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## Company Information

### BOARD OF DIRECTORS

Shri H.N. Taparia  
Chairman and Managing Director

Shri J.K. Taparia  
Non-Executive Director

Shri D.P. Taparia  
Non-Executive Director

Shri M.P. Taparia  
Non-Executive Director

Shri P.N. Shah  
Independent Director

Shri B.B. Ladda  
Independent Director

Shri G.S. Manasawala  
Independent Director

Shri Rajeev J. Mundra  
Independent Director

Shri Kamal Binani  
Independent Director  
(from 21/01/2017 to 31/03/2017)

Mrs. Disha N. Wadhvani  
Independent Director

Mrs. Premlata Purohit  
Independent Director  
(Since 27/06/2017)

Shri Virendraa Bangur  
Non-Executive Director

Shri Sivaramakrishnan  
Director – Operations

**Company Secretary**  
Shri V. S. Datey

### Chief Financial Officer

Shri S. R. Bagad

### BOARD COMMITTEES

#### Audit Committee

Shri G.S. Manasawala (Chairman)  
Shri P.N. Shah  
Shri B.B. Ladda  
Shri Rajeev J. Mundra

#### Nomination and Remuneration Committee

Shri G.S. Manasawala (Chairman)  
Shri P.N. Shah  
Shri B.B. Ladda  
Shri Rajeev J. Mundra

#### Shareholders Grievance Committee

Shri D.P. Taparia (Chairman)  
Shri H.N. Taparia  
Shri Sivaramakrishnan

#### Corporate Social Responsibility Committee

Shri H.N. Taparia (Chairman)  
Shri B.B. Ladda  
Shri D.P. Taparia

### BANKERS

HDFC Bank Ltd.  
ICICI Bank Ltd.  
Central Bank of India

### AUDITORS

Batliboi & Purohit,  
Chartered Accountants, Mumbai

### SECRETARIAL AUDITOR

Shri Sagar Khandelwal,  
Practicing Company Secretary,  
Pune

### REGISTRAR & TRANSFER

#### AGENTS

Universal Capital Securities Pvt. Ltd.  
21, Shakil Niwas, Opp. Satya Sai  
Baba Temple, Mahakali Caves Road,  
Andheri (East) Mumbai – 400 093  
Maharashtra  
Tel: (022) 2820 7203-05  
Fax: (022) 2820 7207  
Email: info@unisec.in  
Web Site: www.unisec.in

### CORPORATE OFFICE

423/24, (A-2), Shah and Nahar,  
Lower Parel (W),  
Mumbai – 400 013, Maharashtra  
Tele.: (91) (22) 24938646-50,  
Fax : (91) (22) 24953230  
E-Mail:htaparia@vsnl.com

### PLANTS

1. 52 & 52B, MIDC Area, Satpur,  
Nashik – 422 007 (Maharashtra)  
2. Plot No.L-29, Cuncolim Industrial  
Estate, Cuncolim - 403 703, (Goa)

### REGISTERED OFFICE

52 & 52B, MIDC Area, Trimbak  
Road, Satpur, Nashik – 422 007,  
Maharashtra  
Tele. :(0253) 2350317/318/418,  
Fax : (0253) 2350740  
CIN: L99999MH1965PLC013392  
E-Mail: nashik@tapariatools.com  
Web Site: www.tapariatools.com

## Notice

NOTICE is hereby given that Fifty-first Annual General Meeting of TAPARIA TOOLS LIMITED will be held at Hotel Emerald Park, Sharanpur Link Road, Nashik- 422 002 on Wednesday, the 27<sup>th</sup> day of September, 2017 at 9.30 a.m. to transact the following business:

### AS ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2017 including the Audited Balance Sheet as at 31st March, 2017 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint Shri D. P. Taparia (DIN 00126892), who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri D. P. Taparia (DIN 00126892), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. To appoint Shri Virendraa Bangur (DIN 00237043), who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Virendraa Bangur (DIN 00237043), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

4. To appoint Statutory 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 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments(s) thereof, for the time being in force), M/s. M. M. Parikh & Co., Chartered Accountants, (Registration No.107557W), be and are hereby appointed as Statutory Auditors of the Company, for a term of 5 (five) consecutive years from the conclusion of this Annual General meeting till the conclusion of the sixth Annual General Meeting from this Annual General Meeting, subject to ratification by members every year, as applicable, at such remuneration, as shall be fixed by the Board of Directors of the Company."

### AS SPECIAL BUSINESS

5. To consider & if thought fit, to pass, with / without modification/s, the following resolution as an Ordinary Resolution:

**"RESOLVED that** in accordance with the provisions of Sections 196, 197, and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Shri Sivaramakrishnan (DIN 06436717) as a Whole-time Director, designated as Director - Operations of the Company, for a further period of 5 (five) years from the expiry of his present term of office, that is, with effect from 3rd November 2017 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and /or remuneration as it may deem fit;

**"RESOLVED FURTHER THAT** the remuneration payable to Shri Sivaramakrishnan shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

**"RESOLVED THAT** pursuant to the provisions of sections 149, and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. Premlata Purohit (DIN: 07846020), who was appointed as an Independent Director and who holds office of Independent Director up to the date of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years on the Board of the Company.

By order of the Board  
For TAPARIA TOOLS LTD.

**V. S. Datey**  
Company Secretary

Mumbai, 11<sup>th</sup> August, 2017

**Registered office:**

52 and 52B, MIDC Area,  
Trimbak Road, Satpur,  
Nashik – 422 007 (Maharashtra)  
CIN: L99999MH1965PLC013392  
E-mail: secretarial@tapariatools.com

## *Notes:*

- 1) A member entitled to attend and vote at the Annual General 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.
- 2) The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
- 3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. 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 other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.
- 4) The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Annexure II. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
- 5) Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
- 6) Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
- 7) A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") relating to Special Business to be transacted at the Meeting is annexed hereto.
- 8) In terms of Section 152 of the Act, Shri D.P. Taparia and Shri Virendraa Bangur, Directors, retire by rotation at the Meeting and being eligible, offer themselves for re-appointment.
- 9) Shri D.P. Taparia and Shri Virendraa Bangur, Directors are interested in the Ordinary Resolutions set out at Item Nos. 2 and 3, respectively, of the Notice with regard to their re-appointment. Shri H.N. Taparia, Chairman & Managing Director, Shri J.K. Taparia, Director and Shri M.P. Taparia, Director, being related to Shri D.P. Taparia, may be deemed to be interested in the resolution set out at item No. 2 of the Notice. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under item Nos. 2 and 3 of the Notice.
- 10) Details of Directors retiring by rotation / seeking appointment / re-appointment at the ensuing meeting are provided in the "Annexure-I" to the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.
- 11) Keeping in view the requirements set out in the Act, the Audit Committee and Board of Directors of the Company have recommended appointment of M/s. M. M. Parikh & Co., Chartered Accountants, (Registration No.107557W) as Statutory Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the sixth Annual General Meeting from this Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company. The first year of Audit by the aforesaid Auditors will be of the financial statement of the Company for the financial year ending March, 31, 2018.
- 12) M/s. M. M. Parikh & Co., Chartered Accountants have consented to and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have also confirmed that they are not disqualified to be appointed as Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Board commends the Ordinary Resolution set out at item No. 4 of the Notice for approval by the members.

- 13) Members / Proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of their Annual Report.
- 14) 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 this meeting.
- 15) Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days, (i.e. except Saturdays and public holidays) during business hours up to the date of the Meeting.
- 16) The Company has notified closure of Register of Members and Share Transfer Books from Thursday, September 21<sup>st</sup>, 2017 to Wednesday, September 27<sup>th</sup>, 2017 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
- 17) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / RTA.
- 18) The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2007-08 to the Investor Education and Protection Fund (the IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 29-09-2016 (date of the previous Annual General Meeting) on the website of the Company ([www.tapariatools.com](http://www.tapariatools.com)), as also on the website of the Ministry of Corporate Affairs.
- 19) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / RTA.
- 20) Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form (SH-13) can be downloaded from the Company's website [www.tapariatools.com](http://www.tapariatools.com) under the section 'Investor Relations'.
- 21) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into a single folio.
- 22) Non-Resident Indian Members are requested to inform RTA, immediately of
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- 23) 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.

## EXPLANATORY STATEMENT

Under Section 102(1) of the Companies Act, 2013 ("THE ACT")

### ITEM No. 5

The Board of Directors of the Company ("the Board") at its meeting held on August 11, 2017 has, subject to approval of members, re-appointed Shri Sivaramakrishnan (DIN: 06436717) as a Whole-time Director, designated as Director-Operations, for a further period of 5 (five) years from the expiry of his present term, that is, November 3, 2017, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Shri Sivaramakrishnan as a Whole-time Director, designated as Director-Operations of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Shri Sivaramakrishnan are as under:

A) The Existing ceiling limit of remuneration and perquisites payable to him are as under :

#### I) REMUNERATION

The ceiling limit of remuneration payable to Shri Sivaramakrishnan as Director - Operations be remained same as per existing limit of ₹ 3,00,000/- per month plus existing perquisites as under :

#### II) PERQUISITES

- 1) Medical Reimbursement:  
Expenses incurred for himself and his family, upto a maximum of ₹ 15,000/- per annum.
- 2) Leave and Leave Travel Concession:  
Leave as per rules of the Company including encashment of leave. Leave Travel Concession for self and family, once in a year, incurred in accordance with the rules of the Company, restricted to a maximum of ₹ 12,000/- per annum.
- 3) Other Payments and Provisions will be as under:
  - a) Contribution towards Provident Fund  
Contribution towards Provident Fund will be as per present rules of the Company, which may be modified by discussion. Contribution to Provident Fund will not be included in the computation of the ceiling limit on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.
  - b) Gratuity  
Gratuity shall be payable as per the Provisions of the Gratuity Act, 1972 and Rules made there under.
  - c) Encashment of Leave  
Encashment of Leave shall be at the time of tenure or at the end of tenure.
  - d) Car  
A car will be provided by the Company. The use of Company's car for business purposes will not be considered as a perquisite.
  - e) Telephone  
Provision of telephone at residence will not be considered as perquisite but personal long distance calls shall not be paid by the Company.

B) General

- i) The whole-time Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board / Managing Director from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board / Managing Director and the functions of the Whole-time Director will be under the overall authority of the Managing Director.
- ii) The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- iii) The Whole-time Director shall adhere to the Company's Code of Conduct.
- iv) The office of the Whole-time Director may be terminated by the Company or by him by giving the other 3 (three) months' prior notice in writing.

Shri Sivaramakrishnan has attended age of sixty years on 15-09-2016. Shri Sivaramakrishnan has rich and varied experience in Operations and Management and has been involved in the operations of the Company. It would be in the interest of the Company to continue to avail of his considerable expertise and to re-appoint Shri Sivaramakrishnan as a Whole-time Director. Accordingly, approval of the members is sought for passing an Ordinary Resolution for re-appointment of Shri Sivaramakrishnan as a Whole-time Director, as set out in Part-I of Schedule V to the Act 2013 as also sub-section (3) of Section 196 of the Act.

Save and except as provided in the foregoing paragraph, Shri Sivaramakrishnan satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as written memorandum setting out the terms of re-appointment of Shri Sivaramakrishnan under Section 190 of the Act.

Details of Shri Sivaramakrishnan are provided in the "Annexure-I" to the Notice pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Shri Sivaramakrishnan is interested in the resolution set out at Item No. 5 of the Notice.

The relatives of Shri Sivaramakrishnan may be deemed to be interested in the resolution set out at Item No. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board commends the Ordinary Resolution set out at item No. 5 of the Notice for approval by the members.

**ITEM No. 6**

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has proposed that Mrs. Premlata Purohit (DIN: 07846020) be appointed as an Independent Director on the Board of the Company.

The appointment of Mrs. Premlata Purohit shall be effective upon approval by the members in the Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Premlata Purohit for the office of Director of the Company.



Mrs. Premlata Purohit is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The Company has received a declaration from Mrs. Premlata Purohit that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Mrs. Premlata Purohit fulfills the conditions for her appointment as an Independent Director as specified in the Act and the Listing Regulations. Mrs. Premlata Purohit is independent of the management and possesses appropriate skills, experience and knowledge.

Details of Mrs. Premlata Purohit are provided in the "Annexure-I" to the Notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copy of the draft letter of appointment of Mrs. Premlata Purohit setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

By order of the Board  
For TAPARIA TOOLS LTD.

**V. S. Datey**  
Company Secretary

Mumbai, 11<sup>th</sup> August, 2017

**Registered office:**

52 and 52B, MIDC Area,  
Trimbak Road, Satpur,  
Nashik – 422 007 (Maharashtra)  
CIN: L99999MH1965PLC013392  
E-mail: secretarial@tapariatools.com

*Annexure I***Details of the directors seeking Appointment / Re-appointment in the forthcoming Annual General Meeting**

<b>Particulars</b>	<b>Shri D. P. Taparia (DIN: 00126892)</b>	<b>Shri Virendraa Bangur (DIN: 00237043)</b>	<b>Mrs. Premlata Purohit (DIN: 07846020)</b>	<b>Shri Sivaramakrishnan (DIN: 06436717 )</b>
Date of Birth	24.10.1950	19.03.1975	15.08.1985	15-09-1956
Qualifications	B. Com., DBM	B. Com.	Chartered Accountant & Company Secretary	DME (Mechanical Engg.), NFC (Production Engineering and Industrial Engineering)
Experience (including expertise in Specific functional area)	Sales Management	Industrialist	Taxation, Finance and related matters.	Industrial Engineering, Operations, Management
Date of Appointment/ Re- appointment	24.09.2014	24-09-2014	27-06-2017	03-11-2012
Relationship with other Directors / Key Managerial Personnel	Relative of Shri J.K. Taparia Relative of Shri M.P. Taparia Relative of Shri H.N. Taparia	N.A.	N.A.	N.A.
Shareholding in the Company as on March, 31, 2017	101699	56526	Nil	Nil

## *Annexure II*

**The instructions for shareholders voting electronically are as under:**

- i. The voting period begins on 24th September 2017 at 9.00 a.m. and ends on 26th September 2017 at 5.00 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 21<sup>st</sup> September 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on Shareholders.
- v. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. 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.
- viii. If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>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 which is mentioned in address label as SR. No. affixed on Annual Report, in the PAN field.</p> <p>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.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both 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 (v).</p>

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. 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 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.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xiii. 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.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. 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.

