-14
Revenue (Net)	29749.44	26737.74
<b>Profit before interest and depreciation</b>	1763.97	2101.32
<i>Less: Interest</i>	165.60	162.89
<b>Gross Profit</b>	1598.37	1938.43
<i>Less : Depreciation</i>	87.83	85.12
<b>Profit for the year before tax</b>	1510.54	1853.31
<i>Less : Provision for taxation</i>		
Current Tax	502.49	675.25
Deferred Tax	35.07	(13.43)
Profit after tax	972.98	1191.49
<i>Add : Surplus brought forward from previous year</i>	4289.66	3217.32
<b>Profit available for Appropriations</b>	5262.64	4408.81
<b>Excess Depreciation transferred</b>	(15.04)	-
<i>Less : General Reserve</i>	97.26	119.15
<b>Surplus carried to Balance Sheet</b>	5150.34	4289.66

### DIVIDEND

The Directors have not recommended any dividend for the year under review. The Company has retained the funds for expansion of the activities of the Company by introducing additional product range and purchase of Machinery & Equipments etc.

### REVIEW OF OPERATIONS

Due to several factors, the Indian Economy witnessed sluggish growth in first half of 2014. On the domestic front, policy paralysis of last couple of years continued right up to the national elections in May 2014, added to the virtual stoppage of all infrastructure projects, both private and public sectors as well as through public-private partnership. Also, there were continuing inflationary

pressures, interest rates remained far too high for financing long term projects.

Thankfully, the second half of 2014 showed signs of improvement. For one, the Lok Sabha elections which brought the BJP, National Democratic Alliance into power at the center with the comfortable majority in the Lok Sabha created its own optimism. After a long time, there was a positive talk of growth; of infrastructure development; and promises of an ambitious 'Make in India'.

Despite of varied Economic Scenario, the Company's working during the year is satisfactory. The Company's total revenue (Net of excise duty) were Rs.29,749.44 Lakhs that represent an increase of 11.26% over the sales of Rs.26,737.74 Lakhs in the previous year. Profit earned after tax is Rs.972.92 Lakhs in the current year against Rs.1,191.49 Lakhs in the previous year.

The company has entered into a Wage Settlement Agreement with the Workers Union in the current year. Due to which the labour cost has been increased by 25% approx. which has increased the input cost of the company. Despite of the rise in input cost and keen competition in the hand tools market the current results of the Company are fair and satisfactory.

### CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has also implemented several best Corporate Governance practices as prevalent globally.

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is attached to this Report.

### LISTING INFORMATION

The equity shares of the company are listed on the Bombay Stock Exchange. The listing fees for the year 2015-2016 have been paid to BSE.

### PUBLIC DEPOSITS

During the financial year 2014-15, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 ("the Act") read together with the Companies (Acceptance of Deposits) Rules, 2014.

### LOANS, GURANTEES AND INVESTMENT

During the financial year 2014-15, the Company has not

given any guarantee for loans taken by others from banks or other financial institutions. The Company has not taken any Term Loan.

#### **HUMAN RESOURCE DEVELOPMENT**

The well-disciplined workforce which has served the company for more than four decades lies at the very foundation of the company's major achievements and shall well continue for the years to come.

The Company continues its focus on retention through employee engagement initiatives and provides a holistic environment where employees get opportunities to realize their potential. Company's performance driven culture helps and motivates employees to excel in their respective areas and progress within the organization.

The management has undergone a Wage Settlement Agreement with the Union as increasing the wages at 25% approx. The company has always recognized talent and has judiciously followed the principle of rewarding performance.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board is sad to inform the Members that Shri M.V. Gore, Independent Director, passed away in November 2014. The Board wishes to place on record its appreciation for the valuable contribution made by him during his long tenure as a Director of the Company.

Pursuant to the recommendation of the Nomination and Remuneration Committee, Shri H.N. Taparia was reappointed by the Board of Directors, subject to the approval of the shareholders, as the Chairman and Managing Director of the Company on August 8, 2015 for a further period of five years with effect from September 17, 2015.

Shri J.K. Taparia Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Brief profile of Shri J.K. Taparia is given in the Annexure to the Notice.

Miss Bhavna .S. Shamdasani was co-opted on the Board as Independent Director on November 10, 2014 and Shri Shyam Malpani was co-opted on the Board as Independent Director on January 31, 2015. They hold office as Independent Directors upto the date of Annual General Meeting.

It is now proposed to appoint Miss Bhavna S. Shamdasani and Shri Shyam Malpani , as Independent Directors on the Board of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 54<sup>th</sup> Annual General Meeting of the Company in the calendar year 2020. Brief profile of these Directors is given in the Annexure to the Notice. During the year, the Independent directors of the Company had no pecuniary relationship or transactions with the Company.

#### **INDEPENDENT DIRECTORS' DECLARATION**

Pursuant to the provisions of Section 149 of the Act, which came into effect from April 1st 2014, Shri P.N. Shah, Shri B.B. Ladda, Shri G.S. Manasawala and Shri Rajeev J. Mundra were appointed as independent directors at the annual general meeting of the Company held on September 24, 2014. The terms and conditions of appointment of independent directors are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to section 134(3C) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- 1) in the preparation of the annual accounts for the year ended March 31<sup>st</sup> 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 2) 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 of the company for the same period;
- 3) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- 4) the Directors have prepared the annual accounts on a 'going concern' basis;
- 5) the Directors have laid down internal financial controls in the company that are adequate and operating effectively.
- 6) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

#### **BOARD EVALUATION**

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Clause 49 of the Listing Agreements ("Clause 49").

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure,

effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

### **RELATED PARTY TRANSACTIONS**

There were no contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013. Also there were no materially significant Related Party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the company at large. Thus disclosure in Form AOC-2 is not required.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company.

### **PARTICULARS OF EMPLOYEES**

The Information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014 in respect of employees of the Company is annexed herewith as Annexure - 'A'.

### **MEETINGS OF THE BOARD**

Four meetings of the Board of Directors were held during the year. For further details of the meetings, please refer to the corporate governance report, which forms part of this report.

### **AUDIT COMMITTEE**

The composition, terms of reference etc. of the Audit Committee is provided in Corporate Governance Report which forms part of this Annual Report.

There have been no instances of non acceptance of any recommendations of the Audit Committee by the Board during the financial year under review.

### **AUDITORS AND AUDITORS' REPORT**

#### **Statutory Auditors**

The Company's auditors M/s. Batliboi and Purohit, (Regd. No.101048W) Chartered Accountants, Mumbai who retire

at the ensuing Annual General Meeting, have confirmed their eligibility and willingness to accept office, if re-appointed. The proposal for their re-appointment is included in the notice for Annual General Meeting sent herewith.

#### **Auditors' report**

There are no qualifications, reservations or adverse remarks made by M/s. Batliboi and Purohit, Statutory Auditors in their report for the Financial Year ended March 31, 2015.

The observations and comments given in the report of the Auditors read together with notes to accounts are self-explanatory and hence do not call for any further explanation or comments under Section 134(f)(i) of the Companies Act, 2013.

#### **Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed CS Dipti Chandratre, Practising Company Secretary, to undertake the Secretarial Audit of the Company.

#### **Secretarial Auditors' Report**

The secretarial auditors' report does not contain any qualifications, reservations or adverse remarks. The Report of the Secretarial Audit in Form MR 3 for the Financial Year ended March 31, 2015 is annexed as Annexure - 'D' to the Report.

### **NOMINATION AND REMUNERATION COMMITTEE**

The composition, key objectives etc. of the Nomination and Remuneration Committee is provided in Corporate Governance Report which forms part of this Annual Report.

### **RISK MANAGEMENT**

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of the Company has constituted a CSR Committee. CSR Committee of the Board has developed a CSR Policy which is enclosed as part of this report Annexure – 'B'. Additionally, the CSR Policy has been uploaded on the website of the Company at [www.tapariatools.com](http://www.tapariatools.com).

**ENERGY, TECHNOLOGY & FOREIGN EXCHANGE**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are given in the Annexure – 'C' and forms part of this Report.

**VIGIL MECHANISM**

In pursuance to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.tapariatools.com](http://www.tapariatools.com)

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

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under, the Company formulated an internal Policy on Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) during the year under review.

The policy aims at educating employees on conduct that constitutes sexual harassment, ways and means to prevent occurrence of any such incident, and the mechanism for dealing with such incident in the unlikely event of its occurrence. An Sexual Harassment Committee has been constituted in accordance with the Act.

The Sexual Harassment Committee is responsible for redressal of complaints related to sexual harassment of women at the workplace in accordance with procedures, regulations and guidelines provided in the Policy.

During the year under review there were no complaints referred to the Sexual Harassment Committee.

**EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return of the company is annexed herewith as Annexure – 'E' to this report.

**INTERIM ORDER BY SEBI**

The Company has received an Interim Order from SEBI on 20/05/2015 for the Non-Compliance of the Minimum Public Shareholding. The Audit Committee and Board of Directors are informed about the Order. Company has been legally advised that there is no violation of provisions relating to the promoters shareholding, further proceedings are pending.

**ACKNOWLEDGEMENT**

Your Directors express their sincere appreciation for the cooperation and assistance of Central and State Government authorities, bankers, customers, suppliers and business associates. Your Directors also wish to place on record their deep sense of appreciation for the committed services by your Company's employees. Your Directors acknowledge with gratitude the encouragement and support extended by our valued shareholders.

For and on behalf of the Board of Directors

Mumbai, 8<sup>th</sup> August, 2015

**H.N. Taparia**  
*Chairman &  
Managing Director*



## Annexure 'A' To Directors' Report

Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Name	Ratio
Shri H.N. Taparia	13.06 times
Shri Sivaramakrishnan	5.54 times

*Note: Median remuneration of the Company for all its employees is Rs. 3,21,536/- p.a. for the financial year 2014-15.*

B. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year:

Name	Percentage
Shri H.N. Taparia (Chairman and Managing Director)	Nil
Shri Sivaramakrishnan (Director - Operations)	Nil
Shri S.R. Bagad (Chief Financial Officer)	Nil
Shri V.S. Datey (Company Secretary)	Nil

C. Percentage increase in the median remuneration of all employees in the financial year 2014-15:

	2014-15	2013-14	Increase (%)
Median remuneration of all employees per annum	Rs. 3,21,526	Rs. 2,36,764	35.80

D. Number of permanent employees on the rolls of the Company as on 31st March, 2015: 427 Nos.

E. Explanation on the relationship between average increase in remuneration and Company Performance:

The management has undergone a Wage Settlement Agreement with the Union as increasing the wages at 25% approx.

The Income from operations of the company increased from a level of Rs. 26,737.74 Lakhs in 2013-14 to Rs.29,749.44 Lakhs in 2014-15 representing a growth of 11.26%.

F. Comparison of the remuneration of the Key Managerial Personnel against the performance of your Company:

The Company's revenue has shown a growth of 11.26% however, no increase in remuneration has been given to Chairman and Managing Director, Director Operations, CFO and CS.

## G. Details of Share price and market capitalization:

	Market Price Per Share (Rs.)	Earning Per Share (Rs.)	P/E Ratio	Market Capitalization (Rs. Lakhs)	Percent Change
March 2015	100	32.05	3.12	3036	66.63%
March 2014	60	39.25	1.53	1822	

## H. Comparison of average percentage increase in salary of employees other than the key managerial personnel and the percentage increase in the key managerial remuneration:

The management has undergone a Wage Settlement Agreement with the Union as increasing the wages at 25% approx and also on account of general inflation index.

The Company during the year under review, has not made any increase in the remuneration of the Key Managerial Personnel.

## I. Key parameters for the variable component of remuneration paid to the Directors:

No variable remuneration was paid to any Directors during the year.

## J. 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:

There are no employees of the Company who receive remuneration in excess of the highest paid Director of the Company

## K. Affirmation:

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

## Annexure 'B' To Directors' Report

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

During the year Company constituted Corporate Social Responsibility Committee (CSR) pursuant to provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy ) Rules, 2014 are provided herein below :

A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility) Rules, 2014 and the various notifications/circulars issued by the Ministry of Corporate Affairs, the Company has contributed an amount of approximately ₹ 29.96 lakhs towards the corpus of various trusts (which are the implementing agency engaged in activities specified in Schedule VII of the Companies Act, 2013). The Company has also adopted a CSR Policy in compliance with the aforesaid provisions and the same is placed on the Company's website at [www.tapariatools.com](http://www.tapariatools.com)

Composition of CSR Committee

- a) Shri H.N. Taparia – Chairman of the committee
- b) Shri B.B. Ladda – Member
- c) Shri D.P. Taparia – Member

Average net profit of the Company for last three financial years

₹ 1,471.44 Lakhs

Prescribed CSR Expenditure

The Company is required to spend two percent of ₹ 1,471.44 Lakhs i.e. ₹ 29.43 Lakhs towards CSR.

