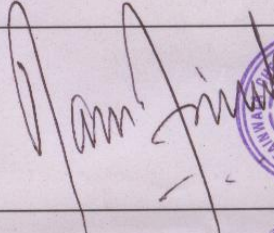

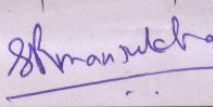

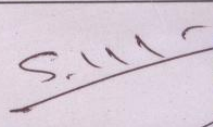
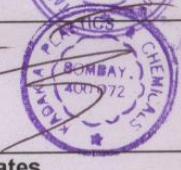




# TAINWALA

## FORM A

(Clause 31(a) of Listing Agreement)

1. Name of the company	Tainwala Chemicals & Plastics (India) Limited
2. Annual Stand alone financial statements for the year ended	31 <sup>st</sup> March 2015
3. Type of Audit observation	Unqualified
4. Frequency of observation	N.A
5. To be signed by –	
CEO/ Managing Director (Rakesh Dungarmal Tainwala)	 
CFO & Director (Simran Ram Mansukhani)	 
Audit Committee Chairman (Subhash Kantilal Kadakia)	 
Auditor of the Company	For Rungta & Associates Chartered Accountants (Firm Registration No. ( 108888W)   Pawan Kumar Rungta (Proprietor) Membership No.42902

L24100MH1985PLC037387

## TAINWALA CHEMICALS & PLASTICS (INDIA) LIMITED

Tainwala House, Road No. 18, M.I.D.C., Andheri (East), Mumbai - 93. Tel.: 6716 6100 To 199. • Fax: 022 - 2838 7039 / 2821 9592

Works - Plot No. 87, Govt. Indl. Estate, Khadoli Village, Silvassa, 396 230. Tel.: 0260-2699074 / 2699144 • Fax: 0260-2699145

E-mail : [simran@tainwala.in](mailto:simran@tainwala.in) / [milind@tainwala.in](mailto:milind@tainwala.in)

SUBJECT TO SILVASSA JURISDICTION

# **TAINWALA**

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

**30th Annual Report  
2014-15**

## TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED ANNUAL REPORT 2014 - 2015

**MANAGEMENT TEAM**

DUNGARMAL TAINWALA	Chairman and Whole-time Director
RAKESH TAINWALA	Managing Director
SIMRAN MANSUKHANI	Director Finance & CFO
ABHAY SHETH	Independent Director
SUBHASH KADAKIA	Independent Director
MAYANK DHULDHOYA	Independent Director
C. K. DOSHI	Independent Director
ASHOK MUKHERJEE	Sr. Vice-President Marketing & Administration
V.M.RAJU	General Manager Works
POOJA KHEDKAR	Company Secretary and Compliance Officer

**AUDITORS**

M/s RUNGTA & ASSOCIATES  
Chartered Accountants  
Mumbai

**BANKERS**

HDFC Bank Ltd.

**REGISTERED OFFICE**

Tainwala House  
Road No. 18, M.I.D.C., Marol,  
Andheri (East), Mumbai-400 093.  
CIN No. L24100MH1985PLC037387  
Tel: 67166100/161  
Website: www.tainwala.in

**WORKS**

87, Government Industrial Estate  
Khadoli Village, Silvassa - 396230  
Dadra & Nagar Haveli – U.T.

**REGISTRAR & SHARE TRANSFER  
AGENTS**

LINK INTIME INDIA PVT. LTD  
C-13, Pannalal Silk Mills Compound,  
LBS Road, Bhandup (W),  
Mumbai 400 078.  
Tel.: 25963838.

### THIRTIETH ANNUAL GENERAL MEETING

- Tuesday, 29th September, 2015
- 11.00 a.m.
- The All India Plastics Manufacturers Association, A-52, Street no. 1, M.I.D.C., Andheri (East), Mumbai – 400093.

**CONTENTS**

Notice	2
Directors' Report	7
Corporate Governance Report	21
Management Discussion & Analysis	33
Independent Auditor's Report	34
Balance Sheet	38
Statement of Profit & Loss Account	39
Cash Flow Statement	40
Notes to Financial Statement	41

**NOTICE**

Notice is hereby given that the THIRTIETH ANNUAL GENERAL MEETING of the Members of TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED will be held at The All India Plastics Manufacturers Association, A-52, Street No 1, M.I.D.C., Marol, Andheri (East), Mumbai - 400 093 on Tuesday 29th September, 2015 at 11.00 a.m. to transact the following business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance Sheet, Profit & Loss Account and the Reports of Directors' and Auditors' as on 31st March, 2015.
2. To appoint a Director in place of Mrs. Simran R Mansukhani (DIN: 06500475), who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint M/s. Rungta and Associates, Chartered Accountants, the Statutory Auditors of the Company to hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

**SPECIAL BUSINESS :**

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

“RESOLVED THAT pursuant to sections 160 and another applicable provisions (if any), of the Companies Act, 2013 read with Companies (Appointment and qualification of Directors) Rules 2014, Mr. Rajkumar Dungarmal Tainwala (DIN: 00294029) in respect of whom the Company has received a notice in writing from members proposing his candidature for the Directorship, be and is hereby appointed as a Executive Director of the Company.

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

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

Registered Office:  
"Tainwala House ",  
Road No. 18, M.I.D.C., Marol,  
Andheri (East),  
Mumbai - 400 093  
Place: Mumbai.  
Date: 26th May, 2015

**NOTES:**

1. An Explanatory Statement pursuant to section 102 of the Companies Act, 2013 relating to the special Businesses to be transacted at the Annual General Meeting (AGM) in annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 23.09.2015 to 29.09.2015 (both days inclusive).
4. Members are requested to immediately intimate change of address if any, to the Company/Registrar and share transfer agent quoting reference to their registered folio number.
5. Members are requested to send all share transfer lodgments (physical mode)/correspondence to the Registrar and Share Transfer Agent at the following address up to the date of book closure :  
M/S. LINK INTIME INDIA PRIVATE LIMITED  
C-13, Pannalal Silk Mills Compound,  
LBS Road, Bhandup (West),  
Mumbai – 400 078 Tel.: 25963838
6. Members who have multiple accounts in identical names or joint accounts in same order are requested to send all the share certificates to Link Intime India Pvt. Ltd. for Consolidation of all such shareholdings into one account to facilitate better service.
7. Members can avail nomination facility by filling in and forwarding the nomination form to the RTA, pursuant to Section 72 of the Companies Act, 2013, form to the RTA, if not already done.
8. Members can address their queries to the Company at [cs@tainwala.in](mailto:cs@tainwala.in) / [simran@tainwala.in](mailto:simran@tainwala.in).
9. Members who have not registered their e-mail address with the Company can now register the same by submitting a duly filled in 'E-Communication Registration Form', available on the website of the Company [www.tainwala.in](http://www.tainwala.in).
10. Members are requested to bring their attendance slip duly filled in details like DP Id and Client Id along with their copy of annual reports to the meeting.
11. Members having any questions on accounts are requested to send their queries at least 15 days in advance to the Company at its Registered office to enable the Company to collect the relevant information.
12. Pursuant to the provisions of Section 107 and 108, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the option of E-Voting facility to all members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting. The Members who wish to attend Annual General Meeting can vote at the Meeting. The Company has appointed Mr. Malay Shah, from Malay Shah & Associates, Practicing Company Secretary as a Scrutinizer.
13. Voting Instructions to all the shareholders who are eligible to vote :
  - (i) The voting period commences on 26th September, 2015 at 09.00 am and ends on 28th September, 2015 till 05.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd September, 2015, may cast their vote electronically. The e-voting module shall be disable by CDSL for voting thereafter.  
COMPANY NAME: TAINWALA CHEMICALS & PLASTICS (INDIA) LIMITED  
EVSN: 150810035
14. E-Voting Facility :

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

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

- e) 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.
- f) If you are a first time user follow the steps given below:

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

- g) After entering these details appropriately, click on "SUBMIT" tab.
- h) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through Central Depository Services (India) Limited (CDSL) platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j) Click on the EVSN for the relevant TAINWALA CHEMICALS & PLASTICS (INDIA) LIMITED on which you choose to vote.
- k) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- m) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- n) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- o) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- p) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have

issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

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

- (A) Please follow all steps from serial no. (a) To serial no. (p) above to cast vote.
- (B) The voting period commences on Saturday, 26th September, 2015 at 09.00 a.m and ends on 28th September, 2015 till 05.00 p.m. The voting rights shall be as per the number of equity share held by the Member(s) as on Wednesday, 23rd September, 2015. Members are eligible to cast vote electronically only if they are holding shares as on that date. The e-voting module shall be disabled by Central Depository Services (India) Limited (CDSL) for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
15. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 10.00 a.m. and 12.00 p.m. on any working day up to the date of AGM.
16. In order to support the Green Initiative of the Government and to save paper, Members are requested to please register email ID with their depositories and RTA with a copy to the Company to enable the Company to send documents like Report, Accounts, Notices etc. through electronic mode for convenience of members.

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

Place : Mumbai  
Date : 26th May, 2015

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

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**Annexure to the Notice**

**Explanatory Statement under Section 102 of the Companies Act, 2013(the 'Act'):**

**Item No. 4**

Notice has been received from the Member proposing candidature of Mr. Rajkumar Dungarmal Tainwala (DIN: 00294029) for the office of Executive Director of the Company. In the opinion of the Board, Mr. Rajkumar Dungarmal Tainwala fulfill all the conditions specified in the Companies Act, 2013 and Companies(Appointment of Directors) Rules,2014 made there under for the appointment as an Executive Director of the Company. A copy of the draft Letter of Appointment for Director, setting out the terms and conditions of his appointment, is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of shareholders. This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

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

Place : Mumbai  
Date : 26th May, 2015

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

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**Details of Directors seeking appointment/ re-appointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)**

**MRS. SIMRAN RAM MANSUKHANI (DIN: 06500475)**

Mrs. Simran Ram Mansukhani, aged 45 years is qualified Chartered Accountant, she has rich experience in the field of Accountant, Finance, Taxation.

Mrs. Simran Ram Mansukhani was appointed as an Executive Director of the company as on 24th September, 2014. She is a member of Risk Management Committee of the company.

In the opinion of the Board, Mrs. Simran Ram Mansukhani fulfills the conditions for her re-appointment as an

Executive Director as prescribed under the Act and Rules.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

**MR. RAJKUMAR DUNGARMAL TAINWALA (DIN: 00294029)**

Mr. Rajkumar Tainwala, aged 52 years is qualified B.A. (Economics). He is the Managing Director of Tainwala Personal Care Private Limited and also the Director in Tainwala Healthcare Products Private Limited. Mr. Tainwala is an expert having extensive Knowledge in the field of Marketing & Finance.

Keeping in view his experience and knowledge, it will be in the interest of the Company that Mr. Rajkumar Tainwala shall be appointed as an Executive Director of the Company.

Mr. Rajkumar Tainwala is the elder brother of Mr. Rakesh Tainwala (Managing Director).

**DIRECTORS' INTEREST**

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

Name of the Director	No. of Shares	% Holding
Mrs. Simran Ram Mansukhani	25	0.00
Mr. Rajkumar Tainwala	523069	5.59%



**DIRECTORS' REPORT**

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

Your Directors have pleasure in presenting the 30th Annual Report and Audited Statement of Accounts for the Year ended 31st March 2015.

Financial Results:

(₹ in Lacs)

	Year ended 31st March 2015	Year ended 31st March 2014
Income from Sale	984.05	841.75
Other Income	388.24	173.27
Total Income	1372.29	1015.02
Profit before Depreciation	286.33	106.80
Less: Depreciation	(76.37)	(70.65)
Profit for the year before tax & exceptional items	209.96	36.15
Add: Exceptional Items	---	---
Profit before taxation	209.96	36.15
Less: Provision for Tax	(7.20)	(6.00)
Add: Tax adjustment relating to earlier years	-	-
Net Profit after Tax	202.76	30.15
Balance b/f from previous year	213.22	183.07
Less: Adjustment for Depreciation as per schedule II to the companies Act,2013	52.25	-
Surplus (Deficit) carried to Balance Sheet	363.73	213.22

**OPERATIONS:**

The financial year 2014-15 was a year of challenges and uncertainties for businesses across various segments of industry with the financial crisis and volatile Markets, but your Company continues to demonstrate the robustness of its business model. Your Company has been able to achieve a turnover of Rs. 984.05 lakhs and a competitive Net Profit of Rs. 202.76 lakhs.