- xvi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xviii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xx. **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 linked in the login 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.
- xxi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
-

## *Financial Highlights*

### SHAREHOLDERS' FUND

1967-1968 : ₹ 39.80 Lakhs

2016-2017 : ₹ 9250.64 Lakhs

(₹ in Lakhs)

	2012-13	2013-14	2014-15	2015-16	2016-17
<b>FOR THE YEAR</b>					
1. Gross Revenue	24195.98	26737.74	29755.47	33810.71	37310.05
2. Profit before Tax	1381.02	1853.31	1510.54	1933.47	1758.37
3. Profit after Tax	957.54	1191.49	972.98	1265.21	1142.10
4. Retained Earnings	3217.32	4289.66	5150.34	6287.15	7315.04
5. Cash Generation	1024.19	1276.59	885.15	1309.68	1184.42
6. Foreign Exchange Earnings	263.87	350.05	225.16	308.97	239.95

<b>AT YEAR END</b>					
7. Gross Fixed Assets	3044.63	3038.53	3042.22	3116.87	3153.00
8. Share capital	303.58	303.58	303.58	303.58	303.58
9. Reserves and Surplus	4395.94	5581.81	6539.75	7804.96	8947.06
10. Net Worth	4699.52	5673.37	6658.64	7904.83	9044.80
11. Borrowings	2616.77	2305.38	2341.72	2746.45	802.64
12. Capital Employed	7316.29	8190.77	9185.05	10854.99	10053.28

<b>PER SHARE (in ₹)</b>					
13. Net Worth per Equity Share	154.82	186.88	219.34	260.39	297.94
14. Earnings per Share	31.54	39.25	32.05	41.68	37.62

<b>RATIO</b>					
15. Debt : Equity Ratio (Debt : Equity Share Capital)	8.62	7.59	7.71	9.05	2.64

## Board's Report

To the Members of Taparia Tools Limited,

Your Directors have pleasure in presenting the 51<sup>st</sup> Annual Report on the operations of the Company together with the Audited Financial Statements for the year ended March 31, 2017.

### FINANCIAL PERFORMANCE

	(₹ in Lakhs)	
	2016-2017	2015-2016
Revenue (Net)	37310.05	33810.71
<b>Profit before interest and depreciation</b>	1931.16	2203.60
<i>Less : Interest</i>	130.47	225.66
<b>Gross Profit</b>	1800.69	1977.94
<i>Less : Depreciation</i>	42.32	44.47
<b>Profit for the year before tax</b>	1758.37	1933.47
<i>Less : Provision for taxation</i>		
Current Tax	618.41	687.27
Deferred Tax	(2.14)	(19.01)
Profit after tax	1142.10	1265.21
<i>Add : Surplus brought forward from previous year</i>	6287.15	5150.34
<b>Profit available for Appropriations</b>	7429.25	6415.55
<i>Less : Transferred to General Reserve</i>	114.21	128.40
<b>Surplus carried to Balance Sheet</b>	7315.04	6287.15

### DIVIDEND

The Directors have not recommended any dividend for the year under review. The Company has retained the funds for expansion of the activities of the Company by introducing additional product range and purchase of Machinery & Equipment, exploring new area for operations etc.

### REVIEW OF OPERATIONS

The Company's working during the year is satisfactory. The Company's total revenue (Net of excise duty) were ₹ 37,310.05 lakhs that represent an increase of 10.35 % over the sales of ₹ 33,810.71 Lakhs in the previous year. Profit earned after tax is ₹ 1,142.10 Lakhs in the current year against ₹ 1,265.21 Lakhs in the previous year. However, the fall in profit is due to the increase in the input cost whereas the selling prices remained the same.

### GOODS AND SERVICES TAX (GST)

The introduction of Goods and Services Tax (GST) is a very significant step in the field of indirect tax reforms in India. By amalgamating a large number of Central and State taxes into a single tax, it would mitigate cascading or double taxation in a major way and pave the way for a common national market. The transition to GST scenario is a major change process and the Company has established a dedicated team to evaluate the impact analysis and carry out changes to the business process & IT systems as per the GST framework.

### CORPORATE GOVERNANCE

It has been the endeavor of your Company to follow and implement best practices in Corporate Governance, in letter and spirit. A report on Corporate Governance together with a certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

Regarding the qualification in the Auditor's Certificate for the appointment of Independent Director it is stated that the Company will take necessary measure to avoid such irregularity.

### LISTING INFORMATION

The equity shares of the company are listed on the Bombay Stock Exchange. The listing fees for the year 2017-2018 have been paid to BSE.

### DEMATERIALIZATION OF SHARES

Since the initiation of the dematerialization of shares of the Promoter and Promoter group, they have dematerialized 73.48% of their shareholding as on date. The Promoter and Promoter Group have not been able to dematerialise the 100% of their shareholdings due to the technical difficulty in non-opening of a Demat account of HUF with joint holding.

### PUBLIC DEPOSITS

During the financial year 2016-17, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 ("the Act") read together with the Companies (Acceptance of Deposits) Rules, 2014.

### LOANS, GUARANTEES AND INVESTMENT

During the financial year 2016-17, the Company has not given any guarantee for loans taken by others from banks or other financial institutions. The Company has not taken any Term Loan.

## HUMAN RESOURCE DEVELOPMENT

The motivated and engaging workforce which has served the company for more than four decades lies at the very foundation of the company's major achievements and shall well continue for the years to come.

The Company has been taking honest efforts in training of individuals, providing them new and earnest opportunities in brushing developing and polishing skills that are beneficial for the employees as well as the Organisation as a whole.

The Company's focus on retention through employee engagement initiatives and providing a holistic environment, gathers opportunities for employees to realize their potential. Company's performance driven culture helps and motivates employees to excel in their respective areas and progress within the organization.

The company has always recognized talent and has judiciously followed the principle of rewarding performance.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri D.P. Taparia and Shri Virendraa Bangur, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Brief profile of Shri D.P. Taparia and Shri Virendraa Bangur are given in the Annexure-I to the Notice.

Shri Shyam Malpani resigned on July 31, 2016 effective from August 1, 2016 due to his personal reasons.

Shri Kamal Binani was co-opted on the Board as Independent Director on January 21, 2017. He resigned on March 31, 2017 due to his personal reasons.

Mrs. Premlata Purohit was co-opted on the Board as Independent Director on June 27, 2017. She holds office as Independent Director upto the date of Annual General Meeting.

The name of Ms. Bhavna S. Shamdasani, Independent Director, has been changed to Mrs. Disha N. Wadhvani.

It is proposed to appoint Mrs. Premlata Purohit as Independent Director on the Board of the Company to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 56th Annual General Meeting of the Company in the calendar year 2022. Brief profile of Mrs. Premlata Purohit is given in the Annexure-I to the Notice.

On the recommendation of the Nomination and Remuneration Committee, Shri Sivaramakrishnan was

re-appointed as Whole time Director, designated as "Director – Operations" by the Board of Directors for the period of 5(five) years from expiry of his present term of office, i.e. with effect from November 3, 2017, subject to the approval of the shareholders.

During the year, the Independent directors of the Company had no pecuniary relationship or transactions with the Company.

## DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and based on the information and representations received from the operating management, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- (b) that such accounting policies as mentioned in Notes to the annual accounts have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual accounts have been prepared on a going concern basis;
- (e) that proper internal financial controls are in place and that the internal financial controls are adequate and are operating effectively;
- (f) that proper systems to ensure compliance with the provisions of all applicable laws are in place and that such systems are adequate and operating effectively.

## INDEPENDENT DIRECTORS' DECLARATION

The Company has received necessary declaration from each of the independent directors, under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6)



of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

**BOARD EVALUATION**

The Board carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

**RELATED PARTY TRANSACTIONS**

There were no contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013. Also there were no materially significant Related Party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the company at large. The Form AOC-2 pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in the Annexure 'G' to this report.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has in place Internal Control Systems, commensurate with the size and complexity of its operations to ensure proper recording of financial and operational information compliance of various internal controls and other regulatory and statutory compliance. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

**PARTICULARS OF EMPLOYEES**

The Information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed herewith as Annexure - 'A'.

**MEETINGS OF THE BOARD**

Four meetings of the Board of Directors were held during the year. For further details of the meetings, please refer to the Corporate Governance Report, which forms part of this report.

**AUDIT COMMITTEE**

The composition, terms of reference, meetings held, etc. of the Audit Committee is provided in Corporate Governance Report which forms part of this Annual Report.

There have been no instances of non-acceptance of any recommendations of the Audit Committee by the Board during the financial year under review.

**NOMINATION AND REMUNERATION COMMITTEE**

The composition, terms of reference etc. of the Nomination and Remuneration Committee is provided in Corporate Governance Report which forms part of this Annual Report.

**AUDITORS AND AUDITORS' REPORT****Statutory Auditors**

As per the provisions of the Companies Act, 2013, the period of office of M/s. Batliboi & Company, Chartered Accountants, Statutory Auditors of the Company, expires at the conclusion of the ensuing Annual General Meeting.

It is proposed to appoint M/s. M. M. Parikh & Co., (Regd. No.107557W) Chartered Accountants as Statutory Auditors of the Company, for a term of 5 (five) consecutive years subject to ratification by members every year. M/s. M. M. Parikh & Co., Chartered Accountants have confirmed their eligibility and qualification required under the Companies Act, 2013, for holding the office, as Statutory Auditors of the Company.

**Auditors' report**

There are no qualifications, reservations or adverse remarks made by M/s. Batliboi and Purohit, Statutory Auditors in their report for the Financial Year ended March 31, 2017.

The observations and comments given in the report of the Auditors read together with notes to accounts are self-explanatory and hence do not call for any further explanation or comments under Section 134(f)(i) of the Companies Act, 2013.

**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 appointed CS Sagar Khandelwal, Practicing Company Secretary, to conduct Secretarial Audit for the F.Y. 2016-2017.

**Secretarial Auditors' Report**

The Secretarial Audit Report for the Financial Year ended March 31, 2017 is annexed as Annexure - 'D' to the Report and Management Reply on the observations stated in the Secretarial Audit Report is annexed as Annexure - 'E'.



## **Cost Audit**

The maintenance of cost records is not applicable to the Company as per the amended Companies (Cost Records and Audit) Rules, 2014, prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.

## **Internal Financial Controls Audit**

The Board has laid down Internal Financial Controls within the meaning of the explanation to Section 134 (5) (e) ("IFC") of the Companies Act, 2013. The Board believes the Company has sound IFC commensurate with the nature and size of its business. Business is however dynamic. The Board is seized of the fact that IFC are not static and are in fact a fluid set of tools which evolve over time as the business, technology and fraud environment changes in response to competition, industry practices, legislation, regulation and current economic conditions. There will therefore be gaps in the IFC as Business evolves. The Company has a process in place to continuously identify such gaps and implement newer and or improved controls wherever the effect of such gaps would have a material effect on the Company's operations

Details of Internal Financial Control and its adequacy are included as an Annexure 'B' to the Independent Auditors' Report.

## **RISK MANAGEMENT**

The Board of the Company has framed a risk management policy and monitors the risk management plan for the Company. The Board reviews the risk management plan and ensuring its effectiveness.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of the Company has constituted a CSR Committee. CSR Committee of the Board has developed a CSR Policy which is enclosed as part of this report Annexure – 'B'. Additionally, the CSR Policy has been uploaded on the website of the Company at [www.tapariatools.com](http://www.tapariatools.com).

## **ENERGY, TECHNOLOGY & FOREIGN EXCHANGE**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under section 134(3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are given in the Annexure – 'C' and forms part of this Report.

## **VIGIL MECHANISM**

In pursuance to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.tapariatools.com](http://www.tapariatools.com)

## **DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL)**

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under, the Company formulated an internal policy on Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) during the year under review.

The policy aims at educating employees on conduct that constitutes sexual harassment, ways and means to prevent occurrence of any such incident, and the mechanism for dealing with such incident in the unlikely event of its occurrence. A Sexual Harassment Committee has been constituted in accordance with the Act.

The Sexual Harassment Committee is responsible for redressal of complaints related to sexual harassment of women at the workplace in accordance with procedures, regulations and guidelines provided in the Policy.

During the year under review there were no complaints referred to the Sexual Harassment Committee.

## **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return of the company is annexed herewith as Annexure – 'F' to this report.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There are no significant or material orders passed by the Regulators/ Courts/ Tribunals which could impact the going concern status of the Company and its future operations.

## **INTERIM ORDER BY SEBI**

The Company has received an Interim Order from SEBI on 20/05/2015 for the alleged Non-Compliance of the

Minimum Public Shareholding. The Company is of the view that there has been no violation with reference to Promoter Shareholding. The said stand of the Company has been intimated to SEBI vide Company's letter dated 14/10/2015.

Company has subsequently applied for Settlement Order by filing "Consent Application" with SEBI on 02/11/2016, in order to avoid prolonged litigation. Since, the demand draft submitted with the Consent Application has become outdated, the Consent Application had to be re-submitted with new demand draft and the activity was completed on 02/08/2017.

As directed in the Order, Company has regularly submitted compliance reports on quarterly basis to BSE.

### **OTHER DISCLOSURES**

- There were no material changes and commitments affecting the financial position of your Company between end of the financial year and the date of this report.

- Your Company has not issued any equity shares or shares with differential voting rights during the financial year.
- Your Company did not issue any sweat equity shares, debentures or bonds during the year.

### **ACKNOWLEDGEMENT**

Your Directors express their sincere appreciation for the cooperation and assistance of Central and State Government authorities, bankers, customers, suppliers and business associates. Your Directors also wish to place on record their deep sense of appreciation for the committed services by your Company's employees. Your Directors acknowledge with gratitude the encouragement and support extended by our valued shareholders.

For and on behalf of the Board of Directors

Mumbai, 11<sup>th</sup> August 2017

**H.N. Taparia**  
Chairman &  
Managing Director

## Annexure 'A' to the Board's Report

Information required pursuant to Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- A. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Name	Ratio
Shri H.N. Taparia	13.46 times
Shri Sivaramakrishnan	6.21 times

Note: Median remuneration of the Company for all its employees is ₹ 3,11,956/- p.a. for the financial year 2016-17.

- B. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year:

Name	Percentage
Shri H.N. Taparia (Chairman and Managing Director)	Nil
Shri Sivaramakrishnan (Director - Operations)	Nil
Shri S.R. Bagad (Chief Financial Officer)	Nil
Shri V.S. Datey (Company Secretary)	65.15

- C. Percentage increase in the median remuneration of all employees in the financial year 2016-17:

	2016-17	2015-16	Increase (%)
Median remuneration of all employees per annum	₹ 3,11,956/-	₹ 3,26,442/-	-

- D. Number of permanent employees on the rolls of the Company as on 31st March, 2017: 489 Nos.

