



ANNUAL
REPORT | 2018-19

BOARD OF DIRECTORS

Dipesh Shroff	Chairman
Ravi Shroff	Director
Tushar Dayal	Director
Chandahas Dayal	Director
Bimal Mehta	Director
L. Rajagopalan	Director

COMPANY SECRETARY

Krutika Dave upto 30th March 2019

AUDITORS

CNK & Associates LLP- Chartered Accountant

BANKERS

IDBI Bank Ltd.
Bank of Baroda (upto 2.7.2018)
Kotak Mahindra Bank Ltd.

REGISTERED OFFICE

301, 'B' Tower,
Alkapuri Arcade, R. C. Dutt Road,
Vadodara - 390 007, Gujarat, India
Telephone : 0265 - 2343302/04
Fax : 0265 - 2337361
E-mail : tml@tmlind.com
Website : www.tmlind.com

CIN : U74120GJ1989PLC012329

FACTORY PREMISES

- 1) At & Post: Piludra - 391 816
Taluka: Jambusar, District: Bharuch, Gujarat, INDIA
- 2) Canal Road, At & Post: Karakhadi - 391 450
Taluka: Padra, District: Vadodara, Gujarat, INDIA

CONTENTS

Directors' Report	01
Auditor's Report	11
Balance Sheet	17
Statement of Profit & Loss	18
Cash Flow Statement	19
Notes Forming Part of Financial Statements	21

DIRECTORS' REPORT

To
The Members,
TML Industries Limited

Your Directors have pleasure in presenting the 30th Annual Report together with the Stand alone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2019.

1. FINANCIAL RESULTS (Stand alone)

Particulars	(Amount in Lakh)	
	2018-19	2017-18
Total Income	1341.55	5932.53
Financial Costs	591.85	571.68
Depreciation and Amortization	428.49	468.63
Profit/ (Loss) Before Tax	(1901.83)	(830.04)
Tax Expenses	(389.71)	(463.48)
Net Profit / (Loss) After Tax	(1502.40)	(366.56)
Cash Profit	(1073.91)	102.07
EBIDTA	(871.70)	210.27

2. RESULTS OF OPERATIONS , THE STATE OF COMPANY'S AFFAIRS and OUTLOOK:

In continuation with the efforts invested in 2017-18 for a business turnaround by recommencing business operations in the Piludra manufacturing facility, the company secured required regulatory permissions for appropriate modifications in the product mix, apart from and in addition to the existing products being manufactured.

Following Regulatory delays to secure permissions for enhanced product mix; the manufacturing operations in Piludra could be recommenced in January 2019 and onwards while the Karakhadi facility fully operated, at the required pace, during the year.

In view of accumulated losses, and the consequent working capital pressures, the company has changed over to toll manufacture, in both of the manufacturing facilities with long term contracts for value added products.

These initiatives have since enabled the company to actualise progressively higher capacity utilisation and throughput.

While the Company's Credit Rating Agency has provided the company's ongoing Credit Worthiness Assessment ; the lending banks have sanctioned; the use of working capital facilities.

The Company's Suppliers, Customers and Service Providers have continued to provide exemplary support during these transitional times.

During the current year and beyond, your company has upbeat aspirations to further build on sustainable business operations.

DIRECTORS' REPORT

3. QUALITY, ENVIRONMENT, HEALTH AND SAFETY MANAGEMENT SYSTEMS:

Your Company continues to hold and maintain ISO 9001:2015 certification for Piludra and Karakhadi Plant from TUV CERT a certification body of TUV Rheinland Cert GmbH for development and manufacturing system of the Company's products and also hold ISO 14001:2015 Certification for Environment Management System for its Piludra Plant. These offer benefits in terms of assurance of consistent product quality and healthy working environment at Manufacturing sites.

The Company places a strong emphasis on ensuring safety of the employees and surrounding population and has very effective safety management systems in place.

4. SUBSIDIARY COMPANY:

The Company has one wholly owned subsidiary namely Oasis Agritech Limited which has suspended its business activities since F. Y. 2011-2012

5. DISCLOSURES UNDER THE COMPANIES ACT, 2013:

Information given below is pursuant to various disclosure requirements prescribed under Section 134 (3) of the Companies Act, 2013 (hereinafter 'the Act') and the Rules there under to the extent applicable to the Company.

A. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed to this report as 'Annexure – I'.

(Particular of Employees remuneration not applicable)

B. EXTRACT OF ANNUAL RETURN & WEB-ADDRESS OF THE ANNUAL RETURN:

The Extract of Annual Return as referred to in sub-section (3) of section 92 is annexed to this report as 'Annexure II'

C. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

During the year under review, your Company has not directly or indirectly –

- I. given any loan to any person or other body corporate other than usual advances envisaged in a contract for supply of materials or equipment or job work, if any;
- II. given any guarantee or provided security in connection with a loan to any other body corporate or person; and
- III. acquired by way of subscription, purchase or otherwise, the securities of any other body corporate.

D. MATERIAL CHANGES AND COMMITMENTS

The Company had installed additional safety measures in both the manufacturing facilities in the month of May, 2019, which had led to slowdown as well as closure of operations for few days leading to production and revenue loss during those days. Post installation of those additional safety measures, normal production activities re-commenced.

E. RELATED PARTY TRANSACTIONS:

During the year under review, all the Related Party Transactions were in the ordinary course of the business and on an arm's length basis. Those transactions were placed before the Board of Directors and approved by it.

DIRECTORS' REPORT

During the year, the Company had entered into transactions with Transpek Industry Limited, a related party. The said transactions were materially related for which approval of the shareholders of the Company by means of a Special Resolution passed through Postal Ballot has been availed.

Your Directors draw attention of the members to Note no. 29.3 to the financial statement which sets out related party disclosures.

Details relating to the transactions have been given in the Annexure to this report in prescribed form AoC – 2 pursuant to clause (h) of sub – section 3 of Section 134 of the Companies Act, 2013 and Rule 8 (2) of Companies (Accounts) Rules, 2014 as 'Annexure III'.

F. RISK MANAGEMENT:

The Company has formulated a policy to identify and evaluate business risks and opportunities in compliance with the provisions of Section 134 (3) (n) of the Act. This policy framework ensures transparency, minimizes adverse impact on the business objectives and enhances the Company's competitive advantage.

G. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has laid down adequate and effective Internal Financial Controls with reference to financial statements, commensurate with its size and nature of business operations. During the year, such controls were tested and upgraded and no reportable material weaknesses in the design or operation were observed.

H. LEGAL COMPLIANCE:

The Board has devised proper systems commensurate with the size and operations of the Company to monitor and ensure compliance of all the applicable laws and the said system is found adequate and operating effectively. The Company Secretary and the Director provide compliance certificate to the Board on quarterly basis.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review, Ms. Krutika Dave, resigned as Company Secretary of this organisation with effect from 30th March, 2019.

Shri Tushar Dayal and Shri Bimal V. Mehta, Directors of the Company, will retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment. The Board recommends their re-appointment.

7. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 134 (3) (c) of the Act, with respect to Directors' Responsibility Statement, the Directors 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 had selected such accounting policies and applied them consistently and made judgements 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 loss of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis;

DIRECTORS' REPORT

- e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. AUDITOR AND AUDITOR'S REPORT:

STATUTORY AUDITORS:

The members of the Company had, at their 28th Annual General Meeting held on 30th November, 2017 appointed M/s. CNK & Associates, LLP, Chartered Accountants, Vadodara, (firm registration No. 101961W/W-100036) as Statutory Auditors of the Company for a period of five years i.e. from the conclusion of the 28th Annual General Meeting until the conclusion of the 33rd Annual General Meeting as prescribed under Section 139 (2) of the Act and relevant rules framed thereunder.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

9. FIXED DEPOSITS:

The company has re-paid the deposits accepted from shareholders during the year under review. The deposits as at 31st March, 2019 amounting to Rs.4,80,000/- has not been claimed by depositors for which the Company has sent written reminder to the said depositor for taking appropriate action at their end.

The Deposits and interest which remained unclaimed for the last seven years have been transferred to the Investor Education and Protection Fund as required under the Act.

10. HEALTH CARE AND WELFARE OF EMPLOYEES:

DISCLOSURE UNDER THE SEXUAL HARASSMENT AT WORK-PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has given employment to a number of women in various cadres. It has put in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An internal committee of women employees is also set up to redress complaints received which are monitored by women supervisors who are fully aware of the Policy and redressal mechanism. All employees of the Company, those of contractors as well as trainees are covered under this Policy. No complaint was received from any employee during the financial year 2018-2019 and no complaint is outstanding as on 31st March, 2019 for redressal.

ACKNOWLEDGEMENTS

Your Directors wish to acknowledge the co-operation and assistance extended to the Company by the Company's Bankers and State Government agencies. Your Directors also wish to place on record their appreciation of the contribution made by employees at all levels towards the growth of the Company. Your Directors also acknowledge with gratitude the support of the shareholders, investors, Deposit holders, customers and suppliers for the faith reposed in the Company and its management.