**DIVIDEND :**

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

**FIXED DEPOSITS :**

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

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

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

**DEPOSITORIES :**

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

**INSURANCE:**

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

**SHARE CAPITAL AND LISTING OF SECURITIES:**

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

**PARTICULARS OF EMPLOYEES :**

The Percentage of remuneration of each Director, Chief Financial officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the medium of remuneration of the employees of the

Company for the Financial Year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :

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

- i) Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2014-15, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2014-15.

Sr.No.	Name of Director	Remuneration of Directors for financial year 2014-15 (in ₹)	Ratio of remuneration of each Director/ to median remuneration of employees	% increase in Remuneration in the Financial Year 2014-15
1.	Mr. Dungarmal Tainwala	821,400	6.63:1	0%
2.	Mr. Rakesh Tainwala	2,367,000	19.10:1	0%
3.	Mrs. Simran Ram Mansukhani	653,711	5.27:1	0%

- ii. The percentage increase in the median remuneration of Employees for the financial year was 16.69%.
- iii. The Company has 46 permanent Employees on the payroll of Company as on 31st March, 2015.
- iv. Relationship between average increase in remuneration and Company's performance: The reward philosophy of the Company is to provide market competitive total reward opportunity that has a strong linkage to and drives performance culture. Every year, the salary increases for the Company are decided on the basis of a benchmarking exercise that is undertaken with similar profile organizations. The final salary increases given are a function of Company's market competitiveness in this comparator group as well as overall business affordability. During the year, similar approach was followed to establish the remuneration increases to the Employees. Variable compensation is an integral part of our total reward package and is directly linked to an individual performance rating and business performance. Salary increases during the year were in line with Company's performance as well as per Company's market competitiveness.
- v. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company: In line with Company's reward philosophy, merit increases and annual bonus pay-outs of its Employees including Key Managerial Personnel are directly linked to individual performance as well as that of the business. Given the superior business performance and the performance rating of the Key Managerial Personnel, appropriate reward by way of merit increase or variable pay have been awarded to the Key Managerial Personnel for the current year. This was duly reviewed and approved by the Nomination & Remuneration Committee of the Company.
- vi. The Market Capitalisation of the Company as on 31st March, 2015 was ₹ 20.13crores as compared to Rs. 16.01 crores as on 31st March, 2014.  
The price earnings ratio of the Company was 9.90 as on 31st March, 2015 as compare to 53.4375 as on 31st March, 2014. The closing share price of the Company at BSE Limited on 31st March, 2015 was ₹ 21.50/- per equity share of face value of ₹10/- each.
- vii. Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 23% whereas the increase in the managerial remuneration was [0] %. The average increases every year is an outcome of Company's market competitiveness as against its peer group companies. In keeping with our reward philosophy and benchmarking results, the increases this year reflect the market practice.
- viii. The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year: Not Applicable
- ix. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

**DIRECTORS :**

Your Company has 7 (Seven) Directors consisting of 1 (One) Promoter and Whole – time Director, 2 (Two) Executive Directors (Managing Director & Director) and 4 (Four) Independent Directors, as on 31st March, 2015.

**DIRECTOR'S RESIGNATION :**

During the period under review, Mr. Dungarmal Tainwala has resigned from the Board of Directors of the Company w. e. f. 27/07/2015 due to his health problems.

**DIRECTOR'S RESPONSIBILITY STATEMENT :**

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

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

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

In compliance of sub – section (7) of Section 149 of the Companies Act, 2013, all the Independent Directors of the Company have submitted their declarations stating that, they meet the criteria of independence as provided in sub-section (6) of the section 149 of the above said Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

**SECRETARIAL AUDITOR :**

Pursuant to Section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s. Malay Shah & Associates Practicing Company Secretaries, Mumbai as its Secretarial Auditors to conduct the secretarial audit of the Company for the financial year 2014-15. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the financial year 2014-15 is set out as Annexure and forms part of this report.

The Board has proposed to appoint M/s. Malay Shah & Associates Practicing Company Secretaries as the Secretarial Auditors of the Company for the financial year 2015-16.

**AUDITORS :**

M/s. Rungta & Associates, Chartered Accountants, having firm registration no.108888W, retire at the ensuing Annual General Meeting and being eligible have offered themselves for Re-appointment. The Company has received a letter as required under section 139(1) of the Companies Act 2013 from M/s Rungta & associates confirming their eligibility and willingness to act as statutory auditors, if reappointed. Members are requested to elect auditors for the current year and fix their remuneration.

**CORPORATE GOVERNANCE – CLAUSE 49 OF THE LISTING AGREEMENT :**

A separate Section on Corporate governance with a detailed compliance report and the Certificate from The Practicing Chartered Accountant with respect to compliance with the provisions of Corporate Governance, as required by clause 49 of Listing Agreement, is also annexed.

**AUDITORS' REPORT :**

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

**BOARD COMMITTEES :**

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

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

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

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

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

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

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

**EXTRACT OF THE ANNUAL RETURN :**

Pursuant to sub – section 3(a) of the Section 134 and sub – section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as on 31st March, 2015 is set out as Annexure and forms part of this report.

**QUALITY :**

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

**MANAGEMENT DISCUSSION AND ANALYSIS :**

The Management Discussion and Analysis Report for the year under review as stipulated under Clause 49 of the listing agreement with the Stock Exchanges in India is presented in a Separate section forming part of this Annual Report.

**ACKNOWLEDGEMENT**

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

By Order of the Board  
Mr. Dungarmal Tainwala

Place: Mumbai  
Date: 26/05/2015

(DIN : 00294150)  
Chairman

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

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

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

1. Provided better load management.
2. Provided automatic power factor control unit.
3. Provided Voltage Stabilizer.
4. Reduced breakdown by proper preventive maintenance.
5. Provided PLC controlled systems on machine.
6. Provided extra –insulation on chilled water pipelines to reduce energy consumption.

**b) Impact of the measures at (a) above for reduction of energy Consumption and consequent impact on the cost of production Implementations of the aforementioned measures have resulted in efficient energy management.**

**c) Power & Fuel Consumption :**

	Year ended 31/03/15	Year Ended 31/03/14
a) Electricity :		
Units Purchased	6,93,408	7,83,496
Total amount (Rs.)	32,883,48	34,570,72
Rate per Unit (Rs.)	4.74	4.41
b) Own Generation through Diesel Generator :		
Units Generated	7260	11,520
Quantity of Diesel Used	2,200Ltrs	3,600 Ltrs
Total Amount (Rs.)	1,41,706.00	193,320
Cost per unit (Rs.)	19.51	16.78
c) Consumption per unit of production Details:		
Production (Kgs)	7,902,27	6,735,31
Electricity (Rs.)	32,883,48	34,570,72
Cost per Unit Rs.	₹. 4.34 per kg.	₹.5.42 per kg.

**B. TECHNOLOGY ABSORPTION :****1. Research and Development (R & D) :**

- a) Specific areas in which R & D carried out in the Company.  
Nil.
- b) Benefits:  
Not Applicable
- c) Future Plan of Action:  
On-going Development in product quality and process conditions.
- d) Expenditure on R & D:  
Expenditure on R & D is an on going process at every stage of operation and forms part of the regular activities of the Company and hence the cost element in the form of R & D is not easily identifiable.

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

The company has not acquired any indigenous or imported technology.

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

	2015	2014
	₹	₹
Foreign Exchange Earning	NIL	NIL
Foreign Exchange Outgoings	24,195,330	15,337,441

## FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

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

## I. REGISTRATION &amp; OTHER DETAILS :

1.	CIN	L24100MH1985PLC037387
2.	Registration Date	04/09/1985
3.	Name of the Company	TAINWALA CHEMICALS AND PLASTICS(INDIA)LIMITED
4.	Category/Sub-category of the Company	Public Listed Company
5.	Address of the Registered office & contact details	"Tainwala House" Road No. 18, Opp. Plot No. 118, MIDC, Marol, Andheri (East) Mumbai, Maharashtra, India-400093 Ph: 022 67166100 Email. simran@tainwala.in, cs@tainwala.in Website – www.tainwala.in
6.	Whether listed company Yes / No	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	LINK INTIME INDIA PVT. LTD C-13, Pannalal Silk Mills Compound, LBS Road, Bhandup (W), Mumbai 400078. Ph: 25963838 Email: Website – www.linkintime.co.in

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Polymer Sheet	25201	93%

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

SR. No.	Name and address of the company	CIN/GLN	Nature of Interest
1	Abhishri Packaging Private Limited	U28129MH2003PTC139261	Director
2	Concept Reality and Securities Private Limited	U70102MH1995PTC087967	Director
3	Krishna Agro Private Limited	U01111MH2007PTC167349	Director
4	Krish Gene Agro Private Limited	U01403MH2012PTC229426	Director
5	Katyayan Construction and Developers Private Limited	U45200MH1988PTC049046	Director
6	Tainwala Healthcare Products Private Limited	U24240MH1999PTC122321	Director

**III. VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)  
Category-wise Share Holding**

Category of Shareholders	No. of Shares held as on 01-04-2014				No. of Shares held as on 31-03-2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s (1) Indian									
a) Individual/ HUF	4537003	--	4537003	48.45	4492555	--	4492555	47.98	(0.47)
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	1806658	--	1806658	19.29	1806658	--	1806658	19.29	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter (A)	6343661	--	6343661	67.74	6299213	--	6299213	67.2715	(0.47)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	--	16200	16200	0.17	--	16100	16100	0.1719	0.002
b) Banks / FI	18600	4780	23380	0.25	18600	4780	23380	0.25	--
c) Central Govt/ State Govt(s)	91500	--	91500	0.98	91500	--	91500	0.98	--
d) Venture Capital Funds	--	--	--	--	--	--	--	--	--
e) Insurance Companies	--	--	--	--	--	--	--	--	--
f) FIs	--	3509	3509	0.04	--	3509	3509	0.04	--
g) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
h) Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B)(1):-	110100	24489	134589	1.44	110100	24389	134489	1.44	--
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	212609	5162	217771	2.33	97597	5162	102759	1.0974	(1.2326)
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1122165	551023	1673188	17.87	1141228	537299	1678527	17.9256	0.07
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	695796	--	695796	7.43	828839	--	828839	8.8515	1.4215
c) Others (specify)	-								
Non Resident Indians	140063	110219	250282	2.67	138263	109451	247714	2.64	(0.0246)
Overseas Corporate Bodies	--	--	--	--					

Foreign Nationals	--	--	--	--					
Clearing Members	5621	--	5621	0.06	26692	--	26692	0.2851	0.2251
Trusts	--	--	--	--					
Foreign Bodies - DR	--	40700	40700	0.43	--	40700	40700	0.4346	--
Market Maker	255	--	255	0	2930	--	2930	0.0313	0.0313
Office Bearers	--	2000	2000	0.02	--	2000	2000	0.02	--
Sub-total (B)(2):-	2176509	709104	2885613	30.82	2235549	694612	2930161	31.2922	--
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2286609	733593	3020202	32.25	2345649	719001	3064650	32.73	--
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	8630270	733593	9363863	100	8644862	719001	9363863	100	--

**B) Shareholding of Promoter-**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Dungarmal Tainwala	2517028	26.88	0	2534857	27.07	0	0.19
2	Concept Reality and Securities Pvt. Ltd.	1806658	19.29	0	1806658	19.29	0	--
3	Shobha Tainwala	972069	10.38	0	972069	10.38	0	--
4	Rajkumar Tainwala	585346	6.25	0	523069	5.59	0	(0.66)
5	Lila Devi Tainwala	380732	4.07	0	380732	4.07	0	--
6	Vandana Tainwala	80828	0.86	0	80828	0.86	0	--
7	Amishi Tainwala	1000	0.01	0	1000	0.01	0	--
	Total	6343661	67.75	0	6299213	67.27	0	(0.48)

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr.Dungarmal Tainwala				
	At the beginning of the year	2517028	26.88	0	0
	Brought during the year	17829	0.19	0	0
	Sold During the year	0			
	At the end of the year	2534857	27.07	0	0



SN	Particulars	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
2.	Mr.Rajkumar Tainwala				
	At the beginning of the year	585346	6.25	0	0
	Brought during the year	0	0	0	0
	Sold During the year	62277	0.66		
	At the end of the year	523069	5.59	0	0

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. K Naresh Kumar	35114	0.3750	114412	1.2218
2	Ms. Beena Agarwal	32245	0.3444	39045	0.4170
3	Mr. Anil Agarwal	44121	0.4712	44121	0.4712
4	Ms. Maya Hariram Melwaney	48400	0.5169	48400	0.5169
5	United India Insurance Company	34200	0.3652	34200	0.3652
6	Mr. Radheshyam Shriniwas Manihar	31945	0.3412	32745	0.3497
7	Mr. Radhe shyam Vig	20129	0.2150	23399	0.2499
8	Kesav Securities Pvt Ltd.	20000	0.2136	20000	0.2136
9	Ms. Savita R Gulati	23000	0.2456	23000	0.2456
10	Mr. Arvind Pundalik Tendulkar	22000	0.2349	22000	0.2349

