

# 71<sup>ST</sup> ANNUAL REPORT

## 31<sup>ST</sup> MARCH, 2016



**TECIL CHEMICALS AND  
HYDRO POWER LIMITED**

**BOARD OF DIRECTORS**

SHRI. SHREENIWAS B. SOMANI	CHAIRMAN, MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER (CEO)
SHRI. PRAKASH CHAND JAIN	NON-EXECUTIVE INDEPENDENT DIRECTOR
SHRI. GHANSHYAM JOSHI	NON-EXECUTIVE INDEPENDENT DIRECTOR
SMT. SHANTA SOMANI	EXECUTIVE DIRECTOR
SHRI. TOBY ANTONY	NON-EXECUTIVE INDEPENDENT DIRECTOR
MISS HARSHALI SHIRODKAR	COMPLIANCE OFFICER
SHRI. RAMASUBRAMONIA IYER	CHIEF FINANCIAL OFFICER (CFO)
BANKERS	STATE BANK OF INDIA AND AXIS BANK LIMITED
STATUTORY AUDITORS	M/S. VMD AND COMPANY, MUMBAI
INTERNAL AUDITORS	M/S. SARDA SONI ASSOCIATES LLP, MUMBAI
REGISTERED OFFICE	P.O. CHINGAVANAM, DIST. - KOTTAYAM, KERALA - 686 531
CORPORATE OFFICE	EMPIRE HOUSE, 3 <sup>RD</sup> FLOOR, 214, DR. D. N. ROAD, FORT, MUMBAI - 400 001
REGISTRAR AND SHARE TRANSFER AGENTS	M/S. SYSTEM SUPPORT SERVICES 209, SHIVAI INDUSTRIAL ESTATE, NEXT TO PARKE DAVIS LTD., SAKI NAKA, ANDHERI (EAST), MUMBAI - 400 072 E-MAIL ID - sysss72@yahoo.com

WEBSITE : [www.tecilchemicals.com](http://www.tecilchemicals.com)  
E-MAIL ID : [tecilchemicals@gmail.com](mailto:tecilchemicals@gmail.com)

**TECIL CHEMICALS AND HYDRO POWER LIMITED**

**Registered Office: P.O. CHINGAVANAM, DIST. KOTTAYAM – 686 531, KERALA**  
**CIN No.- L24299KL1945PLC001206**  
**Website: [www.tecilchemicals.com](http://www.tecilchemicals.com)**  
**Email Id: [tecilchemicals@gmail.com](mailto:tecilchemicals@gmail.com)**

**NOTICE CONVENING ANNUAL GENERAL MEETING**

NOTICE is hereby given that the **SEVENTY FIRST ANNUAL GENERAL MEETING** of the Shareholders of **TECIL CHEMICALS AND HYDRO POWER LIMITED** will be held at P.O. Chingavanam, Dist. Kottayam - 686 531, Kerala on **Thursday, 08<sup>th</sup> September, 2016 at 10:00 A.M.**, to transact the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31/03/2016 and the report of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. S. B. Somani (DIN No.- 00077939), who retires by rotation and being eligible offer himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification (s) the following resolution as an Ordinary Resolution:-

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and The Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. VMD & Company, Chartered Accountants (Reg. No.-125002W), who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of The Companies (Audit and Auditors) Rules, 2014, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of next Annual General Meeting (AGM) of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to service tax and re-imbursment of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company."

**SPECIAL BUSINESS****4. ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION**

To Consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution -

**"RESOLVED THAT** pursuant to the provisions of Section 5 and Section 14 of the Companies Act, 2013 read with Rule 11 of Companies (Incorporation) Rules, 2014, the existing Articles of Associations of the Company be deleted and in substitution thereof the new set of Articles as placed before the Meeting duly initialed by the Chairman thereof for the purpose of identification be and is hereby adopted.

**RESOLVED FURTHER THAT** the consent of members of the Company be and is hereby given for adoption of new set of Articles of Association of the Company in substitution of the Existing Articles of Association.

**RESOLVED FURTHER THAT** any of the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary and incidental thereto."

**NOTES:**

1. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
2. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item No. 4 of the accompanying Notice are annexed hereto
3. In respect of Resolutions at Item No. 2, a statement giving additional information on the Directors seeking appointment / re-appointment is annexed herewith as required as under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulations).
4. A Member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting i.e. on Tuesday, 06<sup>th</sup> September 2016 by 10:00 A.M.
5. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
6. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signature authorizing their representative to attend and vote on their behalf at the Meeting.
7. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
9. The Company has notified closure of Register of Members and Share Transfer Books from 25<sup>th</sup> August, 2016 to 08<sup>th</sup> September, 2016 (both days inclusive).
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members can submit their PAN to the Company / Systems Supports Services.
11. Members holding shares in single name are advised to make a nomination in respect of their shareholding in the Company. The Nomination Form can be down from the Company's Website - [www.tecilchemicals.com](http://www.tecilchemicals.com) in icon of Company's Act 2013 Compliance. Members should file their nomination form with the Company whilst the Members holding shares in dematerialized form should file their Nomination Form with the System Support Services.
12. Members holding in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Systems Supports Services for consolidation into a single folio.
13. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
14. A Route Map showing directions to reach the venue of the 71<sup>st</sup> Annual General Meeting is given at the end of the notice as per the requirement of Secretarial Standards - 2 on "General Meeting".

**GENERAL INFORMATION**

1. In Compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of The Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) as amended from time to time, the Company is pleased to offer Remote E-Voting Facilities to its members in respect of the business to be transacted at the 71<sup>st</sup> Annual General Meeting. The Company has engaged the services of Central Depository Services Limited (CDSL) as authorized agency to provide Remote E-Voting Facility. It is clarified that it is not mandatory for a Member to vote using Remote E-Voting Facility.
2. The Members who have cast their votes by Remote E-Voting prior to the AGM may also attend the meeting but they shall not be entitled to cast their vote again.
3. The Remote E-Voting Period will commence on 05<sup>th</sup> September, 2016 at 09:00 A.M. and will end on 07<sup>th</sup> September, 2016 at 05:00 P.M. During this period, Members of the Company, holding shares as on cut-off date i.e. Thursday, 01<sup>st</sup> September, 2016, may cast their vote by Remote E-Voting. The Remote E-Voting module will be disabled by CDSL for the voting thereafter.

The voting rights of Members shall be in proportion of the paid up equity share capital of the Company as on the cut-off date i.e. Thursday, 01<sup>st</sup> September, 2016.

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

4. Dr. Shubh Karan Jain, Practising Company Secretary has been appointed as the Scrutinizer for overseeing the voting and Remote-E-voting in a fair and transparent manner.
5. The Scrutinizer shall submit his report to the Chairman. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. [www.tecilchemicals.com](http://www.tecilchemicals.com) and on the website of CDSL i.e. <https://www.evotingindia.com> after the declaration of result by the Chairman or a person authorized by him in his behalf. The Results shall be uploaded on the BSE Listing Portal.
6. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of Annual General Meeting i.e. Thursday, 08<sup>th</sup> September, 2016.

**PROCESS FOR MEMBERS OPTING FOR REMOTE E-VOTING**

In Compliance with provisions of Amendment Rules, 2015 and Regulation 44(1) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company will be providing Members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through Remote E-Voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("Remote E-Voting") will be provided by Central Depository Services Limited (CDSL). The detailed procedure to be followed in this regard has been given in Annexure - A to the notice. The Members are requested to go through them carefully.

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

**Place: Mumbai  
Date: 25<sup>th</sup> July, 2016**

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

**EXPLANTORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO. 4****ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION**

With the enactment of Companies Act, 2013, the Articles of Association of the Company needs to be altered so as to incorporate the provisions of the Companies Act, 2013. Instead of altering the existing Articles which are inconsistent with the provisions of the Companies Act, 2013, it is desirable that new set of Articles be adopted in substitution of the existing Articles of Association.

The Board of Directors in their meeting held on 25<sup>th</sup> July , 2016 have approved the new set of Articles of Association which is in conformity with the provisions of the Companies Act, 2013, rules made there under and Secretarial Standard 1 and 2 issued by the Institute of Company Secretaries of India.

The Board of Directors recommends the resolution as set out in the Item No. 4 of the Notice for approval of shareholders of the Company.

None of the Directors of the Company, Key Managerial Personnel or their relatives are concerned or interested in any way in the Special Resolution proposed to be passed except to the extent of their respective shareholdings in the Company as shareholders.

Our Directors recommend these resolutions as Special Resolution.

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

**Place: Mumbai  
Date: 25<sup>th</sup> July, 2016**

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

**ANEXURE TO THE ITEM NO. 2 OF NOTICE****DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT / APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING IN PUSUANCE OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

Sr. No.	1
Name of the Director	Shri. S. B. Somani
Director Identification Number	00077939
Nationality	Indian
Date of Appointment on Board	18-06-1969
Shareholding in the Company	1302090 (6.87 %)
List of Directorships held in other Companies (excluding foreign, private, and Section 8 Company)	1. M/s. Citric India Limited
Memberships/Chairmanships of Audit Committee and Share Transfer and Stakeholders Relationship Committee	Nil

**ANNEXURE 'A' TO THE NOTICE****INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS**

- (i) The Remote E-Voting period begins on Monday, 05<sup>th</sup> September, 2016 (09:00 a.m.) and ends on Wednesday, 07<sup>th</sup> September, 2016 (05:00 p.m.). During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 01<sup>st</sup> September, 2016, may cast their vote electronically. The Remote E-Voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the E-Voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
- 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
- (v) Next enter the Image Verification as displayed and Click on Login
- (vi) If you are holding shares in DEMAT Form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in DEMAT Form and Physical Form</b>	
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both DEMAT shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
<b>DOB</b>	Enter the Date of Birth as recorded in your DEMAT Account or in the company records for the said DEMAT Account or folio in dd/mm/yyyy format.
<b>Dividend Bank Details</b>	Enter the Dividend Bank Details as recorded in your DEMAT account or in the Company records for the said DEMAT account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in DEMAT Form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the DEMAT Holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for Remote E-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for E-Voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **TECIL CHEMICALS AND HYDRO POWER LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If DEMAT account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xix) In case you have any queries or issues regarding Remote E-Voting, you may refer the Frequently Asked Questions ("FAQs") and Remote E-Voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**FOR TECIL CHEMICALS AND HYDRO POWER LIMITED**

Sd/-

**S. B. SOMANI**

**CHAIRMAN AND MANAGING DIRECTOR AND CEO**  
(DIN No. – 00077939)

Place: Mumbai  
Date: 25<sup>th</sup> July, 2016



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

To  
The Members of  
M/S. TECIL CHEMICALS AND HYDRO POWER LIMITED

The Directors take pleasure in presenting the **Seventy First Annual Report** together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2016. The Management Discussion and Analysis has also been incorporated into this report.

### **FINANCIAL RESULTS**

#### **RESULTS OF OPERATIONS**

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

#### **1. OVERVIEW**

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

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

As the Company has not been carrying any manufacturing operations at Chingavanam, the Company has ceased to be an Industrial Undertaking. However, the Company has sufficient freehold land at Chingavanam to commence any new business activity. Till such time any new business activity is commenced, the Company has invested its surplus funds on which it has earned interest income of Rs. 63.03 Lacs during the year under report.

#### **3. OPERATIONS**

There was no Manufacturing activity during the Year.

#### **4. CONSOLIDATION OF FINANCIAL STATEMENTS**

In terms of Section 129 (3) of the Companies Act, 2013 read with Accounting Standard (AS) 23, the Company has prepared Consolidated Financial Statements in respect of its Associate Company i.e. M/s. Citric India Limited.

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

The Company has freehold land at Chingavanam, Kottayam, Kerala. Since the Company has already discharged all its major liabilities, our Directors have been exploring into new business activities. The Company has potential to enter into viable business, more efficiently and economically as it has sufficient land at Chingavanam.

**5. FINANCIAL RESULTS**

<u>Particulars</u>	<u>31/03/2016</u> <u>(Rs.)</u>	<u>31/03/2015</u> <u>(Rs.)</u>
<b>Income</b>		
- Other Income	63,03,000	69,83,000
Profit/Loss before Tax and Depreciation	(51,03,000)	(48,96,000)
Less: Depreciation	8,90,000	10,74,000
Profit/Loss after Depreciation but before Tax	(59,93,000)	(38,22,000)
Less: Tax Expenses	-	-
Profit/Loss after Tax	(59,93,000)	(38,22,000)
Earnings Per Share (Nominal Value of Share Rs. 10/-) Basic & Diluted	(0.27)	(0.24)

**6. SHARE CAPITAL**

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2016 was Rs. 18.96 Crores. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

**7. RISK AND CONCERN**

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

There are no perceived risks in the present activity.

