TAiNWALA
CHEMICALS AND PLASTICS (INDIA) LTD.

CIN No.: L24100MH1985PLC037387

29th Annual Report
2013-14

TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED
ANNUAL REPORT 2013 - 2014

MANAGEMENT TEAM

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

AUDITORS

M/s RUNGTA & ASSOCIATES
Chartered Accountants
Mumbai

BANKERS

HDFC Bank Ltd.

REGISTERED OFFICE

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

WORKS

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

REGISTRAR & SHARE TRANSFER AGENTS

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

TWENTY NINTH ANNUAL GENERAL MEETING

- Wednesday, 24th September, 2014
- 11.30 a.m.
- The All India Plastics Manufacturers Association, A-52, Street no. 1, M.I.D.C., Andheri (East), Mumbai – 400093.

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NOTICE

Notice is hereby given that the TWENTY NINTH ANNUAL GENERAL MEETING of the Members of TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED will be held at The All India Plastics Manufacturers Association, A-52, Street No 1, M.I.D.C, Marol, Andheri (East), Mumbai - 400 093 on Wednesday 24th September, 2014 at 11.30 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2014 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors' and Auditors' thereon.

2. To elect and appoint Directors in place of those retiring by rotation.

3. To appoint M/S. Rungta and Associates, Chartered Accountants, the Statutory Auditors of the Company to hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS:

4. Adoption of New Articles of Association of the Company:
   To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :

   "RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in for, the existing Article of Association of the Company and is hereby replaced with the new Articles of Association of the Company in place and in substitution of the existing Articles of Association.

   FURTHER RESOLVED THAT the Board of Directors thereof be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:
   "RESOLVED THAT pursuant to sections 149, 150 and 152 of the Companies Act, 2013 read with Companies (Appointment and qualification of Directors) Rules 2014 along with Schedule IV of the said Act and Clause 49 of the Listing Agreement, Mr. Mayank Gunvant Dhuldhoya (DIN 00067165), Non – Executive Independent Director of the Company, who has submitted a Declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing From September 24, 2014.

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:
   "RESOLVED THAT pursuant to sections 149, 150 and 152 of the Companies Act, 2013 read with Companies (Appointment and qualification of Directors) Rules 2014 along with Schedule IV of the said Act and Clause 49 of the Listing Agreement, Mr. Subhash Kantilal Kadakia (DIN 00364149), Non – Executive Independent Director of the Company, who has submitted a Declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing From September 24, 2014.

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

Ordinary Resolution:

"RESOLVED THAT pursuant to sections 149, 150 and 152 of the Companies Act, 2013 read with Companies (Appointment and qualification of Directors) Rules 2014 along with Schedule IV of the said Act and Clause 49 of the Listing Agreement, Mr. Abhay Natwarlal Sheth (DIN 00520055), Non – Executive Independent Director of the Company, who has submitted a Declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing From September 24, 2014.

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

   "RESOLVED THAT pursuant to sections 149, 150 and 152 of the Companies Act, 2013 read with Companies (Appointment and qualification of Directors) Rules 2014 along with Schedule IV of the said Act and Clause 49 of the Listing Agreement, Mr. Chandraprakash Kanhaiyalal Doshi (DIN 02264856), Non – Executive Independent Director of the Company, who has submitted a Declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing From September 24, 2014.

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution :
   "RESOLVED THAT pursuant to sections 160 and another applicable provisions (if any),of the Companies Act, 2013 read with Companies (Appointment and qualification of Directors) Rules 2014, Mrs. Simran Mansukhani (DIN 06500475) in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from members proposing her candidature for the office of Director, be and is hereby appointed as a Executive Director of the Company to hold office for a term upto five consecutive years commencing From September 24,2014.

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:
    "RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with Companies (Audit and Auditors) Rules, 2 014 M/s Devarajan Swaminathan & Co. a firm of Cost Accountants (Firm Registration Number 100669) and the Cost Auditors of the Company appointed by the Board of Directors to conduct the audit of cost record of the Company for the financial year ending March 31, 2015 be paid a remuneration Amounting to Rs.30,000/- (Thirty Thousand only) plus out of pocket expenses and applicable service tax, if any.
    RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper and expedient, to give effect to this resolution."

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

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

Place: Mumbai.
Date: 29th May, 2014

(RAKESH TAINWALA)
Managing Director

NOTES:

1. An Explanatory Statement pursuant to section 102 of the Companies Act, 2013 relating to the special Businesses to be transacted at the Annual General Meeting (AGM) in annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL, INSTEAD OF HIMSELF, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, THE INSTRUMENT MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 18.09.2014 to 24.09.2014 (both days inclusive).
4. Members are requested to immediately intimate change of address if any, to the Company/Registrar and share transfer agent quoting reference to their Registered folio number.
5. Members are requested to send all share transfer lodgments (physical mode)/correspondence to the Registrar and Share Transfer Agent At the following address up to the date of book closure :

   M/S. LINK INTIME INDIA PVT. LTD.
   C-13, Pannalal Silk Mills Compound,
   LBS Road, Bhandup (West),
   Mumbai – 400 078. Tel:25963838
6. Members who have multiple accounts in identical names or joint accounts in same order are requested to send all the share certificates to Link Intime India Pvt. Ltd. for Consolidation of all such shareholdings into one account to facilitate better service.
7. Members can avail nomination facility by filling in and forwarding the nomination form to the RTA, pursuant to Section 109A of the Companies Act, 1956, form to the RTA, if not already done.
8. Members can address their queries to the Company at cs@tainwala.in / simran@tainwala.in.
9. Members who have not registered their e-mail address with the Company can now register the same by submitting a duly filled in 'E-Communication Registration Form', available on the website of the Company www.tainwala.in.
10. Members are requested to bring their attendance slip duly filled in details like DP Id and Client Id along with their copy of annual reports to the meeting.
11. Members having any questions on accounts are requested to send their queries atleast 15 days in advance to the Company at its Registered office address to enable the Company to collect the relevant information.
12. Voting through electronic means:-

    (a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Clause 35 B of the Listing Agreements, the Company is pleased to provide members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

    (b) Instructions for e-voting:

    IN CASE OF MEMBERS RECEIVING E-MAIL:

    a) Log on to the e-voting website www.evotingindia.com
    b) Click on "Shareholders" tab.
    c) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
    d) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login).
    e) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
    f) If you are a first time user follow the steps given below :

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as Physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the Demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	DD/MM/YYYY
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

g) After entering these details appropriately, click on "SUBMIT" tab.

h) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through Central Depository Services (India) Limited (CDSL) platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

i) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

j) Click on the EVSN for the company <COMPANY NAME> on which you choose to vote.

k) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

l) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

m) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

n) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

o) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

p) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in and register themselves as Corporate.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

IN CASE OF MEMBERS RECEIVING THE PHYSICAL COPY :

(A) Please follow all steps from serial no. (a) To serial no. (p) above to cast vote.

(B) The voting period begins on Friday, 19th September, 2014 at 09.00 a.m to 06.00 p.m. The e-voting module shall be disabled by Central Depository Services (India) Limited (CDSL) for voting thereafter.

The voting rights shall be as per the number of equity share held by the Member(s) as on Friday, 08th August, 2014.

Members are eligible to cast vote electronically only if they are holding shares as on that date.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

(D) The Scrutinizer for the procedure of e-Voting is Aashish K. Bhatt & Associates

(E) The results shall be declared on or after the AGM. The results along with the Scrutinizer's Report shall also be placed on the website of the Company.

12. As per provision of the Companies Act, 2013, Independent Directors are required to be appointed for a term of upto five consecutive years and are not liable to retire by rotation accordingly resolutions proposing appointment of independent Directors are given at item no.4-8. The relevant details of directors seeking appointment/re-appointment under item no. 4,5,6,7 and 8 of this notice are provided in the explanatory statement.

13. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 10.00 a.m. and 12.00 p.m. on any working day up to the date of AGM.

14. In order to support the Green Initiative of the Government and to save paper, Members are requested to please register email ID with their depositories and RTA with a copy to the Company to enable the Company to send documents like Report, Accounts, Notices etc. through electronic mode for convenience of members.

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

Place: Mumbai
Date: 29th May, 2014

(RAKESH TAINWALA)
Managing Director

Annexure to the Notice
Explanatory Statement under Section 173(2) of the Companies Act, 1956.
Item No. 4

The Company had previously adopted Table A of Schedule I of Companies Act, 1956 as its Articles of Association ("AoA"), except for certain regulations which are expressly excluded, modified and varied. Further, several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956.With the enactment of the Companies Act, 2013, several regulations of the existing AoA of the Company require alteration and/or deletion. Given this position, it is considered expedient to replace the existing AoA with a new AoA. The new AoA to be substituted in place of the existing AoA is based on Table F of Schedule I of the Companies Act, 2013 which sets out the model AoA for a Company limited by shares.

Item Nos. 5 to 8

Pursuant to the provisions of Sections 149,150 and 152 of the Companies Act, 2013 , Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation at every AGM. and Hence the Board of Directors of the Company, subject to approval of members at the general meeting, appoint the existing Non – executive Independent Director of the Company for a consecutive period of 5 years on the Board of the Company as Non Executive Independent Directors effective September 24, 2014. The details of their qualification, experience and expertise are as under :

1. Mr. Subhash Kadakia (DIN : 00364149), aged 67 years is qualified B.E. (Mech.) from Bangalore University. Mr. Subhash Kadakia is the Director of Kadakia Plastics and Chemicals Pvt. Ltd. He is an expert having extensive Knowledge in the field of PVC Compounds and is a life member of Bombay industries Association. He was the past chairman of the governing council of the Indian institute a professional body imparting education and professional training in the plastics industry. Mr. Subhash Kadakia holds 200 equity shares in the Company

   In the opinion of the Board, Mr. Subhash Kadakia fulfills the conditions for his appointment as an Independent Director as prescribed under the Act and Rules made there under and Clause 49 of the Listing Agreement. The Company has received a declaration of independence from Mr. Subhash Kadakia as prescribed under sub-section (6) of Section 149 of the Act and Clause 49 of the Listing Agreement.