- E. Explanation on the relationship between average increase in remuneration and Company Performance:

The Income from operations of the company increased from a level of ₹ 33,810.71 Lakhs in F.Y. 2015-16 to ₹ 37310.05 Lakhs in F.Y. 2016-17 representing a growth of 10.35%. The increase in remuneration is based on the Company's performance and also includes various other factors like individual performance, experience, skill sets, academic background, industry trend, economic situation and future growth prospects etc. All these factors are considered appropriately for revision of remuneration.

- F. Comparison of the remuneration of the Key Managerial Personnel against the performance of your Company:

The Company's revenue has shown a growth of 10.35% however, no increase in remuneration has been given to Chairman and Managing Director, Director – operations & CFO. There has been an increase in the remuneration payable to CS.

## G. Details of Share price and market capitalization:

	Market Price Per Share (₹)	Earning Per Share (₹)	P/E Ratio	Market Capitalization (₹ in Lakhs)	Percent Change
March 2017	55.75	37.62	1.48	1739	Nil
March 2016	55.75	41.68	1.34	1739	42.72%

## H. Comparison of average percentage increase in salary of employees other than the key managerial personnel and the percentage increase in the key managerial remuneration:

The Company during the year under review has made an increase in the remuneration of the Key Managerial Personnel.

## I. Key parameters for the variable component of remuneration paid to the Directors:

No variable remuneration was paid to any Directors during the year.

## J. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

There are no employees of the Company who receive remuneration in excess of the highest paid Director of the Company

## K. Affirmation:

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

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## Annexure 'B' to the Board's Report

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2016-17

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.  
Refer "Corporate Social Responsibility (CSR)" in the Board's Report.
2. Composition of the CSR Committee:  
Refer item No. 7 i.e. "Corporate Social Responsibility Committee (CSR)" of Report on Corporate Governance.
3. Average net profit of the Company for last three financial years:  
Average net profit: ₹ 1765.49 lakhs
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):  
The Company is required to spend ₹ 35.31 lakhs towards CSR.
5. Details of CSR spent for the financial year:
  - a. Total amount spent for the financial year: ₹ 30.43 Lakhs
  - b. Amount unspent: ₹ 4.88 Lakhs

#### Manner in which the amount spent during the financial year 2016-17:

(₹ in Lakhs)

Sr. No	CSR Project or Activity Identified	Sector in which the activity is covered	Locations District (State)	Amount Outlay (budget) project or program wise	Amount spent on the projects of programs	Cumulative Expenditure	Amount Spend Direct or through Implementing Agency
1	Donation for empowering women and children	Women Empowerment	Mathura (U.P.)	7.00	5.00	5.00	5.00
2	Educational, Scholarship, Bridge Education, Tuition Support, Technical Education, Book Provisioning in remote villages and also providing educational aid to Govt. Schools	Promoting education	Mumbai, Nashik (Maharashtra), Domhail (M.P.)	23.61	11.11	11.11	11.11
3	Supporting Treatment Centres, Preventive Health Care	Preventive Health Care	Mumbai, (Maharashtra), Varanasi (U.P.)	3.00	5.36	5.36	5.36
4	Employment Enhancing Vocational Skills among children, women, elderly, and the differently abled and livelihood enhancement projects	Vocational Skills for Self-Employment	Mumbai (Maharashtra) Kolkata (West Bengal)	1.00	7.00	7.00	7.00

(₹ in Lakhs)

Sr. No	CSR Project or Activity Identified	Sector in which the activity is covered	Locations District (State)	Amount Outlay (budget) project or program wise	Amount spent on the projects of programs	Cumulative Expenditure	Amount Spend Direct or through Implementing Agency
5	Rural Development Project	Rural Development Project	Mumbai (Maharashtra)	0.70	1.96	1.96	1.96

\* Details of the implementing agencies: Maheshwari Pragati Mandal, Manav Vikas Uplift Foundation, Sri Chaitanya Seva Trust, Sri Sarveshwari Samooh, Maa Ramkumari Devi Charitable Trust, Lokhit Pranyas, Vrindavan, Taramani Govindnarain Somani Foudation, K.K. Wagh Education Society, Pandey Shiksha Samiti, Friend Of Tribal Society, Vision Foundation Of India, Kanhaiyalal Taparia Charity Trust, Juwaridevi Ganeshmal Taparia Charity Trust, Unatti Prathamik Vidyalay.

6. Reason for not spending two percent of the average net profits of the last three financial years on CSR:

Out of the total amount to be spent on CSR, the Company has been successful in spending nearly 87% of the said amount. The management has identified certain projects for CSR activities in the local areas, wherein the work had already started in the last year and will be further intensified during the current year.

7. A Responsibility Statement of the Corporate Social Responsibility Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company:

The implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

## Annexure 'C' to the Board's Report

**Information as per Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and forming part of Directors' Report for the year ended March 31, 2017**

### A) CONSERVATION OF ENERGY

i) The steps taken or impact on conservation of energy

Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimise use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques like:

- By maintaining the Power factor.
- By scheduling of working hours and adjusting the paid holidays, the Company has managed to save ₹ 1.50 Lakhs as against the total electricity bill.

ii) The steps taken by the company for utilising alternate sources of energy

- a) Installed voltage stabilizer to each power transformer to reduce power transformer losses.
- b) The Company is in process to explore the use of solar water heater, by which Company will be able to save upto Rs.6000/- per month against the total electricity bill.

iii) The capital investment on energy conservation equipments : Nil

### B) TECHNOLOGY ABSORPTION

i) The efforts made towards technology absorption

Updation of Technology is a Continuous process, absorption implemented and adapted by the Company for innovation. Efforts are continuously made to develop new products required.

The Major achievement by the Company due to their continuous Research and Development activities

is indigenization of tooling, improvements in the manufacturing processes and operation procedures and development of new products.

The following new products have been introduced during the year 2016-2017

- New range in Combination Spanners
- New range in C-Clamp
- Cut off Wheel
- Wood Cutting Blade
- Plastic Tool Box & Organizer
- New range in Side Cutting Pliers
- Cantilever Tool Box

ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

1. Energy Conservation
2. Conservation of natural resources
3. Utilization of waste and environment conservation
4. Improvement in equipment efficiency and productivity
5. Cost reduction

iii) Information regarding Technology Imported during last 3 years

Not Applicable

iv) The expenditure incurred on Research and Development

a) Capital	:	-
b) Recurring	:	₹ 151.18 Lakhs
c) Total	:	₹ 151.18 Lakhs
d) Total R and D Expenditure as a % of total turnover	:	0.41%

C) Foreign Exchange earnings and outgo

Foreign exchange earnings	:	₹ 239.95 Lakhs
Foreign exchange outgo	:	₹ 22.76 Lakhs

## *Annexure 'D' to the Board's Report*

### **SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017

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

To,  
The Members,  
TAPARIA TOOLS LIMITED  
52 & 52B, MIDC Area,  
Nashik-422 007

I am appointed by Board of Directors of TAPARIA TOOLS LIMITED (hereinafter called "the Company") to conduct Secretarial Audit on a voluntary basis for the financial year of the Company ended 31<sup>st</sup> March, 2017.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. 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;
- (v) Other laws applicable specifically to the Company namely
  - A) Labour Laws
    - 1. Factories Act, 1948
    - 2. Industrial Disputes Act, 1947
    - 3. The Payment of Wages Act, 1936
    - 4. The Minimum Wages Act, 1948
    - 5. Employees' State Insurance Act, 1948
    - 6. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
    - 7. The Payment of Bonus Act, 1965
    - 8. The Payment of Gratuity Act, 1972



9. The Maternity Benefit Act, 1961
10. The Child Labour (Prohibition & Regulation) Act, 1986
11. The Industrial Employment (Standing Order) Act, 1946
12. The Employees' Compensation Act, 1923
13. The Apprentices Act, 1961
14. Equal Remuneration Act, 1976

B) Environment Laws

1. Water (Prevention and Control of Pollution) Act, 1974;
2. Water (Prevention and Control of Pollution) Cess Act, 1977;
3. Air (Prevention and Control of Pollution) Act, 1981;
4. Environment (Protection) Act, 1986;
5. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.

**Further I have also examined compliance with the applicable clauses of the following:**

- a) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- b) The Listing Agreements entered into by the Company with the BSE Limited and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, and Listing Agreements etc. Except the following:

1. The Securities and Exchange Board of India (SEBI) had passed an interim order via order number WTM/PS/09/CFD/MAY/2015 dated 20th May 2015 (herein after called as 'the Order') with reference to categorization of Promoters Shareholding.

The Company had submitted an application for personal hearing on the interim order with SEBI on 14th October 2015. SEBI had allowed a hearing to the Company and the same was scheduled on 8th November 2016. Meanwhile the Company submitted a consent application on 2nd November 2016 asking SEBI to condone the delay and settle the matter and advice the Company the further course of action. *The consent application was submitted with delay of 472 days whereas the due date for submission of consent application was within 60 days of receipt of Order.* The Management has informed that the Company is awaiting response from the SEBI on the Consent Application to get guidance on action to be taken on interim Order.

2. *The Company continues to file the Quarterly Shareholding Pattern with the Bombay Stock Exchange as per the stand taken by the management vide its letter dated 14th October, 2015 to SEBI, which is different from the order of SEBI.*

3. *Details regarding non-compliance of filing of form, returns and documents under various act and laws are as follows:*

3.1. *SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.*

3.1.1. *The Corporate Governance Report of 2nd Quarter for the Financial Year 2016-17 was filed with delay and Late Fees with the Bombay Stock Exchange.*

3.1.2. *The outcome of Board Meeting as required to be filed as per regulation 30 was not filed for the Board Meeting dated 30th May 2016 with the Bombay Stock Exchange.*

3.1.3 *The News Paper Advertisement as required under regulation 47 was published in one out of Four Quarters.*

3.1.4 *72.28 % shareholding of promoters was dematerialised whereas Regulation 31 necessitates 100 % shareholding of promoter to be in dematerialised form.* The Management has represented that there is technical difficulty in creating a joint account between Individual and HUF and hence such shares could not be dematerialised.

- 3.1.5 *The company has made appointment of Mr. Kamal Binani on 21st January 2017 as Independent Director in the place of Mr. Shyam Malpani who resigned the office of Director on 31st July 2016. The aforesaid appointment was made beyond the time limit as specified under regulation 25.*
- 3.2 *Companies Act, 2013:*
- 3.2.1 *The Board Report for Financial year 2015-16 contained only one reply for all the qualifications made by the Secretarial Auditor in his Secretarial Audit Report for financial year 2015-16.*
- 3.2.2 *Form MGT-14 & DIR-12 was filed with Registrar of Companies, Mumbai, with slight delay.*
- 3.3 *Other laws and Regulations:*
- 3.3.1 *The Provident Fund return for the month of December was filed with slight delay. The Management has represented that the same was due to technical error on site of Provident Fund.*
- 3.3.2 *The Company had made an application to Maharashtra Pollution Control Board (MPCB) on 1st December, 2012 for extension of consent to operate. The Company received Show Cause Notice dated 13th Feb 2017 for non-compliances from the Maharashtra Pollution Control Board.*
- 3.3.3 *The Factory inspection of the Company was taken by the Deputy Director, Health and Safety on 24th March 2017. Recommendation for Establishment of Creches has been repeated and the same was also listed in the Secretarial Audit Report for the Financial Year 2015-16.*

**I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act other than mentioned above.
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers other than mentioned above.
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel other than mentioned above;
- The FEMA, 1999 is not applicable on Company under the review of audit.

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 ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no specific events/actions in the pursuance to the above referred laws, rules, regulations, guidelines, standards etc. having a major bearing on the company's affairs other than mentioned above.

**Sagar R Khandelwal**  
Company Secretary  
(ACS 25781)  
(C.P. No. 13778)

Place: Pune  
Date: 6<sup>th</sup> August 2017

To,  
The members,  
Taparia Tools Limited.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Sagar R Khandelwal**  
Company Secretary  
(ACS 25781)  
(C.P. No. 13778)

Place: Pune  
Date: 6<sup>th</sup> August 2017

## *Annexure 'E' to the Board's Report*

### **Management Reply on the Observations of Secretarial Audit Report**

Point no. 1: Company has subsequently applied for Settlement Order by filing "Consent Application" with SEBI on 02/11/2016, in order to avoid prolonged litigation. Since, the demand draft submitted with the Consent Application has become outdated, the Consent Application had to be re-submitted with new demand draft and the activity was completed on 02/08/2017. The Company is awaiting the hearing from SEBI on the Consent Application to understand the further course of action to be taken by the Company.

Point no. 2: the shareholding of the 'Promoters and Promoter Group' is already less than 75%, as per the interpretation of the statutory provisions. The same has been explained in the detailed reply given by the Company to SEBI on 14th October, 2015.

Point no. 3.1.1 to 3.1.3, 3.1.5 and 3.2.1 to 3.2.2: the Company is taking necessary measures to avoid such irregularity.

Point no. 3.1.4: the Promoters and Promoter Group has not been able to dematerialise the 100% of their shareholdings due to the technical difficulty in non-opening of a Demat account of HUF with joint holding. The matter is being co-ordinated with respective agencies to find a solution on the subject matter.

Point no. 3.3.1: due to the technical error on site of Provident Fund the return was filed with delay of 3 days and the same was accepted by the authorities of EPFO without charging any penalty.

Point no. 3.3.2: the Company has received the consent no. BO/JD(APC)TB-3/R/CC-815 dated 10/07/2017 from MPCB granting consent to operate upto 31/12/2017.

The show cause notice was served to the Company for non-installation of Sewage Treatment Plant (STP). The installation of STP has been completed and is under trial. The same will be fully operational by 31<sup>st</sup> August, 2017.

Point no. 3.3.3: Establishment of Creches was under process during the audit period. Now the same has been established.

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## Annexure 'F' to the Board's Report

### FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2017

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

#### I. REGISTRATION & OTHER DETAILS:

1	CIN	L99999MH1965PLC013392
2	Registration Date	31 <sup>st</sup> December 1965
3	Name of the Company	Taparia Tools Limited
4	Category/Sub-category of the Company	Public Company limited by shares
5	Address of the Registered office & contact details	52 & 52B, MIDC Area, Trimbak Road, Satpur, Nashik - 422 007
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent	Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas, Opp. Satya Sai Baba Temple, Mahakali Caves Road, Andheri (East), Mumbai – 400 093.

#### 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 and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture and trade of Hand Tools	25933	100

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

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
N.A.					

