

# 72<sup>ND</sup> ANNUAL REPORT 31<sup>ST</sup> MARCH, 2017



**TECIL CHEMICALS AND  
HYDRO POWER LIMITED**

**BOARD OF DIRECTORS**

MR. SHREENIWAS B. SOMANI

MR. VARGHESE KURIAN

MRS. LIZHYAMMA KURIAN

MR. SHAJI MATHEW KALLADAYIL

MR. PARAMESWARAN  
RADHAKRISHNAN NAIRMR. PUTHUPARAMBIL  
PARAMESWARAN PILLAI  
VIJAYAKUMAR

MR. PRAKASH CHAND JAIN

MR. GHANSHYAM JOSHI

MRS. SHANTA SOMANI

MR. TOBY ANTONY

**COMPLIANCE OFFICER****CHIEF FINANCIAL OFFICER (CFO)****BANKERS****STATUTORY AUDITORS****INTERNAL AUDITORS****REGISTERED OFFICE****CORPORATE OFFICE****REGISTRAR AND  
SHARE TRANSFER AGENTS**

CHIEF EXECUTIVE OFFICER (CEO)

CHAIRMAN AND MANAGING DIRECTOR  
(with effect from 01/09/2017)WHOLE-TIME DIRECTOR  
(with effect from 01/09/2017)WHOLE-TIME DIRECTOR  
(with effect from 01/09/2017)NON-EXECUTIVE INDEPENDENT DIRECTOR  
(with effect from 01/09/2017)NON-EXECUTIVE INDEPENDENT DIRECTOR  
(with effect from 01/09/2017)NON-EXECUTIVE INDEPENDENT DIRECTOR  
(up to 01/09/2017)NON-EXECUTIVE INDEPENDENT DIRECTOR  
(up to 01/09/2017)WHOLE TIME DIRECTOR  
(up to 01/09/2017)NON-EXECUTIVE INDEPENDENT DIRECTOR  
(up to 01/09/2017)MISS HARSHALI SHIRODKAR  
(up to 01/09/2017)MR. RAMASUBRAMONIA IYER  
(up to 01/09/2017)STATE BANK OF INDIA  
AND

AXIS BANK LIMITED

M/S. VMD AND COMPANY,  
MUMBAIM/S. SARDA SONI ASSOCIATES LLP,  
MUMBAIP.O. CHINGAVANAM,  
DIST. - KOTTAYAM,  
KERALA - 686 531EMPIRE HOUSE, 3<sup>RD</sup> FLOOR,  
214, DR. D. N. ROAD, FORT,  
MUMBAI - 400 001LINK INTIME INDIA PRIVATE LIMITED  
C-101, 247 PARK,  
LAL BAHADUR SHASHRI MARG,  
VIKROLI (WEST),  
MUMBAI - 400 083Email Id - [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)WEBSITE : [www.tecilchemicals.com](http://www.tecilchemicals.com)  
E-MAIL ID : [tecilchemicals@gmail.com](mailto:tecilchemicals@gmail.com)

**TECIL CHEMICALS AND HYDRO POWER LIMITED**

Registered Office: P.O. CHINGAVANAM, DIST. KOTTAYAM, KERALA – 686 531

CIN No.- L24299KL1945PLC001206

Website: [www.tecilchemicals.com](http://www.tecilchemicals.com)

Email Id: [tecilchemicals@gmail.com](mailto:tecilchemicals@gmail.com)

**NOTICE CONVENING ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the **SEVENTY SECOND ANNUAL GENERAL MEETING** of the Shareholders of **TECIL CHEMICALS AND HYDRO POWER LIMITED** will be held at P.O. Chingavanam, Dist. Kottayam, Kerala - 686 531 on **Thursday, 28<sup>th</sup> September, 2017 at 04:00 P.M.**, to transact the following business:

**ORDINARY BUSINESS :**

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31/03/2017 and the Report of Board of Director's and Auditors thereon.
2. To consider and if, thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution-

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and The Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. S. R. Pai & Co., Chartered Accountants (Reg. No. -010793S), be and are hereby appointed as Statutory Auditors of the Company (in place of M/s. VMD & Co., Chartered Accountants (Reg. No. 125002W), whose tenure will conclude at the ensuing Annual General Meeting) to hold office from the conclusion of Seventy Second Annual General Meeting of the Company till the conclusion of Seventy Seventh Annual General Meeting (subject to ratification of their appointment by the Members) of every intervening Annual General Meeting held after this Annual General Meeting on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to any Tax as may be applicable and re-imbursalment of out of pocket expenses incurred by them in connection with audit of the Accounts of the Company."

**SPECIAL BUSINESS :**

3. **APPOINTMENT OF MR. VARGHESE KURIAN AS REGULAR DIRECTOR DESIGNATED AS MANAGING DIRECTOR OF THE COMPANY**

To consider and if, thought fit, to pass the following resolution as Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Varghese Kurian (DIN No. - 01114947), who was appointed as an Additional Director of the Company and in respect of whom the Company has received a notice in writing along with requisite deposit from him proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the relevant rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and hereby given for appointment of Mr. Varghese Kurain (DIN No. -01114947) as Managing Director of the Company for a period of three years with effect from 01<sup>st</sup> September, 2017 on the terms and conditions as set out in Explanatory Statement annexed to this Notice convening this meeting.

**RESOLVED FURTHER THAT** any one of the Board of Directors of the Company be and is hereby authorised to file E-Form DIR-12 with the Registrar of Companies (ROC) and to do all such acts, deeds and things as may be necessary in this regard."

4. **APPOINTMENT OF MRS. LIZHYAMMA KURIAN AS REGULAR DIRECTOR DESIGNATED AS WHOLE TIME DIRECTOR**

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 Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Lizhyamma Kurian (DIN No. - 01114716), who was appointed as an Additional Director of the Company and in respect of whom the Company has received a notice along with requisite deposit in writing from her proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the relevant rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and hereby given for appointment of Mrs. Lizhyamma Kurian (DIN No. - 01114716) as Whole Time Director of the Company for a period of three years with effect from 01<sup>st</sup> September, 2017 on the terms and conditions as set out in Explanatory Statement annexed to this Notice convening this meeting.

**RESOLVED FURTHER THAT** any one of the Board of Directors of the Company be and is hereby authorised to file E-Form DIR-12 with the Registrar of Companies (ROC) and to do all such acts, deeds and things as may be necessary in this regard."

**5. APPOINTMENT OF MR. SHAJI MATHEW KALLADAYIL AS REGULAR DIRECTOR DESIGNATED AS WHOLE TIME DIRECTOR**

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 Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Shaji Mathew Kalladayil (DIN No. - 01866682), who was appointed as an Additional Director of the Company and in respect of whom the Company has received a notice along with requisite deposit in writing from him proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the relevant rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and hereby given for appointment of Mr. Shaji Mathew Kalladayil (DIN No. - 01866682) as Whole Time Director of the Company for a period of three years with effect from 01<sup>st</sup> September, 2017 on the terms and conditions as set out in Explanatory Statement annexed to this Notice convening this meeting.

**RESOLVED FURTHER THAT** any one of the Board of Directors of the Company be and is hereby authorised to file E-Form DIR-12 with the Registrar of Companies (ROC) and to do all such acts, deeds and things as may be necessary in this regard."

**6. APPOINTMENT OF MR. PARAMESWARAN RADHAKRISHNAN NAIR AS REGULAR DIRECTOR DESIGNATED AS NON-EXECUTIVE INDEPENDENT DIRECTOR**

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 Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Parameswaran Radhakrishnan Nair (DIN No. - 06907573), who was appointed as an Additional Director of the Company and in respect of whom the Company has received a notice in writing along with requisite deposit from him proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Parameswaran

Radhakrishnan Nair (DIN No. - 06907573), be and is hereby appointed as Non-Executive Independent Director of the Company for a term of five consecutive years with effect from 01<sup>st</sup> September, 2017.

**RESOLVED FURTHER THAT** any one of the Board of Directors of the Company be and is hereby authorised to file E-Form DIR-12 with the Registrar of Companies (ROC) and to do all such acts, deeds and things as may be necessary in this regard."

**7. APPOINTMENT OF MR. PUTHUPARAMBIL PARAMESWARAN PILLAI VIJAYAKUMAR AS REGULAR DIRECTOR DESIGNATED AS NON-EXECUTIVE INDEPENDENT DIRECTOR**

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 Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Puthuparambil Parameswaran Pillai Vijayakumar (DIN No. - 06907566), who was appointed as an Additional Director of the Company and in respect of whom the Company has received a notice in writing along with requisite deposit from him proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Puthuparambil Parameswaran Pillai Vijayakumar (DIN No. - 06907566), be and is hereby appointed as Non-Executive Independent Director for a term of five consecutive years with effect from 01<sup>st</sup> September, 2017.

**RESOLVED FURTHER THAT** any one of the Board of Directors of the Company be and is hereby authorised to file E-Form DIR-12 with the Registrar of Companies (ROC) and to do all such acts, deeds and things as may be necessary in this regard."

**Notes:**

1. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
2. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
3. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint one or more proxies to attend and vote on a poll instead of himself/herself and such proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than forty-eight hours before the commencement of AGM. The Instrument of Proxy in Form MGT 11 to be used in this AGM is enclosed.

Pursuant to Section 105 of the Companies Act, 2013 read with Clause 6 of the Secretarial Standard- 2, issued by the Institute of Company Secretaries of India, a person can act as proxy on behalf of Members not exceeding Fifty (50) and holding in the aggregate not more than 10% (Ten) of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% (Ten) of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

4. Corporate Members/Societies intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of the Board of Directors / Governing Board Resolution authorizing their representatives to attend and vote on their behalf at the AGM. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a

- certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
  6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
  7. Pursuant to the provision of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books shall remain closed from 25<sup>th</sup> September, 2017 to 28<sup>th</sup> September, 2017 (both days inclusive).
  8. Members holding shares in dematerialized mode are requested to intimate changes with respect to the Bank details, mandate, nomination, power of Attorney, change of address, change in name etc. to their Depository Participants (DP). These changes will be automatically reflected in company's records, which will help the company to provide efficient and better service to the members.
  9. Members holding in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime India Private Limited for consolidation into a single folio.
  10. 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 / Link Intime India Private Limited.
  11. Members holding shares in their single name are advised to make a nomination in respect of their shareholding in the Company. The Nomination Form can be down from the Company's Website - [www.tecilchemicals.com](http://www.tecilchemicals.com) by accessing the icon of Companies Act, 2013 Compliance. Members holding shares in physical form should file their Nomination Form with the Company whilst the Members holding shares in dematerialized form should file their Nomination Form with their DP.
  12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
  13. Profile(s) of the Director(s) seeking appointment as required by Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and clause 1.2.5 of Secretarial Standards - 2 on General Meeting is annexed to this Notice.
  14. A person who is not a member as on cut-off date should treat this Notice for information purpose only.
  15. The Annual Report for Financial Year 2016-17 of the Company circulated to the Members of the Company, shall be made available on the Company's website at [www.tecilchemicals.com](http://www.tecilchemicals.com).
  16. Members who wish to obtain information concerning the Annual Report of the Company may send their queries at least 7 days before the date of Meeting, to the Company at the Corporate Office of the Company.
  17. The Members are requested to contact the Company's Registrars and Share Transfer Agents - Link Intime India Limited for all their queries, transfer requests, or any other matter relating to their shareholding in the Company and quote their Registered Folio Numbers / Client ID Nos. in all correspondences with the Company / with the Registrars.
  18. The Members who are holding shares in physical form are requested to send their Specimen Signature duly attested by Bank to the Company's Registrar And Share Transfer Agent-Link Intime India Limited at C-101, 247 Park, Lal Bahadur Shastri Marg, Vikroli (West), Mumbai - 400 083. Email id - [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in)
  19. A Route Map showing directions to reach the venue of the 72<sup>nd</sup> Annual General Meeting is given at the end of the notice as per the requirement of Secretarial Standards - 2 on "General Meeting".

20. Attendance slip and Proxy Form of the Meeting is annexed with this Annual Report.
21. Voting through electronic means:-

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 72<sup>nd</sup> AGM. The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL). The Company has appointed Dr. S. K. Jain, Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

The instructions to members for voting electronically are as under:-

- (i) The Remote E-Voting period begins on Monday, 25<sup>th</sup> September, 2017 at 09:00 A.M. and will end on Wednesday, 27<sup>th</sup> September, 2017 at 05:00 P.M. During this period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday, 21<sup>st</sup> September, 2017, may cast their vote electronically. The Remote E-Voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the E-Voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on Shareholders
- (iv) 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
- (v) Next enter the Image Verification as displayed and Click on Login
- (vi) 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
- (vii) If you are a first time user follow the steps given below:
- (viii) After entering these details appropriately, click on "SUBMIT" tab.

<b>For Members holding shares in DEMAT Form and Physical Form</b>	
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both DEMAT shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 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>
<b>DOB</b>	Enter the Date of Birth as recorded in your DEMAT Account or in the company records for the said DEMAT Account or folio in dd/mm/yyyy format.
<b>Dividend Bank Details</b>	Enter the Dividend Bank Details as recorded in your DEMAT account or in the Company records for the said DEMAT account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)</li> </ul>

- (ix) 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 Remote 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.
- (x) For Members holding shares in physical form, the details can be used only for E-Voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant TECIL CHEMICALS AND HYDRO POWER LIMITED on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If DEMAT account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (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 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.

In case you have any queries or issues regarding Remote E-Voting, you may refer the Frequently Asked Questions ("FAQs") and Remote 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).

**GENERAL INFORMATION:**

1. In Compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of The Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) as amended from time to time, the Company is pleased to offer Remote E-Voting Facilities to its members in respect of the business to be transacted at the 72<sup>nd</sup> Annual General Meeting. The Company has engaged the services of Central Depository Services Limited (CDSL) as authorized agency to provide Remote E-Voting Facility. It is clarified that it is not mandatory for a Member to vote using Remote E-Voting Facility.
2. The Members who have cast their votes by Remote E-Voting prior to the AGM may also attend the meeting but they shall not be entitled to cast their vote again.
3. The Remote E-Voting Period will commence on Monday, 25<sup>th</sup> September, 2017 at 09:00 A.M. and will end on Wednesday, 27<sup>th</sup> September, 2017 at 05:00 P.M. During this period, Members of the Company, holding shares as on cut-off date i.e. Thursday, 21<sup>st</sup> September, 2017, may cast their vote by Remote E-Voting. The Remote E-Voting module will be disabled by CDSL for the voting thereafter.

The voting rights of Members shall be in proportion of the paid up equity share capital of the Company as on the cut-off date i.e. Thursday, 21<sup>st</sup> September, 2017.

Only those Members whose names are recorded in the Register of Members of the Company as on the cut-off date shall be entitled to vote.