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

2. Mr. Mayank Dhuldhoya (DIN: 00067165), aged 57 years is qualified Commerce Graduate. Mr.Mayank Dhuldhoya is Executive Director of shri Hap Chemicals Enterprises Pvt. Ltd. He has rich and wide ranging experience in the plastics industry having extensive knowledge in the field of PVC Compounds.
   In the opinion of the Board, Mr. Mayank Dhuldhoya fulfills the conditions for his appointment as an Independent Director as prescribed under the Act and Rules made there under and Clause 49 of the Listing Agreement. The Company has received a declaration of independence from Mr. Mayank Dhuldhoya prescribed under sub-section (6) of Section 149 of the Act and Clause 49 of the Listing Agreement.
   This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

3. Mr.Abhay Sheth (DIN:00520055), aged 66 years, is qualified B.E.(Mech.) Mr. Abhay Sheth is presently looking afther the business of marketing of plastics and plastics packaging machinery under the name and style of M/S. Abhay Sheth Technologies. He has rich and wide range of experience in the field of marking of plastics and plastics packaging machinery. He is also a member of the All India Plastics India Association (AIPMA) and Indian Plastics Institutes(IPI).
   In the opinion of the Board, Mr. Abhay Sheth fulfills the conditions for his appointment as an Independent Director as prescribed under the Act and Rules made there under and Clause 49 of the Listing Agreement. The Company has received a declaration of independence from Mr. Abhay Sheth prescribed under sub-section (6) of Section 149 of the Act and Clause 49 of the Listing Agreement.
   This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

4. Mr. Chandraprakash Doshi (DIN: 02264856), aged 54 years he is qualified Chartered Accountant, Company Secretary, L.L.B (GEN.) Mr. Chandraprakash Doshi is practicing chartered accountant since last 31 years. He has rich experience in the field of Accountants, Finances, taxation. He is Director of Nipra Finlease (India) Private Limited.
   In the opinion of the Board, Mr. Chandraprakash Doshi fulfills the conditions for his appointment as an Independent Director as prescribed under the Act and Rules made there under and Clause 49 of the Listing Agreement. The Company has received a declaration of independence from Mr. Chandraprakash Doshi prescribed under sub-section (6) of Section 149 of the Act and Clause 49 of the Listing Agreement.
   This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Item No. 9

Notice has been received from Member proposing candidature of Mrs. Simran Mansukhani for the office of Executive Director of the Company. In the opinion of the Board, Mrs. Simran Mansukhani fulfil the conditions specified in the Companies Act, 2013 and the Rules made thereunder for appointment as Executive Directors of the Company. A copy of the draft Letter of Appointment for Director, setting out terms and conditions of her appointment, is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company.

Mrs. Simran Mansukhani (DIN: 06500475), aged 44 years is qualified Chartered Accountant she has rich experience in the field of Accountant, Finance, Taxation. Mrs. Simran Mansukhani is the Director of M/S. Abhishri Packaging Private Limited.

In the opinion of the Board, Mrs. Simran Mansukhani fulfills the conditions for her appointment as an Executive Director as prescribed under the Act and Rules.

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

Item No. 10

Devarajan Swaminathan & Co. a firm of Cost Accountants, were appointed by the Board of Directors of the Company at their meeting held on May, 29, 2014 to act as the Cost Auditors of the Company to conduct the audit of the cost accounts maintained by the Company for the Financial Year 2014-15. As per Section 148 of the Act, read with Companies (Audit and Auditors) Rules 2014, the remuneration of the Cost Auditors should be approved by the members of the Company. Accordingly, based on the level of expertise and the scope of work, your Board has recommended to pay a remuneration of Rs. 30,000/- (Thirty Thousand only) plus out of pocket expenses and applicable service tax, if any, to the Cost Auditors for the Financial Year 2014-15.

DIRECTORS' REPORT

To
The Members,
Tainwala Chemicals And Plastics (India) Limited.

Your Directors have pleasure in presenting the 29th Annual Report and Audited Statement of Accounts for the Year ended 31st March 2014.

Financial Results : (Rs. in Lacs)

	Year ended 31st March 2014	Year ended 31st March 2013
Income from Sale	841.75	982.23
Other Income	173.27	213.84
Total Income	1015.02	1196.07
Profit before Depreciation	106.80	134.74
Less: Depreciation	(70.65)	(75.62)
Profit for the year before tax & exceptional items	36.15	59.12
Add: Exceptional Items	---	---
Profit before taxation	36.15	59.12
Less: Provision for Tax	(6.00)	(10.01)
Add: Tax adjustment relating to earlier years	-	10.38
Net Profit after Tax	30.15	59.49
Balance b/f from previous year	183.07	123.58
Surplus (Deficit) carried to Balance Sheet	213.22	183.07

OPERATIONS :
The financial year 2013-14 was a year of challenges and uncertainties for businesses across various segments of industry with the financial crisis and volatile Markets, but your Company continues to demonstrate the robustness of its business model. Your Company has been able to achieve a turnover of Rs. 841.75 lakhs and a competitive Net Profit of Rs. 30.15 lakhs.

DIVIDEND :
With a view to conserve resources of the Company, your Director considered it prudent not to declare dividend for the year under review.

FIXED DEPOSITS :
During the year under review, the Company has not accepted any deposits within the meaning of Section 58A and Section 58AA of the Companies Act , 1956 and Rules meant there under.

CONSERVATION OF ENERGY , TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGOINGS :
Information pursuant to Section 217(1)(e) of the Companies Act , 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in Annexure "A" to this report .

DEPOSITORIES :

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

INSURANCE :

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

SHARE CAPITAL AND LISTING OF SECURITIES :

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

PARTICULARS OF EMPLOYEES :

There was no employee during the year requiring the disclosure requirement under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time.

DIRECTORS :

The Board of Directors of the Company provides leadership and strategic guidance objective judgment, independent of management to the Company & exercise control over the Company while remaining at all times accountable to the Shareholders.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to Section 217 (2AA) of the Companies Act ,1956 the Board of Directors of the Company hereby state and confirm that :

(i) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures ;

(ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for the year ;

(iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other

irregularities ;

(iv) the Directors had prepared the annual accounts on a going concern basis.

AUDITORS :

M/s. Rungta & Associates, Chartered Accountants, having firm registration no.108888W, retire at the ensuing Annual General Meeting and being eligible have offered themselves for Re-appointment. The Company has received a letter as required under section 224(1B) of the Companies Act 1956 from M/s Rungta & associates confirming their eligibility and willingness to act as Statutory auditors, if reappointed. Members are requested to elect auditors for the current year and fix their remuneration.

BOARD COMMITTEES :

In order to ensure compliance with the applicable provisions of the Companies Act,1956 as well as the provisions of the Listing Agreement the Board has constituted an Audit Committee, Shareholders / Investors Grievance Committee and Remuneration Committee. Details of these committees are given in the Corporate Governance Report which is annexed to the Directors' Report.

CORPORATE GOVERNANCE :

During the year under review, your Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as stipulated in clause 49 of the Listing Agreement have been complied with. A separate Report on Corporate Governance along with the Auditors' Certificate on its compliance is given in " Annexure B " to this Report .

AUDITORS' REPORT :

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

With reference to the auditors comments in para 7 of Annexure to the Auditors Report, management would like to state that the Board is finding out the area of improvement in the Internal Audit System.

COST AUDITORS :

The Board of Directors at their Meeting held on May 29, 2014 appointed M/s. Devarajan Swaminathan & Co, a firm of Cost Accountants, as the Cost Auditors of the Company to conduct the audit of the cost accounts maintained by the Company for the financial year 2014-15.

APPRECIATION :

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation received by the Company from its Bankers, Stakeholders, State and Central Government Authorities, Business Associates, Customers, Dealers and Suppliers. Your Directors also wish to place on record their sincere appreciation for the employee for their commitments, dedication and hard work put by them at all levels.

For and on behalf of the Board of Directors

(DUNGARMAL TAINWALA)
CHAIRMAN

Place: Mumbai.
Date: 29th May, 2014

ANNEXURE ' A' TO THE DIRECTORS' REPORT :
Information as per Section 217 (1)(e) of the Companies Act, 1956 , read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2013.

A. Conservation of Energy:

a) Energy Conservation measures taken :

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

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

c) Power & Fuel Consumption :

	Year ended 31/03/14	Year Ended 31/03/13
a) Electricity : Units Purchased	783,496	855,040
Total amount (₹)	3,457,072	3,518,879
Rate per Unit (₹)	4.41	4.12
b) Own Generation through Diesel Generator :		
Units Generated	11, 520	13,640
Quantity of Diesel Used	3,600 ltrs	4,400 ltrs
Total Amount (₹)	193,320	190,499
Cost per unit (₹)	16.78	13.97
c) Consumption per unit of production Details:		
Production (Kgs)	673,531	939,829
Electricity (₹)	3,457,072	3,518,879
Cost per Unit ₹	₹ 5.42 Per Kg.	₹ 3.95 Per Kg.

B. Technology Absorption :

1. Research and Development (R & D) :

a) Specific areas in which R & D carried out in the Company.
Nil .

b) Benefits:
Not Applicable

c) Future Plan of Action :
On-going Development in product quality and process conditions.

d) Expenditure on R & D :
Expenditure on R & D is an on going process at every stage of operation and forms part of the regular activities of the Company and hence the cost element in the form of R & D is not easily identifiable.

2. **Technology Absorption, Adaptation and Innovation:**
The company has not acquired any indigenous or imported technology.

C. Foreign Exchange Earnings and Outgoings :

	2014 ₹	2013 ₹
Foreign Exchange Earning	NIL	NIL
Foreign Exchange Outgoings	15,337,441	2,12,52,884

ANNEXURE 'B' TO THE DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2013-2014

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

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

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

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

2. BOARD OF DIRECTORS :-

a. COMPOSITION AND CATEGORY:-

The Company has an optimum combination of Executive and Non-Executive Directors. The Board of Directors comprises of 6 (Six) Directors i.e. 2 (two) Executive Directors and 4 (Four) Non-Executive Directors. During the year, the Board was headed by Executive Chairman – Mr. Dungarmal Tainwala.