**IV. SHARE HOLDING PATTERN - (Equity share capital breakup as percentage of total equity)****(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 <sup>st</sup> April-2016]				No. of Shares held at the end of the year [As on 31 <sup>st</sup> March-2017]				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	407659	1,683,558	2,091,217	68.89	1529808	561,409	2,091,217	68.89	0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	25,300	25,300	0.83	-	25,300	25,300	0.83	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (1)</b>	407659	1,708,858	2,116,517	69.72	1529808	586,709	2,116,517	69.72	0.00
(2) <b>Foreign</b>									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (2)</b>	0	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoters(A)(1)+(A)(2)</b>	407659	1,708,858	2,116,517	69.72	1,529,808	586,709	2,116,517	69.72	0.00
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Alternate Investment Funds	-	-	-	-	-	-	-	-	-
c) Banks / FI	-	-	-	-	-	-	-	-	-
d) Central Govt.	-	-	-	-	-	-	-	-	-
e) State Govt(s)	-	-	-	-	-	-	-	-	-
f) Venture Capital Funds	-	-	-	-	-	-	-	-	-
g) Insurance Companies	-	-	-	-	-	-	-	-	-
h) FIIs	-	-	-	-	-	-	-	-	-
i) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>2. Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	-	351,175	351,175	11.57	220	350,955	351,175	11.57	0.00
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
ii) Individual shareholders holding nominal share capital up to ₹ 1 lakh	9228	40,800	50,028	1.65	10588	39390	49,978	1.65	0.00
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	37850	407,134	444,984	14.66	212586	232398	444,984	14.66	0.00

c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	16,500	16,500	0.54	50	16,500	16,550	0.54	0.00
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	20	20	0.00	-	20	20	0.00	0.00
Directors & Relatives	-	56526	56,526	1.86	-	56526	56,526	1.86	0.00
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2)</b>	47,078	872,155	919,233	30.28	223,444	695,789	919,233	30.28	0.00
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	47,078	872,155	919,233	30.28	223,444	695,789	919,233	30.28	0.00
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	454,737	2,581,013	3,035,750	100.00	1,753,252	1,282,498	3,035,750	100.00	0.00

### (ii) Shareholding of Promoter

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2016)			Shareholding at the end of the year (As on 31-03-2017)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Harnarayan Taparia	364,650	12.01	Nil	364,650	12.01	Nil	0.00
2	Harnarayan Taparia (HUF)	133,129	4.39	Nil	133,129	4.39	Nil	0.00
3	Devi Prasad Taparia	101,699	3.35	Nil	101,699	3.35	Nil	0.00
4	Devi Prasad Taparia (HUF)	80,958	2.67	Nil	80,958	2.67	Nil	0.00
5	Jaya Krishna Taparia	147,476	4.86	Nil	147,476	4.86	Nil	0.00
6	Jaya Krishna Taparia (HUF)	66,042	2.18	Nil	66,042	2.18	Nil	0.00
7	Madhav Prasad Taparia	143,565	4.73	Nil	143,565	4.73	Nil	0.00
8	Madhav Prasad Taparia (HUF)	115,969	3.82	Nil	115,969	3.82	Nil	0.00
9	Bhagwati Binani	55	0.00	Nil	55	0.00	Nil	0.00
10	Bharat Taparia	133,194	4.39	Nil	133,194	4.39	Nil	0.00
11	Bharat Kumar Taparia (HUF)	10,718	0.35	Nil	10,718	0.35	Nil	0.00
12	Harsha Mundhra	50,000	1.65	Nil	50,000	1.65	Nil	0.00
13	Kusum Devi Taparia	146,848	4.84	Nil	146,848	4.84	Nil	0.00
14	Prema Devi Taparia	126,989	4.18	Nil	126,989	4.18	Nil	0.00
15	Rajdulari Devi Taparia	181,057	5.96	Nil	181,057	5.96	Nil	0.00
16	Shashi Devi Bangur	69,271	2.28	Nil	69,271	2.28	Nil	0.00
17	Sudha Devi Taparia	103,799	3.42	Nil	103,799	3.42	Nil	0.00
18	Sushil Kumar Taparia	71,799	2.37	Nil	71,799	2.37	Nil	0.00
19	Sushil Kumar Taparia (HUF)	43,999	1.45	Nil	43,999	1.45	Nil	0.00
20	Om Shri Yogeshwar Mfg. & Trading Co.	25,300	0.83	Nil	25,300	0.83	Nil	0.00
<b>Total</b>		<b>2,116,517</b>	<b>69.72</b>	<b>Nil</b>	<b>2,116,517</b>	<b>69.72</b>	<b>Nil</b>	<b>0.00</b>

### (iii) Change in Promoters' Shareholding

Sr. No.	Particulars	Shareholding at the beginning of the year (As on 01-04-2016)		Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	2116517	69.72	2116517	69.72
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease	0	0	0	0.00
	At the end of the year	2116517	69.72	2116517	69.72

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

SN	Name	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of Shares at the beginning (01-04-16)/ end of the year (31-03-17)	% of total Shares of the Company				No. of shares	% of total shares of the Company
1	Veer Enterprises Limited	274,288	9.04	1/4/2016	-	Nil movement during the year	274,288	9.04
		274,288	9.04	31/3/2017				
2	Shreekanta Devi Taparia	100,098	3.30	1/4/2016	-	Nil movement during the year	100,098	3.30
		100,098	3.30	31/3/2017				
3	Anant Taparia	60,364	1.99	1/4/2016	-	Nil movement during the year	60,364	1.99
		60,364	1.99	31/3/2017				
4	Shree Kumar Bangur	57,358	1.89	1/4/2016	-	Nil movement during the year	57,358	1.89
		57,358	1.89	31/3/2017				
5	Saurabh Bangur	56,555	1.86	1/4/2016	-	Nil movement during the year	56,555	1.86
		56,555	1.86	31/3/2017				
6	Abhimanyu Mundhra-Minor through Gardian	50,000	1.65	1/4/2016	-	Nil movement during the year	50,000	1.65
		50,000	1.65	31/3/2017				
7	Shree Satyanarayan Investments Co.	46,000	1.52	1/4/2016	-	Nil movement during the year	46,000	1.52
		46,000	1.52	31/3/2017				
8	Sunita Kabra	37,850	1.25	1/4/2016	-	Nil movement during the year	37,850	1.25
		37,850	1.25	31/3/2017				
9	Aryaman Taparia-Minor through Guardian	35,277	1.16	1/4/2016	-	Nil movement during the year	35,277	1.16
		35,277	1.16	31/3/2017				
10	Satish Kumar Mundhra	20,438	0.67	1/4/2016	-	Nil movement during the year	20,438	0.67
		20,438	0.67	31/3/2017				



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

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of Shares at the beginning (01-04-16)/end of the year (31-03-17)	% of total Shares of the Company				No. of shares	% of total shares of the Company
<b>A</b>	<b>DIRECTORS</b>							
1	Shri H.N. Taparia, Chairman & Managing Director	364,650	12.01	1/4/2016	-	Nil movement during the year	364,650	12.01
		364,650	12.01	31/3/2017				
2	Shri D.P. Taparia, Non-Executive Director	101,699	3.35	1/4/2016	-	Nil movement during the year	101,699	3.35
		101,699	3.35	31/3/2017				
3	Shri J.K. Taparia Non-Executive Director	147,476	4.86	1/4/2016	-	Nil movement during the year	147,476	4.86
		147,476	4.86	31/3/2017				
4	Shri M.P. Taparia Non-Executive Director	143,565	4.73	1/4/2016	-	Nil movement during the year	143,565	4.73
		143,565	4.73	31/3/2017				
5	Shri Virendraa Bangur Non-Executive Director	56,526	1.86	1/4/2016	-	Nil movement during the year	56,526	1.86
		56,526	1.86	31/3/2017				
6	Shri Sivaramakrishnan Whole-time Director	-	-	1/4/2016	-	Nil Holding/movement during the year	-	0.00
		-	-	31/3/2017				
7	Shri P.N. Shah Independent Director	-	-	1/4/2016	-	Nil Holding/movement during the year	-	0.00
		-	-	31/3/2017				
8	Shri B.B. Ladda Independent Director	-	-	1/4/2016	-	Nil Holding/movement during the year	-	0.00
		-	-	31/3/2017				
9	Shri G.S. Manasawala Independent Director	-	-	1/4/2016	-	Nil Holding/movement during the year	-	0.00
		-	-	31/3/2017				
10	Shri Rajeev J. Mundra Independent Director	-	-	1/4/2016	-	Nil Holding/movement during the year	-	0.00
		-	-	31/3/2017				
11	Mrs. Disha Wadhvani Independent Director	-	-	1/4/2016	-	Nil Holding/movement during the year	-	0.00
		-	-	31/3/2017				
12	Mrs. Premlata Purohit Independent Director	-	-	1/4/2016	-	Nil Holding/movement during the year	-	0.00
		-	-	31/3/2017				

<b>B KEY MANAGERIAL PERSONNEL</b>							
1	Shri V.S. Datey Company Secretary	-	-	1/4/2016	-	Nil Holding/ movement during the year	0.00
		-	-	31/3/2017	-		
2	Shri S.R. Bagad Chief Financial Officer	-	-	1/4/2016	-	Nil Holding/ movement during the year	0.00
		-	-	31/3/2017	-		

**V. INDEBTEDNESS**
**Indebtedness of the Company including interest outstanding/accrued but not due for payment.**
*(₹ in Lakhs)*

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Addition	-	-	-	-
Reduction	-	-	-	-
Exchange Difference	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name	Shri H.N. Taparia	Shri Sivaramakrishnan	
	Designation	Chairman and Managing Director	Director - Operations	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	42.00	17.24	59.24
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	1.92	1.92
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
		-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>42.00</b>	<b>19.16</b>	<b>61.16</b>
	Ceiling as per the Act	(10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)		

**B. Remuneration to other Directors**

(₹ In Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Shri P.N. Shah	Shri B.B. Ladda	Shri G.S. Manasawala	Shri Rajeev J. Mundra	Mrs. Disha Wadhvani	Shri Kamal Binani	Shri Shyam Malpani	
1	Independent Directors								
	Sitting Fee for attending board/ committee meetings	0.50	0.25	0.70	0.70	0.45	-	-	2.60
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	0.50	0.25	0.70	0.70	0.45	-	-	2.60
2	Other Non-Executive Directors	Shri J.K. Taparia	Shri D.P. Taparia	Shri M.P. Taparia	Shri Virendraa Bangur				-
	Fee for attending board/ committee meetings	0.40	0.40	0.20	0.20				1.20
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (2)	0.40	0.40	0.20	0.20				1.20
	Total (B)=(1+2)								3.80
	Total Managerial Remuneration Total (A)+ (B)								64.96
	Overall Ceiling as per the Act	(11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)							

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

(₹ In Lakhs)

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (₹ In Lakhs)
		Shri S.R. Bagad	Shri V.S. Datey	
		CFO	CS	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8.39	1.72	10.11
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.01	0.30	1.31
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit	-	-	-
5	Others, please specify	-	-	-
	Total	9.40	2.02	11.42

**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>A. COMPANY</b>					
Penalty			Nil		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			Nil		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			Nil		
Punishment					
Compounding					

For and on behalf of the Board of Directors

Mumbai, 11<sup>th</sup> August 2017**H.N. Taparia**  
Chairman and Managing Director

## Annexure 'G' to the Board's Report

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

(a) Name(s) of the related party and nature of relationship	N.A.
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) Date(s) of approval by the Board	
(g) Amount paid as advances, if any	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

#### 2. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship	N.A.
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Date(s) of approval by the Board, if any	
(f) Amount paid as advances, if any	

For and on behalf of the Board of Directors

Mumbai, 11<sup>th</sup> August 2017

**H.N. Taparia**  
Chairman and Managing Director

## *Management Discussion And Analysis*

### **ECONOMIC SCENARIO**

The financial year 2016-17 has been a year marked with both excitement and challenges for the global as well as the Indian economy. Some of the events that took place during the course of this year could very well turn out to be the defining moments for the world economy at large. The sheer scale and swiftness with which the Indian Government demonetised almost 86% of the currency notes in circulation in November 2016 is one such event. Coming at a time when the Indian economy was just beginning to look up on the back of positive sentiments from private consumption and normal monsoon, the cash shortage and payment disruptions caused by demonetisation, strained the consumption and business activity for a major part of the second half of the year but the situation has started reversing. The GDP of India is expected to be 7.2% and India is the fastest growing economy in the world. The implementation of GST reform from July 2017 will also boost the market sentiments in 2017-18. The Inflation is also under control and industrial manufacturing is also improving.

On the global front, two key events have led to a lot of uncertainty and spurt in volatility across markets. In June 2016, UK voted to leave the European Union leading to an immediate ratings downgrade and financial market volatility. The financial markets have seemingly factored in this event but the impending round of trade negotiations between UK and the European Union, point to a tough road ahead. The November 2016 US election outcome was also a major surprise and led to a lot of capital flight away from the emerging markets, including India, on the hopes of strong pro-US growth policy rollouts from the new Government. The challenges faced in the initial roll-out of some of this agenda by the new administration, point to a difficult road ahead which will have implications not just for the US economy but the entire global set-up.

### **OPPORTUNITIES AND THREATS**

#### **Opportunities:**

“Taparia Tools Ltd.” owing to the long term standing in the market and its favorability among the customers, continues to seek varied and extensive opportunities for the Company. As the Company continues the introduction of new products and sets its foot in various market segments like New Replacement Markets as well as in retail markets, the Company strives to achieve new avenues of growth and development.

The Company will explore the potentials of new products in the present segment. This has proved beneficial during the recession period which is very good sign for the company.

#### **Threats:**

In terms of threat, any adverse changes in the industrial environment or government policy making affecting our customers could lead to reduction in demand for their finished products, in turn can have a direct impact on the demand of our products. Low quality counterfeit or spurious products pose bigger risk to the end users and threat to the superior manufacturer. Duplicate products under the Company brand continues to be a problem hampering the operations and profits of the Company.

The implementation of Goods & Services Tax (GST) is expected to have mixed response on demand in short term, over period, it will facilitate ease of doing business & provide a motivation to the business.

### **RISK MANAGEMENT**

The prudent principles of risk minimization no longer are an option but have become a compulsion these days.

In keeping with these norms the board took a well informed decision to initiate the procedure and thereafter formally adopted steps for framing, implementing and monitoring the risk management policy for the company.

The objective of this policy is ensuring stability of business and its sound growth and also to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business.

In accordance with newly introduced Regulation 17(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the Board ensures adherence and continuation of such risk management policy.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, Competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities.

Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk.