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

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Dungarmal Tainwala	2517028	26.88	2534857	27.07
2.	Mrs. Simran Ram Mansukhani	25	0.00	25	0.00

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits (Security Deposits received from Customers)	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	321,375	321,375
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	9276	9276
<b>Total (i+ii+iii)</b>			330,651	330,651
Change in Indebtedness during the financial year				
* Addition	-	-	9276	9276
* Reduction	-	-	-	-
Net Change			9276	9276
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	321,375	321,375
ii) Interest due but not paid	-	-		
iii) Interest accrued but not due	-	-	18,552	18,552
<b>Total (i+ii+iii)</b>	-	-	339,927	339,927

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Salary	Rakesh Tainwala	Dungarmal Tainwala	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		2,100,000	720,000	2,820,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		--	--	--
2	Stock Option		--	--	--
3	Sweat Equity		--	--	--
4	Commission- as % of profit - others, specify...	--	--	--	--
5	Others, please specify	Provident	252,000	86,400	338400
		Medical Exp.	15,000	15,000	30,000
	Total (A)		2,367,000	821,400	3188400
	Ceiling as per the Act	As Per Schedule V Part II Section II of the Companies Act, 2013			

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		C.K. Doshi	Subhash Kadakia	Abhay Sheth	Mayank Dhuldhoya	
1	Independent Directors					
	Fee for attending board committee meetings	6000	11500	8500	7000	33000
	Commission	--	--	--	--	--
	Others, please specify	--	--	--	--	--
	Total (1)	6000	11500	8500	7000	33000
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	--	--	--	--	--
	Commission	--	--	--	--	--
	Others, please specify	--	--	--	--	--
	Total (2)	--	--	--	--	--
	Total (B)=(1+2)	6000	11500	8500	7000	33000
	Total Managerial Remuneration					
	Overall Ceiling as per the Act	As per Section 197(5) of the Companies Act, 2013				

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

SN.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Salary	Simran Ram Mansukhani (Executive Director & CFO)	Pooja Khedkar	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		538,010	186,451	724,461
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		--	--	--
2	Stock Option		--	--	--
3	Sweat Equity		--	--	--
4	Commission				
	- as % of profit		--	--	--
	others, specify...		--	--	--
5	Others, please specify	Provident Fund	64,800	10,451	
		Bonus	41,401	--	
		Leave Salary	9,500	--	
	Total		653,771	196,902	

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

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

Place: Mumbai  
Date: 26/05/2015

By Order of the Board  
Mr. Dungarmal Tainwala  
Chairman  
(DIN : 00294150)

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

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

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

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

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Abhishri Packaging Private Limited Managing Director is a Director of the said company.
b)	Nature of contracts/arrangements/transaction	Sale of goods, Purchase of goods , Job work income, Rent income, Interest Income
c)	Duration of the contracts/arrangements/transaction	More than 5 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale & Purchase of goods at prevailing market rate & Dealing in day to day business relating goods & Services at Pre-vailing Market rate.
e)	Date of approval by the Board	29th May, 2014
f)	Amount paid as advances, if any	NIL

Place: Mumbai  
Date: 26/05/2015

By Order of the Board  
Mr. Dungarmal Tainwala  
Chairman  
(DIN : 00294150)

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

For the financial year ended March 31, 2015

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of :

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings  
(Not Applicable to the Company during the Audit Period);
- 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, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;  
**(Not Applicable to the Company during the Audit Period)**;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008;  
**(Not Applicable to the Company during the Audit Period)**;
  - f. The Securities and Exchange Board of India (Registrars to an issue and share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and  
**(Not Applicable to the Company during the Audit Period)**;
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;  
**(Not Applicable to the Company during the Audit Period)**;

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.  
**(Not applicable to the Company as on date).**

- ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

We further report that

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

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

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

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

For Malay Shah & Associates  
Company Secretaries

Malay Shah  
(Proprietor)

Date: May 26, 2015

Place: Mumbai

CP No: 12820, ACS No: 28281

**ANNEXURE 'B' TO THE DIRECTORS' REPORT  
REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-2015**

(As required under the Revised Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

Your Company continues to lay great emphasis on Corporate Governance. Our pursuit towards achieving good governance is an ongoing process. In this Report, we confirm the compliance of the Corporate Governance criteria as required under the revised Clause 49 of the Listing Agreement.

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

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

**2. BOARD OF DIRECTORS:-**
**a. COMPOSITION AND CATEGORY :-**

The Company has an optimum combination of Executive and Non-Executive Directors. The Board of Directors comprises of 7 (Seven) Directors i.e. 3 (three) Executive Directors and 4 (Four) Non-Executive Directors. During the year, the Board was headed by Executive Chairman – Mr. Dungarmal Tainwala.

The composition of the Board and other relevant details relating to Directors are given below:

Name of the Director	Category	Number of Directorships in other Companies**	Number of committee positions held in other Companies	
			Member	Chairman
Mr. Dungarmal Tainwala	Promoter & Executive	Nil	Nil	Nil
Mr. Rakesh Tainwala	Executive	Nil	Nil	Nil
Mrs. Simran Ram Mansukhani	Executive	Nil	Nil	Nil
Mr. Subhash Kantilal Kadakia	Independent & Non-Executive	Nil	Nil	Nil
Mr. Abhay Sheth	Independent & Non-Executive	Nil	Nil	Nil
Mr. Chandraprakash Kanhaiyalal Doshi	Independent & Non-Executive	Nil	Nil	Nil
Mr. Mayank Dhuldhoya	Independent & Non-Executive	Nil	Nil	Nil

\*\* excluding directorship in Private Companies

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

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

**b. INFORMATION REQUIRED UNDER CLAUSE 49(IV) (G) OF THE LISTING AGREEMENT ON DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IS GIVEN IN THE EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013.**
**c. Attendance of each Director at the Board Meetings held during the year 2014-15 and at the last Annual general Meetings.**

During the financial year ended 31st March, 2015, 4 (Four) Board Meetings were held i.e. on 29th May, 2014, 05th Aug, 2014, 10th Nov, 2014 and 04th Feb, 2015. The last i.e. the 29th Annual General Meeting of the Company was held on Wednesday, 24th September 2014. Details of attendance of each Director at the Board Meetings and at the Annual General Meeting are given below:

Name of the Director	No. of Board Meetings Attended	Attended at last AGM
Mr. Rakesh Tainwala	4	Yes
Mr. Dungarmal Tainwala	4	Yes
Mrs. Simran Ram Mansukhani	2	Yes
Mr. Subhash Kantilal Kadakia	3	Yes
Mr. Abhay Sheth	2	Yes
Mr. Mayank Dhuldhoya	4	Yes
Mr. Chandraprakash Kanhaiyalal Doshi	4	Yes

### 3. BOARD COMMITTEES:-

The Board had constituted the following Committees of Directors.

#### I. AUDIT COMMITTEE:

The Audit Committee comprises of 4 (Four) members all Non-Executive Independent Directors.

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

During the financial year ended 31st March, 2015, 4 (Four) Audit Committee Meetings were held i.e. on 29th May, 2014, 05th Aug, 2014, 10th Nov, 2014 and 04th Feb, 2015. The Composition of the Audit Committee during the financial year is as follows:

Name of the Directors	Category	Number of Meetings attended
Mr. Subhash Kantilal Kadakia	Chairman, Non-Executive & Independent	3
Mr. Abhay Sheth	Non-Executive & Independent	2
Mr. Chandraprakash Kanhaiyalal Doshi	Non-Executive & Independent	4
Mr. Mayank Dhuldhoya	Non-Executive & Independent	4

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

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

The terms of Reference of the Audit Committee broadly include reviewing the Companies internal control system, audit procedures, compliance with statutory and regulatory requirements, financial reporting process and the disclosure of its financial information to ensure that the financial statements are true and correct. It also reviews the quarterly, half yearly and annual financial results before submission to the Board.

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

The Share Transfer / Investors Grievance Committee:

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

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

Mr. Subhash Kantilal Kadakia – Non Executive and Independent Director is the Chairman of the Stakeholder's Relationship Committee.

Attendances of each member at the Stakeholder's Relationship Committee during the year 2014-2015 are detailed below:

Name of the Directors	Executive/Non Executive	No. of Committee Meetings Attended
Mr. Dungarmal Tainwala	Executive	18
Mr. Subhash Kantilal Kadakia	Non – Executive	18
Mr. Abhay Sheth	Non-Executive	18



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

During the year under report, the Company received No complaint which were resolved satisfactorily. All requests for transfer of shares have been processed normally within prescribed time.

**III. RISK MANAGEMENT COMMITTEE :**

The members of Risk Management Committee are as given below:

1. Mrs. Simran Ram Mansukhani
2. Mr. Dungarmal Tainwala
3. Mr. Rakesh Tainwala

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

**IV. SEPARATE INDEPENDENT DIRECTORS' MEETINGS**

The Independent Directors meet at least once in a year, without the presence of Executive Directors or Management representatives. They also have a separate meeting with the Non-Executive Chairman, to discuss issues and concerns, if any. The Independent Directors meetings was held on 24th March, 2015 for the Financial Year ended 31st March, 2015, and inter alia discussed:

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

**V. NOMINATION & REMUNERATION COMMITTEE:**

The Remuneration Committee functions inter alias includes a. Review and recommends Remuneration of Managing Director/Whole Time Director. b. Recommend suitable revision/increments whenever required to the Board of Directors.

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

During the financial year under review the Committee held 2 (Two) meeting on 29th May, 2014 and 10th November, 2014 Attendance at its Meeting is given hereunder:

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

Name of the Directors	Category	No. of Meetings Attended
Mr. Abhay Sheth	Chairman, Non-Executive & Independent	2
Mr. Subhash Kantilal Kadakia	Non-Executive & Independent	2
Mr. Mayank Dhuldhoya	Non-Executive & Independent	2

**1. REMUNERATION OF DIRECTORS:**

Remuneration Policy:

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

Details of remuneration to all the Directors, as per format in main report.

**(a) Remuneration to Executive Directors**

The remuneration policy is directed towards rewarding performance. It is aimed at attracting and retaining high caliber talent. The Company does have an incentive plan which is linked to performance and achievement of the Company's objectives. The Company has no stock option scheme relating to its shares. The Company has also constituted a Nomination and Remuneration Committee which shall, inter-alia; evaluate the performance of the Executive Directors and the remuneration payable to the Executive Directors and Senior Management employees.

Details of remuneration paid/payable to the Executive Directors of the Company during the year ended March 31, 2015 is ₹ 38,42,111/-.

**(b) Non executive Directors**

The Company has no pecuniary relationship or transaction with its Non- executive Independent Directors other than payment of sitting fees to them for attending Board and Committee Meetings.

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

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

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

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

**4. GENERAL BODY MEETINGS:**

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

Financial Year	Date of Meeting	Time	Place	Resolution
2013-2014	24.09.2014	11.30 a.m.	All India Plastics Manufacturers Association A-52, Street No. 1, MIDC, Marol, Andheri (E), Mumbai-400 093.	i. Adoption of New Articles of Association of the Company. ii. Appointment of Mr. Mayank Dhuldhoya, Mr. Subhash Kantilal Kadakia, Mr. Abhay Natwarlal Sheth and Mr. Chandraprakash Kanhaiyalal Doshi as an independent Director to hold office upto for 5 (five) Consecutive years. iii. Appointment of Mrs. Simran Ram Mansukhani as a Director of the Company.
2012-2013	20.09.2013	11.00 a.m.		No Special Resolution was passed at this meeting.
2011-2012	18.09.2012	11.00 a.m.		i. Re- appointment of Mr. Rakesh Tainwala as Managing Director for a period of five years with effect from 26th June, 2012. ii. Re-appointment of Mr. Dungarmal Tainwala as Whole time Director for a period of five years with effect from 1st July, 2012.

b.No Special Resolutions were required to be put through Postal Ballot.

**5. DISCLOSURES:**

Disclosure on materially significant related party transactions that may have potential conflict with the interests of company at large.

