



**ANNUAL  
REPORT | 2017-18**

**BOARD OF DIRECTORS :**

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

**COMPANY SECRETARY:**

Krutika Dave w.e.f. 23.12.17

**AUDITORS :**

CNK & Associates LLP- Chartered Accountant

**BANKERS :**

IDBI Bank Ltd.  
Bank of Baroda (up to 2.7.2018)  
Bank of Maharashtra (up to 31.3.2018)  
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

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## NOTICE TO THE MEMBERS

**NOTICE IS HEREBY GIVEN THAT the 29th ANNUAL GENERAL MEETING** of the Members of **TML INDUSTRIES LIMITED** will be held at 10:00 a.m. on Saturday, the 29th September, 2018, at the Registered Office of the Company at B Tower– 301, Alkapuri Arcade, R. C. Dutt Road, Vadodara – 390007 to transact the following business:

### ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Financial Statements of the Company (including Audited Consolidated Financial Statements) for the year ended on 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon, and for that purpose to consider and pass the following resolution as an Ordinary Resolution:-
  - “RESOLVED THAT** the Audited Financial Statements of the Company for the year ended on 31st March, 2018 and the Reports of the Auditor and the Board of Directors thereon laid before this meeting be and are hereby considered and adopted.”
  - “RESOLVED THAT** the Consolidated Audited Financial Statements of the Company for the year ended on 31st March, 2018 and the Reports of the Auditors and the Board of Directors thereon laid before this meeting be and are hereby considered and adopted.”
- To appoint a Director in place of Shri L. Rajagopalan, who retires by rotation, and, being eligible, offers him self for reappointment and for that purpose to consider and pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Shri L. Rajagopalan, Director of the Company, retiring by rotation at this Annual General Meeting and, being eligible for re-appointment pursuant to the provisions of Section 152 of the Companies Act, 2013, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”
- To appoint a Director in place of Shri C C Dayal, who retires by rotation, and, being eligible, offers him self for reappointment and for that purpose to consider and pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Shri C C Dayal, Director of the Company, retiring by rotation at this Annual General Meeting and, being eligible for re-appointment, pursuant to the provisions of Section 152 of the Companies Act, 2013, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”
- To ratify and confirm the appointment of M/s. CNK & Associates LLP, Chartered Accountants as Statutory Auditor of the Company until the conclusion of the 33rd Annual General Meeting, without further ratification at every general meeting in pursuance of Section 139 of the Companies Act, 2013 and all other applicable provisions, as amended from time to time and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT,** pursuant to the provisions of Sections 139, 142 and all other applicable provisions of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2017, and the Companies (Audit and Auditors) Rules, 2014 as amended by the Companies (Audit and Auditors) Amendment Rules, 2018 and pursuant to the recommendation made by the Directors and in modification of the resolution passed by the members at the 28th Annual General Meeting of the Company held on 30th November, 2017 the appointment of M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No.101961W/W-100036) as the Auditors of the Company to hold office till the conclusion of the 33rd Annual General Meeting of the Company be and is hereby ratified and confirmed without the requirement of any further ratifications by the members and the Board of Directors be and is hereby authorised to fix the remuneration of the Auditors.”

### Regd. Office:

301, “B” Tower,  
Alkapuri Arcade,  
R CDutt Road,  
Vadodara – 390007

**Dated: 07.08.2018**

**By Order of the Board of Directors**

**For TML Industries Limited**

Tushar Dayal  
Director  
(DIN 01055037)

## NOTICE TO THE MEMBERS

### NOTES:

1. (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
  - (b) The instrument appointing a proxy should be deposited at the Regd. Office of the Company not less than 48 hours before the commencement of the meeting.
  - (c) A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
  - (d) A member holding more than ten percent of the total share capital of the Company may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative/s to attend the meeting and vote on their behalf pursuant to Section 113 of the Act.
3. Members are requested to bring their attendance slip or L.F. No. for easy identification of their attendance at the meeting.
4. Members who have not registered their email addresses so far are requested to register their email addresses for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically, as provided for in the Companies Act, 2013 and the Rules made thereunder.
5. In case of two or more joint holders attending the meeting, only such joint holder who is higher in the order of names on the Company's record will be entitled to vote at the meeting. Shareholders are requested to provide their Ledger Folio No. at the time of voting.

## DIRECTORS' REPORT

To

The Members,

TML Industries Limited

Your Directors have pleasure in presenting the 29th Annual Report together with the Stand alone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2018.

### 1. FINANCIAL RESULTS (Stand alone)

(Amount: Rs in lacs)

Particulars	2017-18	2016-17
Total Income	5932.53	4092.9
Financial Costs	571.68	558.26
Depreciation and Amortization	468.63	499.68
Profit/ (Loss) Before Tax	-830.04	-1582.05
Tax Expenses	-463.48	-44.17
Net Profit / (Loss) After Tax	-366.56	-1537.88
Cash Profit	102.07	-1038.2
EBIDTA	210.27	-524.11

### 2. REVIEW OF OPERATIONS & OUTLOOK:

During the year under review, with the onset of stable outlook for generic agrochemical industry your company's operations were enhanced with larger product volumes and improved price realization. These helped in achieving positive EBIDTA margins, paving the way for continual strengthening of business operations.

The Company has provided a greater impetus to toll manufacturing in both its manufacturing facilities. For the purpose, regulatory permissions have been availed for suitable product mix modifications, for its Karakhadi facility in terms of which long term contracts have been formalised for material processing. Material supplies for toll manufactured products in Karakhadi have commenced during the year.

In respect of the Company's Piludra factory, such permissions have been under regulatory processing. It is expected that manufacture and supplies will soon commence upon receiving the same.

Your Company is, therefore, upbeat about achieving a significant capacity utilisation, on a progressive basis, in respect of both the Karakhadi and Piludra facilities.

The Company has set up a dedicated facility for synthesis of a value added product from a cost bearing disposable by product, for which trial runs for manufacture and commercial supplies have been carried out. This is expected to pave the way for revenue earnings instead of the Company needing to incur product disposal costs.

Barring unforeseen circumstances, your Company has sanguine expectations for strengthened business operations in the foreseeable future.

## 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 Plants from TUV CERT a certification body of TUV Rheinland Cert GmbH for development and manufacturing system of the Company's products and also holds 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 thereunder to the extent applicable to the Company.

#### A. No. of MEETINGS HELD DURING THE YEAR:

During the year under review there were 4 (four) Board meeting held on 24.06.2017, 7.9.2017, 31.10.2017 and 25.12.2017.

#### B. 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'.

#### C. 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'

#### D. 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.

#### E. MATERIAL CHANGES AND COMMITMENTS

During the year under review there were no material changes during the period 31.3.2018 to 7.8.2018 in the Company.

## **DIRECTORS' REPORT**

### **F. 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.

During the year, the Company had entered into transactions with Transpek Industry Limited, a related party. The amount involved in the said transactions did not exceed the sums prescribed under the applicable rules and the same were approved by the Board of Directors of the Company, as required under Section 188 (1) of the Act and the Companies (Meetings of the Board and its Powers) Rules, 2014.

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'.

### **G. 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.

### **H. 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.

### **I. 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 systems are found adequate and operating effectively. The Company Secretary and a Director provide compliance certificate to the Board on a quarterly basis.

## **6. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

During the year under review there have been changes in key managerial personnel as Company Secretary of the Company Mr. Hiren Zaveri resigned from the post of Company Secretary with effect from 24th June, 2017.

Ms. Krutika Dave has been appointed as the Company Secretary of the Company with effect from 23rd December, 2017.

S/Shri C. C. Dayal and L. Rajagopalan, 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;



## DIRECTORS' REPORT

- 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;
- 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 AUDITORS' 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 the relevant rules framed thereunder, subject to their appointment being ratified every year by the members of the Company.

Accordingly, M/s. CNK & Associates, LLP, Chartered Accountants, Vadodara have given a letter to the Company certifying that their appointment as Auditors would be in conformity with the limits specified in Section 139 (2) of the Act, for ratifying their appointment as Statutory Auditors for the financial year 2018-2019.

Further, as per the amendment to section 139 of the Companies Act, 2013, by the Companies (Amendment) Act, 2017, effective from 07th May 2018 as notified by MCA notification of the said date, the requirement of ratification of the appointment of auditors by the shareholders has been dispensed with and, therefore, the Company is not required to seek ratification by the members and accordingly a resolution is being proposed at the ensuing Annual General Meeting for the purpose.