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

Name of the Director	Category	Number of Directorships in other Companies**	Number of committee positions held in other Companies	
			Member	Chairman
Dungarmal Tainwala	Promoter & Executive	Nil	Nil	Nil
Rakesh Tainwala	Promoter & Executive	Nil	Nil	Nil
Subhash Kadakia	Independent & Non-Executive	Nil	Nil	Nil
Abhay Sheth	Independent & Non-Executive	Nil	Nil	Nil
C.K.Doshi	Independent & Non-Executive	Nil	Nil	Nil
Mayank Dhuldhoya	Independent & Non-Executive	Nil	Nil	Nil

** excluding directorship in Private Companies

None of the above referred Independent Directors have any material pecuniary relationship or transaction with the Company, its promoters or with its Management, except Mr. Subhash Kadakia – Independent Director who holds 200 equity shares in the Company, which would not affect the independence or judgment of Directors.

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

b. INFORMATION REQUIRED UNDER CLAUSE 49(IV) (G) OF THE LISTING AGREEMENT ON DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IS GIVEN IN THE EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANY ACT, 2013.

c. BOARD MEETINGS AND ANNUAL GENERAL MEETINGS :

During the financial year ended 31st March, 2014 4 (Four) Board Meetings were held i.e. on 22-05-2013 12-8-2013, 30-10-2013 and 28-1-2014. The last i.e. the 28th Annual General Meeting of the Company was held on Friday, 20th September 2014. Details of attendance of each Director at the Board Meetings and at the Annual General Meeting are given below:

Name of the Director	No. of Board Meetings Attended	Attended at last AGM
Rakesh Tainwala	4	Yes
Dungarmal Tainwala	4	Yes
Subhash Kadakia	4	Yes
Abhay Sheth	4	Yes
Mayank Dhuldhoya	4	Yes
C.K.Doshi	2	Yes

3. BOARD COMMITTEES :-

The Board had constituted the following Committees of Directors.

I AUDIT COMMITTEE :

The Audit Committee comprises of Three members all Non-Executive Independent Directors.

A. COMPOSITION OF AUDIT COMMITTEE AND DETAILS OF ATTENDENCE AT AUDIT COMMITTEE MEETINGS:

During the financial year ended 31st March,2014, 4 (Four) Audit Committee meetings were held during the year i.e. on 22-05-2013,12-8-2013, 30-10-2013 and 28-1-2014

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

Name of the Directors	Category	Number of Meetings attended
Subhash Kadakia	Chairman, Non-Executive & Independent	4
Abhay Sheth	Non-Executive & Independent	4
Mayank Dhuldhoya	Non-Executive & Independent	4

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

B. TERMS OF REFERENCE OF AUDIT COMMITTEE:

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

II SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE :-

The Share Transfer / Investors Grievance Committee :

a. Approves and monitors transfers and transmission of shares, splitting and consolidation of shares and issue of duplicate share certificates.

b. Monitors redressal of complaints received from shareholders relating to transfer and transmission of shares, issue of duplicate share certificates, non-receipt of Annual Reports, dematerialization of shares, etc.

A. COMPOSITION OF SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE AND DETAILS OF ATTENDENCE AT SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE MEETINGS :

Mr. Subhash Kadakia – Non Executive and Independent Director is the Chairman of the Shareholders/Investors Grievance Committee.

Attendance of each member at the Shareholders / Investors Grievance Committee during the year 2013-2014 are detailed below:

Name of the Directors	Executive/Non Executive	No. of Committee Meetings Attended
Dungarmal Tainwala	Executive	7
Subhash Kadakia	Non - Executive	7
Abhay Sheth	Non-Executive	7

B. STATUS OF SHAREHOLDERS/INVESTORS GRIEVANCES AND THEIR REDRESSAL:

During the year under report, the Company has received 1 (One) complaint which were resolved satisfactorily. All requests for transfer of shares have been processed normally within prescribed time.

III. REMUNERATION COMMITTEE :

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

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

During the financial year under review the Committee held 1 (One) meeting on 30-05-2013 Attendance at its Meeting is given hereunder:

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

Name of the Directors	Category	No. of Meetings Attended
Abhay Sheth	Chairman, Non-Executive & Independent	1
Subhash Kadakia	Non-Executive & Independent	1
Mayank Dhuldhoya	Non-Executive & Independent	1

1. REMUNERATION OF DIRECTORS :

(A) Executive Directors

The remuneration policy is directed towards rewarding performance. It is aimed at attracting and retaining high caliber talent. The Company does have an incentive plan which is linked to performance and achievement of the Company's objectives. The Company has nostock option scheme relating to its shares. The Company has also constituted a Nomination and Remuneration Committee which shall, inter-alia, evaluate the performance of the Executive Directors and the remuneration payable to the Executive Directors and Senior Management employees.

Details of remuneration paid/payable to the Executive Directors of the Company during the year ended March 31, 2014 is Rs. 31,88,400/-

(B) Non executive Directors

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

5. GENERAL BODY MEETINGS :

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

Financial Year	Date of Meeting	Time	Place	Resolution
2012-2013	20.09.2013	11.00 a.m.	All India Plastics Manufacturers Association A-52, Street No. 1, MIDC, Marol, Andheri (E), Mumbai-400 093.	No Special Resolution was passed at this meeting
2011-2012	18.09.2012	11.00 a.m		i. Re-appointment of Mr. Rakesh Tainwala as Managing Director for a period of five years with effect from 26th June, 2012. ii.Re-appointment of Mr. Dungarmal Tainwala as Whole time Director for period of five years with effect from 1st July, 2012.
2010-2011	27.09.2011	11.00 a.m.		Revision in the remuneration of Mr. Rakesh Tainwala as a Managing director for the remaining tenure i.e. till 25th June, 2012.

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

6. CORPORATE SOCIAL RESPONSIBILITIES :

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

7. OTHER DISCLOSURES :

a. The Company has duly complied with all the mandatory requirements as per Clause 49 of the Listing Agreement.

b. Compliance with Non-mandatory requirements is furnished separately under the heading "Non-mandatory Requirements".

c. No penalties have been imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital Markets.

8. CEO/CFO Certification :

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

9. MEANS OF COMMUNICATION :

Quarterly Financial Results are sent to the Stock Exchanges immediately after the Approval of the Board and published in the "Free Press Journal" and "Navshakti" newspapers. The Annual Audited Accounts are also like-wise published. Annual Reports are sent to each shareholders at their address registered with the Company. Annual Reports are available on the Company`s Website: www.tainwala.in

The Company has designated the Email Id`s: (i) cs@tainwala.in,

(ii) simran@tainwala.in exclusively for Investor servicing.

No presentation to any institutional investors or analysts has been made during the year ended 31st March, 2014.

10. CODE OF CONDUCT :

The Board of Directors has laid down a Code of Conduct for all the Board members and Senior Management of the Company to ensure adherence to a high ethical professional conduct by them in the discharge of their duties. All the Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2013-14. A Declaration to this effect signed by Chief Executive Officer (CEO) of the Company is annexed to this report.

11. GENERAL SHAREHOLDER INFORMATION:

a) AGM Date, Time and Venue : Wednesday, 24th September 2014 at 11.30 a.m. at the All India Plastics Manufacturers Association A-52, Street No.1, Marol, M.I.D.C., Andheri(East), Mumbai - 400093.

b) Financial Calendar: 1st April to 31st March

Audited Annual results for the year ended 31st March 2014	By 30th May 2014
Unaudited First quarter results for quarter ended 30th June 2014	By 14th August 2014
Unaudited Second quarter results for quarter ended 30th September, 2014	By 14th November 2014
Unaudited Third quarter results for quarter ended 31st December 2014	By 14th February 2015
Audited Annual results for the year ended 31st March 2015	By 30th May 2015

c) Book Closure Date : 18/09/2014 to 24/09/2014.

d) Listing on Stock Exchange : Bombay Stock Exchange Limited.
National Stock Exchange of India Limited.

e) Stock Code
Bombay Stock Exchange Limited. : 507785
National Stock Exchange of India Limited : TAINWALCHM

f) Payment of Annual Listing Fees : Listing Fees for the financial year 2013- 2014 has been paid to the concerned stock exchanges.

g) Dividend payment : Nil

h) Stock Market Data :

MONTH & YEAR	BOMBAY STOCK EXCHANGE			NATIONAL STOCK EXCHANGE		
	HIGH (₹)	LOW (₹)	SENSEX (₹)	HIGH (₹)	LOW (₹)	NIFTY (₹)
2013						
April	21.7	19.5	19504.18	21.8	19.1	5930
May	19.45	17.5	19760.30	20.75	17.05	5985.95
June	18.2	15.75	19395.81	17.85	14.85	5842.2
July	16	12.4	19345.70	15	12.4	5742
August	13.5	11.3	18619.72	13	11.8	5471.8
September	16.6	14.17	19379.77	14.9	12.95	5735.3
October	16.7	15.25	21164.52	16	15.1	6299.15
November	15.5	14.25	20791.93	15	14.3	6176.1
December	15.25	13.05	21170.68	14.3	12.7	6304
2014						
January	21.5	15.95	20513.85	22.3	13.3	6089.5
February	19.9	17.4	21120.12	20	17.5	6276.95
March	18.55	16.5	22386.27	17.5	16	6704.2

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

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

k) Distribution of Shareholdings as on 31st March 2014 :

No. of. Equity shares held	No. of Shareholders	% of Shareholders	Total No. of Shares Held	% of Shares
1 - 500	5710	88.58%	836073	8.93%
501 - 1000	405	6.28%	324905	3.47%
1001 - 2000	156	2.42%	230487	2.46%
2001 - 3000	47	0.73%	122201	1.31%
3001 - 4000	25	0.39%	90387	0.97%
4001 - 5000	25	0.39	116165	1.24
5001 - 10000	23	0.36	189198	2.02%
10001 & above	55	0.85%	7454447	79.61%
TOTAL	**6,446**	**100%**	**9,363,863**	**100%**

l) Shareholding pattern as on 31st March 2014 :

Category	No. of Shares Held	% to Total Capital	No. of Shareholders	% to Total Shareholders
Promoters	63,43,661	67.75%	8	0.12%
NON-PROMOTERS:				
Mutual Funds & UTI	16,200	0.17%	9	0.14%
Financial Institutions/Banks	23,380	0.25%	7	0.11%
FII's	3509	0.04%	3	0.05
Bodies Corporate	217771	2.33%	100	1.55%
sNRI'S,OCB'S & Foreign companies	2,90,982	3.1%	226	3.51%
Public	23,76,860	25.36%	6091	94.49%
Others (Govt. and other trusts)	91,500	0.98%	2	0.03%
TOTAL	**93,63,863**	**100.00%**	**6,446**	**100.00%**

m) Status of Dematerialisation of Shares as on 31st March 2014 :

Particulars	No. of Shares	% to Total Capital
NSDL	79,04,407	84.00%
CDSL	7,25,863	8.00%
PHYSICAL	7,33,593	8.00%
TOTAL	9,363,863	100.00%

n) Company ISIN No. : INE123C01018

o) Registered Office : Tainwala House, Road No.18, MIDC, Marol, Andheri (East), Mumbai – 400 093.

p) Works : Plot No. 87 Government Industrial Estate, Khadoli Village, Silvassa Dadra & Nagar Haveli-U.T.

q) Address for Correspondence :

(1). Tainwala House, Road No.18, M I D C, Marol, Andheri (East), Mumbai – 400 093

(2) Shareholders correspondence should be Addressed to :
M/s Link Intime India Pvt. Ltd.
C/13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai – 400 078
Ph: 022-25946970/25963838
Fax: 022- 25946969
Email: rnt.helpdesk@linkintime.co.in

r) GDRs/ADRs : The Company has not issued any GDRs/ADRs.

s) Management Discussion and Analysis Report:

The Management Discussion and Analysis Report is given as an Annexure to the Directors' Report.

t) Risk Management Framework:

The Board members discuss about the risk assessment and minimization procedures.