## Related party transactions:

(Amount in ₹)

Nature of transactions	Key management personnel	Relative of a key management personnel	Enterprises in which key management personnel and/or their relatives have significant influence	Total
Remuneration	3,842,111 (3,188,400)	537,600 (537,600)	-- (--)	4,431,116 (3,726,000)
Sale of Goods	-- (--)	-- (--)	3,14,478 (25,024)	314,478 (25,024)
Purchase of Goods	-- (--)	-- (--)	5,646,363 (5,098,957)	5,646,363 (5,098,957)
Job Work Income	-- (--)	-- (--)	177,550 (166,150)	177,550 (166,150)
Rent income	-- (--)	-- (--)	816,000 (876,000)	816,000 (876,000)
Interest income	-- (--)	-- (--)	3,616,974 (3,616,974)	3,616,974 (3,616,974)
Dividend Income	-- (--)	-- (--)	16,884,302 (--)	16,884,302 (--)
Deposits given outstanding as at year end	-- (--)	1,000,000 (1,000,000)	-- (--)	1,000,000 (1,000,000)
Debit balance as at year end	-- (--)	-- (--)	40,188,604 (40,188,604)	40,188,604 (40,188,604)
Receivable as at year end (fully provided for)	-- (--)	-- (--)	39,115,941 (39,115,941)	39,115,941 (39,115,941)
Investments	-- (--)	-- (--)	1,00,698,730 (--)	1,00,698,730 (--)

## Notes:

- Figures in brackets pertain to previous year.
  - The related party relationships have been determined by the Company on the basis of the requirements of the Accounting Standard (AS)-18 'Related Party Disclosures' and the same have been relied upon by the auditors.
  - The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year, except where control exists.
- iii. Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:
- Remuneration includes, paid to Mr. Rakesh Tainwala ₹2,367,000(Previous year ₹ 2,367,000); Mr. Dungarmal Tainwala ₹ 821,400 (Previous year ₹821,400); Ms. Vandana Tainwala ₹537,600 (Previous year ₹ 537,600); and Mrs. Simran Mansukhani ₹6,53,711 (Previous year Not Applicable)
  - Sale of goods has been made to Abhishri Packaging Pvt. Ltd. ₹1,77,018 (Previous year ₹ 25,064).
  - Sale of goods has been made to Samsonite South Asia Pvt. Ltd. ₹ 1,37,460 (Previous year Nil)
  - Purchase of goods has been made from Abhishri Packaging Pvt. Ltd. ₹ 56,46,363(Previous year ₹ 5,098,957).
  - Job work income is from Abhishri Packaging Pvt. Ltd. ₹177,550(Previous year ₹ 166,150).

- Rent income is from Abhishri Packaging Pvt. Ltd. ₹ 720,000(Previous year ₹732,000) and from Tainwala Personal Care Products Pvt. Ltd. ₹ 96,000 (Previous year ₹144,000).
- Interest income is from Abhishri Packaging Pvt. Ltd. ₹ 3,616,974 (Previous year ₹ 3,616,974).
- Dividend Income is from Samsonite South Asia Pvt. Ltd. ₹ 1,68,84,302 (Previous year Nil).
- Deposits outstanding as at year end ₹1,000,000 (Previous Year ₹1,000,000) is given to Mr. Rajkumar Tainwala towards industrial Premises hired by the Company.
- Debit Balance as at year end relates to Abhishri Packaging Pvt.Ltd. ₹40,188,604 (Previous Year ₹40,188,604).
- Receivable as at year end (fully provided for) relates to Tainwala Holdings Pvt. Ltd. ₹39,115,941 (Previous Year ₹ 39,115,941).
- Investment at year end relates to Samsonite South Asia Pvt. Ltd. ₹30,698,730 and Periwinkle Fashions Pvt. Ltd. ₹7,00,00,000.

#### 6. CORPORATE SOCIAL RESPONSIBILITIES:

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

#### 7. OTHER DISCLOSURES:

- a. The Company has duly complied with all the mandatory requirements as per Clause 49 of the Listing Agreement.
- b. Compliance with Non-mandatory requirements is furnished separately under the heading "Non-mandatory Requirements".
- c. No penalties have been imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital Markets.
- d. Whistle Blower Policy and affirmation that, no personnel have been denied access to the audit committee. The Company has a vigil mechanism and whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. During the year under review, no employee was denied access to Audit Committee.

#### 8. CEO/CFO Certification

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

#### 9. MEANS OF COMMUNICATION:

- i. Quarterly Results  
The Company's Quarterly Financial Results are Published in English Language is displayed on its website ([www.tainwala.in](http://www.tainwala.in)).
- ii. Newspaper wherein results normally displayed  
The Company's results are published normally in the vernacular dailies like Apla Mahanagar and also leading dailies like Financial Express as per availability of the space at the time of publishing.
- iii. Any Website, Where displayed  
The Company's website ([www.tainwala.in](http://www.tainwala.in)) contains a separate dedicated section 'Investor' where shareholders' information is available. The Company Annual Report is also available in a use-friendly and downloadable form.
- iv. Whether it also displays official news release;  
During the period under review, the Company has no official news release.
- v. No presentations to any institutional investors or analysts has been made during the year ended 31.03.2015.

#### 10. CODE OF CONDUCT:

The Board of Directors has laid down a Code of Conduct for all the Board members and Senior Management of the Company to ensure adherence to a high ethical professional conduct by them in the discharge of their duties. All the Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2014-15. A Declaration to this effect signed by Chief Executive Officer (CEO) of the Company is annexed to this report.

**11. GENERAL SHAREHOLDER INFORMATION:**

- a) AGM Date, Time and Venue : Tuesday, 29th September 2015 at 11.00 a.m. at the All India Plastics Manufacturers Association A-52, Street No.1, Marol, M.I.D.C., Andheri (East), Mumbai - 400093
- b) Financial Calendar : 1st April to 31st March

Audited Annual results for the year ended 31st March 2015	By 30th May 2015
Unaudited First quarter results for quarter ended 30th June 2015	By 14th August 2015
Unaudited Second quarter results for quarter ended 30th September, 2015	By 14th November 2015
Unaudited Third quarter results for quarter ended 31st December 2015	By 14th February 2016
Audited Annual results for the year ended 31st March 2016	By 30th May 2016

- c) Book Closure Date : 23/09/2015 to 29/09/2015.
- d) Listing on Stock Exchange : Bombay Stock Exchange Limited.  
National Stock Exchange of India Limited
- e) Stock Code  
Bombay Stock Exchange Limited. : 507785  
National Stock Exchange of India Limited : TAINWALCHM
- f) Payment of Annual Listing Fees : Listing Fees for the financial year 2014- 2015 has been paid to the concerned stock exchanges.
- g) Dividend payment : Nil

**h) Stock Market Data:**

MONTH & YEAR	BOMBAY STOCK EXCHANGE			NATIONAL STOCK EXCHANGE		
	HIGH (RS.)	LOW (RS.)	SENSEX (Closing)	HIGH (RS.)	LOW (RS.)	NIFTY (Closing.)
2014						
April	19.95	17.15	22,417.80	18.95	16.90	6696.40
May	22.65	17.20	24,217.34	23.55	17.15	7229.95
June	26.05	20.40	25,413.78	26.45	22.15	7611.35
July	22.90	17.75	25,894.97	23.50	17.05	7721.30
August	21.00	17.80	26,638.11	19.85	16.95	7954.35
September	27.75	18.10	26,630.51	26.50	19.00	7964.80
October	27.90	19.60	27,865.83	27.25	19.65	8322.20
November	35.70	26.50	28,693.99	35.45	26.00	8588.25
December	30.35	23.50	27,499.42	30.45	22.60	8282.70
2015						
January	29.00	22.60	29,182.95	27.00	21.85	8808.90
February	25.50	20.40	29,361.50	24.85	18.45	8901.85
March	28.00	19.70	27,957.49	28.50	18.45	8491.00

**i) Share Transfer Agents:**

The Company has appointed Link Intime India Pvt. Ltd., having their office at C-13, Pannalal Silk Mills Compound, LBS Road, Bhandup (West), Mumbai- 400078 as the Registrar & Share Transfer Agents. All Shareholders related services including transfer, demat/remat of shares is carried out by the Registrar & Share Transfer Agents.

**j) Share Transfer System:**

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

**k) Distribution of Shareholdings as on 31st March 2015:**

No. of Equity shares held	No. of Shareholders	% of Shareholders	Total No. of Shares Held	% of Shares
1 - 500	5640	88.65%	817544	8.73
501 - 1000	391	6.15%	312230	3.33
1001 - 2000	152	2.39%	230110	2.46
2001 - 3000	50	0.78%	130078	1.39
3001 - 4000	22	0.35%	79704	0.85
4001 - 5000	25	0.39%	115792	1.24
5001 - 10000	29	0.46%	228592	2.44
10001 & above	53	0.83%	7449813	79.56
<b>TOTAL</b>	<b>6362</b>	<b>100%</b>	<b>9,363,863</b>	<b>100%</b>

**L) Distribution Shareholding as on 31st March 2015:**

Category Code	Category of Shareholder	Total Number of shares	Total Number of shares	Number of Shares held in dematerialized form	Total shareholding as a percentage of total number of shares
(A)	Shareholding of Promoter and Promoter Group				
1.	Indian				
a	Individuals/ Hindu Undivided Family	7	4492555	4492555	47.9776
b	Central Government/ State Government(s)	0	0	0	0
c	Bodies Corporate	1	1806658	1806658	19.2939
d	Financial Institutions/ Banks	0	0	0	0
e	Any Others(Specify)	0	0	0	0
	Sub Total(A)(1)	8	6299213	6299213	67.2715
2.	Foreign	0	0	0	0
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0
b	Bodies Corporate	0	0	0	0
c	Institutions	0	0	0	0
d	Any Others(Specify)	0	0	0	0
	Sub Total(A)(2)	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+ (A)(2)	8	6299213	6299213	67.2715

B)	Public shareholding				
1.	Institutions				
a	Mutual Funds/ UTI	9	16100	0	0.17
b	Financial Institutions / Banks	7	23380	18600	0.2497
c	Central Government/ State Government(s)	2	91500	91500	0.9772
d	Venture Capital Funds	0	0	0	0
e	Insurance Companies	0	0	0	0
f	Foreign Institutional Investors	3	3509	0	0.0375
g	Foreign Venture Capital Investors	0	0	0	0
h	Any Other (specify)	0	0	0	0
	Sub-Total (B)(1)	21	134489	110100	1.4363
2.	Non-institutions				
a	Bodies Corporate	93	102759	97597	1.0974
b	Individuals				
c	Individuals - i. Individual shareholders holding nominal share capital up to Rs 1 lakh	5957	1678527	1141228	17.9256
d	i Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	34	828839	828839	8.8515
e	Any Other (specify)				
f	Foreign Company (Non-Dom. Com)	5	40700	0	0.4346
g	NRI (Repeat)	191	194721	91605	2.0795
h	NRI (Non-Repeat)	23	52993	46658	0.5659
i	OCB	0	0	0	0.0000
j	Clearing Member	16	26692	26692	0.2851
k	Market Maker	4	2930	2930	0.0313
l	Office bearer	10	2000	0	0.0214
m	HUF	0	0	0	0
	Sub-Total (B)(2)	6333	2930161	2235549	31.2922
(B)	Total Public Shareholding (B)= (	6354	3064650	2345649	32.7285
	B)(1)+(B)(2)	6362	9363863	8644862	100.0000

(C)	Shares held by Custodians and against which Depository Receipts have been issued				
c-1	Promoter and Promoter Group	0	0	0	0
c-2	Public	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	6362	9363863	8644862	100.0000

m) Status of Dematerialization of Shares as on 31st March 2015:

Particulars	No. of Shares	% to Total Capital
NSDL	77,59,589	84.00%
CDSL	885,273	8.00%
PHYSICAL	719,001	8.00%
TOTAL	9,363,863	100.00%

- n) Company ISIN No. : INE123C01018
- o) CIN No. : L24100MH1985PLC03738
- p) Works : Plot No. 87 Government Industrial Estate, Khadoli Village, Silvassa-396230. Dadra & Nagar Haveli-U.T
- q) Address for Correspondence : (1) Tainwala House, Road No.18, M I D C, Marol, Andheri (East), Mumbai – 400 093
- (2) Shareholders correspondence should be addressed to : M/s Link Intime India Pvt. Ltd. C/13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078  
Ph: 022-25946970/25963838  
Fax: 022- 25946969  
Email: rnt.helpdesk@linkintime.co.in
- r) GDRs/ADRs : The Company has not issued any GDRs/ADRs.
- s) Management Discussion and Analysis Report :  
The Management Discussion and Analysis Report is given as an Annexure to the Directors' Report.
- t) Risk Management Framework:  
The Board members discuss about the risk assessment and minimization procedures.