As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

### **STRATEGY:**

Assuring and delivering the best quality of products to the customers has always been a priority. The Corporate Quality Assurance system has brought about a steep improvement in quality as it integrated the divisional quality assurance systems which had been in existence and delivering value to the customers.

The Company's business strategy is to improve its customer's business performance:

1. By being the partner providing the greatest value.
2. Based upon world-class technology, product application expertise and excellence in customer service.

### **OPERATIONAL AND FINANCIAL PERFORMANCE**

The Company's working during the year is satisfactory. The Company's total revenue during the year are ₹ 37,310.05 lakhs that represent an increase of 10.35% as compared to the sales of ₹ 33,810.71 Lakhs in the previous year. Profit earned after tax is ₹ 1,142.10 Lakhs in the current year against ₹ 1,265.21 Lakhs in the previous year.

All the efforts put in by the Management have led to a very stable and conducive work environment in the Company and paves way for the future growth. The Board acknowledges strong commitment and on-the-ground efforts of all the employees towards the growth of the organisation.

### **OUTLOOK**

The overall strategic outlook of the Company remains focused upon pursuing growth based on its philosophy of generating profits through creation of the "Greatest Value" for its customers. In terms of market conditions, India is at an inflection point, with its metals and energy demand poised to explode as its GDP potentially doubles over the next decade. Taparia Tools Limited as a responsible corporation is well-positioned to explore the opportunities that come with the developing economic conditions. The Company has reviewed its strategic objectives and is geared to develop innovative solutions for its customers. The Company also seeks to continue having its focus on strategic growth initiatives for business expansion and sector penetration.

### **RESEARCH AND DEVELOPMENT**

Research and development is an ongoing process at Taparia Tools Limited. The Company is continuously innovating and discovering methods and concepts to improve the quality of its product and achieve operational efficiency.

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

In order to ensure orderly and efficient conduct of business, Company's management has put in place necessary internal control systems commensurate with its business requirements, scale of operations and applicable statutes.

Company has designed the necessary internal financial controls and systems with regard to adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. Company has documented Standard Operating Procedures (SOPs) for procurement, human resources, sales and marketing, logistics, finance and treasury, financial reporting, compliances and other areas of its operations.

The compliance to these controls and systems including SOPs is periodically reviewed by the Internal Audit function and exceptions are reported. All material audit observations and follow up actions thereon are reported to the Audit Committee. The Committee holds regular discussions with the auditors to ensure adequacy and effectiveness of the internal control systems and monitors implementation of audit recommendations.

**HUMAN RESOURCES:**

A company may have the best technology, best strategy and the best plant and machinery in its business, but if it doesn't have the hearts and minds of the people who work with it, none of it comes to life. At Taparia, everyone considers himself as a part of family and identifies himself as part of a one whole. They treat themselves as an entrepreneur and contribute in the working of the Company with a mindset as if every gain or loss caused to the Company is his own. That's a value system that flows from the top management and is a guiding principle for all our people practices. During the year, Company looks upon to focus its efforts to further align human resource policies, processes and initiatives to meet its business needs. In order to focus on keeping employees abreast of technological and technical developments, the Company provides opportunity for training and learning.

The Company continued the welfare activities for the employees, which include Medical Care, Group Insurance, Canteen facility, etc. To enrich the skills of employees and enrich their experience, the Company arranges Practical Training Courses by Internal and External Faculty.

The Company has good cordial relation with trade union and employees representatives and views these relationships as contributing positively to the success of the business.

**STATUTORY COMPLIANCE**

All declarations and compliances with respect to the applicable statutes, enactments and guidelines are submitted at every meeting of the Board of Directors of the Company. The Company Secretary who is also the Compliance Officer gives a declaration of compliance to the Board with respect to the applicable provisions of Companies Act, 2013 and Securities and Exchange Board of India (SEBI) Regulations.

**CONCLUSION:**

The Company has posted better results in the year 2016-2017, the economy being conducive and favorable to the industry. The Company is concentrating to achieve higher position in the Hand Tools Market and multiply its turnover by expanding its area of operation. The Company has plans for making investment in the Hand Tools business to further consolidate its leadership position.

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**CAUTIONARY STATEMENT**

*Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations and predictions may be "forward-looking statements" within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied, important factors that could make difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the Government regulations, tax regimes, economic developments within India and countries in which the Company conducts business and other incidental factors.*



## *Report on Corporate Governance for the Financial Year 2016-2017*

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

Good Corporate Governance is not an end in itself, it is the means to create confidence with stakeholders and establish business integrity for an organization. Taparia Tools has come a long way in adopting some of the key principles of Corporate Governance like transparency, fairness, disclosures and accountability and these principles have been strongly cemented in the pillars, it has been founded upon. The business strategies and operations of the Company are governed by these principles to ensure fiscal accountability, ethical corporate behavior and fairness to all stakeholders.

Company's Corporate Governance policy is the ideology of transparency and openness in the effective working of the management and Board. It is believed that the imperative for good Corporate Governance lies not merely in drafting a code of Corporate Governance but in practicing it.

A report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is given below:

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

#### **Board Composition**

As on 31st March, 2017, the Company had 12 Directors of which 2 are Executive Directors and 4 are Non-Executive and 6 are Independent Directors including a woman director. The composition of the Board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the directors on the board holds directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2017 have been made by the directors.

Independent directors are non-executive directors as defined under Regulation 16 (1b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under Section 149 of the Act.

#### **Board Meetings**

Four Board Meetings were held during the year ended on 31st March 2017. These were held on May 30, 2016; August 13, 2016; November 11, 2016 and January 21, 2017. Maximum time gap between two Board Meetings did not exceed the limits as stipulated in the Companies Act, 2013.

#### **Attendance of Directors at the Board Meeting and the last Annual General Meeting**

Name of the Director	Category	Meetings		Directorship in other Public Companies
		Board	AGM	
Shri H. N. Taparia	Chairman and MD, Promoter Director	4	Yes	1
Shri P. N. Shah	Independent Director	3	-	7
Shri B. B. Ladda	Independent Director	1	-	-
Shri G. S. Manasawala	Independent Director	4	Yes	1
Shri Rajeev J. Mundra	Independent Director	4	-	2

Name of the Director	Category	Meetings		Directorship in other Public Companies
		Board	AGM	
Shri Shyam Malpani (upto 31-07-2016)	Independent Director	-	-	-
Shri Kamal Binani (w.e.f. 21-01-2017 to 31-03-2017)	Independent Director	-	-	4
Mrs. Disha N. Wadhvani	Independent Director	4	-	-
Shri Virendraa Bangur	Non-Executive Director	2	-	6
Shri J.K. Taparia	Non-Executive, Promoter Director	4	Yes	-
Shri M.P. Taparia	Non-Executive, Promoter Director	2	Yes	1
Shri D.P. Taparia	Non-Executive, Promoter Director	3	Yes	3
Shri Sivaramakrishnan	Director – Operations	3	Yes	-

### 3. Independent Directors :

The Independent Directors met on 11<sup>th</sup> November, 2016 without the presence of non-independent directors and members of the management. At this meeting, the Independent Directors inter-alia discussed the following details:

- Reviewed the performance of the non-independent directors and the board of directors as a whole.
- Reviewed the performance of the chairman of the board.
- Assessed the quality, quantity and timeliness of flow of information between the management and the board of directors.

#### Familiarization Programme for Independent Directors

The Executive Director of the Company provides a brief of the industry and business of the Company to the new Independent Directors and also has a discussion to familiarize the Independent Directors with the Company's operations. At the time of regularization of the appointment of Independent Directors, the appointment is formalized by issuing a letter to the director, which inter-alia explains the role, function, duties and responsibilities expected of him/her as a director of the Company. The Company also from time to time familiarizes the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

#### Performance Evaluation of non-executive and Independent Directors

The performance evaluation criteria laid down for Independent Directors covers attendance and contribution of Director at Board/Committee meetings, adherence to ethical standards and code of conduct of the Company, inter-personal relations with other Directors, meaningful and constructive contribution and inputs in the Board/Committee meetings, etc.

### 4. AUDIT COMMITTEE

#### Composition of the Committee

The Audit Committee of the Company comprises of four Independent Directors, namely,

- Shri G. S. Manasawala – Chairman
- Shri P. N. Shah
- Shri B. B. Ladda and
- Shri Rajeev J. Mundra.

The members of the Committee have good exposure to Law, Financial Management, Taxation, Company Law matters, Internal/External Audit as well as in the areas of general management.

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 as well as those mentioned in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Members of the Audit Committee possess financial / accounting expertise / exposure.

### **Scope of Audit Committee**

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18(1) of the Listing Regulations read with Section 177 of the Companies Act, 2013 and its terms of reference include the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approving payments to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the quarterly and annual financial statements before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Section 134 of the Companies Act, 2013;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments to financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Approval or any subsequent modification of transactions of the Company with related parties;
  - g) Scrutiny of inter-corporate loans and investments.
  - h) Qualifications in the draft audit report.
5. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
6. Review and monitor auditors independence and performance of statutory and internal auditors and effectiveness of adequacy of audit process.
7. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Carrying discussions with internal auditors on any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Carrying discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

11. To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non-payment of declared dividends) and creditors.
12. To monitor the use of proceeds received in the initial public offering.
13. Approval of appointment of CFO (i.e. the Whole-time Financial Director or any other person heading the finance function or discharging that function) after assessing the qualification and background etc. of the candidate.
14. To review the functioning of the Whistle Blower mechanism.

**Powers of Audit Committee:**

1. To investigate any activity within its terms of reference
2. To seek information from any employee
3. Major accounting entries involving estimates based on the exercise of judgment by the management;
4. Significant adjustments made in financial statements arising out of audit findings; Compliance with listing and other legal requirements relating to financial statements;
5. Approval or any subsequent modification of transactions of the Company with related parties;
6. Scrutiny of inter-corporate loans and investments.

**Meeting Details**

Four Meetings were held during the year – on May 30, 2016; August 13, 2016; November 11, 2016 and January 21, 2017.

<b>Name of the Director</b>	<b>Designation</b>	<b>No. of meetings Attended</b>
Shri G. S. Manasawala	Chairman	4
Shri P. N. Shah	Member	3
Shri B. B. Ladda	Member	1
Shri Rajeev J. Mundra	Member	4
Shri Shyam Malpani (upto 31-07-2016)	Member	Nil

**Attendance of Directors at the Audit Committee Meetings**

Shri Harnarayan Taparia, Executive Chairman and Managing Director and Shri S.R. Bagad, Chief Financial Officer are permanent invitees to the Audit Committee meetings. In addition, the heads of the Finance and Accounts, representatives of Internal and Statutory auditors generally attended these meetings. The Company Secretary acted as the Secretary to the Audit Committee.

**5. NOMINATION AND REMUNERATION COMMITTEE**

Terms of Reference of the Committee, inter alia, includes the following:

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
2. To devise a policy on Board diversity;
3. To formulate the criteria for evaluation of Independent Directors and the Board;

4. To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.

### Composition of the Committee

**The Nomination and Remuneration Committee consists of five Independent Directors, namely:**

Shri G. S. Manasawala (Chairman of the Committee)	Independent Director
Shri P. N. Shah	Independent Director
Shri B. B. Ladda	Independent Director
Shri Rajeev. J. Mundra	Independent Director
Shri Shyam Malpani (upto 31-07-2016)	Independent Director

### Meeting Details

Nomination and Remuneration Committee Meeting was held in the year under review on January 21, 2017. All the above Independent Directors attended the Meeting.

### Attendance of Directors at the Nomination and Remuneration Committee Meetings

Name of the Director	Designation	No. of meetings Attended
Shri G. S. Manasawala	Chairman	1
Shri P. N. Shah	Member	1
Shri B. B. Ladda	Member	1
Shri Rajeev J. Mundra	Member	1
Shri Shyam Malpani (upto 31-07-2016)	Member	Nil

### Remuneration Policy

The Nomination and Remuneration Committee is fully empowered to determine/approve and revise, subject to necessary approvals, the remuneration of managerial personnel including Managing Director after taking into account the financial position of the Company, trends in the industry, qualifications, experience, past performance and past remuneration, etc.

The Non-Executive Directors are paid sitting fees for every meeting of the Board and its Committees attended by them.

### Details of Sitting Fees paid to Non-Executive Directors and Independent Directors

Name of the Director	Amount (₹)	Name of the Director	Amount (₹)
Shri P. N. Shah	50,000	Mrs. Disha N. Wadhwani	45,000
Shri G. S. Manasawala	70,000	Shri D. P. Taparia	40,000
Shri B. B. Ladda	25,000	Shri M. P. Taparia	20,000
Shri Rajeev J. Mundra	70,000	Shri J. K. Taparia	40,000
Shri Kamal Binani	-	Shri Virendraa Bangur	20,000
Shri Shyam Malpani (upto 31-07-2016)	-		-
Total Sitting Fees Paid			3,80,000

*(The above sitting fees are excluding reimbursement of travel and other expenses incurred for the business of the Company)*

Sitting fees for Directors for the Meetings are as follows:

- Board of Directors: ₹ 10,000/- each meeting.
- Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Independent Directors and Special Committee: ₹ 5,000/- each meeting.

### Performance evaluation of Directors

The Nomination and Remuneration Committee of the Board has laid down the criteria for performance evaluation of all Directors. The performance evaluation is being done by the entire Board of Directors, except the Director concerned being evaluated. The criteria for performance evaluation are as follows:

#### Role & Accountability

- Understanding the nature and role of Independent Directors' position.
- Understanding of risks associated with the business.
- Application of knowledge for rendering advice to management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.

#### Objectivity

- Non-partisan appraisal of issues.
- Own recommendations given professionally without tending to majority or popular views.

#### Leadership & Initiative

- Heading Board Sub-committees.
- Driving any function or identified initiative based on domain knowledge and experience.

### REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: (No Sitting Fees)

(₹ in Lakhs)

Name of the Director	Salary and Allowances	Perquisites
Shri H. N. Taparia, Chairman and Managing Director	42.00	Nil
Shri Sivaramakrishnan, Director - Operations	17.24	1.92
Shri V. S. Datey, Company Secretary	1.72	0.30
Shri S. R. Bagad, Chief Financial Officer	8.39	1.01
Total remuneration paid	69.35	3.23

Remuneration includes Basic Salary, House Rent Allowance, Bonus, Leave Encashment and Company's Contribution to Provident Fund but excludes Company's Contribution to Gratuity Fund.

## 6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

### Composition of the Committee

The members of the Shareholders Grievances/Share Allotment and Transfer Committee of the Company are Shri D. P. Taparia, Chairman, Shri H. N. Taparia and Shri Sivaramakrishnan.