BY ORDER OF THE BOARD

D.K.SHROFF
CHAIRMAN

PLACE: VADODARA
DATED: 22.8.2019

ANNEXURE TO DIRECTORS' REPORT

ANNEXURE-I

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

A. CONSERVATION OF ENERGY:

Steps taken in past for conservation of energy and for utilizing alternative sources of energy. During the year under review, the Company continued to take the following steps to optimize the energy consumption.

1. Installation of temperature controller in process cooling towers to reduce power consumption
2. Use of cool water in place of chilled water feasible, in process operation.
3. Application of different grade of insulation to reduce heat losses.

B. TECHNOLOGY ABSORPTION:

The Company has been making substantial efforts in reduction of process waste and effluents.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- i. Foreign Exchange earned by way of Exports: NIL
- ii. Foreign Exchange used: NIL

ANNEXURE –II

Extract of the Annual Return as provided under sub-section (3) of Section 92:

Form No. MGT – 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2019

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

I. Registration and Other Details

CIN	U74120GJ1989PLC012329
Registration Date:	7th June, 1989
Name of the Company	TML Industries Limited
ISIN No	INE03UP01019
Category/Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	B-301- Alkapuri Arcade, R C Dutt Road, Vadodara – 390007. Contact No: (0265) 2343302
Whether Listed Company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, B-102 & 103 Shangrila Complex, 1st Floor, Near Radhakrishna Char Rasta, Akota, Vadodara – 390020 Phone: (0265) 2356794; 2356573; Email: vadodara@linkintime.co.in; alpesh.gandhi@linkintime.co.in.

ANNEXURE TO DIRECTORS' REPORT**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:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Agrochemical Intermediates	24219	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. NO	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Oasis Agritech Limited	U01135GJ19 96PLC030102	Subsidiary	100%	2 (87) (ii)

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

(I) Category-wise Share Holding:

category of Shareholders	Number of Shares held at the Beginning of the year		Number of Shares held at the end of the year		% Change during the Year
	Total Shares	% of Total Shares	Total Shares	% of Total Shares	
Promoters					
A. Individual / HUF	1962330	37.38%	1988080	37.87%	0.49%
B. Bodies Corporate	2468100	47.01%	2468100	47.01%	0.00%
Sub Total (A)	4430430	84.39%	4456180	84.88%	0.49%
Public Share Holding					
A. Individual / HUF	817520	15.57%	791770	15.08%	-0.49%
B. Bodies Corporate	2050	0.04%	2050	0.04%	0.00%
Sub Total (B)	819570	15.61%	793820	15.12%	-0.49%
TOTAL (A) + (B)	5250000	100%	5250000	100%	0%

ANNEXURE TO DIRECTORS' REPORT

(II) Shareholding of Promoters & Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Name of Shareholders	Number of Shares held at the Beginning of the year		Number of Shares held at the end of the year		% Change during the Year
		Total Shares	% of Total Shares	Total Shares	% of Total Shares	
1	HIRAL DAYAL	262400	5.00	262400	5.00	-
2	PARITOSH T DAYAL	336800	6.42	336800	6.42	-
3	PRATIK TUSHAR DAYAL	346460	6.60	346460	6.60	-
4	TUSHAR DAYAL	78700	1.50	86450	1.65	0.15
5	TUSHAR DAYAL, KARTA - TUSHAR DAYAL H.U.F.	269050	5.12	269050	5.12	-
6	ATUL DAYAL	15500	0.30	15500	0.30	-
7	HEENA L POPAT	10500	0.20	10500	0.20	-
8	LALJI POPAT	500	0.01	500	0.01	-
9	PRATIPAL INVESTMENTS PVT LTD	843850	16.07	843850	16.07	-
10	ANSHUL A BHATIA	25000	0.48	25000	0.48	-
11	ASHWIN CHAMPRAJ SHROFF	55000	1.05	71500	1.36	0.31
12	HRISHIT ASHWIN SHROFF	42500	0.81	42500	0.81	-
13	RAVI ASHWIN SHROFF	42500	0.81	44000	0.84	0.03
14	USHA ASHWIN SHROFF	25300	0.48	25300	0.48	-
15	ATUL GOVINDJI SHROFF	218150	4.16	218150	4.16	-
16	ATUL GOVINDJI SHROFF - HUF	10000	0.19	10000	0.19	-
17	SHRUTI ATUL SHROFF	132470	2.52	132470	2.52	-
18	VISHWA ATUL SHROFF	27500	0.52	27500	0.52	-
19	MADISON INVESTMENT PRIVATE LTD	131500	2.50	131500	2.50	-
20	AMI K SHROFF	7500	0.14	7500	0.14	-
21	PREETI D SHROFF	10000	0.19	10000	0.19	-
22	DIPESH K SHROFF	46500	0.89	46500	0.89	-
23	AGROCEL INDUSTRIES PVT LTD	439000	8.36	439000	8.36	-
24	DIPKANTI INV & FINANCING LTD	750	0.01	750	0.01	-
25	HYDERABAD CHEMICALS LTD	5500	0.10	5500	0.10	-
26	EXCEL INDUSTRIES LIMITED	888750	16.93	888750	16.93	-
27	KAMALJYOT INVESTMENTS LIMITED	31750	0.60	31750	0.60	-
28	ANSHUL SPECIALITY MOLECULES PRIVATE LTD	127000	2.42	127000	2.42	-
TOTAL		4430430	84.39	4456180	84.88	0.49

ANNEXURE TO DIRECTORS' REPORT

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

Sr. No.	Name of Shareholders	Number of Shares held at the Beginning of the year		Number of Shares held at the end of the year		% Change during the Year
		Total Shares	% of Total Shares	Total Shares	% of Total Shares	
1	Prakash Shroff	46500	0.89	46500	0.89	-
2	Ranjan Shroff	32000	0.61	32000	0.61	-
3	Rajendra Vrajlal Mehta	32050	0.61	32050	0.61	-
4	Sushma Sharma	26000	0.50	26000	0.50	-
5	Praful Saraiya	24700	0.47	24700	0.47	-
6	Kunal Prakash Shroff	23900	0.46	23900	0.46	-
7	Priti Shroff	22000	0.42	22000	0.42	-
8	Kiran Shroff	16000	0.30	16000	0.30	-
9	Neha Shroff	16000	0.30	16000	0.30	-
10	Kanan Shroff	16000	0.30	16000	0.30	-
Total		255150	4.86	255150	4.86	-

(IV) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Shareholders	Number of Shares held at the Beginning of the year		Number of Shares held at the end of the year		% Change during the Year
		Total Shares	% of Total Shares	Total Shares	% of Total Shares	
1	TUSHAR DAYAL	78700	1.50	86,450	1.65	0.15
2	DIPESH SHROFF	46500	0.89	46,500	0.89	-
3	RAVI SHROFF	42500	0.81	44,000	0.84	0.03
4	CHANDRAHAS DAYAL	-	-	-	-	-
5	BIMAL MEHTA	-	-	-	-	-
6	L. RAJAGOPALAN	-	-	-	-	-
TOTAL		167700	3.19	176,950	3.37	0.18

V. INDEBTEDNESS

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

INDEBTEDNESS	Secured loans excluding deposits	Unsecured Loans	Deposits	Rs in lakhs
				Total
At the beginning of the Year				
Principle amount	2,380.73	1,541.19	-	3,921.92
Interest due but not paid	-	-	-	-
Interest accrued but not due	12.41	-	-	12.41
Total	2,393.14	1,541.19	-	3,934.33

ANNEXURE TO DIRECTORS' REPORT

V. INDEBTEDNESS

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

INDEBTEDNESS	Secured loans excluding deposits	Unsecured Loans	Deposits	Rs in lakhs	
					Total
Changes during the Year					
Net Change	-1,126.12	3,210.02	-		2,083.90
At the end of the Year					
Principle amount	1267.02	4,511.00	-		5,778.02
Interest due but not paid	-	240.21	-		240.21
Interest accrued but not due	-		-		-
Total	1267.02	4,751.21	-		6018.23

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: N/A

B. Remuneration to other directors:

Sl. no.	Name of Director	Total Amount
1	Tushar Dayal	36,00,000/-
Total		36,00,000/-

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

Sl. no.	Particulars of Remuneration:	Up to 30.03.2019 CS – Krutika Dave	Total (Rs.)
1.	Gross salary		
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,40,000/-	2,40,000/-
(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	-	-
	Total	2,40,000/-	2,40,000/-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

ANNEXURE TO DIRECTORS' REPORT**ANNEXURE-III
FORM NO. AOC - 2**

(Pursuant to clause (h) of sub – section (3) of section 134 of the Companies Act, and Rules made there under.)

Form for Disclosure of particulars of contract / arrangements entered into by the Company with the Related Parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto:

1. Details of Contracts or Arrangements or Transactions at arm's length not in ordinary course of Business. NIL
2. Details of Contracts or Arrangements or Transactions at arm's length.