**8. DIVIDEND**

Due to inadequacy of profit, the Directors of the Company did not recommend any dividend.

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

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

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

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

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

#### **10. DIRECTORS**

Shri. S. B. Somani (DIN No. - 00077939), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

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

Shri. S. B. Somani resigned from the post of Managing Director and Chief Executive Officer with effect from 22<sup>nd</sup> June, 2016. The Board of Directors in its meeting held on 25<sup>th</sup> July, 2016 appointed him as Chief Executive Officer of the Company.

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

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

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

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

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

During the year under review, the Independent Directors met on 11<sup>th</sup> January, 2016, inter alia, to discuss:

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

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

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

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

At the time of appointing a Director, a formal letter of appointment is given to him/her which, inter alia, explains his/her role, function, duties and responsibilities and the Board's expectations from him/her as a Director of the Company. The Director is also explained in detail the compliances required from

him/her under the Act. SEBI Regulations and other relevant regulations and his/her affirmation taken with respect to the same.

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

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

### 13. REMUNERATION POLICY

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

### 14. MEETINGS

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

<b>Board Meetings Held During the Year</b>			
Sr. No.	Date on which the Board Meeting was held	Total Strength of the Board	No. of Directors Present
1	29-05-2015	5	5
2	27-07-2015	5	5
3	18-09-2015	5	5
4	26-10-2015	5	5
5	22-01-2016	5	5

<b>Share Transfer And Stakeholders Relationship Committee Meetings Held During the Year</b>			
Sr. No.	Date on which the Committee Meeting was held	Total Strength of the Committee	No. of Members Present
1	29-05-2015	3	3
2	27-07-2015	3	3
3	26-10-2015	3	3
4	22-01-2016	3	3

<b>Audit Committee Meetings Held During the Year</b>			
Sr. No.	Date on which the Committee Meeting was held	Total Strength of the Committee	No. of Members Present
1	29-05-2015	3	3
2	27-07-2015	3	3
3	26-10-2015	3	3
4	22-01-2016	3	3

<b><u>Nomination and Remuneration Committee Meetings Held During the Year</u></b>			
<b>Sr. No.</b>	<b>Date on which the Committee Meeting was held</b>	<b>Total Strength of the Committee</b>	<b>No. of Members Present</b>
1	29-03-2016	3	3

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

In terms of Section 134 of the Companies Act, 2013, we, the Directors of Tecil Chemicals And Hydro Power Limited, state in respect of Financial Year 2015-2016 that:

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

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

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

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

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

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

The Company has not accepted any Public Deposit as per Section 73 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014 as on 31/03/2016.

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

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

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

## **20. STATUTORY AUDITORS**

M/s. VMD & Co., Auditors of the Company, retire at the Seventy One Annual General Meeting of the Company, and being eligible offer themselves for re-appointment.

The Company's Auditors, M/s. VMD & Co., Chartered Accountants, who retire at the ensuing Annual General Meeting of the Company, are eligible for re-appointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the rules framed there-under for reappointment as Auditors of the Company. As per the requirement of SEBI Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

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

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

## **22. SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors on recommendation of Audit Committee has appointed M/s. S. K. Jain & Co., Practicing Company Secretaries, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "**Annexure D**".

## **23. INTERNAL AUDIT**

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

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

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

## **25. CORPORATE GOVERNANCE**

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

## **26. EXTRACT OF ANNUAL RETURN**

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

## **27. ENHANCING SHAREHOLDERS VALUE**

Our Company believes that its Members are among its most important Stakeholders. Accordingly, our Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Our Company is also committed to creating

value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

## 28. **ACKNOWLEDGEMENT**

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

## 29. **HUMAN RESOURCES**

The Company continues to maintain cordial relations with its employees.

## 30. **CAUTIONARY STATEMENT**

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

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

**Place: Mumbai**  
**Date: 25<sup>th</sup> July, 2016**

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

## **ANNEXURE B**

### **THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988**

#### **A. CONSERVATION OF ENGERY:**

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

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

## **CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

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

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

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

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

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

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

- i. None of the Directors on the Board is a Member of more than Ten (10) Committees or Chairman of more than Five (5) Committees across all the Companies in which he is a Director. Necessary Disclosures regarding Committee positions in other Public Companies as on 31<sup>st</sup> March, 2016 have been made by the Directors.
- ii. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of directorships and Committee Chairmanships / Memberships held by them in other companies is given below. Other directorships do not include alternate directorships, directorships of Private Limited Companies, Section 8 Companies and of Companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.
- iii. During the financial year ended 31<sup>st</sup> March, 2016, Five (5) Meetings of the Board of Directors were held as on 29/05/2015, 27/07/2015, 18/09/2015, 26/10/2015 and 22/01/2016.
- iv. **Composition, Category, their Directorship and Committee Membership in other Companies**

<b>Name of Director</b>	<b>Category</b>	<b>No. of Board Meetings attended during 2015-16</b>	<b>Whether attended last AGM</b>	<b>No. of Directorship in other Limited Companies</b>	<b>No. of Membership in Companies</b>	<b>No. of Chairmanship in other Companies</b>
Shri. S. B. Somani	Chairman, Managing Director and CEO	5	No	1	Nil	Nil
Shri. P. C. Jain	Independent Director	5	Yes	1	3	Nil
Shri. G. K. Joshi	Independent Director	5	Yes	3	3	3
Smt. Shanta Somani	Executive Director	5	No	1	Nil	Nil
Shri. Toby Antony	Independent Director	5	Yes	Nil	Nil	Nil



**DETAILS OF DIRECTORS BEING APPOINTED AND RE-APPOINTED**

1. Name : Shri. S. B. Somani
- Designation : Chairman, Managing Director and Chief Executive Officer (CEO)
- Age : 80 Years
- Experience : A Science Graduate from Mumbai University. A dynamic Industrialist having a vast experience in Managing various large and medium size industries such as Shri. Digvijay Cement Company Ltd., Andhra Pradesh Paper Ltd., West Coast Paper Ltd. Etc.  
He was a Managing Committee member of Federation of Indian Chambers of Commerce and Industry, New Delhi (FICCI) and was also associated with various chambers throughout the Country.
- Other Directorship : Citric India Ltd.

**3. BOARD COMMITTEES**

The Board has constituted the following Committees of Directors:

**(a) AUDIT COMMITTEE :**

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

**i. Terms of Reference:**

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

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

**ii. Composition**

During the year, 2015-2016 under the review Four (4) Meetings of the Audit Committee were held on 29/05/2015, 27/07/2015, 26/10/2015 and 22/01/2016. The attendance of Members is as follows:

Name	Category	Meetings during 2015-2016	
		Held	Attended
Shri. P.C. Jain	Independent Director	4	4
Shri. G. K. Joshi	Independent Director	4	4
Shri. Toby Antony	Independent Director	4	4

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

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

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

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

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

The Representative of the Statutory are permanent invitees to the Audit Committees. They have attended all the Audit Committee Meetings held during the year. The Chief Financial Officer (CFO), Chief Executive Officer and Managing Director (CEO & MD) attended the meetings of Committee. The Company Secretary is the Secretary to the meetings of the Company.

**(b) SHARE TRANSFER AND STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Share Transfer and Stakeholders Relationship Committee comprises of three (3) Members of which one Member is an Independent Director. The Committee is governed by a Charter.

**(i) Terms of References**

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

- a) To scrutinize and approve registration of transfer of shares/ debentures/ warrants issued / to be issued by the Company.
- b) To decide all questions and matters that may arise in regard to transmission of shares / debentures / warrants issued / to be issued by the Company.
- c) To approve and issue duplicate shares / debentures / warrants certificates in lieu of those reported lost.
- d) To refer to the Board and any proposal of refusal of registration of transfer of shares / debentures / warrants for their consideration.
- e) To look into shareholders and investors complaints like transfer of shares, non- receipt of annual reports, non-receipt of declared dividends, etc.
- f) To delegate all or any of its powers of Officers/ Authorized Signatories of the Company.

- g) To issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities.
- h) To issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- i) To approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto.
- j) To authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non receipt of annual reports, notices, non receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken.

**(ii) Composition**

The Share Transfer And Stakeholders Relationship Committee met Four (4) times during the 2015-2016 on 29/05/2015, 27/07/2015, 26/10/2015 and 22/01/2016. The attendance of the Members is as follows:

Name	Category	Meetings during 2015-2016	
		Held	Attended
Shri. P.C. Jain	Independent Director	4	4
Shri. G. K. Joshi	Independent Director	4	4
Shri. Toby Antony	Independent Director	4	4

**Details of Complaints:**

- a) No. of Shareholders' Complaints received during the year : 2
- b) No. of Complaints resolved to the satisfaction of shareholders : 2
- c) No. of pending share transfers : Nil

**(c) NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee is governed by a Charter. The Chairman of the Committee is an Independent Director and majority of members on the Committee are Independent Directors.

**i. Terms of Reference**

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

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

performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

## ii. Composition

The Nomination and Remuneration Committee comprises of the following Members:

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

There was one meeting of Nomination and Remuneration Committee convened during the financial year 2015-2016.

Name	Category	Meetings during 2015-2016	
		Held	Attended
Shri. P.C. Jain	Independent Director	1	1
Shri. G. K. Joshi	Independent Director	1	1
Shri. Toby Antony	Independent Director	1	1

## iii. Details of Remuneration for the year ended March 31, 2016:

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

No Remuneration (except sitting fees) was paid to any Non-Executive Directors during the year 2015-2016.

## (d) INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 09<sup>th</sup> March, 2016, inter alia, to discuss:

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

All the Independent Directors were present at the Meeting.

## 4. BOARD EFFECTIVENESS

### a. Familiarization Programme for the Independent Directors

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

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

Pursuant to the provisions of the Act and the SEBI Regulations, the Board has carried out the annual performance evaluation of its own as well as of the Committees. The Chairman of the

Board of Directors individually get an overview of the functioning of the Board and its constituents inter alia on the following broad criteria i.e. attendance and level of participation independence of judgment exercised by Independent Directors, interpersonal relationship etc.

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

### c. Key Managerial Personnel

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

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

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

## 5. GENERAL BODY MEETINGS

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

Financial Year	Date	Time	Location
2014-2015	07/09/2015	4.00 p.m.	Tecil Premises, P.O.Chingavanam - 686 531, Dist-Kottrayam, Kerala
2013-2014	08/09/2014	4.00 p.m.	Tecil Premises, P.O.Chingavanam - 686 531, Dist-Kottrayam, Kerala
2012-2013	27/09/2013	11.00 a.m.	Tecil Premises, P.O.Chingavanam - 686 531, Dist-Kottrayam, Kerala

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

## 6. OTHER DISCLOSURES

### (a) Disclosure of Accounting Treatment

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

### (b) Disclosures on Risk Management

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

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

(d) **Adoption Policies Under Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015**

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

The Polices which are adopted as follows -

- a. Archival Policy
- b. Policy on Determination of Materiality of Events or Information Materiality
- c. Policy on Preservation of Records
- d. Policy on Materiality of Related Party

**(e) Vigil Mechanism/ Whistle Blower Policy**

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

**(f) Prevention of Insider Policy**

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

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

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

**(g) Code of Conduct of Independent Director**

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

**(h) Internal Financial Control Policy**

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

**(i) Performance Evaluation Policy**

As per the Listing Agreement entered into with the Company, every listed Company needs to

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

**(j) Risk Management Policy**

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

**(k) Uniform Listing Agreement**

The Board of Directors in its meeting held on 22<sup>nd</sup> January, 2016 decided to execute an Uniform Listing Agreement with Bombay Stock Exchange pursuant to SEBI Circular No. CIR/CFD/CMD/06/2015 dated October 13, 2015, wherein every Existing Listed Company needs to execute fresh agreement with Stock Exchange for the purpose of application and execution of new Listing Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**7. CEO/CFO CERTIFICATION**

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

**8. MEANS OF COMMUNICATION**

- (a) Quarterly Results: The unaudited quarterly results are announced within Forty Five Days from the end of the quarter as stipulated under the listing agreement with the Bombay Stock Exchange Limited And National Stock Exchange Limited : **Yes**
- (b) Newspapers wherein AGM related Compliances are published : **Yes**
- (c) Any Website, wherein displayed : **Yes**
- (d) Whether Website also displays official news releases : **No**
- (e) Whether presentations made to institutional investors or to the analysts : **No**
- (f) Whether Management Discussion & Analysis Report is a part of Annual Report : **Yes**