4. Dr. Shubh Karan Jain, Practicing Company Secretary has been appointed as the Scrutinizer for overseeing the voting and Remote-E-voting in a fair and transparent manner.
5. The Scrutinizer shall submit his report to the Chairman. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. [www.tecilchemicals.com](http://www.tecilchemicals.com) and on the website of CDSL i.e. <https://www.evotingindia.com> after the declaration of result by the Chairman or a person authorized by him in his behalf. The Results shall be uploaded on the BSE Listing Portal.
6. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of Annual General Meeting i.e. Thursday, 28<sup>th</sup> September, 2017.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO. 3**

Mr. Varghese Kurian is the Chairman of Bahrain-headquartered multi-billion and multi-sector Al Namal Group and also the Chairman and Promoter of VKL Group in Kerala. He did his civil engineering from SN Engineering College, Kollam, Kerala. After a brief stint with his father's construction Company in Kerala, he landed in the Kingdom of Bahrain in 1986 to look for the proverbial pot of gold at the end of the rainbow. It is a testimony to his proven entrepreneurial ability that the Kerala government has appointed him as the Director of INKEL (Infrastructure Kerala Limited), which has been established to develop the state's infrastructure facilities. In recognition of his remarkable achievements in business and industry and his distinguished services in the field of social work, Mr. Kurian was honoured with the prestigious P V Sami Memorial Industrial and Socio-Cultural Award on September 1, 2013 at the Tagore Centenary Hall in Kozhikode, Kerala. He was also presented with the Human Rights 2012 Award at a ceremony held in Kochi. The award instituted by Human Rights Foundations (HRF), India was presented by Kerala Finance Minister K M Mani. He was also presented with the World Malayalee Council's Outstanding Pravasi Entrepreneur Award in 2009. Mr. Kurian also received the Pravasi Bharatiya Samman, the highest honour conferred on overseas Indians, from Shri. Pranab Mukherjee, President of India, at a glittering ceremony held at Delhi on 9<sup>th</sup> January, 2014. He is the Chairman of New Horizon School, which is one of the leading Indian educational institutions in Bahrain and also the Chairman of Middle East Hospital and Medical Centres which is the largest private sector state of the art multi-specialty hospital in Bahrain.

The Board of Directors in its meeting held on 01<sup>st</sup> September 2017 have appointed Mr. Varghese Kurian as an Additional Director and also appointed him as Managing Director of the Company for a period of three

years from 01/09/2017 to 31/08/2020 subject to approval of the Members of the Company at this Annual General Meeting on the terms and conditions and on such remuneration as set out in the appointment letter.

Necessary Resolution seeking approval of the Members of the Company for appointment of Mr. Varghese Kurian as Regular Director and for his appointment as Managing Director of the Company has been proposed at Item No. 3 of the Notice.

The Board of Directors recommend the proposed resolution as set out in Item No. 3 of the Notice for consideration and approval of the Members of the Company.

Mr. Varghese Kurian and Mrs. Lizhyamma Kurian, Directors of the Company are interested in the proposed resolution. None of other Directors and Key Managerial Personnel and their relatives are concerned and/or interested in the proposed resolution.

#### **ITEM NO. 4**

Mrs. Lizhyamma Kurian is a graduate in English Literature. She has over two decades of experience in directing and managing the working of VKL Group of Companies and AI Namal Group. Through her guidance and right management decisions the Group has prospered and come a long way to be one of the biggest group companies in Kerala.

The Board of Directors in its meeting held on 01<sup>st</sup> September 2017 have appointed Mrs. Lizhyamma Kurian as an Additional Director and also appointed her as Whole Time Director of the Company for a period of three years from 01/09/2017 to 31/08/2020 subject to approval of the Members of the Company at this Annual General Meeting on the terms and conditions and on such remuneration as set out in the appointment letter.

Necessary Resolution seeking approval of the Members of the Company for appointment of Mrs. Lizhyamma Kurian as Regular Director and for her appointment as Whole Time Director of the Company has been proposed at Item No. 4 of the Notice.

The Board of Directors recommend the proposed resolution as set out in Item No. 4 of the Notice for consideration and approval of the Members of the Company.

Except Mrs. Lizhyamma Kurian and Mr. Varghese Kurian, Directors of the Company, none of other Directors and Key Managerial Personnel and their relatives are concerned and/or interested in the proposed resolution.

#### **ITEM NO. 5**

Mr. Shaji Mathew Kalladayil holds a diploma in Civil Engineering. He has two decades of experience in the real estate and Construction sector. He has been associated with VKL Group of Companies having their registered office in Cochin, Kerala since its inception as Promoter and Director. He plays a pivotal role in the overall working of VKL Group of Companies and is instrumental in making strategic decisions for the Company.

The Board of Directors in its meeting held on 01<sup>st</sup> September 2017 have appointed Mr. Shaji Mathew Kalladayil as an Additional Director and also appointed him as Whole Time Director of the Company for a period of three years from 01/09/2017 to 31/08/2020 subject to approval of the Members of the Company at this Annual General Meeting on the terms and conditions and on such remuneration as set out in the appointment letter.

Necessary Resolution seeking approval of the Members of the Company for appointment of Mr. Shaji Mathew Kalladayil as Regular Director and for his appointment as Whole Time Director of the Company has been proposed at Item No. 5 of the Notice.

The Board of Directors recommend the proposed resolution as set out in Item No. 5 of the Notice for consideration and approval of the Members of the Company.

Except Mr. Shaji Mathew Kalladayil, Director of the Company, none of other Directors and Key Managerial Personnel and their relatives are concerned and/or interested in the proposed resolution.

**ITEM NO. 6**

Mr. Parameswaran Radhakrishnan Nair is a graduate in economics and has 47 years' rich and varied work experience in private sector, public sector and with Central Government. After a brief stint in the Central Government including the Department of Rehabilitation Secretariat at Kolkata for resettling the refugees from Bangladesh during the 1971 war with Pakistan he joined Syndicate Bank, one of the leading public sector banks. He had job postings in Delhi, Haryana, Punjab, Karnataka and Kerala and toured almost all states barring the North Eastern states of Meghalaya, Arunachal Pradesh and Mizoram. He took voluntary retirement after 25 years of service in the bank while working as a Senior Branch Manager with almost a decade of service left. He has vast exposure in processing credit proposals, foreign exchange and administration. After his retirement, he had worked in reputed construction companies and service organisations in senior positions in finance & administration segment for about one and a half decade.

The Board of Directors in its meeting held on 01<sup>st</sup> September 2017 have appointed Mr. Parameswaran Radhakrishnan Nair as an Additional Director and also appointed him as Non-Executive Independent Director of the Company for a term of five consecutive years with effect from 01/09/2017 subject to approval of the Members of the Company at this Annual General Meeting.

Necessary Resolution seeking approval of the Members of the Company for appointment of Mr. Parameswaran Radhakrishnan Nair as Regular Director and for his appointment as Non-Executive Independent Director of the Company has been proposed at Item No. 6 of the Notice.

The Board of Directors recommend the proposed resolution as set out in Item No. 6 of the Notice for consideration and approval of the Members of the Company.

Except Mr. Parameswaran Radhakrishnan Nair, Director of the Company, none of other Directors and Key Managerial Personnel and their relatives are concerned and are interested in the proposed resolution as set out in Item No. 6.

**ITEM NO. 7**

Mr. Puthuparambil Parameswaran Pillai Vijayakumar is a graduate in Commerce (B.Com) from Kerala University. In the year 1982 he joined as Accounts Assistant in M/s. Bhagheeratha Engineering Ltd, a leading Civil Engineering Construction company at Kochi. During his tenure with them he worked in various projects, Regional Offices and their head offices at New Delhi and Kochi. He served them for a Period of 25 years from 1982 to 2007 and left the service with the designation as Deputy Manager (Finance & Accounts). Later he joined another leading Construction Company and served them for 10 years. During his total service period of 35 years he is an expert in all accounting and statutory matters, finalization of Accounts, Budget and Budgetary control, MIS Reporting, Banking, NBFC dealings etc. He has held roles of increasing responsibility across strategy, finance, corporate development, culminating in general management and leadership roles.

The Board of Directors in its meeting held on 01<sup>st</sup> September 2017 have appointed Mr. Puthuparambil Parameswaran Pillai Vijayakumar as Additional Director and also appointed him as Non-Executive Independent Director of the Company for a term of five consecutive years with effect from 01/09/2017 subject to approval of the Members of the Company at this Annual General Meeting.

Necessary Resolution seeking approval of the Members of the Company for appointment of Mr. Puthuparambil Parameswaran Pillai Vijayakumar as Regular Director and for his appointment as Non-Executive Independent Director of the Company has been proposed at Item No. 7 of the Notice.

The Board of Directors recommend the proposed resolution as set out in Item No. 7 of the Notice for consideration and approval of the Members of the Company.

Except Mr. Puthuparambil Parameswaran Pillai Vijayakumar, Director of the Company, none of other Directors and Key Managerial Personnel and their relatives are concerned and are interested in the proposed resolution as set out in Item No. 7.

## ANNEXURE TO THE ITEM NO. 3,4,5,6,7 OF NOTICE

**DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING IN PUSUANCE OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

<b>Name of the Director</b>	<b>Mr. Varghese Kurian</b>	<b>Mrs. Lizhyamma Kurian</b>	<b>Mr. Shaji Mathew Kalladayil</b>	<b>Mr. Parameswaran Radhakrishnan Nair</b>	<b>Mr.Puthuparambil Parameswaran Pillai Vijayakumar</b>
Director Identification Number	01114947	01114716	01866682	06907573	06907566
Date of Birth	09-08-1962	30-05-1966	22-03-1972	30-05-1950	27-05-1957
Nationality	Indian	Indian	Indian	Indian	Indian
Shareholding in the Company	88,15,092 Shares (46.48%) [Subject to Transfer]	Nil	200,200 Shares (1.06%)	Nil	Nil
List of Directorships held in other Companies (excluding foreign, private, and Section 8 Company)	1. VKL RESORTS INDIA PRIVATE LIMITED	1. VKL REALTORS INDIA PRIVATE LIMITED	1. POOTHOTTA RESORTS PRIVATE LIMITED	1. VKL PLANTATIONS INDIA PRIVATE LIMITED	1. VKL HOMES INDIA PRIVATE LIMITED
	2. LAKSHMI PAPER INDUSTRIES PRIVATE LIMITED	2. JVLS INFRASTRUCTURE PRIVATE LIMITED	2. MIV LOGISTICS PRIVATE LIMITED	2. KURIAN'S TRADING COMPANY PRIVATE LIMITED	2. PUTHEN-PURAKAL PROPERTIES PRIVATE LIMITED
	3. VKL ESTATES INDIA PRIVATE LIMITED	3. KAYALTHEERAM BUILDERS AND REALTORS INDIA PRIVATE LIMITED	3. VKL INFRASTRUCTURE PRODUCTS PRIVATE LIMITED	3. KOYO ELEVATORS INDIA PRIVATE LIMITED	3. CHITTAR CONSTRUCTIONS AND PROPERTIES PRIVATE LIMITED
	4. VKL PROJECTS INDIA PRIVATE LIMITED	4. VIZHINJAM PROPERTIES INDIA PRIVATE LIMITED	4. VIZHINJAM PROPERTIES INDIA PRIVATE LIMITED	4. MARADU PROPERTIES PRIVATE LIMITED	4. BRAHMAPURAM PROPERTIES PRIVATE LIMITED
	5. POOTHOTTA RESORTS PRIVATE LIMITED	5. K V POWER SOLUTIONS PRIVATE LIMITED	5. SANDUNE PROPERTIES PRIVATE LIMITED	5. VKL INDUSTRIES PRIVATE LIMITED	5. KAYALTHEERAM BUILDERS AND REALTORS INDIA PRIVATE LIMITED
	6. INKEL LIMITED	6. VK MINING AND LOGISTICS PRIVATE LIMITED	6. K V POWER SOLUTIONS PRIVATE LIMITED	6. VKL CAPITAL PRIVATE LIMITED	6. JVLS INFRASTRUCTURE PRIVATE LIMITED

7. VKL INDUSTRIES PRIVATE LIMITED	7. K V APARTMENTS PRIVATE LIMITED	7. VK MINING AND LOGISTICS PRIVATE LIMITED	7. JVLS BUILDERS PRIVATE LIMITED	7. VKL REALTORS INDIA PRIVATE LIMITED
8. KERALA ACADEMY FOR SKILLS EXCELLENCE	8. K V RESORTS PRIVATE LIMITED	8. K V APARTMENTS PRIVATE LIMITED	8. JVLS CONSTRUCTIONS PRIVATE LIMITED	8. K V RESORTS PRIVATE LIMITED
9. INKEL-KSIDC PROJECTS LIMITED	9. BRAHMAPURAM PROPERTIES PRIVATE LIMITED	9. SANEI ELEVATORS INDIA PRIVATE LIMITED	9. VKL DEVELOPERS INDIA PRIVATE LIMITED	
10. INKEL-KINFRA INFRASTRUCTURE PROJECTS LIMITED	10. CHANGAN-ACHERRY PROPERTIES PRIVATE LIMITED	10. CHANGAN-ACHERRY PROPERTIES PRIVATE LIMITED	10. KUMARAKOM BUILDERS AND REALTORS INDIA PRIVATE LIMITED	
11. VKL INFRASTRUCTURE PRODUCTS PRIVATE LIMITED	11. CHITTAR CONSTRUCTIONS AND PROPERTIES PRIVATE LIMITED	11. LINTEX CONSTRUCTIONS AND PROPERTIES PRIVATE LIMITED		
12. SEETHATHODE CONSTRUCTIONS AND PROPERTIES PRIVATE LIMITED	12. PUTHENPURAKAL PROPERTIES PRIVATE LIMITED	12. SEETHATHODE CONSTRUCTIONS AND PROPERTIES PRIVATE LIMITED		
13. MARADU PROPERTIES PRIVATE LIMITED	13. SEALAND BUILDERS PRIVATE LIMITED	13. SEALAND BUILDERS PRIVATE LIMITED		
14. SANDUNE PROPERTIES PRIVATE LIMITED	14. LAKSHMI PAPER INDUSTRIES PRIVATE LIMITED	14. VKL PROJECTS INDIA PRIVATE LIMITED		
15. LINTEX CONSTRUCTIONS AND PROPERTIES PRIVATE LIMITED	15. VKL HOMES INDIA PRIVATE LIMITED	15. LAKSHMI PAPER INDUSTRIES PRIVATE LIMITED		
16. K V APARTMENTS PRIVATE LIMITED		16. VKL RESORTS INDIA PRIVATE LIMITED		
17. VKL BUILDERS INDIA PRIVATE LIMITED		17. VKL ESTATES INDIA PRIVATE LIMITED		

			18. VKL BUILDERS INDIA PRIVATE LIMITED		
			19. VKL BUILDERS INDIA PRIVATE LIMITED		
Memberships/ Chairmanships of Audit Committee and Share Transfer and Stakeholders Relation- ship Committee	Nil	Nil	Nil	Nil	Nil
Date of Appointment on Board	01-09-2017	01-09-2017	01-09-2017	01-09-2017	01-09-2017

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR TECIL CHEMICALS AND HYDRO POWER LIMITED**

**Place: Mumbai**  
**Date: 01<sup>st</sup> September, 2017**

**Sd/-**  
**S. B. SOMANI**  
**CHAIRMAN AND CEO**  
**(DIN No. – 00077939)**

## **BOARD'S REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**TO,  
THE MEMBERS OF  
M/S. TECIL CHEMICALS AND HYDRO POWER LIMITED**

The Directors take pleasure in presenting the **Seventy Second Annual Report** together with the Audited Financial Statements for the year ended **31<sup>st</sup> March, 2017**. The Management Discussion and Analysis has also been incorporated into this report.