Details of CSR spend for the financial year

- a. Total amount spent for the financial year: ₹ 29.96 Lakhs
- b. Amount unspent, if any: NIL

#### Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project or Activity Identified	Sector in which the activity is covered	Locations District (State)	Amount Outlay (budget) project or program wise	Amount spent on the projects of programs	Cumulative Expenditure	Amount Spend Direct or through Implementing Agency
(₹ in Lakhs)							
1	Educational, Scholarship, Bridge, Education, Tuition, Support, Technical Education, Book Provisioning, in remote villages and also providing educational aid to Govt. Schools	Literacy	Jaswantgarh (Rajasthan), Mathura (Uttar Pradesh), Mumbai (Maharashtra)	18.93	20.00	20.00	20.00
2	Development support to people belonging to tribal backward class(capacity building on livelihood projects)	Upliftment Tribal Backward Class	Mumbai (Maharashtra), New Delhi (Delhi)	2.75	2.61	2.61	2.61
3	Capacity Buliding of women for livelihood projects	Women Empowerment	Mathura (Uttar Pradesh), New Delhi (Delhi)	7.00	6.53	6.53	6.53
4	Supproting Anti Retroviral Treatment Centres	Anti Retroviral Treatment Centres	Mathura (Uttar Pradesh), New Delhi (Delhi)	0.75	0.62	0.62	0.62

\* Details of the implementing agencies: Pyaridevi Shiksha Sansthan, Maharia Charitable Trust, Friends of Tribal Society, Parivartan Sandesh Foundation, Pyaridevi Hanumanbux Charity Trust, National Organisation for Social Empowerment, Lokhit Pranyas, Taramani Govind Narain Somani Foundation, Anand Vrindavan Charitable Trust, Relief India Trust, Sparsh Care Foundation.

## Annexure 'C' to the Directors' Report

### Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

#### A) CONSERVATION OF ENERGY

##### a) Energy conservation measures taken:

Company is continuously working on various projects for conservation of energy and has taken the following measures for conservation of energy.

1. Servicing of salt bath transformers to reduce electrical losses and accordingly electrical consumption.
2. 11 KV/415V power transformers, main incoming cable checked to reduce transmission losses in the line.

##### b) Additional Investments and proposals being implemented for reduction of consumption of energy:

We are discussing with the manufacturers and users regarding Induction Heating Machines suitable for forging to take proper decision which will be implemented as soonest possible.

##### c) Impact of the measures at (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of goods:

- As we reduce transmission losses, we can save time in heating furnaces, reduce the current drawn by electrical motors.

##### d) Total energy consumption and energy consumption per unit of production as per Form-A

#### FORM-A (Rule-2)

	Current year 2014-2015	Previous year 2013-2014
--	---------------------------	----------------------------

#### I) Power/fuel consumption :

##### 1. Electricity

##### (a) Purchased :

Unit Lakhs (KWH)	49.57	44.24
Total Cost (₹ Lakhs)	343.08	292.03
Average Rate/₹/KWH	6.92	6.60

##### (b) Own Generation :

Unit (Lakh KWH)	-	-
Unit per ltr.of diesel oil	-	-
Average Rate/Unit (₹)	-	-

##### 2. Furnace Oil :

Purchased (KL)	277.89	235.27
Total Cost (₹/Lakhs)	98.34	100.00
Average Rate (₹/ltr.)	35.39	42.50

#### II) Consumption per unit of production:

Electricity (Unit/MT)	2617.82	2653
Furnace Oil (Ltr./MT)	149.91	139
Coal	-	-
Others	-	-

#### B) TECHNOLOGY ABSORPTION

##### a) Research and Development

##### (i) Specific areas in which R & D carried out by the Company:

- The following new products have been introduced during the year 2014-2015:
  - PCP06 – Plastic Cutting Plier
  - SDS Hammer Drill
  - WS05 – Wire Stripper
  - 1/16 to 3/8 T-Handle Hex Key
  - Snap of Cutter 9mm, 18mm & 10 Pcs Spare blade
  - BST70 Torx Bit Socket

Continuous efforts in the area of quality improvement, cost reduction, increase productivity, efficient utilization of all the resources.

##### (ii) Benefits derived as a result of the above R and D:

- Turn over of the company has increased because of increase in the product range and variety.
- Increase the market share in existing product.
- Improve Atmospheric condition and housekeeping.

##### (iii) Future plan of action:

To continue the introduction of new products and widening the product range, the following new products are under exploration

- Engineering Files
- Screw Driver Set

- Professional Tools Kit
- Tool Box and Organizer
- T- Handle Hex key Set
- Tubular Spanner Set
- 904I & 905I Screw Driver with Insulated
- Nut Driver
- Cantilever Tool Box
- T-Type Socket Wrench

- To continue efforts on cost reduction and quality improvement.

(iv) Expenditure on R & D :

a) Capital	:	-
b) Recurring	:	₹ 134.00 Lakhs
c) Total	:	<u>₹ 134.00 Lakhs</u>
d) Total R & D Expenditure as a percentage of total turnover	:	0.45%

b) *Technology absorption, adaptation and innovation:*

(i) Efforts, in brief made towards technology absorption, adaptation and innovation:

The company has procured and installed SPM Machine for Pliers Joint milling.

The company has Procured Laser marking machine and Started laser marking on pliers.

Exploration is going on for following equipments,

- Fully Automatic Plant for Manufacturing of forging and Trimming design screw Driver
- Flute milling operation Manufacturing of new machine as per Taiwan machine or convert a flat milling machine into flute milling.
- Planning to Procure CNC Edge milling and Cheek Grinding machine.

The Company has its continued participation in National & International Exhibitions to understand the modernization taking place in hand tools marketed and to explore the modern manufacturing process.

(ii) Benefits derived as a result of above efforts:

- Better and efficient manufacturing process.
- Maintained market leadership in domestic market,
- Continuous expansion of product range resulting in increased market share in domestic and international market
- Improve overall product quality

(iii) Technology imported during the last five years:

The Company has not imported any technology from outside.

**C Foreign Exchange earnings and outgo:**

Foreign exchange earnings : ₹ 225.16 Lakhs

Foreign exchange outgo : ₹ 2,039.54 Lakhs

## *Annexure 'D' to the Directors' Report*

### **SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2015

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

To,  
The Members,  
TAPARIA TOOLS LTD.  
52 & 52B, MIDC Area,  
Nashik – 422 007

I am appointed by the Board of Directors of **TAPARIA TOOLS LIMITED** (hereinafter called the Company) to conduct Secretarial Audit on a voluntary basis for the financial year of the Company ended **31<sup>st</sup> March, 2015**.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the company. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

#### **Management's Responsibility**

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

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

My responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances. I believe that audit evidence and information obtained from the Company's Management is adequate and appropriate for me to provide a basis for our opinion.

#### **Opinion**

Based on my verification of the 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, I hereby report that in my opinion, the company has, during the financial year ended on **31<sup>st</sup> March, 2015** complied with the applicable statutory provisions listed hereunder and also that the Company has proper board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 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;

**The Company has no transactions pertaining to the above regulations during the financial year under review.**

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

**The Company has not issued any security during the financial year under review.**

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999

**The Company has not granted any options to its employees during the financial year under review.**

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

**The Company has not issued 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

**The Company is not registered as a Registrar and Transfer Agent.**

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

**The Company has not delisted its equity shares from the Stock Exchange during the financial year under review.**

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

**The Company has not bought back any of its securities during the financial year under review.**

(vi) Other laws applicable specifically to the Company namely:

- (a) Legal Metrology Act, 2009 and rules and regulations thereunder;
- (b) Copyrights Act, 1957
- (c) The Patents Act, 1970
- (d) The Trademark Act, 1999
- (e) The Designs Act, 2000

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.  
(Not applicable during the financial year under review)
- ii) The Listing Agreements entered into by the Company with BSE Ltd.
  - a) The Company has entered agreement with NSDL and CDSL for dematerialization of shares during the financial year under review. Hence, the dematerialization of shares is under process.
  - b) The Company has received an Interim Order from SEBI on 20/05/2015 for the Non-Compliance of the Minimum Public Shareholding. The Audit Committee and Board of Directors are informed about the Order and further proceedings are pending as on date of the report.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Material compliances are listed in the Annexure attached to this report.

**I further report that** based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of the books, papers, forms and returns filed and other records maintained by the company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like labour laws, competition law and environmental laws.

**I further report that** the compliance by the Company of applicable financial laws, direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

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

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

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

**I 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.

**I further report that** during the audit period there were no specific events / actions in pursuance to the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the company's affairs.

**Dipti Chandratre**  
**Company Secretary**

Place : Nashik

(ACS 28786)

Date : 30<sup>th</sup> July, 2015

(C. P. No. 10987)

**ANNEXURE TO THE SECRETARIAL AUDIT REPORT**

In my opinion and to the best of our information and according to the examinations carried out and explanations furnished and representations made by the Company, its officers and agents, we report that the Company has, during the financial year under review, complied with the provisions of the Act, the Rules made under and the Memorandum and Articles of Association of the Company, with regard to:

- 1) Maintenance of various statutory registers and documents and making necessary entries therein;
- 2) Closure of the Register of Members / Debenture holders;
- 3) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies, BSE Ltd., and such other authorities;
- 4) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and re-appointment of Directors including the Managing Director and Whole-time Directors;
- 5) Service of documents by the Company on its Members, Directors, Stock Exchange, Auditors and the Registrar of Companies;
- 6) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- 7) Payment of remuneration to Directors including the Managing Director and Whole-time Directors;
- 8) Disclosure of interests and concerns in contracts and arrangements, shareholding and directorship in other Companies and interest in other entities by Directors;
- 9) Establishing a policy on vigil mechanism and providing to complainants, if any, unhindered access to the Chairman of the Audit Committee;
- 10) Constituting the Corporate Governance and Social Responsibility (CGSR) Committee, formulating and adopting Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company and hosting the same on the website of the Company;
- 11) Notice of Board meetings and Committee meetings of Directors;
- 12) The 48th Annual General Meeting held on September 24, 2014;
- 13) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- 14) Approvals of the Members, the Board of Directors, the Committees of Directors and the appropriate authorities, wherever required;
- 15) Appointment and remuneration of Auditors, Internal Auditors and Cost Auditors;
- 16) Transfers and transmissions of the Company's shares and debentures, and issue and dispatch of duplicate certificates of shares;
- 17) Payment of interest on debentures and redemption of debentures;
- 18) The Company has not declared any dividends;
- 19) Transfer of amounts as required under the Act to the Investor Education and Protection Fund and uploading of details on the websites of the Company and the Ministry of Corporate Affairs;
- 20) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;
- 21) Report of the Board of Directors' for the financial year under review; and
- 22) Contracts, common seal, registered office and publication of name of the Company.