Shri V. S. Datey, Company Secretary who is the Compliance Officer can be contacted at the registered office of the Company.

DETAILS OF SHAREHOLDERS' COMPLAINTS	
1. Number of shareholders' complaints received in 2016-17	02
2. Number of complaints not solved to the satisfaction of the shareholders	Nil
3. Number of pending complaints	Nil

### Terms of reference:

The Stakeholders' Relationship Committee, inter alia, is primarily responsible for considering and resolving grievances of security holders of the Company. The additional powers (terms of reference) of the Stakeholders' Relationship Committee are:

1. Review and oversee the process of transfer, transmission of shares, issue duplicate share certificates, splitting or consolidation of share certificates, redress shareholders' complaints, approve the nominations received, dematerialisation, rematerialisation, etc. and other shares related formalities.
2. Review and oversee the process of resolving of shareholders /investors/ security-holders grievances.
3. Advise the Board of Directors on matters which can facilitate better investor services and relations.
4. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

**No. of Meetings held during the year:**

During the year, the Committee had 3 meetings on 2<sup>nd</sup> April, 2016, 31<sup>st</sup> July, 2016 and 22<sup>nd</sup> October, 2016

**Attendance of Directors at the Stakeholders' Relationship Committee Meeting**

Name of the Director	Designation	No. of meeting Attended
Shri D. P. Taparia	Chairman	3
Shri H. N. Taparia	Member	3
Shri Sivaramakrishnan	Member	3

**7. Corporate Social Responsibility Committee (CSR)**

**Composition of the Committee**

The members of the Corporate Social Responsibility Committee of the Company are Shri H. N. Taparia (Chairman), Shri D. P. Taparia and Shri. B. B. Ladda.

**Terms of reference:**

The Committee formulates and recommend to the Board, a CSR Policy and recommend the amount of expenditure to be incurred on CSR activities. Committee framed a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company and also CSR policy from time to time.

**Composition:**

The CSR Committee of the Company consists of Chairman, 1 Non-Executive Director and 1 Independent Director.

**No. of Meetings held during the year**

During the year the Committee had 2 meetings on 13<sup>th</sup> August 2016 and 21<sup>st</sup> January 2017.

**Attendance of Directors at the Corporate Social Responsibility Committee Meeting**

Name of the Director	Designation	No. of meeting Attended
Shri H. N. Taparia	Chairman	2
Shri D. P. Taparia	Member	2
Shri B. B. Ladda	Member	1

**8. RISK MANAGEMENT COMMITTEE:**

The company has been addressing various risks impacting the company and the policy of the company on risk management is provided elsewhere in this annual report in Management Discussion and Analysis.

## 9. GENERAL BODY MEETINGS

### Location and time where the last three Annual General Meetings were held:

Year	Day and Date	Time	Location
2013-2014	Wednesday 24-09-2014	9.30 a.m.	Hotel Emerald Park, Sharanpur Link Road, Nashik- 422 002
2014-2015	Tuesday 29-09-2015	9.30 a.m.	Bon Vivant, Patil Park, Old Gangapur Naka, Opp. Dongre Vasti Gruha, Nashik- 422 002
2015-2016	Thursday 29-09-2016	9.30 a.m.	Hotel Emerald Park, Sharanpur Link Road, Nashik- 422 002

### Details of Special Resolutions passed in the above referred Meetings are given below:

Date of the AGM	Number of Special Resolutions passed	Subject matter
September 24, 2014	1	Amendment in the Articles of Association of the Company
September 29, 2015	1	Re-appointment of Shri H.N. Taparia (DIN: 00126774) as Chairman and Managing Director for a period of 5 years w.e.f 17-09-2015 and fix the remuneration and perquisites thereof.
September 29, 2016	1	Enhancing the Borrowing Powers of the Board from ₹ 80 crores to ₹ 200 crores and consent for creation of mortgage on the property for availing loan

## 10. DISCLOSURES

### Related Party Transactions

The details of the related party transactions during the year under review are shown in the Notes to Accounts which form part of this Report.

### Disclosure of Accounting Treatment

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. There are no audit qualifications in the Company's financial statements for the year under review.

### Vigil Mechanism / Whistle-blower Policy

In line with the best Corporate Governance practices, Taparia Tools Limited, has put in place a system through which the Directors, employees and business associates may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Company has put in place a process by which employees and business associates have direct access to the Audit Committee Chairman, Managing Director, Chairman of the Board and Compliance Officer.

The Whistle-blower Policy is placed on the notice board of the Company, and its website. Moreover, it is also carried in this Annual Report.

### Compliance by the Companies

The Company has complied with various rules and regulations prescribed by Stock Exchange, SEBI or any other statutory authority relating to the capital markets during the last three years. No penalties or strictures have been imposed by them on the Company.



## Details of adoption of non-mandatory requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the Company

- A) The Company has constituted Remuneration Committee, full details are furnished in this report. The Financial Results of the Company are published in the newspapers on quarterly basis. Hence, they are not sent to each shareholder.
- B) The statutory financial statements of the Company are unqualified.
- C) The Board of Directors of the Company consists of an optimal blend of Company Executives and Independent professionals having knowledge of Business and expertise in their area of specialization.

### 11. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. These are also published in the newspapers.

### 12. SEBI Complaints Redressal System (SCORES):

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

### 13. GENERAL SHAREHOLDER INFORMATION

<b>a) Annual General Meeting</b>		
Day, Date and Time	:	Wednesday day, 27 <sup>th</sup> September, 2017 at 9.30 a.m.
Venue	:	Hotel Emerald Park, Sharanpur Link Road, Nashik-422 002
<b>b) Financial Calendar</b>		
Financial Year Dates (2017-18)		1 <sup>st</sup> April 2017 to 31 <sup>st</sup> March 2018
Tentative Schedule for declaration of results during the financial year 2017-18	:	
First quarter ending 30 <sup>th</sup> June, 2017	:	*Within 45 days from the end of quarter
Second quarter and half year ending 30 <sup>th</sup> September, 2017	:	*Within 45 days from the end of quarter
Third quarter and nine months ending 31 <sup>st</sup> December, 2017	:	Within 45 days from the end of quarter
<b>Audited Results</b>	:	
Year ending on 31 March, 2018	:	Within 60 days from the end of the year
Annual General Meeting for the year 2018	:	September 2018

\* will be declared according to the circular no. CIR/CFD/FAC/62/2016 dated 05/07/2016 issued by SEBI.

#### c) Date of Book Closure

From 21<sup>st</sup> September, 2017 (Thursday) to 27<sup>th</sup> September, 2017 (Wednesday), inclusive of both days.

#### d) Dividend Payment Date

No Dividend for Financial Year 2016-17 is proposed.

#### e) Listing on Stock Exchange and Stock Code

Sr. No.	Stock Exchange	Stock Code	ISIN No. for CDSL & NSDL	Address
1	Bombay Stock Exchange Limited	505685	INE614R01014	Floor 25, P. J. Towers, Dalal Street, Mumbai – 400 001

The Company has paid Annual Listing Fees to BSE, Mumbai for the financial years 2015-16, 2016-17 and 2017-18.

**f) Market Price Data**

High and Low quotations of shares during the financial year 2016-17 remained fixed at ₹ 55.75/- per share.

**g) Registrar and Share Transfer Agents / Dematerialisation of shares**

Shareholders may contact the Company's Registrar and Share Transfer Agent (for both physical and demat segments) at the following address for any assistance regarding dematerialization of shares, share transfers, transmission, change of address, and any other query relating to the shares of the Company:

Universal Capital Securities Pvt. Ltd  
21, Shakil Niwas, Opp. Satya Sai Baba Temple,  
Mahakali Caves Road, Andheri (East)  
Mumbai – 400 093 Maharashtra  
Tel: (022) 2820 7203-05 Fax: (022) 2820 7207  
Email: [info@unisec.in](mailto:info@unisec.in)  
Web Site: [www.unisec.in](http://www.unisec.in)

**h) Share Transfer System**

Taparia Tools Limited has completed all the formalities with CDSL and NSDL in regards to Dematerialisation of shares. Now the shareholders of the company can avail the facility of demating their shares with both the depositories i.e. NSDL and CDSL.

Shareholders may send their shares for transfer in physical form to RTA or at Registered Office of the Company. RTA will register such transfers within 15 days of receipt of the documents, if documents are found in order.

**i) Distribution of Shareholdings as on 31<sup>st</sup> March 2017**

Sr. No.	No. of Equity Shares	Shareholders		Shareholding	
		No.	%	No.	%
1	Up to 5000	241	86.38	32138	1.06
2	5001- 10000	4	1.43	29692	0.98
3	10001- 20000	5	1.79	73422	2.42
4	20001- 30000	2	0.72	45738	1.51
5	30001- 40000	2	0.72	73127	2.41
6	40001- 50000	4	1.43	189999	6.26
7	50001- 100000	8	2.87	518873	17.09
8	100001 and above	13	4.66	2072761	68.27
	<b>TOTAL</b>	279	100.00	3035750	100.00

**j) Shareholding Pattern as on 31<sup>st</sup> March 2017**

Category of Shareholder	No. of Shareholders	No. of Shares	Percentage of Shareholding
Promoters	19	2091217	68.89
Bodies Corporate (Promoters)	1	25300	0.83
Bodies Corporate (Others)	6	351175	11.57
Foreign Investors	1	16500	0.54
Others	252	551558	18.17
<b>TOTAL</b>	<b>279</b>	<b>3035750</b>	<b>100</b>

**Physical/NSDL/CDSL/Summary Report as on 31<sup>st</sup> March, 2017**

Particulars	Holders	Shares	Percentage
Physical	236	1282498	42.25
NSDL	25	1291501	42.54
CDSL	18	461751	15.21
<b>TOTAL</b>	<b>279</b>	<b>3035750</b>	<b>100.00%</b>

**k) Dematerialization and Liquidity:**

Taparia Tools Limited has completed all the formalities with CDSL and NSDL in regards to Dematerialisation of shares. The Company is endeavoring to complete the dematerialisation of shares of Promoter and Promoter Group. Till date, after initiating the process of dematerialisation of shares, the promoter and promoter group have already demated 73.48% of their shareholding.

Members are also advised to update their correspondence address in their demat accounts in case of their holdings in electronic form or inform their latest correspondence address to the Registrars in case of holdings in physical form.

**l) Plant Locations**

- Nashik : 52 & 52B, MIDC Area, Trimbak Road, Satpur, Nashik – 422 007
- Goa : Plot No. L-29, Cuncolim Industrial Estate, Cuncolim – 403 703

**m) Registered Office and Address for correspondence**

52 & 52B, MIDC Area, Trimbak Road, Satpur, Nashik - 422 007.

**14. UNCLAIMED DIVIDEND AMOUNTS:**

Pursuant to the provisions of Section 123 of the Companies Act, 2013, which remain unclaimed for seven years has been transferred to Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

**15. CODE OF CONDUCT**

The members of the Board of Directors of TAPARIA TOOLS LTD. acknowledge and accept the scope and extent of their duties as Directors.

The Code of Conduct as adopted by the Board of Directors is applicable to all Board Members, Senior Management and Head of Departments of the Company. They are entrusted with and are responsible for the oversight of the assets and business affairs of TAPARIA TOOLS LTD. in an honest, fair, diligent and ethical manner. They must act within the bounds of the authority conferred upon them and with the duty to make and enact informed decisions and policies in the best interests of the Company.

A declaration by the Chairman and Managing Director of the Company affirming the compliance of the Code by the Board Members and Senior Management is given at the end of the report.

**For and on behalf of the Board**

Mumbai,  
11<sup>th</sup> August, 2017

**H. N. Taparia**  
*Chairman and Managing Director*

## *Code of Conduct*

### **DECLARATION**

As provided under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2017.

**For and on behalf of the Board**

Mumbai,  
11<sup>th</sup> August, 2017

**H. N. Taparia**  
*Chairman and Managing Director*

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### **CEO/CFO CERTIFICATION**

We, H.N. Taparia, Chairman and Managing Director and S.R. Bagad, Chief Financial Officer of Taparia Tools Limited, certify that:

1. We have reviewed the financial statements and cash flow statement of Taparia Tools Ltd. for the year ended 31<sup>st</sup> March, 2017 and that to the best of our knowledge and belief;
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) These statements give a true and fair view of the state of affairs of the company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or in violation of the company's Code of conduct.
3. We accept overall responsibility for the company's internal control system for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and reports significant issues to the Audit Committee of the Board. The auditors and audit committee are apprised of any corrective action taken with regard to significant deficiencies and material weaknesses.
4. We indicate to the auditors and to the audit committee:
  - 1) Significant changes in internal control over financial reporting during the year;
  - 2) Significant changes in accounting policies during the year;
  - 3) Instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the company's internal control system over financial reporting.

**H.N. Taparia**  
*Chairman and Managing Director*

**S. R. Bagad**  
*Chief Financial Officer*

Mumbai,  
26<sup>th</sup> May 2017

## *Auditors' Certificate regarding Compliance of conditions of Corporate Governance*

To  
**The Members of Taparia Tools Limited**

We have examined the compliance of conditions of Corporate Governance by Taparia Tools Limited ('the Company'), for the year ended March 31, 2017 as stipulated in Regulations 17-27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and 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.

### ***Basis for qualified opinion***

*Subsequent to the resignation of an Independent Director, the Company appointed another Independent Director in its place, however the appointment was made with a delay of 83 days beyond the time limit as specified under regulation 25 of SEBI (LODR) Regulations, 2015.*

### ***Qualified Opinion***

In our opinion and to the best of our information and according to the explanations given to us, *except for the matter described in the basis for qualified opinion paragraph above*, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We 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 **Batliboi & Purohit**  
Chartered Accountants  
ICAI Firm Reg. No.101048W

Place: Mumbai  
Date: May 26, 2017

**Kaushal Mehta**  
Partner  
Membership No.: 111749

## *Independent Auditors' Report*

To the Members of Taparia Tools Ltd.

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

We have audited the accompanying financial statements of Taparia Tools Ltd. ("the Company") which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

We 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statement.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profits and its cash flows for the year ended on that date.

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

- 1 As required by Companies (Auditors Report) Order, 2016 ('the Order') issued by Central Government of India in terms of sub section 11 of section 143 of the Act, we give in the 'Annexure – A' a statement on the matters specified in paragraphs 3 and 4 of the order.

- 2 As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a Director in terms of Section 164 (2) of the Act.
  - (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 - B' and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - refer Note 24 to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The Company has provided requisite disclosure in financial statements as to holding as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer note no. 37 to the financial statements.