12. NON-MANDATORY REQUIREMENTS :

(a) Chairman`s office

The Corporate Office of the company supports the Chairman and Managing Director in discharging the responsibilities.

(b) Shareholders rights

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

(c) Training of board Members

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

(d) Mechanism for evaluation of Non Executive Board Members The Company does not have a mechanism to evaluate the performance of the Non Executive Directors of the Company.

(e) Whistle Blower Policy

The Company, at present, has not adopted any Whistle Blower Policy.

For and on behalf of the board

RAKESH TAINWALA
MANAGING DIRECTOR

Place: Mumbai.
Date: 29th May, 2014

AUDITORS' CERTIFICATE

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

We have examined the compliance of conditions of Corporate Governance by Tainwala Chemicals and Plastics (India) Ltd. for the year ended 31st March 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with guidance note on certification of the Corporate Governance (As stipulated in clause 49 of the listing Agreement) issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For RUNGTA & ASSOCIATES
CHARTERED ACCOUNTANT

Place : - Mumbai
Date : - 29th May, 2014

Membership No. 42902
Registration No. 108888W

PAWAN KUMAR RUNGTA
(PROPRIETOR)

ANNUAL CERTIFICATION BY THE MANAGING DIRECTOR PURSUANT TO CLAUSE 49 1D(ii) OF THE LISTING AGREEMENT

As the Managing Director of Tainwala Chemicals and Plastics (India) Limited and as required pursuant to Clause 49 I D (ii) of the Listing Agreement, I hereby declare and certify that all the Board members and Senior Management Personnel of Tainwala Chemicals and Plastics (India) Limited have affirmed compliance with the Code of Conduct adopted by the Company for the Financial Year 2013-14.

For Tainwala Chemicals and Plastics (India) Limited

Place : Mumbai
Date : 29th May,2014

RAKESH TAINWALA
Managing Director

CERTIFICATE PURSUANT TO CLAUSE 49 (V) OF THE LISTING AGREEMENT

We, Mr. Rakesh Tainwala – Managing Director and Mrs. Simran Mansukhani – Chief Financial Officer of the Company hereby certify that :

(a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2014 and that to the best of our knowledge and belief:
   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) To the best of our knowledge and belief, no transactions have been entered into by the company during the year 2013-14 which are fraudulent, illegal or violative of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies of which we are aware in the design or operation of internal control systems and have taken the required steps to rectify the deficiency.

(d) We have informed the auditors and the Audit Committee:
   i. about significant changes in internal control over financial reporting during the year;
   ii. that there have been no significant changes in accounting policies during the year;
   iii. that there have been no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

FOR TAINWALA CHEMICALS AND PLASTICS (INDIA) LTD.

Place: Mumbai
Date: 29th May, 2014

RAKESH TAINWALA
Managing Director

SIMRAN MANSUKHANI
Chief Financial Officer

ANNEXURE "C" TO THE DIRECTORS REPORT

MANAGEMENT DISCUSSION & ANALYSIS

INTRODUCTION :

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

INDUSTRY STRUCTURE :

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

FINANCIAL PERFORMANCE :

During the year under review the Company achieved Turnover of 841.75 lakhs. The Company achieved a Net Profit of Rs.30.15 lakhs. The Company continues to focus on tight working capital management. Stringent cost control measures have been initiated and implemented.

FUTURE OUTLOOK :

Your management has been identifying new areas of application where plastic sheets can replace traditional materials like stainless steel, asbestos, iron etc. The market for PVC Engineering Sheets is set to grow since sheets are mainly used as Pollution Control Equipment, in Waste Water Treatment applications, Sewage Treatment Plants as well as Portable Water Treatment Plants. As our economy moves from a developing to a developed one, the Sewage Treatment Plants and Portable Water Treatment as well as Effluent Treatment plants for treating industrial waste are a must. These are essential for preventing water pollution of both river as well as ground water and for providing safe drinking water to the country's Population. The Government's Policy on social sector development in areas such as low cost housing, safe sewage disposal and safe drinking water will increase the demand for PVC Sheets. In recent years the government has been according high priority to social development measures. The World Bank and other International Regional Development Banks are coming forward to finance these projects in the developing countries including India. The Government of India has decided to implement these projects on priority basis as part of the social welfare measures. This itself is an indication that the future outlook for PVC Extruded Engineering Sheets is bright.

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

OPPORTUNITIES AND THREATS :

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

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

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

SEGMENTWISE PERFORMANCE:

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

RISKS AND CONCERNS:

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

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

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

HUMAN RESOURCES / INDUSTRIAL RELATIONS :

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

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

RESEARCH AND DEVELOPMENT (R & D) :

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

CAUTIONARY STATEMENT :

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

INDEPENDENT AUDITORS' REPORT

TO

THE MEMBERS OF

TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED.

We have audited the accompanying financial statements of M/s TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED ("the Company") as at March 31st , 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT RESPONSIBILITY FOR THE FINANCIAL STATEMENTS :

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") (which continued to be applicable in respect of Section 133 of Companies Act, 2013 in terms of general circular 15/2013 of the Ministry of Corporate Affairs). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY :

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by The Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

OPINION :

In our opinion and to the best of our information and according to the explanations given to us, the 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:

a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31st, 2014;

b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by the Companies (Auditor's Report) order, 2003 (as amended) issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Act, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
   a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books;
   c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Act;
   e) On the basis of written representations received from the Directors as on March 31st , 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31st, 2014, from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For Rungta & Associates
Chartered Accountants
(Registration No. 108888W)

Pawan Kumar Rungta
Proprietor
(Membership no. 42902)

Place: Mumbai
Dated: 29th May, 2014

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT
REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE
FOR THE YEAR ENDED 31ST MARCH, 2014

1. In respect of its fixed assets:
   a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
   b) In our opinion and according to information and explanations given to us, physical verification of fixed assets has been conducted by the management at reasonable intervals and no material discrepancies were noticed on such verification.
   c) During the year, no substantial part of its fixed assets has been disposed off by the Company
2. In respect of its inventories:
   a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
   b) In our opinion and according to information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
   c) The Company is maintaining proper records of inventory. According to the information and explanations given to us, the discrepancies noticed on physical verification of inventory as compared to book records were not material and the same have been properly dealt with by the Company in the books of account.
3. In respect of loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Act:
   a) The Company had granted unsecured loans to two companies in earlier years and maximum amount involved during the year was Rs.79,304,545 and year-end balance of loans given to such parties was Rs.79,304,545.
   b) The rate of interest and other terms and conditions of the loans given by the Company are prima facie, not prejudicial to the interest of the Company except for a loan of Rs. 39,115,941 which is fully provided for as doubtful.
   c) The above loans are repayable on demand and the Company is taking necessary steps for recovery. However, in our opinion, more concerted efforts are needed to recover these amounts.
   d) The Company has not taken any loans, secured or unsecured, from companies, firms and other parties during the year covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clause 4(iii)(f) and 4(iii)(g) of the Order are not applicable to the Company.
4. In our opinion and according to information and explanations given to us, having regard to the explanations that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is adequate internal control system commensurate with the size of the Company and nature of its business, for the purchase of inventories and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
5. a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act, have been entered in the register required to be maintained under that Section.
   b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements, exceeding the value of Rs. 5,00,000 in respect of each party, have been made at price which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public during the year.
7. The Company has an in-house internal audit system during the year, which needs to be strengthened to be commensurate with its size and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1) (d) of the Act and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service

Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to the Company with appropriate authorities. According to information and explanations given to us, there are no amounts of statutory dues outstanding as at March 31st, 2014 for a period of more than six months from the date they became payable.

b) According to information and explanations given to us, there are no dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, and Cess which have not been deposited on account of any dispute.