**Dipti Chandratre**  
**Company Secretary**  
(ACS 28786)  
(C. P. No. 10987)

Place : Nashik  
Date : 30<sup>th</sup> July, 2015



## *Annexure 'E' to the Directors' Report*

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2015**

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	L99999MH1965PLC013392
2	Registration Date	31st December 1965
3	Name of the Company	Taparia Tools Limited
4	Category/Sub-category of the Company	Public Company limited by shares
5	Address of the Registered office & contact details	52 & 52B, Midc Area, Trimbak Road Nashik 422 007
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas, Opp. Satya Sai Baba Temple, Mahakali Caves Road, Andheri (East) Mumbai – 93

### **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	Company engaged in business activity of trading & manufacturing of Hand Tools		100

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

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of sharehold	Applicable Section
1	N.A				

**IV. SHARE HOLDING PATTERN**

(Equity share capital breakup as percentage of total equity)

**(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% 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		2,091,217	2,091,217	68.89		2,091,217	2,091,217	68.89	0.00
b) Central Govt			-	0.00			-	0.00	0.00
c) State Govt(s)			-	0.00			-	0.00	0.00
d) Bodies Corp.		25,300	25,300	0.83		25,300	25,300	0.83	0.00
e) Banks / FI			-	0.00			-	0.00	0.00
f) Any other			-	0.00			-	0.00	0.00
<b>Sub Total (A) (1)</b>	-	2,116,517	2,116,517	69.72	-	2,116,517	2,116,517	69.72	0.00
<b>(2) Foreign</b>									
a) NRI Individuals			-	0.00			-	0.00	0.00
b) Other Individuals			-	0.00			-	0.00	0.00
c) Bodies Corp.			-	0.00			-	0.00	0.00
d) Any other			-	0.00			-	0.00	0.00
<b>Sub Total (A) (2)</b>	-	-	-	0.00	-	-	-	0.00	0.00
<b>TOTAL (A)</b>	-	2,116,517	2,116,517	69.72	-	2,116,517	2,116,517	69.72	0.00
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds			-	0.00			-	0.00	0.00
b) Banks / FI			-	0.00			-	0.00	0.00
c) Central Govt			-	0.00			-	0.00	0.00
d) State Govt(s)			-	0.00			-	0.00	0.00
e) Venture Capital Funds			-	0.00			-	0.00	0.00
f) Insurance Companies			-	0.00			-	0.00	0.00
g) FIIs			-	0.00			-	0.00	0.00
h) Foreign Venture Capital Funds			-	0.00			-	0.00	0.00
i) Others (specify)			-	0.00			-	0.00	0.00
<b>Sub-total (B)(1):-</b>	-	-	-	0.00	-	-	-	0.00	0.00
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian		397,675	397,675	13.10		397,675	397,675	13.10	0.00
ii) Overseas			-	0.00			-	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh		44,350	44,350	1.46	80	41,298	41,378	1.36	-6.70
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh		404,162	404,162	13.31		407,134	407,134	13.41	0.74
c) Others (specify)									
Non Resident Indians			-	0.00			-	0.00	0.00

Overseas Corporate Bodies		-	0.00		-	0.00	0.00	
Foreign Nationals		-	0.00		-	0.00	0.00	
Clearing Members		-	0.00		-	0.00	0.00	
Trusts	20	20	0.00		20	20	0.00	
Directors & Relatives	56,526	56,526	1.86		56,526	56,526	1.86	
Foreign Bodies - D R	16,500	16,500	0.54		16,500	16,500	0.54	
<b>Sub-total (B)(2):-</b>	-	919,233	919,233	30.28	80	919,153	919,233	30.28
<b>Total Public (B)</b>	-	919,233	919,233	30.28	80	919,153	919,233	30.28
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>			-	0.00			0.00	0.00
<b>Grand Total (A+B+C)</b>	-	3,035,750	3,035,750	100.00	80	3,035,670	3,035,750	100.00

### (ii) Shareholding of Promoters

SN	Shareholders 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	SHRI HARNARAYAN TAPARIA	364,650	12.01	NIL	364,650	12.01	NIL	0.00
2	SHRI HARNARAYAN TAPARIA (HUF)	133,129	4.39	NIL	133,129	4.39	NIL	0.00
3	SHRI DEVI PRASAD TAPARIA	101,699	3.35	NIL	101,699	3.35	NIL	0.00
4	SHRI DEVI PRASAD TAPARIA (HUF)	80,958	2.67	NIL	80,958	2.67	NIL	0.00
5	SHRI JAYA KRISHNA TAPARIA	147,476	4.86	NIL	147,476	4.86	NIL	0.00
6	SHRI JAYA KRISHNA TAPARIA (HUF)	66,042	2.18	NIL	66,042	2.18	NIL	0.00
7	SHRI MADHAV PRASAD TAPARIA	143,565	4.73	NIL	143,565	4.73	NIL	0.00
8	SHRI MADHAV PRASAD TAPARIA (HUF)	115,969	3.82	NIL	115,969	3.82	NIL	0.00
9	MRS. BHAGWATI BINANI	55	0.00	NIL	55	0.00	NIL	0.00
10	SHRI BHARAT TAPARIA	133,194	4.39	NIL	133,194	4.39	NIL	0.00
11	SHRI BHARATKUMAR TAPARIA HUF	10,718	0.35	NIL	10,718	0.35	NIL	0.00
12	MRS. HARSHA MUNDHRA	50,000	1.65	NIL	50,000	1.65	NIL	0.00
13	MRS. KUSUM DEVI TAPARIA	146,848	4.84	NIL	146,848	4.84	NIL	0.00
14	MRS. PREMA DEVI TAPARIA	126,989	4.18	NIL	126,989	4.18	NIL	0.00
15	MRS. RAJDULARI DEVI TAPARIA	181,057	5.96	NIL	181,057	5.96	NIL	0.00
16	MRS. SHASHIDEVI BANGUR	69,271	2.28	NIL	69,271	2.28	NIL	0.00
17	MRS. SUDHA DEVI TAPARIA	103,799	3.42	NIL	103,799	3.42	NIL	0.00
18	SHRI SUSHIL KUMAR TAPARIA	71,799	2.37	NIL	71,799	2.37	NIL	0.00
19	SHRI SUSHIL KUMAR TAPARIA (HUF)	43,999	1.45	NIL	43,999	1.45	NIL	0.00
20	OM SHRI YOGESHWAR MFG. & TRADING CO.	25,300	0.83	NIL	25,300	0.83	NIL	0.00

### (iii) Change in Promoters' Shareholding

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year		No changes in Promoters shareholding during the year		0.00		0.00
	Changes during the year		No changes in Promoters shareholding during the year		0.00		0.00
					0.00		0.00
	At the end of the year		No changes in Promoters shareholding during the year		0.00		0.00

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

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	VEER ENTERPRISES LIMITED						
	At the beginning of the year			274,288	9.04	274,288	9.04
	Changes during the year			-	0.00	-	0.00
	At the end of the year			274,288	9.04	274,288	9.04
2	MRS. SHREEKANTA DEVI TAPARIA						
	At the beginning of the year			100,098	3.30	100,098	3.30
	Changes during the year			-	0.00	-	0.00
	At the end of the year			100,098	3.30	100,098	3.30
3	SHRI ANANT TAPARIA						
	At the beginning of the year			60,364	1.99	60,364	1.99
	Changes during the year			-	0.00	-	0.00
	At the end of the year			60,364	1.99	60,364	1.99
4	SHRI SHREE KUMAR BANGUR						
	At the beginning of the year			57,358	1.89	57,358	1.89
	Changes during the year			-	0.00	-	0.00
	At the end of the year			57,358	1.89	57,358	1.89
5	SHRI SAURABH BANGUR						
	At the beginning of the year			56,555	1.86	56,555	1.86
	Changes during the year			-	0.00	-	0.00
	At the end of the year			56,555	1.86	56,555	1.86
6	M/S SEVENHILL SECURITIES LTD.						
	At the beginning of the year			52,107	1.72	52,107	1.72
	Changes during the year			-	0.00	-	0.00
	At the end of the year			52,107	1.72	52,107	1.72
7	ABHIMANYU MUNDHRA-MINOR THROUGH GUARDIAN						
	At the beginning of the year			50,000	1.65	50,000	1.65
	Changes during the year			-	0.00	-	0.00
	At the end of the year			50,000	1.65	50,000	1.65
8	SHREE SATYANARAYAN INVESTMENTS CO.						
	At the beginning of the year			46,000	1.52	46,000	1.52
	Changes during the year			-	0.00	-	0.00
	At the end of the year			46,000	1.52	46,000	1.52
9	ARYAMAN TAPARIA-MINOR THROUGH GUARDIAN						
	At the beginning of the year			22,119	0.73	22,119	0.73
	Changes during the year			-	0.00	-	0.00
	At the end of the year			22,119	0.73	22,119	0.73
10	SHRI SATISH KUMAR MUNDHRA						
	At the beginning of the year			19,852	0.65	19,852	0.65
	Changes during the year		Transfer	586	0.02	586	0.02
	At the end of the year			20,438	0.67	20,438	0.67

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

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	SHRI VIRENDRAA BANGUR, NON-EXECUTIVE DIRECTOR At the beginning of the year Changes during the year At the end of the year			56,526 - 56,526	1.86 0.00 1.86	56,526 - 56,526	1.86 0.00 1.86
2	SHRI SIVARAMAKRISHNAN, DIRECTOR-OPERATIONS At the beginning of the year Changes during the year At the end of the year			NIL NIL NIL	0.00 0.00 0.00	NIL NIL NIL	0.00 0.00 0.00
3	SHRI S.R. BAGAD, CFO At the beginning of the year Changes during the year At the end of the year			NIL NIL NIL	0.00 0.00 0.00	NIL NIL NIL	0.00 0.00 0.00
4	SHRI V.S. DATEY, CS At the beginning of the year Changes during the year At the end of the year			NIL NIL NIL	0.00 0.00 0.00	NIL NIL NIL	0.00 0.00 0.00

**V. INDEBTEDNESS**

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

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
* Addition				-
* Reduction				-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
<b>Total (i+ii+iii)</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		Total Amount (₹ in Lakhs)
		Shri H.N. Taparia Chairman and Managing Director	Shri Sivaramakrishnan Director - Operations	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (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	42.00	12.97	54.97
		-	4.84	4.84
		-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	42.00	17.81	59.81
	Ceiling as per the Act			

**B. Remuneration to other Directors**

SN	Particulars of Remuneration	Name of Directors						Total Amount (₹ in Lakhs)
		SHRI M.V. GORE	SHRI P.N. SHAH	SHRI B.B. LADDA	SHRI G.S. MANASAWALA	SHRI R.J. MUNDRA	MS. BHAVNA SHAMDASANI	
1	Independent Directors Fee for attending board/ committee meetings Commission Others, please specify Total (1)	0.35	0.75	0.80	0.75	0.60	0.10	3.35 - - 3.35
2	Other Non-Executive Directors	SHRI J.K. TAPARIA	SHRI D.P. TAPARIA	SHRI M.P. TAPARIA	SHRI V. BANGUR			
	Fee for attending board/ committee meetings Commission Others, please specify Total (2)	0.40	0.45	0.30	0.10			1.25 - - 1.25
	Total (B)=(1+2)	0.75	1.20	1.10	0.85	0.60	0.10	4.60
	Total Managerial Remuneration Overall Ceiling as per the Act							<b>64.41</b>

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (₹ in Lakhs)
		Shri S.R. Bagad, CFO	Shri V.S. Datey, CS	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (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	7.66	1.57	9.23
		0.76	0.26	1.02
				-
2	Stock Option			-
3	Sweat Equity			-
4	Commission - as % of profit - others, specify			-
5	Others, please specify			-
	Total (A)	8.42	1.83	10.25

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			Nil		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			Nil		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			Nil		
Punishment					
Compounding					

## *Management Discussion And Analysis*

### **ECONOMIC SCENARIO**

Indian economic growth in 2014 rose to 5.2% from 4.7% last year as a result of the improving macro-economic situation. The wholesale and consumer price inflation has fallen to 4.2% and 7.4% from last year's 6.3% and 10.1% on the back of a strong base effect. Falling oil prices, lower food and commodity prices and the proactive measures taken by the Government helped in containing inflation in 2014.

Contrary to expectations, agricultural growth was strong at 4.5% in 2014. However, the slow pace of reforms, lack of impetus for infrastructure projects, high interest rates and tightening of fiscal policies adversely impacted the capital goods sector. Industrial production / output was also sluggish.

The low economic growth appears to have bottomed out and a gradual increase in economic activity is expected in 2015. The medium term to long term growth prospects look positive in view of the Government's determination to bring in reforms. For the year 2015, the economy is expected to grow at a higher rate than in 2014. The long term prospects for the economy are optimistic.

### **OPPORTUNITIES AND THREATS**

#### **Opportunities:**

Having established its brand and goodwill, "Taparia Tools Ltd." sees acceleration in opportunities due to continuous of new products and entry in various market segments like New Replacement Markets and through dealers to the retail market. The Company can capitalize the opportunity with its strong and the state of art manufacturing facility.

The Company will explore the potentials of new products in the present segment. This has proved beneficial during the recession period which is very good sign for the company.

#### **Threats:**

Entry of more new players, predominantly from overseas, political changes in the regime of operations may result in demand slow down.

Increase in input prices and weakening of Indian rupees against US Dollars was another important factor adversely impacts the industry & profit margins.

Duplicate products under the Company brand continues serious problem hampering the operations and profits of the Company

#### **Risk Management**

The Company follows a conservative Risk Management policy. Whilst the broad framework of the Risk remains more or less same, the priorities do change in line with the changing business profile, economic scenario etc. The business profile of the Company is evolving in line with current market trends and conditions wherein the focus is more on turnkey project execution as against pure supply of equipment with a thrust to expand the Company's geographic footprint in overseas markets.

#### **STRATEGY:**

Company continued its focused improvements in the quality of products and services. The Corporate Quality Assurance system has brought about a steep improvement in quality as it integrated the divisional quality assurance systems which had been in existence and delivering value to the customers.