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:

During the year under review, your Company has accepted deposits amounting to Rs. 24,15,000/- only from the shareholders. The Company had paid all the deposits amounting to Rs. 3,81,82,000/- which were due for repayment as on 31st March, 2018 of which Rs. 21,60,000/- has not been claimed by the deposit holders. The Company has sent written reminders to the Depositors for their appropriate action in this regard.

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

During the year, there has been no default in repayment of deposits or payment of interest thereon. Also, during the year, there were no deposits accepted by the Company which did not comply with the requirements of Chapter V of the Act.



## DIRECTORS' REPORT

### 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 2017-2018 and no complaint is outstanding as on 31st March, 2018 for redressal.

### ACKNOWLEDGEMENT

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 business 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.

#### Regd. Office:

301, "B" Tower,  
Alkapuri Arcade,  
R CDutt Road,  
Vadodara – 390007

**Dated: 07.08.2018**

#### By Order of the Board of Directors

#### For TML Industries Limited

Tushar Dayal  
Director  
(DIN 01055037)

Bimal Mehta  
Director  
(DIN 0008117)

## ANNEXURE TO DIRECTORS' REPORT

### Annexure I: CONVERSION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

#### A. CONVERSION OF ENERGY:

Steps taken in the past for conservation of energy and for utilizing alternative sources of energy were continued during the year under review. Some of these steps for optimizing energy consumption were as follows:

1. Installation of temperature controller in process cooling towers to reduce power consumption
2. Use of cool water in place of chilled water where 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 TO DIRECTORS' REPORT

### ANNEXURE II:

FORM NO. MGT.9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31ST MARCH, 2018

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

#### I. REGISTRATION AND OTHER DETAILS:

- i) CIN : U74120GJ1989PLC012329
- ii) Registration Date : 7th June, 1989
- iii) Name of the Company : TML Industries Limited
- iv) Category / Sub-Category of the Company : Company Limited by Shares
- v) Address of the Registered office and contact details : B - 301, Alkapuri Arcade, R C Dutt Road, Vadodara - 390007
- vi) Whether listed company : No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : N/A

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

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)

## ANNEXURE TO DIRECTORS' REPORT

## 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	
<b>Promoters</b>					
A. Individual / HUF	1952330	37.19%	1962330	37.38%	0.19%
B. Bodies Corporate	2468100	47.01%	2468100	47.01%	0.00%
<b>Sub Total (A)</b>	<b>4420430</b>	<b>84.20%</b>	<b>4430430</b>	<b>84.39%</b>	<b>0.19%</b>
<b>Public Share Holding</b>					
A. Individual / HUF	827520	15.76%	817520	15.57%	-0.19%
B. Bodies Corporate	2050	0.04%	2050	0.04%	0.00%
<b>Sub Total (B)</b>	<b>829570</b>	<b>15.80%</b>	<b>819570</b>	<b>15.61%</b>	<b>-0.19%</b>
<b>TOTAL (A) + (B)</b>	<b>5250000</b>	<b>100%</b>	<b>5250000</b>	<b>100.00%</b>	<b>0.00%</b>

(ii) Shareholding of Promoters &amp; 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	2,62,400	5.00	2,62,400	5.00	-
2	PARITOSH T DAYAL	3,36,800	6.42	3,36,800	6.42	-
3	PRATIK TUSHAR DAYAL	3,46,460	6.60	3,46,460	6.60	-
4	TUSHAR DAYAL	77,500	1.48	78,700	1.50	0.0229
5	TUSHAR DAYAL, KARTA - TUSHAR DAYAL H.U.F.	2,69,050	5.12	2,69,050	5.12	-
6	ATUL DAYAL	15,500	0.30	15,500	0.30	-
7	HEENA L POPAT	10,500	0.20	10,500	0.20	(0.00)
8	LALJI POPAT	500	0.01	500	0.01	-
9	PRATIPAL INVESTMENTS PVT LTD	5,93,850	11.31	8,43,850	16.07	4.7619
10	ANSHULA BHATIA	25,000	0.48	25,000	0.48	-
11	ASHWIN CHAMPRAJ SHROFF	55,000	1.05	55,000	1.05	-
12	HRISHIT ASHWIN SHROFF	42,500	0.81	42,500	0.81	-
13	RAVI ASHWIN SHROFF	42,500	0.81	42,500	0.81	-

**ANNEXURE TO DIRECTORS' REPORT**

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	
14	USHA ASHWIN SHROFF	25,300	0.48	25,300	0.48	-
15	ATUL GOVINDJI SHROFF	2,09,150	3.98	2,18,150	4.16	0.1714
16	ATUL GOVINDJI SHROFF - HUF	10,000	0.19	10,000	0.19	-
17	SHRUTI ATUL SHROFF	1,32,470	2.52	1,32,470	2.52	-
18	VISHWA ATUL SHROFF	27,500	0.52	27,500	0.52	-
19	MADISON INVESTMENT PRIVATE LTD.	1,31,500	2.50	1,31,500	2.50	-
20	AMI K SHROFF	7,500	0.14	7,500	0.14	-
21	PREETI D SHROFF	10,000	0.19	10,000	0.19	-
22	DIPESH K SHROFF	46,500	0.89	46,500	0.89	-
23	AGROCEL INDUSTRIES LTD	4,39,000	8.36	4,39,000	8.36	-
24	DIPKANTI INV & FINANCING LTD	750	0.01	750	0.01	-
25	HYDERABAD CHEMICALS LTD	5,500	0.10	5,500	0.10	-
26	EXCEL INDUSTRIES LIMITED	8,88,750	16.93	8,88,750	16.93	-
27	KAMALJYOT INVESTMENTS LIMITED	31,750	0.60	31,750	0.60	-
28	ANSHUL SPECIALITY MOLECULES PRIVATE LIMITED	0	-	1,27,000	2.42	2.4190
29	UTKARSH GLOBAL HOLDINGS P LTD.	1,27,000	2.42	-	-	(2.4190)
30	HYDERABAD CHEMICAL PRODUCTS LTD	2,50,000	4.76	-	-	(4.7619)
	<b>TOTAL</b>	<b>44,20,430</b>	<b>84.20</b>	<b>44,30,430</b>	<b>84.39</b>	<b>-</b>

**(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	SUSHMA SHARMA	26000	0.50	26000	0.50	-
4	RAJENDRA VRAJLAL MEHTA	32050	0.61	32050	0.61	-
5	KUNAL PRAKASH SHROFF	23900	0.46	23900	0.46	-
6	PRAFUL SARAIYA	23200	0.44	23200	0.44	-
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	-
	<b>TOTAL</b>	<b>253650</b>	<b>-</b>	<b>253650</b>	<b>-</b>	<b>-</b>

## ANNEXURE TO DIRECTORS' REPORT

## (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	77,500	1.48	78,700	1.50	0.02
2	DIPESH SHROFF	46,500	0.89	46,500	0.89	0
3	RAVI SHROFF	42,500	0.81	42,500	0.81	0
4	CHANDRAHAS DAYAL	0	0	0	0	0
5	BIMAL MEHTA	0	0	0	0	0
6	L. RAJAGOPALAN	0	0	0	0	0
7	CS - HIREN ZAVERI*	1,400	0.03	1,400	0.03	0
8	CS - KRUTIKA DAVE	0	0	0	0	0
	<b>TOTAL</b>	<b>1,67,900</b>	<b>3.21</b>	<b>1,69,100</b>	<b>3.22</b>	<b>-</b>

\* Mr. Hiren Zaveri resigned during the year

## V. INDEBTEDNESS

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

INDEBTEDNESS	Secured loans excluding deposits	Un Secured Loans	Deposits	Rs in lakhs	
				Total	
<b>At the beginning of the Year</b>					
Principal amount	2,269.04	-	432.78	2,701.82	
Interest due but not paid	-	-	-	-	
Interest accrued but not due	13.36	-	22.34	35.70	
<b>Total</b>	<b>2,282.40</b>	<b>-</b>	<b>455.12</b>	<b>2,737.52</b>	
<b>Changes during the Year</b>					
Net Change	110.74	1,541.18	455.12	1,196.80	
<b>At the end of the Year</b>					
Principal amount	2380.73	1,541.18	-	3,921.91	
Interest due but not paid	-	-	-	-	
Interest accrued but not due	12.41	0	0	12.41	
<b>Total</b>	<b>2393.14</b>	<b>1,541.18</b>	<b>0</b>	<b>3934.32</b>	