### **FINANCIAL RESULTS**

#### **RESULTS OF OPERATIONS**

The Management of **TECIL CHEMICALS AND HYDRO POWER LIMITED** in its Analysis Report has highlighted the performance and outlook of the Company in order to comply with the requirement of Corporate Governance as laid down in Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, investors and readers are cautioned that this discussion contains certain forward looking statements that involve risk and uncertainties.

#### **1. OVERVIEW**

The Financial Statements have been prepared provisions of Section 129 and Schedule III of Companies Act, 2013 and in accordance with the Accounting Principles generally accepted in India including the Accounting Standards specified under Section 133 of the said Act read with Rule 7 of The Companies (Accounts) Rules, 2014. Our management accepts responsibility or the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the Financial Statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

#### **2. THE PRESENT STATUS OF THE COMPANY**

The Company has not been carrying any manufacturing operations since last few years. The Promoters of the Company have entered into Share Purchase Agreement dated 10<sup>th</sup> March, 2017 with Mr. Varghese Kurian (Acquirer) agreeing to transfer 75,45,657 Equity Shares constituting 39.79 % which has triggered requirement of Open Offer as per SEBI (SAST) Regulations. The Acquirer is in process of completing Open Offer as per requirement of SEBI (SAST) Regulations.

The Equity Shares of the Company have also been admitted for Dematerialization by CDSL w.e.f. 04<sup>th</sup> March, 2017 vide ISIN No. INE014B01011. The Company has already made an application to Bombay Stock Exchange and National Stock Exchange for revocation of suspension in trading of Equity Shares of the Company and the same are under consideration of the respective Stock Exchanges.

#### **4. OUTLOOK OPPORTUNITIES AND THREATS**

As per Open Offer Document filed by Mr. Varghese Kurian (Acquirer), upon completion of Open Offer, the acquirer intends to establish an ITES (Information Technology Enabled Services) Township Project at existing land of the Company at Chingavanam, Kottayam, Kerala with infrastructure and facilities for IT Companies.

**5. FINANCIAL RESULTS**

<u>Particulars</u>	<u>31/03/2017</u> <u>(Rs.)</u>	<u>31/03/2016</u> <u>(Rs.)</u>
<b>Income</b>		
- Other Income	56,20,000	63,03,000
Profit/Loss before Tax and Depreciation	(2,32,71,000)	(42,13,000)
Less: Depreciation	7,27,000	8,90,000
Profit/Loss after Depreciation but before Tax	(2,39,98,000)	(51,03,000)
Less: Tax Expenses	-	-
Profit/Loss after Tax	(2,39,98,000)	(51,03,000)
Earnings Per Share (Nominal Value of Share Rs. 10/-) Basic & Diluted	(1.27)	(0.27)

**6. SHARE CAPITAL**

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2017 was Rs. 18.96 Crores. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

**7. RISK AND CONCERN**

Pursuant to the requirement of Section 134 (3) (n) of the Companies Act, 2013, the Board of Directors of the Company has adopted Risk Management Policy. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business segments. The detailed risk management policy has been hosted on the website of the Company.

There are no perceived risks in the present activity.

**8. DIVIDEND**

Due to loss, the Directors of the Company do not recommend any dividend for the year.

**9. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place well defined and adequate internal controls commensurate with the size of the Company and the same were operating effectively throughout the year.

The Company as an in-house Internal Audit Function (IA). To maintain its objectivity and independence, the IA Department evaluates the efficacy and adequacy of internal control system, its compliance with operating systems and policies of the Company and accounting procedures at all locations of the Company. Based on the report of IA function, process owners undertake corrective action in their respective areas and thereby strengthening the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The Company has policies and procedures in place of ensuring proper and efficient conduct of the business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

Pursuant to Section 138 of the Companies Act, 2013, the Company has appointed M/s. Sarda Soni & Associates LLP as Internal Auditor of the Company. Pursuant to Section 134 (5) (e) of the Companies Act, 2013, the Board of Directors has adopted Internal Financial Control Policy which has also been hosted on Company's Website.

#### **10. DIRECTORS**

Shri. Varghese Kurian (Acquirer) had made an open offer for acquiring shares of the Promoter Group of the Company. Upon Completion of Open Offer, there will be change in the constitution in the Board of Directors of the Company. Necessary resolutions for appointment/cessation of Directors will be included in the Notice of ensuing Annual General Meeting.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 and 25 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015) for fulfilment of their responsibilities in a professional and faithful manner and to promote confidence of the investment community, particularly Minority Shareholders, regulators of the Company.

#### **11. INDEPENDENT DIRECTORS**

Independent Directors play an important role in their governance process of the Board. They bring to bear their expertise and experience on the deliberations of the Board. This enriches the decision making process at the Board with different point of view and experiences and prevents conflict of interest in the decision making process.

The appointment of Independent Director is carried out in a structured manner. The Nomination and Remuneration Committee identifies potential candidates based on certain laid down criteria and takes in to consideration the diversity of the Board.

The Independent Directors have been appointed for a fixed tenure of five years from their respective dates of appointment.

None of the Independent Directors serves as "Independent Directors" in more than seven listed entities.

During the year under review, the Independent Directors met on 27<sup>th</sup> January, 2017, inter alia, to discuss:

- (a) Evaluation of the Performance of Non-Independent Directors and the Board of Directors as a whole.
- (b) Evaluation of the Performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- (c) Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present throughout the Meeting. They expressed views on the business transacted at the Meetings and the openness with which the Management discussed various subject matters on the agenda of the meetings. Their suggestions were discussed at the Board Meeting and are being implemented to ensure a more robust interaction at the Board level.

#### **12. INDUCTION PROGRAMMEE FOR NEW DIRECTORS AND ONGOING FAMILIRIAZATION PROGRAMMEE FOR EXISTING INDEPENDENT AND NON-INDEPENDENT DIRECTORS**

An appropriate induction programme for new Directors and ongoing familiarization with respect to the business/working of the Company for all Directors is a major contribution for meaningful Board Level deliberations and sound business decisions.

At the time of appointing a Director, a formal letter of appointment is given to him/her which, inter alia, explains his/her role, function, duties and responsibilities and the Board's expectations from him/her

as a Director of the Company. The Director is also explained in detail the compliances required from him/her under the Act, SEBI Regulations and other relevant regulations and his/her affirmation taken with respect to the same.

A Presentation is also shared with newly appointed Director giving an overarching perspective of the industry, organizational set-up of the Company, the functioning of various divisions/departments, the Company's market in which it operates, governance and internal control process and other relevant information pertaining to the Company's business.

The above initiatives help the Directors to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfill his/her role as the Director of the Company.

### 13. REMUNERATION POLICY

Pursuant to Section 178 of Companies Act, 2013 and Clause 49 of Old Listing Agreement, the Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration and the same has been hosted on the Company's Website.

### 14. MEETINGS

A Calendar of Meetings is prepared and circulated in advance to the Directors. There were Five (5) Board Meetings, Four (4) Stakeholders Relationship Committee Meetings and Four (4) Audit Committee Meetings and One (1) meeting of Nomination and Remuneration Committee convened and held during the year. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period as prescribed under the Companies Act, 2013 and Secretarial Standards.

<u>Board Meetings Held During the Year</u>			
Sr. No.	Date on which the Board Meeting was held	Total Strength of the Board	No. of Directors Present
1	30-05-2016	5	5
2	22-06-2016	5	4
3	25-07-2016	5	4
4	27-10-2016	5	4
5	18-01-2017	5	5

<u>Stakeholders Relationship Committee Meetings Held During the Year</u>			
Sr. No.	Date on which the Committee Meeting was held	Total Strength of the Committee	No. of Members Present
1	30-05-2016	3	3
2	25-07-2016	3	3
3	27-10-2016	3	3
4	18-01-2017	3	3

<u>Audit Committee Meetings Held During the Year</u>			
Sr. No.	Date on which the Committee Meeting was held	Total Strength of the Committee	No. of Members Present
1	30-05-2016	3	3
2	25-07-2016	3	3
3	27-10-2016	3	3
4	18-01-2017	3	3

<u>Nomination and Remuneration Committee Meetings Held During the Year</u>			
Sr. No.	Date on which the Committee Meeting was held	Total Strength of the Committee	No. of Members Present
1	21-06-2016	3	3
2	15-07-2016	3	3
3	22-07-2016	3	3

#### **15. DIRECTOR'S RESPONSIBILITY STATEMENT**

In terms of Section 134 of the Companies Act, 2013, we, the Directors of Tecil Chemicals And Hydro Power Limited, state in respect of Financial Year 2016-2017 that:

- a) In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the Annual Accounts on a going concern basis.
- e) The Directors have ensured that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) The Directors reviewed that systems are in compliance with the provisions of all applicable laws and were in place and were adequate and operating effectively.

#### **16. PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS**

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

#### **17. RELATED PARTY TRANSACTIONS**

There was no Related Party Transaction pursuant to Section 188 (1) of the Companies Act, 2013 read with Rule 15 of The Companies (Meeting of Board and its Powers) Rules, 2014. The Policy on Related Party Transaction approved by the Board has been hosted on the Company's Website.

#### **18. PUBLIC DEPOSIT**

The Company has not accepted any Public Deposit as per Section 73 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014 as on 31/03/2017.

#### **19. PARTICULARS OF EMPLOYEES**

Information as per Section 197 of the Companies Act, 2013 ("the Act") read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company can be obtained by an interested Shareholder by submitting a written request to the Company. This practice is followed as per the provisions of Section 136 (1) of the Act. Thus, the Report and the Accounts are being sent to all shareholders, excluding the information on employees' particulars under Section 197 of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in

obtaining a copy thereof, such Member may write to the Company in this regard.

## **20. STATUTORY AUDITORS**

Pursuant to the Provision of Section 139 of the Companies Act, 2013 and rules made there under the term of office of M/s. VMD & Co., Chartered Accountants (Reg. No.- 125002W) as Statutory Auditor of the Company will conclude from the close of ensuing Annual General Meeting of the Company. The Board of Directors place on record its appreciation services rendered by M/s. VMD & Co., Chartered Accountants (Reg. No.- 125002W) as Statutory Auditor of the Company.

Necessary resolution for appointment of Statutory Auditor of the Company in place of M/s. VMD & Co. shall be included in the notice of ensuing Annual General Meeting of the Company.

## **21. AUDITOR'S REPORT**

The Statutory Auditors of the Company in their report have not made any adverse comments or qualifications on accounts of the Company.

## **22. 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 Board of Directors on recommendation of Audit Committee has appointed Kavita Khatri & Associates, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "**Annexure D**".

## **23. INTERNAL AUDIT**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014, the Board of Directors on recommendation of Audit Committee appointed M/s. Sarda Soni Associates LLP, Practicing Chartered Accountants, to undertake the Internal Audit of the Company.

## **24. CHANGE IN REGISTRAR AND SHARE TRANSFER AGENT OF THE COMPANY**

System Support Services (SEBI Reg. No. INR000000502) were acting as Registrar and Share Transfer Agents of the Company. Since Link Intime India Pvt. Ltd. (SEBI Reg. No. INR000004058) have taken over R & T Services business from System Support Services, there has been consequent Change in Registrar and Share Transfer Agents of the Company. Accordingly Link Intime India Pvt. Ltd. are the Registrar and Share Transfer Agents of the Company.

## **25. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE**

As required under Section 134 of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, the information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, etc. is not given as there has not been any manufacturing operation during the under report. A Copy of Statements of Particulars under Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 have been Annexed herewith as "**Annexure B**" with Board's Report.

## **26. CORPORATE GOVERNANCE**

As per Regulation 15 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, which is effective from 01<sup>st</sup> December, 2015 of the Listing Agreement with the Stock Exchanges, a separate Section on Corporate Governance practices followed by the Company, together with a certificate from M/s. S. K. Jain & Co., Practicing Company Secretaries, confirming compliance, forms an integral part of this Annual Reports per SEBI Regulations.

## **27. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "**Annexure C**".

**28. ENHANCING SHAREHOLDERS VALUE**

Our Company believes that its Members are among its most important Stakeholders. Accordingly, our Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Our Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

**29. ACKNOWLEDGEMENT**

The Directors also gratefully acknowledge all Stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

**30. HUMAN RESOURCES**

The Company continues to maintain cordial relations with its employees.

**31. CAUTIONARY STATEMENT**

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements that speak only as of their dates.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR TECIL CHEMICALS AND HYDRO POWER LIMITED**

**Place: Mumbai  
Date: 18<sup>th</sup> May, 2017**

**Sd/-  
S. B. SOMANI  
CHAIRMAN AND CEO  
(DIN No. – 00077939)**

**ANNEXURE B****THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988****A. CONSERVATION OF ENGERY:**

Total energy consumption and energy consumption per unit of production are as per Form A hereunder.

	<u>Current Year</u>	<u>Previous Year</u>
i) Power and Fuel Consumption:	NIL	NIL
ii) Consumption per Tonne of Production (Kwh)	NIL	NIL
iii) Technology Absorption: Due to Lock-Out in the Company since 1999 the Ongoing energy conservation programs had been stalled.		
iv) Foreign Exchange Earnings and Outgo: The total expenditure in foreign currency: (in Rs.'000)	NIL	NIL

## **CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

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

The Company's philosophy is to enhance Customer's satisfaction and Shareholders value by practicing the principles of good Corporate Governance.

### **2. BOARD OF DIRECTORS**

The Board of the Company is well structured with adequate blend of Executive, Non-Executive and Independent Directors.

The Company's Board comprised of Five Directors: One of them is Chairman, Executive Director and Chief Executive Officer, One is Executive Director and remaining three are independent Directors. More than half of the Board of Directors comprises of Independent Directors.

The Composition of the Board is in conformity with the Regulation 15 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges. All Independent Directors comply with the legal requirements of being "Independent".