The Company's business strategy is to improve its customer's business performance:

1. By being the partner providing the greatest value.
2. Achieved through a solutions partnering approach delivering improved foundry processes and casting quality.
3. Based upon world-class technology, product application expertise and excellence in customer service.

#### **OUTLOOK**

The unfolding economic and industrial scenario in India and the world will influence the company's performance in the coming period. The current market conditions remain uncertain although there are hopes of an economic recovery with the new government. The Company will continue to pursue growth based on its philosophy of generating profits



through creation of the "Greatest Value" for its customers. Taparia Tools Limited has reviewed its strategic objectives and is geared to tap new opportunities in the marketplace and develop innovative solutions for its customers. Its focus will remain on strategic growth initiatives for business expansion and sector penetration.

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

Management has put in place effective Internal Control Systems to provide reasonable assurance for:

- Safeguarding Assets and their usage.
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the information used for carrying on Business Operations.

Key elements of the Internal Control Systems are as follows:

- (1) Existence of Authority Manuals and periodical updating of the same for all Functions.
- (2) Existence of clearly defined organizational structure and authority.
- (3) Existence of corporate policies for Financial Reporting and Accounting.
- (4) Existence of Management information system updated from time to time as may be required.
- (5) Existence of Annual Budgets and Long Term Business Plans.
- (6) Existence of Internal Audit System.

The Audit Committee is regularly reviewing the Internal Audit Reports for the auditing carried out in all the key areas of the operations. Additionally the Audit Committee approves all the audit plans and reports for significant issues raised by the Internal and External Auditors. Regular reports on the business development, future plans and projections are given to the Board of Directors. Internal Audit Reports are regularly circulated for perusal of Senior Management for appropriate action as required.

#### **HUMAN RESOURCES:**

The success of the Company and good track record are largely attributable to the remarkable commitment, dedication and hard work of the employees. The Company has strongly embedded core values and all employees are trained and encouraged to use these values in their daily operations and the bases for making decisions.

The Company continued the welfare activities for the employees, which include Medical Care, Group Insurance, Canteen facility, etc. To enrich the skills of employees and enrich their experience, the Company arranges, Practical Training Courses by Internal and External Faculty.

The Company has good cordial relation with trade union and employees representatives and views these relationships as contributing positively to the success of the business.

#### **CONCLUSION:**

The Company has posted better results in the year 2014-2015 inspite of the existing economic and financial crises. The Company is concentrating to achieve higher position in the Hand Tools Market and multiply its turnover by expanding its area of operation. The Company has plans for making investment in the Hand Tools business to further consolidate its leadership position.

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#### **CAUTIONARY STATEMENT**

*Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations and predictions may be "forward-looking statements" within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied, important factors that could make difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the Government regulations, tax regimes, economic developments within India and countries in which the Company conducts business and other incidental factors.*

## *Report On Corporate Governance for the financial year 2014-1015*

### 1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company believes that Corporate Governance is a set of processes, customs, policies, rules, regulation and laws for ensuring transparency, professionalism and accountability in its dealings with its customers, principal, employees, shareholders and with every individual who comes in contact with the Company. The Company's philosophy on Corporate Governance is bounded upon a rich legacy of fair ethical governance practices which has been in practice since the beginning. In fact the company has long been a staunch supporter of this code even before it became mandatory. Integrity, transparency, accountability and compliance with laws which are columns of good governance have always been the hallmark of company. The Company is in full compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

### 2. BOARD COMPOSITION

#### Board of Directors

The Company has 12 Directors of which 2 are an Executive Directors and 4 are Non-Executive and 6 are Independent Directors including a woman director who was appointed as additional director in the category of independent director. The composition of the Board is in conformity with clause 49 of the listing Agreement entered into with the stock Exchanges.

None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2015 have been made by the directors.

Independent directors are non-executive directors as defined under Clause 49(II)(B)(1) of the Listing Agreements entered into with the Stock Exchanges. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under clause 49 of the Listing Agreement and Section 149 of the Act.

#### Board Meetings

Four Board Meetings were held during the year ended on 31 March 2015. These were held on May 27, 2014; August 6, 2014; November 10, 2014 and January 31, 2015. Maximum time gap between two Board Meetings did not exceed the limits as prescribed in Clause 49 of the Listing Agreement.

#### Attendance of Directors at the Board Meetings

Name of Director	Category	Meetings		Directorship in other public companies
		Board	AGM	
Shri H. N. Taparia	Chairman and MD, Promoter Director	4	Yes	1
Shri M. V. Gore (upto 4/11/2014)	Independent Director	2	Yes	-
Shri P. N. Shah	Independent Director	4	-	5
Shri B. B. Ladda	Independent Director	4	-	-
Shri G. S. Manasawala	Independent Director	4	-	1
Shri Rajeev J. Mundra	Independent Director	3	-	2
Shri Shyam Malpani (w.e.f. 31/01/2015)	Independent Director	-	-	2
Miss Bhavna Shevakram Shamdasani (w.e.f. 10/11/2014)	Independent Director	1	-	-
Shri Virendraa Bangur	Non-Executive Director	1	-	7
Shri J.K. Taparia	Non-Executive, Promoter Director	4	Yes	-
Shri M.P. Taparia	Non-Executive, Promoter Director	3	-	1
Shri D.P. Taparia	Non-Executive, Promoter Director	4	Yes	3
Shri Sivaramakrishnan	Director – Operations	4	Yes	-

### 3. Independent Directors :

The Independent Directors have complied with the definition of Independence as per Clause 49 of the Listing Agreement and according to the Provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

#### Training of Independent Directors :

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy.

The appointment letters of Independent Directors has been provided to the directors appointed and also placed on the Company's website at [www.tapariatools.com](http://www.tapariatools.com)

#### Performance Evaluation of non-executive and Independent Directors

The Board evaluates the performance of Non-executive and Independent Directors every year. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

### 4. AUDIT COMMITTEE

#### Composition of the Committee

The Audit Committee of the Company comprises of five Independent Directors, namely,

a) Shri G. S. Manasawala – Chairman   b) Shri P. N. Shah   c) Shri B. B. Ladda   d) Shri Rajeev J. Mundra and  
e) Shri Shyam Malpani.

The members of the Committee have good exposure to Law, Financial Management, Taxation, Company Law matters, Internal/External Audit as well as in the areas of general management.

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Members of the Audit Committee possess financial / accounting expertise / exposure.

#### Scope of Audit Committee

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, as amended from time to time, and its terms of reference include the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approving payments to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the quarterly and annual financial statements before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Section 134 of the Companies Act, 2013;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments to financial statements arising out of audit findings;

- e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Approval or any subsequent modification of transactions of the Company with related parties;
  - g) Scrutiny of inter-corporate loans and investments.
  - h) Qualifications in the draft audit report.
5. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
  6. Review and monitor auditors independence and performance of statutory and internal auditors and effectiveness of adequacy of audit process.
  7. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  8. Carrying discussions with internal auditors on any significant findings and follow up there on.
  9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  10. Carrying discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  11. To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non-payment of declared dividends) and creditors.
  12. To monitor the use of proceeds received in the initial public offering.
  13. Approval of appointment of CFO (i.e. the Whole-time Financial Director or any other person heading the finance function or discharging that function) after assessing the qualification and background etc. of the candidate.
  14. To review the functioning of the Whistle Blower mechanism.

**Powers of Audit Committee:**

1. To investigate any activity within its terms of reference
2. To seek information from any employee
3. Major accounting entries involving estimates based on the exercise of judgment by the management;
4. Significant adjustments made in financial statements arising out of audit findings;
5. Compliance with listing and other legal requirements relating to financial statements;
6. Approval or any subsequent modification of transactions of the Company with related parties;
7. Scrutiny of inter-corporate loans and investments.

**Meeting Details**

Four Meetings were held during the year – on May 27, 2014; August 6, 2014; November 10, 2014 and January 31, 2015.

### Attendance of Directors at the Audit Committee Meetings

Name of the Director	Designation	No. of Meetings attended
Shri G. S. Manasawala	Chairman	4
Shri M. V. Gore (upto 4/11/2014)	Ex-chairman	2
Shri P. N. Shah	Member	4
Shri B. B. Ladda	Member	4
Shri Rajeev J. Mundra	Member	3
Shri Shyam Malpani	Member (w.e.f. 31/01/2015)	Nil

Shri Harnarayan Taparia, Executive Chairman and Managing Director and Shri S.R. Bagad, Chief Financial Officer are permanent invitees to the Audit Committee meetings. In addition, the heads of the Finance and Accounts, representatives of Internal and Statutory auditors generally attended these meetings. The Company Secretary acted as the Secretary to the Audit Committee.

## 5. NOMINATION AND REMUNERATION COMMITTEE

### Composition of the Committee

The Nomination and Remuneration Committee consists of five Independent Directors, namely:

Shri G. S. Manasawala (Chairman of the Committee)	Independent Director
Shri P. N. Shah	Independent Director
Shri M.V. Gore (upto 4/11/2014)	Independent Director
Shri B. B. Ladda	Independent Director
Shri R. J. Mundra	Independent Director
Shri Shyam Malpani	Independent Director

### Terms of Reference of the Committee, inter alia, includes the following:

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
2. To devise a policy on Board diversity;
3. To formulate the criteria for evaluation of Independent Directors and the Board;
4. To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.

### Meeting Details

Nomination and Remuneration Committee Meeting was held in the year under review on August 6, 2014, November 10, 2014 and January 31, 2015.

### Attendance of Directors at the Nomination and Remuneration Committee Meeting

Name of the Director	Designation	No. of meeting Attended
Shri G. S. Manasawala	Chairman	3
Shri M. V. Gore (upto 4 <sup>th</sup> Nov 2014)	Ex-chairman	1
Shri P. N. Shah	Member	3
Shri B. B. Ladda	Member	3
Shri Rajeev J. Mundra	Member	3
Shri Shyam Malpani	Member (w.e.f.31/01/15)	Nil

### Remuneration Policy

The Nomination and Remuneration Committee is fully empowered to determine/approve and revise, subject to necessary approvals, the remuneration of managerial personnel including Managing Director after taking into account the financial position of the Company, trends in the industry, qualifications, experience, past performance and past remuneration, etc.

The Non-Executive Directors are paid sitting fees for every meeting of the Board and its Committees attended by them.

### Details of Sitting fees paid to Non-Executive Directors and Independent Directors

Name of Director	Amount (₹)	Name of Director	Amount (₹)
Shri M. V. Gore (upto 4/11/ 2014)	35,000	Shri B. B. Ladda	80,000
Shri P. N. Shah	75,000	Shri Virendraa Bangur	10,000
Shri J. K. Taparia	40,000	Shri D. P. Taparia	45,000
Shri M. P. Taparia	30,000	Shri G. S. Manasawala	75,000
Shri Rajeev J. Mundra	60,000	Miss Bhavna Shevakram Shamdasani (w.e.f. 31/01/2015)	10000
Total Sitting Fees Paid			4,60,000

*(The above sitting fees are excluding reimbursement of travel and other expenses incurred for the business of the Company)*

*Sitting fees for Directors for the Meetings are as follows:*

- Board of Directors: ₹ 10,000/- each meeting
- Audit Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee: ₹ 5,000/- each meeting.

### REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: (No Sitting Fees) (₹ in lakhs)

Name of Director	Salaries and Allowances	Perquisites
Shri H. N. Taparia, Chairman and Managing Director	42.00	Nil
Shri Sivaramakrishnan, Director - Operations	12.97	4.83
Shri V. S. Datey, Company Secretary	1.56	0.26
Shri S. R. Bagad, Chief Financial Officer	7.66	0.76
Total remuneration paid	₹ 64.46	₹ 5.58

Remuneration includes Basic Salary, House Rent Allowance, Bonus, Leave Encashment and Company's Contribution to Provident Fund but excludes Company's Contribution to Gratuity Fund.

## 6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

### Composition of the Committee

The members of the Shareholders Grievances/Share Allotment and Transfer Committee of the Company are Shri D. P. Taparia, Chairman, Shri H. N. Taparia and Shri Sivaramakrishnan.

Shri V. S. Datey, Company Secretary who is the Compliance Officer can be contacted at the registered office of the Company.