Name of related party	Nature of relationship	Nature of contract/ arrangement/ transaction	Duration of contract/ arrangement/ transaction	Salient terms of the contract/ arrangement/ transaction	Date of approval by Board	Value of approval by the Board (Rs. in lakhs)
Transpek Industry Ltd (TIL)	Shri Dipesh Shroff a Director of the Company is also a Director of TIL and holds, along with his relatives, more than 2% of the paid-up share capital of TIL	Sales of Goods	From 1st April 2018 to 31st March 2019	In the ordinary course of business	22nd July 2016	7.46
Transpek Industry Ltd (TIL)	Shri Dipesh Shroff a Director of the Company is also a Director of TIL and holds, along with his relatives, more than 2% of the paid-up share capital of TIL	Job Work Income	Karakhadi Unit 1st Dec 2016 to 30th Nov 2021 Piludra Unit 22nd Dec 2017 to 21st Dec 2022	In the ordinary course of business	25th November 2016	985.14

INDEPENDENT AUDITOR'S REPORT

To
The members of
TML Industries Limited

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of TML Industries Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, the statement of Profit and Loss, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2019, its loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

1. We draw attention of the members to Note no 29.6 regarding these financial statements being prepared on going concern basis though the company has been incurring cash losses, its net worth has been substantially eroded as on 31st March, 2019 and as on that date, its current liabilities are substantially higher than current assets. The same is on the basis of management representation, that the operations of the company are continuing in view of the agreement with a customer to manufacture products on "Toll manufacturing basis" and the promoters have committed to infuse appropriate additional funds into the company as and when required to meet its on-going liabilities.
2. We draw attention of the members to Note no 29.4 that the company has, on 31st March, 2019, recognised deferred tax asset of Rs. 8,41,09,565 on account of unabsorbed depreciation and business losses as per the Income Tax Act, 1961 on the basis that the agreement with a customer to manufacture products on "Toll manufacturing basis" results in virtual certainty to generate sufficient future taxable income which will be available against which such deferred tax assets can be realised.

Our opinion is not modified in respect of the matters in 1 and 2 above.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the, Board's Report including annexures to Board's Report but does not include the standalone financial statements and our auditor's report thereon;

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone

INDEPENDENT AUDITOR'S REPORT

financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error;

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so;

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if

INDEPENDENT AUDITOR'S REPORT

such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

INDEPENDENT AUDITOR'S REPORT

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 28.1 to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There have been no such instances requiring transfer of any amounts to the Investor Education and Protection Fund by the Company.

For, CNK & Associates LLP
Chartered accountants
Firm Registration No: 101961W/W100036

Pareen Shah
Partner
Mem. No. 125011
Vadodara, 22nd August, 2019
UDIN: 19125011AAAABY4602

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Standalone financial statements for the year ended 31st March 2019.

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

- 1(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- 1(b) As informed to us, the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets;
- 1(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company;
- 2 According to the information and explanations given to us, the inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable;

In our opinion and according to the information and explanations given to us, the discrepancies noticed on physical verification of the same were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account;

- 3 According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, clause 3(a), 3(b) and 3(c) are not applicable for the year;
- 4 In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made;
- 5 In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 73 to 76 of the companies Act, 2013 and the rules framed there under for the deposits accepted by the company;
- 6 We have broadly reviewed the cost records maintained by the Company as prescribed by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained by the company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete;
- 7(a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, custom duty, excise-duty, value added tax, cess and other statutory dues as applicable with appropriate authorities. There are no undisputed statutory dues outstanding as at 31st March 2019, for a period of more than six months from the date they became payable except Value added Tax amounting to ₹ 11,16,993/-
- 7(b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs, goods & service tax, service tax, excise duty, value added tax or cess that has not been deposited on account of disputes except followings:

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Name of the Statute	Nature of Dues	Amount* (₹)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	6,69,060	2013-14	CIT(A)
The Finance Act, 1994	Service Tax	2,73,158	2008-09	CESTAT
The Finance Act, 1994	Service Tax	4,965	2010-11	CESTAT
The Finance Act, 1994	Service Tax	1,78,906	2008-09 & 2009-10	CESTAT
Gujarat Value Added Tax Act, 2003	VAT Tax	1,45,199	2006-07	GVAT Tribunal

(*Net off amount of ₹ 67,022/- paid under protest)

- 8 In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any dues to financial Institution or Bank;
- 9 According to the information and explanations given to us, no moneys were raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purpose for which the loans were obtained;
- 10 During the course of our examination of the books of account and records of the company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud by the Company or any fraud on the Company by its officers or employees noticed or reported during the year, nor have we been informed of any such case by the management;
- 11 According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act;
- 12 In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable;
- 13 According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards;
- 14 According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year;
- 15 According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable;
- 16 The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For, CNK & Associates LLP
Chartered accountants
Firm Registration No: 101961W/W100036

Pareen Shah
Partner
Mem. No. 125011
Vadodara, 22nd August, 2019
UDIN: 19125011AAAABY4602

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
A EQUITY & LIABILITIES			
1 Shareholders' Funds			
(a) Share capital	3	52,500,000	52,500,000
(b) Reserves and surplus	4	(156,327,802)	(6,087,661)
		(103,827,802)	46,412,339
2 Non-Current Liabilities			
(a) Long- term borrowings	5	532,166,885	94,929,059
(b) Other Long term liabilities	6	35,200,000	35,000,000
(c) Long- term provisions	7	19,341,807	13,253,454
		586,708,692	143,182,514
3 Current Liabilities			
(a) Short term borrowings	8	37,187,814	187,636,853
(b) Trade payables	9		
i) Total outstanding dues of Micro and small enterprises		984,142	1,118,306
ii) Total outstanding dues of creditors other than micro and small enterprises		124,856,397	261,278,858
(c) Other current liabilities	10	71,330,072	147,631,417
(d) Short -term provisions	11	3,415,245	4,035,434
		237,773,670	601,700,871
Total		720,654,561	791,295,725
B ASSETS			
1 Non-Current Assets			
(a) Property, Plant & Equipment	12		
I) Tangible assets		525,049,407	571,896,320
II) Intangible assets		7,162,418	9,379,630
(b) Capital work-in-progress		2,275,000	1,820,000
		534,486,825	583,095,950
(c) Non-current Investments	13	572,500	572,500
(d) Deferred tax assets (net)	29.4	84,109,565	45,138,600
(e) Long- term Loans and Advances	14	14,101,187	14,189,398
(f) Other non-current assets	15	408,373	8,840,968
2 Current Assets			
(a) Inventories	16	45,628,220	77,047,492
(b) Trade receivables	17	20,573,173	46,427,377
(c) Cash and Cash Equivalents	18	3,101,977	2,131,344
(d) Short- term loans and advances	19	8,441,613	12,826,042
(e) Other current assets	20	9,231,129	1,026,055
		86,976,111	139,458,309
Total		720,654,561	791,295,725

Notes forming part of the Financial Statements

1 to 30

As per our report of even date
For CNK & Associates LLP
Chartered Accountants
FRN: 101961W/W - 100036

Pareen Shah
Partner
Mem No: 125011
Place : Vadodara
Date : 22nd August, 2019

For and on behalf of the Board of Directors

Tushar Dayal (Director) DIN: 01055037

Bimal Mehta (Director) DIN:00081171

Place : Vadodara
Date : 22nd August, 2019

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note	For the year ended 31-Mar-19 ₹	For the Year ended 31-Mar-18 ₹
I. Revenue from Operations	21	128,388,748	585,077,314
II. Other Income	22	5,765,988	8,176,172
III. Total revenue (I + II)		<u>134,154,736</u>	<u>593,253,485</u>
IV. Expenses			
Cost of Raw Material Consumed	23	23,955,566	195,564,436
Changes in Inventories of Finished Goods and Work-in-progress	24	14,848,771	(5,986,602)
Employee Benefits Expense	25	104,756,934	93,192,839
Finance Costs	26	59,185,339	57,167,617
Depreciation and Amortization Expense	12	42,849,524	46,863,316
Other Expenses	27	78,741,516	289,455,812
Total Expenses		<u>324,337,649</u>	<u>676,257,418</u>
V. Loss Before Tax (III-IV)		<u>(190,182,914)</u>	<u>(83,003,934)</u>
VI. Tax Expenses			
Short/Excess Provision for Tax in earlier years		(971,809)	-
Deferred Tax	29.4	<u>(38,970,965)</u>	<u>(46,347,612)</u>
VII. Loss from Continuing Operations (V-VI)		<u>(150,240,140)</u>	<u>(36,656,322)</u>
VIII. Earnings per Equity Share (of ₹ 10/- each):			
Basic and Diluted	29.5	(28.62)	(6.98)
Notes forming part of the Financial Statements	1 to 30		

As per our report of even date
For CNK & Associates LLP
Chartered Accountants
FRN: 101961W/W - 100036