## ANNEXURE TO DIRECTORS' REPORT

### 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.	Fee for attending board meetings	Total Amount
1	Tushar Dayal	10,000
2	ChandrasDayal	5,000
3	Bimal Mehta	5,000
4	Dipesh Shroff	10,000
5	Ravi Shroff	5,000
6	L. Ragagopalan	10,000
<b>Total</b>		<b>45,000</b>

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

Sl. no.	Particulars of Remuneration:	w.e.f. 23.12.2017 CS – Krutika Dave Rs.	Upto 24.06.2017 CS – Hiren Zaveri Rs.	Total (Rs.)
1.	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	65,597	4,05,199	4,70,796
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	00	00	00
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	00	00	00
2.	Stock Option	00	00	00
3.	Sweat Equity	00	00	00
4.	Commission			
-	as % of profit			
-	others, specify...	00	00	00
5.	Others, please specify	00	00	00
<b>Total</b>		<b>65,597</b>	<b>4,05,199</b>	<b>4,70,796</b>



## ANNEXURE TO DIRECTORS' REPORT

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

## ANNEXURE III:

## FORM NO. AoC - 2

(Pursuant to clause (h) of sub – section (3) of section 134 of the Companies Act, and rules made thereunder.)

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	Transpek Industry Ltd 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 2017 to 31st March 2018	In the ordinary course of business	From 1st April 2017 to 31st March 2018	767.99
Transpek Industry Ltd	Transpek Industry Ltd 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	From 1st April 2017 to 31st March 2018	In the ordinary course of business	From 1st April 2017 to 31st March 2018	720.00

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of **TML INDUSTRIES LIMITED**

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

We have audited the accompanying Standalone financial statements of TML Industries Limited ('the Company'), which comprise the balance sheet as at 31st March 2018, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

### **Auditor's Responsibility**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone financial statements.

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

### **Opinion**

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 2018 and its loss and its cash flows for the year ended on that date.

### **Emphasis of Matter**

We draw attention of the members to Note no 29.6 regarding the Standalone financial statements of the company having been prepared on a going concern basis. Our opinion is not qualified in respect of this matter.

## INDEPENDENT AUDITOR'S REPORT

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 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, internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2018, based on the internal control with reference to financial statements 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 ; and
  - (g) 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 Standalone 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 has 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/W-100036

Pareen shah

Partner

Membership No. 125011

Vadodara, 7th August, 2018

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the Standalone financial statements for the year ended 31st March 2018.

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;
- (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;
- (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 According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records by the Company under section 148(1) of the Companies Act, 2013;
- 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. However delays in deposits of Goods and service tax (GST) were observed ranging from 26 days to 152 days. There are no undisputed statutory dues outstanding as at 31st March 2018, for a period of more than six months from the date they became payable except Value added Tax amounting to ₹ 11,16,993/-;
- (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:

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 )

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

- 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/W-100036

Pareen shah  
Partner  
Membership No. 125011  
Vadodara, 7th August, 2018

**STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2018**

Particulars	Note	As at 31-Mar-18 ₹	As at 31-Mar-17 ₹
<b>A EQUITY &amp; LIABILITIES</b>			
1 Shareholders' Funds			
(a) Share capital	3	52,500,000	52,500,000
(b) Reserves and surplus	4	(6,087,661)	30,568,661
		<u>46,412,339</u>	<u>83,068,661</u>
2 Non-Current Liabilities			
(a) Long- term borrowings	5	94,929,059	108,986,009
(b) Deferred tax liabilities (net)	29.4	-	1,209,012
(c) Other Long term liabilities	6	17,000,000	2,000,000
(d) Long- term provisions	7	13,253,454	15,090,521
		<u>125,182,514</u>	<u>127,285,542</u>
3 Current Liabilities			
(a) Short term borrowings	8	187,636,853	188,599,114
(b) Trade payables	9		
i) Total outstanding dues of Micro and small enterprises		1,118,306	2,086,097
ii) Total outstanding dues of creditors other than micro and small enterprises		261,278,858	222,574,958
(c) Other current liabilities	10	165,631,417	127,088,488
(d) Short -term provisions	11	4,035,434	3,699,794
		<u>619,700,871</u>	<u>544,048,451</u>
	<b>Total</b>	<b><u>791,295,725</u></b>	<b><u>754,402,654</u></b>
<b>B ASSETS</b>			
1 Non-Current Assets			
(a) Property, Plant & Equipment	12		
I) Tangible assets		571,896,320	613,590,605
II) Intangible assets		9,379,630	11,702,322
(b) Capital work-in-progress		1,820,000	-
		<u>583,095,950</u>	<u>625,292,927</u>
(c) Non-current Investments	13	572,500	572,500
(d) Deferred tax assets (net)	29.4	45,138,600	-
(e) Long- term Loans and Advances	14	14,189,398	15,520,875
(f) Other non-current assets	15	8,840,968	3,646,977
2 Current Assets			
(a) Inventories	16	77,047,492	60,741,329
(b) Trade receivables	17	46,427,377	31,720,078
(c) Cash and Cash Equivalents	18	2,131,344	6,562,937
(d) Short- term loans and advances	19	12,826,042	9,325,083
(e) Other current assets	20	1,026,055	1,019,947
		<u>139,458,309</u>	<u>109,369,374</u>
	<b>Total</b>	<b><u>791,295,725</u></b>	<b><u>754,402,654</u></b>

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 : 7th August, 2018

 For and on behalf of the Board of Directors  
 Tushar Dayal (Director) DIN: 01055037

Bimal Mehta (Director) DIN:00081171

Krutika Dave (Company Secretary) (ACS : 40376)

Place : Vadodara

Date: 7th August, 2018

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note	For the year ended 31-Mar-18 ₹	For the Year year ended 31-Mar-17 ₹
I. Revenue from Operations	21	585,077,314	400,908,800
II. Other Income	22	8,176,172	8,381,140
III. Total revenue (I + II)		593,253,485	409,289,940
IV. Expenses			
Cost of Raw Material Consumed	23	195,564,436	97,113,759
Changes in Inventories of Finished Goods and Work-in-progress	24	(5,986,602)	5,096,169
Employee Benefits Expense	25	93,192,839	105,257,607
Finance Costs	26	57,167,617	55,826,415
Depreciation and Amortization Expense	12	46,863,316	49,968,495
Other Expenses	27	289,455,812	254,232,779
Total Expenses		676,257,418	567,495,224
V. Loss Before Tax (III-IV)		(83,003,934)	(158,205,284)
VI. Tax Expenses			
Short Provision for Tax in earlier years		-	5,906,468
Deferred Tax (Refer note 29.4)		(46,347,612)	(10,323,546)
VII. Profit/Loss from Continuing Operations (V-VI)		(36,656,322)	(153,788,206)
VIII. Earnings per Equity Share (of ₹ 10/- each):			
Basic and Diluted(Refer note 29.5)		(6.98)	(29.29)
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 : 7th August, 2018

For and on behalf of the Board of Directors

Tushar Dayal (Director) DIN: 01055037

Bimal Mehta (Director) DIN:00081171

Krutika Dave (Company Secretary) (ACS : 40376)