## 12. NON-MANDATORY REQUIREMENTS:

- (a) Chairman's office  
The Corporate Office of the Company supports with the Chairman and Managing Director in discharging the responsibilities.



(b) Shareholders rights

As the Company's Quarterly Financial Results are published in the English Newspaper having circulation all over India, and in Regional Newspaper widely circulated in Maharashtra, the same are not sent to each Shareholder.

(c) Training of board Members

The Company's Board of Directors comprise of professionals with expertise in their respective fields. They endeavor to keep themselves abreast with changes in Global Economy and various legislations.

(d) Mechanism for evaluation of Non Executive Board Members

The Company does not have a mechanism to evaluate the performance of the Non Executive Directors of the Company.

For and on behalf of the board

Place: - Mumbai  
Date: - 26th May, 2015

**RAKESH TAINWALA**  
DIN No. 00237671  
**MANAGING DIRECTOR**

**AUDITORS' CERTIFICATE**

To,  
The Members of  
Tainwala Chemicals and Plastics (India) Limited

We have examined the compliance of conditions of Corporate Governance by Tainwala Chemicals and Plastics (India) Ltd. for the year ended on 31st March 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with guidance note on certification of the Corporate Governance (As stipulated in clause 49 of the listing Agreement) issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the 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 and based on representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

Place: - Mumbai  
Date: - 26th May, 2015

Membership No. 42902  
Registration No. 108888W

For RUNGTA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
PAWAN KUMAR RUNGTA  
(PROPRIETOR)

**DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT**

Pursuant to clause 49 (I)(D) of the Listing Agreement, I hereby declare that the Company has adopted a code of conduct for Directors and Senior Management Personnel of the Company at the meeting of the Board of Directors.

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

Place: - Mumbai  
Date: - 26th May, 2015

Mr. Rakesh Tainwala  
DIN No. 00237671  
Managing Director

**CEO/CFO CERTIFICATION UNDER CLAUSE 49(IX)**

We, Mr. Rakesh Tainwala and Mrs. Simran R Mansukhani hereby certify that

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2015 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We state that to the best of our knowledge and belief, no transactions have been entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls and have evaluated the effectiveness of internal control systems of the Company; and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control systems, if any and we have done or propose to do to rectify these;
- (d) We have also disclosed to the auditors and as well as the Audit Committee:
  - i. Significant changes in accounting policies during the year;
  - ii. Significant Changes in accounting policies during the year have been disclosed in the notes to the financial statements;

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

For Tainwala Chemicals Plastics (I) Limited

Place: - Mumbai  
Date: - 26th May, 2015

**Simran R Mansukhani**  
DIN No. 06500475  
Executive Director & Chief Financial Officer

**Rakesh Tainwala**  
DIN No. 00237671  
Managing Director

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

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

**INDUSTRY STRUCTURE:**

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

**FINANCIAL PERFORMANCE :**

During the year under review the Company achieved Turnover of 984.05 lakhs. The Company achieved a Net Profit of Rs. 202.76 lakhs. The Company continues to focus on tight working capital management. Stringent cost control measures have been initiated and implemented.

**FUTURE OUTLOOK :**

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

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

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

**OPPORTUNITIES AND THREATS :**

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

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

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

**SEGMENTWISE PERFORMANCE:**

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

**RISKS AND CONCERNS:**

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

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

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

routine management process.

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

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

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

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

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

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

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

#### **CAUTIONARY STATEMENT :**

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

#### **INDEPENDENT AUDITORS' REPORT**

TO THE MEMBERS OF

**M/s. TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of M/s. TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **AUDITORS' RESPONSIBILITY:**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of the such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### OPINION:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India; of the state of affairs of the Company as at 31st March, 2015; its profit and its cash flows for the year ended on that date.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by The Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have 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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the Directors of the Company as on 31st March, 2015 and taken on record by the Board

of Directors, none of the Directors is disqualified as on 31st March, 2015, from being appointed as a Director in terms of sub - Section (2) of Section 164 of the Act; and

- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company does not have any pending litigations which would impact its financial position.
  - (ii) The Company does not have any Long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For RUNGTA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION NO.: 108888W

**PAWAN KUMAR RUNGTA**  
Proprietor  
MEMBERSHIP NO.: 42902

PLACE: MUMBAI  
DATED: 26th May, 2015

**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**  
**(Referred to in Paragraph (1) of our report of even date)**

- (i) a. The Company is maintaining proper records showing full particulars including quantitative details and situation of the fixed assets.
- b. As informed to us, all fixed assets have been physically verified by the management. No material discrepancies were noticed on such physical verification.
- (ii) a. The inventory has been physically verified by the management. In our opinion, the frequency of verification is reasonable.
- b. The procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- c. The Company is maintaining proper records of inventory. Discrepancies noticed on verification have been properly dealt with in the books of account.
- (iii) The Company had granted unsecured loans to two companies in earlier years covered in the register maintained under Section 189 of the Act:
- a. Receipt of principal amount and interest are also regular except for a interest free loan of Rs. 39,115,941 which is fully provided for as doubtful.
- b. The principal amount and interest, are payable on demand and therefore, the question of overdue amount does not arise, however, the Company is taking necessary steps for recovery. In our opinion, more concerted efforts are needed to recover these amounts.
- (iv) In our opinion and according to information and explanations given to us, having regard to the explanations that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is adequate internal control system commensurate with the size of the Company and nature of its business, for the purchase of inventories and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- (v) The Company has not accepted any deposits from the public
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under sub-section (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) a. According to the records of the Company, the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- b. According to the records of the Company, there are no dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess, which have not been deposited on account of any dispute.
- c. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses in the current as well as in the immediately preceding financial year.
- (ix) According to information and explanations given to us, the Company has not defaulted in repayment of dues to the banks. The Company does not have any borrowing from financial institution and by way of debentures.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.

- (xi) As the Company has not obtained any term loan, the provision of clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- (xii) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For RUNGTA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION NO.: 108888W

PLACE: MUMBAI  
DATED: 26th May, 2015

**PAWAN KUMAR RUNGTA**  
Proprietor  
MEMBERSHIP NO.: 42902

**BALANCE SHEET AS AT 31ST MARCH, 2015**

	NOTE NOS.	₹.	AS AT 31/03/2015 ₹.	₹.	AS AT 31/03/2014 ₹.
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholders' Funds</b>					
(a) Share Capital	2	93,638,630		93,638,630	
(b) Reserves and Surplus	3	312,139,601		297,088,703	
			405,778,231		390,727,333
<b>(2) Non-Current Liabilities</b>					
(a) Other Long Term Liabilities	4	339,927		330,651	
(b) Long Term Provisions	5	2,489,147	2,829,074	3,717,621	4,048,272
<b>(3) Current Liabilities</b>					
(a) Trade Payables	6	5,784,765		1,820,239	
(b) Other Current Liabilities	7	5,254,448		6,212,428	
(c) Short-Term Provisions	8	1,589,693		458,059	
			12,628,906		8,490,726
<b>Total</b>			<b>421,236,211</b>		<b>403,266,331</b>
<b>II. ASSETS</b>					
<b>(1) Non-Current Assets</b>					
(a) Fixed Assets (Net)	9				
i. Tangible		27,076,474		39,868,618	
ii. Intangible		-		-	
(b) Non-current Investments	10	201,813,686		193,223,777	
(c) Long Term Loans and Advances	11	116,924,854		104,100,346	
			345,815,014		337,192,741
<b>(2) Current Assets</b>					
(a) Current Investments	12	5,452,364		2,008,633	
(b) Inventories	13	29,736,345		40,153,418	
(c) Trade Receivables	14	23,704,110		5,585,317	
(d) Cash and Bank Balances	15	10,790,499		13,610,079	
(e) Short-Term Loans and Advances	16	1,207,417		1,565,964	
(f) Other Current Assets	17	4,530,462		3,150,179	
			75,421,197		66,073,590
<b>Total</b>			<b>421,236,211</b>		<b>403,266,331</b>

Significant Accounting Policies and  
Notes to the the Financial Statements 1 to 40

As per our attached report of even date.

For and on behalf of the Board

**FOR RUNGTA & ASSOCIATES**

Chartered Accountants

**RAKESH TAINWALA**

Managing Director

**(PAWAN KUMAR RUNGTA)**

Proprietor

**CHANDRA PRAKASH DOSHI**

Director

Place : Mumbai

Dated : 26th May, 2015

**MS POOJA KHEDKAR**

Company Secretary



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

	Note Nos.	Current Year ₹	Previous Year ₹
<b>REVENUE</b>			
Revenue from operations	18	98,404,905	84,175,507
Other Income	19	38,824,476	17,326,678
<b>TOTAL REVENUE</b>		<b>137,229,381</b>	<b>101,502,185</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	20	61,819,143	54,795,902
Purchase of Shares		3,263,655	2,830,842
Changes in Inventories of Finished Goods & Work-in-Progress	21	12,475,398	(1,541,749)
Employee Benefits Expense	22	19,162,069	18,081,044
Finance Costs	23	143,369	197,771
Depreciation and Amortization Expense	9	7,637,364	7,065,730
Other Expenses	24	11,732,305	16,457,890
<b>TOTAL EXPENSES</b>		<b>116,233,303</b>	<b>97,887,430</b>
<b>Profit before tax</b>		<b>20,996,078</b>	36,14,755
<b>Tax expense:</b>			
Current Tax (MAT)		720,000	600,000
<b>Profit After tax</b>		<b>20,276,078</b>	<b>30,14,755</b>
Earnings per equity share:			
Basic and Diluted	34	2.17	0.32

Significant Accounting Policies and  
Notes to the Financial Statements 1 to 40

As per our attached report of even date.

**For and on behalf of the Board**

**FOR RUNGTA & ASSOCIATES**  
Chartered Accountants

**RAKESH TAINWALA**  
Managing Director

**(PAWAN KUMAR RUNGTA)**  
Proprietor

**CHANDRA PRAKASH DOSHI**  
Director

Place : Mumbai  
Dated : 26th May, 2015

**MS POOJA KHEDKAR**  
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

	Current Year ₹	Previous Year ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit before tax	20,996,078	3,614,755
Adjustments for:		
Depreciation and Amortization Expense	7,637,364	7,065,730
Unrealised Foreign Exchange (Loss)	21,829	-
Gain on Redemption of Long Term Investment in Mutual Fund/Debentures	(5,424,057)	(2,308,255)
Sundry Balances and provisions no longer required (written back)/ Written off (net)	38,160	1,834
Profit on sale of fixed assets	(100,000)	-
Gain on Option Trading (Equity Derivatives)	(4,612)	-
Dividend income from Investments	(17,241,162)	(229,545)
Interest income	(14,909,083)	(13,556,112)
Finance Costs	143,369	197,771
<b>Operating Loss before working capital changes</b>	<b>(8,842,114)</b>	<b>(5,213,822)</b>
Movements in working capital		
(Increase) / Decrease in Inventories	10,417,073	(1,022,988)
(Increase) /Decrease in Trade receivables	(18,118,793)	1,649,268
Decrease/(Increase) in Loans & Advances and Other Assets	(622,495)	1,602,762
Increase in Trade Payable, Other Current Liabilities and Provisions	2,908,515	1,936,480
<b>Cash used in Operations</b>	<b>(14,257,814)</b>	<b>(1,048,300)</b>
Direct taxes (paid)/ refund (net)	(1,404,331)	1,402,922
<b>Net Cash Flow From/ (used in) Operating Activities</b>	<b>(15,662,145)</b>	<b>354,622</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	(70,400)	(466,250)
Sale of fixed assets	100,000	-
Purchase of investments	(6,604,970)	(28,086,544)
Inter-corporate Deposits Given (Net)	(12,200,000)	(25,000,000)
Dividend received on Investments	17,241,162	229,545
Interest received	13,689,030	12,838,519
<b>Net Cash Flow from/ (used in) Investing Activities</b>	<b>12,154,822</b>	<b>(40,484,730)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Finance Costs Paid	(143,369)	(197,771)
Net cash used in financing activities	(143,369)	(197,771)
<b>Net decrease in Cash and cash equivalents ( A+B+C )</b>	<b>(3,650,692)</b>	<b>(40,327,879)</b>
Cash and cash equivalents at beginning of the year	11,580,279	51,908,158
Cash and cash equivalents at the end of the year	7,929,587	11,580,279
<b>Net decrease as disclosed above</b>	<b>(3,650,692)</b>	<b>(40,327,879)</b>
Cash and cash equivalents at the end of the year:		
Cash on hand	44,327	123,066
Balances with scheduled banks in:		
Current accounts	7,885,260	11,457,213
	7,929,587	11,580,279

## Notes :

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) - 3 on Cash Flow Statement.
- 2) Cash and cash equivalents exclude fixed / margin deposits of ₹28,60,912 (previous year ₹20,29,800)
- 3) Previous year's figures have been regrouped/ rearranged/recast wherever necessary to conform to this year's classification.