- i. None of the Directors on the Board is a Member of more than Ten (10) Committees or Chairman of more than Five (5) Committees across all the Companies in which he is a Director. Necessary Disclosures regarding Committee positions in other Public Companies as on 31<sup>st</sup> March, 2017 have been made by the Directors.
- ii. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of directorships and Committee Chairmanships/ Memberships held by them in other companies is given below. Other directorships do not include alternate directorships, directorships of Private Limited Companies, Section 8 Companies and of Companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.
- iii. During the financial year ended 31<sup>st</sup> March, 2017, Five (5) Meetings of the Board of Directors were held as on 30/05/2016, 22/06/2016, 25/07/2016, 27/10/2016 and 18/01/2017.
- iv. **Composition, Category, their Directorship and Committee Membership in other Companies**

<b>Name of Director</b>	<b>Category</b>	<b>No. of Board Meetings attended during 2016-17</b>	<b>Whether attended last AGM</b>	<b>No. of Directorship in other Limited Companies</b>	<b>No. of membership of Committees in other Companies</b>	<b>No. of Chairmanship of Committees in other Companies</b>
Shri. S. B. Somani	Chairman and CEO	4	No	1	Nil	Nil
Shri. P. C. Jain	Independent Director	5	Yes	1	3	Nil
Shri. G. K. Joshi	Independent Director	5	Yes	3	3	3
Smt. Shanta Somani	Executive Director	4	No	1	Nil	Nil
Shri. Toby Antony	Independent Director	4	Yes	Nil	Nil	Nil

### 3. **BOARD COMMITTEES**

The Board has constituted the following Committees of Directors:

#### (a) **AUDIT COMMITTEE** :

The constitution of Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.

##### i. **Terms of Reference:**

The Audit Committee acts as link between Statutory and Internal Auditor and the Board of Directors. It assists the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's statutory and internal audit activities. Majority of the members on the Committee, including the Chairman are Independent Directors. The Committee are governed by a Charter which is in line with the Regulatory Requirements mandated under Section 177 of the Companies Act, 2013 read with the Rule 6 of The Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Regulations. The terms of reference of the Audit Committee are as follows -

1. Review the scope of the Statutory Auditors, the annual audit plan and the Internal Audit.
2. Plan with a view to ensure adequate coverage.
3. Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto.
4. Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Internal Auditors considering their independence and effectiveness and their replacement and removal.
5. Approve such additional services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.
6. To recommend to the Board the remuneration of the Statutory Auditors/Internal Auditors.
7. To discuss with the Statutory Auditors/ Internal Auditors any significant difficulties encountered during the course of the Audit.
8. Review Annual Audit Report submitted by the Internal Auditor.

##### ii. **Composition**

During the year, 2016-2017 under the review Four (4) Meetings of the Audit Committee were held on 30/05/2016, 25/07/2016, 27/10/2016 and 18/01/2017. The attendance of Members is as follows:

Name	Category	Meetings during 2016-2017	
		Held	Attended
Shri. P.C. Jain	Independent Director	4	4
Shri. G. K. Joshi	Independent Director	4	4
Shri. Toby Antony	Independent Director	4	4

##### iii. **The Board Powers of the Audit Committee include:**

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### iv. Internal Financial Controls and Governance Process

- a) Review the adequacy and effectiveness of the Company's system and internal controls.
- b) Review and discuss with the Management, the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- c) To oversee and review the functioning of vigil mechanism (implemented in the Company as Ethical view Reporting Policy) and to review the findings of investigations into cases of material nature and the actions taken in respect thereof.

All the Members of the Audit Committee possess the requisite qualification for appointment on the Committee and have sound knowledge of finance, accounting practices and internal controls.

#### (b) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee comprises of three Members all of which are Independent Directors. The Committee is governed by a Charter.

##### (i) Terms of References

The terms of reference of the Committee interalia include the following -

- a) To scrutinize and approve registration of transfer of shares/ debentures/ warrants issued / to be issued by the Company.
- b) To decide all questions and matters that may arise in regard to transmission of shares / debentures / warrants issued / to be issued by the Company.
- c) To approve and issue duplicate shares / debentures / warrants certificates in lieu of those reported lost.
- d) To refer to the Board and any proposal of refusal of registration of transfer of shares / debentures / warrants for their consideration.
- e) To look into shareholders and investors complaints like transfer of shares, non- receipt of annual reports, non-receipt of declared dividends, etc.
- f) To delegate all or any of its powers of Officers/ Authorized Signatories of the Company.
- g) To issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities.
- h) To issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- i) To approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto.
- j) To authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken.

##### (ii) Composition

The Stakeholders Relationship Committee met Four (4) times during the 2016-2017 on 30/05/2016, 25/07/2016, 27/10/2016 and 18/01/2017. The attendance of the Members is as follows:

Name	Category	Meetings during 2016-2017	
		Held	Attended
Shri. P.C. Jain	Independent Director	4	4
Shri. G. K. Joshi	Independent Director	4	4
Shri. Toby Antony	Independent Director	4	4

**Details of Complaints:**

- No. of Shareholders' Complaints received during the year : 5
- No. of Complaints resolved to the satisfaction of shareholders : 5
- No. of pending share transfers : Nil

**(c) NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee is governed by a Charter. The Chairman along with the other members of the Committee are Independent Directors.

**i. Terms of Reference**

The terms of reference of the Committee inter alia include the following -

- a) Succession planning of the Board of Directors and Senior Management Employees;
- b) Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- c) Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- d) Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their Remuneration;
- e) Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

**ii. Composition**

The Nomination and Remuneration Committee comprises of the following Members:

1. Shri. P. C. Jain Chairman
2. Shri. G. K. Joshi Member
3. Shri. Toby Antony Member

The Nomination and Remuneration Committee met for three times during the financial year 2016-2017 on 21-06-2016, 15-07-2016 and 22-07-2016

Name	Category	Meetings during 2016-2017	
		Held	Attended
Shri. P.C. Jain	Independent Director	3	3
Shri. G. K. Joshi	Independent Director	3	3
Shri. Toby Antony	Independent Director	3	3

**iii. Details of Remuneration for the year ended March 31, 2017:**

Presently the Company does not have a scheme for grant of stock options either to the working directors or employees.

No Remuneration (except sitting fees) was paid to any Non-Executive Directors during the year 2016-2017.

**(d) INDEPENDENT DIRECTORS' MEETING**

During the year under review, the Independent Directors met on 27<sup>th</sup> January, 2017, inter alia, to discuss:

- (i) Evaluation of the Performance of Non-Independent Directors and the Board of Directors as a whole;
- (ii) Evaluation of the Performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- (iii) Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

**4. BOARD EFFECTIVENESS****a. Familiarization Programme for the Independent Directors**

In compliance with the requirements of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry, in which the Company operates the business model etc. The same is also available on the website of the Company and can be accessed.

**b. Performance Evaluation of the Board and Individual Directors**

Pursuant to the provisions of the Act and the SEBI Regulations, the Board has carried out the annual performance evaluation of its own as well as of the Committees. The Chairman of the Board of Directors individually get an overview of the functioning of the Board and its constituents inter alia on the following broad criteria i.e. attendance and level of participation independence of judgment exercised by Independent Directors, interpersonal relationship etc.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

**c. Key Managerial Personnel**

The following persons have been designated as Key Managerial Personnel of the Company pursuant to the Section 2 (51) and 203 of the Companies Act, 2013 read with rules there-under -

1. Shri. S. B. Somani - Chairman and Chief Executive Officer
2. Shri. Ramasubramonia Iyer - Chief Financial Officer
3. Miss. Harshali Shirodkar - Compliance Officer

None of the Key Managerial Personnel have resigned during the year.

**5. GENERAL BODY MEETINGS**

- (a) Location and time where last three Annual General Meetings were held:

Financial Year	Date	Time	Location
2015-2016	10/09/2016	10.00 a.m.	Tecil Premises, P.O.Chingavanam - 686 531, Dist-Kottrayam, Kerala
2014-2015	07/09/2015	4.00 p.m.	Tecil Premises, P.O.Chingavanam - 686 531, Dist-Kottrayam, Kerala
2013-2014	08/09/2014	4.00 p.m.	Tecil Premises, P.O.Chingavanam - 686 531, Dist-Kottrayam, Kerala

- (b) Whether Special Resolutions were put through postal ballot last year : No  
(c) Are votes proposed to be conducted through postal ballot this year : No

**6. OTHER DISCLOSURES****(a) DISCLOSURE OF ACCOUNTING TREATMENT**

The Company has followed the Companies (Accounting Standards) Amendment Rules 2016 and amended Accounting Standards prescribed by the Institute of Chartered Accountants of India (ICAI) while preparing Financial Statements of the Company.

**(b) DISCLOSURES ON RISK MANAGEMENT**

The Company has laid down procedures to inform Board Members about Risk assessment and minimization procedures and these procedures are periodically reviewed.

- (c) Details of Non-Compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years : - **None**

**(d) ADOPTION POLICIES UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Board of Directors in its meeting dated 21<sup>st</sup> January, 2016 has adopted the policies prescribed under SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, and copies of which are hosted on the website of the Company.

The Polices which are adopted as follows -

- Archival Policy
- Policy on Determination of Materiality of Events or Information Materiality
- Policy on Preservation of Records
- Policy on Materiality of Related Party

**(d) VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Board of Directors in its Meeting held on 29/09/2014 have adopted Vigil Mechanism/ Whistle Blower Policy pursuant to the Section 177(9) of the Companies Act, 2013 read with Rule 7 of (the Companies of Board and its Powers) Rules, 2014 for reporting the genuine concerns of Directors and Employees and also provide adequate safeguards against victimization of persons who use such mechanism. The Details of this policy is published on the website of the Company.

**(e) PREVENTION OF INSIDER POLICY**

In January 2015, SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into force on May 15, 2015. Pursuant thereto, the Company has formulated and adopted a new Code for Prevention of Insider Trading.

The new code viz. "Code of Conduct for Prevention of Insider Trading" allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's Shares. It also prohibits the purchase or sale of Company's Shares by the Directors, Designated Employees and Connected Persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading is closed and it has been hosted on the Company's Website. The code is applicable to all Directors and such employees of the Company who have access to unpublished price sensitive information relating to the Company. Transaction for dealing in the prescribed volume of the security of the Company during the prescribed time requires prior approval from the Company.

The Board of Directors in its meeting held on 29<sup>th</sup> May, 2015 adopted the policy. A Copy of Detailed Policy is hosted on the website of the Company.

**(f) CODE OF CONDUCT OF INDEPENDENT DIRECTOR**

As per the requirement of Schedule IV of the Companies Act, 2013, the Board of Directors adopted Code of Conduct of Independent Director in its meeting held on 29/09/2014, for the fulfillment of their responsibilities in a professional and faithful manner and to promote confidence of the investment community, particularly minority shareholders, regulators of the Company, a copy of detailed policy is published on the website of the Company.

**(g) INTERNAL FINANCIAL CONTROL POLICY**

The Board of Directors in its Board meeting dated 26/09/2014 adopted Internal Financial Control Policy pursuant to Section 134 (5) of the Companies Act, 2013 for ensuring the orderly and efficient conduct of the business, the safeguarding of the assets, the prevention and detection of frauds and errors, the accuracy and completeness of the Accounting records and timely preparation of reliable financial information. The Details of this policy are published on the website of the Company.

**(h) PERFORMANCE EVALUATION POLICY**

As per the Listing Agreement entered into with the Company, every listed Company needs to adopt Performance Evaluation Policy for annual evaluation of the Board of Directors and of its own performance (self-appraisals) and that of its committees and individual Directors as mentioned under the clause (p) of sub-section (3) of Section 134 of the Companies Act, 2013. The Company adopted it in its meeting dated 29/09/2014, details of this Policy is published on the Website of the Company.

**(i) RISK MANAGEMENT POLICY**

Pursuant to the requirement of Section 134 of the Companies Act, 2013, the Board of Directors adopted Risk Management Policy in its meeting dated 29/09/2014 for identification of elements of risks which may threaten the existence of the Company, a copy of which is published on the website of the Company.

**7. CEO/CFO CERTIFICATION**

A Certificate from the CEO and CFO on the Financial Statements of the Company was placed before the Board, as required by Regulation 17 (8) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.

**8. MEANS OF COMMUNICATION**

- (a) Quarterly Results: The unaudited quarterly results are announced within Forty Five Days from the end of the quarter as stipulated under the listing agreement with the Bombay Stock Exchange Limited And National Stock Exchange Limited : Yes
- (b) Newspapers wherein AGM related Compliances are published : Yes

- (c) Any Website, wherein displayed : Yes  
 (d) Whether Website also displays official news releases : No  
 (e) Whether presentations made to institutional investors or to the analysts : No  
 (f) Whether Management Discussion & Analysis Report is a part of Annual Report : Yes

## 9. **GENERAL SHAREHOLDER INFORMATION**

- (a) **AGM Date, Time and Venue:** Annual General Meeting will be held on 28<sup>th</sup> September, 2017, Thursday at 04:00 p.m. at its Regd. Office at Chingavanam, P.O. Kottayam, Kerala - 686531.

- (b) **Financial Year:** The Financial Year is from 01<sup>st</sup> April to 31<sup>st</sup> March.  
Tentative Schedule

Unaudited Results for quarter ending June 30, 2017	:	up to 14 <sup>th</sup> August, 2017
Unaudited Results for quarter ending September 30, 2017	:	up to 13 <sup>th</sup> November, 2017
Unaudited Results for quarter ending December 31, 2017	:	up to 15 <sup>th</sup> February, 2018
Audited Annual Accounts for year ending March 31, 2018	:	up to 30 <sup>th</sup> May, 2018

- (c) **Book Closure period:** 25<sup>th</sup> September, 2017 to 28<sup>th</sup> September, 2017 (both days inclusive).

- (d) **Dividend payment date:** Not Applicable

- (e) **Stock Exchanges where securities are listed**

The Company's securities are listed at:

- Bombay Stock Exchange Limited (BSE)**  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
- National Stock Exchange of India Limited (NSE)**  
Department of Corporate Services, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

- (f) **Subsidiary Companies**

There are No Subsidiary Companies of **TECIL CHEMICALS AND HYDRO POWER LIMITED**

- (g) **Stock Market Data**

Since the trading in shares has been suspended from trading in Stock Exchanges the Stock Market Data is not available. The Company however has already approached BSE and NSE Ltd. for revocation of suspension in trading of shares.

- (h) **Stock Code:** 506680

- (i) **Registrar and Transfer Agent**

Link Intime India Private Limited  
C-101, 247 Park, Lal Bahadur Shastri Marg, Vikroli (west), Mumbai-400083  
Tel. No 022 - 49186270. E-mail id : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

- (j) **Share transfer system with number of Shares Transferred:**

Share transfers in physical form are registered and returned within a period of 15 days from the date of receipt, in case documents are complete in all respects. The total Number of Shares transferred during the financial year under review is given as below:

Particulars	No. of Transfers	No. of Shares
Transfers	25	25050
Other Cases (Consolidation)	06	1050150
Deletion	04	2150
Transmission	NIL	NIL
<b>Total</b>	<b>35</b>	<b>1077350</b>

(k) **Dematerialization of shares and liquidity:**

Outstanding GDRs/ Warrants, Convertible Bonds,  
Conversion date and its impact on equity. : Yes

(l) **Distribution of Shareholding and Shareholding Pattern as on 31.03.2017**i. **Distribution of Shareholding as on 31<sup>st</sup> March, 2017:**

No. of Shares	No. of Shareholder	% of Holding
Up to 500	20905	92.225
501-1000	1081	4.770
1001-5000	579	2.555
5001-10000	47	0.210
10001-100000	39	0.175
100001 & Above	14	0.065
<b>Total</b>	<b>22,665</b>	<b>100</b>

ii. **Shareholding pattern as at 31<sup>st</sup> March, 2017:**

	No. of Shares Held	% of Total Shares
Promoter Group	7545657	39.79
Mutual Funds	382530	2.02
Banks & FIs	1043640	5.50
Insurance Companies	119760	0.63
Central / State Governments	436270	2.30
Corporate Bodies	1229245	6.48
Public and Others	7079458	37.33
NRIs / Foreign Nationals	1127140	5.95
<b>TOTAL</b>	<b>18963700</b>	<b>100</b>

(m) **Plant Location:**

The Company's Manufacturing Plants are located at Chingavanam, Dist. Kottayam (Kerala).