Place : Vadodara

Date: 7th August, 2018



**STANDALONE CASH FLOW STATEMENT FOR  
THE YEAR ENDED ON 31ST MARCH, 2018**

Particulars	For the year ended 31-Mar-18 ₹	For the Year year ended 31-Mar-17 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Loss Before Tax	(83,003,934)	(158,205,285)
Adjustments for:		
Depreciation and Amortization Expense	46,863,316	49,968,497
Gain on sale of Property ,plant and equipments(net)	1,553,602	(4,792,779)
Dividend Income	(7,500)	(7,500)
Interest Income	(2,181,408)	(951,158)
Interest expense	55,932,276	55,826,415
Unrealised foreign exchange fluctuation gain	(253)	2,756
	102,160,032	100,046,231
Operating Profit/(Loss) before working capital changes	19,156,099	(58,159,054)
Adjustments for working capital changes:		
Decrease / (Increase) in Inventories	(16,306,163)	4,740,999
Decrease / (Increase) in Trade Receivables	(14,707,299)	20,261,325
Decrease / (Increase) in loans And advances	(5,290,279)	(201,355)
Decrease / (Increase) in Other assets	47,289	671,353
(Decrease) in Trade Payables	37,736,109	61,953,786
(Decrease) in Provisions	(1,501,426)	(2,728,579)
(Decrease) in Other liabilities	(18,942,604)	(1,812,912)
	(18,964,373)	82,884,617
Cash Generated from Operations	191,726	24,725,562
Taxes (paid)	2,797,094	(5,906,468)
Net cash generated from Operating Activities (A)	2,988,820	18,819,094
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property,plant and equipment	(9,060,495)	(1,580,633)
Proceeds from sale of Property,plant and equipment	3,217,656	25,091,997
Proceeds from maturity of fixed deposits	(275,898)	(1,626,799)
Interest received	2,074,614	1,227,122
Dividend received	7,500	7,500
Net cash generated from / (used in) Investing Activities (B)	(4,036,623)	23,119,187

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

Particulars	For the year ended 31-Mar-18 ₹	For the Year year ended 31-Mar-17 ₹
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Receipt of long term borrowings	61,388,297	21,848,913
(Repayment) / Proceeds from short term borrowings	(962,262)	(4,492,262)
Interest Paid	(58,891,987)	(59,289,933)
Net cash (used in) Financing activities (C)	1,534,048	(41,933,283)
<b>Net (Decrease) / Increase in Cash and Cash Equivalents (A+B+C)</b>	486,246	4,999
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	566,563	564,322
<b>Unrealised foreign exchange fluctuation gain</b>	253	(2,756)
<b>Cash and Cash Equivalents at the End of the Year</b>	1,053,062	566,563
<b>Components of Cash &amp; Cash Equivalents</b>		
Cash on hand	117,457	53,900
Balance with schedule banks		
In Current Account	935,605	512,663
Cash and Cash Equivalents (As per Note No.18)	1,053,062	566,563

### 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 : 7th August, 2018

For and on behalf of the Board of Directors

Tushar Dayal (Director) DIN: 01055037

Bimal Mehta (Director) DIN:00081171

Krutika Dave (Company Secretary) (ACS : 40376)

Place : Vadodara

Date: 7th August, 2018

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

### **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'.

#### **Capital work-in-progress:**

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

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### 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 include excise duty but exclude sales tax, value added tax & Goods and Service Tax.

#### Job Work

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

#### Income from Sale of Wind Operated Power Generators

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.

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

### **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, 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 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

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

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.

### 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



## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

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, for all timing differences.

### **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 MARCH 31, 2018

### Note 3 - SHARE CAPITAL

Particulars	As at 31-Mar-18		As at 31-Mar-17	
	Number	₹	Number	₹
<b>Authorized</b>				
Equity Shares of ₹10/- each with voting rights	10,000,000	100,000,000	10,000,000	100,000,000
<b>Total</b>	<b>10,000,000</b>	<b>100,000,000</b>	<b>10,000,000</b>	<b>100,000,000</b>
<b>Issued, Subscribed and Fully Paid Up Shares</b>				
Equity Shares of ₹10/- each fully paid with voting rights	5,250,000	52,500,000	5,250,000	52,500,000
<b>Total</b>	<b>5,250,000</b>	<b>52,500,000</b>	<b>5,250,000</b>	<b>52,500,000</b>

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

Particulars	As at 31-Mar-18		As at 31-Mar-17	
	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	-	-	-	-
Other changes	-	-	-	-
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-18		As at 31-Mar-17	
	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%	593,850	11.31%
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, Karta - Tushar Dayal H.U.F.	347,750	6.62%	346,550	6.60%
Hiral Dayal	262,400	5.00%	262,400	5.00%

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### Note 4 - Reserves & Surplus

Particulars	As at 31-Mar-18	As at 31-Mar-17
	₹	₹
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
<b>Sub total</b>	<b>246,106,372</b>	<b>246,106,372</b>
Opening Balance of Statement of Profit and Loss	(215,537,711)	(61,749,505)
(Loss) during the period	(36,656,322)	(153,788,208)
Closing Balance of Statement of Profit and Loss		
<b>Sub total</b>	<b>(252,194,033)</b>	<b>(215,537,711)</b>
<b>Total</b>	<b>(6,087,661)</b>	<b>30,568,661</b>

### Note 5 - LONG TERM BORROWINGS

Particulars	As at 31-March-18			As at 31-March-17		
	Total	Non-Current Portion	Current Portion	Total	Non-Current Portion	Current Portion
	₹	₹	₹	₹	₹	₹
<b>(a) Secured Loan</b>						
Term Loan						
From Banks (Refer Note (A) below)	50,437,781	27,240,477	23,197,305	43,099,882	21,045,921	22,053,961
<b>(b) Unsecured Loan From</b>						
Public Deposits	-	-	-	35,767,000	23,639,000	12,128,000
Inter Corporate Deposit	125,065,827	38,635,925	86,429,902	36,160,925	36,160,925	-
From Directors	29,052,658	29,052,658	-	28,140,163	28,140,163	-
<b>Sub total</b>	<b>204,556,266</b>	<b>94,929,059</b>	<b>109,627,207</b>	<b>143,167,970</b>	<b>108,986,009</b>	<b>34,181,961</b>
Less: Amount disclosed under the head "Other Current Liability" (Note 10)	109,627,207		- 109,627,207	34,181,961		- 34,181,961
<b>Total</b>	<b>94,929,059</b>	<b>94,929,059</b>	<b>Nil</b>	<b>108,986,009</b>	<b>108,986,009</b>	<b>Nil</b>

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 baroda and first and pari passu charge on industrial units at kharkhdi and Piludara. Further the above loans are secured by way of Second pari passu charge on all existing and future current assets of the borrower.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

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

Particulars	As at 31 March, 2018			As at 31 March, 2017		
	Amount	Rate of Interest	Installment (Monthly)	Amount	Rate of Interest	Installment (Monthly)
ICICI Bank Car Loan-Honda Amaze	79,251	10.49%	12,142 Upto September 2019	209,139	10.49%	12,142 till September 2019
ICICI Bank Car Loan-Honda Amaze	23,683	10.84%	14,170 Upto April 2019	181,714	10.84%	14,170 till April 2019
ICICI Bank Car Loan-Honda City	-	-	-	256,511	10.49%	19,943 till April 2019
ICICI Bank Car Loan-Hyundai I10	38,532	10.51%	10,750 upto June 2019	156,649	10.51%	10,750 till June 2019
ICICI Bank Car Loan--Mobilio	219,513	10.49%	23,639 upto December 2019	465,922	10.49%	23,639 till December 2019
ICICI Bank Car Loan-Polo	77,407	10.50%	11,822 upto September 2019	203,836	10.50%	11,822 till September 2019
ICICI Bank Car Loan-TOYOTA ETIOS	229,004	10.25%	15,494 upto June 2019	382,783	10.25%	15,494 till June 2019
Kotak Mahindra Bank-(Term Loan -1)	-	-	-	19,189,365	13.65%	21,08,768 December 2018
Kotak Mahindra Bank-(Term Loan -2)	26,573,086	12.10%	6,71,130 upto May 2023	-	-	-
<b>Total</b>	<b>27,240,476</b>			<b>21,045,920</b>		

### Note 6 - OTHER LONG TERM LIABILITIES

Particulars	As at 31-Mar-18	As at 31-Mar-17
	₹	₹
Others:		
Deposits	17,000,000	2,000,000
<b>Total</b>	<b>17,000,000</b>	<b>2,000,000</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### Note 7 - LONG TERM PROVISIONS

Particulars	As at 31-Mar-18 ₹	As at 31-Mar-17 ₹
Provision for Employee Benefits :		
Gratuity(Refer note 29.1)	9,740,167	11,487,434
Provision for Compensated Absences(Refer note 29.1)	3,513,287	3,603,087
<b>Total</b>	<b>13,253,454</b>	<b>15,090,521</b>

### Note 8 - SHORT TERM BORROWINGS

Particulars	As at 31-Mar-18 ₹	As at 31-Mar-17 ₹
<b>Loans Repayable on Demand</b>		
From Banks (Secured)		
Cash Credit (Refer Note (A) below)	187,636,853	179,945,403
Short Term Loan	-	3,903,711
<b>Deposits (Unsecured)</b>		
Security Deposit	-	4,750,000
<b>Total</b>	<b>187,636,853</b>	<b>188,599,114</b>

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

##### Working Capital facilities from Bank of Baroda and 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 Karakhdi plants of the company.