10. The Company does not have any accumulated losses at the end of the financial year and it has not incurred any cash losses in the current as well as in the immediately preceding financial year.
11. According to information and explanations given to us, the Company has not defaulted in repayment of dues to the banks. The Company does not have any borrowing from financial institution and by way of debentures.
12. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures, and other securities.
13. According to the information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society.
14. The Company has kept adequate records of its transactions and contracts in respect of dealing in shares, securities and other investments and timely entries have been made therein. The shares, securities and other investments have been held in the name of the Company.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
16. According to information and explanations given to us, the Company has not raised any term loans during the year.
17. According to information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis have not been used for long term investments.
18. The Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money through public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For Rungta & Associates
Chartered Accountants
(Registration No. 108888W)

PAWAN KUMAR RUNGTA
Proprietor
(Membership no. 42902)

Place: Mumbai
Dated: 29th May, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

	NOTE NOS.	₹.	AS AT 31/03/2014 ₹.	₹.	AS AT 31/03/2014 ₹.
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	2	93,638,630		93,638,630	
(b) Reserves and Surplus	3	297,088,703		294,073,948	
			390,727,333		387,712,578
(2) Non-Current Liabilities					
Other Long Term Liabilities	4	330,651		330,651	
Long Term Provisions	5	3,717,621	4,048,272	3,580,591	3,911,242
(3) Current Liabilities					
(a) Trade payables	6	1,820,239		1,906,861	
(b) Other current liabilities	7	6,212,428		4,444,914	
(c) Short-term provisions	8	458,059		337,667	
			8,490,726		6,689,442
Total			**403,266,331**		**398,313,262**
II. ASSETS					
(1) Non-current assets					
(a) Fixed Assets	9				
i. Tangible		39,868,618		46,467,615	
ii. Intangible		-	39,868,618	483	46,468,098
(b) Non-current Investments	10	193,223,777		158,229,939	
(c) Long Term Loans and Advances	11	104,100,346		81,103,267	
			297,324,123		239,333,206
(2) Current assets					
(a) Current Investments	12	2,008,633		6,607,672	
(b) Inventories	13	40,153,418		39,130,430	
(c) Trade receivables	14	5,585,317		7,234,586	
(d) Cash and Bank balances	15	13,610,079		54,035,497	
(e) Short-term loans and advances	16	1,565,964		1,205,110	
(f) Other current assets	17	3,150,179		4,298,663	
			66,073,590		112,511,958
Total			**403,266,331**		**398,313,262**
Significant Accounting Policies and Notes to the the Financial Statements	1 to 38				

As per our attached report of even date.

FOR RUNGTA & ASSOCIATES
Chartered Accountants

(PAWAN KUMAR RUNGTA)
Proprietor

Place : Mumbai
Dated : 29th May, 2014

For and on behalf of the Board

RAKESH TAINWALA
Managing Director

CHANDRA PRAKASH DOSHI
Director

SANTOSH SHARMA
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note Nos.	Current Year ₹	Previous Year ₹
REVENUE			
Revenue from operations	18	84,175,507	98,222,541
Other Income	19	17,326,678	21,383,991
TOTAL REVENUE		101,502,185	119,606,532
EXPENSES			
Cost of materials consumed	20	54,795,902	62,788,281
Purchase of Shares		2,830,842	5,771,039
Changes in inventories of finished goods & work-in-progress	21	(1,541,749)	3,618,088
Employee benefits expense	22	18,081,044	17,939,770
Finance costs	23	197,771	164,618
Depreciation and amortization expense	9	7,065,730	7,562,599
Other expenses	24	16,457,890	15,850,506
TOTAL EXPENSES		97,887,430	113,694,901
Profit before tax		3,614,755	5,911,631
Tax expense:			
Current Tax (MAT)		600,000	1,000,573
Profit After tax		3,014,755	4,911,058
Prior Period Taxation Adjustments		-	1,038,425
Net Profit for the Year		3,014,755	5,949,483
Earnings per equity share:			
Basic and Diluted	33	0.32	0.64
Significant Accounting Policies and Notes to the Financial Statements	1 to 38		

As per our attached report of even date.

FOR RUNGTA & ASSOCIATES
Chartered Accountants

(PAWAN KUMAR RUNGTA)
Proprietor

Place : Mumbai
Dated : 29th May, 2014

For and on behalf of the Board

RAKESH TAINWALA
Managing Director

CHANDRA PRAKASH DOSHI
Director

SANTOSH SHARMA
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

	Current Year ₹	Previous Year ₹
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax	3,614,755	5,911,631
Adjustments for:		
Depreciation and Amortization Expense	7,065,730	7,562,599
Gain on Redemption of Long Term Investment in Mutual Fund	(213,148)	(2,487,557)
Sundry Balances and provisions no longer required (written back)/ Written off (net)	1,834	(7,664)
(Profit) / loss on sale of fixed assets (net)	-	(156,264)
(Profit) / loss on Sale/ Redemption of Units of Mutual Fund (Current investments) (net)	(2,095,107)	(190,947)
Dividend income from Investments	(229,545)	(675,666)
Interest income	(13,556,112)	(12,645,275)
Finance Costs	197,771	164,618
Operating Loss before working capital changes	**((5,213,822)**	**(2,524,525)**
Movements in working capital		
(Increase) / Decrease in Inventories	(1,022,988)	10,975,340
Decrease in Trade receivables	1,649,268	7,702,933
Decrease/(Increase) in Loans & Advances and Other Assets	1,313,826	(1,311,595)
Increase / (Decrease) in Trade Payable, Provisions & Other Current Liabilities	1,936,480	(2,599,006)
Cash Generated from/(used in) Operations	**(1,337,236)**	**12,243,147**
Direct taxes (paid)/ refund (net)	1,402,922	8,176,638
Net Cash Flow From/ (used in) Operating Activities	**65,686**	**20,419,785**
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	(466,250)	(1,595,520)
Sale of fixed assets	-	450,000
(Purchase) / Sale/ Redemption of investments (net)	(28,086,544)	23,730,371
Inter-corporate Deposits	(25,000,000)	(5,000,000)
Dividend income from Investments	229,545	675,666
Interest received	13,127,455	12,089,558
Net Cash Flow from/ (used in) Investing Activities	**(40,195,794)**	**30,350,075**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of Borrowings	-	(30,700)
Finance Costs Paid	(197,771)	(164,618)
Net cash used in financing activities	**(197,771)**	**(195,318)**
Net increase /(decrease) in Cash and cash equivalents (A+B+C)	**(40,327,879)**	**50,574,542**
Cash and cash equivalents at beginning of the year	51,908,158	1,333,616
Cash and cash equivalents at the end of the year	11,580,279	51,908,158
Net increase/(decrease) as disclosed above	**(40,327,879)**	**50,574,542**
Cash and cash equivalents at the end of the year:		
Cash on hand	123,066	85,690
Balances with scheduled banks in:		
Current accounts	11,457,213	322,468
Fixed deposits	-	51,500,000
	11,580,279	**51,908,158**

Notes :

1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) - 3 on Cash Flow Statement.
2) Cash and cash equivalents exclude fixed / margin deposits of ₹ 20,29,800 (previous year ₹21,27,339)
3) Previous year's figures have been regrouped/ rearranged/recast wherever necessary to conform to this year's classification.

As per our attached report of even date.
FOR RUNGTA & ASSOCIATES
Chartered Accountants

(PAWAN KUMAR RUNGTA)
Proprietor

\Place : Mumbai
Dated : 29th May, 2014

For and on behalf of the Board
RAKESH TAINWALA
Managing Director

CHANDRA PRAKASH DOSHI
Director

SANTOSH SHARMA
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting :

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, the Accounting Standards as notified under Companies (Accounting Standards) Rules, 2006, read with general circular 15/2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013, the Provisions of the Companies Act, 1956 and 2013 and on the accounting principle of going concern. Expenses and Income to the extent considered payable and receivable, respectively, are accounted for on accrual basis, except those with significant uncertainties.

b) Use of Estimates :

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

c) Fixed Assets :

(i) Fixed assets are capitalised at cost inclusive of freight, duties, taxes and all incidental expenses related thereto and net of cenvat credit.

(ii) Pre-operative expenses incurred during construction period are allocated to various assets in proportion to their capital cost.

(iii) Fixed assets are stated at cost less accumulated depreciation thereon.

d) Depreciation / Amortisation :

(i) Premium on leasehold land is being amortised over the period of lease.

(ii) Depreciation on fixed assets is provided on straight-line method at the rates and in the manner as specified in Schedule XIV to the Companies Act, 1956.

(iii) “Continuous Process Plant” as defined in the said Schedule, has been considered on technical assessment and depreciation provided accordingly.

e) Investments :

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

f) Inventories :

(i) Raw materials are valued at lower of cost and net realisable value. Cost is computed on FIFO basis.

(ii) Finished goods and stock-in-process include estimated cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(iii) Stores and spares are charged to consumption in the year of procurement.

(iv) Valuation of stock in trade of shares is carried out at lower of its cost and quoted market price, computed scrip wise. Cost is ascertained on FIFO basis.

g) Operating Cycle :

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

h) Revenue Recognition :

Revenue from sales is recognised on dispatch of material and when risk and reward are transferred to the customers. Revenue from sale of shares is recognised on the basis of broker’s contract note.

i) Accounting for Taxes on Income :

Provision for taxation comprises of current tax and deferred tax.

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

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

j) Borrowing Costs :

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to the Statement of Profit and Loss.

k) Transactions in Foreign Currency :

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognised in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

l) Retirement Benefits:

Liability in respect of retirement benefits is provided and charged to the Statement of Profit and Loss on accrual basis as follows:

a) Provident / Pension Funds: At a specified percentage of salary / wages for eligible employees.

b) Leave Encashment: As determined on the basis of accumulated leave to the credit of the employees as at the year end as per the Company's rules.

c) Gratuity is provided in accordance with the provisions of Accounting Standard (AS) – 15 "Employee Benefits" on the basis of actuarial valuation carried out as at year end by an independent actuary.

m) Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

n) Accounting for Provisions and Contingent Liabilities:

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

NOTE 2: SHARE CAPITAL	**AS AT 31ST MARCH, 2014 ₹.**	AS AT 31ST MARCH, 2013 ₹.
Authorised :		
14,000,000 Equity shares of ₹ 10 each	**140,000,000**	140,000,000
Issued, subscribed and paid-up :		
9,363,863 Equity shares of ₹ 10 each fully paid up	**93,638,630**	93,638,630
	93,638,630	93,638,630

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

Equity Shares	**31ST MARCH, 2014**		**31ST MARCH, 2013**	
	Number of Shares	(₹)	Number of Shares	(₹)
At the beginning	9,363,863	93,638,630	9,363,863	93,638,630
Changes during the year	-	-	-	-
Outstanding at the end	**9,363,863**	**93,638,630**	**9,363,863**	**93,638,630**

b) Terms and Rights attached to equity shares :

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

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

The shareholders have all other rights as available to equity shareholders as per the provisions of the Companies Act,1956, read together with the memorandum of association and Articles of Association of the company, as applicable.

c) Details of shareholders holding more than 5% shares

Name of the Shareholders	31ST MARCH, 2014 Number of Shares	31ST MARCH, 2014 % holding	31ST MARCH, 2013 Number of Shares	31ST MARCH, 2013 % holding
Dungarmal Tainwala	**2,517,028**	**26.88**	**2,484,107**	**26.53**
Concept Reality and Securities Pvt. Ltd.	**1,806,658**	**19.29**	**1,806,658**	**19.29**
Shobha Tainwala	**972,069**	**10.38**	**972,069**	**10.38**
Rajkumar Tainwala	**585,346**	**6.25**	**584,556**	**6.24**

c) Terms and Rights attached to equity shares:

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

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

The shareholders have all other rights as available to equity shareholders as per the provisions of the Companies Act,1956, read together with the Memorandum of Association and Articles of Association of the company, as applicable.