As per our attached report of even date.

**FOR RUNGTA & ASSOCIATES**

Chartered Accountants

**(PAWAN KUMAR RUNGTA)**

Proprietor

Place : Mumbai

Dated : 26th May, 2015

For and on behalf of the Board

**RAKESH TAINWALA**

Managing Director

**CHANDRA PRAKASH DOSHI**

Director

**MS POOJA KHEDKAR**

Company Secretary

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015****NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****a) Basis of Accounting:**

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared as a going concern on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation as more fully described in Note 28.

**b) Use of Estimates:**

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

**c) Fixed Assets:**

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

**d) Depreciation / Amortisation:**

As per the Schedule II of the Companies Act 2013, effective 1st April 2014, the management has internally reassessed the useful lives to compute depreciation wherever necessary, to conform to the requirements of the Companies Act, 2013.

Depreciation on Fixed Assets is provided:

**I. For assets purchased on or before April 1, 2014.**

- (i) Whose remaining useful life is completed as at 1st April 2014, the carrying value of fixed assets is reduced from the retained earnings as at said date.
- (ii) For remaining assets the carrying value of Fixed assets is depreciated equally over the balance useful life of the assets.

**II. For assets other than covered under clause (I) above, on Straight Line Method as per Schedule II to the Companies Act, 2013.****e) Investments:**

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

**f) Inventories:**

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

**g) Operating Cycle:**

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

**h) Revenue Recognition:**

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

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

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

Provision for taxation comprises of current tax and deferred tax.

Current tax represents tax on Profits for the current year as determined as per the provisions of the Income Tax Act, 1961.

The deferred tax for timing differences between the book and tax profits for the year are accounted based on tax rates in force and tax laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences, are recognised to the extent there is reasonable / virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

- j) **Borrowing Costs :**  
Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to the Statement of Profit and Loss.
- k) **Transactions in Foreign Currency:**  
Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognised in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.
- l) **Retirement Benefits:**  
Liability in respect of retirement benefits is provided and charged to the Statement of Profit and Loss on accrual basis as follows:  
a) **Provident / Pension Funds:** At a specified percentage of salary / wages for eligible employees.  
b) **Leave Entitlements:** As determined on the basis of accumulated leave to the credit of the employees as at the year end as per the Company's rules.  
c) **Gratuity** is provided in accordance with the provisions of Accounting Standard (AS) – 15 "Employee Benefits" on the basis of actuarial valuation carried out as at year end by an independent actuary
- m) **Impairment of Assets:**  
The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.
- n) **Accounting for Provisions and Contingent Liabilities:**  
The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

## NOTE 2: SHARE CAPITAL

	AS AT 31ST MARCH, 2015 ₹.	AS AT 31ST MARCH, 2014 ₹.
Authorised:		
14,000,000 Equity shares of ` 10 each	140,000,000	140,000,000
Issued, subscribed and paid-up:		
9,363,863 Equity shares of ` 10 each fully paid up	93,638,630 93,638,630	93,638,630 93,638,630

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

Equity Shares	AS AT 31ST MARCH, 2015		AS AT 31ST MARCH, 2014	
	Number of Shares	₹.	Number of Shares	₹.
At the beginning	9,363,863	93,638,630	9,363,863	93,638,630
Changes during the year	-	-	-	-
Outstanding at the end	9,363,863	93,638,630	9,363,863	93,638,630

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

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

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

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

**c) Details of shareholders holding more than 5% shares**

Name of the Shareholders	AT 31ST MARCH, 2015		AS AT 31ST MARCH, 2014	
	Number of Shares	% holding	Number of Shares	% holding
Dungarmal Tainwala	2,534,857	27.07	2,517,028	26.88
Concept Reality and Securities Pvt. Ltd.	1,806,658	19.29	1,806,658	19.29
Shobha Tainwala	972,069	10.38	972,069	10.38
Rajkumar Tainwalla	523,069	5.59	585,346	6.25

**NOTE 3 : RESERVES AND SURPLUS****Capital reserve:**

Balance as per the last Financial Statements	25,049,992	25,049,992
(Arising on forfeiture of upfront payment received on convertible warrants)		

**Securities premium account :**

Balance as per the last Financial Statements	250,716,250	250,716,250
--	-------------	-------------

**Surplus as per the Statement of Profit and Loss**

Balance as per the last Financial Statements	21,322,461	18,307,706
Less : Adjustment for Depreciation as per Schedule II to the Companies Act ,2013	(5,225,180)	-
Add: Profit as per annexed Statement of Profit and Loss	20,276,078	36,373,359
	3,014,755	21,322,461

**TOTAL****312,139,601****297,088,703****NOTE 4 : OTHER LONG TERM LIABILITIES**

Security Deposits from Customers	339,927	330,651
<b>TOTAL</b>	<b>339,927</b>	<b>330,651</b>

**NOTE 5 : LONG TERM PROVISIONS**

Employee Benefits		
Gratuity	2,489,147	3,717,621
<b>TOTAL</b>	<b>2,489,147</b>	<b>3,717,621</b>

**NOTE 6 : TRADE PAYABLES**

Trade Payables ( Refer Note 36)	5,784,765	1,820,239
<b>TOTAL</b>	<b>5,784,765</b>	<b>1,820,239</b>

**NOTE 7 : OTHER CURRENT LIABILITIES**

Statutory Dues	2,304,548	3,911,173
Advance from customers	1,140,302	793,385
Due to employees	1,809,598	1,507,870
<b>TOTAL</b>	<b>5,254,448</b>	<b>6,212,428</b>

**NOTE 8 : SHORT TERM PROVISIONS**

Employee Benefits		
Gratuity	1,222,874	196,214
Leave Entitlements	366,819	261,845
	1,589,693	458,059

(Amount in ₹.)

**NOTE:9 : Fixed Assets**

PARTICULARS	GROSS BLOCK (AT COST)			DEPRECIATION / AMORTISATION				NET BLOCK		
	As at 01/04/14	Addition	As at sales 31/03/2015	Upto 31/03/2014	for the year	Adjustment	Deduction	Upto 31/03/2015	As at 31/03/2015	As at 31/03/2014
<b>(a) Tangible Assets</b>										
Freehold Land	3,292,015	-	3,292,015	-	-	-	-	-	3,292,015	3,292,015
Leasehold Land	215,400	-	215,400	55,178	2,154	-	-	57,332	158,068	160,222
Buildings	33,030,424	-	33,030,424	15,075,258	1,074,597	-	-	16,149,855	16,880,569	17,955,166
Plant & Equipments	72,205,799	-	72,205,799	62,173,996	3,275,357	3,889,753	-	69,339,106	2,866,693	10,031,803
Dies & Moulds	15,065,630	60,000	15,125,630	14,397,761	108,009	-	-	14,505,770	619,860	667,869
Laboratory Equipments	183,085	-	183,085	181,640	-	1,445	-	183,085	-	1,445
Furniture & Fixtures	4,186,842	-	4,186,842	3,722,664	181,800	34,695	-	3,939,159	247,683	464,178
Vehicles	16,341,805	-	15,821,899	10,267,594	2,673,206	640,524	519,906	13,061,418	2,760,481	6,074,211
Office Equipments	2,160,482	10,400	2,170,882	1,409,583	101,648	522,469	-	2,033,700	137,182	750,899
Computers	2,118,368	-	2,118,368	1,647,558	220,593	136,294	-	2,004,445	113,923	470,810
<b>(b) Intangible Assets</b>										
Software	112,590	-	112,590	112,590	-	-	-	112,590	-	-
<b>T O T A L</b>	<b>148,912,440</b>	<b>70,400</b>	<b>148,462,934</b>	<b>109,043,822</b>	<b>7,637,364</b>	<b>5,225,180</b>	<b>519,906</b>	<b>121,386,460</b>	<b>27,076,474</b>	<b>39,868,618</b>
Previous Year	148,446,190	466,250	148,912,440	101,978,092	7,065,730	-	-	109,043,822	39,868,618	

Note :- Refer Note No 28.

**NOTE 10 : NON-CURRENT INVESTMENTS**

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

PARTICULARS	Face value ₹	As on 31/03/2015 (Nos/Units)	As on 31/03/2014 (Nos/Units)	As on 31/03/2015 ₹	As on 31/03/2014 ₹
<b>I. Equity Shares :</b>					
<b>a) Quoted</b>					
ABG Infralogistics Ltd., fully paid up	10	-	100	-	2,427
Elegant Pharmaceuticals Ltd., fully paid up \$	10	500	500	16,184	16,184
Jain Irrigation Systems Ltd., fully paid up	10	-	73	-	3,724
				16,184	22,335
Less: Provision for diminution in value of investments				(11,000)	(11,000)
				5,184	11,335
<b>b) Unquoted</b>					
Samsonite South Asia Pvt.Ltd., fully paid up	10	3,069,873	3,069,873	30,698,730	30,698,730
Periwinkle Fashions Pvt. Ltd., fully paid up	10	17,500	17,500	70,000,000	70,000,000
<b>II. Debentures (Unquoted)</b>					
Tikona Digital Network Pvt.Ltd. Series C (CCD), Fully paid up	3,408	4,399	4,399	14,992,628	14,992,628
Tikona Digital Network Pvt.Ltd. Series C, Fully paid up	3,408	2	2	6,816	6,816
ITCL Cornerstone Property Investments P. Ltd.-Fully paid up		50	50	2,285,263	2,500,000
Protected Call Structure Plan, fully paid up	100,000	-	50	-	5,000,000
Anand Rathil Ltd Non Convertible Debentures fully paid up	100,000	-	50	-	5,000,000
<b>III. Units of Mutual Funds : (Unquoted)</b>					
Axis Equity Fund	10	105,097	-	2,000,000	-
Axis Midcap Fund	10	41,442	-	1,000,000	-
Ambit Alpha fund Scheme-1- Fully paid up	1,000	-	10,000	-	10,000,000
Birla Sunlife Top 100 Fund	10	47,293	-	2,000,000	-
DSP Black Rock Small and midcap fund	10	76,124	-	2,500,000	-
DSP Black Rock 3 Years Close Ended Regular Dividend	10	250,000	-	2,500,000	-
Franklin India High Growth Companies Fund dividend	10	60,654	-	1,500,000	-
Franklin India Smaller Growth Companies Fund dividend	10	60,654	-	1,500,000	-
India Advantage fund - Fully paid up	100	112,500	108,000	11,250,000	10,800,000
IIFL Real Estate Fund- Pvt Equity - Fully paid up	100,000	65	96	6,522,030	9,623,045
IIFL Asset Revival Funds - Fully paid up	10	1,000,000	1,000,000	10,000,000	10,000,000
IIFL NDA Fund Category III				10,000,000	-
IIFL India Reit Apt -(Piramal Fund)				2,500,000	-
ICICI Prudential Focused BlueChip Equity Fund	10	69,808	-	2,000,000	-
ICICI Prudential Fund Regular Plan Dividend	10	250,000	-	2,500,000	-
Kotak India Growth Fund II	*	250	250	18,073,831	19,980,371
Kotak Mahindra Trusteeship Services Ltd. A/C-KIREF	1,000	1,479	4,631	1,479,204	4,610,852
L&T Midcap Fund	10	25,104	-	2,000,000	-
Mirae Asset Emerging Bluechip Fund	10	36,761	-	1,000,000	-
Motilal Oswal Most Midcap 30 Fund	10	58,866	-	1,000,000	-
Reliance Capital Builder Fund II Series A Regular	10	250,000	-	2,500,000	-
<b>TOTAL</b>				<b>201,813,686</b>	<b>193,223,777</b>

Aggregate value of quoted investments		
Book value	5,184	11,335
Market value	4,752	10,337
Aggregate value of unquoted investments		
Book value	201,808,502	193,212,442

\$ Suspended from Trading

\* Paid Up ₹72,295 (previous year ₹79,921).