### Note - 9 - TRADE PAYABLES

Particulars	As at 31-Mar-18 ₹	As at 31-Mar-17 ₹
Trade Payables		
Total outstanding dues of Micro and small enterprises (Refer Note No. 29.7)	1,118,306	2,086,097
Total outstanding dues of Trade payables other than Micro and small enterprises	261,278,858	222,574,958
<b>Total</b>	<b>262,397,164</b>	<b>224,661,055</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### Note 10 - OTHER CURRENT LIABILITIES

Particulars	As at 31-Mar-18 ₹	As at 31-Mar-17 ₹
(a) Current Maturities of Long Term Debts (Refer Note 5)	109,627,207	34,181,961
<b>(b) Other payables</b>		
Payable for Capital expenditure	5,255,316	7,303,146
Advance from Customers	18,940,124	38,952,809
Interest Accrued but not Due	-	2,057,531
Unclaimed Interest on Fixed Deposits	262,254	176,109
Deposits	6,100,000	8,100,000
Statutory Remittances	8,701,997	10,263,027
Salary and Wages payable	15,239,610	23,298,476
Other Liabilities	263,500	525,694
Interest Accrued and due	1,241,410	2,229,736
<b>Total</b>	<b>165,631,417</b>	<b>127,088,488</b>

### Note 11 - SHORT TERM PROVISIONS

Particulars	As at 31-Mar-18 ₹	As at 31-Mar-17 ₹
Provision for Employee Benefits		
Gratuity(Refer note 29.1)	1,500,916	1,112,080
Compensated Absences (Refer note 29.1)	333,768	744,121
Bonus and ex-gratia	2,200,750	1,843,593
<b>Total</b>	<b>4,035,434</b>	<b>3,699,794</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Description	Year	GROSS BLOCK (AT COST)			DEPRECIATION / AMORTIZATION			NET BLOCK		
		As at 1-Apr-17	Additions during the year	Enhancement through Revaluation (Refer Note 29.8)	Disposals	As at 31-Mar-18	Upto 1-Apr-17 / amortisation for the year	Eliminated on disposal of assets	Up to 31-Mar-18	As at 31-Mar-17
<b>A) Tangible Assets</b>										
Free hold land	Current Year	129,700,000	-	-	-	129,700,000	-	-	-	129,700,000
	Previous Year	9,593,628	-	120,106,372	-	129,700,000	-	-	-	129,700,000
Buildings	Current Year	184,416,680	-	-	-	184,416,680	6,453,585	-	74,185,444	110,231,236
	Previous Year	184,416,680	-	-	-	184,416,680	7,402,773	-	67,731,858	116,684,821
Plant and Equipment	Current Year	761,321,034	7,406,926	6,557,336	42,315,902	761,321,034	33,808,108	3,269,550	434,517,578	327,803,466
	Previous Year	799,758,096	3,878,840	42,315,902	761,321,034	390,614,375	35,552,182	22,187,537	403,979,020	357,342,014
Furniture and Fixtures	Current Year	10,263,312	-	-	-	10,263,312	217,284	-	9,864,743	398,569
	Previous Year	10,263,312	-	-	-	10,263,312	399,682	-	9,647,458	615,854
Vehicles	Current Year	8,290,436	-	2,518,982	2,496,028	5,771,454	1,020,917	1,100,548	3,548,071	2,223,383
	Previous Year	10,786,464	-	2,496,028	8,290,436	4,885,461	1,067,416	2,325,176	3,627,701	4,662,735
Office equipment	Current Year	14,979,893	210,670	-	-	15,190,563	14,479,034	276,243	14,755,277	435,286
	Previous Year	14,885,493	94,400	-	-	14,979,893	14,146,487	332,547	14,479,034	500,859
Electrical installations	Current Year	34,591,844	-	110,800	-	34,811,930	30,507,520	2,764,487	45,763	1,254,800
	Previous Year	34,591,844	-	-	-	34,591,844	27,616,319	2,891,203	30,507,522	4,084,324
<b>Sub Total (A)</b>	Current Year	<b>1,143,563,199</b>	<b>7,617,596</b>	<b>9,187,118</b>	<b>44,811,930</b>	<b>1,141,993,677</b>	<b>529,972,594</b>	<b>44,540,624</b>	<b>4,415,861</b>	<b>571,896,320</b>
	Previous Year	<b>1,064,295,517</b>	<b>3,973,240</b>	<b>120,106,372</b>	<b>44,811,930</b>	<b>1,143,563,199</b>	<b>506,839,503</b>	<b>47,645,803</b>	<b>24,512,713</b>	<b>613,590,605</b>
<b>B) Intangible Assets</b>										
Software	Current Year	2,290,565	-	-	-	2,290,565	2,256,495	21,575	2,278,070	12,495
	Previous Year	2,290,565	-	-	-	2,290,565	2,234,920	21,575	2,256,495	34,070
Capital Contribution	Current Year	9,740,340	-	-	-	9,740,340	5,523,540	709,800	6,233,340	3,507,000
	Previous Year	9,740,340	-	-	-	9,740,340	4,813,740	709,800	5,523,540	4,216,800
Technical Know How	Current Year	23,327,349	-	-	-	23,327,349	15,875,897	1,591,317	17,467,214	5,860,135
	Previous Year	23,327,349	-	-	-	23,327,349	14,284,580	1,591,317	15,875,897	7,451,452
<b>Sub Total (B)</b>	Current Year	<b>35,358,254</b>	-	-	-	<b>35,358,254</b>	<b>23,655,932</b>	<b>2,322,692</b>	<b>25,978,624</b>	<b>9,379,630</b>
	Previous Year	<b>35,358,254</b>	-	-	-	<b>35,358,254</b>	<b>21,333,240</b>	<b>2,322,692</b>	<b>23,655,932</b>	<b>11,702,322</b>
<b>Total (A+B)</b>	Current Year	<b>1,178,921,453</b>	<b>7,617,596</b>	<b>9,187,118</b>	<b>44,811,930</b>	<b>1,177,351,931</b>	<b>553,628,526</b>	<b>46,863,316</b>	<b>596,075,981</b>	<b>581,275,950</b>
	Previous Year	<b>1,099,653,771</b>	<b>3,973,240</b>	<b>120,106,372</b>	<b>44,811,930</b>	<b>1,178,921,453</b>	<b>528,172,743</b>	<b>49,968,495</b>	<b>553,628,525</b>	<b>571,481,028</b>
Capital Work-In-Progress	Current Year	-	1,820,000	-	-	-	-	-	-	1,820,000

Note 12 - PROPERTY, PLANT & EQUIPMENT

(Figures in ₹)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### Note 13 - NON CURRENT INVESTMENTS

Particulars	As at 31-Mar-18 ₹	As at 31-Mar-17 ₹
<b>Trade Investment in Subsidiaries (unquoted)</b>		
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)
	-	-
<b>Trade Investment in others: (unquoted)</b>		
<b>Other than Trade Investments (unquoted)</b>		
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
<b>Investment in Government Securities</b>		
National Saving Certificate	6,000	6,000
<b>Total</b>	<b>572,500</b>	<b>572,500</b>
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-18 ₹	As at 31-Mar-17 ₹
Unsecured, considered good		
Capital Advances	696,179	319,078
Security Deposits	9,040,735	7,952,219
Advance Income Tax (net of Provisions)	4,452,484	7,249,578
<b>Total</b>	<b>14,189,398</b>	<b>15,520,875</b>

### Note 15 - OTHER NON -CURRENT ASSETS

Particulars	As at 31-Mar-18 ₹	As at 31-Mar-17 ₹
Margin Money Deposit under lien to bank for non fund based limits and having maturity of more than 12 months	8,840,968	3,646,977

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### Note 16 - INVENTORIES

Particulars	As at 31-Mar-18 ₹	As at 31-Mar-17 ₹
Raw Materials	15,335,206	5,491,817
Fuel	1,681,512	1,446,364
Finished Goods	5,498,360	8,245,237
Semi Finished goods	40,651,964	32,867,210
Less: Provision for Obsolences	661,189	661,189
<b>Sub total of semi finished goods</b>	<b>39,990,775</b>	<b>32,206,021</b>
Packing Materials	498,834	524,391
Stores and Spares	14,842,805	13,627,499
Less: Provision For Obsolences	800,000	800,000
<b>Sub total of stores and spares</b>	<b>14,042,805</b>	<b>12,827,499</b>
<b>Total</b>	<b>77,047,492</b>	<b>60,741,329</b>