**9. GENERAL SHAREHOLDER INFORMATION**

- (a) **AGM Date, Time and Venue:** Annual General Meeting will be held on 08<sup>th</sup> September, 2016, Thursday at 10:00 a.m. at its Regd. Office at Chingavanam, Kottayam, Kerala.
- (b) **Financial Year:** The Financial Year is from 01<sup>st</sup> April to 31<sup>st</sup> March.  
Tentative Schedule
- |   |   |                                       |
|---|---|---------------------------------------|
| Unaudited Results for quarter ending June 30, 2016      | : | up to 14 <sup>th</sup> August, 2016   |
| Unaudited Results for quarter ending September 30, 2016 | : | up to 13 <sup>th</sup> November, 2016 |
| Unaudited Results for quarter ending December 31, 2016  | : | up to 15 <sup>th</sup> February, 2017 |
| Audited Annual Accounts for year ending March 31, 2017  | : | up to 30 <sup>th</sup> May, 2017      |
- (c) **Book Closure period:** 30<sup>th</sup> August, 2016 to 08<sup>th</sup> September, 2016 (both days inclusive).
- (d) **Dividend payment date:** Not Applicable

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

The Company's securities are listed at:

**1. Bombay Stock Exchange Limited (BSE)**

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

**2. National Stock Exchange of India Limited (NSE)**

Department of Corporate Services, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

**(f) Subsidiary Companies**

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

**(g) Stock Market Data**

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

**(h) Stock Code: 506680****(i) Registrar and Transfer Agent**

M/s System Support Services

209, Shivai Industrial Estate, Next to Parke Davis Ltd. Saki Naka, Mumbai - 400 072

Tel. No 022 - 28500835. E-mail Id : sysss72@yahoo.com

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

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

Particulars	No. of Transfers	No. of Shares
Transfers	26	19990
Other Cases		
Deletion	NIL	NIL
Transmission	1	500
<b>Total</b>	<b>27</b>	<b>20490</b>

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

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

: Nil

**(l) Distribution of Shareholding and Shareholding Pattern as on 31.03.2016****i. Distribution of Shareholding as on 31<sup>st</sup> March, 2016:**

No. of Shares	No. of Shareholder	% of Holding
Up to 500	20929	92.056
501-1000	1083	4.764
1001-5000	587	2.582
5001-10000	57	0.251
10001-100000	61	0.268
100001 & Above	18	0.079
<b>Total</b>	<b>22,735</b>	<b>100</b>



**ii. Shareholding pattern as at 31<sup>st</sup> March, 2016:**

	<b>No. of Shares Held</b>	<b>% of Total Shares</b>
Promoter Group	7545657	39.79
Mutual Funds	382530	2.02
Banks & FIs	1043640	5.50
Insurance Companies	119760	0.63
Central / State Governments	436270	2.30
Corporate Bodies	1229245	6.48
Public and Others	7068958	37.28
NRIs / Foreign Nationals	1137640	6.00
<b>TOTAL</b>	<b>18963700</b>	<b>100</b>

**(m) Plant Location:**

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

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

Information as per Section 197 of the Companies Act, 2013 ("the Act") read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company can be obtained by an interested shareholder by submitting a written request to the Company Secretary. This practice is followed as per the provisions of Section 136 (1) of the Act. Thus, the Report and the Accounts are being sent to all shareholders, excluding the information on employees' particulars under Section 197 of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**(o) Redressal of Shareholders Grievance**

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

**Tecil Chemicals And Hydro Power Limited**

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

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

**(p) Postal Ballot:**

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

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

**DECLARATION**

As provided under Regulation 15 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, this is to confirm that all the Members of the Board have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2016.

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

**Place: Mumbai  
Date: 30<sup>th</sup> May, 2016**

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

**CERTIFICATE OF CORPORATE GOVERNANCE REPORT**

To The Members of

**TECIL CHEMICALS AND HYDRO POWER LIMITED**

Tecil Premises, PO. Chingavanam – 686 531 Dist. – Kottayam, Kerala.

We have examined the compliance of conditions of Corporate Governance by **TECIL CHEMICALS AND HYDRO POWER LIMITED** for the year ended 31<sup>st</sup> March, 2016 as stipulated in Regulation 17,18,19,20,22, 23, 25,26,27(2),46(2) (b) to (i),C, D & E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the condition of Corporate Governance as stipulated in Regulation 17,18,19,20,22,23,25,26,27(2),46(2) (b) to (i),C, D & E of Schedule V of the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

**Place : Mumbai**  
**Date : 28<sup>th</sup> May, 2016**

**CEO / CFO CERTIFICATE**

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

1. We have reviewed the Balance Sheet and Statement of Profit & Loss account for the year ended 31<sup>st</sup> March, 2016 and all its schedules and notes to accounts, as well as the cash flow statement.
2. Based on our knowledge, information and belief, these statements do not contain any untrue statement of a material fact or omit to state a material fact that might be misleading with respect to the statements made.
3. Based on our knowledge, information and belief, the Financial Statements and other financial information included in this report present a true and fair view of the Company's affairs for the period presented in this report and are in compliance with the existing accounting standards, applicable laws and regulations.
4. To the best of our knowledge, information and belief, no transactions entered into by the Company during the year are fraudulent, illegal or volatile of the Company's Code of Conduct.
5. We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting.
6. We have disclosed, based on their most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies.

We have indicated to the Auditors and the Audit Committee.

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

**Place: Mumbai**  
**Date: 30<sup>th</sup> May, 2016**

Sd/-  
**S. B. Somani**  
CEO

Sd/-  
**Ramasubramonia Iyer**  
CFO

**ANNEXURE C**

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN****as on the Financial Year ended on 31/03/2016**

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

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN:- **L24299KL1945PLC001206**
- ii) Registration Date – **04/04/1945**
- iii) Name of the Company – **TECIL CHEMICALS AND HYDRO POWER LIMITED**
- iv) Category / Sub-Category of the Company - **Non-Govt Company**
- v) Address of the Registered Office and contact details : **Chingavanam P.O.,Kottayam, Kerala - 686 531**  
**Tel. No. - (0481) 2439110**  
**Fax No. - (0481) 243047**  
**Email : tecilchemicals@gmail.com**
- vi) Whether listed company – **Yes**

Name, Address and Contact details of : **System Supports Services**  
 Registrar and Transfer Agent - **209,Shivai Ind. Estate, 89, Andheri Kurla Road, Saki Naka, Andheri (E), Mumbai - 400 072**  
**Tel. No. - (022) 28500835 / Fax No. - (022) 28501438**  
**Email Id - sysss72@yahoo.com**

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the Total Turnover of the Company shall be stated

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

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

Sr. No.	Name and Address of the Company	CIN No.	Holding / Subsidiary / Associate	% of Shares Held	Appliable Section
1	<b>CITRIC INDIA LIMITED</b> PANCHAK, G. D. SOMANI MARG, NASIK ROAD, NASIK - 422 101	L99999MH1960PLC011811	Associate	24.98%	2 (6)

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

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the Year				No. of Shares held at the beginning of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. TABLE-II - STATEMENT SHOWING SHAREHOLDING OF PROMOTERS AND PROMOTERS GROUP</b>									
<b>(1) Indian</b>									
a) Individual / HUF	-	1855267	1855267	9.78	-	1855267	1855267	9.78	-
b) Central Govt & State Govt (s)	-	-	-	-	-	-	-	-	-
c) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
f) Any other....	-	5684890	5684890	29.98	-	5690390	5690390	30.01	0.03
<b>Sub-Total (A) (1) :-</b>	<b>-</b>	<b>7540157</b>	<b>7540157</b>	<b>39.76</b>	<b>-</b>	<b>7545657</b>	<b>7545657</b>	<b>39.79</b>	<b>0.03</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Government	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (2) :-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Share Holding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>-</b>	<b>7540157</b>	<b>7540157</b>	<b>39.76</b>	<b>-</b>	<b>7545657</b>	<b>7545657</b>	<b>39.79</b>	<b>0.03</b>

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

<b>(1) Institutions</b>									
a) Mutual Funds	0	382530	382530	2.02	0	382530	382530	2.02	0
b) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0
c) Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0
d) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0
e) Foreign Portfolio Investors	0	0	0	0.00	0	0	0	0.00	0
f) Financial Institutions / Banks	0	1043640	1043640	5.50	0	1043640	1043640	5.50	0
g) Insurance Companies	0	119760	119760	0.63	0	119760	119760	0.63	0
h) Provident Funds / Pension Funds	0	0	0	0.00	0	0	0	0.00	0
i) Any Others (specify)	0	0	0	0.00	0	0	0	0.00	0
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>1545930</b>	<b>1545930</b>	<b>8.15</b>	<b>0</b>	<b>1545930</b>	<b>1545930</b>	<b>8.15</b>	<b>0</b>
<b>(2) Central Government / State Government/President of India</b>									
	0	436270	436270	2.30	0	436270	436270	2.30	0
<b>SUB TOTAL (B)(2)</b>	<b>0</b>	<b>436270</b>	<b>436270</b>	<b>2.30</b>	<b>0</b>	<b>436270</b>	<b>436270</b>	<b>2.30</b>	<b>0</b>
<b>(3) Non Institutions</b>									
(a) i) Individual Shareholders holding nominal Share Capital upto Rs.2 lakhs	0	6384828	6384828	33.67	0	6474338	6474338	34.14	0.47
(a) ii) Individuals Shareholders holding nominal Share Capital in excess of Rs. 2 lakhs	0	689630	689630	3.64	0	594620	594620	3.14	0.5

b) NBFC Registered With RBI	0	0	0	0.00	0	0	0	0.00	0
c) Employee Trusts	0	0	0	0.00	0	0	0	0.00	0
d) Overseas Depositories (holding DR) balancing figure	0	0	0	0.00	0	0	0	0.00	0
e) Any Others (specify)	0	2366885	2366885	12.48	0	2366885	2366885	12.48	0
<b>SUB TOTAL (B)(3)</b>	<b>0</b>	<b>9441343</b>	<b>9441343</b>	<b>49.79</b>	<b>0</b>	<b>9435843</b>	<b>9435843</b>	<b>49.76</b>	<b>0.03</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	<b>0</b>	<b>11423543</b>	<b>11423543</b>	<b>60.24</b>	<b>0</b>	<b>11418043</b>	<b>11418043</b>	<b>60.21</b>	<b>0.03</b>
<b>C. TABLE IV - STATEMENT SHOWING SHAREHOLDING PATTERN OF NON- PROMOTER - NON- PROMOTER SHAREHOLDER</b>									
1. Custodian / DR Holder - Name of DR Holder (If Available)	0	0	0	0.00	0	0	0	0.00	0
2. Employee Benefit Trust (Under SEBI (Share Based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0
<b>Total Non-Promoter - Non - Public Shareholding (C) (1) + (C) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
<b>Grand Total (A+B+C2)</b>	<b>0</b>	<b>18963700</b>	<b>18963700</b>	<b>100</b>	<b>0</b>	<b>18963700</b>	<b>18963700</b>	<b>100</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>18963700</b>	<b>18963700</b>	<b>100</b>	<b>0</b>	<b>18963700</b>	<b>18963700</b>	<b>100</b>	<b>0</b>

## (ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% Change in share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to Total Shares	No. of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to Total Shares	
1	S. B. SOMANI	1302090	6.87	0	1302090	6.87	0	-
2	SHANTA SOMANI	121390	0.64	0	121390	0.64	0	-
3	ARADHNA SOMANI	83250	0.44	0	83250	0.44	0	-
4	SHRIKANT SOMANI	348537	1.83	0	348537	1.83	0	-
6	CHEMO PHARMA LABORATORIES LTD	5236930	27.62	0	5236930	27.62	0	
7	CITRIC INDIA LTD.	435210	2.29	0	440710	2.32	0	0.03
8	INDIA ENER-GEN LTD.	12750	0.07	0	12750	0.07	0	-
	<b>Total</b>	<b>7540157</b>	<b>39.76</b>	<b>0</b>	<b>7545657</b>	<b>39.79</b>	<b>0</b>	<b>0.03</b>

## (iii) Change in Promoter's Shareholding

Sr. No.	NAME OF THE PROMOTER - CITRIC INDIA LIMITED	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year	435210	2.29	Nil	Nil
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There was increase in Shareholding of the Promoter due to transfer of 5500 Shares on 10.04.2015	Increase in 0.03% of total shares of the company due to transfer of 5500 Shares on 10.04.2015	Nil	Nil
3	At the End of the year	440710	2.32	Nil	Nil