NOTE 3 : RESERVES AND SURPLUS

Capital reserve:				
Balance as per the last Financial Statements (Arising on forfeiture of upfront payment received on convertible warrants)		25,049,992		25,049,992
Securities premium account :				
Balance as per the last Financial Statements		250,716,250		250,716,250
Surplus as per the Statement of Profit and Loss				
Balance as per the last Financial Statements	18,307,706		12,358,223	
Add: Profit as per annexed Statement of Profit and Loss	3,014,755	21,322,461	5,949,483	18,307,706
TOTAL		**297,088,703**		**294,073,948**

	AS AT 31ST MARCH, 2014 ₹	AS AT 31ST MARCH, 2013 ₹
NOTE 4 : OTHER LONG TERM LIABILITIES		
Security Deposits from Customers	330,651	330,651
TOTAL	**330,651**	**330,651**
NOTE 5 : LONG TERM PROVISIONS		
Employee Benefits		
Gratuity	3,717,621	3,580,591
TOTAL	**3,717,621**	**3,580,591**
NOTE 6 : TRADE PAYABLES		
Trade Payables (Refer Note 34)	1,820,239	1,906,861
TOTAL	**1,820,239**	**1,906,861**
NOTE 7 : OTHER CURRENT LIABILITIES		
Statutory Dues	3,911,173	2,891,406
Advance from customers	793,385	78,628
Security Deposits	330,651	361,351
Due to employees	1,507,870	1,413,680
Payable for Fixed Assets	-	61,200
TOTAL	**6,212,428**	**4,444,914**
NOTE 8 : SHORT TERM PROVISIONS		
Employee Benefits		
Gratuity	196,214	94,851
Leave encashment	261,845	242,816
TOTAL	**458,059**	**337,667**

NOTE:9

(Amount in Rs.)

PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01/04/13	Addition	sales	As at 31/03/2014	Upto 31/03/2013	for the year	Adjust ment	Upto 31/03/2014	As at 31/03/2014	As at 31/03/2013
(a) Tangible Assets										
Freehold Land	3,292,015	-	-	3,292,015	-	-	-	-	3,292,015	3,292,015
Leasehold Land	215,400	-	-	215,400	53,024	2,154	-	55,178	160,222	162,376
Buildings	33,030,424	-	-	33,030,424	14,196,499	878,759	-	15,075,258	17,955,166	18,833,925
Plant & Equipments*	71,967,821	237,978	-	72,205,799	57,955,012	4,218,984	-	62,173,996	10,031,803	14,012,809
Dies & Moulds	15,034,580	31,050	-	15,065,630	14,260,783	136,978	-	14,397,761	667,869	773,797
Laboratory Equipments	183,085	-	-	183,085	175,866	5,774	-	181,640	1,445	7,219
Furniture & Fixtures	4,186,842	-	-	4,186,842	3,648,290	74,374	-	3,722,664	464,178	538,552
Vehicles	16,341,805	-	-	16,341,805	8,757,373	1,510,221	-	10,267,594	6,074,211	7,584,432
Office Equipments	2,064,710	95,772	-	2,160,482	1,315,500	94,083	-	1,409,583	750,899	749,210
Computers	2,016,918	101,450	-	2,118,368	1,503,638	143,920	-	1,647,558	470,810	513,280
(b) Intangible Assets										
Software	112,590	-	-	112,590	112,107	483	-	112,590	-	483
T O T A L	**148,446,190**	**466,250**	**-**	**148,912,440**	**101,978,092**	**7,065,730**	**-**	**109,043,822**	**39,868,618**	**46,468,098**
Previous Year	147,252,626	1,595,520	401,956	148,446,190	94,523,713	7,562,599	108,220	101,978,092	46,468,098	-

NOTE:
* Depreciation for the year includes '3,86,457/- related to previous year.

NOTE 10 : NON-CURRENT INVESTMENTS

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

PARTICULARS	Face value ₹	As on 31/03/2014 (Nos/Units)	As on 31/03/2013 (Nos/Units)	As on 31/03/2014 ₹	As on 31/03/2013 ₹
I. Equity Shares :					
a) Quoted					
ABG Infralogistics Ltd., fully paid up	10	100	100	2,427	2,427
Elegant Pharmaceuticals Ltd., fully paid up	10	500	500	16,184	16,184
Jain Irrigation Systems Ltd., fully paid up	10	73*	73*	3,724	3,724
				22,335	**22,335**
Less: Provision for diminution in value of investments				(11,000)	(11,000)
				11,335	**11,335**
b) Unquoted					
Samsonite South Asia Pvt.Ltd., fully paid up	10	3,069,873	3,069,873	30,698,730	30,698,730
Periwinkle Fashions Pvt. Ltd., fully paid up	10	17,500	17,500	70,000,000	70,000,000
II. Debentures (Unquoted)					
Tikona Digital Network Private Ltd Series C (CCD), fully paid up	3,408	4,399	4,399	14,992,628	14,992,628
Tikona Digital Network Private Ltd Series C, fully paid up	3,408	2	2	6,816	6,816
ITCL Cornerstone Property Investments P. Ltd.-fully paid up	50,000	50	50	2,500,000	2,500,000
Sheth Buildwell Private Ltd., NCD-@19%p.a., fully paid up	100,000	-	50	-	5,000,000
Protected Call Structure Plan, fully paid up	100,000	50	50	5,000,000	5,000,000
Anand Rathi NCD - fully paid up	100,000	50	-	5,000,000	-
III. Units of Mutual Funds : (Unquoted)					
Kotak India Growth Fund II, ₹79,921.48 (previous year ₹ 50,633) Paid up.	84,421	250	250	19,980,371	12,658,305
Kotak india Real estate fund -IV-Fully Paid up	1,000	4,631	4,862	4,610,852	4,862,125
India Advantage fund - Fully Paid Up	100	108,000	75,000	10,800,000	7,500,000
Real Estate Fund- Pvt Equity Fully Paid	100,000	96	50	9,623,045	5,000,000
Ambit Alpha fund Scheme-1-Fully paid up	1,000	10,000	-	10,000,000	-
IIIFL Asset Revival Funds - Fully paid up	10	1,000,000	-	10,000,000	-
TOTAL				**193,223,777**	**158,229,939**

Aggregate value of quoted investments Book value	11,335	11,335
Market value	10,337	9,187
Aggregate value of unquoted investments Book value	**193,212,442**	**158,218,604**

Note: * Including 3 differential Voting rights bonus shares.

	AS AT 31/03/2014 ₹	AS AT 31/03/2013 ₹
NOTE 11 : LONG TERM LOANS AND ADVANCES		
(unsecured, considered good unless otherwise stated)		
To Related Parties in the nature of Loans (Refer note nos. 29 and 31)		
Inter Corporate Deposits	40,188,604	40,188,604
(net of provision for doubtful advances of ₹39,115,942 previous year ₹39,115,942)		
Inter Corporate Deposits - Others	60,000,000	35,000,000
Security Deposits*	1,099,923	1,099,923
VAT Receivable	1,510,628	1,510,628
Income Tax Deducted at Source and Payments	1,301,191	3,304,112
(Net of Provision for Income Tax ₹10,00,573/- , Previous Year ₹10,00,573/-)		
TOTAL	**104,100,346**	**81,103,267**

*Includes ₹1,000,000 given to a relative of Director.

NOTE 12 : CURRENT INVESTMENTS

PARTICULARS	Face value ₹	**As on 31/03/2014 (Nos/Units.)**	As on 31/03/2013 (Nos/Units.)	**As on 31/03/2014 ₹**	As on 31/03/2013 ₹
Unquoted :					
Mutual Funds :					
HDFC Cash Management Fund- Treasury Advantage - Daily Dividend	10	99,738	541,237	998,727	5,519,638
HDFC Cash Management Fund- Treasury Advantage - Weekly Dividend	10	99,484	96,931	1,001,791	1,000,000
Principal Cash Management Principal Cash Management Institiutional Premium	1,140	-	78	-	88,034
Goldman Sachs Mutual Fund Liquid Bees-Geojit	1,000	8	-	8,115	-
TOTAL				**2,008,633**	**6,607,672**
Aggregate value of unquoted investments					
Book value				2,008,633	6,607,672

NOTE 13 : INVENTORIES		
(As taken, valued and certified by the Managing Director)		
Raw materials and components	2,623,166	3,141,927
Stock in process	5,535,006	7,036,200
Finished goods	20,519,050	12,775,450
Shares	11,476,196	16,176,853
TOTAL	**40,153,418**	**39,130,430**

			AS AT 31/03/2014 ₹	AS AT 31/03/2013 ₹
NOTE 14 : TRADE RECEIVABLES				
(Unsecured, considered good)				
Outstanding for a period exceeding six months from the date of becoming due for payment			119,571	86,594
Others			5,465,746	7,147,992
TOTAL			**5,585,317**	**7,234,586**
NOTE 15 : CASH & BANK BALANCES				
Cash and Cash equivalents				
Balances with banks in current accounts			11,457,213	322,468
Deposits with bank of maturity of less than 3 months			-	51,500,000
Cash on hand			123,066	85,690
Other Bank Balances				
Margin money Deposits (Lien Marked)			2,029,800	2,127,339
TOTAL			**13,610,079**	**54,035,497**
NOTE 16 : SHORT TERM LOANS AND ADVANCES				
(Unsecured, considered good)				
Prepaid Expenses	456,777		570,643	
Advances to Suppliers/expenses	766,839		224,047	
Loans and Advances to Employees	5,029	1,228,645	15,500	810,190
Balances with Statutory/ Government Authorities				
Balances with central excise authority	337,319	337,319	394,920	394,920
TOTAL		**1,565,964**		**1,205,110**
NOTE 17 : OTHER CURRENT ASSETS				
Accrued interest on :				
Bank Deposits	3,942		52,968	
Intercorporate Deposits	3,111,840		2,160,000	
Debentures	34,397		299,590	
Mutual Fund Units	-		208,964	
Income Tax Refund	-	3,150,179	1,577,141	4,298,663
TOTAL		**3,150,179**		**4,298,663**