### Note 17 - TRADE RECEIVABLES

Particulars	As at 31-Mar-18 ₹	As at 31-Mar-17 ₹
Unsecured		
a) Trade receivables outstanding for a period exceeding six months from the date they are due for payment :		
Considered Good	1,256,769	785,196
Considered Doubtful	345,395	345,395
	1,602,164	1,130,591
Less: Provision for Doubtful debts	(345,395)	(345,395)
	1,256,769	785,196
b) Other Trade Receivables :		
Considered Good	45,170,608	30,934,882
<b>Total</b>	<b>46,427,377</b>	<b>31,720,078</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### Note 18 - CASH AND BANK BALANCES

Particulars	As at 31-Mar-18 ₹	As at 31-Mar-17 ₹
Balances with Banks		
(i) In Current Accounts	935,605	512,663
(ii) In Deposit Accounts (amount kept as Liquid Assets with Scheduled Banks)	1,078,281	5,996,374
Cash on Hand	117,457	53,900
<b>Total</b>	<b>2,131,344</b>	<b>6,562,937</b>
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	1,053,063	566,563

### Note 19 - SHORT TERM LOANS AND ADVANCES

Particulars	As at 31-Mar-18 ₹	As at 31-Mar-17 ₹
<b>Unsecured, considered Good</b>		
Loans and advances to Employees	247,536	86,293
Prepaid expenses	4,440,074	3,077,637
Advance to Suppliers and others	8,138,432	2,490,973
Balance with Excise Authorities	-	3,670,180
<b>Total</b>	<b>12,826,042</b>	<b>9,325,083</b>

### Note 20 - OTHER CURRENT ASSETS

Particulars	As at 31-Mar-18 ₹	As at 31-Mar-17 ₹
Accrued Interest Income	502,634	449,237
Windmill Income receivable	523,421	563,210
Income receivable	-	7,500
<b>Total</b>	<b>1,026,055</b>	<b>1,019,947</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### Note 21 - REVENUE FROM OPERATIONS

Particulars	For the year ended 31-Mar-18 ₹	For the year ended 31-Mar-17 ₹
Sale of Products (Gross)	514,053,986	335,712,472
Less: Excise Duty(*)	(14,977,922)	(36,593,947)
Sale of Products (Net)	499,076,065	299,118,525
<b>Other Operating Revenue</b>		
Jobwork Income	81,163,730	91,991,084
Sale of Wind operated power	4,837,519	9,799,191
<b>Total Revenue from Operations</b>	<b>585,077,314</b>	<b>400,908,800</b>

Note\* : Current year excise duty includes excise duty recovered on sales of 3 months as compared to 12 months in Previous Year.

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

Particulars	For the year ended 31-Mar-18 ₹	For the year ended 31-Mar-17 ₹
Manufactured Goods:		
Acid Chloride and Others	510,161,786	294,948,091
Agrochemicals and Intermediates	3,892,200	40,764,382
<b>Total - Sale of Products</b>	<b>514,053,986</b>	<b>335,712,472</b>

### Note 22 - OTHER INCOME

Particulars	For the year ended 31-Mar-18 ₹	For the year ended 31-Mar-17 ₹
Interest Income	2,181,408	951,158
Scrap Sales	3,633,935	2,612,898
Dividend Income	7,500	7,500
Other Non Operating Income	2,353,328	4,809,584
<b>Total</b>	<b>8,176,172</b>	<b>8,381,140</b>

Particulars	For the year ended 31-Mar-18 ₹	For the year ended 31-Mar-17 ₹
<b>Interest Income comprises:</b>		
Interest from Banks on Deposits	629,775	451,996
Other Interest	1,551,633	499,162
Total - Interest Income	2,181,408	951,158
<b>Other Non-Operating Income comprises:</b>		
Profit on sale of assets	-	4,792,779
Miscellaneous balance written back	2,353,328	16,805
Total - Other non-operating Income	<b>2,353,328</b>	<b>4,809,584</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### Note 23 - COST OF RAW MATERIAL CONSUMED

Particulars	For the year ended 31-Mar-18 ₹	For the year ended 31-Mar-17 ₹
Opening stock	5,491,817	3,869,046
Add: Purchases(Net of Returns)	205,407,825	98,736,530
	210,899,642	102,605,576
Less: Closing stock	(15,335,206)	(5,491,817)
<b>Total</b>	<b>195,564,436</b>	<b>97,113,759</b>

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

Particulars	For the year ended 31-Mar-18 ₹	For the year ended 31-Mar-17 ₹
Acetic Acid & Chlorinated Acetic Acids	101,889,071	52,197,086
Chloro Alkalies	39,738,693	18,050,885
Industrial Solvents and others	53,056,632	26,024,842
Others	880,040	840,946
<b>Total</b>	<b>195,564,436</b>	<b>97,113,759</b>

### Note 24 - CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK\_IN\_PROGRESS

Particulars	For the year ended 31-Mar-18 ₹	For the year ended 31-Mar-17 ₹
<b>Inventories at the end of the Year:</b>		
Finished Goods	5,498,360	8,245,237
Work In Progress	39,990,775	32,206,021
	<b>45,489,135</b>	<b>40,451,258</b>
<b>Inventories at the Beginning of the Year:</b>		
Finished Goods	8,245,237	18,358,947
Work In Progress	32,206,021	28,480,992
	<b>40,451,258</b>	<b>46,839,939</b>
Add/Less: Excise Duty	(948,725)	(1,292,512)
<b>Net (increase) / decrease</b>	<b>(5,986,602)</b>	<b>5,096,169</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### Note 25 - EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31-Mar-18 ₹	For the year ended 31-Mar-17 ₹
Salaries, Wages and Bonus	77,125,180	85,896,097
Contributions to Provident Fund and other Funds	3,822,972	8,943,793
Staff Welfare Expenses	12,244,687	10,417,717
<b>Total</b>	<b>93,192,839</b>	<b>105,257,607</b>

### Note 26 - FINANCE COSTS

Particulars	For the year ended 31-Mar-18 ₹	For the year ended 31-Mar-17 ₹
Interest expense on:		
(i) Borrowings	53,981,004	49,885,594
(ii) Others	1,951,272	4,873,138
Other Borrowing Costs	1,235,341	1,067,683
<b>Total</b>	<b>57,167,617</b>	<b>55,826,415</b>

### Note 27 - OTHER EXPENSES

Particulars	For the year ended 31-Mar-18 ₹	For the year ended 31-Mar-17 ₹
Power & Fuel	113,416,795	97,640,770
Consumption of Stores & Spares	11,434,750	14,083,492
Consumption of Packing Materials	8,347,750	10,920,163
Job Work Charges	35,842,751	32,009,979
Water Charges	5,678,941	4,625,278
Repairs & Maintenance:		
Building	478,162	862,391
Plant & Machinery	8,904,924	6,339,436
Others	1,288,864	141,894
Rent, Rates and Taxes	566,183	884,423
Insurance	1,717,945	1,704,273
Legal and Professional Fees	5,158,238	2,052,061
Loss on sale of assets	1,553,602	-
Effluent discharge expenses	10,632,716	6,978,928
Freight Outwards and Forwarding Expenses	6,833,671	15,696,843
Payments to Auditors (Refer Note below)	400,000	1,019,465
Security Charges	5,811,324	5,265,139
Directors' Sitting Fees	45,000	95,000
Product Disposal Expenses	53,505,044	37,102,237
Wind Mill Maintenance Charges	1,198,829	1,832,847
Donations	-	965,723
Miscellaneous Expenses	16,640,323	14,012,437
<b>Total</b>	<b>289,455,812</b>	<b>254,232,779</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	For the year ended 31-Mar-18 ₹	For the year ended 31-Mar-17 ₹
Payments to the Auditors Comprises :		
As Auditors - Statutory Audit	400,000	840,000
Other Matters	-	48,215
Taxation Matters	-	131,250
<b>Total</b>	<b>400,000</b>	<b>1,019,465</b>