(n) **ANNUAL LISTING FEES**

The Company has paid Outstanding Annual Listing Fees upto 31/03/2017 and has also paid Listing Fees for the financial year 2017-2018 to Bombay Stock Exchange (BSE) and National Stock Exchange (NSE)

(o) **Disclosure in regard to Section 197 of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Information as per Section 197 of the Companies Act, 2013 ("the Act") read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect

of employees of the Company can be obtained by an interested shareholder by submitting a written request to the Company. This practice is followed as per the provisions of Section 136 (1) of the Act. Thus, the Report and the Accounts are being sent to all shareholders, excluding the information on employees' particulars under Section 197 of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(p) **Redressal of Shareholders Grievance**

Shareholders of the Company can send their complaints/grievances to either the address of Registered Office as mentioned above or to the Registrar and Share Transfer Agents or to the Corporate Office of the Company which is as follows:

**Tecil Chemicals And Hydro Power Limited**

Empire House, 3<sup>rd</sup> Floor, 214, Dr. D. N. Road, Fort, Mumbai 400 001

You can also post your query to our Email Address i.e. [tecilchemicals@gmail.com](mailto:tecilchemicals@gmail.com)

(q) **Postal Ballot:**

The Company will comply with the requirements of postal ballot as and when such matter arises requiring approval of the shareholders by such process in terms of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001. During the year there were no resolutions passed through postal ballot.

Adoption of other Non-Mandatory requirements under SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 is being reviewed by the Board from time to time.

**DECLARATION**

As provided under Regulation 15 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, this is to confirm that all the Members of the Board have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2017.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR TECIL CHEMICALS AND HYDRO POWER LIMITED**

**Place: Mumbai  
Date: 18<sup>th</sup> May, 2017**

**Sd/-  
S. B. SOMANI  
CHAIRMAN AND CEO  
(DIN No. – 00077939)**

**CERTIFICATE OF CORPORATE GOVERNANCE REPORT**

**To The Members of  
TECIL CHEMICALS AND HYDRO POWER LIMITED  
Tecil Premises, PO. Chingavanam, Dist. – Kottayam, Kerala – 686 531**

We have examined the compliance of conditions of Corporate Governance by **TECIL CHEMICALS AND HYDRO POWER LIMITED** for the year ended 31<sup>st</sup> March, 2017 as stipulated in Regulation 17,18,19,20,22,23,25,26,27(2),46(2) (b) to (i),C, D & E of Schedule V of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of 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 according to the explanations given to us, we certify that the Company has complied with the condition of Corporate Governance as stipulated in Regulation 17,18,19,20,22,23,25,26,27(2),46(2) (b) to (i), C, D & E of Schedule V of the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 S. K. JAIN & CO.  
(Practicing Company Secretary)**

**Sd/-  
(Dr. S. K. JAIN)  
Proprietor  
C. P. NO. 3076**

**Place : Mumbai  
Date : 18<sup>th</sup> May, 2017**

**CEO / CFO CERTIFICATE**

We, S. B. Somani, CEO and Ramasubramonia Iyer, CFO of **TECIL CHEMICALS AND HYDRO POWER LTD.** certify to the Board that:

1. We have reviewed the Balance Sheet and Statement of Profit & Loss account for the year ended 31<sup>st</sup> March, 2017 and all its schedules and notes to accounts, as well as the cash flow statement.
2. Based on our knowledge, information and belief, these statements do not contain any untrue statement of a material fact or omit to state a material fact that might be misleading with respect to the statements made.
3. Based on our knowledge, information and belief, the Financial Statements and other financial information included in this report present a true and fair view of the Company's affairs for the period presented in this report and are in compliance with the existing accounting standards, applicable laws and regulations.
4. To the best of our knowledge, information and belief, no transactions entered into by the Company during the year are fraudulent, illegal or volatile of the Company's Code of Conduct.
5. We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting.
6. We have disclosed, based on their most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies.

We have indicated to the Auditors and the Audit Committee.

- a) Significant changes in the Company's internal control over financial reporting during the year.
- b) All significant changes in Accounting Policies during the year, if any, and that the same have been disclosed in the notes to the Financial Statements.
- c) Any fraud whether or not material, that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

**Place: Mumbai  
Date : 18<sup>th</sup> May, 2017**

**Sd/-  
S. B. SOMANI  
CEO**      **Sd/-  
RAMASUBRAMONIA IYER  
CFO**

**ANNEXURE C****Form No. MGT-9****EXTRACT OF ANNUAL RETURN****as on the Financial Year ended on 31/03/2017**

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	L24299KL1945PLC001206
ii)	Registration Date	04/04/1945
iii)	Name of the Company	TECIL CHEMICALS AND HYDRO POWER LIMITED
iv)	Category / Sub-Category of the Company	Non-Govt Company
v)	Address of the Registered Office and contact details :	Chingavanam P.O.,Kottayam, Kerala - 686 531 Tel. No. - (0481) 2439110 Fax No. - (0481) 2430472 Email : <a href="mailto:tecilchemicals@gmail.com">tecilchemicals@gmail.com</a>
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of : Registrar and Transfer Agent -	Link Intime India Private Limited (SEBI REGN. NO. - INR000004058) C-101, 247 Park, L.B.S. Marg, Vikroli (west), Mumbai - 400 083 Tel. No. - (022) 49186270 Fax No. - (022) 49186060 Email id - <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>

**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

Sr. No	Name & Description of Main Products/Services	NIC Code of the Product /Service	% to Total Turnover of the Company
1	Basic Industrial Chemicals and Synthetic Resins n.e.c.	99611719	0

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

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
N.A.					

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

## i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the Year				No. of Shares held at the end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. TABLE-II - STATEMENT SHOWING SHAREHOLDING OF PROMOTERS AND PROMOTERS GROUP</b>									
<b>(1) Indian</b>									
a) Individual / HUF	0	1855267	1855267	9.78	0	1855267	1855267	9.78	0.00
b) Central Govt & State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
c) Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	5690390	5690390	30.01	0	5690390	5690390	30.01	0.00
<b>Sub-Total (A) (1) :-</b>	<b>0</b>	<b>7545657</b>	<b>7545657</b>	<b>39.79</b>	<b>0</b>	<b>7545657</b>	<b>7545657</b>	<b>39.79</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Government	0	0	0	0.00	0	0	0	0.00	0.00
c) Institutions	0	0	0	0.00	0	0	0	0.00	0.00
d) Foreign Portfolio Investors	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (A) (2) :-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Share Holding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>0</b>	<b>7545657</b>	<b>7545657</b>	<b>39.79</b>	<b>0</b>	<b>7545657</b>	<b>7545657</b>	<b>39.79</b>	<b>0.00</b>

**B. TABLE-III - STATEMENT SHOWING SHAREHOLDING PATTERN OF PUBLIC SHAREHOLDER**

<b>(1) Institutions</b>									
a) Mutual Funds	0	382530	382530	2.02	0	382530	382530	2.02	0.00
b) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
c) Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
d) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
e) Foreign Portfolio Investors	0	0	0	0.00	0	0	0	0.00	0.00
f) Financial Institutions / Banks	0	1043640	1043640	5.50	0	1043640	1043640	5.50	0.00
g) Insurance Companies	0	119760	119760	0.63	0	119760	119760	0.63	0.00
h) Provident Funds / Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Any Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>1545930</b>	<b>1545930</b>	<b>8.15</b>	<b>0</b>	<b>1545930</b>	<b>1545930</b>	<b>8.15</b>	<b>0.00</b>
<b>(2) Central Government / State Government/President of India</b>									
	0	436270	436270	2.30	0	436270	436270	2.30	0.00
<b>SUB TOTAL (B)(2)</b>	<b>0</b>	<b>436270</b>	<b>436270</b>	<b>2.30</b>	<b>0</b>	<b>436270</b>	<b>436270</b>	<b>2.30</b>	<b>0.00</b>
<b>(3) Non Institutions</b>									
(a) i) Individual Shareholders holding nominal Share Capital upto Rs.2 lakhs	0	6474338	6474338	34.14	0	6484538	6484538	34.19	0.05
(a) ii) Individuals Shareholders holding nominal Share Capital in excess of Rs. 2 lakhs	0	594620	594620	3.14	0	594620	594620	3.14	0.5

b) NBFC Registered With RBI	0	0	0	0.00	0	0	0	0.00	0
c) Employee Trusts	0	0	0	0.00	0	0	0	0.00	0
d) Overseas Depositories (holding DR) balancing figure	0	0	0	0.00	0	0	0	0.00	0
e) Any Others (specify)	0	2366885	2366885	12.48	0	2356685	2356685	12.43	0.05
<b>SUB TOTAL (B)(3)</b>	<b>0</b>	<b>9435843</b>	<b>9435843</b>	<b>49.76</b>	<b>0</b>	<b>9435843</b>	<b>9435843</b>	<b>49.76</b>	<b>0.00</b>
<b>Total Public Shareholding (B)= (B)(1)+ (B)(2)+(B)(3)</b>	<b>0</b>	<b>11418043</b>	<b>11418043</b>	<b>60.21</b>	<b>0</b>	<b>11418043</b>	<b>11418043</b>	<b>60.21</b>	<b>0.00</b>
<b>C. TABLE IV - STATEMENT SHOWING SHAREHOLDING PATTERN OF NON- PROMOTER - NON- PROMOTER SHAREHOLDER</b>									
1. Custodian / DR Holder - Name of DR Holder (If Available)	0	0	0	0.00	0	0	0	0.00	0
2. Employee Benefit Trust (Under SEBI (Share Based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0
<b>Total Non-Promoter - Non - Public Shareholding (C) (1) + (C) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
<b>Grand Total (A+B+C2)</b>	<b>0</b>	<b>18963700</b>	<b>18963700</b>	<b>100</b>	<b>0</b>	<b>18963700</b>	<b>18963700</b>	<b>100</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>18963700</b>	<b>18963700</b>	<b>100</b>	<b>0</b>	<b>18963700</b>	<b>18963700</b>	<b>100</b>	<b>0</b>

## (ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% Change in share holding 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.	S. B. SOMANI	1302090	6.87	0	1302090	6.87	0	0.00
2.	SHANTA SOMANI	121390	0.64	0	121390	0.64	0	0.00
3.	ARADHNA SOMANI	83250	0.44	0	83250	0.44	0	0.00
4.	SHRIKANT SOMANI	348537	1.83	0	348537	1.83	0	0.00
5.	CHEMO PHARMA LABORATORIES LTD.	5236930	27.62	0	5236930	27.62	0	0.00
6.	CITRIC INDIA LTD.	440710	2.32	0	440710	2.32	0	0.00
7.	INDIA ENER-GEN PVT LTD.	12750	0.07	0	12750	0.07	0	0.00
	<b>Total</b>	<b>7545657</b>	<b>39.79</b>	<b>0</b>	<b>7545657</b>	<b>39.79</b>	<b>0</b>	<b>0.00</b>

## (iii) Change in Promoter's Shareholding

Sr. No.	NAME OF THE PROMOTER - CITRIC INDIA LIMITED	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company

The Promoters of the Company have entered into Share Purchase Agreement dated 10<sup>th</sup> March, 2017 with Mr. Varghese Kurian (Acquirer) agreeing to transfer 75,45,657 Shares constituting 39.79 % which has triggered requirement of Open Offer as per SEBI (SAST) Regulations. The Acquirer is in process of completing Open Offer as per requirement of SEBI (SAST) Regulations. Pending Completion of the Open Offer, the promoters shares have not been effected transfer of their shares in favour of the Acquirer and their shares are lying in the ESCROW Agent.

**(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No.	Name of Top Ten Shareholders	Folio No.	Shareholding at the Beginning of the Year		Cumulative Shareholding during the Year	
			No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Canara Bank	C10005	900000	4.75	NIL	NIL
2	Shree Consultations & Services Pvt. Ltd.	M03406	813930	4.32	NIL	NIL
3	Kerala State Development Corporation Ltd.	K00227	296270	1.56	NIL	NIL
4	Administrator of the Specified undertaking of the UTI Ltd.	A03120	263600	1.39	NIL	NIL
5	Ishwar Khanna	I00718	200200	1.05	NIL	NIL
6	The Govt. of Kerala	T00056	140000	0.74	NIL	NIL
7	ICICI Bank Ltd.	I00725	130000	0.69	NIL	NIL
8	Kanta Chowdhary	K00236	123820	0.65	NIL	NIL
9	CRB Trustee Ltd.	C10004	101650	0.53	NIL	NIL
10	Lakhani Kan Hassomal	L10203	100000	0.52	NIL	NIL

Sr. No.	Name of Top Ten Shareholders	Folio No.	Shareholding at the End of the Year		Cumulative Shareholding during the Year	
			No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Canara Bank	C10005	900000	4.75	NIL	NIL
2	Shree Consultations & Services Pvt. Ltd.	M03406	813930	4.32	NIL	NIL
3	Kerala State Development Corporation Ltd.	K00227	296270	1.56	NIL	NIL
4	Administrator of the Specified undertaking of the UTI Ltd.	A03120	263600	1.39	NIL	NIL
5	Ishwar Khanna	I00718	200200	1.05	NIL	NIL
6	The Govt. of Kerala	T00056	140000	0.74	NIL	NIL
7	ICICI Bank Ltd.	I00725	130000	0.69	NIL	NIL
8	Kanta Chowdhary	K00236	123820	0.65	NIL	NIL
9	CRB Trustee Ltd.	C10004	101650	0.53	NIL	NIL
10	Lakhani Kan Hassomal	L10203	100000	0.52	NIL	NIL

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

Sr. No.	Name of Directors and Key Managerial Personnel	Folio No.	Shareholding at the Beginning of the Year		Cummulative Shareholding during the Year	
			No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	S. B. SOMANI	S00463, S00467	1302090	6.87	NIL	NIL
2.	SHANTA SOMANI	S00464	121390	0.64	NIL	NIL
3.	P. C. JAIN	P02913	500	0.00	NIL	NIL
4.	G. K. JOSHI	G01514	500	0.00	NIL	NIL
5.	TOBY ANTONY	T20917, T00751	150	0.00	NIL	NIL
6.	S.R.S. IYER	S20000, S20912	200	0.00	NIL	NIL
7.	HARSHALI SHIRODKAR	H01583	50	0.00	NIL	NIL
	<b>TOTAL</b>		<b>1424880</b>	<b>7.51</b>	<b>NIL</b>	<b>NIL</b>