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

Sr. No.	Name of Top ten Shareholders	Folio No.	Shareholding at the Beginning of the Year		Cumulative Shareholding during the Year	
			No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Canara Bank	C10005	900000	4.75	NIL	NIL
2	Shree Consultations & Services Pvt. Ltd.	M03406	813930	4.29	NIL	NIL
3	Kerala State Development	K00227	296270	1.56	NIL	NIL
4	Administrator of the Specified undertaking of the UTI Ltd.	A03120	263600	1.39	NIL	NIL
5	Ishwar Khanna	I00718	200200	1.05	NIL	NIL
6	The Govt. of Kerala	T00056	140000	0.74	NIL	NIL
7	ICICI Bank Ltd.	I00725	130000	0.69	NIL	NIL
8	Kanta Chowdhary	K00236	123820	0.65	NIL	NIL
9	CRB Trustee Ltd.	C10004	101650	0.53	NIL	NIL
10	Lakhani Kan Hassomal	L10203	100000	0.53	NIL	NIL

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



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

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

**(V) INDEBTEDNESS**

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

NIL DURING THE YEAR

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

Sr. No.	Particulars of Remuneration	Shri. P.C. Jain (Non-Executive Independent Director)	Shri.G.K. Joshi (Non-Executive Independent Director)	Shri. Toby Antony (Non-Executive Independent Director)	Smt. Shanta Somani (Executive Director)	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	17000	17000	14000	14000	62000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0	0
2	Stock option	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0
4	Commission as % of profit others (specify)	0 0	0 0	0 0	0 0	0 0
5	Others, please specify	0	0	0	0	0
	<b>Total (A)</b>	<b>17000</b>	<b>17000</b>	<b>14000</b>	<b>14000</b>	<b>62000</b>
	<b>Ceiling as per the Act</b>					

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

Sr. No.	Particulars of Remuneration	RAMASUBRAMONIA IYER CFO	Total
1	<b>Gross Salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	212800	218200
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	a. as % of profit	0	0
	b. Others, specify	0	0
5	Others, please specify	0	0
	<b>Total</b>	<b>218200</b>	<b>218200</b>

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding Fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
<b>NIL DURING THE YEAR</b>					

**ANNEXURE D****SECRETARIAL AUDIT REPORT**

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

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

To,  
The Members,  
**TECIL CHEMICAL AND HYDRO POWER LIMITED**  
**P.O. Chingavanam, Dist Kottayam, Chingavanam, Kerala - 686 531**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S. TECIL CHEMICALS AND HYDRO POWER LIMITED** (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **M/S. TECIL CHEMICALS AND HYDRO POWER LIMITED'S** Books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company, during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board Processes and Compliance Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/S. TECIL CHEMICALS AND HYDRO POWER LIMITED** as given in '**Annexure I**' for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:
  - i. The Companies Act, 2013 and the Rules made there under for specified Sections notified and came into effect from 12<sup>th</sup> September, 2013 and Sections and Rules notified and came into effect from 1<sup>st</sup> April, 2014;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
  - iii. The Depositories Act, 1996 and the regulations and bye- laws framed there under;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings were not attracted to the Company under the financial year under review.
  - v. The following Regulations and Guidelines prescribed under the SEBI Act, 1992 are as follows:-
    - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
    - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable as the Company has not made any further issue of shares);

- d) The Securities And Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable as the Company has not introduced any such scheme during the financial year under review).
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable since the Company has not issued any Debt Securities)
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and SEBI Listing Obligations and Disclosure Requirements, 2015  
(Not applicable as the Company has not delisted / or proposed to delist its Equity Shares from any Stock Exchange during the financial year under review);
  - h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; (Not applicable as the Company has not bought back / proposed to buy-back any of its securities during the financial year under review);
- vi. I have relied on the representation made by the Company and its officers for systems and Mechanism formed by the Company for Compliances under other applicable Acts, Laws and Regulations to the Company. The list of General Acts and Regulations as applicable to the Company is given in '**Annexure II**'. However no specific laws are applicable to the Company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013;

The Listing Agreement entered into by the Company with Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

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

#### **I further report that**

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

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

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and insure compliances with the applicable Laws, Rules, Regulations and Guidelines.

**I further report that** during the Audit period following observations were made:

- 1) The Company has not appointed Company Secretary as required under section 203 (1)(iii) of the Companies Act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- 2) The Company has not published Financial Results under Clause 41(VI)(a) of the Listing Agreement

and under Regulation 47(4) of SEBI (Listing Obligations and Disclosure Requirements), 2015 in one English Newspaper circulating in the whole or substantially the whole of India and in one daily newspaper published in the language of the region, where the registered office of the Company is situated.

- 3) The Company has not issued a Public Notice about Board Meeting under Clause 41(III)(b) of Listing Agreement and under Regulation 47(1) of Listing Obligations and Disclosure Requirements, 2015.
- 4) The Company has not paid Annual Listing fees for the year ended 2015-16 under Regulation 14 of Listing Obligations and Disclosure Requirements, 2015 to Bombay Stock Exchange, National Stock Exchange and Delhi Stock Exchange.

In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Custom Acts I have relied on the Reports given by the Statutory Auditors of the Company.

**I further report that** during the audit period the Company has the following specific events:

1. Approved Code under SEBI (Prohibition of Insider Trading) Regulations, 2015 its Board Meeting dated 29<sup>th</sup> May, 2015
2. Entered Listing Agreement on 22<sup>nd</sup> January, 2016 with Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) pursuant to the SEBI Circular No. CIR/CFD/CMD/06/2015 dated October 13, 2015.

Place: Mumbai  
Date: 30<sup>th</sup> May, 2016

Sd/-  
(Dr. S.K.Jain)  
Proprietor  
(Practicing Company Secretary)  
FCS: 1473  
COP: 3076

**ANNEXURE I****LIST OF DOCUMENTS VERIFIED**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31<sup>st</sup> March, 2015.
3. Minutes of the Meetings of the Board of Directors, Audit Committee and Nomination & Remuneration Committee along with Attendance Register held during the Financial Year under report.
4. Minutes of General Body Meetings held during the Financial Year under report.
5. All Statutory Registers pursuant to the Companies Act, 2013
6. Agenda papers submitted to all the Directors /Members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the Financial Year under Report.
8. E-Forms filed by the Company, from time-to-time, with Registrar of Companies, under relevant applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report

**Place: Mumbai**  
**Date: 30<sup>th</sup> May, 2016**

**Sd/-**  
**(Dr. S.K.Jain)**  
**Proprietor**  
**(Practicing Company Secretary)**  
**FCS: 1473**  
**COP: 3076**

**ANNEXURE II****LIST OF APPLICABLE LAWS TO THE COMPANY**

1. Employees Provident Fund and Miscellaneous Provisions Act, 1952
2. Payment of Gratuity Act, 1972
3. Indian Stamp Act, 1899
4. Negotiable Instruments Act, 1881
5. Indian Contract Act, 1872
6. Income Tax Act, 1961
7. Shop and Establishment Act, 1948

**Place: Mumbai**  
**Date: 30<sup>th</sup> May, 2016**

**Sd/-**  
**(Dr. S.K.Jain)**  
**Proprietor**  
**(Practicing Company Secretary)**  
**FCS: 1473**  
**COP: 3076**

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

To

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

We have audited the quarterly financial results of **TECIL CHEMICALS AND HYDRO POWER LIMITED** for the quarter ended 31<sup>st</sup> March, 2016 and the year to date results for the period 01/04/2015 to 31/03/2016, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25 / Ind AS 34), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India<sup>1</sup>, as applicable and other accounting principles generally accepted in India.

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

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

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

Place: Mumbai  
Date: 30<sup>th</sup> May 2016

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

Sd/-  
**CA Amit Ganpule**  
**Partner**  
**MRN: 114222**  
**No.: C/01/0516**

## INDEPENDENT AUDITORS' REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of **TECIL CHEMICALS & HYDRO POWER LIMITED** ('the Company'), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the Financial Statements

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

### Auditors Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by company's directors, as well as evaluating the overall presentation of the financial statements.

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



### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016 and its loss and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - e. on the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure A**'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g. With respect to the other matters included in the Independent Auditor's report, in our opinion and to the best of our information and according to the explanations given to us:
    - 1) The company has disclosed the impact of pending litigation on its financial position in its financial statement.
    - 2) The company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
    - 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by Company.
2. As required by the Companies (Auditor's Report) Order 2016 ('the Order') issued by the Central Government in terms of section 143(11) of the Act, we give in '**Annexure B**' a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

**Sd/-**  
**CA V. M. Desai**  
**Partner**  
**MRN: 009219**  
**No. : C/01/0516**

**Place: Mumbai**  
**Date: 30<sup>th</sup> May 2016**

## **Annexure A**

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

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

To

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

We have audited the Internal Financial Controls over financial reporting of **TECIL CHEMICALS AND HYDRO POWER LIMITED** ("the Company") as of 31<sup>st</sup> March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

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

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

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

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

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

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

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

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

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place: Mumbai**  
**Date: 30<sup>th</sup> May 2016**

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

**Sd/-**  
**CA V. M. Desai**  
**Partner**  
**MRN: 009219**  
**No. : C/01/0516**

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

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

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

- (i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed Assets were physically verified by the Management during the current year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its Fixed Assets. According to the information and explanations provided to us, the company has during the year written off part of building which was either non existence or was in a irreparable dilapidated condition worth Rs 86.13 Lakhs. The amount of Rs 77.33 Lakhs has been adjusted against the revaluation reserve as the same assets were revalued in the year 1995-96 and balance amount of Rs 8.81 Lakhs have been written off.
- (c) According to the information and explanation given to us and the records examined by us we report that, the immovable properties of land and building which are freehold, are held in the name of the Company as at the Balance Sheet date except 2.64 hectares of land subject to reconveyance of broght in land by the Government. In case of the building constructed on leased land resumed Kerala Government for which appeal is pending before the Kerala High Court (Refer Note No 3 to the financial statements).
- (ii) There was no inventory at beginning of the year neither the company has effected any purchases during the year hence in our opinion clause (ii) is not applicable to the company.
- (iii) (a) The company has given loans to two parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (b) In the case of the loans granted to the companies in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount.
- (c) There are no overdue amounts in respect of the loans granted to the companies listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, no fixed deposits were accepted from the public.
- (vi) In our opinion, clause 3(vi) of the order for maintenance of the cost records under section 148(1) of the Companies Act 2013 is not applicable to the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, ESIC and Income Tax.

- (b) According to the information and explanations given to us there were no undisputed amounts payable in the respect of Income Tax, Sales Tax, Wealth Tax, Excise Duty and other material statutory dues in arrears as at 31<sup>st</sup> March, 2016.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to the banks. The company does not have any loans or borrowings from financial institutions or government and has not issued any debentures.
- (ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the order is not applicable.
- (x) Based on the audit procedures performed and information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit.
- (xi) The Company has not paid any managerial remuneration for the year hence clause 3(xi) of the order is not applicable.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with section 177 and 188 of the act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.
- (xvi) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

**Place: Mumbai**  
**Date: 30<sup>th</sup> May 2016**

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

**Sd/-**  
**CA V. M. Desai**  
**Partner**  
**MRN: 009219**  
**No. : C/01/0516**

**BALANCE SHEET As On 31-03-2016**

Amount Rs. (000's)

Sr. No.	PARTICULARS	NOTES	CURRENT YEAR	PREVIOUS YEAR
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
(1)	<b><u>SHARE HOLDERS FUNDS</u></b>			
	a) Share Capital	1	1,89,637	1,89,637
	b) Reserves and Surplus	2	(2,54,335)	(2,41,271)
	<b>TOTAL</b>		<b>(64,698)</b>	<b>(51,634)</b>
(2)	<b><u>NON-CURRENT LIABILITIES</u></b>			
	Unsecured Loans	3	-	-
	<b>TOTAL</b>		<b>-</b>	<b>-</b>
(3)	<b><u>CURRENT LIABILITIES</u></b>			
	Short-Term Borrowings		-	-
	Other Current Liabilities	4	1,52,134	1,52,584
	Short-Term Provisions		-	32
	<b>TOTAL</b>		<b>1,52,134</b>	<b>1,52,616</b>
	<b>GRAND TOTAL</b>		<b>87,436</b>	<b>1,00,982</b>
<b>II</b>	<b><u>ASSETS</u></b>			
(1)	<b><u>NON-CURRENT ASSETS</u></b>			
A.	<b><u>FIXED ASSETS</u></b>			
	a) Tangible Assets	5	39,831	46,104
	b) In-Tangible Assets		-	-
	c) Capital Work-in-Progress		-	-
	<b>TOTAL</b>		<b>39,831</b>	<b>46,104</b>
B.	<b><u>NON-CURRENT INVESTMENTS</u></b>			
	Investments	6	3,771	3,771
C.	<b><u>LONG TERM LOANS AND ADVANCES</u></b>	7	<b>31,453</b>	<b>43,469</b>
(2)	<b><u>CURRENT ASSETS</u></b>	8		
	a) Short Term Loan and Advances	8(a)	5,458	5,455
	b) Inventories	8(b)	-	-
	c) Cash and Cash equivalents	8(c)	6,923	2,183
	<b>TOTAL</b>		<b>12,381</b>	<b>7,638</b>
	<b>GRAND TOTAL</b>		<b>87,436</b>	<b>100,982</b>

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

for and on behalf of the Board of Directors

For VMD & Co.