### Terms of reference:

The Stakeholders' Relationship Committee, inter alia, is primarily responsible for considering and resolving grievances of security holders of the Company. The additional powers (terms of reference) of the Stakeholders' Relationship Committee are:

1. Review and oversee the process of transfer, transmission of shares, issue duplicate share certificates, splitting or consolidation of share certificates, redress shareholders' complaints, approve the nominations received, dematerialisation, rematerialisation, etc. and other shares related formalities.
2. Review and oversee the process of resolving of shareholders /investors/ security-holders grievances.
3. Advise the Board of Directors on matters which can facilitate better investor services and relations.
4. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

**No. of Meetings held during the year:**

During the year the Committee had 12 meetings on 18<sup>th</sup> April 2014, 6<sup>th</sup> May 2014, 17<sup>th</sup> May 2014, 18<sup>th</sup> June 2014, 28<sup>th</sup> June 2014, 5<sup>th</sup> July 2014, 12<sup>th</sup> July 2014, 19<sup>th</sup> July 2014, 2<sup>nd</sup> August 2014, 6<sup>th</sup> August 2014, 9<sup>th</sup> August 2014, and 4<sup>th</sup> November 2014.

**Attendance of Directors at the Stakeholders' Relationship Committee Meeting**

Name of the Director	Designation	No. of meeting Attended
Shri D. P. Taparia	Chairman	12
Shri H. N. Taparia	Member	12
Shri Sivaramakrishnan	Member	12

**7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)**

**Composition of the Committee**

The members of the Corporate Social Responsibility Committee of the Company are Shri H. N. Taparia (Chairman), Shri D. P. Taparia and Shri. B. B. Ladda.

**Terms of reference:**

The Committee formulates and recommend to the Board, a CSR Policy and recommend the amount of expenditure to be incurred on CSR activities. Committee framed a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company and also CSR policy from time to time.

**Composition:**

The CSR Committee of the Company consists of Chairman, 1 Non-Executive Director and 1 Independent Director.

**No. of Meetings held during the year**

During the year the Committee had 2 meetings on 27<sup>th</sup> May 2014 and 8<sup>th</sup> August 2014.

**Attendance of Directors at the Corporate Social Responsibility Committee Meeting**

Name of the Director	Designation	No. of meeting Attended
Shri H. N. Taparia	Chairman	2
Shri B. B. Ladda	Member	2
Shri D. P. Taparia	Member	2

**8. RISK MANAGEMENT COMMITTEE:**

During the financial year ended 31st March, 2015, the Board of Directors constituted a Risk Management Committee and also defined its roles and responsibilities in accordance with the provisions of Clause 49 of the Listing Agreement.

**Terms of reference:**

The Committee's terms of reference, inter alia, include framing risk management policy and identifying Company's risk appetite set for various elements of risk, review the risk management practices & structures and recommend changes to ensure their adequacy, approve & review the risk treatment plans put in place by management and ensure adequacy of risk management practices in the Company.

It prescribes the roles and responsibilities of various stakeholders within the Company, the structure for managing risks and the framework for risk management.

This policy and the Internal Financial Controls comprehensively address the key strategic/business risks and operational risks respectively.

**9. GENERAL BODY MEETINGS**

Location and time where the last three Annual General Meetings were held:

**Location & time where the last three Annual General Meetings were held:**

Year	Day & Date	Time	Location
2011-2012	Monday 17.09.2012	01.00 p.m.	Hotel Emerald Park, Sharanpur Link Road, Nashik- 422 002
2012-2013	Monday 23.09.2013	12.30 p.m.	Hotel Emerald Park, Sharanpur Link Road, Nashik- 422 002
2013-2014	Wednesday 24.09.2014	9.30 a.m.	Hotel Emerald Park, Sharanpur Link Road, Nashik- 422 002

**Details of Special Resolutions passed in the above referred Meetings are given below:**

Date of the AGM	Number of Special Resolutions passed	Subject matter
September 17, 2012	Nil	Not applicable
September 23, 2013	4	<ul style="list-style-type: none"> <li>• Appointment of Shri Sivaramakrishnan as Whole time Director designated as Director – Operations and fix the ceiling limit of remuneration payable to him.</li> <li>• Increase in the ceiling limit of remuneration of Dr. M.G. Nathani, Executive Director.</li> <li>• Amendment to Articles of the Company for the purpose of dematerialisation of shares.</li> <li>• Conversion of shares in dematerialised form.</li> </ul>
September 24, 2014	1	Amendment in the Articles of Association of the Company

**10. DISCLOSURES****Related Party Transactions**

The details of the related party transactions during the year under review are shown in the Notes to Accounts which form part of this Report.



## Disclosure of Accounting Treatment

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. There are no audit qualifications in the Company's financial statements for the year under review.

## Vigil Mechanism / Whistle-blower Policy

In line with the best Corporate Governance practices, Taparia Tools Limited, has put in place a system through which the Directors, employees and business associates may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Company has put in place a process by which employees and business associates have direct access to the Audit Committee Chairman, Managing Director, Chairman of the Board and Compliance Officer.

The Whistle-blower Policy is placed on the notice board of the Company, and its website. Moreover, it is also carried in this Annual Report.

## Compliances by the Companies

The Company has complied with various rules and regulations prescribed by Stock Exchange, SEBI or any other statutory authority relating to the capital markets during the last three years. No penalties or strictures have been imposed by them on the Company.

## Details of adoption of non-mandatory requirements under Clause 49 of the Listing Agreement by the Company

- A) The Financial Results of the Company are published in the newspapers on quarterly basis. Hence, they are not sent to each shareholder.
- B) The statutory financial statements of the Company are unqualified.
- C) The Board of Directors of the Company consists of an optimal blend of Company Executives and Independent professionals having knowledge of Business and expertise in their area of specialization.

## 13. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. These are also published in the newspapers.

## 14. SEBI Complaints Redressal System (SCORES):

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

## 15. GENERAL SHAREHOLDERS INFORMATION

### a) Annual General Meeting

Day, Date & Time	: Tuesday day, 29 <sup>th</sup> September, 2015 at 9.30 a.m.
Venue	: Hotel Bon Vivant, Patil Park, Old Gangapur Naka, Opp. Dongre Vasti Gruh, Nashik - 422 002

### b) Financial Calendar

Year Ending	: 31 <sup>st</sup> March 2016
Quarterly Results	: To be declared within 45 days from the relevant quarter.
Meeting for consideration of quarterly unaudited results	: Within 45 days from end of quarter as per the Listing Agreement with the BSE.

Audited results for the year  
ending on 31<sup>st</sup> March 2016 : May 2016  
Annual General Meeting for the year 2016 : September 2016

**c) Date of Book Closure**

From 23<sup>rd</sup> September, 2015 (Wednesday) to 29<sup>th</sup> September, 2015 (Tuesday), inclusive of both days.

**d) Dividend Payment Date**

No Dividend for Financial Year 2014-15 is proposed.

**e) Listing on Stock Exchange and Stock Code**

Sr. No.	Stock Exchange	Stock Code	ISIN No. for CDSL & NSDL	Address
1	Bombay Stock Exchange Limited	505685	INE614R01014	Floor 25, P. J. Towers, Dalal Street, Mumbai – 400 001

The Company has paid Annual Listing Fees to BSE, Mumbai for the financial years 2013-14, 2014-15 and 2015-16.

**f) Market Price Data**

High and Low quotations of shares during the financial year 2014-15 are Rs. 100/- and Rs. 60/- per share respectively.

**g) Registrar and Share Transfer Agents / Dematerialisation of shares**

Shareholders may contact the Company's Registrar and Share Transfer Agent (for both physical and demat segments) at the following address for any assistance regarding dematerialization of shares, share transfers, transmission, change of address, and any other query relating to the shares of the Company:

**Universal Capital Securities Pvt. Ltd**

21, Shakil Niwas, Opp. Satya Sai Baba Temple,  
Mahakali Caves Road, Andheri (East)  
Mumbai – 400 093 Maharashtra  
Tel: (022) 2820 7203-05 Fax: (022) 2820 7207  
Email: info@unisec.in  
Web Site: www.unisec.in

**h) Share Transfer System**

Taparia Tools Limited has completed all the formalities with CDSL and NSDL in regards to Dematerialisation of shares. Now the shareholders of the company can avail the facility of demating their shares with both the depositories i.e. NSDL and CDSL.

Shareholders may send their shares for transfer in physical form to RTA or at Registered Office of the Company. RTA will register such transfers within 15 days of receipt of the documents, if documents are found in order.

**i) Distribution of Shareholdings as on 31<sup>st</sup> March 2015**

Sr. No.	No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shareholdings	% of shareholdings
1	Up to 5000	248	87.32	32138	1.06
2	5001 - 10000	2	0.70	15435	0.51
3	10001 - 20000	5	1.76	73422	2.42
4	20001 - 30000	2	0.70	45738	1.51
5	30001 - 40000	1	0.35	35277	1.16
6	40001 - 50000	4	1.41	189999	6.26
7	50001 - 100000	9	3.17	570980	18.81
8	100001 and above	13	4.58	2072761	68.28
	<b>TOTAL</b>	<b>284</b>	<b>100</b>	<b>3035750</b>	<b>100</b>

**j) Shareholding Pattern as on 31<sup>st</sup> March 2015:**

Category of shareholders	No. of shareholders	No. of shares	% age of shareholding
Promoters	19	2091217	68.89
Bodies Corporate (Promoters)	1	25300	0.83
Bodies Corporate (Others)	6	397675	13.10
Foreign Investors	1	16500	0.54
Others	257	505058	16.64
TOTAL	284	3035750	100

**Physical/NSDL/CDSL/Summary Report as on 31st March, 2015**

Particulars	Holders	Shares	Percentage
Physical	283	3035670	100
NSDL	-	-	-
CDSL	01	80	-
Total	284	3035750	100

**k) Dematerialisation and Liquidity:**

Taparia Tools Limited has completed all the formalities with CDSL and NSDL in regards to Dematerialisation of shares.

**l) Plant Locations**

- Nasik : 52 & 52B, MIDC Area, Trimbak Road, Satpur, Nashik - 422 007 (Maharashtra)
- Goa : Plot No. L-29, Cuncolim Industrial Estate, Cuncolim - 403 703 (Goa)

**m) Registered Office and Address for correspondence**

52 & 52B, MIDC Area, Trimbak Road, Satpur, Nashik - 422 007 (Maharashtra)

**16. Unclaimed Dividend Amounts:**

Pursuant to the provisions of Section 123 of the Companies Act, 2013, the dividend for the following years, which remain unclaimed for seven years, will be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

Members are also advised to update their correspondence address in their demat accounts in case of their holdings in electronic form or inform their latest correspondence address to the Registrars in case of holdings in physical form.

**17. CODE OF CONDUCT**

The members of the Board of Directors of TAPARIA TOOLS LTD acknowledge and accept the scope and extent of their duties as Directors.

The Code of Conduct as adopted by the Board of Directors is applicable to all Board Members, Senior Management and Head of Departments of the Company. They are entrusted with and are responsible for the oversight of the assets and business affairs of TAPARIA TOOLS LTD. in an honest, fair, diligent and ethical manner. They must act within the bounds of the authority conferred upon them and with the duty to make and enact informed decisions and policies in the best interests of the Company.

A declaration by the Chairman and Managing Director of the Company affirming the compliance of the Code by the Board Members and Senior Management is given at the end of the report.

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

Mumbai,  
8<sup>th</sup> August 2015

**H.N. Taparia**  
*Chairman & Managing Director*

# *Code of Conduct*

## **DECLARATION**

As provided under Clause 49 of the Listing Agreement with the Stock Exchange, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2015.

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

Mumbai,  
8<sup>th</sup> August 2015

**H.N. Taparia**  
*Chairman & Managing Director*

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## **CEO/CFO CERTIFICATION**

We, H.N. Taparia, Chairman and Managing Director and S.R. Bagad, Chief Financial Officer of Taparia Tools Limited, certify that:

1. We have reviewed the financial statements and cash flow statement for the year and that to the best of our knowledge and belief;
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) These statements give a true and fair view of the state of affairs of the company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or in violation of the company's Code of conduct.
3. We accept overall responsibility for the company's internal control system for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and reports significant issues to the Audit Committee of the Board. The auditors and audit committee are apprised of any corrective action taken with regard to significant deficiencies and material weaknesses.
4. We indicate to the auditors and to the audit committee:
  - 1) Significant changes in internal control over financial reporting during the year;
  - 2) Significant changes in accounting policies during the year;
  - 3) Instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the company's internal control system over financial reporting.

However, during the year there were no such changes or instances.

**H.N. Taparia**  
*Chairman & Managing Director*

**S.R. Bagad**  
*Chief Financial Officer*

Mumbai,  
8<sup>th</sup> August 2015

*Auditors' Certificate on Compliance with the conditions of Corporate Governance under clause 49 of the Listing Agreement*

To the shareholders of Taparia Tools Limited,

We have examined the compliance of the conditions of Corporate Governance by Taparia Tools Limited for the year ended 31st March, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange, Mumbai.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementations thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no Investor Grievances are pending for a period exceeding one month against the Company as per the record maintained by the Shareholders/Investors Grievance Committee.