Pareen Shah
Partner
Mem No: 125011
Place : Vadodara
Date : 22nd August, 2019

For and on behalf of the Board of Directors

Tushar Dayal (Director) DIN: 01055037

Bimal Mehta (Director) DIN:00081171

Place : Vadodara
Date : 22nd August, 2019

**STANDALONE CASH FLOW STATEMENT FOR
THE YEAR ENDED ON 31ST MARCH, 2019**

Particulars	For the year ended 31-Mar-19 ₹	For the Year year ended 31-Mar-18 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss Before Tax	(190,182,914)	(83,003,934)
Adjustments for:		
Depreciation and Amortization Expense	42,849,524	46,863,316
Gain/ Loss on sale of Property ,plant and equipments(net)	(91,380)	1,553,602
Dividend Income	(7,500)	(7,500)
Interest Income	(664,364)	(2,181,408)
Interest expense	57,356,335	55,932,276
Unrealised foreign exchange fluctuation gain	5,563	(253)
	<u>99,448,178</u>	<u>102,160,032</u>
Operating Profit/(Loss) before working capital changes	<u>(90,734,735)</u>	<u>19,156,099</u>
Adjustments for working capital changes:		
Decrease / (Increase) in Inventories	31,419,272	(16,306,163)
Decrease / (Increase) in Trade Receivables	25,854,204	(14,707,299)
Decrease / (Increase) in loans And advances	4,010,313	(5,290,279)
Decrease / (Increase) in Other assets	(7,728,112)	47,289
(Decrease) in Trade Payables	(136,556,625)	37,736,109
(Decrease) in Provisions	5,468,164	(1,501,426)
(Decrease) in Other liabilities	3,070,953	(18,942,604)
	<u>(74,461,831)</u>	<u>(18,964,373)</u>
Cash Generated from Operations	<u>(165,196,566)</u>	<u>191,726</u>
Taxes (paid)	737,957	2,797,094
Net cash generated from Operating Activities (A)	<u>(164,458,609)</u>	<u>2,988,820</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipment	(931,000)	(9,060,495)
Proceeds from sale of Property, plant and equipment	7,478,160	3,217,656
Proceeds from maturity of fixed deposits	9,205,006	(275,898)
Interest received	187,395	2,074,614
Dividend received	7,500	7,500
Net cash generated from / (used in) Investing Activities (B)	<u>15,947,061</u>	<u>(4,036,623)</u>

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2019

Particulars	For the year ended 31-Mar-19 ₹	For the Year year ended 31-Mar-18 ₹
C. CASH FLOW FROM FINANCING ACTIVITIES		
Receipt of long term borrowings	360,078,968	61,388,297
(Repayment) / Proceeds from short term borrowings	(150,449,039)	(962,262)
Interest Paid	(59,369,774)	(58,891,987)
Net cash (used in) Financing activities (C)	150,260,155	1,534,048
Net (Decrease) / Increase in Cash and Cash Equivalents (A+B+C)	1,748,607	486,246
Cash and Cash Equivalents at the Beginning of the Year	1,053,062	566,563
Unrealised foreign exchange fluctuation gain	(5,563)	253
Cash and Cash Equivalents at the End of the Year	2,796,106	1,053,062
Components of Cash & Cash Equivalents		
Cash on hand	100,032	117,457
Balance with schedule banks		
In Current Account	2,696,075	935,605
Cash and Cash Equivalents (As per Note No.18)	2,796,107	1,053,062

Notes:

(i) Figures in the brackets represents cash outflow.

See accompanying notes forming part of the financial statements.

As per our report of even date
For CNK & Associates LLP
Chartered Accountants
FRN: 101961W/W - 100036

Pareen Shah
Partner
Mem No: 125011
Place : Vadodara
Date : 22nd August, 2019

For and on behalf of the Board of Directors

Tushar Dayal (Director) DIN: 01055037

Bimal Mehta (Director) DIN:00081171

Place : Vadodara
Date : 22nd August, 2019

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 1 Corporate Information

TML Industries Limited (CIN : U74120GJ1989PLC012329) is one of the leading manufacturer of Intermediates of Agro chemicals and also carries on Job work for related products . The manufacturing activity is carried out at Piludra and Karakhadi locations. The Company is ISO 9001:2015 and 14001:2015 certified for Quality and Environment Management System from TUV Certification Body of TUV Industries Service GmbH.

Note 2 Significant Accounting Policies :

2.1 Basis of Preparation of Financial Statements:

The financial statements of the Company have been 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 accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Property, Plant & Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the Property, plant and equipment are ready for use, as intended by management. Borrowing cost relating to acquisition of Property Plant and equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets ready to be put to use.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. In case the cost of part of assets is significant to total cost of assets and useful life of that part is different from the useful life of the remaining assets, the useful life of the significant part has been determined separately.

Depreciation on Property, Plant & Equipment is provided on the Straight Line Method on the basis of useful life as prescribed in the Schedule-II to the Companies Act, 2013

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Long Term Loans and advances" and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Capital work-in-progress:

Capital work-in-progress is carried at cost, comprising direct cost, related incidental expenses.

2.4 Intangible assets:

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use.

Intangible Assets are amortised and charged to the Statement of Profit & Loss as under:

Software	- over 5 years
Capital contribution and Technical Know How	- over 10 years

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

2.5 Inventories

Raw Materials, packing materials and fuel are valued at Cost and Net Realizable Value, whichever is lower. Cost is determined on First In First Out Basis. However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Finished goods and work in progress are valued at Cost and Net Realizable Value, whichever is lower.

Stores and Spares are valued at Cost and Net Realizable Value, whichever is lower. Cost is determined on First In First Out Basis

2.6 Investments

Non-Current Investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

2.7 Foreign Currency Transactions

- (i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates.
- (iii) Any income or expense on account of exchange difference either on settlement or on restatement is recognized in the Statement of Profit and Loss except in cases when they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

2.8 Revenue Recognition

Sale of goods

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude Goods and Service Tax.

Job Work

Income by way of Job work is accounted on removal basis as per the terms of Agreement.

Income from Sale of Wind Operated Power Generators

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Income from Sale of Wind Operated Power is accounted on accrual basis on confirmation of units generated and supplied to the State Electricity Board.

Export Incentives

Export incentive are accounted for export of goods if entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

2.9 Other income:

Interest income

Interest income is accounted on accrual basis.

Dividend income

Dividend Income is accounted for when the right to receive it is established.

2.10 Employee Benefits

Employee benefits include provident fund, superannuation fund, workman compensation policy, gratuity fund, employee state insurance scheme ,compensated absences.

Defined contribution plans

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

2.11 Borrowing Costs

Borrowing costs include interest and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.12 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

2.13 Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.14 Provision, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

2.15 Cash and cash equivalents (for purposes of Cash Flow Statement)

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

2.16 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

2.17 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.18 Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.19 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) after extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and taxes. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 3 - SHARE CAPITAL

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	Number	₹	Number	₹
Authorized				
Equity Shares of ₹ 10 each with voting rights	10,000,000	100,000,000	10,000,000	100,000,000
Total	10,000,000	100,000,000	10,000,000	100,000,000
Issued, Subscribed and Fully Paid Up Shares				
Equity Shares of ₹ 10/- each fully paid with voting rights	5,250,000	52,500,000	5,250,000	52,500,000
Total	5,250,000	52,500,000	5,250,000	52,500,000

a. Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting period;

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	Number	₹	Number	₹
Shares at the beginning of the year	5,250,000	52,500,000	5,250,000	52,500,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,250,000	52,500,000	5,250,000	52,500,000

b. Terms & Rights attached to each class of shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of the liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of Shareholders holding more than 5% shares in the Company;

Class of shares / Name of shareholder	As at 31-Mar-19		As at 31-Mar-18	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Excel Industries Limited	888,750	16.93%	888,750	16.93%
Pratipal Investments Private Limited	843,850	16.07%	843,850	16.07%
Agrocel Industries Limited.	439,000	8.36%	439,000	8.36%
Pratik Dayal	346,460	6.60%	346,460	6.60%
Paritosh Dayal	336,800	6.42%	336,800	6.42%
Tushar Dayal / Tushar Dayal H.U.F.	355,500	6.77%	347,750	6.62%
Hiral Dayal	262,400	5.00%	262,400	5.00%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 4 - Reserves & Surplus

Particulars	As at 31-Mar-19	As at 31-Mar-18
	₹	₹
Capital Redemption Reserve(As per Last year) (On redemption of preference shares)	50,000,000	50,000,000
Revaluation reserve (Refer note 29.7)	120,106,372	120,106,372
Securities Premium (As per Last year) (Created on Issue of equity Shares at a premium)	76,000,000	76,000,000
Sub total	246,106,372	246,106,372
Opening Balance of Statement of Profit and Loss	(252,194,033)	(215,537,711)
(Loss) during the period	(150,240,140)	(36,656,322)
Closing Balance of Statement of Profit and Loss	(402,434,174)	(252,194,033)
Total	(156,327,802)	(6,087,661)

Note 5 - LONG TERM BORROWINGS

Particulars	As at 31-March-19			As at 31-March-18		
	Total	Non-Current Portion	Current Portion	Total	Non-Current Portion	Current Portion
	₹	₹	₹	₹	₹	₹
(a) Secured Loan						
Term Loan						
From Banks (Refer Note (A) below)	89,513,772	72,106,054	17,407,717	50,437,781	27,240,477	23,197,305
(b) Unsecured Loan From						
Inter Corporate Deposits	269,250,222	254,189,591	15,060,631	125,065,827	38,635,925	86,429,902
From Directors	79,660,634	79,660,634	-	29,052,658	29,052,658	-
From Promoters (Refer Note (B) below)	126,210,606	126,210,606	-	-	-	-
Sub total	564,635,234	532,166,885	32,468,348	204,556,266	94,929,059	109,627,207
Less: Amount disclosed under the head Other Current Liability (Note 10)	32,468,348	-	32,468,348	109,627,207	-	109,627,207
Total	532,166,885	532,166,885	-	94,929,059	94,929,059	-