Chartered Accountants (FRN: 125002W)

Sd/-  
V.M. DESAI, Partner  
Membership No.F/9219  
No. C/01/0516

Place : Mumbai  
Date: 30<sup>th</sup> May 2016

Sd/-  
S.B. Somani  
Chairman and Managing Director

Sd/-  
G. K. Joshi  
Director

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2016**

Amount Rs. (000's)

Sr. No.	PARTICULARS	NOTES	CURRENT YEAR	PREVIOUS YEAR
	<b>CONTINUING OPERATIONS</b>			
	<b>INCOME</b>			
I	Revenue from Operations	-	-	-
II	Other Income	9	6,303	6,983
III	<b>TOTAL REVENUE (I) + (II)</b>		<b>6,303</b>	<b>6,983</b>
IV	<b>EXPENSES</b>			
1	Cost of Materials Consumed		-	-
2	Purchases of Stock-in-Trade		-	-
3	Changes in inventories		-	-
4	Employee Benefit Expense	10	2,307	3,361
5	Finance costs		-	-
6	Depreciation & amortization Exp. 1,118		-	-
	Less : Tran'fer to Revaluation towards addl depn 228		890	1,074
7	Other Expenses	11	8,209	7,444
8	Provision for Income Tax for Earlier Years		-	-
	<b>TOTAL EXPENSES (IV)</b>		<b>11,406</b>	<b>11,879</b>
V	<b>Profit before exceptional Items &amp; Tax (IV - V)</b>		(5,103)	(4,896)
VI	<b>EXCEPTIONAL ITEMS</b>		-	-
	Excess Provision written back	12	-	265
VII	<b>Profit before extraordinary Items &amp; Tax (V - VI)</b>		(5,103)	(4,631)
VIII	<b>EXTRAORDINARY ITEMS</b>		-	-
IX	<b>Profit before Tax (VII - VIII)</b>		(5,103)	(4,631)
X	<b>EXTRAORDINARY ITEMS</b>			
1	Current Tax		-	-
2	Deferred Tax		-	-
XI	<b>Profit (Loss) from continuing operations (VII - VIII)</b>		(5,103)	(4,631)
XII	<b>Profit (Loss) from discontinuing operations</b>		-	-
XIII	<b>Tax expense of discontinuing operations</b>		-	-
XIV	<b>Profit (Loss) from discontinuing op's after tax (XII - XIII)</b>		-	-
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		(5,103)	(4,631)
XVI	<b>Earning per equity share :</b>			
1	Basic		(0.27)	(0.24)
2	Diluted		(0.27)	(0.24)

See accompanying notes to the financial statements

Summary of significant accounting policies**Seperately Attached**

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

**For and on behalf of the Board of Directors****For VMD & Co.****Chartered Accountants (FRN: 125002W)****Sd/-****S.B. Somani****Chairman and Managing Director****Sd/-****V.M. DESAI, Partner  
Membership No.F/9219  
No. C/01/0516****Sd/-****G. K. Joshi  
Director****Place : Mumbai  
Date: 30<sup>th</sup> May 2016**

**ANNEXURE TO CLAUSE 32 OF THE LISTING AGREEMENT**  
**Cash Flow Statement for the Year 31<sup>st</sup> March, 2016**

<i>Particulars</i>	<i>31-March-2016 (Rs. in '000)</i>		<i>31-March-2015 (Rs. in '000)</i>	
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit / (Loss) Before Extra Ordinary items</b>		<b>(5,103)</b>		<b>(4,896)</b>
<i>Adjusted For :</i>				
Depreciation Provided	1,118		1,719	
Interest Received	-		-	
Dividend Received	-		-	
Profit on Sale of Investments	-		-	
Profit on Sale of Fixed Assets	-		-	
Provisions written back	925		265	
Revaluation Reserve	(228)	1,815	(645)	1,339
<b>Operating Profit before Working Capital Changes</b>		<b>(3,288)</b>		<b>(3,557)</b>
<i>Adjusted For :</i>				
Trade and other receivables	-		-	
Inventories	-		-	
Loans & Advances	(3)		(193)	
Trade payable and provisions	(482)	(485)	(2,501)	(2,694)
<b>Cash Generated including From Operations :</b>		<b>(3,773)</b>		<b>(6,251)</b>
Direct Taxes Paid		-		-
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>(3,773)</b>		<b>(6,251)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Increase in Capital and Reserves	-		-	
Increase in Fixed Assets	(3,769)		(4,411)	
Sales / Decrease of Fixed Assets	200		-	
Sale of Investments	-		-	
Loans received	-		(4,000)	
Dividend Received	-	(3,569)	-	(8,411)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>(7,342)</b>		<b>(14,662)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Loss on sale of Assets	66		-	
Payment of short term liabilities	-		-	
Loans given	12,016		3,281	
Interest Paid	-	12,082	-	3,281
<b>Net Increase in Cash and Cash Equivalents</b>		<b>4,740</b>		<b>(11,381)</b>
Cash and Cash equivalent at the beginning of the Year		2,183		13,564
Cash and Cash equivalent at the End of the Year		6,923		2,183
<b>Actual Balance as per Balance Sheet</b>		<b>6,923</b>		<b>2,183</b>

**Note :**

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



## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31-03-2016

PARTICULARS	Amount Rs. (000's)	
	CURRENT YEAR	PREVIOUS YEAR
<b>1 SHARE CAPITAL</b>		
<i>Authorized Shares:</i>		
2,00,00,000 Equity Shares of Rs.10/- each	200,000	200,000
10,00,000 Cumulative Preference Shares of Rs.100/- each	100,000	100,000
<b>TOTAL</b>	<b>300,000</b>	<b>300,000</b>
<i>Issued, Subscribed and Paid-up Shares in Nos:</i>		
18963700 Equity Shares of Rupees 10/- each Fully Paid Up	189,637	189,637
<b>TOTAL</b>	<b>189,637</b>	<b>189,637</b>
<b>Reconciliation of the Shares outstanding at the beginning and at the end of reporting period</b>		
<b>a Equity Shares :</b>	<i>No. of shares</i>	<i>No. of shares</i>
At the beginning of the period	18,963,700	18,963,700
Issued during the period	-	-
<b>Outstanding at the end of the period</b>	<b>18,963,700</b>	<b>18,963,700</b>
<b>b Preference Shares :</b>		
At the beginning of the period	-	-
Issued during the period	-	-
<b>Outstanding at the end of the period</b>	<b>-</b>	<b>-</b>
<b>LIST OF SHAREHOLDING 5% AND ABOVE</b>		
<i>Sl.No. Name of Shareholder</i>	<i>No. of Shares held</i>	<i>Percentage</i>
1 Chemo Pharma Laboratories Ltd.	5,236,930	27.62%
2 Shrinivas B. Somani	1,302,090	06.87%
<b>2 RESERVES AND SURPLUS</b>		
a. Capital Redumption Reserve (As per last Balance Sheet)	5,814	5,814
b. Capital Reserve (transfer from Revaluation Reserve)	2,629	-
c. Shares Forfeited account	16,480	16,480
d. Securities Premium (As per last Balance Sheet)	139,330	139,330
e. Securities Premium Forfeited (As per last Balance Sheet)	32,960	32,960
f. Investment Allowance Reserve (As per last Balance Sheet)	-	2,629
g. Fixed Assets Revaluation Reserve -		
- As per last Balance Sheet	24,808	
Less : Adjustments during the year		
(a) Transfer to Depreciation Account	228	
(b) Transfer on a/c of Assets disposed	7,733	16,847
<b>TOTAL</b>	<b>214,060</b>	<b>222,021</b>
Less: Debit Balance of Profit and Loss Account		
- As per last Balance Sheet	463,292	-
Add / (Less) : Adj on Assets As per Sch II	-	-
Add / (Less) : Current Year Loss (Profit)	5,103	463,292
<b>GRAND TOTAL</b>	<b>(254,335)</b>	<b>(241,271)</b>
<b>3 LONG TERM BORROWINGS</b>		
	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>
<b>4 CURRENT LIABILITIES</b>		
i Other Current Liabilities	152,134	152,584
iii Short Term Provisions	-	32
<b>TOTAL</b>	<b>152,134</b>	<b>152,616</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

## NOTE - 5

## FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on 01.04.2015	Additions	Deductions 31.03.2016	Upto 31.03.2016	As on 01.04.2015	For the year	Trans - Adj to Sch II	Upto 31.3.2016	As on 31.3.2016	As on 31.3.2015
<b>a) TANGIBLE ASSETS (OWNED)</b>										
Land (Freehold)	26,837	-	-	26,837	-	-	-	-	26,837	26,837
Buildings	47,524	3,703	27,506	23,721	30,239	573	18,892	11,920	11,801	17,285
Furniture & Off Equipms	2,292	66	925	1,433	2,107	25	878	1,254	179	185
Motor Vehicles	4,625	-	1,114	3,511	2,828	519	850	2,497	1,014	1,797
<b>SUB TOTAL</b>	<b>81,278</b>	<b>3,769</b>	<b>29,545</b>	<b>55,502</b>	<b>35,174</b>	<b>1,117</b>	<b>20,620</b>	<b>15,671</b>	<b>39,831</b>	<b>46,104</b>
<b>b) INTANGIBLE ASSETS</b>										
<b>SUB TOTAL</b>	-	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL</b>	<b>81,278</b>	<b>3,769</b>	<b>29,545</b>	<b>55,502</b>	<b>35,174</b>	<b>1,117</b>	<b>20,620</b>	<b>15,671</b>	<b>39,831</b>	<b>46,104</b>
<b>PREVIOUS YEAR</b>	<b>76,868</b>	<b>4,410</b>	-	<b>81,278</b>	<b>33,514</b>	<b>1,718</b>	<b>58</b>	<b>35,174</b>	<b>46,104</b>	<b>43,354</b>

## Notes :

1. Land and Buildings were revalued as on 31.03.1995 by an approved Chartered Engineer and based have been reinstated as on 01.04.1995
2. The Gross Block as on 31.03.2015 includes an amount of Rs. 24,808 on account of revaluation of Fixed Assets.

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31-03-2016**

				<i>Amount Rs. (000's)</i>	
<i>PARTICULARS</i>				<i>CURRENT YEAR</i>	<i>PREVIOUS YEAR</i>
<b>6 NON-CURRENT INVESTMENTS (at cost)</b>					
<b>A In Government Security (Unquoted)</b>				-	-
<b>TOTAL (A)</b>				-	-
<b>B OTHER INVESTMENTS</b>					
<b>i. Shares in Joint Stock Companies - Quoted</b>					
<i>Equity Shares of :</i>					
	<i>Face Value</i>	<i>No. of Shares (Current Yr)</i>	<i>No. of Shares (Last Yr)</i>		
BOMBAY OXYGEN CORP. LTD	100	5	5	1	1
<b>TOTAL (B(i))</b>				<b>1</b>	<b>1</b>
<b>ii. Shares in Joint Stock Companies - Others</b>					
<i>Equity Shares of :</i>					
CITRIC INDIA LTD	10	1,673,755	1,673,755	3,766	3,766
PUNJAB ANAND BATTERIES LTD	10	50	50	1	1
GREATER BOMBAY CO-OP BANK LTD.	25	100	100	3	3
<b>TOTAL (B(ii))</b>				<b>3,770</b>	<b>3,770</b>
<b>GRAND TOTAL (A) + (B)</b>				<b>3,771</b>	<b>3,771</b>
<b>7 LONG TERM LOANS AND ADVANCES</b>					
Inter-corporated Deposits				29,370	41,200
Advances to security deposits				2,083	
<u>Less:</u> Provision for Doubtful Debts made				-	2,269
<b>TOTAL</b>				<b>31,453</b>	<b>43,469</b>
<b>8 CURRENT ASSETS (at cost)</b>					
<b>a) ADVANCES RECOVERABLE IN CASH OR KIND</b>				5,458	
<u>Less:</u> Provision for Doubtful Debts made				-	5,455
<b>TOTAL (a)</b>				<b>5,458</b>	<b>5,455</b>
<b>b) INVENTORIES</b>				-	-
<b>c) CASH AND CASH EQUIVALENTS</b>					
Cash in Hand				134	26
With Scheduled Bank Current Accounts				6,789	2,157
<b>TOTAL (c)</b>				<b>6,923</b>	<b>2,183</b>
<b>GRAND TOTAL (a) + (b) + (c)</b>				<b>12,381</b>	<b>7,638</b>
<b>9 OTHER INCOME</b>					
Sundry Sales				-	14
Interest Received				6,303	6,969
<b>TOTAL</b>				<b>6,303</b>	<b>6,983</b>