<b>AS AT</b>	<b>AS AT</b>
<b>31/03/2015</b>	<b>31/03/2014</b>
₹	₹

**NOTE 11 : LONG TERM LOANS AND ADVANCES**

(Unsecured, considered good unless otherwise stated)

**Related Parties in the nature of Loans ( Refer note nos. 30 and 32)**

Inter Corporate Deposits	112,388,604	100,188,604
(net of provision for doubtful advances of ₹39,115,942, previous year ₹39,115,942)		
Security Deposits*	1,040,100	1,099,923
VAT Receivables	1,510,628	1,510,628
Income Tax Deducted at Source and Payments (net of provision for tax )	1,985,522	1,301,191
<b>TOTAL</b>	<b>116,924,854</b>	<b>104,100,346</b>

\*Includes ₹ 1,000,000 (Previous Year ₹1,000,000) given to a relative of Directors.

**NOTE 12 : CURRENT INVESTMENTS**

**PARTICULARS**

Face value	As on 31/03/2015	As on 31/03/2014	As on 31/03/2015	As on 31/03/2014
₹	(Nos/Units.)	(Nos/Units.)	₹	₹

**Unquoted :**

**Mutual Funds :**

HDFC Cash Management Fund- -Treasury Advantage - Daily -Dividend	10	540,554	99,738	5,444,070	998,727
HDFC Cash Management Fund- -Treasury Advantage - Weekly Dividend	10	-	99,484	-	1,001,791
Goldman Sachs Mutual Fund					
Liquid Bees-Geojit	1,000	8	8	8,294	8,115

**TOTAL**

<b>5,452,364</b>	<b>2,008,633</b>
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Aggregate value of unquoted investments

Book value	5,452,364	2,008,633
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**NOTE 13 : INVENTORIES**

(As taken, valued and certified by the Managing Director)

Raw materials and components	4,681,491	2,623,166
Stock in process	1,411,040	5,535,006
Finished goods	12,477,247	20,519,050
Shares	11,166,567	11,476,196
<b>TOTAL</b>	<b>29,736,345</b>	<b>40,153,418</b>

**NOTE 14 : TRADE RECEIVABLES**

(Unsecured, considered good)

Outstanding for a period exceeding six months from the date of becoming due for payment

Others	448,782	119,571
	23,255,328	5,465,746
<b>TOTAL</b>	<b>23,704,110</b>	<b>5,585,317</b>



	AS AT 31/03/2015		AS AT 31/03/2014
	₹	₹	₹
<b>NOTE 15 : CASH AND BANK BALANCES</b>			
Cash and Cash equivalents:			
Balances with banks in current accounts	7,885,260		11,457,213
Cash on hand	44,327		123,066
Other Bank Balances			
- Margin money Deposits ( Lien Marked)	2,860,912		2,029,800
<b>TOTAL</b>	<b>10,790,499</b>		<b>13,610,079</b>
<b>NOTE 16 : SHORT TERM LOANS AND ADVANCES</b>			
(Unsecured, considered good)			
Prepaid Expenses	520,492		456,777
Advances to Suppliers/expenses	302,909		766,839
Loans and Advances to Employees	13,000		5,029
Balances with central excise authority	371,016		337,319
<b>TOTAL</b>	<b>1,207,417</b>		<b>1,565,964</b>
<b>NOTE 17 : OTHER CURRENT ASSETS</b>			
Accrued interest on :			
Bank Deposits	164,172	3,942	
Intercorporate Deposits	4,366,290	3,111,840	
Debentures	-	34,397	
	4,530,462		3,150,179
<b>TOTAL</b>	<b>4,530,462</b>		<b>3,150,179</b>

	Current Year ₹	Previous Year ₹
<b>NOTE 18 : REVENUE FROM OPERATIONS</b>		
a) Revenue from operations		
(I) Sale of Products	103,851,881	84,464,327
Less : Excise duty	<u>(11,060,174)</u>	<u>(9,267,954)</u>
<b>Revenue from operations(net)</b>	<b><u>92,791,707</u></b>	<b><u>75,196,373</u></b>
(II) Sale of Shares	5,232,845	8,476,462
<b>b) Other Operating Revenue</b>		
Job Work Income	177,550	166,150
Dividend on traded shares	<u>202,803</u>	<u>336,522</u>
	380,353	502,672
<b>TOTAL</b>	<b><u>98,404,905</u></b>	<b><u>84,175,507</u></b>

Note: Excise Duty on sales amounting to ₹ 11,060,174 (31st March 2014 ₹ 9,267,954) has been reduced from Sales in the Statement of Profit and Loss and excise duty on increase/ (decrease) in stock amounting to (₹2,003,982) (31st March 2014 ₹1,121,670) has been considered as (income)/expense in Note 24.

**NOTE 19 : OTHER INCOME**

a) Interest income on:		
-Fixed deposits with Banks	269,006	288,936
-Inter corporate deposits	11,689,998	10,990,190
-Income Tax refund	-	324,497
-Debentures (Long Term Investments )	1,612,264	999,463
-Mutual Fund Units (Long Term Investments)	1,606,821	1,277,523
-Customers and others	47,445	-
	<u>15,225,534</u>	<u>13,880,609</u>
b) Dividend Income On Investments :		
- Long Term	16,884,302	13,230
- Units of Mutual Fund (Current)	356,860	216,315
	<u>17,241,162</u>	<u>229,545</u>
c) Gain on Redemption of Long Term Investments in Mutual Funds/Debentures.	5,424,057	2,308,255
d) Profit on sale of fixed assets	100,000	-
e) Rent income	816,000	876,000
f) Insurance Claim	-	32,269
g) Sundry balances and provisions no longer required written back.	13,111	-
h) Gain on Option Trading (Equity Derivatives)	4,612	-
<b>TOTAL</b>	<b><u>6,357,780</u></b>	<b><u>3,216,524</u></b>

38,824,476      17,326,678

**NOTE 20 : COST OF MATERIALS CONSUMED**

Cost Of Raw Materials Consumed		
Inventories at the beginning of the year	2,623,166	3,141,927
Add: Purchases	<u>63,877,468</u>	<u>54,277,141</u>
	66,500,634	57,419,068
Less: Inventories at the end of the year	<u>(4,681,491)</u>	<u>(2,623,166)</u>
<b>TOTAL</b>	<b><u>61,819,143</u></b>	<b><u>54,795,902</u></b>

	Current Year ₹	Previous Year ₹
<b>NOTE 21 : CHANGES IN INVENTORIES OF STOCK IN IN TRADE AND WORK-IN-PROGRESS</b>		
<b>Inventories at the end of the year:-</b>		
Finished goods	12,477,247	20,519,050
Stock in Process	1,411,040	5,535,006
Share stock	<u>11,166,567</u>	<u>11,476,196</u>
	25,054,854	37,530,252
<b>Inventories at the beginning of the year :</b>		
Finished goods	20,519,050	12,775,450
Stock in Process	5,535,006	7,036,200
Share stock	<u>11,476,196</u>	<u>16,176,853</u>
	<u>37,530,252</u>	<u>35,988,503</u>
<b>TOTAL</b>	<u><u>12,475,398</u></u>	<u><u>(1,541,749)</u></u>
<b>NOTE 22 : EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus	17,903,654	16,890,737
Contribution to provident and other funds	989,597	901,814
Staff welfare expenses	<u>268,818</u>	<u>288,493</u>
<b>TOTAL</b>	<u><u>19,162,069</u></u>	<u><u>18,081,044</u></u>
<b>NOTE 23 : FINANCE COSTS</b>		
Interest on Borrowings and others	134,958	170,343
Other Borrowing Costs	<u>8,411</u>	<u>27,428</u>
<b>TOTAL</b>	<u><u>143,369</u></u>	<u><u>197,771</u></u>
<b>NOTE 24 : OTHER EXPENSES</b>		
Job Work Charges	177,578	306,268
Power and fuel	4,182,580	4,510,903
Repairs and maintenance:		
Machinery	457,949	488,330
Buildings	221,583	204,637
Others	<u>796,785</u>	<u>645,556</u>
Rates and taxes	112,546	191,691
Rent	13,871	6,000
Insurance	389,228	394,221
Directors' sitting fees	23,000	26,000
Legal and professional	326,018	364,000
Syndication / Portfolio Management fees	83,029	301,270
Auditors' Remuneration as:		
Audit Fees	102,000	102,000
Other Services	<u>33,000</u>	<u>32,000</u>
Rebates and discounts	1,135,334	1,364,306
Donations	10,100	500
Premium on Rent	432,000	627,532
Printing and stationery	87,839	108,420
Security charges	1,546,084	1,697,292
Postage and telephone	415,489	451,803
Travelling and conveyance	1,389,502	1,438,919
Advertising	68,048	72,372
Bank Charges and Commission	14,565	7,377
Sales commission	201,118	127,187
Sales Promotion	808,037	311,308
Carriage Outward	26,160	31,019
Increase / (decrease) in excise duty on stocks of finished goods	(2,003,982)	1,121,670
Sundry Balances Written off	51,271	1,834
Foreign Exchange Rate Difference	76,377	1,177,070
Miscellaneous expenses	<u>555,196</u>	<u>346,405</u>
<b>TOTAL</b>	<u><u>11,732,305</u></u>	<u><u>16,457,890</u></u>

## 25. Commitment :

Particulars	As at 31/03/2015 ₹.	As at 31/03/2014 ₹.
Capital commitment in respect of long term investments	86,25,000	5,325,000

26. Working capital facilities from a bank are secured by hypothecation of stocks of raw materials, finished goods, stock in process and book debts and further secured by equitable mortgage of plot of land measuring about 3,000 square meters bearing Survey No. 26, Plot No. 87 in the Govt. Industrial Estate, Village Khadoli, Dadra & Nagar Haveli, Silvassa and also the personal guarantee of a Director of the Company. There are no borrowings under the said facilities as at the year end.
27. No provision has been considered necessary for diminution in fair value of a long term unquoted equity investment, as in opinion of the management, such diminution is not of permanent nature and the investment was made on long term basis.
28. Pursuant to enactment of the Companies Act, 2013 and its applicability for accounting period commencing from 1st April, 2014, the estimated useful lives of fixed assets have been reviewed and revised generally to align with the provisions of Schedule II to the Act. Consequently:
- The Company has fully depreciated the carrying value of assets, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of ₹ 52,25,180 against the opening Surplus in the Statement of Profit and Loss under Reserves and Surplus.
  - As a result, depreciation charge for the year is higher by ₹.9,02,784.
29. 'Stock in process' represents salvaged/ pelletised materials accumulated over a period of time to be consumed in the due course of time.
30. Disclosure as required under Section 186 (4) of the Companies Act, 2013 and Clause 32 of the Listing agreement:

Particulars	2014 - 2015 (Amount in `)	2013 - 2014 (Amount in `)
Loans given		
Elegant Capitals Pvt Ltd	3,00,00,000	3,00,00,000
Action Bridge Gap Constructing Pvt. Ltd.	3,00,00,000	3,00,00,000
Amazon Health Medical Tourism Pvt Ltd	7,00,000	-
Rakhi Trading Pvt. Ltd.	1,15,00,000	-

## Notes:

- Refer Note 32 for transactions with Related Parties of Loans given and Investment made.
  - The purpose of loans given/ Investments made – Deployment of surplus fund of the Company.
31. a) The balances in accounts of certain trade receivables, trade payables and loans and advances given are subject to confirmation, and consequent reconciliations. Adjustments in this respect in the opinion of the management are not likely to be material and would be carried out as and when ascertained.
- b) In the opinion of the management, assets other than Fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

## 32. Related party disclosures:

## i. Related parties :

Key management personnel :	Mr. Dungarmal Tainwala -Chairman Mr. Rakesh Tainwala- Managing Director Mrs. Simran Mansukhani- Executive Director (with effect from 24/09/2014 )
Relatives of Key management personnel:	Ms. Vandana Tainwala Mr. Rajkumar Tainwala
Enterprises in which Key management personnel and/ or their relatives have significant influence:	Abhishri Packaging Pvt. Ltd. Tainwala Personal Care Products Pvt. Ltd. Tainwala Holdings Pvt. Ltd. Samsonite South Asia Pvt. Ltd. Periwinkle Fashions Pvt. Ltd.