Note No.(A) Details of security and terms of repayment:

(i) Nature of Security

- The Vehicle loans are secured against hypothecation of vehicles financed under the said vehicle loans by the respective banks.
- The term loans other than Vehicle loans are secured by first and exclusive charge by way of an equitable mortgage on commercial offices at Vadodara and first charge on industrial units at kharkhdi. Further the above loans are secured by way of Second pari passu charge on all exiting and future current assets of the borrower.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(ii) Term of repayments from banks are as below:

Particulars	As at 31 March, 2019			As at 31 March, 2018		
	Amount	Rate of Interest	Installment (Monthly)	Amount	Rate of Interest	Installment (Monthly)
ICICI Bank Car Loan-Honda Amaze	-	-	-	79,251	10.49%	12,142 till September 2019
ICICI Bank Car Loan-Honda Amaze	-	-	-	23,683	10.84%	14,170 till April 2019
ICICI Bank Car Loan-Hyundai I10	-	-	-	38,532	10.51%	10,750 till June 2019
ICICI Bank Car Loan--Mobilio	-	-	-	219,513	10.49%	23,639 till December 2019
ICICI Bank Car Loan-Polo	-	-	-	77,407	10.50%	11,822 till September 2019
ICICI Bank Car Loan- TOYOTA ETIOS	58,698	10.25%	15,494 upto July 2020	229,004	10.25%	15,494 till June 2019
Kotak Mahindra Bank-(Term Loan-2)	72,047,356	12.50%	6,71,130 upto June 2023	26,573,086	12.10%	6,71,130 UP TO MAY 2023
Total	72,106,054			27,240,477		

Note No.(B) Loan from Promoters:

The company has received the amount from promoters of the company in pursuance of the stipulation of bank.

Note 6 - OTHER LONG TERM LIABILITIES

Particulars	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
Others:		
Deposits	13,000,000	17,000,000
Advance against capital asset	22,200,000	18,000,000
Total	35,200,000	35,000,000

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 7 - LONG TERM PROVISIONS

Particulars	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
Provision for Employee Benefits :		
Gratuity(Refer note 29.1)	16,083,921	9,740,167
Provision for Compensated Absences(Refer note 29.1)	3,257,886	3,513,287
Total	19,341,807	13,253,454

Note 8 - SHORT TERM BORROWINGS

Particulars	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
Loans Repayable on Demand		
From Banks (Secured)		
Cash Credit (Refer Note (A) below)	37,187,814	187,636,853
Total	37,187,814	187,636,853

Note No. (A) Details of Security for the Secured Short-Term Borrowings:

Working Capital facilities from IDBI Bank Ltd.

Working capital facilities on Cash Credit accounts are secured by first pari pasu charge by way of hypothecation of raw material, Stock in process, finished stock & entire book debts and collaterally secured by way of second pari-passu charge over the fixed assets of the Company situated at Piludra and Karakhadi plants of the company.

Note - 9 - TRADE PAYABLES

Particulars	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
Trade Payables		
Total outstanding dues of Micro and small enterprises (Refer Note No. 29.7)	984,142	1,118,306
Total outstanding dues of Trade payables other than Micro and small enterprises	124,856,397	261,278,858
Total	125,840,539	262,397,164

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 10 - OTHER CURRENT LIABILITIES

Particulars	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
(a) Current Maturities of Long Term Debts (Refer Note 5)	32,468,348	109,627,207
(b) Other payables		
Payable for Capital expenditure	1,820,803	5,255,316
Advance from Customers	488,819	940,124
Unclaimed Interest on Fixed Deposits	242,254	262,254
Deposits	4,100,000	6,100,000
Statutory Dues Payables	9,702,681	8,701,997
Salary and Wages payable	20,949,684	15,239,610
Other Payables	1,289,962	263,500
Interest on dues of micro and small enterprises (Refer Note 29.7)	267,521	-
Interest Accrued and due	-	1,241,410
Total	71,330,072	147,631,417

Note 11 - SHORT TERM PROVISIONS

Particulars	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
Provision for Employee Benefits		
Gratuity(Refer note 29.1)	976,910	1,500,916
Compensated Absences (Refer note 29.1)	398,335	333,768
Provision for Bonus	2,040,000	2,200,750
Total	3,415,245	4,035,434

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 12 - PROPERTY, PLANT & EQUIPMENT

Description	Year	GROSS BLOCK (AT COST)			DEPRECIATION / AMORTIZATION			NET BLOCK	
		As at 1-Apr-18	Additions during the year	Disposals	As at 31-Mar-19	Upto 1-Apr-18 /amortisation for the year	Eliminated on disposal of assets	Up to 31-Mar-19	As at 31-Mar-18
A) Tangible Assets									
Free hold land	Current Year	129,700,000	-	-	129,700,000	-	129,700,000	129,700,000	129,700,000
	Previous Year	129,700,000	-	-	129,700,000	-	-	103,798,695	110,231,236
Buildings	Current Year	184,416,680	-	-	184,416,680	67,731,859	6,432,541	74,185,444	110,231,236
	Previous Year	184,416,680	-	-	184,416,680	67,731,859	6,453,585	74,185,444	116,684,822
Plant and Equipment	Current Year	762,170,624	476,000	16,490,755	746,155,869	403,979,020	32,280,806	456,559,898	289,595,971
	Previous Year	761,321,034	7,406,926	6,557,336	762,170,624	403,979,020	33,808,108	434,517,578	327,653,046
Furniture and Fixtures	Current Year	10,263,312	-	-	10,263,312	9,647,459	193,595	10,058,338	204,974
	Previous Year	10,263,312	-	-	10,263,312	9,647,459	217,284	9,864,743	398,569
Vehicles	Current Year	5,771,454	-	731,387	5,040,067	3,548,071	464,684	3,719,700	1,320,367
	Previous Year	8,290,436	-	2,518,982	5,771,454	3,627,702	1,020,917	3,548,071	2,223,383
Office equipment	Current Year	15,190,563	-	-	15,190,563	14,755,277	197,296	14,952,573	237,990
	Previous Year	14,979,893	210,670	-	15,190,563	14,479,034	276,243	14,755,277	435,286
Electrical installations	Current Year	34,481,044	-	-	34,481,044	30,507,520	1,063,390	34,289,634	191,410
	Previous Year	34,591,844	-	110,800	34,481,044	30,507,520	2,764,487	33,226,244	1,254,800
Sub Total (A)	Current Year	1,141,993,677	476,000	17,222,142	1,125,247,535	570,097,357	40,632,312	600,198,128	571,896,320
	Previous Year	1,143,563,199	7,617,596	9,187,118	1,141,993,677	529,972,594	44,540,624	570,097,357	613,590,608
B) Intangible Assets									
Software	Current Year	2,290,565	-	-	2,290,565	2,278,070	12,495	2,290,565	-
	Previous Year	2,290,565	-	-	2,290,565	2,256,495	21,575	2,278,070	34,070
Capital Contribution	Current Year	9,740,340	-	-	9,740,340	6,233,340	613,400	6,846,740	2,893,600
	Previous Year	9,740,340	-	-	9,740,340	5,523,540	709,800	6,233,340	3,507,000
Technical Know How	Current Year	23,327,349	-	-	23,327,349	15,875,897	1,591,317	19,058,531	4,268,818
	Previous Year	23,327,349	-	-	23,327,349	15,875,897	1,591,317	17,467,214	5,860,135
Sub Total (B)	Current Year	35,358,254	-	-	35,358,254	25,978,624	2,217,212	28,195,836	7,162,418
	Previous Year	35,358,254	-	-	35,358,254	23,655,932	2,322,692	25,978,624	9,379,630
Total (A+B)	Current Year	1,177,351,931	476,000	17,222,142	1,160,605,789	596,075,981	42,849,524	628,393,964	581,275,950
	Previous Year	1,178,921,453	7,617,596	9,187,118	1,177,351,931	553,628,526	46,863,316	596,075,981	625,292,930
Capital Work-In-Progress	Current Year	1,820,000	455,000	-	2,275,000	-	-	-	2,275,000
	Previous Year	-	1,820,000	-	1,820,000	-	-	-	1,820,000

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 13 - NON CURRENT INVESTMENTS

Particulars	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
Trade Investment in Subsidiaries (unquoted)		
Oasis Agritech Ltd - 50,000 Equity share of Rs. 10/- each fully paid up	500,000	500,000
Provision for Diminution in Investment	(500,000)	(500,000)
	-	-
Trade Investment in others: (unquoted)		
Other than Trade Investments (unquoted)		
Pragati Sahakari Bank Limited- 5,000 Shares of Rs. 10/- each fully paid up	50,000	50,000
The Alkapuri Arcade Premises Owners Co-op Soc Ltd.-30 Shares of Rs. 50/- each fully paid up	1,500	1,500
Hunnar Shaala Foundation- 1,500 Shares of Rs. 10/- each fully paid up	15,000	15,000
Enviro Infrastructure Co. Limited - 50,000 Shares of Rs.10/- each fully paid up	500,000	500,000
Investment in Government Securities		
National Saving Certificate	6,000	6,000
Total	572,500	572,500
Aggregate amount of unquoted investments	1,072,500	1,072,500
Aggregate provision for diminution in value of investments	500,000	500,000