Sr. No.	Name of Directors and Key Managerial Personnel	Folio No.	Shareholding at the end of the Year		Cummulative Shareholding during the Year	
			No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	S. B. SOMANI	S05608, S10002	1302090	6.87	NIL	NIL
2.	SHANTA SOMANI	S10001	121390	0.64	NIL	NIL
3.	P. C. JAIN	P02913	500	0.00	NIL	NIL
4.	G. K. JOSHI	G01514	500	0.00	NIL	NIL
5.	TOBY ANTONY	T20917, T00751	150	0.00	NIL	NIL
6.	S.R.S. IYER	S20000, S20912	200	0.00	NIL	NIL
7.	HARSHALI SHIRODKAR	H01583	50	0.00	NIL	NIL
	<b>TOTAL</b>		<b>1424880</b>	<b>7.51</b>	<b>NIL</b>	<b>NIL</b>

**(v) INDEBTEDNESS**

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

NIL DURING THE YEAR

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

Sr. No.	Particulars of Remuneration	Shri. P.C. Jain (Non-Executive Independent Director)	Shri.G.K. Joshi (Non-Executive Independent Director)	Shri. Toby Antony (Non-Executive Independent Director)	Smt. Shanta Somani (Executive Director)	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	25,000	25,000	20,000	20,000	90,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0	0
2	Stock option	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0
4	Commission as % of profit others (specify)	0 0	0 0	0 0	0 0	0 0
5	Others, please specify	0	0	0	0	0
	<b>Total (A)</b>	<b>25,000</b>	<b>25,000</b>	<b>20,000</b>	<b>20,000</b>	<b>90,000</b>
	<b>Ceiling as per the Act</b>					

**C. Remuneration to Key Managerial Personnel Other than MD / Manager / WTD**

Sr. No.	Particulars of Remuneration	RAMASUBRAMONIA IYER (CFO)	Total
1	<b>Gross Salary</b> (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	2,43,700	2,43,700
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission a. as % of profit b. Others, specify	0 0 0	0 0 0
5	Others, please specify	0	0
	<b>Total</b>	<b>2,43,700</b>	<b>2,43,700</b>

**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>NIL DURING THE YEAR</b>					

## ANNEXURE D

### SECRETARIAL AUDIT REPORT

[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,  
**M/S. TECIL CHEMICAL AND HYDRO POWER LIMITED**  
Chingavanam P.O. Kottayam, Kerala- 686531.

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices followed by **M/S. TECIL CHEMICAL AND HYDRO POWER LIMITED** (hereinafter called 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.

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

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

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and (ii) the Listing Obligation Disclosure Requirement, 2015 entered into by the Company with BSE and NSE Ltd..

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

And as the production unit of the Company is closed And currently the Company is not engaged in any other business activity, therefore there are no other laws which are specifically applicable to the Company.

I further report that, there were no event/ actions in pursuance of :

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. 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;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance report of the Company Secretary/Chief Executive Officer taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws like labour laws and environmental laws.

I further report that, the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts 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 and there were no change in the composition of the Board of Directors 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 to all Directors and a system exist 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 records and signed by the Chairman the decisions of the Board were unanimous and no dissenting views have been records.

I further report that, there are adequate system and process 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 the Company there are no specific events / actions having a major bearing on the Company's affairs or shareholders interest in pursuance of the above referred laws, rules, regulations, guidelines etc. referred to above.

I further report that during the audit period, the Company has following specific events / actions that having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

The Company has not appointed Company Secretary as a Key Managerial personnel of the Company, hence section 203 of the Companies Act, 2013 not complied.

The Company has not published the information like Board Meeting Notice, Financial Results etc. Hence

provisions of rule 20(5) of The Companies (Management and Administration) Rules, 2014 and clause 47 of the Listing Obligation of Disclosure Requirements, 2015 not complied.

The Company has adopted of new set of Articles of Association in the Annual General Meeting held on 08<sup>th</sup> September, 2016.

The Company has applied for ISIN to CDSL on 27<sup>th</sup> February, 2017 and same is confirmed and allotted on 04<sup>th</sup> March, 2017 by CDSL as INE014B01011 and updated on BSE website.

The Promoter's shareholding in the Company is 75,45,657 equity shares of Rs.10/- each constituting 39.79% of the total Paid up Share Capital of the Company. The shares are held in physical format by the Promoters. The Promoters are unable to dematerialize the said physical shares for the reason as under:

Mr. Varghese Kurian the acquirer has entered into Share Purchase Agreement (SPA) for acquisition of 75,45,657 Equity Shares of Rs.10/- each on 10<sup>th</sup> March, 2017 constituting 39.79% with the Promoters of the Company.

The acquirer has triggered the open offer as per SEBI (SAST) Regulations 2011 and the Public Announcement and Detailed Public Statement has been Published in the newspaper and the copies of the same has been submitted to SEBI, BSE and other relevant authorities.

The shares, at present are lying with Escrow Agent. Therefore, the Company has applied for exemption from dematerialization of Promoters shareholding BSE and NSE Limited.

**For Kavita Khatri & Associates  
Company Secretaries**

**Place: Ahmedabad  
Date: 18<sup>th</sup> May, 2017**

**Sd/-  
Kavita Khatri  
[Proprietor]**

This report is to be read with our letter of even date which is annexed as Annexure- I and forms an integral part of this report.

**ANNEXURE I**

**To,  
The Members,  
M/s. Tecil Chemical And Hydro Power Limited,  
Chingavanam P.O. Kottayam, Kerala- 686531.**

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

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

**For Kavita Khatri & Associates  
Company Secretaries**

**Place: Ahmedabad  
Date: 18<sup>th</sup> May, 2017**

**Sd/-  
Kavita Khatri  
[Proprietor]**

**AUDITOR'S REPORT ON QUARTERLY FINANCIAL RESULTS AND YEAR TO DATE RESULTS OF  
THE COMPANY PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS  
AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To

**Board of Directors of TECIL CHEMICALS AND HYDRO POWER LIMITED**

We have audited the quarterly financial results of **TECIL CHEMICALS AND HYDRO POWER LIMITED** for the quarter ended 31<sup>st</sup> March, 2017 and the year to date results for the period 01/04/2016 to 31/03/2017, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India<sup>1</sup>, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net loss and other financial information for the quarter ended 31<sup>st</sup> March, 2017 as well as the year to date results for the period from 01/04/2016 to 31/03/2017.

**Place: Mumbai  
Date: 18<sup>th</sup> May 2017**

**FOR VMD & CO.  
Chartered Accountants  
(FRN: 125002W)**

**Sd/-  
CA Amit Ganpule  
Partner  
MRN: 114222  
No.: A/01/0517**

## INDEPENDENT AUDITORS' REPORT

To  
**The Members of TECIL CHEMICALS & HYDRO POWER LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of **TECIL CHEMICALS & HYDRO POWER LIMITED** ('the Company'), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the accounting standards specified under section 133 of the act, read with rule 7 of the companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of 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 there under.

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 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 control relevant to the Company's preparation of the financial statements that give 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 an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 March 31, 2017 and its loss and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order 2016 ("the order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 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 purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - e. on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure A**'.
  - g. With respect to the other matters included in the Independent Auditor's report, in our opinion and to the best of our information and according to the explanations given to us:
    - 1) The company has disclosed the impact of pending litigation on its financial position in its financial statement.
    - 2) The company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
    - 3) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by Company.
    - 4) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 16 to the financial statements.

Place: Mumbai  
Date: 18<sup>th</sup> May 2017

**FOR VMD & CO.**  
**Chartered Accountants**  
**(FRN: 125002W)**

Sd/-  
**CA V. M. Desai**  
**Partner**  
**MRN: 009219**  
**No. : A/01/0517**

## Annexure A

### **To The Independent Auditor's Report of even date on the Financial Statements of TECIL CHEMICALS AND HYDRO POWER LIMITED**

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

To

#### **The Members of TECIL CHEMICALS AND HYDRO POWER LIMITED**

We have audited the internal financial controls over financial reporting of **TECIL CHEMICALS AND HYDRO POWER LIMITED** ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

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

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

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

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

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

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

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

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

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

#### **Opinion**

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

**Place: Mumbai**  
**Date: 18<sup>th</sup> May 2017**

**FOR VMD & CO.**  
**Chartered Accountants**  
**(FRN: 125002W)**

**Sd/-**  
**CA V. M. Desai**  
**Partner**  
**MRN: 009219**  
**No. : A/01/0517**

**ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT**

**(Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of section 143(11) of the Companies Act, 2013**

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed Assets were physically verified by the Management during the current year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its Fixed Assets.
- (c) According to the information and explanation given to us and the records examined by us we report that, the immovable properties of land and building which are freehold, are held in the name of the Company as at the Balance Sheet date except 2.64 hectares of land subject to re-conveyance of brought in land by the Government. In case of the building constructed on leased land resumed by the Kerala Government, compensation for appeal is pending before the Kerala High Court (Refer Note No 3 to the financial statements).
- (ii) There was no inventory at beginning of the year neither the company has effected any purchases during the year hence in our opinion clause (ii) is not applicable to the company.
- (iii) (a) The company has given loans to two parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (b) In the case of the loans granted to the companies in the register maintained under section 189 of the Act, the loans are of interest free in nature and the terms of arrangements do not stipulate any repayment schedule and are repayable on demand. The loans have been repaid during the year, accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount.
- (c) There are no overdue amounts in respect of the loans granted to the companies listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, no fixed deposits were accepted from the public.
- (vi) In our opinion, clause 3(vi) of the order for maintenance of the cost records under section 148(1) of the Companies Act 2013 is not applicable to the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, ESIC and Income Tax.
- (b) According to the information and explanations given to us there were no undisputed amounts payable in the respect of Income Tax, Sales Tax, Wealth Tax, Excise Duty and other material statutory dues in arrears as at 31<sup>st</sup> March, 2017.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to the banks. The company does not have any loans or borrowings from financial institutions or government and has not issued any debentures.
- (ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the order is not applicable.
- (x) Based on the audit procedures performed and information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit.
- (xi) The Company has not paid any managerial remuneration for the year hence clause 3(xi) of the order is not applicable.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with section 177 and 188 of the act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.
- (xvi) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

**Place: Mumbai**  
**Date: 18<sup>th</sup> May 2017**

**FOR VMD & CO.**  
**Chartered Accountants**  
**(FRN: 125002W)**

**Sd/-**  
**CA V. M. Desai**  
**Partner**  
**MRN: 009219**  
**No. : A/01/0517**

**BALANCE SHEET AS ON 31-03-2017**

Amount Rs. (000's)

SR. NO.	PARTICULARS	NOTES	CURRENT YEAR	PREVIOUS YEAR
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
(1)	<b><u>SHARE HOLDERS FUNDS</u></b>			
	a) Share Capital	1	1,89,637	1,89,637
	b) Reserves and Surplus	2	(278,550)	(254,335)
	<b>TOTAL</b>		<b>(88,913)</b>	<b>(64,698)</b>
(2)	<b><u>NON-CURRENT LIABILITIES</u></b>			
	Unsecured Loans	3	-	-
	<b>TOTAL</b>		<b>-</b>	<b>-</b>
(3)	<b><u>CURRENT LIABILITIES</u></b>			
	Short-Term Borrowings		-	-
	Other Current Liabilities	4	162,419	152,134
	Short-Term Provisions		-	-
	<b>TOTAL</b>		<b>162,419</b>	<b>1,52,134</b>
	<b>GRAND TOTAL</b>		<b>73,506</b>	<b>87,436</b>
<b>II</b>	<b><u>ASSETS</u></b>			
(1)	<b><u>NON-CURRENT ASSETS</u></b>			
A.	<b><u>FIXED ASSETS</u></b>			
	a) Tangible Assets	5	38,712	39,831
	b) In-Tangible Assets		-	-
	c) Capital Work-in-Progress		-	-
	<b>TOTAL</b>		<b>38,712</b>	<b>39,831</b>
B.	<b><u>NON-CURRENT INVESTMENTS</u></b>			
	Investments	6	5	3,771
C.	<b><u>LONG TERM LOANS AND ADVANCES</u></b>	7	24,189	30,453
(2)	<b><u>CURRENT ASSETS</u></b>	8		
	a) Short Term Loan and Advances	8(a)	-	6,458
	b) Inventories	8(b)	-	-
	c) Cash and Cash equivalents	8(c)	10,600	6,923
	<b>TOTAL</b>		<b>10,600</b>	<b>13,381</b>
	<b>GRAND TOTAL</b>		<b>73,506</b>	<b>87,436</b>

This is the Balance Sheet referred to in our reports of even date  
Notes referred to above form an integral part of the Balance sheet

for and on behalf of the Board of Directors

For VMD & Co.  
Chartered Accountants (FRN: 125002W)

Sd/-  
V.M. DESAI, Partner  
Membership No.F/9219  
No. A/01/0517

Place : Mumbai  
Date: 18<sup>th</sup> May, 2017

Sd/-  
S.B. SOMANI  
Chairman and C.E.O.  
DIN NO.: 00077939

Sd/-  
G. K. JOSHI  
Director  
DIN NO.: 01032861

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2017**

Amount Rs. (000's)

SR. NO.	PARTICULARS	NOTES	CURRENT YEAR	PREVIOUS YEAR
	<b>CONTINUING OPERATIONS</b>			
	<b>INCOME</b>			
I	Revenue from Operations	-	-	-
II	Other Income	9	5,620	6,303
III	<b>TOTAL REVENUE (I) + (II)</b>		<b>5,620</b>	<b>6,303</b>
IV	<b>EXPENSES</b>			
1	Cost of Materials Consumed		-	-
2	Purchases of Stock-in-Trade		-	-
3	Changes in inventories		-	-
4	Employee Benefit Expense	10	1,391	1,738
5	Finance costs		-	-
6	Depreciation & amortization Exp. 944		-	-
	Less : Tran'fer to Revaluation towards addl depn 217		727	890
7	Other Expenses	11	27,031	8,778
8	Provision for Income Tax for Earlier Years		-	-
	<b>TOTAL EXPENSES (IV)</b>		<b>29,149</b>	<b>11,406</b>
V	<b>Profit before exceptional Items &amp; Tax (IV - V)</b>		(23,529)	(5,103)
VI	<b>EXCEPTIONAL ITEMS</b>		-	-
	Excess Provision written back	12	-	-
VII	<b>Profit before extraordinary Items &amp; Tax (V - VI)</b>		(23,529)	(5,103)
VIII	<b>EXTRAORDINARY ITEMS</b>		469	-
IX	<b>Profit before Tax (VII - VIII)</b>		(23,998)	(5,103)
X	<b>EXTRAORDINARY ITEMS</b>			
1	Current Tax		-	-
2	Deferred Tax		-	-
XI	<b>Profit (Loss) from continuing operations (VII - VIII)</b>		(23,998)	(5,103)
XII	<b>Profit (Loss) from discontinuing operations</b>		-	-
XIII	<b>Tax expense of discontinuing operations</b>		-	-
XIV	<b>Profit (Loss) from discontinuing op's after tax (XII - XIII)</b>		-	-
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		(23,998)	(5,103)
XVI	<b>Earning per equity share :</b>			
1	Basic		(1.27)	(0.27)
2	Diluted		(1.27)	(0.27)

See accompanying notes to the financial statements

Summary of significant accounting policies

Seperately Attached

This is the Profit and Loss Account referred to in our reports of even date  
Notes referred to above form an integral part of the Profit & Loss Account

For and on behalf of the Board of Directors

For VMD &amp; Co.