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31-03-2016***Amount Rs. (000's)*

<b>PARTICULARS</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
<b>10 PAYMENT TO &amp; PROVISION FOR EMPLOYEES</b>		
Salaries, wages and bonus	2,067	2,994
Employees Welfare Expenses	84	61
Provident Fund	123	252
Leave Salary/wages	33	54
<b>TOTAL</b>	<b>2,307</b>	<b>3,361</b>
<b>11 OTHER EXPENSES</b>		
Rent Paid	1,038	1,082
Rates & Taxes	66	76
Repairs & Maintenance - Others	533	734
Travelling expenses	1,485	1,082
Motor Car Expenses	117	192
Professional charges	1,937	1,962
Directors' Sitting Fees	62	38
Audit Fee	32	32
Electricity charges	969	1,181
Bank Charges	6	11
Telephone & Telex charges	106	100
Postage & Courier Expenses	166	102
Stationary & Printing charges	160	221
Share Transfer expenses	91	63
Office Maintenance Expenses	225	229
Books, Magazines & periodicals	-	118
Web Designing / Web Regn exp	3	11
Membership fee and subscription	202	-
General Charges (Advt Charges)	18	19
Sundry Balances written off	-	191
Loss on sale of Assets	66	-
Fixed Assets written off	927	-
<b>TOTAL</b>	<b>8,209</b>	<b>7,444</b>
<b>12 EXCESS PROVISION WRITTEN BACK</b>		
Excess Provision written back	-	265
<b>TOTAL</b>	<b>-</b>	<b>265</b>

**13. NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016****SIGNIFICANT ACCOUNTING POLICIES:****a) Basis of Preparation of Financial Statements: -**

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

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

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

**c) Fixed Assets: -**

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

**d) Depreciation: -**

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

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

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

**e) Retirement benefits: -**

Employer's Contributions to Provident Fund and gratuity are charged as expenditure.

**f) Investments: -**

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

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

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

**h) Segment Reporting: -**

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

**i) Earnings per Share: -**

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

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

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

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

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

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

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

###### Central excise Refund

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

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

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

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

##### 2. Managerial Remuneration:

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

Particulars	Amount (In Rupees)
Salary	Nil (1,75,200)
Perquisites	Nil (2,27,448)
Contribution to Provident Fund	Nil (86,400)
Total	Nil (4,89,048)

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

March 31 <sup>st</sup> of ->	2016	2015
Profit (Loss) as per Profit and Loss Account	(5,103)	(4,896)
Less : i. Depreciation charged to A/c's	850	976
ii. Directors Sitting fees	62	38
iii. Remuneration to MD	Nil	489
Business Profit (Loss)	(4,191)	(3,393)
Less / Add : Depreciation as per Section 350		
Total Profit for the year		
Add : C/f (Losses) from earlier years	(4,68,395)	(4,63,292)
(Losses) under section 198		

##### 3. Contingent Liabilities:

The Company had acquired lease hold land and invested for improvements thereon.

The Government has taken decision to resume to land vide G.O. 117/2015 dated 20.3.2015. The Company has filed appeal for compensation for infrastructure and improvements made on the lease land, which is pending before the Hon'ble High Court of Kerala.

#### 4. Other matters:

##### a. Inter Corporate Deposit:

The Company has given Inter-Corporate Deposits to Rashtriya Metal Industries Ltd. Rs.100 Lakhs, Vindhyachal Hydro Power Pvt. Ltd. Rs.50 Lakhs, Indian Energen Ltd Rs.62 Lakhs and D.S. Kulkarni Developers Ltd Rs.75 Lakhs. These Inter-Corporate deposits have been made with the aforesaid Companies against security of Post dated Cheques. The Company is receiving interest on the deposits regularly.

##### b. Survey of Freehold Land of the Company at Chingavanam:

The independent Directors of the Company had conducted physical survey of the Freehold Land at Chingavanam during the previous year and no discrepancy has been found by them.

##### c. Advance given to parties:

The Company has given recoverable advance to Mr. Joseph Manual Rs.10 Lakhs. The Company is expecting to recover the advances soon.

##### d. Sale of surplus land at Chingavanam:

The Company had entered into an Agreement for Sale of surplus land at Chingavanam with some parties who had paid a sum of Rs. 6 Crores as advance. However they defaulted in making the balance consideration as per agreement for sale dated 4.7.2012 in spite of extension of time granted to them. The said agreement was cancelled in terms of Clause 8 thereof and the Company refunded Rs. 5 Crores by way of Cheques, after recovering Rs.1 Crore towards opportunity loss, claim, etc. However the Cheques were returned with remark "REFUSED" on the envelope by Postal Department. The Company maintains that the amount of Rs. 5 Crores is still payable to the party.

##### e. Advance for land at Chingavanam:

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

##### f. Arbitration Award:

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

##### g. Due to Small Scale Industrial undertakings.

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

#### 5. Current Assets

A sum of Rs.53,75,291 is due from various parties which has been included under the heading 'Advances recoverable in cash or kind' (Note No. 8(a)). Management is hopeful of recovery of the said amount due from various parties, hence no provision has been made.

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

The Board of Directors of the Company has been continuously exploring new avenues of business opportunities to deploy its surplus funds. Till such time, the Company has utilized its surplus funds by giving interest bearing Inter-Corporate Deposits.

Since the substratum of the Company is intact, the Accounts of the Company have been prepared on 'going concern' basis.

#### 7. Quantitative Details

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

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

Traded Goods -

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

*During 2016*    *During 2015*

#### 8. Raw Materials Consumed

NIL                      NIL

8.1. Percentage of consumption of indigenous / imported raw -  
Materials, packing materials, spare parts and components

NIL                      NIL

#### 9. Expenditure in Foreign Currency for travelling

Rs.1,36,100              NIL

#### 10. CIF value of Imports - Raw materials / Spares / Capital goods

NIL                      NIL

#### 11. Capital Commitments

NIL

12. The Companies in which the Directors are associated have filed the Annual Returns and did not make any default in the repayment of deposits if any fallen out. On the basis of representations received from the Directors, none of the Directors attract disqualifications under section 274(1)(g) of the Companies Act, 1956.

13. The Company had no full time Company Secretary as required u/s 383A of the Companies Act, 1956 during the year under report due to layoff / lock out.

#### 14. Others

14.1 Basic earning per Equity Share and Diluted earning per Equity Share have been computed by dividing net profit by the weighted average number of equity shares outstanding for the year.

14.2 Calculation of Basic Earnings per share

Sr. No.	Particulars	Equivalent number of shares for the year	
		2015-2016	2014-2015
1	Opening No. of Shares	1,89,63,700	1,89,63,700
2	Total Shares Outstanding	1,89,63,700	1,89,63,700
3	Profit after Taxes in Rs. (000)	(5,103)	(4,631)
4	Nominal value of Shares	Rs. 10.00	Rs. 10.00
5	Earning per Share	(0.27)	(0.24)

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



**Relationship Entities where control exist :** Nil

**I. Associate and Group Companies**

Citric India Limited

**II. Key Management Personnel:**

Shri. S.B. Somani, Chairman & Managing Director  
Shri. S.R.S. Iyer, Chief Financial Officer

**Related Party Transactions**

Transactions	Associate and Group Co. Rs.	Key Management Personnel/Rs.	Total Rs.
Opening Balance receivable	Nil	Nil	Nil
Opening Balance payable	Nil	Nil	Nil
Finance Provided including loans given	54,61,575	3,00,000	57,61,575
Amount received	54,61,575	3,00,000	57,61,575
Outstanding Balance receivable	Nil	Nil	Nil
Outstanding Balance payable	Nil	Nil	Nil
Remuneration paid including perquisites	Nil	Nil	Nil

16. Traveling Expenses include foreign travel expenses of Directors (Rs.1,36,100), which are incurred for purposes other than business.
17. In view of the accumulated losses, the Management has to provide deferred tax assets as well as deferred tax liabilities. Hence the disclosure in respect of accounting of taxes on income as required under Accounting Standard 22 issued by ICAI is not done.
18. Figures are given in thousands unless otherwise stated
19. Figures of the previous year have been regrouped / rearranged wherever necessary and are given in bracket unless otherwise specified. The Company has completed the above accounts based on the revised / modified Schedule III applicable for the accounting period 2015-16. The disclosure requirements are made in the notes to accounts or by way of additional statements. The other disclosures as required by the Companies Act are made in the notes to accounts.

**As per attached report of even date**

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

**Sd/-  
VIJAY KUMAR DESAI  
Membership No. F/9219  
No. C/01/0516**

**Place: Mumbai  
Date: 30<sup>th</sup> May, 2016**

**For and behalf of Board of Directors**

**Sd/-  
S. B. SOMANI  
CHAIRMAN & MANAGING DIRECTOR**

**Sd/-  
G. K. JOSHI  
DIRECTOR**

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

TO  
**BOARD OF DIRECTORS  
TECIL CHEMICALS AND HYDRO POWER LIMITED  
P.O. CHINGAVANAM, DIST. KOTTAYAM, KERALA – 686 531**

We have audited the quarterly consolidated financial results of **TECIL CHEMICALS AND HYDRO POWER LIMITED** for the quarter ended 31<sup>ST</sup> March, 2016 and the consolidated year to date results for the period 01/04/2015 to 31/03/2016, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated quarterly financial results as well as the consolidated year to date financial results have been prepared from consolidated interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25 / Ind AS 34), mandated under Section 133 of the Companies Act, 2013 read with relevant rules issued there under or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

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

We did not audit the financial statements of 1 associate included in the Consolidated Quarterly Financial Results and Consolidated Year to Date Results, whose Consolidated Interim Financial Statements reflect total assets of Rs. 4,23,27,505/- as at 31<sup>ST</sup> March, 2016 and Rs. 4,23,27,505/- as at the quarter ended 31<sup>ST</sup> March, 2016; as well as the total revenue of Rs. 60,97,041/- as at 31<sup>ST</sup> March, 2016 and Rs. 14,93,249/- as at the quarter ended 31<sup>ST</sup> March, 2016. These interim financial statements and other financial information have been audited by other auditors whose report(s) has (have) been furnished to us, and our opinion on the Quarterly Financial Results and the year to date results, to the extent they have been derived from such Interim Financial Statements is based solely on the report of such other auditors.

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

- (i) include the quarterly financial results and year to date of the following entities:
  - 1) Citric India Limited
- (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (iii) give a true and fair view of the consolidated net loss and other financial information for the quarter ended 31<sup>ST</sup> March, 2016 as well as the consolidated year to date results for the period from 01/04/2015 to 31/03/2016

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

**Sd/-  
CA Amit Ganpule  
Partner  
MRN: 114222  
No.: C/01/0516**

**Place: Mumbai  
Date: 30<sup>th</sup> May 2016**

## **INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

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

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

We have audited the accompanying Consolidated Financial Statements of **TECIL CHEMICALS AND HYDRO POWER LIMITED** ('the Company'), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the Consolidated financial statements**

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

### **Auditors Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by company's directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016 and its loss and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - e. on the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g. With respect to the other matters included in the Independent Auditor's report, in our opinion and to the best of our information and according to the explanations given to us:
    - 1) The company has disclosed the impact of pending litigation on its financial position in its financial statement.
    - 2) The company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
    - 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by Company.