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

**For BATLIBOI & PUROHIT**  
**Chartered Accountants**  
(Firm Reg. No. 101048W)

**Kaushal Mehta**  
*Partner*  
**(Membership no. 111749)**

Mumbai,  
8<sup>th</sup> August 2015

# *Independent Auditors' Report to the Members of Taparia Tools Limited*

## **Report on the Financial Statements**

We have audited the accompanying financial statements of Taparia Tools Ltd ('the Company') which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## **Auditors' 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 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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, 2015, and its profit and its cash flows for the year ended on that date.

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

- 1 As required by Companies (Auditors Report) Order 2015 issued by Central Government of India in terms of sub section 11 of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the order
- 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 purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss, and the 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 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, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - refer note 24 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For BATLIBOI & PUROHIT**  
**Chartered Accountants**  
(Firm Reg. No. 101048W)

**Kaushal Mehta**  
*Partner*  
**(Membership no. 111749)**

Mumbai,  
26<sup>th</sup> May, 2015



## Annexure to the 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) As informed fixed assets have been physically verified by the management during the year, and no material discrepancies were noted on such verification.
- (ii) (a) According to the information and explanation given to us, inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable;
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;
- (c) The Company is maintaining proper records of inventory. Discrepancies noted on physical verification of inventories were not material, and have been properly dealt with in the books of account.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) The Company has not accepted any deposits during the year within the meaning of the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to rules made by Central Government of India the maintenance of cost records specified under sub-section (1) of section 148 of the Act and are of the opinion that prima facie the prescribed records have been made and maintained. We have however not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any

other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues in respect of income-tax, which were outstanding, at the year end for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us the dues outstanding of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess that have not been deposited on account of any dispute are as follows:

Name of statute	Nature of dues	Amount (₹ in lakhs)	Period to which it relates	Forum where it is pending
Income Tax Act, 1961	Income tax	0.11	AY 2009-10	CIT (Appeals)
		9.20	AY 2011-12	CIT (Appeals)
Municipal Tax Act, 1963	Octroi duty High Court	4.91	1984,1985, 1986 and 1988	

- c. There are no amounts required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks and financial institutions. There were no outstanding dues to any denture holders anytime during the year.
- (x) The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) The Company has not taken any Term Loans.
- (xii) Based on the audit procedures performed and as per the information and explanation given by the management we report that no fraud on or by the Company has been noticed or reported during the year.

**For BATLIBOI & PUROHIT**  
**Chartered Accountants**  
(Firm Reg. No. 101048W)

**Kaushal Mehta**  
Partner

Mumbai,  
26<sup>th</sup> May, 2015

**(Membership no. 111749)**

*BALANCE SHEET as at 31st March, 2015**(₹ in Lakhs)*

	Note No.	As at 31st March, 2015	As at 31st March, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	303.58	303.58
Reserves & Surplus	2	6,539.75	5,581.81
		6,843.33	5,885.39
<b>Non-Current Liabilities</b>			
Long-term Borrowings	3	-	7.23
Long term Provisions	4	327.72	286.94
		327.72	294.17
<b>Current Liabilities</b>			
Short-term Borrowings	5	2,341.72	2,298.15
Trade Payables		1,659.13	1,564.25
Other Current Liabilities	6	554.86	257.82
Short-term Provisions	7	180.57	133.16
		4,736.28	4,253.38
	<b>Total</b>	<b>11,907.33</b>	<b>10,432.94</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Fixed Assets			
Tangible Assets	8	536.55	459.80
Intangible Assets		5.86	4.51
Deferred Tax Assets (net)		40.42	67.74
Long term Loans and Advances	9	57.50	57.50
		640.33	589.55
<b>Current Assets</b>			
Inventories	10	6,302.22	5,672.04
Trade Receivables	11	2,012.57	1,870.46
Cash and Bank Balances	12	57.53	71.12
Short-term Loans and Advances	13	2,886.60	2,226.08
Other Current Assets	14	8.08	3.69
		11,267.00	9,843.39
	<b>Total</b>	<b>11,907.33</b>	<b>10,432.94</b>

As per our report of even date

**For BATLIBOI & PUROHIT**  
Chartered Accountants  
(Firm Reg. No. 101048W)

**V. S. DATEY**  
Company Secretary

**H. N. TAPARIA**  
Chairman & Managing Director

**KAUSHAL MEHTA**  
Partner  
(Membership No.111749)  
Mumbai, May 26, 2015

**S. R. BAGAD**  
Chief Financial Officer

**D. P. TAPARIA**  
Director

## STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2015

(₹ in Lakhs)

	Note No.	2014-15	2013-14
<b>INCOME</b>			
Revenue from Operations	15	29,737.01	26,612.32
Other Income	16	12.43	125.42
<b>Total Revenue</b>		<b>29,749.44</b>	<b>26,737.74</b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed	17	1,426.33	1,313.20
Purchases of Traded Goods		18,453.64	16,838.19
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	18	(609.93)	(646.48)
Employee Benefits Expense	19	2,405.63	1,936.00
Finance Costs	20	165.60	162.89
Depreciation and Amortization Expense	21	(87.83)	85.12
Other Expenses	22	6,485.46	5,195.51
<b>Total Expenses</b>		<b>28,238.90</b>	<b>24,884.43</b>
Profit Before Tax		1,510.54	1,853.31
Income Tax Expenses :			
Current Tax		502.49	675.25
Deferred Tax		35.07	(13.43)
		537.56	661.82
Profit for the Year		<b>972.98</b>	<b>1,191.49</b>
Earnings per equity share of face value of ₹ 10 each (in ₹)			
Basic and Diluted		32.05	39.25
Significant Accounting Policies	23		
Notes on Financial Statements	24 - 37		

As per our report of even date

**For BATLIBOI & PUROHIT**  
Chartered Accountants  
(Firm Reg. No. 101048W)

**V. S. DATEY**  
Company Secretary

**H. N. TAPARIA**  
Chairman & Managing Director

**KAUSHAL MEHTA**  
Partner  
(Membership No.111749)  
Mumbai, May 26, 2015

**S. R. BAGAD**  
Chief Financial Officer

**D. P. TAPARIA**  
Director

## Notes forming part of the Financial Statements

(₹ in Lakhs)

	As at 31st March, 2015	As at 31st March, 2014
<b>1 SHARE CAPITAL</b>		
Authorised (50,00,000 Equity Shares of ₹ 10/- Each)	500.00	500.00
Issued, Subscribed and Paid up (30,35,750 Equity Shares of ₹ 10/- Each fully paid-up)	303.58	303.58
<b>a) Reconciliation of Shares Outstanding</b>		
Balance at the beginning of the year	30,35,750	30,35,750
Issued during the year	-	-
Balance at the end of the year	30,35,750	30,35,750
<b>b) Details of Shareholders holding more than 5% shares</b>		
Names of shareholders		
1. Shri Harnarayan Taparia	12.01%	12.01%
2. Veer Enterprises Ltd	9.04%	9.04%
3. Mrs. Rajdulari Devi Taparia	5.96%	5.96%
<b>c) Rights, Preference and Restriction attached to Shares</b>		
The Company has one class of Equity Shares having par value of ₹ 10/- per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.		
<b>2 RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
Balance at the beginning and end of the year	45.00	45.00
<b>Securities Premium Reserve</b>		
Balance at the beginning and end of the year	50.00	50.00
<b>Revaluation Reserve</b>		
As per last Balance Sheet	99.28	104.90
Transferred to Statement of Profit & Loss	-	(5.62)
Balance at the end of the year	99.28	99.28
<b>General Reserve</b>		
Balance at the beginning of the year	1,097.87	978.72
Transferred from Statement of Profit & Loss	97.26	119.15
Balance at the end of the year	1,195.13	1,097.87
<b>Surplus in Statement of Profit &amp; Loss</b>		
Balance at the beginning of the year	4,289.66	3,217.32
Add : Profit for the year	972.98	1,191.49
Add : Excess Depreciation Transferred to Reserve (Refer note 25)	(15.04)	-
Less : Transfer to General Reserve	97.26	119.15
Balance at the end of the year	5,150.34	4,289.66
	<b>6,539.75</b>	<b>5,581.81</b>

## Notes forming part of the Financial Statements

(₹ in Lakhs)

	As at 31st March, 2015	As at 31st March, 2014
<b>3 LONG TERM BORROWINGS</b>		
Deferred Payment Liabilities		
Sales Tax Deferral Loans (Unsecured)	-	7.23
	<b>-</b>	<b>7.23</b>
<b>4. LONG TERM PROVISIONS</b>		
Provision for employee benefits		
For Leave Encashment	177.98	180.41
For Group Gratuity	149.74	106.53
	<b>327.72</b>	<b>286.94</b>
<b>5. SHORT TERM BORROWINGS</b>		
Loans repayable on demand from Bank		
Working Capital Loan from HDFC Bank Ltd. (Secured)	2,334.49	2,276.92
Loans from the bank are secured by way of hypothecation first and exclusive charge on all present and future stocks, book debts and other current assets of the company		
Equitable mortgage on immovable property situated at 52 & 52B MIDC, Trimbak Road, Satpur, Nashik-422 007		
Other Loans and Advances :		
Sales Tax Deferral Loans (Unsecured)	7.23	21.23
	<b>2,341.72</b>	<b>2,298.15</b>
<b>6. OTHER CURRENT LIABILITIES</b>		
Other Payables :		
Payable towards statutory liabilities	77.23	52.00
Advance from Customers	63.83	27.82
Employee Benefits payable	413.80	178.00
	<b>554.86</b>	<b>257.82</b>
<b>7. SHORT TERM PROVISIONS</b>		
Income Tax (Net of Advance Tax)	124.66	79.80
Group Gratuity	55.91	53.36
	<b>180.57</b>	<b>133.16</b>

## Notes forming part of the Financial Statements

### 8. FIXED ASSETS

(₹ in Lakhs)

DESCRIPTION	GROSS BLOCK				DEPRECIATION					NET BLOCK		
	As on 01.04.2014	Additions	Sale/Disposal during the year	As on 31.03.2015	Up to 01.04.2014	*For the year	*Transaction Effect	Adjustments	Up to 31.03.2015	Transfer to reserve	As at 31.03.2015	As at 31.03.2014
<b>(A) Tangible Assets:</b>												
<b>(I) Own Assets</b>												
1) Land	30.27	-	-	30.27	-	-	-	-	-	-	30.27	20.48
2) Buildings	611.12	1.13	-	612.25	444.53	7.81	62.35	-	389.99	16.68	205.58	166.59
3) Plant & Equipment	1,968.78	7.91	5.45	1,971.24	1,808.29	44.38	69.65	5.41	1,777.61	1.93	191.70	160.48
4) Furniture & Fixtures	57.92	0.27	-	58.19	47.76	5.15	11.66	-	41.25	0.00	16.94	10.14
5) Vehicle	61.93	-	10.87	51.06	42.18	7.51	14.58	3.99	31.14	0.07	19.85	19.75
6) Office Equipment	31.05	1.92	-	32.97	17.26	4.99	2.55	-	19.70	2.47	10.80	13.79
7) Others												
(a) Electrical Installations	104.08	0.01	-	104.09	88.96	1.62	3.19	-	87.39	2.96	13.74	15.12
(b) Computers	73.73	6.28	-	80.01	67.66	8.30	3.90	-	72.06	(2.13)	10.08	6.06
<b>Sub Total</b>	2,938.88	17.52	16.32	2,940.08	2,516.64	79.76	167.88	9.40	2,419.14	21.98	498.96	412.41
<b>(II) Leased Assets</b>												
Land	54.75	-	-	54.75	17.16	-	-	-	17.16	-	37.59	47.39
<b>Total (A)</b>	2,993.63	17.52	16.32	2,994.83	2,533.80	79.76	167.88	9.40	2,436.30	21.98	536.55	459.80
<b>(B) Intangible Assets :</b>												
Software	44.91	2.48	-	47.39	40.42	1.39	1.10	-	40.71	0.82	5.86	4.50
<b>TOTAL (A) + (B)</b>	3,038.54	20.00	16.32	3,042.22	2,574.22	81.15	168.98	9.40	2,477.01	22.80	542.41	464.30
<b>Previous Year</b>	3,044.63	11.18	17.28	3,038.53	2,500.45	90.74	-	16.96	2,574.23	-	464.30	544.17