Note 14 - LONG TERM LOANS AND ADVANCES

Particulars	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
Unsecured, considered good		
Capital Advances	420,000	696,179
Security Deposits	8,994,851	9,040,735
Advance Income Tax (net of Provisions)	4,686,336	4,452,484
Total	14,101,187	14,189,398

Note 15 - OTHER NON -CURRENT ASSETS

Particulars	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
Margin Money Deposit under lien to bank for non fund based limits and having maturity of more than 12 months	408,373	8,840,968

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2019**
Note 16 - INVENTORIES

Particulars	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
Raw Materials	3,399,157	15,335,206
Fuel	887,164	1,681,512
Finished Goods	17,539,573	5,498,360
Semi Finished goods	13,761,980	40,651,964
Less: Provision For Obsolesces	661,189	661,189
	13,100,791	39,990,775
Packing Materials	316,461	498,834
Stores and Spares	11,185,074	14,842,805
Less: Provision For Obsolesces	800,000	800,000
	10,385,074	14,042,805
Total	45,628,220	77,047,492

Note 17 - TRADE RECEIVABLES

Particulars	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
Unsecured		
a) Trade receivables outstanding for a period exceeding six months from the date they are due for payment :		
Considered Good	2,463,365	1,256,769
Considered Doubtful	345,395	345,395
	2,808,760	1,602,164
Less: Provision for Doubtful debts	(345,395)	(345,395)
	2,463,365	1,256,769
b) Other Trade Receivables :		
Considered Good	18,109,808	45,170,608
Total	20,573,173	46,427,377

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 18 - CASH AND BANK BALANCES

Particulars	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
Balances with Banks		
(i) In Current Accounts	2,696,075	935,605
(ii) In Deposit Accounts (amount kept as Liquid Assets with Scheduled Banks)	305,870	1,078,281
Cash on Hand	100,032	117,457
Total	3,101,977	2,131,344
Of the above, the balances that meet the definition of Cash and Cash Equivalents as per AS 3 Cash Flow Statements i.e. Cash on hand plus balance in Current Accounts	2,796,107	1,053,063

Note 19 - SHORT TERM LOANS AND ADVANCES

Particulars	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
Unsecured, considered Good		
Loans and advances to Employees	33,232	247,536
Prepaid expenses	4,015,695	4,440,074
Advance to Suppliers and others	4,282,686	8,138,432
Security Deposits	110,000	-
Total	8,441,613	12,826,042

Note 20 - OTHER CURRENT ASSETS

Particulars	As at 31-Mar-19 ₹	As at 31-Mar-18 ₹
Accrued Interest Income	979,603	502,634
other receivables	8,251,526	523,421
Total	9,231,129	1,026,055

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 21 - REVENUE FROM OPERATIONS

Particulars	For the year ended 31-Mar-19 ₹	For the year ended 31-Mar-18 ₹
Sale of Products (Gross)	29,874,769	514,053,986
Less: Excise Duty(*)	-	(14,977,922)
Sale of Products (Net)	29,874,769	499,076,065
Other Operating Revenue		
Job work Income	98,513,979	81,163,730
Sale of Wind operated power	-	4,837,519
Total Revenue from Operations	128,388,748	585,077,314

Note* : Previous year excise duty includes excise duty recovered on sales of three months (April-June 2017).

Note 21 (i) - SALE OF PRODUCT COMPRISES OF:

Particulars	For the year ended 31-Mar-19 ₹	For the year ended 31-Mar-18 ₹
Manufactured Goods:		
Acid Chloride and Others	7,644,800	292,251,378
Agrochemicals and Intermediates	22,229,969	221,802,608
Total - Sale of Products	29,874,769	514,053,986

Note 22 - OTHER INCOME

Particulars	For the year ended 31-Mar-19 ₹	For the year ended 31-Mar-18 ₹
Interest Income	664,364	2,181,408
Scrap Sales	4,390,290	3,633,935
Dividend Income	7,500	7,500
Other Non Operating Income	703,834	2,353,328
Total	5,765,988	8,176,172

Particulars	For the year ended 31-Mar-19 ₹	For the year ended 31-Mar-18 ₹
Interest Income comprises:		
Interest from Banks on Deposits	219,320	629,775
Other Interest	445,044	1,551,633
Total - Interest Income	664,364	2,181,408
Other Non-Operating Income comprises:		
Profit on sale of assets (net)	91,380	-
Miscellaneous balance written back	612,454	2,353,328
Total - Other non-operating Income	703,834	2,353,328

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 23 - COST OF RAW MATERIAL CONSUMED

Particulars	For the year ended 31-Mar-19 ₹	For the year ended 31-Mar-18 ₹
Opening stock	15,335,206	5,491,817
Add: Purchases(Net of Returns)	12,019,517	205,407,825
	27,354,723	210,899,642
Less: Closing stock	(3,399,157)	(15,335,206)
Total	23,955,566	195,564,436

Note 23(i) - COST OF RAW MATERIAL CONSUMED COMPRISES OF :

Particulars	For the year ended 31-Mar-19 ₹	For the year ended 31-Mar-18 ₹
Acetic Acid & Chlorinated Acetic Acids	7,636,527	101,889,071
Chloro Alkalies	8,356,413	39,738,693
Industrial Solvents and others	7,098,679	53,056,632
Others	18,585	880,040
Total	23,955,566	195,564,436

Note 24 - CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the year ended 31-Mar-19 ₹	For the year ended 31-Mar-18 ₹
Inventories at the end of the Year:		
Finished Goods	17,539,573	5,498,360
Work In Progress	13,100,791	39,990,775
	30,640,364	45,489,135
Inventories at the Beginning of the Year:		
Finished Goods	5,498,360	8,245,237
Work In Progress	39,990,775	32,206,021
	45,489,135	40,451,258
Add/Less: Excise Duty	-	(948,725)
Net (increase) / decrease	14,848,771	(5,986,602)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 25 - EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31-Mar-19 ₹	For the year ended 31-Mar-18 ₹
Salaries, Wages and Bonus	80,667,403	77,125,180
Contributions to Provident Fund and other Funds	12,631,135	3,822,972
Staff Welfare Expenses	11,458,396	12,244,687
Total	104,756,934	93,192,839

Note 26 - FINANCE COSTS

Particulars	For the year ended 31-Mar-19 ₹	For the year ended 31-Mar-18 ₹
Interest expense on:		
(i) Borrowings	55,756,298	53,981,004
(ii) Others	1,332,515	1,951,272
Other Borrowing Costs	2,096,525	1,235,341
Total	59,185,339	57,167,617

Note 27 - OTHER EXPENSES

Particulars	For the year ended 31-Mar-19 ₹	For the year ended 31-Mar-18 ₹
Power & Fuel	12,823,066	113,416,795
Consumption of Stores & Spares	7,136,603	11,434,750
Consumption of Packing Materials	853,071	8,347,750
Payments to Contractors	21,007,792	35,842,751
Water Charges	419,894	5,678,941
Repairs & Maintenance:		
Building	783,710	478,162
Plant & Machinery	3,722,108	8,904,924
Others	67,930	1,288,864
Rent, Rates and Taxes	636,256	566,183
Insurance	2,005,317	1,717,945
Legal and Professional Fees	6,231,401	5,158,238
Loss on sale of assets	-	1,553,602
Effluent discharge expenses	5,225,030	10,632,716
Freight Outwards and Forwarding Expenses	249,998	6,833,671
Payments to Auditors (Refer Note below)	440,000	400,000
Security Charges	5,058,177	5,811,324
Directors' Sitting Fees	-	45,000
Product Disposal Expenses	2,216	53,505,044
Wind Mill Maintenance Charges	1,285,297	1,198,829
Miscellaneous Expenses	10,793,649	16,640,323
Total	78,741,516	289,455,812

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	For the year ended 31-Mar-19 ₹	For the year ended 31-Mar-18 ₹
Payments to the Auditors Comprises :		
Statutory Audit	440,000	400,000
Total	440,000	400,000

Note 28 ADDITIONAL INFORMATION
Note 28.1 Contingent Liabilities and Capital Commitments

Particulars	As on 31-Mar-19 ₹	As on 31-Mar-18 ₹
(a) Contingent Liabilities		
(i) Bank Guarantees issued by bank on behalf of Company for which company has issued counter guarantee	2,504,990	604,990
(b) Claims against the company not acknowledge as debts:		
(i) Disputed Income Tax Liability Against Which amount already paid as at March 31, 2019 ₹ Nil (As at March 31,2018 ₹ Nil)	669,060	669,060
(ii) Disputed Excise and Service Tax Liability Against Which amount already paid as at March 31, 2019 ₹ 65,408 (As at March 31,2018 ₹ 65,408)	502,380	502,380
(iii) Disputed Sales Tax Liability Against Which amount already paid as at March 31, 2019 ₹ 21,671 (As at March 31,2018 ₹ 21,671)"	166,870	166,870
Total	3,843,300	1,943,300
(c) Commitments		
(i) Estimated amount of Contracts to be executed on capital account and not provided for advances paid for the same	1,680,000	1,751,896
(ii) Other Commitments	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 28.2 In current year, the Company has not entered into any Forward Contract with its Bankers. Also, there are no open Forward Contracts at the year end. Foreign Currency Exposure not hedged by derivative instruments as on 31st March 2019 is as follows: (Previous Year's figures are in bracket)