## ii .Related party transactions:

(Amount in ₹ )

Nature of transactions	Key management personnel	Relative of a key management personnel	Enterprises in which key management personnel and / or their relatives have significant influence	Total
Remuneration	3,842,111 (3,188,400)	537,600 (537,600)	-- (--)	4,379,711 (3,726,000)
Sale of Goods	-- (--)	-- (--)	3,14,478 (25,024)	314,478 (25,024)
Purchase of Goods	-- (--)	-- (--)	5,646,363 (5,098,957)	5,646,363 (5,098,957)
Job Work Income	-- (--)	-- (--)	177,550 (166,150)	177,550 (166,150)
Rent income	-- (--)	-- (--)	816,000 (876,000)	816,000 (876,000)
Interest income	-- (--)	-- (--)	3,616,974 (3,616,974)	3,616,974 (3,616,974)
Dividend Income	-- (--)	-- (--)	16,884,302 (-)	16,884,302 (-)
Deposits given outstanding as at year end	- (-)	1,000,000 (1,000,000)	- (-)	1,000,000 (1,000,000)
Debit balance as at year end	-- (-)	-- (-)	40,188,604 (40,188,604)	40,188,604 (40,188,604)
Receivable as at year end (fully provided for)	-- (-)	-- (-)	39,115,941 (39,115,941)	39,115,941 (39,115,941)
Investments	-- (-)	-- (-)	1,00,698,730 (-)	1,00,698,730 (-)

**Notes:**

- Figures in brackets pertain to previous year.
  - The related party relationships have been determined by the Company on the basis of the requirements of the Accounting Standard (AS)-18 'Related Party Disclosures' and the same have been relied upon by the auditors.
  - The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year, except where control exists.
- iii. Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:
- Remuneration includes, paid to Mr. Rakesh Tainwala ₹ 2,367,000(Previous year ₹2,367,000); Mr. Dungarmal Tainwala ₹ 821,400 (Previous year ₹ 821,400); Ms. Vandana Tainwala ₹ 537,600 (Previous year ₹ 537,600); and Mrs. Simran Mansukhani ₹ 6,53,711 (Previous year Not Applicable)
  - Sale of goods has been made to Abhishri Packaging Pvt. Ltd. ₹1,77,018(Previous year ₹ 25,064).
  - Sale of goods has been made to Samsonite South Asia Pvt. Ltd. ₹1,37,460 (Previous year Nil)
  - Purchase of goods has been made from Abhishri Packaging Pvt. Ltd. ₹ 56,46,363(Previous year ₹ 5,098,957).
  - Job work income is from Abhishri Packaging Pvt. Ltd.. ₹177,550(Previous year ₹166,150).
  - Rent income is from Abhishri Packaging Pvt. Ltd. ₹ 720,000(Previous year ₹732,000) and from Tainwala Personal Care Products Pvt. Ltd. ₹96,000 (Previous year ₹144,000).
  - Interest income is from Abhishri Packaging Pvt. Ltd. ₹3,616,974 (Previous year ₹3,616,974).
  - Dividend Income is from Samsonite South Asia Pvt. Ltd.. ₹1,68,84,302 (Previous year Nil).
  - Deposits outstanding as at year end ₹1,000,000 (Previous Year ₹1,000,000) is given to Mr. Rajkumar Tainwala towards industrial Premises hired by the Company.
  - Debit Balance as at year end relates to Abhishri Packaging Pvt.Ltd. ₹40,188,604 (Previous Year ₹40,188,604).
  - Receivable as at year end (fully provided for) relates to Tainwala Holdings Pvt. Ltd. ₹39,115,941 (Previous Year ₹ 39,115,941).
  - Investment at year end relates to Samsonite South Asia Pvt. Ltd. ₹30,698,730 and Periwinkle Fashions Pvt. Ltd. ₹7,00,00,000.

## 33. Segment reporting

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

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

(Amount in ₹)

Particulars	2014-2015			2013-2014		
	Plastic Sheets	Securities Trading	Total	Plastic Sheets	Securities Trading	Total
<b>REVENUE:</b>						
External	92,969,257	54,35,648	98,404,905	75,362,523	8,812,984	84,175,507
Inter segment	--	--	--	--	--	--
<b>Total revenue</b>	<b>92,969,257</b>	<b>54,35,648</b>	<b>98,404,905</b>	<b>75,362,523</b>	<b>8,812,984</b>	<b>84,175,507</b>
<b>RESULT:</b>						
Segment results	(19,550,906)	18,57,466	(17,693,440)	(14,738,288)	1,196,708	(13,541,580)
Unallocable income/ (expense) (net)	--	--	23,598,942	--	--	3,446,069
Interest expenses	--	--	(1,34,958)	--	--	(170,343)
Interest income	--	--	15,225,534	--	--	13,880,609
<b>Profit before taxation</b>			<b>20,996,078</b>			<b>36,14,755</b>
Provision for tax (MAT)	--	--	(7,20,000)	--	--	(600,000)
<b>Profit after tax</b>			<b>20,276,078</b>			<b>3,014,755</b>
<b>OTHER INFORMATION:</b>						
Segment assets	73,108,507	11,232,025	84,340,532	78,307,672	11,541,654	89,849,326
Unallocable assets	--	--	336,895,679	--	--	313,417,005
<b>Total assets</b>			<b>421,256,211</b>			<b>403,266,331</b>
Segment liabilities	15,118,053	--	15,118,053	12,208,347	--	12,208,347
Unallocable liabilities	--	--	--	--	--	--
<b>Total liabilities</b>			<b>15,118,053</b>			<b>12,204,807</b>
Capital expenditure	70,400	--	70,400	466,250	--	466,250
Depreciation/ amortisation	76,37,364	--	76,37,364	7,065,730	--	7,065,730

## b. Secondary segment reporting (Geographical segments):

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

## 34. Calculation of Earnings Per Shares :

	Current Year ₹	Previous Year ₹
Profit after tax (₹)	20,276,078	3,014,755
Weighted average number of equity shares (Nos.)	9,363,863	9,363,863
Face value of equity shares (₹)	10	10
Basic and diluted earnings per share (₹)	2.17	0.32

35. As per Accounting Standard (AS)-22 "Accounting for taxes on Income", deferred tax assets (net) pertaining to timing difference arising for the period upto 31st March, 2015 of ₹ 16,331,965 (31/03/2014 ₹ 15,925,409) have been determined.

As the Company has unabsorbed depreciation and carry forward losses and there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised, deferred tax assets (net) upto 31st March 2015 have not been recognised.

Major components of deferred tax assets and liabilities, arising on account of timing differences are as under:

Particulars	As at 31/03/2015 ₹	As at 31/03/2014 ₹
<b>Deferred tax assets on account of:</b>		
Statutory payments under Section 43B of the Income-tax Act, 1961	13,98,486	1,377,922
Speculation Loss	836,109	1,410,066
Unabsorbed depreciation	14,834,696	16,770,440
Total (A)	17,069,291	19,558,428
<b>Deferred tax liability on account of:</b>		
Depreciation	7,37,326	3,633,019
Total (B)		
<b>Deferred tax asset / (liability) [Net]:</b>		
<b>[Total A – B]</b>	16,331,965	15,925,409

36. As per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 following information are disclosed :

	As at 31/03/2015 ₹	As at 31/03/2014 ₹
a) (i) The principal amount remaining unpaid to any supplier at the end of accounting year included in sundry creditors	Nil	Nil
(ii) The interest due on above	Nil	Nil
The total of (i) & (ii)	Nil	Nil
b) The amount of interest paid by the buyer in terms of section 16 of the Act, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	Nil	Nil
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	Nil	Nil
d) The amounts of interest accrued and remaining unpaid at the end of accounting year	Nil	Nil
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the Act.	Nil	Nil



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

	(Amount in ₹)	
	Current Year	Previous Year
<b>Gratuity (Unfunded)</b>		
I Components of employer expense		
1 Current service cost	288,644	248,681
2 Interest cost	348,899	303,224
3 Actuarial losses/(gains)	(765,005)	(205,099)
4 Total expense recognised in the Statement of Profit and Loss Account	(127,462)	346,806
II Net asset / (liability) recognised in Balance Sheet as at year end		
1 Present value of defined benefit obligation	(3,712,021)	(3,913,835)
2 Fair value on plan assets	---	---
3 Status [surplus/(deficit)]	---	---
4 Unrecognised past service cost	---	---
5 Net asset / (liability) recognized in Balance Sheet	(3,712,021)	(3,913,835)
III Change in defined benefit obligations (DBO) during the year		
1 Present value of DBO at the beginning of period	3,913,835	3,675,443
2 Current service cost	288,644	248,681
3 Interest cost	348,899	303,224
4 Actuarial (gains)/ losses	(765,005)	(205,099)
5 Benefits paid	(74,352)	(108,414)
6 Present value of DBO at the end of the year	3,712,021	3,913,835
IV Actuarial assumptions		
1 Discount rate (%)	7.80%	9.00%
2 Rate of increase in compensation level	5.50%	5.50%
3 Retirement age	58 years	58 years
4 Mortality Table	Indian Assured-2006-08	LIC 1994-96

38. The management based on their review of assets and operation of the Company has determined that there is no indication of potential impairment and that the recoverable amount of its fixed assets is not lower than its carrying amount. Accordingly, no provision for impairment has been considered necessary as at 31st March, 2015.

39. Additional Information:

A. Details of turnover and stocks of finished goods :

Items	Opening stock Value ₹	Turnover* Value ₹	Closing stock Value ₹
Processed Plastics**	20,519,050 (12,775,450)	103,851,881 (84,464,327)	12,447,247 (20,519,050)

Notes:

1. Figures in brackets relate to previous year.

2. \*Includes samples, breakages, damages, write-off, etc, sale of non usable palletized /salvaged materials.

3. \*\*Including excise duty.

## B. Raw materials consumed:

Items	Current year Value (₹)	Previous year Value (₹)
Chemicals	17,090,558	15,846,611
Plastic powder	44,266,612	38,301,133
Packing materials	461,973	648,158
	<b>61,819,143</b>	<b>54,795,902</b>

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

	Current year		Previous year	
	%	Value ₹	%	Value ₹
Imported	44.30	27,388,184	31.28	17,139,850
Indigenous	55.70	34,430,959	68.72	37,656,052
<b>TOTAL</b>	<b>100.00</b>	<b>61,819,143</b>	<b>100.00</b>	<b>54,795,902</b>

	Current Year ₹	Previous Year ₹
D. CIF value of imports: Raw materials	2,41,95,330	15,327,076

E. Expenses in foreign currency: Travelling and others expenses	--	10,365
--	----	--------

## F. Foreign currency exposure not hedged as at 31st March 2015 is as follows:

Particulars	Foreign Currency	Amount in Foreign Currency	Equivalent INR
Trade Payable	USD	40,425 (--)	25,85,987 (--)

40. Previous year figures have been regrouped / rearranged, wherever considered necessary.

Signature to Notes 1 to 40

For and on behalf of the Board

**RAKESH TAINWALA**  
Managing Director

**CHANDRA PRAKASH DOSHI**  
Director

**MS. POOJA KHEDKAR**  
Company Secretary

Place : Mumbai  
Date : 26th May, 2015

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

**CIN: L24100MH1985PLC037387**

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

**ATTENDANCE SLIP**

30th Annual General Meeting, 29th September, 2015 at 11.00 a.m.

(To be filled in and handed over at the entrance of the meeting hall)

Name of the attending Member

(in block letters) . . . . .

Member's Folio Number/or

Client. ID & DP. ID . . . . .

Name of Proxy . . . . .

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

No. of Shares held . . . . .

\*I hereby record my presence at the THIRTIETH ANNUAL GENERAL MEETING of the Company being held at The All India Plastics Manufacturers Association, A-52, Street No. 1, M.I.D.C. Marol, Andheri (E), Mumbai - 400 093 at 11.00 a.m. on Tuesday, the 29th day of September, 2015.

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

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

**Form NO. MGT-11**

**Proxy Form**

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

**CIN: L24100MH1985PLC037387**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the company, to be held on \_\_\_\_\_ and at any adjournment thereof in respect of such resolution as are indicated below:

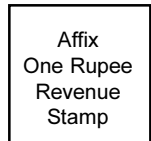
Resolution Nos.

1. Adoption of Audited Financial Statement of the Company for the Financial Year ended 31st March,2015 together with the report of Board of Director and Auditors thereon.
2. Re-appointment of Mrs. Simran Ram Mansukhani (holding DIN 06500475), as a Director liable to be retire by rotation and, being eligible, offers herself for re-appointment and in Place of those who retire by Rotation.
3. Appointment of M/S. RUNGTA & Associates, Chartered Accountants, as the statutory auditor of the company for a period of one year and to authorized the Board of Directors to fix their remuneration.
4. Appointment of Mr. Rajkumar Tainwala ( holding DIN:00294029) as an Executive Director of the company.

Signed this-----day of -----2015.

Signature of shareholders(s)

Signature of shareholders(s)



Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. For the resolution, Explanatory Statement and Notes, Please refer to the Notice of Thirtieth Annual General Meeting.

## Registered Post

If undelivered kindly return to:

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C-13, Pannalal Silk Mills Compound,  
LBS Road, Bhandup (W),  
Mumbai – 400 078.  
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