Chartered Accountants (FRN: 125002W)

Sd/-  
V.M. DESAI, Partner  
Membership No.F/9219  
No. A/01/0517Place : Mumbai  
Date: 18<sup>th</sup> May, 2017Sd/-  
S.B. SOMANI  
Chairman and C.E.O.  
DIN NO.: 00077939Sd/-  
G. K. JOSHI  
Director  
DIN NO.: 01032861

**ANNEXURE TO REGULATION 34 (2) OF SEBI  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**CASH FLOW STATEMENT FOR THE YEAR 31ST MARCH, 2017**

Particulars	31-March-2017 (Rs. in '000)	31-March-2016 (Rs. in '000)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit / (Loss) Before Extra Ordinary items</b>	<b>(23,998)</b>	<b>(5,103)</b>
<b>Adjusted For :</b>		
Depreciation Provided	944	1,118
Interest Received	-	-
Dividend Received	-	-
Profit on Sale of Investments	-	-
Profit on Sale of Fixed Assets	-	-
Provisions written back	-	925
Revaluation Reserve	(217)	(228)
1,815	727	1,815
<b>Operating Profit before Working Capital Changes</b>	<b>(23,271)</b>	<b>(3,288)</b>
<b>Adjusted For :</b>		
Trade and other receivables	-	-
Inventories	-	-
Loans & Advances	6,458	(3)
Trade payable and provisions	10,285	(482)
<b>Cash Generated including From Operations :</b>	<b>(6,528)</b>	<b>(3,773)</b>
Direct Taxes Paid	-	-
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(6,528)</b>	<b>(3,773)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Increase in Capital and Reserves	-	-
Increase in Fixed Assets	-	(3,769)
Sales / Decrease of Fixed Assets	175	200
Sale of Investments	3,766	-
Loans received	-	-
Dividend Received	-	(3,569)
3,941	3,941	(3,569)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(2,587)</b>	<b>(7,342)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loss on sale of Assets	-	66
Payment of short term liabilities	-	-
Loans given / Refund	6,264	12,016
Interest Paid	-	12,082
6,264	6,264	12,082
<b>Net Increase in Cash and Cash Equivalents</b>	<b>3,677</b>	<b>4,740</b>
Cash and Cash equivalent at the beginning of the Year	6,923	2,183
Cash and Cash equivalent at the End of the Year	10,600	6,923
<b>Actual Balance as per Balance Sheet</b>	<b>10,600</b>	<b>6,923</b>

**Note :**

- The above Cash Flow Statement has been prepared under the indirect method as set out in the AS-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- Previous Year's figures have been re-arranged / re-grouped wherever necessary  
This Cash Flow Statement referred in our report of even date.

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31-03-2017**

PARTICULARS	Amount Rs. (000's)		
	CURRENT YEAR	PREVIOUS YEAR	
<b>1 SHARE CAPITAL</b>			
<b>Authorized Shares:</b>			
2,00,00,000 Equity Shares of Rs.10/- each	200,000	200,000	
10,00,000 Cumulative Preference Shares of Rs.100/- each	100,000	100,000	
<b>TOTAL</b>	<b>300,000</b>	<b>300,000</b>	
<b>Issued, Subscribed and Paid-up Shares in Nos:</b>			
18963700 Equity Shares of Rupees 10/- each Fully Paid Up	189,637	189,637	
<b>TOTAL</b>	<b>189,637</b>	<b>189,637</b>	
<b>Reconciliation of the Shares outstanding at the beginning and at the end of reporting period</b>			
<b>a Equity Shares :</b>	<u>No. of shares</u>	<u>No. of shares</u>	
At the beginning of the period	18,963,700	18,963,700	
Issued during the period	-	-	
<b>Outstanding at the end of the period</b>	<b>18,963,700</b>	<b>18,963,700</b>	
<b>b Preference Shares :</b>			
At the beginning of the period	-	-	
Issued during the period	-	-	
<b>Outstanding at the end of the period</b>	<b>-</b>	<b>-</b>	
<b>LIST OF SHAREHOLDING 5% AND ABOVE</b>			
<u>Sr.No.</u>	<u>Name of Shareholoder</u>	<u>No. of Shares held</u>	<u>Percentage</u>
1	Chemo Pharma Laboratories Ltd.	5,236,930	27.62%
2	Shriniwas B. Somani	1,302,090	06.87%
<b>2 RESERVES AND SURPLUS</b>			
a. Capital Redumption Reserve (As per last Balance Sheet)		5,814	5,814
b. Capital Reserve (As per last Balance Sheet)		2,629	2,629
c. Shares Forfeited account (As per last Balance Sheet)		16,480	16,480
d. Securities Premium (As per last Balance Sheet)		139,330	139,330
e. Securities Premium Forfeited (As per last Balance Sheet)		32,960	32,960
f. Fixed Assets Revaluation Reserve -			
- As per last Balance Sheet	16,847		
Less : Adjustments during the year			
(a) Transfer to Depreciation Account	217		
(b) Transfer on a/c of Assets disposed	-	16,630	16,847
<b>TOTAL</b>		<b>213,843</b>	<b>214,060</b>
<u>Less:</u> Debit Balance of Profit and Loss Account			
- As per last Balance Sheet	468,395	-	-
<u>Add / (Less) : Current Year Loss (Profit)</u>	23,998	492,393	468,395
<b>GRAND TOTAL</b>		<b>(278,550)</b>	<b>(254,335)</b>
<b>3 LONG TERM BORROWINGS</b>			
<b>TOTAL</b>		-	-
<b>4 CURRENT LIABILITIES</b>			
i Other Current Liabilities		162,419	152,134
iii Short Term Provisions		-	-
<b>TOTAL</b>		<b>162,419</b>	<b>152,134</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on 01.04.2016	Additions	Deductions	Upto 31.03.2017	As on 01.04.2016	For the year	Trans - Adj to Sch II	Upto 31.3.2017	As on 31.3.2017	As on 31.3.2016
<b>FIXED ASSETS</b>										
<b>NOTE - 5</b>										
Amount Rs. (000's)										
<b>a) TANGIBLE ASSETS (OWNED)</b>										
Land (Freehold)	26,837	-	175	26,662	-	-	-	-	26,662	26,837
Buildings	23,721	-	-	23,721	11,920	575	-	12,495	11,226	11,801
Furniture & Off Equipments	1,433	-	-	1,433	1,254	58	-	1,312	121	179
Motor Vehicles	3,511	-	-	3,511	2,497	311	-	2,808	703	1,014
<b>SUB TOTAL</b>	<b>55,502</b>	<b>-</b>	<b>175</b>	<b>55,327</b>	<b>15,671</b>	<b>944</b>	<b>-</b>	<b>16,615</b>	<b>38,712</b>	<b>39,831</b>
<b>b) INTANGIBLE ASSETS</b>										
<b>SUB TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL</b>	<b>55,502</b>	<b>-</b>	<b>175</b>	<b>55,327</b>	<b>15,671</b>	<b>944</b>	<b>-</b>	<b>16,615</b>	<b>38,712</b>	<b>39,831</b>
<b>PREVIOUS YEAR</b>	<b>81,278</b>	<b>3,769</b>	<b>29,545</b>	<b>55,502</b>	<b>35,174</b>	<b>1,117</b>	<b>20,620</b>	<b>15,671</b>	<b>39,831</b>	<b>46,104</b>

Notes :

1. Land, and Buildings were revalued as on 31.03.1995 by an approved Chartered Engineer and based have been reinstated as on 01.04.1995
2. The Gross Block as on 31.03.2016 includes an amount of Rs. 16,630 on account of revaluation of Fixed Assets.

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31-03-2017

				Amount Rs. (000's)	
PARTICULARS				CURRENT YEAR	PREVIOUS YEAR
<b>6 NON-CURRENT INVESTMENTS (at cost)</b>					
<b>A In Government Security (Unquoted)</b>				-	-
<b>TOTAL (A)</b>				-	-
<b>B OTHER INVESTMENTS</b>					
<b>i. Shares in Joint Stock Companies - Quoted</b>					
<b>Equity Shares of :</b>					
	Face Value	No. of Shares (Current Yr)	No. of Shares (Last Yr)		
BOMBAY OXYGEN CORP. LTD	100	5	5	1	1
<b>TOTAL (B(i))</b>				<b>1</b>	<b>1</b>
<b>ii. Shares in Joint Stock Companies - Others:</b>					
<b>Equity Shares of :</b>					
CITRIC INDIA LTD	10	-	1,673,755	-	3,766
PUNJAB ANAND BATTERIES LTD	10	50	50	1	1
GREATER BOMBAY CO-OP BANK LTD.	25	100	100	3	3
<b>TOTAL (B(ii))</b>				<b>4</b>	<b>3,770</b>
<b>GRAND TOTAL (A) + (B)</b>				<b>5</b>	<b>3,771</b>
<b>7 LONG TERM LOANS AND ADVANCES</b>					
Inter-corporated Deposits				22,500	29,370
Advances to security deposits				1,689	1,083
<b>TOTAL</b>				<b>24,189</b>	<b>30,453</b>
<b>8 CURRENT ASSETS (at cost)</b>					
<b>a) ADVANCES RECOVERABLE IN CASH OR KIND</b>				-	6,458
<b>TOTAL (a)</b>				-	<b>6,458</b>
<b>TOTAL (b)</b>				-	-
<b>b) INVENTORIES</b>					
<b>c) CASH AND CASH EQUIVALENTS</b>					
Cash in Hand				120	134
With Scheduled Bank Current Accounts				10,480	6,789
<b>TOTAL (c)</b>				<b>10,600</b>	<b>6,923</b>
<b>GRAND TOTAL (a) + (b) + (c)</b>				<b>10,600</b>	<b>13,381</b>
<b>9 OTHER INCOME</b>					
Sundry Sales				-	-
Interest Received				4,520	6,303
Compensation Received				1,100	-
<b>TOTAL</b>				<b>5,620</b>	<b>6,303</b>

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31-03-2017**

Amount Rs. (000's)

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
<b>10 PAYMENT TO &amp; PROVISION FOR EMPLOYEES</b>		
Salaries, wages and bonus	1,129	1,498
Employees Welfare Expenses	145	84
Provident Fund	117	123
Leave Salary/wages	-	33
<b>TOTAL</b>	<b>1,391</b>	<b>1,738</b>
<b>11 OTHER EXPENSES</b>		
Rent Paid	938	1,038
Rates & Taxes	121	66
Repairs & Maintenance - Others	4,527	948
Travelling expenses	1,427	1,485
Motor Car Expenses	211	271
Professional charges	1,343	1,937
Directors' Sitting Fees	90	62
Audit Fee	33	32
Electricity charges	992	969
Bank Charges	5	6
Telephone & Telex charges	139	106
Postage & Courier Expenses	189	166
Stationary & Printing charges	242	160
Annual Listing Fee	234	-
Share Transfer expenses	93	91
Office Maintenance Expenses	251	225
Old Balances written off	6,175	-
Web Designing / Web Regn exp	4	3
Membership subscription	-	202
General Charges (Advt Charges)	17	18
Loss on sale of Assets	-	66
Other Income of earlier Yrs reversed	10,000	927
<b>TOTAL</b>	<b>27,031</b>	<b>8,778</b>
<b>12 EXCESS PROVISION WRITTEN BACK</b>		
	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**13. NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017****SIGNIFICANT ACCOUNTING POLICIES:****a) Basis of Preparation of Financial Statements: -**

The accompanying financial statements for the fiscal period have been prepared under historical cost convention, in compliance with Indian Generally Accepted Accounting Principles ("GAAP") with mandatory and relevant Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and referred to Section 129 to 133 of the Companies Act 2013 of India. The accounting policies applied by the Company are consistent with those used in previous year.

**b) Revenue and Expenditure Recognition: -**

Revenue is recognized and expenditure is accounted for on accrual basis.

**c) Fixed Assets: -**

Fixed Assets are stated at cost as increased by revaluation in case of land, building, etc and less accumulated depreciation thereon in respect of assets acquired up to 31.03.1995. Fixed assets were revalued as on 31.03.1995.

**d) Depreciation: -**

Depreciation on fixed assets (including revalued assets) has been provided based on life assigned to each asset in accordance with Schedule II of the Companies Act 2013.

Depreciation on Residential Building, Furniture and Fittings, Motor vehicles, etc and addition to and deduction from such assets are provided for on pro-rata basis from/up to the month of addition / deduction.

Additional depreciation representing the difference between depreciation on revalued amount and original cost of the assets like Land and Buildings has been withdrawn from revaluation reserve.

**e) Retirement benefits: -**

a) Employer's Contributions to Provident Fund is charged as expenditure.

b) Gratuity payable to Employees is calculated as per provisions of the Gratuity Act and the difference, if any, is provided in the books of account every year.

**f) Investments: -**

Long Term Investments made by the Company in shares are valued as per the Accounting Standards issued by The Institute of Chartered Accountants of India. Provision has been made for permanent diminution in the value of Long Term investments.

**g) Treatment of contingent Liabilities: -**

Contingent liabilities not provided for, are disclosed by way of Notes to accounts with particulars of the nature and quantum, wherever possible, of such liabilities.

**h) Segment Reporting: -**

The Company has carried out no trading activity and hence there is no separate segment as per AS-17 issued by ICAI.

**i) Earnings per Share: -**

The Company reports basic earning per share in accordance with AS-20 for "Earnings per Share" issued by the ICAI. Basic earning per share has been computed by dividing net profit by the weighted average number of equity shares outstanding for the year.

**j) Accounting for taxes on Income: -**

Income tax expense is recognized in accordance with AS-22- "Accounting for Taxes on Income" which includes current taxes and deferred taxes.

Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax assets are not recognised in the absence of reasonable/virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

#### 14. **NOTES FORMING PART OF ACCOUNT:**

##### 1. **Disputed liabilities not provided for:**

###### **Central excise Refund**

As per the order of the Asst. Commissioner of Central Excise, Kottayam Division, Kottayam dated 23.12.1998 holding that Calcium Carbide manufactured and used captive consumption in the manufacture of acetylene black within the factory is not liable for levy of excise duty, the company is entitled to a refund of excise duty of Rs.82,89,691/- in respect of the period from April 1978 to July, 1983.

This was confirmed by the Hon'ble CEGAT, New Delhi as per the order No.A/1076/02 NB (D) dated 24.10.2002. Based on the above order the company filed a refund claim for Rs.82,86,691/- before the Deputy Commissioner of Central Excise, Kottayam Division on 30.01.2003. However the Deputy Commissioner allowed only Rs.37,99,198/- as refund and the same was recognized as income in the Profit & Loss account in the year 2002-2003. The claim for the balance amount of Rs.44,86,993/- was rejected by the Excise authorities for want of proof for payment of duty.