**For Batliboi & Purohit**  
Chartered Accountants  
ICAI Firm Registration Number: 101048W

Place: Mumbai  
Date: May 26, 2017

**Kaushal Mehta**  
Partner  
Membership No.: 111749



## *Annexure - A to the Independent Auditors' Report*

### **(Referred to in paragraph 1 under 'Report on other legal and Regulatory requirements' section of our report of even date)**

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As informed, all fixed assets were physically verified by the management during the year, and no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, clause 3 (iii) (a) and (b) of the order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in the current year, in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits during the year within the meaning of the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of hand tools, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) a. The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable.
- b. According to information and explanations given to us, the following dues of municipal tax have not been deposited by the Company on account of dispute:

Name of statute	Nature of dues	Amount under dispute (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Municipal Tax Act, 1963	Octroi duty	4.91	1984-1986 & 1988	High Court

- (viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans to banks. There were no outstanding dues to any financial institution or debenture holders anytime during the year.
- (ix) The Company has not raised any money by way of initial public offer or further public offer and the Company has not taken any term loan during the year.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.



- (xi) According to the information and explanations given by the management, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us the Company is not a Nidhi Company. Accordingly, the paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) As informed and based on our examination of records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) As informed the Company has not entered into any non-cash transactions with Directors or persons connected with him
- (xvi) As per the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934.

**For Batliboi & Purohit**

Chartered Accountants

ICAI Firm Registration Number: 101048W

**Kaushal Mehta**

Partner

Membership No.: 111749

Place: Mumbai

Date: May 26, 2017

## *Annexure – B to the Auditors’ Report*

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

We have audited the internal financial controls over financial reporting of Taparia Tools Ltd. (“the Company”) as of 31st March, 2017 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 (‘ICAI’). 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 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.

#### **Auditors’ 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 on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed 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 judgment, 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 Company’s 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 because 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 31st March, 2017, 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.

**For Batliboi & Purohit**

Chartered Accountants

ICAI Firm Registration Number: 101048W

**Kaushal Mehta**

Partner

Membership No.: 111749

Place: Mumbai

Date: May 26, 2017

*BALANCE SHEET as at 31<sup>st</sup> March, 2017*

	Note No.	As at 31st March, 2017	As at 31st March, 2016
(₹ in lakhs)			
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	303.58	303.58
Reserves & Surplus	2	8,947.06	7,804.96
		9,250.64	8,108.54
<b>Non-Current Liabilities</b>			
Long-term Borrowings	3	-	-
Long-term Provisions	4	253.70	275.95
		253.70	275.95
<b>Current Liabilities</b>			
Short-term Borrowings	5	802.64	2,746.45
Trade Payables		1,250.89	3,087.89
Other Current Liabilities	6	393.99	359.47
Short-term Provisions	7	69.11	141.72
		2,516.63	6,335.53
<b>Total</b>		<b>12,020.97</b>	<b>14,720.02</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Fixed Assets			
Tangible Assets	8	563.85	574.54
Intangible Assets		10.63	6.11
Capital Work in Progress		4.39	-
		578.87	580.65
Deferred Tax Assets (net)		61.57	59.44
Long term Loans and Advances	9	1,744.49	2,389.04
		2,384.93	3,029.13
<b>Current Assets</b>			
Inventories	10	7,120.49	9,166.19
Trade Receivables	11	2,297.73	2,281.68
Cash and Bank Balances	12	23.44	23.43
Short-term Loans and Advances	13	174.71	214.93
Other Current Assets	14	19.67	4.66
		9,636.04	11,690.89
<b>Total</b>		<b>12,020.97</b>	<b>14,720.02</b>

As per our report of even date

**For BATLIBOI & PUROHIT**  
Chartered Accountants  
(Firm Reg.No.101048W)

**V.S.DATEY**  
Company Secretary

**H. N. TAPARIA** (DIN: 00126774)  
Chairman & Managing Director

**KAUSHAL MEHTA**  
Partner  
(Membership No.111749)  
Mumbai, May 26, 2017

**S. R. BAGAD**  
Chief Financial Officer

**D. P. TAPARIA** (DIN: 00126892)  
Director

## STATEMENT OF PROFIT & LOSS for the year ended 31<sup>st</sup> March, 2017

		(₹ in lakhs)	
		2016-17	2015-16
	Note No.		
<b>INCOME</b>			
Revenue from Operations	15	37,216.07	33,755.53
Other Income	16	93.98	55.18
<b>Total Revenue</b>		<b>37,310.05</b>	<b>33,810.71</b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed	17	1,350.62	1,422.26
Purchases of Traded Goods		21,936.78	23,399.81
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	18	2,033.37	(2,776.67)
Employee Benefits Expense	19	2,340.16	2,406.23
Finance Costs	20	130.47	225.66
Depreciation and Amortization Expense	21	42.32	44.47
Other Expenses	22	7,717.96	7,155.48
<b>Total Expenses</b>		<b>35,551.68</b>	<b>31,877.24</b>
Profit Before Tax		1,758.37	1,933.47
Income Tax Expenses :			
Current Tax		618.41	687.27
Deferred Tax		(2.14)	(19.01)
		616.27	668.26
Profit for the Year		<b>1,142.10</b>	<b>1,265.21</b>
Earnings per equity share of face value of ₹ 10 each (in ₹)			
Basic and Diluted		37.62	41.68
Significant Accounting Policies	23		
Notes on Financial Statements	24-38		
The accompanying notes 1 to 38 are an integral part of the Financial Statements			

As per our report of even date

**For BATLIBOI & PUROHIT**  
Chartered Accountants  
(Firm Reg.No.101048W)

**V.S.DATEY**  
Company Secretary

**H. N. TAPARIA** (DIN: 00126774)  
Chairman & Managing Director

**KAUSHAL MEHTA**  
Partner  
(Membership No.111749)  
Mumbai, May 26, 2017

**S. R. BAGAD**  
Chief Financial Officer

**D. P. TAPARIA** (DIN: 00126892)  
Director

## Notes forming part of the Financial Statements

	(₹ in lakhs)	
	As at 31st March, 2017	As at 31st March, 2016
<b>1 SHARE CAPITAL</b>		
<b>Authorised</b>		
50,00,000 Equity Shares of ₹ 10/- Each	500.00	500.00
<b>Issued and Subscribed :</b>	303.58	303.58
30,35,750 (2016 : 30,35,750) Ordinary (Equity) Shares of ₹ 10/- Each fully paid-up		
<b>a) Reconciliation of Shares Outstanding</b>		
Balance at the beginning of the year	303.58	303.58
Issued during the year		-
Balance at the end of the year	303.58	303.58
<b>b) Details of Shareholders holding more than 5% shares</b>		
Names of shareholders:		
1. Shri Harnarayan Taparia	12.01%	12.01%
2. Veer Enterprises Ltd.	9.04%	9.04%
3. Mrs. Rajdulari Devi Taparia	5.96%	5.96%
<b>c) Rights, Preference and Restriction attached to Shares</b>		
The Company has one class of Equity Shares having par value of ₹ 10/- per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.		
<b>2 RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
Balance at the beginning and end of the year	45.00	45.00
<b>Securities Premium Reserve</b>		
Balance at the beginning and end of the year	50.00	50.00
<b>Revaluation Reserve</b>		
Balance at the beginning and end of the year	99.27	99.27
<b>General Reserve</b>		
Balance at the beginning of the year	1,323.54	1,195.14
Transferred from Statement of Profit & Loss	114.21	128.40
Balance at the end of the year	1,437.75	1,323.54
<b>Surplus in Statement of Profit &amp; Loss</b>		
Balance at the beginning of the year	6,287.15	5,150.34
Add : Profit for the year	1,142.10	1,265.21
Less : Transfer to General Reserve	(114.21)	(128.40)
Balance at the end of the year	7,315.04	6,287.15
	<b>8,947.06</b>	<b>7,804.96</b>

## Notes forming part of the Financial Statements

	(₹ in lakhs)	
	As at 31st March, 2017	As at 31st March, 2016
<b>3 LONG TERM BORROWINGS</b>		
Deferred Payment Liabilities	-	-
Sales Tax Deferral Loans (Unsecured)	-	-
	<b>-</b>	<b>-</b>
<b>4. LONG TERM PROVISIONS</b>		
Provision for employee benefits		
For Leave Encashment	174.05	171.33
For Group Gratuity	37.91	44.29
Other Provisions	41.74	60.33
	<b>253.70</b>	<b>275.95</b>
<b>5. SHORT TERM BORROWINGS</b>		
<b>Secured :</b>		
Loans repayable on demand from Bank		
<b>Working Capital Loan from HDFC Bank Ltd.</b>	556.03	1,793.13
Loans from the bank are secured by way of hypothecation (First and exclusive charge) on all present and future stocks, book debts and other current assests of the company Equitable mortgage on immovable property situated at 52 and 52B, MIDC, Trimbak Road, Satpur, Nashik-422 007. The Interest rate applicable is 10.10% p.a.		
<b>Working Capital Loan from ICICI Bank Ltd.</b>	246.61	953.32
Loans from the bank are secured by way of hypothecation (First and exclusive charge) on all present and future stocks,book debts and other current assests of the company Equitable mortgage on immovable property situated at 52 and 52B, MIDC, Trimbak Road, Satpur, Nashik-422 007. The Interest rate applicable is 9.90% p.a.		
	<b>802.64</b>	<b>2,746.45</b>
<b>6. OTHER CURRENT LIABILITIES</b>		
*Unpaid / Unclaimed dividends	-	-
Other Payables :		
Payable towards statutory liabilities	56.76	58.83
Advance from Customers	78.50	27.69
Employee Benefits payable	193.85	200.52
Outstanding & Other Liabilities	64.88	72.43
	<b>393.99</b>	<b>359.47</b>
* There are no amounts due and outstanding to be credited to 'Investors Education and Protection Fund'. There are no outstanding dues payable to Micro,Small and Medium enterprises		
<b>7. SHORT TERM PROVISIONS</b>		
Leave Encashment	22.33	90.18
Group Gratuity	46.78	51.54
	<b>69.11</b>	<b>141.72</b>

## Notes forming part of the Financial Statements

**8. FIXED ASSETS**

(₹ in lakhs)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2016	Additions	Sale/Disposal during the year	As on 31.03.2017	Up to 01.04.2016	For the year	Sale of Assets	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
(A) Tangible Assets :										
(I) Own Assets										
1) Land	30.27	-	-	30.27	-	-	-	-	30.27	30.27
2) Buildings	612.25	-	-	612.25	411.74	4.49	-	416.23	196.02	200.51
3) Plant & Equipment	2,034.18	10.00	-	2,044.18	1,797.28	19.10	-	1,816.38	227.80	236.90
4) Furniture & Fixtures	61.22	1.18	-	62.40	45.23	3.47	-	48.70	13.70	15.99
5) Vehicle	56.26	-	-	56.26	28.71	4.52	-	33.23	23.03	27.55
6) Office Equipment	34.33	1.14	-	35.47	27.13	3.22	-	30.35	5.12	7.20
7) Others										
(a) Electrical Installations	104.09	-	-	104.09	92.07	1.55	-	93.62	10.47	12.02
(b) Computers	80.55	17.56	-	98.11	74.02	4.24	-	78.26	19.85	6.53
Sub Total	3,013.15	29.88	-	3,043.03	2,476.18	40.59	-	2,516.77	526.26	536.97
(II) Leased Assets										
Land	54.75	-	-	54.75	17.16	-	-	17.16	37.59	37.59
Total (A)	3,067.90	29.88	-	3,097.78	2,493.34	40.59	-	2,533.93	563.85	574.54
(B) Intangible Assets :										
Software	48.97	6.25	-	55.22	42.86	1.73	-	44.59	10.63	6.11
TOTAL (A) + (B)	3,116.87	36.13	-	3,153.00	2,536.20	42.32	-	2,578.52	574.48	580.67
Previous year	3,042.22	19.26	14.61	3,116.87	2,499.81	44.47	8.06	2,526.20	580.65	542.41

\* Refer note no 25

(₹ in lakhs)

	As at 31st March, 2017	As at 31st March, 2016
<b>9. LONG-TERM LOANS &amp; ADVANCES</b>		
Security Deposits	71.82	63.35
Advance Income Tax & T.D.S (Net)	-	2.38
M.V.A.T. Receivable	1,612.34	2,262.98
Special Additional Duty Receivable	60.33	60.33
	<b>1,744.49</b>	<b>2,389.04</b>
<b>10. INVENTORIES</b>		
Raw Materials	443.88	471.96
Work-in-Progress	983.80	814.57
Finished Goods	424.34	341.75
Stock-in-Trade (Goods acquired for Trading)	4,936.33	7,211.26
Stores and Spares	273.62	267.85
Others :		
Components	48.60	38.62
Scrap	9.92	20.18
	<b>7,120.49</b>	<b>9,166.19</b>
<b>11. TRADE RECEIVABLES</b>		
(Unsecured, Considered Good)		
Outstanding for a period exceeding six months	-	-
Others	2,297.73	2,281.68
	<b>2,297.73</b>	<b>2,281.68</b>



## Notes forming part of the Financial Statements

	(₹ in lakhs)	
	As at 31st March, 2017	As at 31st March, 2016
<b>12. CASH AND BANK BALANCES</b>		
a) Cash and cash equivalents		
Balances with Banks	16.89	16.00
Cash on hand	6.55	7.43
b) Other Bank Balances		
Margin money against LC	-	-
	<b>23.44</b>	<b>23.43</b>
<b>13. SHORT-TERM LOANS AND ADVANCES</b>		
<i>Unsecured (but considered good)</i>		
Advance to Employees	5.43	5.97
Advance to Suppliers	22.96	41.59
* Balance with Government Authorities	87.49	81.94
Other Receivables	32.94	64.51
Prepaid Expenses	25.89	20.92
	<b>174.71</b>	<b>214.93</b>
* Service Tax, Cenvat, etc		
<b>14. OTHER CURRENT ASSETS</b>		
Interest Receivable	16.81	2.58
Outstanding Income	2.86	2.08
	<b>19.67</b>	<b>4.66</b>