Particulars	Currency	As at 31-Mar-19		As at 31-Mar-18	
		Amount in Foreign currency	Amount in INR	Amount in Foreign currency	Amount in INR
Cash Balances	USD	957.00	66,196.93	957.00	60,674.00
		(957.00)	(60,674.00)	-	-
	Chinese Yuan	62.00	641.45	62.00	655.00
		(62.00)	(655.00)	(950.00)	(8,946.60)
	GB Pound	25.20	2,279.99	25.20	2,229.00
(25.20)		(2,229.00)	(135.20)	(10,950.08)	
Egyptian Pound	17.00	68.15	17.00	63.00	
	(17.00)	(63.00)	(17.00)	(60.47)	
EURO	19.80	1,538.51	19.80	1,541.00	
	(19.80)	(1,541.00)	(74.80)	(5,187.37)	

NOTE 28.3 DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS ITEMS

Particulars	For the year ended 31-Mar-19		For the year ended 31-Mar-18	
	₹	%	₹	%
Indigenous				
-Raw materials	23,955,566	100%	195,564,436	100%
-Spare parts	7,136,603	100%	11,434,750	100%
Total	31,092,168	100%	206,999,185	100%

Note 28.4 EXPENDITURE IN FOREIGN CURRENCY :

Particulars	For the year ended 31-Mar-19		For the year ended 31-Mar-18	
	₹		₹	
Travelling expenses	-		98,882	
Total	-		98,882	

Note 28.5 EARNINGS IN FOREIGN CURRENCY :

Particulars	For the year ended 31-Mar-19		For the year ended 31-Mar-18	
	₹		₹	
FOB Value of Exports	-		-	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 29: Disclosures under Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

Note 29.1 Disclosures under Accounting Standard - 15 (Employee Benefits)

Accounting Standard 15 on 'Employee Benefits' as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

Defined contribution plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 51,67,880 (Year ended 31 March, 2018 ₹ 36,95,193) for Provident Fund contributions and ₹ 8,40,188 (Year ended 31 March, 2018 ₹ 10,14,001) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

- i. Gratuity
- ii. Leave Encashment

The following table sets out the funded status of the gratuity and leave encashment and the amount recognised in the financial statements:

Particulars	Gratuity (funded)		Leave-(Un-funded)	
	For the Year ended 31-Mar-19 ₹	For the Year ended 31-Mar-18 ₹	For the Year ended 31-Mar-19 ₹	For the Year ended 31-Mar-18 ₹
(i) Defined Benefit Plan				
Current Service Cost	1,147,159	1,613,959	527,707	373,032
Interest Cost on Benefit Obligation	1,182,962	1,285,851	266,309	313,942
Expected (return)/Loss on Plan Assets	(226,065)	(351,342)	-	-
Actuarial (Gain)/Loss	4,620,611	(3,416,368)	(181,003)	(864,515)
Total Expense recognized during the year	6,724,667	(867,900)	613,013	(177,541)
(ii) Reconciliation of Opening and Closing Balance of Obligation :-				
Obligation	16,088,693	17,684,116	3,847,054	4,347,204
Current Service Cost	1,147,159	1,613,959	527,707	373,032
Interest Cost	1,182,962	1,285,851	266,309	313,942
Actuarial (Gain)/Loss	4,620,611	(3,416,368)	(181,003)	(864,515)
Benefits Paid	(1,570,354)	(1,078,865)	(803,845)	(322,609)
PV of Obligation	21,469,067	16,088,693	3,656,222	3,847,054

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	Gratuity (funded)		Leave-(Un-funded)		
	For the Year ended 31-Mar-19 ₹	For the Year ended 31-Mar-18 ₹	For the Year ended 31-Mar-19 ₹	For the Year ended 31-Mar-18 ₹	
(iii) Change in Plan Assets					
Fair Value of Plan Assets	4,847,611	5,084,604	-	-	
Expected Return on Plan Assets	226,065	351,342	-	-	
Adjustment in Opening Balance	-	-	-	-	
Actuarial (Gain)/Loss	(12,826)	(110,571)	-	-	
Contributions	917,745	601,101	-	-	
Benefits Paid	(1,570,354)	(1,078,865)	-	-	
Fair Value of Plan Assets	4,408,241	4,847,611	-	-	
(iv) Net Liability recognized in the Balance Sheet :					
PV of Obligation	21,469,067	16,088,693	3,656,222	3,847,054	
Fair Value of Plan Assets	4,408,241	4,847,611	-	-	
Amount Recognized in the Balance Sheet	(17,060,826)	(11,241,082)	(3,656,222)	(3,847,054)	
(v) Principal Actuarial Assumptions					
Discount rate	7.60%	7.73%	7.60%	7.73%	
Rate of Return on Plan Assets	5.00%	7.73%	-	-	
Expected increase in salary cost	2.00%	6.00%	2.00%	6.00%	
(c) Amount Recognised in the current year and previous four years					
Particulars of Gratuity	2018-19	2017-18	2016-17	2015-16	2014-15
Defined Benefit Obligations	21,469,067	16,088,693	17,684,117	22,913,636	22,364,509
Fair Value of Plan Assets	4,408,241	4,847,611	5,084,604	14,446,966	15,898,971
Surplus/(Deficit) in the Plan	(17,060,826)	(11,241,082)	(12,599,513)	(8,466,670)	(6,465,538)
Actuarial (Gain)/Loss on the Plan Assets	(110,571)	-	-	(78,663)	-
Actuarial (Gain)/Loss on the Plan Obligations	4,633,437	(3,305,798)	2,389,894	661,939	3,703,620
Particulars of Leave	2018-19	2017-18	2016-17	2015-16	2014-15
Defined Benefit Obligations	3,656,222	3,847,055	4,347,204	4,275,184	3,054,283
Fair Value of Plan Assets	-	-	-	-	-
Surplus/(Deficit) in the Plan	(3,656,222)	(3,847,055)	(4,347,204)	(4,275,184)	(3,054,283)
Actuarial (Gain)/Loss on the Plan Assets	-	-	-	-	-
Actuarial (Gain)/Loss on the Plan Obligations	(181,003)	(864,515)	591,805	679,726	(184,322)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Notes:

- 1 Discount rate is determined by reference to market yield at the Balance Sheet date on Government Bonds, where the currency and terms of the Govt. Bonds are consistent with the currency and estimated terms for the benefit obligation.
- 2 The estimate of future salary increase take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- 3 100% of Plan Assets are invested in Group Gratuity Scheme offered by Life Insurance Corporation of India.

Note 29.2 Disclosures under Accounting Standard - 17 (Segment Reporting)

- i. Business Segment: The company operates in a single segment as manufacturer of Intermediates of Agro chemicals and Job work for its related products "Chemicals".
- ii. Secondary Segment: The company mainly caters to domestic clients and therefore there are no reportable geographical segments.

Note 29.3 Disclosures under Accounting Standard -18 (Related Party Disclosures)

(i) Names of related parties and description of relationship with whom transactions have taken place:

Subsidiary Companies	Oasis Agritech Ltd.
Enterprises owned or significantly influenced by key management personnel or their relatives	Transpek Industry Ltd. Agrocel Industries Pvt. Ltd. Pratipal Investments Pvt. Ltd. Excel Industries Ltd. Shroff Engineering Pvt. Ltd.
Key Management Personnel	Tushar Dayal Chandahas Dayal Ravi Shroff Dipesh Shroff Bimal Mehta Rajagopalan Lakshminarasimha Krutika Dave (Company Secretary upto 30th March, 2019)
Relatives of key management personnel	Hiral Dayal Paritosh Dayal Pratik Dayal

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

(ii) Particulars of Transactions with Related Parties

Transactions with related parties for the year ended March 31, 2019 are as follows: (Previous Year's figures are shown in brackets)

(Amount in ₹)				
Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and their relatives	Total
Sale of Goods	-	746,025	-	746,025
	-	(76,799,464)	-	(76,799,464)
Windmill Income (Reimbursement)	-	1,236,559	-	1,236,559
	-	(4,158,161)	-	(4,158,161)
Windmill Expenses (Reimbursement)	-	12,186,798	-	12,186,798
	-	(13,747,263)	-	(13,747,263)
Job work Income	-	98,513,979	-	98,513,979
	-	(72,000,000)	-	(72,000,000)
Purchase of goods	-	4,503,228	-	4,503,228
	-	(4,798,073)	-	(4,798,073)
Interest	-	8,172,166	2,946,488	11,118,654
	-	(3,772,358)	(2,947,488)	(6,719,846)
Professional Fees Paid	-	-	3,600,000	3,600,000
	-	-	(2,400,000)	(2,400,000)
Remuneration Paid	-	-	1,250,000	1,250,000
	-	-	(2,145,912)	(2,145,912)
Fuel Charges (Reimbursement)	-	47,152,303	-	47,152,303
	-	(11,874,782)	-	(11,874,782)
Deposit Accepted	-	50,000,000	50,300,000	100,300,000
	-	(25,000,000)	(4,548,000)	(29,548,000)
Deposit repaid	-	6,000,000	-	6,000,000
	-	(2,000,000)	(5,000,000)	(7,000,000)
Loan Accepted	-	-	-	-
	-	-	-	-
Loan Repaid	-	-	-	-
	-	(4,750,000)	-	(4,750,000)
Sitting Fees	-	-	-	-
	-	-	(45,000)	(45,000)
Capital Advance Received	-	4,200,000	-	4,200,000
	-	(18,000,000)	-	(18,000,000)