### Note 28 ADDITIONAL INFORMATION

#### Note 28.1 Contingent Liabilities and Capital Commitments

Particulars	As on 31-Mar-18 ₹	As on 31-Mar-17 ₹
<b>(a) Contingent Liabilities</b>		
(i) Bank Guarantees issued by bank on behalf of Company for which company has issued counter guarantee	604,990	474,990
<b>(b) Claims against the company not acknowledge as debts:</b>		
(i) Disputed Income Tax Liability Against Which amount already paid as at March 31, 2018 ₹ Nil (As at March 31,2017 ₹ Nil)	669,060	669,060
(ii) Disputed Excise and Service Tax Liability Against Which amount already paid as at March 31, 2018 ₹ 45,351 (As at March 31,2017 ₹ 65,408)	502,380	648,777
(iii) Disputerd Sales Tax Liability Against Which amount already paid as at March 31, 2018 ₹ 21,671 (As at March 31,2017 ₹ 21,671)	166,870	166,870
<b>Total</b>	<b>1,943,300</b>	<b>1,959,697</b>
<b>(c) Commitments</b>		
(i) Estimated amount of Contracts to be executed on capital account and not provided for advances paid for the same	1,751,896	-
(ii) Other Commitments	-	-

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

**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 2018 is as follows: (Previous Year's figures are in bracket)

Particulars	Currency	As at 31-Mar-18		As at 31-Mar-17	
		Amount in Foreign currency	Amount in INR	Amount in Foreign currency	Amount in INR
Cash Balances	USD	957.00	60,674.00	-	-
		-	-	(208)	(13,773)
	Chinese Yuan	62.00	655.00	950	8,947
		(950.00)	(8,946.60)	(950)	(9,738)
	GB Pound	25.20	2,229.00	135	10,950
		(135.20)	(10,950.08)	(135)	(12,874)
	Egyptian Pound	17.00	63.00	17	60.47
		(17.00)	(60.47)	(17)	(127)
	EURO	19.80	1,541.00	75	5,187
		(74.80)	(5,187.37)	(75)	(5,639)

### NOTE 28.3 DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS ITEMS\*

Particulars	For the year ended 31-Mar-18		For the year ended 31-Mar-17	
	₹	%	₹	%
Indigenous				
- Raw materials	195,564,436	100%	97,113,759	100%
- Spare parts	11,434,750	100%	14,083,492	100%
<b>Total</b>	<b>206,999,185</b>	<b>100%</b>	<b>111,197,251</b>	<b>100%</b>

### Note 28.4 EXPENDITURE IN FOREIGN CURRENCY :

Particulars	For the year ended 31-Mar-18		For the year ended 31-Mar-17	
	₹		₹	
Travelling expenses	98,882		-	
<b>Total</b>	<b>98,882</b>		<b>-</b>	

### Note 28.5 EARNINGS IN FOREIGN CURRENCY :

Particulars	For the year ended 31-Mar-18		For the year ended 31-Mar-17	
	₹		₹	
FOB Value of Exports	-		3,652,618	

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

**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 ₹ 36,95,193 (Year ended 31 March, 2017 ₹ 40,71,571) for Provident Fund contributions and ₹ 10,14,001 (Year ended 31 March, 2017 ₹ 15,37,560) 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-18 ₹	For the Year ended 31-Mar-17 ₹	For the Year ended 31-Mar-18 ₹	For the Year ended 31-Mar-17 ₹
<b>Expense recognized in Statement of Profit &amp; Loss for the period ended 31-03-18 is as under-</b>				
<b>(i) Defined Benefit Plan</b>				
Current Service Cost	1,613,959	1,208,562	373,032	643,161
Interest Cost on Benefit Obligation	1,285,851	1,426,314	313,942	284,132
Expected (return)/Loss on Plan Assets	(351,342)	(755,180)	-	-
Actuarial (Gain)/Loss	(3,416,368)	2,305,030	(864,515)	591,805
Total Expense recognized during the year	(867,900)	4,184,726	(177,541)	1,519,098
<b>(ii) Reconciliation of Opening and Closing</b>				
Balance of Obligation :-				
Obligation as on 1st April 2017	17,684,116	22,913,636	4,347,204	4,275,184
Current Service Cost	1,613,959	1,208,562	373,032	643,161
Interest Cost	1,285,851	1,426,314	313,942	284,132
Actuarial (Gain)/Loss	(3,416,368)	2,305,030	(864,515)	591,805
Benefits Paid	(1,078,865)	(10,169,426)	(322,609)	(1,447,078)
PV of Obligation as on 31st March 2018	16,088,689	17,684,116	3,847,054	4,347,204



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2018**

Particulars	Gratuity (funded)		Leave-(Un-funded)	
	For the Year ended	For the Year ended	For the Year ended	For the Year ended
	31-Mar-18 ₹	31-Mar-17 ₹	31-Mar-18 ₹	31-Mar-17 ₹
<b>(iii) Change in Plan Assets</b>				
Fair Value of Plan Assets as on 1st April, 2017	5,084,604	14,446,966	-	-
Expected Return on Plan Assets	351,342	748,980	-	-
Adjustment in Opening Balance	-	(18,253)	-	-
Actuarial (Gain)/Loss	(110,571)	(78,663)	-	-
Contributions	601,101	155,000	-	-
Benefits Paid	(1,078,865)	(10,169,426)	-	-
Fair Value of Plan Assets as on 31st March, 2018	4,847,611	5,084,604	-	-
<b>(iv) Net Liability recognized in the Balance Sheet :</b>				
PV of Obligation as on 31st March, 2018	16,088,689	17,684,116	3,847,055	4,347,204
Fair Value of Plan Assets as on 31st March, 2018	4,847,611	5,084,604	-	-
Amount Recognized in the Balance Sheet	(11,241,078)	(12,599,512)	(3,847,055)	(4,347,204)
<b>(v) Principal Actuarial Assumptions</b>				
Discount rate as on 31st March, 2018	7.73%	7.50%	7.73%	7.50%
"Rate of Return on Plan Assets for 1st April 2017 to 31st March, 2018"	7.73%	8.00%	-	-
Expected increase in salary cost	6.00%	6.00%	6.00%	6.00%

**(c) Amount Recognised in the current year and previous four years**

Particulars of Gratuity	2017-18	2016-17	2015-16	2014-15	2013-14
Defined Benefit Obligations	16,088,689	17,684,117	22,913,636	22,364,509	17,496,149
Fair Value of Plan Assets	4,847,611	5,084,604	14,446,966	15,898,971	13,707,633
Surplus/(Deficit) in the Plan	(11,241,078)	(12,599,513)	(8,466,670)	(6,465,538)	(3,788,516)
Actuarial (Gain)/Loss on the Plan Assets	-	-	(78,663)	-	-
Actuarial (Gain)/Loss on the Plan Obligations	(3,305,798)	2,389,894	661,939	3,703,620	2,352,500
Particulars of Leave	2017-18	2016-17	2015-16	2014-15	2013-14
Defined Benefit Obligations	3,847,055	4,347,204	4,275,184	3,054,283	2,666,767
Fair Value of Plan Assets	-	-	-	-	-
Surplus/(Deficit) in the Plan	(3,847,055)	(4,347,204)	(4,275,184)	(3,054,283)	(2,666,767)
Actuarial (Gain)/Loss on the Plan Assets	-	-	-	-	-
Actuarial (Gain)/Loss on the Plan Obligations	(864,515)	591,805	679,726	(184,322)	(968,859)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### 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.