\* Refer note no. 25

(₹ in Lakhs)

	As at 31st March, 2015	As at 31st March, 2014
<b>9. LONG-TERM LOANS &amp; ADVANCES</b>		
Security Deposits	57.50	57.50
	<b>57.50</b>	<b>57.50</b>
<b>10. INVENTORIES</b>		
Raw Materials	433.48	405.73
Work-in-Progress	754.44	782.32
Finished Goods	322.63	135.64
Stock-in-Trade	4,506.38	4,063.31
Stores and Spares	212.05	220.92
Others :		
Components	45.61	44.24
Scrap	27.63	19.88
	<b>6,302.22</b>	<b>5,672.04</b>
<b>11. TRADE RECEIVABLES</b>		
<i>Unsecured, Considered Good</i>		
Outstanding for a period exceeding six months	-	-
Others	2,012.57	1,870.46
	<b>2,012.57</b>	<b>1,870.46</b>

## Notes forming part of the Financial Statements

(₹ in Lakhs)

	As at 31st March, 2015	As at 31st March, 2014
<b>12. CASH AND BANK BALANCES</b>		
a) Cash and Bank Balances		
Balances with Banks	37.14	59.63
Cash on hand	12.21	3.31
b) Other Bank Balances		
Margin money against LC	8.18	8.18
	<b>57.53</b>	<b>71.12</b>
<b>13. SHORT-TERM LOANS AND ADVANCES</b>		
Others		
<i>Unsecured (but considered good)</i>		
Advance to Employees	4.05	5.02
Advance to Suppliers	34.39	212.51
Advance Income Tax & T.D.S (Net)	0.45	11.58
M.V.A.T. Receivable	2,472.99	1,679.54
* Balance with Government Authorities	86.54	46.52
Other Receivables	24.70	47.30
Prepaid Expenses	22.71	21.21
Special Additional Duty Receivable	240.77	202.40
Others		
	<b>2,886.60</b>	<b>2,226.08</b>
* Service Tax, Cenvat, etc		
<b>14. OTHER CURRENT ASSETS</b>		
Interest Receivable	3.14	1.41
Outstanding Income	4.94	2.28
	<b>8.08</b>	<b>3.69</b>

## Notes forming part of the Financial Statements

(₹ in Lakhs)

	2014-2015	2013-2014
<b>15. REVENUE FROM OPERATIONS</b>		
Sale of Products		
Hand Tools Manufactured	7,935.69	7,192.75
Hand Tools Stock-in-Trade	22,572.72	20,110.92
<b>Other Operating Revenues</b>		
Sale of Scrap	103.12	94.43
Premium on DEPB Licence	1.30	1.82
	30,612.83	27,399.92
Less: Excise Duty	875.82	787.60
	<b>29,737.01</b>	<b>26,612.32</b>
<b>16. OTHER INCOME</b>		
Interest Income	4.88	24.06
Net Gain/ (Loss) on Sale of Fixed Assets	(6.03)	0.39
Special Additional Duty Receivable	1.24	84.28
Misc. Scrap Sales	12.02	16.16
Foreign Exchange Rate Difference	-	-
Sundry Credit Balances Written Back	0.32	0.53
	<b>12.43</b>	<b>125.42</b>
<b>17. COST OF RAW MATERIAL CONSUMED</b>		
Opening Stock	405.73	529.56
Add : Purchases	1,454.08	1,189.37
	1,859.81	1,718.93
Less : Closing Stock	433.48	405.73
	1,426.33	1,313.20
Details of Raw Materials consumed		
Steel	837.89	829.83
Cellulose Acetate Granules and others	588.44	483.37
	<b>1,426.33</b>	<b>1,313.20</b>
<b>18. CHANGES IN INVENTORY</b>		
Opening Stock :		
Finished Goods	135.64	242.59
Work-in-Progress	782.32	702.94
Scrap	19.88	10.62
Stock in Trade	4,063.31	3,398.52
	5,001.15	4,354.67
C/F		



## Notes forming part of the Financial Statements

(₹ in Lakhs)

	2014-2015	2013-2014
B/F	5,001.15	4,354.67
Less : Closing Stock		
Finished Goods	322.63	135.64
Work-in-Progress	795.70	782.32
Scrap	27.62	19.88
Stock in Trade	4,465.13	4,063.31
	<b>5,611.08</b>	<b>5,001.15</b>
	<b>(609.93)</b>	<b>(646.48)</b>
<b>19. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages	2,004.00	1,537.90
Managerial Remuneration	70.04	106.15
Contribution to PF and Other Funds	140.18	138.79
Employee Group Gratuity	141.28	107.96
Staff Welfare Expenses	50.13	45.20
	<b>2,405.63</b>	<b>1,936.00</b>
<b>20. FINANCE COST</b>		
Interest expenses	165.35	162.59
Other Borrowing Cost	0.25	0.30
	<b>165.60</b>	<b>162.89</b>
<b>21. DEPRECIATION &amp; AMORTISATION EXPENSES</b>		
Depreciation for the year (As per Note 8 to the Balance Sheet)	81.15	90.74
Less : Depreciation Written back on Change of method (refer note 25)	168.98	-
Transferred from Revaluation Reserve	-	5.62
	<b>(87.83)</b>	<b>85.12</b>
<b>22. OTHER EXPENSES</b>		
Manufacturing Expenses:		
Consumption of stores and Spare Parts	696.11	622.00
Power and Fuel	554.38	470.48
Water Charges	7.84	9.66
Repairs to Buildings	17.20	74.32
Repairs to Machinery	68.68	32.71
Job Work Labour Charges	510.81	373.37
Freight & Carriage	147.60	164.45
Other Manufacturing Expenses	696.01	152.34
C/F	2,698.63	1,899.33

*Notes forming part of the Financial Statements*

(₹ in Lakhs)

		2014-2015	2013-2014
	B/F	2,698.63	1,899.33
Other Administrative Expenses:			
Rent		19.53	17.65
Rates & Taxes		257.77	246.45
Travelling & Conveyance		38.10	42.66
Insurance		15.90	15.81
Professional & Legal Expenses		111.62	30.76
Directors' Sitting Fees		4.60	1.56
Repairs to Others		2.61	3.25
Auditors' Remuneration			
As Auditor		3.00	1.20
Taxation Matters		0.60	0.60
Company Law Matters		0.20	0.15
Reimbursement of Expenses		0.58	0.41
Printing & Stationery		19.39	14.75
Bad Debts Written Off		1.68	3.90
CSR Expenditure		29.76	18.88
Miscellaneous Expenses		76.51	75.56
		581.85	473.59
Selling & Distribution Expenses :			
Forwarding Expenses		389.50	332.77
Advertising/Sales Promotion Expenses and Incentive		737.72	632.48
Selling Commission		2,077.76	1,857.34
		<b>3,204.98</b>	<b>2,822.59</b>
		<b>6,485.46</b>	<b>5,195.51</b>

## *Notes forming part of the Financial Statements*

### **23. Significant Accounting Policies:**

a) Basis of accounting and preparation of financial statements

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India ( Indian GAAP), including the Accounting Standards notified under Section 133 and the relevant provisions of the Companies Act, 2013.

The Financial Statements are prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts.

b) Fixed assets

Fixed Assets are stated at cost of acquisition inclusive of freight, duties and taxes and incidental expenses and adjusted by revaluation of certain assets.

c) Depreciation and Amortization

Depreciation is provided on Straight Line Method (SLM) on the cost of fixed assets less residual value during the useful life of assets as per Schedule II of the Companies Act, 2013.

d) Inventories

Inventories are valued at the lower of weighted average cost and net realizable value except waste / scrap which is valued at realizable value.

Finished goods and process stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Obsolete, defective and unserviceable inventories are duly provided for.

e) Employee benefits

i) Retirement Benefits

The Company's contributions to Provident Fund/Gratuity are charged against revenue. The Gratuity Benefits are administered by a trust formed for this purpose through the Group Gratuity Scheme of the LIC of India and contributions are made on actuarial valuation basis.

ii) Leave Encashment Benefits

Employees of the Company are eligible for Leave Encashment Benefit as per rules of the Company. Provision for Leave Encashment is determined accordingly and provided in the Accounts.

f) Income Tax:

Tax expense comprises of current tax, deferred tax charge or credit. Credit Tax is measured at the amount executed to be paid to the tax authorities in accordance with the Indian Income Tax Act.

The Company has accounted for Deferred Tax in accordance with the Accounting Standard - 22 "Accounting for taxes on Income" issued by the Council of the Institute of Chartered Accountants of India. Accordingly, the deferred tax during the year for timing difference is accounted using tax rates that have been enacted; the net difference arising thereon is accounted in the Financial Statements.

g) Revenue Recognition

Sales are recognized, net of returns and trade discount, on dispatch of goods to customers, sales tax and value added tax are excluded.

h) Prior Period Items

Prior period items, if material, are separately disclosed in the Profit and Loss account together with the nature and amount.

## i) Foreign currency transactions

Foreign currency transactions are accounted for at the rate prevailing on the date of transaction. Foreign currency monetary assets and liabilities at the Balance Sheet date are restated at year-end rate.

## j) Lease Accounting

Operating Leases: Leasing of assets whereby the lessor essentially remains the owner of the asset classified as operating leases. The payments made by the Company as lessee in accordance with operational leasing contracts or rental agreements are expensed proportionally during the lease or rental period respectively. Any compensation, accordingly to agreement, that the lessee is obliged to pay to the lessor if the leasing contract is terminated prematurely is expensed during the period in which the contract is terminated.

## k) Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is an indication of impairment based on the internal and external factors.

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable amount. An impairment loss, if any, is charged to the Profit and Loss Account in the year in which the asset is identified as impaired. Reversal of impairment loss recognized in prior years is recorded when there is an indication that impairment loss recognized for the asset no longer exists or has been decreased.

## l) Cash and Cash Equivalents:

Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**24) Provisions and contingencies**

Contingent Liabilities as on 31-03-2015 not provided for in respect of:

- a) Estimated amount of contract remaining to be executed on capital account is Nil (Nil).
- b) Claims against the Company not acknowledged as Debts are in respect of labour matters are ₹ 59.92 lakhs (₹ 59.92 lakhs).
- c) Constrained Octroi Duty ₹ 4.91 lakhs ( ₹ 4.91 lakhs)
- d) Bank Guarantee of ₹ 1.00 lakh (₹ 1.00 lakhs)

**25) Depreciation**

1. During the current year, the Company has revised its accounting policy in respect of depreciation method of its fixed assets where depreciation was provided in the previous years under the "written down value method". Based on an evaluation carried out by the management in the current year, fixed assets are now being depreciated on 'straight line method' over the expected useful life of the fixed assets as against written down value method. This change in accounting policy has been made as it would result in a more appropriate presentation of the financial statements. As a result of this change, depreciation has been calculated retrospectively on straight line method and accordingly the company has recorded reversal of depreciation expense amounting to Rs. 1,68,97,929 pertaining to the previous years in the current year's Statement of Profit & Loss.
2. Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets (determined after considering the change in the method of depreciation from WDV to SLM), after retaining the residual value, where the remaining useful life of the asset was determined to be nil as on April, 2014, and has adjusted an amount of Rs. 15,04,967 against the opening balance of the Statement of Profit and Loss ( net of deferred tax).

3. The depreciation expense in the Statement of Profit and Loss for the year is higher by Rs. 6,22,437 consequent to the above change in the method of depreciation, and lower by Rs. 33,45,958 due to change in estimates of useful life.

## 26) Segment reporting

The Company is exclusively in the hand tools business segment.

## 27) Related Party Disclosures

Disclosures as required by Accounting Standard - 18 "Related Party Disclosures" are given below:

- a) List of Related Parties/Associates/Subsidiary Companies : Nil
- b) Key Management Personnel (KMP) : Shri H. N. Taparia (Chairman and Managing Director)  
Shri Sivaramakrishnan (Director – Operations)  
Shri V. S. Datey (Company Secretary)  
Shri S.R. Bagad (Chief Financial Officer)
- c) Details of transactions relating to KMP  
as referred to in item (b) above : Remuneration : ₹ 70.04 lakhs (Refer Note No. 30)

## 28) Earnings per share

	March 31, 2015	March 31, 2014
a) Net Profit as per P&L Account available for Equity Shareholders	₹ 972.62 lakhs	₹ 1191.49 lakhs
b) No. of Equity Shares (Basic /diluted)	30,35,750	30,35,750
c) Earnings per share	₹ 32.04	₹ 39.25

## 29) Deferred Tax Assets and Liabilities

The breakup of deferred tax assets and liabilities into major components at the year-end is as below:

	March 31, 2015 (₹ in lakhs)	March 31, 2014 (₹ in lakhs)
Deferred Tax Assets:		
Depreciation	-20.58	5.90
Expenditure u/s. 43B of the Income Tax Act, 1961	61.00	61.84
Net deferred tax Asset/ (Liability)	40.42	67.74

## 30) Remuneration of Managerial Personnel

Remuneration to Managing Director/Whole time Directors paid/payable during the year u/s. 197 of the Companies Act, 2013:

	2014-2015	2013-2014
Salaries and Allowances	64.46	92.02
Perquisites	5.58	20.49
TOTAL	70.04	112.51

*Note: As the liability for gratuity and leave encashment is provided on an actuarial basis of the Company as a whole, the amount pertaining to the directors is not ascertainable and therefore, not included above.*

- 31) Balances of certain Debtors, Creditors and advances for which confirmations have not been received, are subject to reconciliations.