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

**Sd/-**  
**CA V. M. Desai**  
**Partner**  
**MRN: 009219**  
**No. : C/01/0516**

**Place: Mumbai**  
**Date: 30<sup>th</sup> May 2016**

## **Annexure A**

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

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

To the Members of **TECIL CHEMICALS AND HYDRO POWER LIMITED**

We have audited the Internal Financial Controls over financial reporting of **TECIL CHEMICALS AND HYDRO POWER LIMITED** ("the Company") as of 31 March 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

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

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

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

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

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

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

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

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

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

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one associate company, incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

**Place: Mumbai**  
**Date: 30<sup>th</sup> May 2016**

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

**Sd/-**  
**CA V. M. Desai**  
**Partner**  
**MRN: 009219**  
**No. : C/01/0516**

## CONSOLIDATED BALANCE SHEET AS ON 31-03-2016

Amount Rs. (000's)

Sr. No.	PARTICULARS	NOTES	CURRENT YEAR	PREVIOUS YEAR
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
(1)	<b><u>SHARE HOLDERS FUNDS</u></b>			
	a) Share Capital	1	1,89,637	1,89,637
	b) Reserves and Surplus	2	(2,47,722))	(2,41,271)
	<b>TOTAL</b>		<b>(58,085)</b>	<b>(51,634)</b>
(2)	<b><u>NON-CURRENT LIABILITIES</u></b>			
	Unsecured Loans	3	-	-
	<b>TOTAL</b>		<b>-</b>	<b>-</b>
(3)	<b><u>CURRENT LIABILITIES</u></b>			
	Short-Term Borrowings		-	-
	Other Current Liabilities	4	1,52,134	1,52,584
	Short-Term Provisions		-	32
	<b>TOTAL</b>		<b>1,52,134</b>	<b>1,52,616</b>
	<b>GRAND TOTAL</b>		<b>94,049</b>	<b>1,00,982</b>
<b>II</b>	<b><u>ASSETS</u></b>			
(1)	<b><u>NON-CURRENT ASSETS</u></b>			
A.	<b><u>FIXED ASSETS</u></b>			
	a) Tangible Assets	5	39,831	46,104
	b) In-Tangible Assets		-	-
	c) Capital Work-in-Progress		-	-
	<b>TOTAL</b>		<b>39,831</b>	<b>46,104</b>
B.	<b><u>NON-CURRENT INVESTMENTS</u></b>			
	Investments	6	10,384	3,771
C.	<b><u>LONG TERM LOANS AND ADVANCES</u></b>	7	31,453	43,469
(2)	<b><u>CURRENT ASSETS</u></b>	8		
	a) Short Term Loan and Advances	8(a)	5,458	5,455
	b) Inventories	8(b)	-	-
	c) Cash and Cash equivalents	8(c)	6,923	2,183
	<b>TOTAL</b>		<b>12,381</b>	<b>7,638</b>
	<b>GRAND TOTAL</b>		<b>94,049</b>	<b>100,982</b>

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

for and on behalf of the Board of Directors

For VMD & Co.

Chartered Accountants (FRN: 125002W)

Sd/-  
V.M. DESAI, Partner  
Membership No.F/9219  
No. C/01/0516

Place : Mumbai  
Date: 30<sup>th</sup> May 2016

Sd/-  
S.B. Somani  
Chairman and Managing Director

Sd/-  
G. K. Joshi  
Director

## CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2016

Amount Rs. (000's)

Sr. No.	PARTICULARS	NOTES	CURRENT YEAR	PREVIOUS YEAR
	<b>CONTINUING OPERATIONS</b>			
	<b>INCOME</b>			
I	Revenue from Operations	-	-	-
II	Other Income	9	6,303	6,983
III	Profit in investment in Associate Co		1,016	-
	<b>TOTAL REVENUE (I) + (II)</b>		<b>7,319</b>	<b>6,983</b>
IV	<b>EXPENSES</b>			
1	Cost of Materials Consumed		-	-
2	Purchases of Stock-in-Trade		-	-
3	Changes in inventories		-	-
4	Employee Benefit Expense	10	2,307	3,361
5	Finance costs		-	-
6	Depreciation & amortization Exp. 1,118		-	-
	Less : Tran'fer to Revaluation towards addl depn 228		890	1,074
7	Other Expenses	11	8,209	7,444
8	Provision for Income Tax for Earlier Years		-	-
	<b>TOTAL EXPENSES (IV)</b>		<b>11,406</b>	<b>11,879</b>
V	<b>Profit before exceptional Items &amp; Tax (IV - V)</b>		(4,087)	(4,896)
VI	<b>EXCEPTIONAL ITEMS</b>		-	-
	Excess Provision written back	12	-	265
VII	<b>Profit before extraordinary Items &amp; Tax (V - VI)</b>		(4,087)	(4,631)
VIII	<b>EXTRAORDINARY ITEMS</b>		-	-
IX	<b>Profit before Tax (VII - VIII)</b>		(4,087)	(4,631)
X	<b>EXTRAORDINARY ITEMS</b>			
1	Current Tax		-	-
2	Deferred Tax		-	-
XI	<b>Profit (Loss) from continuing operations (VII - VIII)</b>		(4,087)	(4,631)
XII	<b>Increase in book value of Associate Co</b>		-	-
XIII	<b>Tax expense of discontinuing operations</b>		-	-
XIV	<b>Profit (Loss) from discontinuing op's after tax (XII - XIII)</b>		-	-
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		(4,087)	(4,631)
XVI	<b>Earning per equity share :</b>			
1	Basic		(0.22)	(0.24)
2	Diluted		(0.22)	(0.24)

See accompanying notes to the financial statements

Summary of significant accounting policies

Seperately Attached

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

For and on behalf of the Board of Directors

For VMD &amp; Co.

Chartered Accountants (FRN: 125002W)

Sd/-

S.B. Somani

Chairman and Managing Director

Sd/-

V.M. DESAI, Partner  
Membership No.F/9219  
No. C/01/0516

Sd/-

G. K. Joshi  
Director

Place : Mumbai

Date: 30<sup>th</sup> May 2016



**ANNEXURE TO CLAUSE 32 OF THE LISTING AGREEMENT (CONSOLIDATED)**  
**Cash Flow Statement for the year 31<sup>st</sup> March, 2016**

<i>Particulars</i>	<i>31-March-2016 (Rs. in '000)</i>		<i>31-March-2015 (Rs. in '000)</i>	
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit / (Loss) Before Extra Ordinary items</b>		<b>(4,087)</b>		<b>(4,896)</b>
<i>Adjusted For :</i>				
Depreciation Provided	1,118		1,719	
Interest Received	-		-	
Dividend Received	-		-	
Profit on Sale of Investments	-		-	
Profit on Sale of Fixed Assets	-		-	
Provisions written back	925		265	
Revaluation Reserve	(228)	1,815	(645)	1,339
<b>Operating Profit before Working Capital Changes</b>		<b>(2,272)</b>		<b>(3,557)</b>
<i>Adjusted For :</i>				
Trade and other receivables	-		-	
Inventories	-		-	
Loans & Advances	(3)		(193)	
Trade payable and provisions	(482)	(485)	(2,501)	(2,694)
<b>Cash Generated including From Operations :</b>		<b>(2,757)</b>		<b>(6,251)</b>
Direct Taxes Paid		-		-
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>(2,757)</b>		<b>(6,251)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Increase in Capital and Resrves	-		-	
Increase in Fixed Assets	(3,769)		(4,411)	
Sales / Decrease of Fixed Assets	200		-	
Profit in investment in Associate Company	(1,016)		-	
Loans received	-		(4,000)	
Dividend Received	-	(4,585)	-	(8,411)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>(7,342)</b>		<b>(14,662)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Loss on sale of Assets	66		-	
Payment of short term liabilities	-		-	
Loans given / refund	12,016		3,281	
Interest Paid	-	12,082	-	3,281
<b>Net Increase in Cash and Cash Equivalents</b>		<b>4,740</b>		<b>(11,381)</b>
Cash and Cash equivalent at the beginning of the Year		2,183		13,564
Cash and Cash equivalent at the End of the Year		6,923		2,183
<b>Actual Balance as per Balance Sheet</b>		<b>6,923</b>		<b>2,183</b>

**Note :**

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

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31-03-2016 (CONSOLIDATED)

PARTICULARS	Amount Rs. (000's)		
	CURRENT YEAR	PREVIOUS YEAR	
<b>1 SHARE CAPITAL</b>			
<i>Authorized Shares:</i>			
2,00,00,000 Equity Shares of Rs.10/- each	200,000	200,000	
10,00,000 Cumulative Preference Shares of Rs.100/- each	100,000	100,000	
<b>TOTAL</b>	<b>300,000</b>	<b>300,000</b>	
<i>Issued, Subscribed and Paid-up Shares in Nos:</i>			
18963700 Equity Shares of Rupees 10/- each Fully Paid Up	189,637	189,637	
<b>TOTAL</b>	<b>189,637</b>	<b>189,637</b>	
<b>Reconciliation of the Shares outstanding at the beginning and at the end of reporting period</b>			
<b>a Equity Shares :</b>	<i>No. of shares</i>	<i>No. of shares</i>	
At the beginning of the period	18,963,700	18,963,700	
Issued during the period	-	-	
<b>Outstanding at the end of the period</b>	<b>18,963,700</b>	<b>18,963,700</b>	
<b>b Preference Shares :</b>			
At the beginning of the period	-	-	
Issued during the period	-	-	
<b>Outstanding at the end of the period</b>	<b>-</b>	<b>-</b>	
<b>LIST OF SHAREHOLDING 5% AND ABOVE</b>			
<b>Sl.No.</b>	<b>Name of Shareholder</b>	<b>No. of Shares held</b>	<b>Percentage</b>
1	Chemo Pharma Laboratories Ltd.	5,236,930	27.62%
2	Shriniwas B. Somani	1,302,090	06.87%
<b>2 RESERVES AND SURPLUS</b>			
a. Capital Redumption Reserve (As per last Balance Sheet)		5,814	5,814
b. Capital Reserve			
Increase in book value of Associate Co (CITRIC INDIA LTD)	5,597		
Add : Transfer from Investment allowance Reserve	2,629	8,226	-
c. Shares Forfeited account		16,480	16,480
d. Securities Premium (As per last Balance Sheet)		139,330	139,330
e. Securities Premium Forfeited (As per last Balance Sheet)		32,960	32,960
f. Investment Allowance Reserve (As per last Balance Sheet)		-	2,629
g. Fixed Assets Revaluation Reserve -			
- As per last Balance Sheet	24,808		
Less : Adjustments during the year			
(a) Transfer to Depreciation Account	228		
(b) Transfer on a/c of Assets disposed	7,733	16,847	24,808
<b>TOTAL</b>		<b>219,567</b>	<b>222,021</b>
Less: Debit Balance of Profit and Loss Account			
- As per last Balance Sheet	463,292	-	-
Add / (Less) : Adj on Assets As per Sch II	-		
Add / (Less) : Current Year Loss (Profit)	4,087	467,379	463,292
<b>GRAND TOTAL</b>		<b>(247,722)</b>	<b>(241,271)</b>
<b>3 LONG TERM BORROWINGS</b>			
<b>TOTAL</b>		<b>-</b>	<b>-</b>
<b>4 CURRENT LIABILITIES</b>			
i Other Current Liabilities		152,134	152,584
iii Short Term Provisions		-	32
<b>TOTAL</b>		<b>152,134</b>	<b>152,616</b>

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31-03-2016 (CONSOLIDATED)

PARTICULARS				Amount Rs. (000's)	
				CURRENT YEAR	PREVIOUS YEAR
<b>5</b>	<b>FIXED ASSETS</b>				
i	Tangible Assets	39,831	46,104		
ii	In-Tangible Assets	-	-		
iii	Capital Work-in-Progress	-	-		
	<b>TOTAL</b>	<b>39,831</b>	<b>46,104</b>		
<b>6</b>	<b>NON-CURRNT INVESTMENTS (at cost)</b>				
<b>A</b>	<b>In Government Security (Unquoted)</b>				
	<b>TOTAL (A)</b>	-	-		
<b>B</b>	<b>OTHER INVESTMENTS</b>				
i.	<b>Shares in Joint Stock Companies - Quoted</b>				
	<u>Equity Shares of:</u>	<u>Face Value</u>	<u>No. of Shares (Current Yr)</u>	<u>No. of Shares (Last Yr)</u>	
	BOMBAY OXYGEN CORP. LTD	100	5	5	
	<b>TOTAL (B(i))</b>				1 1
ii.	<b>Shares in Joint Stock Companies - Others</b>				
	<u>Equity Shares of:</u>				
	CITRIC INDIA LTD	10	1,673,755	1,673,755	3,766 3,766
	Add: Increase in book value of the Associate Co				6,613 -
					10,379 3,766
	PUNJAB ANAND BATTERIESLTD	10	50	50	1 1
	GREATER BOMBAY CO-OP BANK LTD.	25	100	100	3 3
	<b>TOTAL (B(ii))</b>				<b>10,383 3,770</b>
	<b>GRAND TOTAL (A) + (B)</b>				<b>10,384 3,771</b>
<b>7</b>	<b>LONG TERM LOANS AND ADVANCES</b>				
	Inter-corporated Deposits			29,370	41,200
	Advances to security deposits		2,083		
	Less: Provision for Doubtful Debts made		-	2,083	2,269
	<b>TOTAL</b>			<b>31,453</b>	<b>43,469</b>
<b>8</b>	<b>CURRNT ASSETS (at cost)</b>				
a)	<b>ADVANCES RECOVERABLE IN CASH OR KIND</b>		5,458		
	Less: Provision for Doubtful Debts made		-	5,458	5,455
	<b>TOTAL (a)</b>			<b>5,458</b>	<b>5,455</b>
b)	<b>INVENTORIES</b>				
	<b>TOTAL (b)</b>				
c)	<b>CASH AND CASH EQUIVALENTS</b>				
	Cash in Hand			134	26
	With Scheduled Bank Current Accounts			6,789	2,157
	<b>TOTAL (c)</b>			<b>6,923</b>	<b>2,183</b>
	<b>GRAND TOTAL (a) + (b) + (c)</b>			<b>12,381</b>	<b>7,638</b>
<b>9</b>	<b>OTHER INCOME</b>				
	Sundry Sales			-	14
	Interest Received			6,303	6,969
	<b>TOTAL</b>			<b>6,303</b>	<b>6,983</b>