* As the liabilities for leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the directors is not separately determined and hence are not included in above.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2019**

(Amount in ₹)

Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and their relatives	Total
Balance Outstanding at the year end:				
Accounts Payable		41,612,723	-	41,612,723
		(23,426,652)	-	(23,426,652)
Accounts Receivable including Trade Advance		11,515,628	-	11,515,628
		(14,012,244)	-	(14,012,244)
Deposits		101,415,171	69,652,497	171,067,668
		(61,329,385)	(29,052,658)	(90,382,043)

(iv) Significant transactions with related parties:

(Amount in ₹)

Particulars	Year Ended 31st March, 2019 ₹	Year Ended 31st March, 2018 ₹
A) Transactions during the year		
Sale of Goods		
Transpek Industry Limited	746,025	76,799,464
Windmill Income (Reimbursement)		
Transpek Industry Limited	1,236,559	4,158,161
Windmill Expenses (Reimbursement)		
Transpek Industry Limited	12,186,798	13,747,263
Job work Income		
Transpek Industry Limited	98,513,979	72,000,000
Purchase of Goods		
Transpek Industry Limited	4,449,828	1,026,103
Excel Industries Ltd	53,400	3,771,970
Interest Paid		
Agrocel Industries Pvt Ltd	6,120,067	1,650,000
Transpek Industry Limited	310,178	-
Pratipal Investments Pvt Ltd	641,918	1,100,000
Shroff Engineering Pvt Ltd	1,100,003	771,509
Tushar Dayal	1,804,667	1,224,173
Ravi Shroff	1,829,313	1,650,000
Professional Fees Paid		
Tushar Dayal	3,600,000	2,400,000

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	Year Ended 31st March, 2019 ₹	Year Ended 31st March, 2018 ₹
Remuneration Paid		
Paritosh Dayal	1,250,000	2,145,912
Reimbursement of Expenses		
Transpek Industry Limited	47,152,303	11,874,782
Deposit Accepted		
Transpek Industry Limited	-	15,000,000
Shroff Engineering Pvt Ltd	-	10,000,000
Agrocel Industries Pvt Ltd	50,000,000	-
Ravi Shroff	35,000,000	-
Dipesh Shroff	10,000,000	-
Tushar Dayal	5,300,000	-
Deposit Repaid		
Transpek Industry Limited	6,000,000	2,000,000
Tushar Dayal	-	5,000,000
Loan Repaid		
Transpek Industry Limited	-	4,750,000
Sitting Fees		
Tushar Dayal	-	10,000
Dipesh Shroff	-	10,000
Ravi Shroff	-	5,000
L Rajagopalan	-	10,000
Bimal Mehta	-	5,000
Chandahas Dayal	-	5,000
Capital Advance Received		
Transpek Industry Limited	4,200,000	18,000,000
B) Closing Balance as at end of the year :		
Accounts Payable including Trade Advance		
Transpek Industry Limited	39,922,836	21,485,462
Excel Industries Ltd	1,689,887	1,941,190
Accounts Receivables Including Trade Advance		
Transpek Industry Limited	11,515,628	14,012,244
Deposits		
Transpek Industry Limited	17,000,000	23,000,000
Agrocel Industries Pvt Ltd	72,443,307	16,935,247
Pratipal Investments Pvt Ltd	1,971,864	11,394,138
Shroff Engineering Pvt Ltd	10,000,000	10,000,000
Dipesh Shroff	10,008,137	-
Ravi Shroff	53,592,478	16,946,096
Tushar Dayal	16,060,019	12,106,562

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 29.4 Deferred Tax Liability / Asset

Particulars	For the Year ended 31-Mar-19 ₹	For the Year ended 31-Mar-18 ₹
Tax effect of items constituting deferred tax liability		
Related to Property, Plant and Equipments	64,650,573	66,729,906
Total deferred tax liabilities	64,650,573	66,729,906
Tax effect of items constituting deferred tax assets		
On Unabsorbed depreciation and business loss as per Income Tax Act, 1961	142,843,304	107,373,395
Disallowances under the Income Tax Act, 1961	5,916,834	4,495,111
Total deferred tax assets	148,760,138	111,868,506
Net Deferred Tax Liability / (Asset)	(84,109,565)	(45,138,600)

The company has recognised deferred tax asset on unabsorbed depreciation and carried forward business losses as per Income tax Act, 1961, to the extent that there is virtual certainty, evidenced by confirmed long term agreement for manufacture of products on "Toll manufacturing basis" and based on that projection made by management that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Note 29.5 Disclosures under Accounting Standards - 20 (Earnings Per Share)

Particulars	2018-19 ₹	2017-18 ₹
Net Profit available for Equity Shareholders	(150,240,140)	(36,656,322)
Weighted Average No. of Equity Shares (Refer Note 3)	5,250,000	5,250,000
Basic and Diluted Earnings Per Share (₹)		
(Equity Share of Face Value of ₹.10/- each)	(28.62)	(6.98)

Note 29.6

In continuation with the efforts invested in 2017-18 for a business turnaround by recommencing business operations in the Piludra manufacturing facility, the company secured required regulatory permissions for appropriate modifications in the product mix, apart from and in addition to the existing products being manufactured. However, due to Regulatory delays to secure permissions for enhanced product mix; the manufacturing operations in Piludra plant could be recommenced in January 2019 and onwards while the Karakhadi facility fully operated, at the required pace, during the year.

In view of accumulated losses, and the consequent working capital pressures, the company has changed over to toll manufacture, in both of the manufacturing facilities with long term contracts for value added products. These initiatives have since enabled the company to actualise progressively higher capacity utilisation and throughput.

The company's promoters have strengthened the company's finance by infusion of long term funds into the company. In addition to above, promoters will do an infusion of appropriate additional funds into the Company as and when required to meet its on-going liabilities.

These measures are expected to result in, not only improved Cash flows; they will also help stabilize its operations at sustainable levels. Financial statements during the year, therefore, continue to be presented on a going concern basis with optimum use of assets and settlement of liabilities in the normal course of business.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note 29.7 Details of dues to Micro, Small and Medium Enterprises:

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" (MSMED Act, 2006) has been determined to the extent such parties have been identified on the basis of information available with the Company. The same has been relied upon by the auditors.

The disclosures relating to the suppliers as defined in the MSMED Act, 2006 are as under:	For the Year 31-Mar-19	For the Year 31-Mar-18
(a) The principal amount remaining unpaid to suppliers as at the end of accounting	984,142	1,118,306
(b) The amount of interest due thereon remaining unpaid/unclaimed as at the end of the accounting year	267,521	-
(c) The amount of interest paid in terms of Section 16 along with amount of payment made to the suppliers beyond the appointed date during the year.	-	-
(d) 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 interest specified under this Act)	-	-
(e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	267,521	-

Note 1: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

Note 29.8

The previous year figures have been accordingly regrouped / re-classified to confirm to the current year's classification.

Signature to Notes '1' to '29.8'

As per our report of even date

For C N K & Associates LLP

Chartered Accountants

FRN: 101961W/W-100036

For and on behalf of the Board of Directors

Pareen Shah

Partner

Mem no. 125011

Place : Vadodara

Date : 22nd August, 2019

Tushar Dayal

Director

DIN: 01055037

Place : Vadodara

Date : 22nd August, 2019

Bimal Mehta

Director

DIN: 00081171

TML INDUSTRIES LIMITED

Registered Office :
301, 'B' Tower, Alkapuri Arcade, R. C. Dutt Road, Vadodara - 390 007.

Attendance Slip

I certify that I am registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the THIRTIETH ANNUAL GENERAL MEETING of the Company being held at the Registered Office of the Company, at 301, 'B' Tower, Alkapuri Arcade, R. C. Dutt Road, Vadodara - 390 007 on Saturday, the 28th September, 2019 at 10:00 a.m.

Member's/Proxy's name in BLOCK Letters

Member's/Proxy's Signature

Note : Please fill in this Attendance Slip and hand it over at the ENTRANCE OF THE OFFICE.

TML INDUSTRIES LIMITED

Registered Office :
301, 'B' Tower, Alkapuri Arcade, R. C. Dutt Road, Vadodara - 390 007.

Proxy Form

Reg. Folio No. _____

I / We _____

_____ of _____

being a Member/Members of the above named Company hereby appoint _____

_____ of _____

or failing him _____ as my / our

proxy to vote for me/us on my/our behalf at the THIRTIETH ANNUAL GENERAL MEETING of the Company to be held at the Registered Office of the Company, at 301, 'B' Tower, Alkapuri Arcade, R. C. Dutt Road, Vadodara - 390007 on Saturday, the 28th September, 2019 at 10:00 a.m. and any adjournment thereof.

Signed this _____ day of _____ 2019.

Signature _____

Affix
1 Rupee
Revenue
Stamp

Note : This Form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the Meeting.



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