### 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 Limited
Enterprises owned or significantly influenced by key management personnel or their relatives	Pratipal Investments Private Limited
	Transpek Industry Limited
	Agrocel Industries Limited
	Excel Industries Limited
	Shroffs Engineering Limited
Key Management Personnel	Tushar Dayal
	Chandahas Dayal
	Ravi Shroff
	Hiren Zaveri (Company secretary) (Cessation w.e.f 24.06.2017)
	Krutika Dave (Company Secretary) (Appointed w.e.f 23.12.2017)
	Dipesh Shroff
	Bimal Mehta
Rajagopalan Lakshminarasimha	
Relatives of key management personnel	Hiral Dayal
	Paritosh Dayal
	Pratik Dayal

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### (ii) Particulars of Transactions with Related Parties

Transactions with related parties for the year ended March 31, 2018 are as follows: (Previous Year's figures are shown in brackets)

Particulars	(Amount in ₹)			
	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and their relatives	Total
Sale of Goods	-	76,799,464	-	76,799,464
	-	(92,168,582)	-	(92,168,582)
Windmill Income (Reimbursement)	-	4,158,161	-	4,158,161
	-	-	-	-
Windmill Expenses (Reimbursement)	-	13,747,263	-	13,747,263
	-	(890,171)	-	(890,171)
Jobwork Income	-	72,000,000	-	72,000,000
	-	(24,000,000)	-	(24,000,000)
Purchase of goods	-	4,798,073	-	4,798,073
	-	-	-	-
Interest	-	3,772,358	2,947,488	6,719,846
	-	(2,989,150)	(1,406,576)	(4,395,726)
Remuneration	-	-	5,255,264	5,255,264
	-	-	(7,042,901)	(7,042,901)
Fuel Charges (Reimbursement)	-	11,874,782	-	11,874,782
	-	-	-	-
Deposit Accepted	-	25,000,000	4,548,000	29,548,000
	-	(35,000,000)	(26,602,000)	(61,602,000)
Deposit repaid	-	2,000,000	5,000,000	7,000,000
	-	-	(2,377,000)	(2,377,000)
Loan Accepted	-	-	-	-
	-	(10,000,000)	-	(10,000,000)
Loan Repaid	-	4,750,000	-	4,750,000
	-	(5,250,000)	-	(5,250,000)
Sitting Fees	-	-	45,000	45,000
	-	-	(95,000)	(95,000)
Capital Advance received	-	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 MARCH 31, 2018

Balance Outstanding at the year end:

Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and their relatives	(Amount in ₹)
				Total
Accounts Payable		23,426,652		
		(10,417,365)		
Accounts Receivable including Trade Advance		14,012,244		
		(99,271)		
Deposits		61,329,385	29,052,658	
		(45,854,385)	(27,640,163)	

(iv) Significant transactions with related parties:

Particulars	(Amount in ₹)	
	Year Ended 31st March, 2018 ₹	Year Ended 31st March, 2017 ₹
A) Transactions during the year		
<b>Sale of Goods</b>		
Transpek Industry Limited	76,799,464	92,168,582
<b>Windmill Income (Reimbursement)</b>		
Transpek Industry Limited	4,158,161	-
<b>Windmill Expenses (Reimbursement)</b>		
Transpek Industry Limited	13,747,263	890,171
<b>Jobwork Income</b>		
Transpek Industry Limited	72,000,000	24,000,000
<b>Purchase of Goods</b>		
Transpek Industry Limited	1,026,103	-
Excel Industries Limited	3,771,970	-
<b>Inteterest Paid</b>		
Agrocel Industries Limited	1,650,000	500,275
Pratipal Investment Private Limited	1,100,000	449,043
Shroffs Engineering Limited	771,509	-
Tushar Dayal	1,224,173	683,906
Ravi Shroff	1,650,000	512,330
<b>Remuneration Paid</b>		
Tushar Dayal	2,400,000	4,271,393
Paritosh Dayal	2,145,912	1,794,008

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2018**

Particulars	Year Ended 31st March, 2018 ₹	Year Ended 31st March, 2017 ₹
<b>Fuel Charges (Reimbursement)</b>		
Transpek Industry Limited	11,874,782	-
<b>Deposit Accepted</b>		
Transpek Industry Limited	15,000,000	10,000,000
Shroffs Industry Limited	10,000,000	-
Ravi Shroff	-	15,000,000
<b>Deposit Repaid</b>		
Transpek Industry Limited	2,000,000	-
Tushar Dayal	5,000,000	2,297,000
<b>Loan Accepted</b>		
Transpek Industry Limited	-	10,000,000
<b>Loan Repaid</b>		
Transpek Industry Limited	4,750,000	5,250,000
<b>Sitting Fees</b>		
Tushar Dayal	10,000	-
Dipesh Shroff	10,000	20,000
Ravi Shroff	5,000	15,000
Rajagopalan Lakshminarasimha	10,000	-
Bimal Mehta	5,000	-
Chandahas Dayal	5,000	10,000
<b>Capital Advance Received</b>		
Transpek Industry Limited	18,000,000	1,450,000
<b>B) Closing Balance as at end of the year :</b>		
<b>Accounts Payable including Trade Advance</b>		
Transpek Industry Limited	21,485,462	10,417,365
Excel Industries Limited	1,941,190	-
<b>Accounts Receivables Including Trade Advance</b>		
Transpek Industry Limited	14,012,244	99,271
<b>Deposits</b>		
Transpek Industry Limited	23,000,000	10,000,000
Agrocel Industries Limited	16,935,247	15,450,247
Pratipal Investment Pvt. Ltd.	11,394,138	10,404,138
Shroffs Engineering Limited	10,000,000	10,000,000
Ravi Shroff	16,946,096	15,461,096
Tushar Dayal	12,106,562	12,179,067

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### Note 29.4 Deferred Tax Liability / Asset

Particulars	For the Year ended 31-Mar-18 ₹	For the Year ended 31-Mar-17 ₹
<b>Tax effect of items constituting deferred tax liability</b>		
Related to Property, Plant and Equipments	66,729,906	81,040,918
<b>Total deferred tax liabilities</b>	<b>66,729,906</b>	<b>81,040,918</b>
<b>Tax effect of items constituting deferred tax assets</b>		
On Unabsorbed depreciation and business loss as per Income Tax Act, 1961	107,373,395	(73,024,183)
Disallowances under the Income Tax Act, 1961	4,495,111	(6,807,723)
<b>Total deferred tax assets</b>	<b>111,868,506</b>	<b>(79,831,906)</b>
Net Deferred Tax Liability / (Asset)	(45,138,600)	1,209,012

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	2017-2018 ₹	2016-2017 ₹
Net Profit available for Equity Shareholders	(36,656,322)	(153,788,206)
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)	(6.98)	(29.29)

### Note 29.6

The business for generic Agrochemical Industry and consequently Intermediates has improved during the year with the receding impact of unfavorable weather changes experienced in previous years. As a result, the Company managed to enhance operations with improved price realization in its major products, as well as clocking in larger product volumes. The Company commenced providing Job Work services in its Karakhadi plant, capturing the benefits of a wider product mix and the enhanced value addition. On a similar basis, in respect of the Company's Piludra Factory, the Company has entered into a long term agreement for manufacture of products on "Toll manufacturing basis". In the current year, Company forayed into manufacture of a value added product from its by product, which is expected to not only mitigate By-product disposal costs, but will also pave the way for revenue enhancement by increased earnings.

The company's bankers have sanctioned further long term funds. This have been progressively received. The company's promoters have strengthened the company's finance by infusion of long term funds in to the company. In addition the company's promoters will do further infusion of addition funds, as and when required to meet on-going operational commitments.

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 MARCH 31, 2018

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-18	For the Year 31-Mar-17
(a) The principal amount remaining unpaid to suppliers as at the end of accounting year	1,118,306	2,086,097
(b) The amount of interest due thereon remaining unpaid/unclaimed as at the end of the accounting year	-	-
(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.	-	-

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 2: There is no interest paid during the year or payable at the end of the year to any of the Micro and Small Enterprises.

### Note 29.8

As at March 31, 2017, based on the valuation report by government approved valuer M/s. D. J. Akruwala, the Company's freehold land situated at Piludara and Kharakadi have been revalued. The Revaluation has resulted into increase in the value of land by ` 12,01,06,372/- and the Company has accordingly stated the carrying value of the land as per the revaluation and the resultant increase has been credited to the Revaluation Reserve Account and shown in the Balance-Sheet as at 31st March, 2017 under the head 'Reserves & Surplus'. The carrying value of the above land as per cost model prescribed by Accounting standard -10 (Property, Plant and Equipment) is ` 95,93,628/-

### Note 30

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

Signature to Notes 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 : 7th August, 2018

For and on behalf of the Board of Directors

Tushar Dayal (Director) DIN: 01055037

Bimal Mehta (Director) DIN:00081171

Krutika Dave (Company Secretary) (ACS : 40376)

Place : Vadodara

Date: 7th August, 2018



# 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 TWENTY NINTH 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 29th September, 2018 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 TWENTY NINTH 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 - 390 007 on Saturday, the 29th September, 2018 at 10:00 a.m. and any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

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.