**32) Lease**

The Company has taken certain office/factory premises on operating lease basis. Lease payments in respect of such leases recognized in statement of Profit & Loss ₹ 22.86 lakhs (previous year ₹ 23.20 lakhs)

**33) Foreign Currency Exposure**

Particulars of Unhedged Foreign Currency Exposure:

Particulars of Derivative	31-03-2015		31-03-2014	
	Amount (₹)	Foreign Currency (US \$)	Amount (₹)	Foreign Currency (US \$)
Export Debtors	3452577.06	55161.80	4126015.00	68624.30
Advances for Imports	Nil	Nil	17786649.00	293826.27

**34) Retirement Benefit Plans**

## a) Defined Contribution Plans:

Contribution to Defined contribution Plans is recognized as expense in the statement of Profit and Loss, as they are incurred.

## b) Defined Benefit Plan:

The Company makes annual contributions to employees' group gratuity-cum-life assurance scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The present value of the defined benefit obligation and the related current service cost were measured using the projected unit credit method with actuarial valuation being carried out at each balance sheet date.

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to build up the final obligation.

The following table sets out the funded status of the gratuity plan and the amounts recognized in the company's financial statement as at March 31st 2015:

Sr. No.	Particulars	(₹ in lakhs)	
		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<i>I</i>	<i>Change in benefit obligation</i>		
	Projected benefit obligation as on 01-04-2014	637.73	568.93
	Service Cost	21.86	19.34
	Interest Cost	57.59	45.51
	Actuarial (gain)/loss	55.17	79.97
	Actuarial Gain Due to Change in Financial Assumption	33.99	
	Benefit paid	(83.39)	(76.02)
	Projected benefit obligation, end of the year	722.95	637.73
<i>II</i>	<i>Change in plan assets:</i>		
	Fair value of plan assets as on 01-04-2014	477.84	441.15
	Expected return on plan assets	41.57	38.38
	Employer's contributions	95.52	75.28

Benefit paid	(83.39)	(76.02)
Actuarial gain	(14.24)	(0.95)
Fair value of plan assets at the year end	517.30	477.84
Excess of (obligation over plan assets)/ plan assets over obligation	103.40	80.92
<i>III. Net gratuity and other cost for year ended 31-03-2015</i>		
Service cost	21.86	19.34
Interest on defined benefit obligation	16.01	45.51
Expected return on plan assets		(38.38)
Net actuarial gain recognized in the year	103.41	80.92
Net gratuity and other costs	141.28	107.39
<i>IV. Category of assets as at 31-03-2015:</i>		
Insurer Managed Funds	517.30	477.84
Others		-
Total	517.30	477.84
<i>V. Assumptions used in accounting for the gratuity plan:</i>		
	%	%
Discount rate	7.95	8.00
Salary escalation rate	7.50	7.50
Expected rate of the return on plan assets	7.95	8.70

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

### 35) Research and Development Expenses

Expenditure on Research and Development is as under:

Capital	-
Recurring	₹ 134.00 Lakhs
Total	₹ 134.00 Lakhs
Total R & D Expenditure as percentage of Total Turnover	0.45%

### 36) Additional Information:

(i) Value of consumption of Raw Materials, Stores, Spare Parts and Components

	(₹ in Lakhs)		Percentage	
Imported	2.18	(5.90)	0.10%	0.30%
Indigenous	2122.42	(1935.21)	99.90%	99.70%

(ii)	Value of Imports on CIF Basis		
	Raw materials	Nil	(Nil)
	Stores and Spare parts	2.18	(12.25)
	Capital Goods	0	(Nil)
	Traded Goods	2037.36	(1771.56)
(iii)	Expenditure in Foreign Currency		
	Travel	0.36	(7.04)
	Sales Promotion and commission	2.55	(5.62)
(iv)	Earnings in Foreign Currency		
	FOB Value of Exports	225.16	(350.05)

*Note : Figures in brackets are of previous year*

**37)** Previous Year's figures have been recast/regrouped wherever necessary.

### Signatures to Notes 1 to 37

As per our report of even date

**For BATLIBOI & PUROHIT**

*Chartered Accountants*

(Firm Reg. No. 101048W)

**H. N. TAPARIA**  
*Chairman & Managing Director*

**KAUSHAL MEHTA**

*Partner*

(Membership No.111749)

Mumbai, 26th May, 2015

**S.R. BAGAD**  
*Chief Financial Officer*

**D. P. TAPARIA**  
*Director*



## Cash Flow Statement

(₹ in lakhs)

	As at 31st March 2015	As at 31st March 2014
<b>A Cash Flow from Operating Activities</b>		
Net Profit before tax	1,510.54	1,853.31
<i>Adjusted for :</i>		
Depreciation	(87.83)	85.12
(Loss) on Sale of Fixed Assets	6.03	(0.39)
Special Additional Duty	(1.24)	(84.28)
Sundry Credit Balance Written Off	0.32	0.53
Bad Debts Written off	1.68	3.90
Finance Costs	165.60	162.89
	84.55	
<b>Operating Profit before working Capital Changes</b>	<b>1,595.10</b>	<b>2,020.02</b>
Working capital changes:		
Inventories	(630.19)	(545.49)
Trade receivables	(141.77)	(37.92)
Loans and advances	(660.56)	(430.00)
Other current assets	(4.72)	2.27
Trade payables	94.94	(3.16)
Other current Assets	297.03	27.17
Provisions	61.68	77.50
	(983.59)	(909.63)
<b>Cash Generated from Operations</b>	<b>611.51</b>	<b>1,110.39</b>
Income Tax Paid	405.00	595.00
<b>Net Cash flow from Operating Activities</b>	<b>206.51</b>	<b>515.39</b>
<b>B Cash Inflow from investing activities</b>		
Purchase of fixed assets	(20.00)	(11.20)
Sale of fixed assets	0.89	0.72
Margin money deposit for letter of credit	8.18	9.44
<b>Net Cash used in investing activities</b>	<b>(10.93)</b>	<b>(1.04)</b>

(₹ in lakhs)

	As at 31st March 2015	As at 31st March 2014
<b>C Cash Inflow from financing activities</b>		
(a) Repayment of long-term borrowings	-	(21.23)
(b) Proceeds from short-term borrowings	(43.57)	(290.16)
(c) Finance Cost	(165.60)	(162.89)
<b>Net Cash flow from financing activities</b>	<b>(209.17)</b>	<b>(474.28)</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(13.59)</b>	<b>40.08</b>
<b>Add: Cash and cash equivalents at the beginning of the period</b>	<b>62.93</b>	<b>22.85</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>49.34</b>	<b>62.93</b>

As per our report of even date

**For BATLIBOI & PUROHIT**Chartered Accountants  
(Firm Reg. No. 101048W)**V. S. DATEY**

Company Secretary

**H. N. TAPARIA**

Chairman &amp; Managing Director

**KAUSHAL MEHTA**Partner  
(Membership No.111749)  
Mumbai, May 26, 2015**S. R. BAGAD**

Chief Financial Officer

**D. P. TAPARIA**

Director





*Notes*

Lined area for notes, consisting of 25 horizontal lines.



## TAPARIA TOOLS LTD.

(Regd. Office : 52 & 52B, MIDC Area, Satpur, Nashik – 422 007)  
Tele. :(0253) 2350317/318/418, Fax : (0253) 2350740 • E-Mail: nashik@tapariatools.com  
CIN :L99999MH1965PLC013392

### 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]

Name of the member (s) : \_\_\_\_\_

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

E-mail Id : \_\_\_\_\_

Folio No. : \_\_\_\_\_

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 / her

2. Name : \_\_\_\_\_

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

E-mail Id : \_\_\_\_\_

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

3. Name : \_\_\_\_\_

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

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 49<sup>th</sup> Annual general meeting of the company, to be held on Tuesday, 29<sup>th</sup> September 2015 at 9.30 A.M. at BON VIVANT, Patil Park, Old Gangapur Naka, Opp. to Dongre Vasti Gruha, Nashik - 422 002 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

<b>Resolution No.</b>	<b>Description of Resolution</b>	<b>For</b>	<b>Against</b>
1	Adoption of the Audited Balance Sheet as at March 31, 2015 and Statement of Profit and Loss for the financial year ended on that date and the Reports of the Board of Directors and the Auditors thereon.		
2	Appointment of Director in place of Shri J.K. Taparia (DIN:00126945), who retires by rotation and being eligible, offers himself for re-appointment.		
3	Re-appointment of M/s. Batliboi & Purohit, Chartered Accountants, Mumbai (Registration No.101048W) and to fix their remuneration for the financial year ending 31 <sup>st</sup> March 2015.		
4	Re-appointment of Shri H.N. Taparia (DIN: 00126774) as Managing Director for a period of five years w.e.f. 17-09-2015 on a remuneration.		
5	Appointment of Miss Bhavna Shewakram Shamdasani ((DIN:6980759), as an Independent Director of the Company.		
6	Appointment of Shri Shyam Malpani (DIN: 00205471), as an Independent Director of the Company.		

Signed this \_\_\_\_\_ day of September, 2015

Affix ₹ 1 Revenue Stamp
-------------------------------

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

**Note: 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.**



## **TAPARIA TOOLS LTD.**

(Regd. Office : 52 & 52B, MIDC Area, Satpur, Nashik – 422 007)  
Tele. : (0253) 2350317/318/418, Fax : (0253) 2350740 • E-Mail: nashik@tapariatools.com  
CIN : L99999MH1965PLC013392

### **ATTENDANCE SLIP 49th ANNUAL GENERAL MEETING**

Member's Folio Number

Name of the attending Member

Name of the Proxy

I/We hereby record my/our presence at the 49<sup>th</sup> Annual General Meeting of the Shareholders of the Company at BON VIVANT, Patil Park, Old Gangapur Naka, Opp. to Dongre Vasti Gruha, Nashik – 422 002 on Tuesday, the 29<sup>th</sup> day of September, 2015 at 9.30 a.m.

\_\_\_\_\_  
First/Sole Holder / Proxy

\_\_\_\_\_  
Second Holder / Proxy

\_\_\_\_\_  
Third Holder / Proxy

#### NOTES:

1. The Member/proxy must bring the attendance slip to the Meeting duly completed and signed and hand over the same at the entrance of the Meeting Hall.
2. Please bring your copy of enclosed Annual Report and Accounts.
3. No attendance slip will be issued on the date of Annual General Meeting.
4. Photo copy/torn attendance slip will not be accepted at the entrance of the Meeting Hall.

**FORM A**

**Covering letter of the annual audit report to be filed with the Stock Exchange**

1	Name of the company	Taparia Tools Limited
2	Annual financial statements for the year ended	31 <sup>st</sup> March 2015
3	Type of Audit observation	Un-qualified
4	Frequency of observation .....	Not applicable
5	<p>To be signed by-</p> <p>Chairman &amp; Managing Director <input type="checkbox"/></p> <p>Chief Financial Officer</p> <p>Audit Committee Chairman</p> <p>Auditor of the company</p>	<p>For Taparia Tools Ltd.</p> <p><i>H.N. Taparia</i></p> <p>H.N. Taparia Chairman &amp; Managing Director</p> <p>For Taparia Tools Ltd.</p> <p><i>S.R. Bagad</i></p> <p>S.R. Bagad Chief Financial Officer</p> <p>For Taparia Tools Ltd.</p> <p><i>G.S. Manasawala</i></p> <p>G.S. Manasawala Audit Committee Chairman</p> <p>For Batliboi &amp; Purohit, Chartered Accountants (Firm Regn. No.101048W)</p> <p><i>Atul Mehta</i></p> <p>Atul Mehta Partner (Membership No. 15935)</p>