Against this order the company had filed an appeal before the Commissioner of Central Excise and Customs (Appeals) Cochin on 22-10-2003 and the appeal was disposed of in favour of the Company.

The Department has gone in Appeal. In view of the above, the claim for the refund of the balance amount of Rs. 44,86,993/- has not been recognized in the accounts. Company has also filed appeal before CEGAT, New Delhi for release of balance amount, which is pending for disposal.

##### 2. **Managerial Remuneration:**

Paid to Shri. S. B. Somani, Chairman and Managing Director :

Particulars	Amount (In Rupees)	
Salary	Nil	(Nil)
Perquisites	Nil	(Nil)
Contribution to Provident Fund	Nil	(Nil)
Total	Nil	(Nil)

##### 2.1 **Computation of loss in accordance with Section 349 of the Companies Act, 56:**

March 31 <sup>st</sup> of ->	2017	2016
Profit (Loss) as per Profit and Loss Account	(23,998)	(5,103)
Less : i. Depreciation charged to A/c's	727	850
ii. Directors Sitting fees	90	62
iii. Remuneration to MD	Nil	Nil
Business Profit (Loss)	(23,181)	(4,151)
Less / Add : Depreciation as per Section 350		
Total Profit for the year		
Add : C/f (Losses) from earlier years	(4,68,395)	(4,63,292)
(Losses) under section 198		

**3. Contingent Liabilities:**

The Company has made constructions including infrastructure developments on the lease hold land. The Government of Kerala vide G.O. 117/2015 dated 20.3.2015 has resumed the leasehold land. The Company has filed petition before the Hon'ble High Court of Kerala claiming compensation for the infrastructure and improvements made by the Company on the lease land, which is pending before the Hon'ble High Court of Kerala. Hence necessary entry in the books of accounts will be made on finalization of compensation matter.

**4. Other matters:****A. Inter Corporate Deposit:**

The Company has given Inter-corporate Deposits to Rashtriya Metal Industries Ltd. Rs.150 Lakhs and D.S. Kulkarni Developers Ltd Rs.75 Lakhs. These Inter-corporate deposits have been made with the aforesaid Companies against security of Post dated Cheques. The Company is receiving interest on the deposits.

**B. Sale of surplus land at Chingavanam:**

The Company had entered into an agreement for sale of surplus land at Chingavanam with some parties who had paid a sum of Rs. 6 Crores as advance. However they defaulted in making the balance consideration as per agreement for sale dated 4.7.2012 in spite of extension of time granted to them. The said agreement was cancelled in terms of clause 8 thereof The Company maintains that the amount of Rs. 6 Crores is still payable to the party, which includes an amount of Rs. One Crore forfeited and added to income during previous year now reversed and debited to Profit & Loss Account.

**C. Advance for land at Chingavanam:**

An advance of Rs.10,00,00,000/- was received from M/s Kayal Theeram Builders and Relatiers India Private Limited for sale of land. Execution of deed is pending.

**D. Arbitration Award:**

An Arbitration Award passed by the Hon'ble Arbitrator on 09.12.2015 directing the Company to pay a sum of Rs. 79.50 Lakhs in the matter of ARC No. 4 of 2014 of A,R.38/2011 of the High Court of Kerala in the Arbitration proceedings between Mr. T Baburaj and Company. Against this Award, the Company as well as Mr. Baburaj has filed Appeal before the District Court, Kottayam. Hence no provision has been made in the accounts.

**E. Dues to Small Scale Industrial undertakings.**

There is no outstanding dues as defined under the Interest on Delayed Payments of Small Scale and Ancillary Industrial Undertaking Act, 1933 and section 3(i) of the Industrial (Development and Regulation) Act, 1951.

F. The Company has filed an appeal against the order No. 8501/14 dated 29.06.2016 of the Additional Tahsildar, Kottayam directing to pay Rs.10,52,337/- towards penalty and value of sand removed from lease land.

**5. Current Assets**

A sum of Rs.61,75,291 has been showing under the heading "ADVANCES RECOVERABLE IN CASH OR KIND" from various parties, which was due for a long period. Since the recovery was doubtful, the Management has written off the same during the year.

**6. Fundamental accounting assumption regarding Going Concern.**

The Board of Directors of the Company has been continuously exploring new avenues of business opportunities to deploy its surplus funds. Till such time, the Company has utilized its surplus funds by giving interest bearing Inter-Corporate Deposits. Since the substratum of the Company is intact, the Accounts of the Company have been prepared on 'going concern' basis.

**7. Quantitative Details**

Information pursuant to the Companies Act, 2013 are given below:

**NOT APPLICABLE** (as the Company has no Licensed / installed capacity)

Traded Goods -

<b>CHEMICALS</b>	<b>QUANTITY. (KG.)</b>	<b>VALUE (Rs./'000)</b>
Opening Stock	Nil (Nil)	Nil (Nil)
Purchases	Nil (Nil)	Nil (Nil)
Sales	Nil (Nil)	Nil (Nil)
Closing Stock	Nil (Nil)	Nil (Nil)

**During 2017**   **During 2016**

- |  |     |     |
|--|-----|-----|
| <b>8.</b> Raw Materials Consumed   | NIL | NIL |
| 8.1. Percentage of consumption of indigenous / imported raw -<br>Materials, packing materials, spare parts and components  | NIL | NIL |
| <b>9.</b> Expenditure in Foreign Currency for travelling   | NIL | NIL |
| <b>10.</b> CIF value of Imports - Raw materials / Spares / Capital goods   | NIL | NIL |
| <b>11.</b> Capital Commitments   | NIL |     |
| <b>12.</b> The Companies in which the Directors are associated have filed the Annual Returns and did not make any default in the repayment of deposits if any fallen out. On the basis of representations received from the Directors, none of the Directors attract disqualifications under section 274(1)(g) of the Companies Act, 1956. |     |     |
| <b>13.</b> The Company had no full time Company Secretary as required u/s 383A of the Companies Act, 1956 during the year under report due to layoff / lock out.   |     |     |
| <b>14. Others</b>  |     |     |
| 14.1 Basic earning per Equity Share and Diluted earning per Equity Share have been computed by dividing net profit by the weighted average number of equity shares outstanding for the year.   |     |     |
| 14.2 Calculation of Basic Earnings per share   |     |     |

<b>Sr. No.</b>	<b>Particulars</b>	<b>Equivalent number of shares for the year</b>	
		<b>2016-2017</b>	<b>2015-2016</b>
1	Opening No. of Shares	1,89,63,700	1,89,63,700
2	Total Shares Outstanding	1,89,63,700	1,89,63,700
3	Profit after Taxes in Rs. (000)	(23,998)	(5,103)
4	Nominal value of Shares	Rs. 10.00	Rs. 10.00
5	Earning per Share	(1.27)	(0.27)

- 15.** Disclosure of transactions with Related parties, as required by Accounting Standard 18 as defined under clause 3 of the Accounting Standard have been identified on the basis of representations made by key managerial personnel and information available with the Company.

**Relationship Entities where control exist :** Nil

**I. Associate and Group Companies** Nil

**II. Key Management Personnel:**

Shri. S.B. Somani, Chairman &amp; Managing Director

Shri. S.R.S. Iyer, Chief Financial Officer

**Related Party Transactions**

Transactions	Associate and Group Co. Rs.	Key Management Personnel/Rs.	Total Rs.
Opening Balance receivable	Nil	Nil	Nil
Opening Balance payable	Nil	Nil	Nil
Finance Provided including loans given	15,27,132	3,91,860	19,18,992
Amount received	15,27,132	3,91,860	19,18,992
Outstanding Balance receivable	Nil	Nil	Nil
Outstanding Balance payable	Nil	Nil	Nil
Remuneration paid including perquisites	Nil	Nil	Nil

16. Details of Specified Bank Notes (SPN) held and transacted during the period from 08.11.2016 to 30.12.2016, as required under Schedule II

Particulars	SBNs / Rs	Other denomination notes /Rs	Total / Rs
Closing Balance as on 08.11.2016	2,37,000	26,221	2,63,221
Permitted receipts	Nil	Nil	Nil
Permitted payments	Nil	23,650	23,650
Amount deposited in Bank	2,37,000	Nil	2,37,000
Closing Balance as on 30.12.2016	Nil	2,571	2,571

17. In view of the accumulated losses, the Management has to provide deferred tax assets as well as deferred tax liabilities. Hence the disclosure in respect of accounting of taxes on income as required under Accounting Standard 22 issued by ICAI is not done.
18. Figures are given in thousands unless otherwise stated
19. Figures of the previous year have been regrouped / rearranged wherever necessary and are given in bracket unless otherwise specified. The Company has completed the above accounts based on the revised / modified Schedule III applicable for the accounting period 2016-17. The disclosure requirements are made in the notes to accounts or by way of additional statements. The other disclosures as required by the Companies Act are made in the notes to accounts.

As per attached report of even date

**For and behalf of Board of Directors**

**For VMD & Co.**  
**CHARTERED ACCOUNTANTS**  
**FRN: 125002W**

Sd/-  
**VIJAY KUMAR DESAI**  
**Membership No. F/9219**  
**No. A/01/0517**

**Place: Mumbai**  
**Date: 18<sup>th</sup> May, 2017**

Sd/-  
**S.B. SOMANI**  
**Chairman and C.E.O.**  
**DIN NO.: 00077939**

Sd/-  
**G. K. JOSHI**  
**Director**  
**DIN NO.: 01032861**

**Courier**

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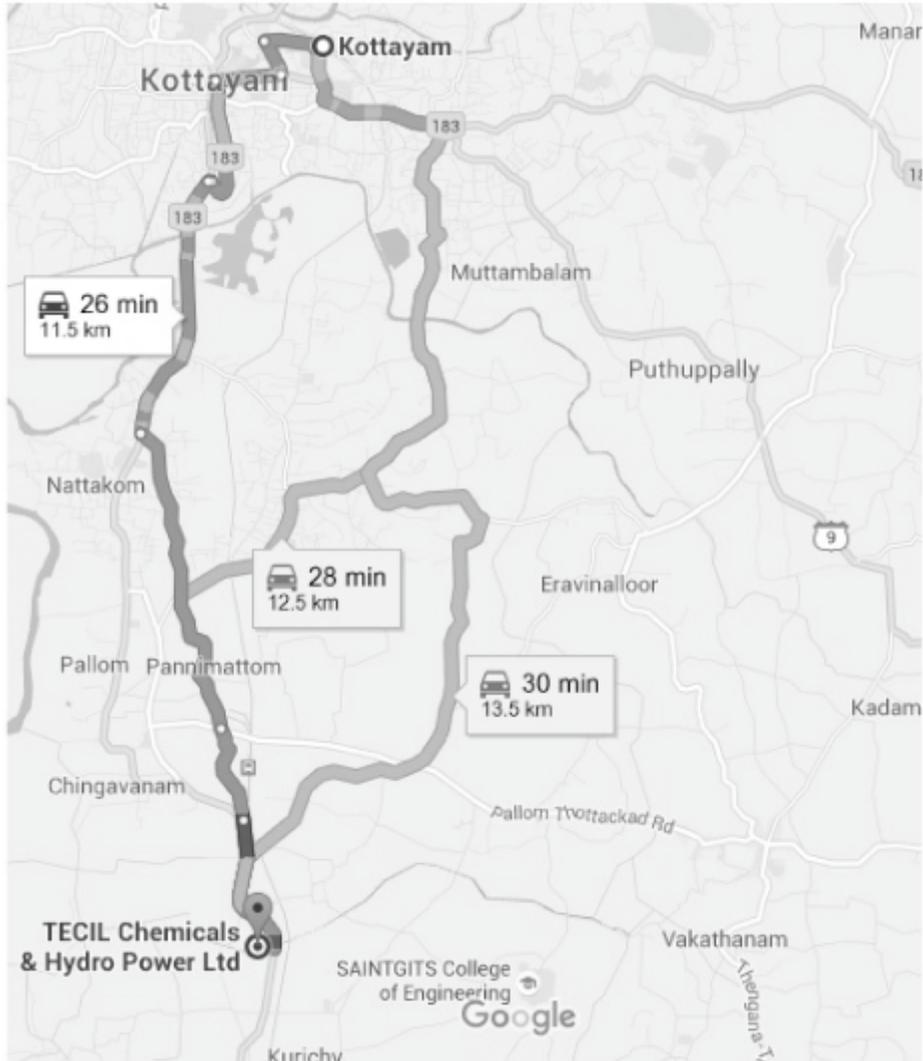
**TECIL CHEMICALS AND HYDRO POWER LTD.**

P.O. Chingavanam,

Dist. Kottayam, Kerala – 686 531

## ROUTE MAP OF THE AGM VENUE

P.O. CHINGAVANAM, DIST. KOTTAYAM, KERALA – 686 531



**TECIL CHEMICALS AND HYDRO POWER LIMITED**

Registered Office: P.O. CHINGAVANAM, DIST. KOTTAYAM – 686 531, KERALA

CIN No.- L24299KL1945PLC001206

Website: [www.tecilchemicals.com](http://www.tecilchemicals.com) Email Id: [tecilchemicals@gmail.com](mailto:tecilchemicals@gmail.com)**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. / Client ID	DP ID

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint

Name :	E-mail Id :
Address :	
Signature, or failing him	
Name :	E-mail Id :
Address :	
Signature, or failing him	
Name :	E-mail Id :
Address :	
Signature, or failing him	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **72<sup>nd</sup> Annual General Meeting** of the Company, to be held on **28<sup>th</sup> September, 2017, Thursday at 04:00 p.m. at P.O., Chingavanam, Dist. Kottayam - 686 531, Kerala** and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions	Vote	
		For	Against
1.	To consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors and Audited Consolidated Financial Statement as on 31 <sup>st</sup> March, 2017		
2.	Appointment of M/s. S. R. Pai & Co., Chartered Accountants (Reg. No. -010793S) in place of M/s. VMD & Co., Chartered Accountants (Reg. No. 125002W) as Statutory Auditors of the Company		
3.	Appointment of Mr. Varghese Kurian As Regular Director Designated As Managing Director of The Company		
4.	Appointment of Mrs. Lizhyamma Kurian As Regular Director Designated As Whole Time Director		
5.	Appointment of Mr. Shaji Mathew Kalladayil As Regular Director Designated As Whole Time Director		
6.	Appointment of Mr. Parameswaran Radhakrishnan Nair As Regular Director Designated As Non-Executive Independent Director.		
7.	Appointment of Mr. Puthuparambil Parameswaran Pillai Vijayakumar As Regular Director Designated As Non-Executive Independent Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Affix  
Revenue  
Stamps\_\_\_\_\_  
Signature of first  
proxy holder\_\_\_\_\_  
Signature of second  
proxy holder\_\_\_\_\_  
Signature of third  
proxy holder**Note :**

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the Company.