	Current Year ₹	Previous Year ₹
NOTE 18 : REVENUE FROM OPERATIONS		
a) Revenue from operations		
Sale of Products	84,464,327	101,833,895
Less : Excise duty	(9,267,954)	(11,258,070)
Revenue from operations(net)	**75,196,373**	**90,575,825**
b) Other Operating Revenue		
Sale of shares	8,476,462	7,322,220
Job Work Income	166,150	-
Dividend on traded shares	336,522	324,496
	8,979,134	**7,646,716**
TOTAL	**84,175,507**	**98,222,541**

Note: Excise Duty on sales amounting to ₹32,72,254 (31st March 2012 ₹ 89,92,662) has been reduced from Sales in the Statement of Profit and Loss and excise duty on increase/ (decrease) in stock amounting to (₹1,99,410) (31st March 2012 ₹1,08,050) has been considered as (income)/expense in Note 24

NOTE 19 : OTHER INCOME		
a) Interest on:		
- Fixed deposits with Banks	288,936	266,355
- Inter corporate deposits	10,990,190	10,940,261
- Income Tax refund	324,497	3,552,908
- Debentures (Long Term Investment)	999,463	749,315
- Mutual Fund Units (Long Term Investment)	1,277,523	689,344
- Customers and others overdues	-	115,090
	13,880,609	**16,313,273**
b) Dividend Income On Investments :		
- Long Term	13,230	93
- Units of Mutual Fund (Current)	216,315	675,573
	229,545	**675,666**
c) Gain on Redemption of Current Investments		
Mututal Funds	2,095,107	23,026
Others	-	167,921
d) Profit on sale of fixed assets	-	156,264
e) Rent income	876,000	660,000
f) Insurance Claim	32,269	7,209
g) Sundry balances and provisions no longer required written back (net)	-	7,664
h) Gain on Exchange rate difference (Net)	-	885,411
i) Gain on Redemption of Long Term Investment in Mutual Funds	213,148	2,487,557
TOTAL	**17,326,678**	**21,383,991**

NOTE 20 : COST OF MATERIALS CONSUMED		
Cost Of Raw Material Consumed		
Inventories at the beginning of the year:-	3,141,927	10,499,179
Add: Purchases	54,277,141	55,431,029
	57,419,068	**65,930,208**
Less: Inventories at the end of the year:-	(2,623,166)	(3,141,927)
TOTAL	**54,795,902**	**62,788,281**

		Current Year ₹		Previous Year ₹
NOTE 21 : CHANGES IN INVENTORIES OF STOCK IN IN TRADE AND WORK-IN-PROGRESS				
Inventories at the end of the year:-				
Finished goods		20,519,050		12,775,450
Stock in Process		5,535,006		7,036,200
Share stock		11,476,196		16,176,853
		37,530,252		**35,988,503**
Inventories at the beginning of the year:-				
Finished goods		12,775,450		9,622,190
Stock in Process		7,036,200		12,437,476
Share stock		16,176,853		17,546,925
		35,988,503		**39,606,591**
TOTAL		**(1,541,749)**		**3,618,088**
NOTE 22 : EMPLOYEE BENEFITS EXPENSE				
Salaries, wages and Bonus		16,890,737		16,786,226
Contribution to provident and other funds		901,814		886,134
Staff welfare expenses		288,493		267,410
TOTAL		**18,081,044**		**17,939,770**
NOTE 23 : FINANCE COSTS				
Interest on Borrowings and others		170,343		137,402
Other Borrowing Cost		27,428		27,216
TOTAL		**197,771**		**164,618**
NOTE 24 : OTHER EXPENSES				
Job Work Charges		306,268		782,525
Power and fuel		4,510,903		4,444,177
Repairs and maintenance:				
Machinery	488,330		456,336	
Buildings	204,637		186,307	
Others	645,556	1,338,523	638,673	1,281,316
Rates and taxes		191,691		142,438
Rent		6,000		6,000
Insurance		394,221		297,036
Directors' sitting fees		26,000		24,250
Legal and professional		364,000		182,628
Syndication / Portfolio Management fees		301,270		383,683
Auditors' Remuneration as:				
Audit Fees	102,000		102,000	
Other Services	32,000	134,000	32,000	134,000
Rebates and discounts		1,364,306		1,882,689
Donations		500		5,600
Premium on Rent		627,532		607,500
Printing and stationery		108,420		113,276
Security charges		1,697,292		1,469,326
Postage and telephone		451,803		465,593
Travelling and conveyance		1,438,919		1,552,683
Advertising		72,372		78,574
Bank Charges and Commission		7,377		4,407
Sales commission		127,187		68,280
Sales Promotion		311,308		440,830
Sundry Balance Written off		1,834		-
Increase / (decrease) in excise duty on stocks of finished goods		1,121,670		904,302
Carriage Outward		31,019		249,266
Foreign Exchange Rate Difference		1,177,070		-
Miscellaneous expenses		346,405		330,127
TOTAL		**16,457,890**		**15,850,506**

25. Commitment :

Particulars	As at 31/03/2014 ₹.	As at 31/03/2013 ₹.
Capital commitment in respect of long term investments	5,325,000	18,000,000

26. Working capital facilities from a bank are secured by hypothecation of stocks of raw materials, finished goods, stock in process and book debts and further secured by equitable mortgage of plot of land measuring about 3,000 square meters bearing Survey No. 26, Plot No. 87 in the Govt. Industrial Estate, Village Khadoli, Dadra & Nagar Haveli, Silvasa and also the personal guarantee of a Director of the Company.There are no borrowings under the said facilities as at the year end.
27. No provision has been considered necessary for diminution in fair value of a long term unquoted equity investment, as in opinion of the management, such diminution is not of permanent nature and the investment was made on long term basis.
28. 'Stock in process' represents salvaged/ pelletised materials accumulated over a period of time to be consumed in the due course of time.
29. Disclosure, including as per requirement of Clause 32 of the Listing agreement:
    - Tainwala Holdings Pvt. Ltd.: Balance as at 31/03/2014 Rs. 39,115,941 (as at 31/03/2013 `39,115,941) and maximum amount outstanding during the year ` 39,115,941 (Previous year `39,115,941).
    - Abhishri Packaging Pvt. Ltd.: Balance as at 31/03/2014 `40,188,604 (as at 31/03/2013 `40,188,604) and maximum amount outstanding during the year ` 40,188,604 (Previous year `40,188,604).
30. a) The balances in accounts of certain trade receivables, trade payables and loans and advances given are subject to confirmation, and consequent reconciliations. Adjustments in this respect in the opinion of the management are not likely to be material and would be carried out as and when ascertained.
    b) In the opinion of the management, assets other than Fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

31. Related party disclosures:

i. Related parties :

Key management personnel :	Mr. Dungarmal Tainwala -Chairman Mr. Rakesh Tainwala- Managing Director
Relatives of Key management personnel:	Ms. Vandana Tainwala Mr. Rajkumar Tainwala
Enterprises in which Key management personnel and/ or their relatives have significant influence:	Abhishri Packaging Pvt. Ltd. Tainwala Personal Care Products Pvt Ltd Tainwala Holdings Private Limited

ii . Related party transactions: (Amount in ₹)

Nature of transactions	Key management personnel	Relative of a key management personnel	Enterprises in which key management personnel and / or their relatives have significant influence	Total
Remuneration	3,188,400 (3,188,400)	537,600 (537,600)	-- (--)	3,726,000 (3,726,000)
Sale of Goods	-- (--)	(--) (--)	25,024 (122,838)	25,024 (122,838)
Purchase of Goods	--	--	5,098,957 (--)	5,098,957 (--)
Job Work Income	-- (--)	-- (--)	166,150 (--)	166,150 (--)
Rent income	-- (--)	-- (--)	876,000 (660,000)	876,000 (660,000)
nterest income	-- (--)	-- (--)	3,616,974 (3,616,974)	3,616,974 (3,616,974)
Deposits given outstanding as at year end	- (--)	1,000,000 (1,000,000)	-- (--)	1,000,000 (1,000,000)
Debit balance as at year end	-- (--)	-- (--)	40,188,604 (40,188,604)	40,188,604 (40,188,604)
Receivable as at year end (fully provided for)	-- (--)	-- (--)	39,115,941 (39,115,941)	39,115,941 (39,115,941)

Notes:

- Figures in brackets pertain to previous year.
- The related party relationships have been determined by the Company on the basis of the requirements of the Accounting Standard (AS)-18 'Related Party Disclosures' and the same have been relied upon by the auditors.
- The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year, except where control exists.

iii. Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year :

- Remuneration includes, paid to Mr. Rakesh Tainwala ₹ 2,367,000(Previous year ₹ 2,367,000); Mr. Dungarmal Tainwala ₹ 821,400 (Previous year ₹ 821,400); Ms. Vandana Tainwala ₹ 537,600 (Previous year ₹537,600).
- Sale of goods has been made to Abhishri Packaging Private Ltd ₹ 25,064 (Previous year ₹ 122,838).
- Purchase of goods has been made from Abhishri Packaging Private Ltd. ₹5,098,957(Previous year ₹Nil).
- Job work income is form Abhishri Packaging Private Ltd. ₹166,150 (Previous year ₹ Nil).
- Rent income is from Abhishri Packaging Pvt. Ltd. ₹732,000(Previous year ₹516,000)) and from Tainwala Personal Care Products Pvt Ltd ₹144,000 (Previous year ₹144,000).
- Interest income is from Abhishri Packaging Pvt. Ltd. ₹3,616,974 (Previous year ₹3,616,974).
- Deposits outstanding as at year end ₹1,000,000 (Previous Year ₹1,000,000) is given to Mr. Rajkumar Tainwala towards industrial Premises hired by the Company.
- Debit Balance as at year end relates to Abhishri Packaging Pvt Ltd ₹40,188,604 (Previous Year ₹40,188,604).