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31-03-2016 (CONSOLIDATED)***Amount Rs. (000's)*

<b>PARTICULARS</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
<b>10 PAYMENT TO &amp; PROVISION FOR EMPLOYEES</b>		
Salaries, wages and bonus	2,067	2,994
Employees Welfare Expenses	84	61
Provident Fund	123	252
Leave Salary/wages	33	54
<b>TOTAL</b>	<b>2,307</b>	<b>3,361</b>
<b>11 OTHER EXPENSES</b>		
Rent Paid	1,038	1,082
Rates & Taxes	66	76
Repairs & Maintenance - Others	533	734
Travelling expenses	1,485	1,082
Motor Car Expenses	117	192
Professional charges	1,937	1,962
Directors' Sitting Fees	62	38
Audit Fee	32	32
Electricity charges	969	1,181
Bank Charges	6	11
Telephone & Telex charges	106	100
Postage & Courier Expenses	166	102
Stationary & Printing charges	160	221
Share Transfer expenses	91	63
Office Maintenance Expenses	225	229
Books, Magazines & periodicals	-	118
Web Designing / Web Regn exp	3	11
Membership fee and subscription	202	-
General Charges (Advt Charges)	18	19
Sundry Balances written off	-	191
Loss on sale of Assets	66	-
Fixed Assets written off	927	-
<b>TOTAL</b>	<b>8,209</b>	<b>7,444</b>
<b>12 EXCESS PROVISION WRITTEN BACK</b>		
Excess Provision written back	-	265
<b>TOTAL</b>	<b>-</b>	<b>265</b>

**13. NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016 (CONSOLIDATED)****SIGNIFICANT ACCOUNTING POLICIES:****a) Basis of Preparation of Financial Statements: -**

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

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

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

**c) Fixed Assets: -**

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

**d) Depreciation: -**

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

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

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

**e) Retirement benefits: -**

Employer's Contributions to Provident Fund and gratuity are charged as expenditure.

**f) Investments: -**

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

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

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

**h) Segment Reporting: -**

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

**i) Earnings per Share: -**

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

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

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

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

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

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

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

###### Central excise Refund

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

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

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

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

##### 2. Managerial Remuneration:

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

Particulars	Amount (In Rupees)	
Salary	Nil	(1,75,200)
Perquisites	Nil	(2,27,448)
Contribution to Provident Fund	Nil	(86,400)
Total	Nil	(4,89,048)

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

March 31st of ->	2016	2015
Profit (Loss) as per Profit and Loss Account	(4,087)	(4,896)
Less : i. Depreciation charged to A/c's	850	976
ii. Directors Sitting fees	62	38
iii. Remuneration to MD	Nil	489
Business Profit (Loss)	(3,175)	(3,393)
Less / Add : Depreciation as per Section 350		
Total Profit for the year		
Add : C/f (Losses) from earlier years	(4,67,379)	(4,63,292)
(Losses) under section 198		

##### 3. Contingent Liabilities:

The Company had acquired lease hold land and invested for improvements thereon.

The Government has taken decision to resume to land vide G.O. 117/2015 dated 20.3.2015. The Company has filed appeal for compensation for infrastructure and improvements made on the lease land, which is pending before the Hon'ble High Court of Kerala.

#### 4. Other matters:

##### a. Inter Corporate Deposit:

The Company has given Inter-Corporate Deposits to Rashtriya Metal Industries Ltd. Rs.100 Lakhs, Vindhyachal Hydro Power Pvt. Ltd. Rs.50 Lakhs, Indian Energen Ltd Rs.62 Lakhs and D.S. Kulkarni Developers Ltd Rs.75 Lakhs. These Inter-Corporate deposits have been made with the aforesaid Companies against security of Post dated Cheques. The Company is receiving interest on the deposits regularly.

##### b. Survey of Freehold Land of the Company at Chingavanam:

The independent Directors of the Company had conducted physical survey of the freehold land at Chingavanam during the previous year and no discrepancy has been found by them.

##### c. Advance given to parties:

The Company has given recoverable advance to Mr. Joseph Manual Rs.10 Lakhs. The company is expecting to recover the advances soon.

##### d. Sale of surplus land at Chingavanam:

The Company had entered into an Agreement for Sale of surplus land at Chingavanam with some parties who had paid a sum of Rs. 6 Crores as advance. However they defaulted in making the balance consideration as per agreement for sale dated 4.7.2012 in spite of extension of time granted to them. The said agreement was cancelled in terms of clause 8 thereof and the Company refunded Rs. 5 Crores by way of Cheques, after recovering Rs. 1 Crore towards opportunity loss, claim, etc. However the Cheques were returned with remark "REFUSED" on the envelope by Postal Department. The Company maintains that the amount of Rs. 5 Crores is still payable to the party.

##### e. Advance for land at Chingavanam:

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

##### f. Arbitration Award:

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

##### g. Due to Small Scale Industrial undertakings.

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

#### 5. Current Assets

A sum of Rs.53,75,291 is due from various parties which has been included under the heading 'Advances recoverable in cash or kind' (Note No. 8(a)). Management is hopeful of recovery of the said amount due from various parties, hence no provision has been made.

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

The Board of Directors of the Company has been continuously exploring new avenues of business opportunities to deploy its surplus funds. Till such time, the Company has utilized its surplus funds by giving interest bearing Inter-Corporate Deposits.





**Relationship Entities where control exist :** Nil

**I. Associate and Group Companies**

Citric India Limited

**II. Key Management Personnel:**

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

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

**Related Party Transactions**

Transactions	Associate and Group Co. Rs.	Key Management Personnel/Rs.	Total Rs.
Opening Balance receivable	Nil	Nil	Nil
Opening Balance payable	Nil	Nil	Nil
Finance Provided including loans given	54,61,575	3,00,000	57,61,575
Amount received	54,61,575	3,00,000	57,61,575
Outstanding Balance receivable	Nil	Nil	Nil
Outstanding Balance payable	Nil	Nil	Nil
Remuneration paid including perquisites	Nil	Nil	Nil

16. Traveling Expenses include foreign travel expenses of Directors (Rs.1,36,100), which are incurred for purposes other than business.
17. In view of the accumulated losses, the Management has to provide deferred tax assets as well as deferred tax liabilities. Hence the disclosure in respect of accounting of taxes on income as required under Accounting Standard 22 issued by ICAI is not done.
18. Figures are given in thousands unless otherwise stated
19. Figures of the previous year have been regrouped / rearranged wherever necessary and are given in bracket unless otherwise specified. The Company has completed the above accounts based on the revised / modified Schedule III applicable for the accounting period 2015-16. The disclosure requirements are made in the notes to accounts or by way of additional statements. The other disclosures as required by the Companies Act are made in the notes to accounts.

**As per attached report of even date**

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

**Sd/-  
VIJAY KUMAR DESAI  
Membership No. F/9219  
No. C/01/0516**

**Place: Mumbai  
Date: 30<sup>th</sup> May, 2016**

**For and behalf of Board of Directors**

**Sd/-  
S. B. SOMANI  
CHAIRMAN & MANAGING DIRECTOR**

**Sd/-  
G. K. JOSHI  
DIRECTOR**

**TECIL CHEMICALS AND HYDRO POWER LIMITED**

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

CIN No.- L24299KL1945PLC001206

Website: [www.tecilchemicals.com](http://www.tecilchemicals.com) Email Id: [tecilchemicals@gmail.com](mailto:tecilchemicals@gmail.com)**FORM NO. MGT-11****PROXY FORM****(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of The Companies (Management and Administration) Rules, 2014)**

Name of the Member (s)		
Registered Address		
E-mail Id	Folio No. / Client ID	DP ID

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

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

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **71<sup>st</sup> Annual General Meeting** of the Company, to be held on **08<sup>th</sup> September, 2016, Monday at 10:00 a.m. at P.O., Chingavanam, Dist. Kottayam – 686 531, Kerala** and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions	Vote	
		For	Against
1.	Audited Financial Statement, Reports of the Board of Directors and Auditors and Audited Consolidated Financial Statement for the Financial Year ended 31st March, 2016		
2.	Re-appointment of Shri S. B. Somani who retires by rotation		
3.	Appointment of Auditors and fixing their remuneration		
4.	Adoption of New Set of Articles of Association		

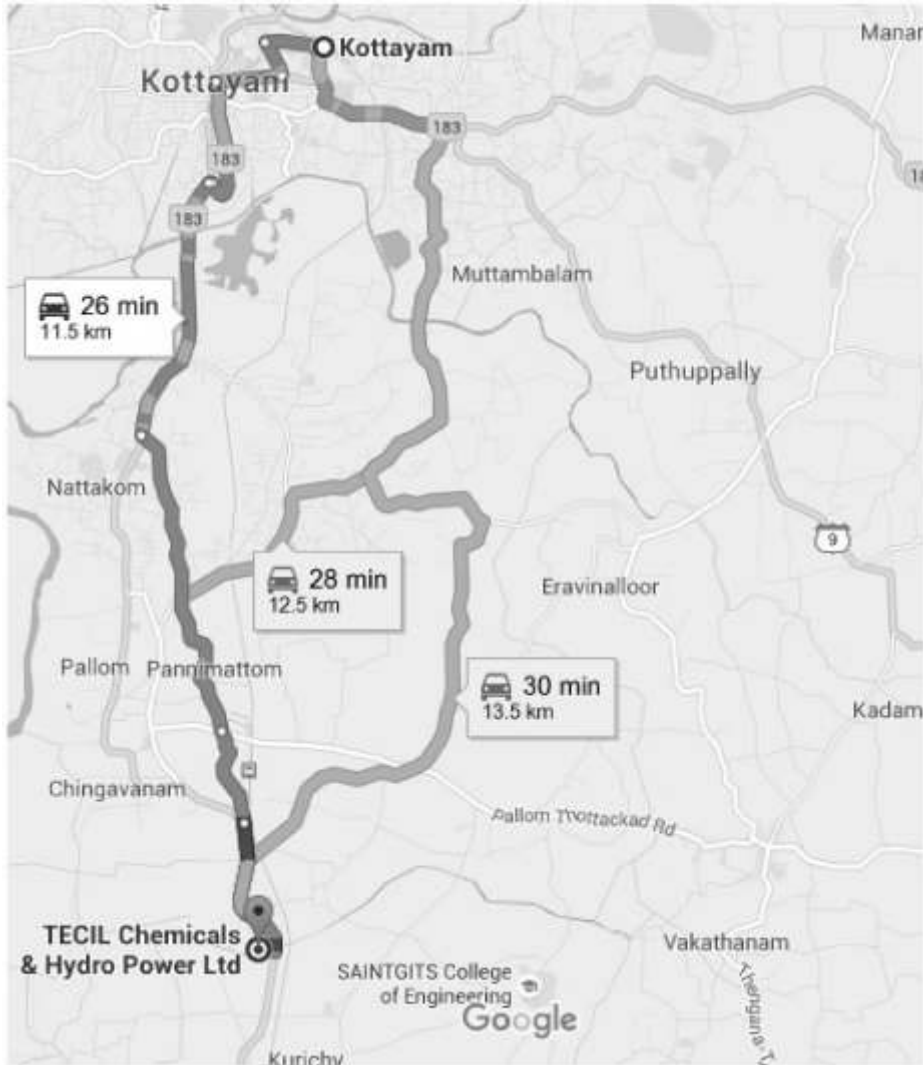
\* Applicable for investors holding shares in Electronic form.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

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

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

Route Map of  
**TECIL CHEMICALS AND HYDRO POWER LIMITED**  
For Annual General Meeting of the Company  
at  
**P.O. CHINGAVANAM, DIST. KOTTAYAM – 686 531, KERALA**



**Book Post**

*If undelivered please return to :*

**TECIL CHEMICALS AND HYDRO POWER LTD.**

P.O. Chingavanam – 686 531

Dist. Kottayam (Kerala)