32. Segment reporting

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

a. Primary segment reporting (Business segments) : (Amoumt in ₹)

Particulars	2013-2014			2012-2013		
	Plastic Sheets	Securities Trading	Total	Plastic Sheets	Securities Trading	Total
REVENUE:						
External	75,362,523	8,812,984	84,175,507	90,575,825	7,646,716	98,222,541
Inter segment	--	--	--	--	--	--
Total revenue	75,362,523	8,812,984	84,175,507	90,575,825	7,646,716	98,222,541
RESULT :						
Segment results	(14,738,288)	1,196,708	(13,541,580)	(15,765,092)	430,134	(15,334,958)
Unallocable income/ (expense) (net)	--	--	3,446,069	--	--	5,070,718
Interest expenses	--	--	(170,343)	--	--	(137402)
Interest income	--	--	13,880,609	--	--	16,313,273
Profit before taxation			36,14,755			59,11,631
Provision for tax	--	--	(600,000)	--	--	(1,000,573)
Prior Period Taxation Adjustment			--			1,038,425
Profit after tax			3,014,755			5,949,483
OTHER INFORMATION:						
Segment assets	78,307,672	11,541,654	89,849,326	80,471,922	16,236,169	96,708,091
Unallocable assets	--	--	313,417,005	--	--	301,605,171
Total assets			403,266,331			398,313,262
Segment liabilities	12,208,347	--	12,208,347	10,600,684	--	10,600,684
Unallocable liabilities	--	--	--	--	--	--
Total liabilities			12,204,807			10,600,684
Capital expenditure	466,250	--	466,250	1,595,520	--	1,595,520
Depreciation/ amortisation	7,065,730	--	7,065,730	7,562,599	--	7,562,599

b. Secondary segment reporting (Geographical segments):
In accordance with Accounting Standard (AS)-17 "Segment Reporting" there is no reportable geographical segment.

33. Calculation of Earnings per share (EPS) :

	Current Year ₹	Previous Year ₹
Profit after tax (₹)	3,014,755	59,49,483
Weighted average number of equity shares (Nos.)	9,363,863	9,363,863
Face value of equity shares (₹)	10	10
Basic and diluted earnings per share (₹)	0.32	0.64

34. As per Accounting Standard (AS)-22 "Accounting for taxes on Income", deferred tax assets (net) pertaining to timing difference arising for the period upto 31st March,2014 of ` 15,925,409 (31/03/2013 `20,742,871) have been determined.

As the Company has unabsorbed depreciation and carry forward losses and there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised, deferred tax assets (net) upto 31st March 2014 has not been recognised.

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

Particulars	As at 31/03/2014 ₹	As at 31/03/2013 ₹
Deferred tax assets on account of:		
Statutory payments under Section 43B of the Income-tax Act, 1961	1,377,922	1,326,206
Capital loss	-	4,332,881
Speculation Loss	1,410,066	1,410,066
Unabsorbed depreciation	16,770,440	18,209,517
Provision for doubtful debts/ advances	-	12,086,826
Total (A)	19,558,428	25,278,670
Deferred tax liability on account of:		
Depreciation	3,633,019	4,535,799
Total (B)	3,633,019	4,535,799
Deferred tax asset / (liability) [Net]:		
[Total A – B]	15,925,409	20,742,871

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

			As at 31/03/2014 ₹	As at 31/03/2013 ₹
a)	(i)	The principal amount remaining unpaid to any supplier at the end of accounting year included in sundry creditors	Nil	Nil
	(ii)	The interest due on above	Nil	Nil
		The total of (i) & (ii)	Nil	Nil
b)		The amount of interest paid by the buyer in terms of section 16 of the Act, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	Nil	Nil
c)		The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	Nil	Nil
d)		The amounts of interest accrued and remaining unpaid at the end of accounting year	Nil	Nil
e)		The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the Act.	Nil	Nil

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

			(Amount in ₹) Gratuity (Unfunded) Current Year	Previous Year
I	Components of employer expense			
	1	Current service cost	248,681	249,130
	2	Interest cost	303,224	235,575
	3	Actuarial losses/(gains)	(205,099)	629,840
	4	Total expense recognised in the Statement of Profit and Loss Account	346,806	1,114,545
II	Net asset / (liability) recognised in Balance Sheet as at year end			
	1	Present value of defined benefit obligation	(3,913,835)	(3,675,443)
	2	Fair value on plan assets	---	---
	3	Status [surplus/(deficit)]	---	---
	4	Unrecognised past service cost	---	---
	5	Net asset / (liability) recognized in Balance Sheet	(3,913,835)	(3,675,443)
III	Change in defined benefit obligations (DBO) during the year			
	1	Present value of DBO at the beginning of period	3,675,443	2,771,475
	2	Current service cost	248,681	249,130
	3	Interest cost	303,224	235,575
	4	Actuarial (gains)/ losses	(205,099)	629,839
	5	Benefits paid	(108,414)	(210,577)
	6	Present value of DBO at the end of the year	3,913835	3,675,443
IV	Actuarial assumptions			
	1	Discount rate (%)	9.00%	8.25%
	2	Rate of increase in compensation level	5.50%	4.75%
	3	Retirement age	58 years	58 years
	4	Maturity table	LIC 1994-96	LIC 1994-96

37. The management based on their review of assets and operation of the Company has determined that there is no indication of potential impairment and that the recoverable amount of its fixed assets is not lower than its carrying amount. Accordingly, no provision for impairment has been considered necessary as at 31st March, 2014.

38. Additional Information pursuant to paragraphs 3 and 4 of part II of Schedule VI to the Companies Act, 1956:

A. Details of turnover and stocks of finished goods:

Items	Opening stock Value ₹	Turnover* Value ₹	Closing stock Value ₹
Processed Plastics**	12,775,450 (9,622,190)	84,464,327 (101,833,895)	20,519,050 (12,775,450)

Notes:
1. Figures in brackets relate to previous year.
2. *Includes samples, breakages, damages, write-off, etc, sale of non usable palletized /salvaged materials.
3. **Including excise duty.

B. Raw materials consumed:

Items	Current year Value (₹)	Previous year Value (₹)
Chemicals	15,846,611	19,814,810
Plastic powder	38,301,131	42,232,081
Packing materials	648,158	741,390
	54,795,900	62,788,281

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

	%	Current year Value ₹	%	Previous year Value ₹
Imported	31.28	17,139,850	35.32	22,178,609
Indigenous	68.72	37,656,050	64.68	40,609,672
TOTAL	100.00	54,795,900	100.00	62,788,281

	Current Year ₹	Previous Year ₹
D. CIF value of imports :		
Raw materials	15,327,076	19,809,591
Plant & Machinery	---	1,384,664
E. Expenses in foreign currency:		
Travelling and others expenses	10,365	58,629

Foreign currency exposure not hedged as at 31st March 2014 is as follows

Particulars	Foreign Currency	Amount in Foreign Currency	Equivalent INR
Trade Payable	USD	---	---
		(---)	(---)

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

Signature to Notes 1 to 38

For and on behalf of the Board

RAKESH TAINWALA Managing Director

CHANDRA PRAKASH DOSHI
Director

SANTOSH SHARMA
Company Secretary

Place : Mumbai
Date : 29th May, 2014

TAINWALA CHEMICALS AND PLASTICS (INDIA) LIMITED

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

ATTENDANCE SLIP

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

Name of the attending Member . . . . . .
(in block letters)

Member's Folio Number/or . . . . . .
Client. ID & DP. ID

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

No. of Shares held . . . . . .

*I hereby record my presence at the TWENTY NINTH ANNUAL GENERAL MEETING of the Company being held at The All India Plastics Manufacturers Association, A-52, Street No. 1, M.I.D.C., Marol, Andheri (E), Mumbai - 400 093 at 11.30 a.m. on Wednesday, the 24th day of September, 2014.

— — — — — — — —

* Member's/Proxy's signature

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

Form NO. MGT-11
Proxy Form
[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3)
Of the Companies (Management And Administration) Rules, 2014]

CIN: L24100MH1985PLC037387
Name of the Company : **Tainwala Chemicals And Plastics India Limited**
Registered Office: Road No.18, M.I.D.C., Marol, Andheri (East), Mumbai- 400 093.

Name of the Member(S) : . . . . . .

Registered address : . . . . . .

. . . . . .

E-Mail ID : . . . . . .

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

1) Name : . . . . . .

Address : . . . . . .

. . . . . .

E-Mail Id : . . . . . .

Signature : . . . . . , or failing him

2) Name : . . . . . .

Address : . . . . . .

. . . . . .

E-Mail Id : . . . . . .

Signature : . . . . . , or failing him

3) Name : . . . . . .

Address : . . . . . .

. . . . . .

E-Mail Id : . . . . . .

Signature : . . . . . , or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the company, to be held on _____ and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution Nos.

1. Adoption of Audited Financial Statement of the Company for the Financial Year ended 31st March,2014 together with the report of Board of Director and Auditors thereon.

2. Appointment of Directors in Place of those who retiring by Rotation.

3. Appointment of M/S. RUNGTA & Associates, Chartered Accountants, As the statutory auditor of the company and to authorised there Board of Directors to fix there remuneration.

4. Adoption of New Articles of Associations of the Company.

5. Appointment of Mr. Mayank Dhuldhoya (DIN: 00067165) as an Independent Director of the company.

6. Appointment of Mr. Subhash Kadakia (DIN: 00364149) as an Independent Director of the company.

7. Appointment of Mr. Abhey Sheth (DIN: 00520055) as an independent of the company.

8. Appointment of Mr. C.K. Doshi (DIN: 02264856) as an Independent Director of the company.

9. Appointment of Mrs.Simran Mansukhani (DIN: 06500475) as an Executive Director of the company.

10. Appointment of M/S. Deverajan Swaminathan & Co. as Cost Auditor of the Company.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the company, to be held on _____ and at any adjournment thereof in respect of such resolution as are indicated below:

Signed this----------day of ----------2014.

Signature of shareholders(s)

Affix
One Rupee
Revenue
Stamp

Signature of shareholders(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

2. For the resolution, Explanatory Statement and Notes, Please refer to the Notice of the Twenty-Ninth Annual General Meeting.

Registered Post

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