*Notes forming part of the Financial Statements*

	(₹ in lakhs)	
	2016-17	2015-16
<b>15. 1 REVENUE FROM OPERATIONS</b>		
Sale of Products	8,909.94	8,290.14
Less : Excise Duty	985.83	907.42
	7,924.11	7,382.72
Trading Sales	29,211.87	26,286.89
<b>2 Other Operating Revenue</b>		
Sale of Scrap	85.04	93.41
Less : Excise Duty	5.68	10.38
	79.36	83.03
DEPB Licence Incentive	0.73	2.89
	<b>37,216.07</b>	<b>33,755.53</b>
<b>16. OTHER INCOME</b>		
Interest Income	33.61	25.06
Miscellaneous Income	33.79	15.98
Miscellaneous Scrap Sales	22.91	11.23
Foreign Exchange Rate Difference	0.72	2.84
Sundry Credit Balances Written Back	2.95	0.07
	<b>93.98</b>	<b>55.18</b>
<b>17. COST OF RAW MATERIALS CONSUMED</b>		
Opening Stock	471.96	433.48
Add : Purchases	1,322.54	1,460.74
	1,794.50	1,894.22
Less : Closing Stock	443.88	471.96
	1,350.62	1,422.26
<b>Details of Raw Materials consumed :</b>		
Steel	689.38	830.09
Cellulose Acetate Granules and others	661.24	592.17
	<b>1,350.62</b>	<b>1,422.26</b>
<b>18. CHANGES IN INVENTORY</b>		
Opening Stock :		
Finished Goods	341.75	322.63
Work-in-Progress	814.57	754.44
Scrap	20.18	27.63
Stock in Trade	7,211.26	4,506.39
	8,387.76	5,611.09
Less : Closing Stock		
Finished Goods	424.34	341.75
Work-in-Progress	983.80	814.57
Scrap	9.92	20.18
Stock in Trade	4,936.33	7,211.26
	6,354.39	8,387.76
	<b>2,033.37</b>	<b>(2,776.67)</b>

## Notes forming part of the Financial Statements

	(₹ in lakhs)	
	2016-17	2015-16
<b>19. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages	2,076.60	2,039.33
Managerial Remuneration	72.58	71.40
Contribution to PF and Other Funds	119.81	129.93
Employee Group Gratuity	12.32	106.45
Staff Welfare Expenses	58.85	59.12
	<b>2,340.16</b>	<b>2,406.23</b>
<b>20. FINANCE COST</b>		
Interest expenses	130.39	216.50
Other Borrowing Cost	0.08	9.16
	<b>130.47</b>	<b>225.66</b>
<b>21. DEPRECIATION &amp; AMORTISATION EXPENSES</b>		
Depreciation for the year (As per Note 8 to the Balance Sheet)	42.32	44.47
	<b>42.32</b>	<b>44.47</b>
<b>22. OTHER EXPENSES</b>		
<b>Manufacturing Expenses:</b>		
Consumption of stores and Spare Parts	733.06	766.83
Power and Fuel	528.03	530.65
Water Charges	7.00	8.59
Repairs to Buildings	11.69	38.18
Repairs to Machinery	31.49	60.45
Job Work Labour Charges	658.32	548.23
Freight & Carriage	63.14	81.47
Other Manufacturing Expenses	846.79	673.39
	C/F 2,879.52	2,707.79

*Notes forming part of the Financial Statements*

		(₹ in lakhs)	
		2016-17	2015-16
Other Administrative Expenses:	B/F	2,879.52	2,707.79
Rent		54.13	35.43
Rates & Taxes		417.73	345.39
Travelling & Conveyance		43.22	49.73
Insurance		22.93	22.64
Professional & Legal Expenses		108.43	142.62
Directors' Sitting Fees		3.80	4.60
Repairs to Others		5.30	3.42
Auditors' Remuneration :			
As Auditor		4.00	4.00
Taxation Matters		0.60	0.60
Company Law Matters		0.20	0.20
Reimbursement of Expenses		0.95	0.69
Printing & Stationery		12.14	21.84
Bad Debts Written Off		0.08	0.03
CSR Expenditure		30.43	28.41
Donation		0.40	-
Loss on Sale of Assets		-	2.99
Miscellaneous Expenses		111.83	171.02
		816.17	833.61
Selling & Distribution Expenses :			
Forwarding Expenses		532.64	456.34
Advertising/Sales Promotion Expenses and Incentive		888.64	797.48
Selling Commission		2,600.99	2,360.26
		4,022.27	3,614.08
		<b>7,717.96</b>	<b>7,155.48</b>

## *Notes forming part of the Financial Statements*

### **23. Significant Accounting Policies**

a) Basis of preparation of financial statements

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The Financial Statements are prepared on approval basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts.

b) Fixed assets

Fixed Assets are stated at cost of acquisition inclusive of freight, duties and taxes and incidental expenses and adjusted by revaluation of certain assets.

c) Depreciation and Amortization

Depreciation is provided on Straight Line Method (SLM) on the cost of fixed assets less residual value during the useful life of assets as per Schedule II of the Companies Act, 2013.

d) Inventories

Inventories are valued at the lower of weighted average cost and net realizable value except waste / scrap which is valued at realizable value.

Finished goods and process stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Obsolete, defective and unserviceable inventories are duly provided for.

e) Employee benefits

(i) Retirement Benefits

The Company's contributions to Provident Fund/Gratuity are charged against revenue. The Gratuity Benefits are administered by a trust formed for this purpose through the Group Gratuity Scheme of the LIC of India and contributions are made on actuarial valuation basis.

(ii) Leave Encashment Benefits

Employees of the Company are eligible for Leave Encashment Benefit as per rules of the Company. Provision for Leave Encashment is determined as per the Actuarial Report prepared in terms of AS-15 (Revised) 2015.

f) Taxes on Income :

Tax expenses for the period, comprising current tax and deferred tax, are included in the determination of the net profit and loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with prevailing Income tax law.

Deferred tax is recognized for all the temporary differences by using the liability method, only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognized deferred tax assets, if any.

g) Revenue Recognition

Sales are recognized, net of returns and trade discount, on dispatch of goods to customers, sales tax and value added tax are excluded.

h) Prior Period Items

Prior period items, if material, are separately disclosed in the Profit and Loss account together with the nature and amount.

- i) Foreign currency transactions  
Foreign currency transactions are accounted for at the rate prevailing on the date of transaction. Foreign currency monetary assets and liabilities at the Balance Sheet date are restated at year-end rate.
- j) Lease Accounting  
Operating Leases: Leasing of assets whereby the lessor essentially remains the owner of the asset classified as operating leases. The payments made by the Company as lessee in accordance with operational leasing contracts or rental agreements are expensed proportionally during the lease or rental period respectively. Any compensation, accordingly to agreement, that the lessee is obliged to pay to the lessor if the leasing contract is terminated prematurely is expensed during the period in which the contract is terminated.
- k) Impairment of Assets  
The carrying amounts of assets are reviewed at each balance sheet date if there is an indication of impairment based on the internal and external factors.

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable amount. An impairment loss, if any, is charged to the Profit and Loss Account in the year in which the asset is identified as impaired. Reversal of impairment loss recognized in prior years is recorded when there is an indication that impairment loss recognized for the asset no longer exists or has been decreased.

#### **24) Provisions and contingencies**

Contingent Liabilities as on 31-03-2017 not provided for in respect of:

- a) Estimated amount of contract remaining to be executed on capital account is ₹ 12.08 Lakhs (Nil).
- b) Claims against the Company not acknowledged as Debts are in respect of labour matters are ₹ 75.17 lakhs (₹ 67.11 lakhs).
- c) Constrained Octroi Duty ₹ 4.91 lakhs (₹ 4.91 lakhs)

#### **25) Depreciation**

Depreciation for the year is provided on the basis of Straight Line Method for remaining useful life of the assets. During the year, depreciation of ₹ 42.32 lakhs is provided. [Previous year: ₹ 44.47 lakhs].

#### **26) Segment reporting**

The Company is exclusively in the hand tools business segment.

#### **27) Related Party Disclosures**

Disclosures as required by Accounting Standard - 18 "Related Party Disclosures" are given below:

- a) List of Related Parties/Associates/Subsidiary Companies : Nil
- b) Key Management Personnel (KMP) and their remuneration :
- |   |                 |
|---|-----------------|
| Shri H. N. Taparia (Chairman and Managing Director) | : ₹ 42.00 lakhs |
| Shri Sivaramakrishnan (Director – Operations)       | : ₹ 19.37 lakhs |
| Shri V. S. Datey (Company Secretary)                | : ₹ 2.23 lakhs  |
| Shri S.R. Bagad (Chief Financial Officer)           | : ₹ 9.61 lakhs  |
- c) Details of transactions relating to KMP as referred to in item (b) above Remuneration: : ₹ 73.21 lakhs (Refer Note No. 30)

There are no outstanding dues payable to the related parties as on 31-03-2017.

## 28) Earnings per share

	March 31, 2017	March 31, 2016
a) Net Profit as per P&L Account available for Equity Shareholders	₹ 1142.10 lakhs	₹ 1262.22 lakhs
b) No. of Equity Shares (Basic /diluted)	30,35,750	30,35,750
c) Earnings per share	₹ 37.62	₹ 41.68

## 29) Deferred Tax Assets and Liabilities

The breakup of deferred tax assets and liabilities into major components at the year-end is as below:

	(₹ in lakhs)	
	March 31, 2017	March 31, 2016
Depreciation	(35.75)	(29.38)
Expenditure u/s. 43B of the Income Tax Act, 1961	97.32	88.82
Net deferred tax Asset/ (Liability)	61.57	59.44

## 30) Remuneration of Managerial Personnel

Remuneration to Managing Director/Whole time Directors paid/payable during the year u/s. 197 of the Companies Act, 2013:

	(₹ in lakhs)	
	2016-2017	2015-2016
Salaries and Allowances	69.99	67.82
Perquisites	3.22	3.58
<b>TOTAL</b>	<b>73.21</b>	<b>71.40</b>

## 31) Lease

The Company has taken certain office/factory premises on operating lease basis. Lease payments in respect of such leases recognized in statement of Profit & Loss ₹ 54.13 lakhs (previous year ₹ 35.43 lakhs)

Non-Cancellable operating leases include a clause to enable upward revision of the rental charge on an annual basis either fixed or according to prevailing market conditions. Future minimum rental receivable under non-cancellable operating leases are as follows:

No. of Years	As on 31 <sup>st</sup> March 2017	Amount (₹ in lakhs)
Within one year	4	1.79
After one year but not five years	6	51.73
More than five years	1	0.61
<b>Total</b>		<b>54.13</b>

## 32) Foreign Currency Exposure

### Particulars of Unhedged Foreign Currency Exposure:

Particulars of Derivative	31/03/2017		31/03/2016	
	Amount (₹)	Foreign Currency (US \$)	Amount (₹)	Foreign Currency (US \$)
Export Debtors	3111642	47990.58	3269873	49297.05
Advances for Imports	311030	4797	310094	4638

**33) Retirement Benefit Plans**

## a) Defined Contribution Plans:

Contribution to Defined contribution Plans is recognized as expense in the statement of Profit and Loss, as they are incurred.

## b) Defined Benefit Plan:

The Company makes annual contributions to employees' group gratuity-cum-life assurance scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The present value of the defined benefit obligation and the related current service cost were measured using the projected unit credit method with actuarial valuation being carried out at each balance sheet date.

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to build up the final obligation.

The following table sets out the funded status of the gratuity plan and the amounts recognized in the company's financial statement as at March 31<sup>st</sup> 2017:

## A) Gratuity

(₹ in lakhs)

Sr. No.	Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
I.	<b>Change in benefit obligation:</b>		
	Projected benefit obligation as on 01-04-2016	732.37	722.95
	Service Cost	28.56	25.06
	Interest Cost	55.37	57.47
	Actuarial (gain)/loss	-80.01	-14.63
	Actuarial Gain Due to Change in Financial Assumption	48.46	100.39
	Benefit paid	-138.24	-158.88
	Projected benefit obligation, end of the year	646.51	732.37
II.	<b>Change in plan assets:</b>		
	Fair value of plan assets as on 01-04-2016	636.53	517.31
	Expected return on plan assets	48.12	41.13
	Employer's contributions	16.97	216.26
	Benefit paid	-138.24	-158.88
	Actuarial gain	-1.57	20.71
	Fair value of plan assets at the year end	561.81	636.53
	Excess of (obligation over plan assets)/ plan assets over obligation	-29.97	65.04
III.	<b>Net gratuity and other cost for year ended 31-03-2017</b>		
	Service cost	28.56	25.06
	Interest on defined benefit obligation	7.25	16.34
	Expected return on plan assets		
	Net actuarial gain recognized in the year	-29.97	65.04
	Net gratuity and other costs	5.83	106.44
IV.	<b>Category of assets as at 31-03-2017:</b>		
	Insurer Managed Funds	561.81	636.53
	Others		
	Total	561.81	636.53
V.	<b>Assumptions used in accounting for the gratuity plan:</b>		
	Discount rate	7.51	7.56
	Salary escalation rate	10.80	9.80
	Expected rate of the return on plan assets	7.51	7.56



B) Leave Encashment - Disclosure as required under Accounting Standard - 15 'Employee Benefits'

(₹ in lakhs)

Sr. No.	Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
I.	<b>Actuarial gain /Loss recognised</b>	(4.53)	(9.00)
	Actuarial (gain)/loss for the period - Obligation	-	-
	Actuarial (gain)/Loss for the period – Plan assets	(4.53)	(9.00)
	Total (gain)/Loss for the period	(4.53)	(9.00)
	Actuarial (Gain)/Loss recognized in the period	-	-
	Unrecognised actuarial (Gain)/Loss at the end of period	196.37	171.33
II	<b>The Amounts to be recognized in the Balance Sheet:</b>		
	Present value of obligation as at the end of the period 31-03-2017	0	0
	Fair value of the plan assets as at the end of the period 31-03-2017		
	Current liability	22.33	63.68
	Non-current liability	174.04	107.65
	Funded status as at the end of the period 31-03-2017	196.37	(171.33)
	Unrecognised actuarial (gain)/Loss		
	Net asset / (Liability) recognized in the balance sheet	(196.37)	(171.33)
III	<b>Current service cost</b>		
	Acquisition adjustment	20.40	11.34
	Past service cost	-	-
	Interest cost	-	-
	Expected return on plan assets	9.17	13.02
	Curtailement(gain)/loss	-	-
	Settlement (gain)/loss	-	-
	Net actuarial (gain) / Loss recognized in the period	(4.53)	(9.00)
	Expenses recognized in the statement of profit & loss at the end of period 31-03-2017	(25.04)	(15.36)

The estimates of rate of escalation in salary considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The actuary certifies the above information.

### 34) Corporate Social Responsibility

Section 135 of the Companies Act, 2013 stipulates the provision for spending of 2% of the average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities, for the companies that meet the applicable threshold. Accordingly a CSR committee has been formed by the company to allocate and spend the said amount for the CSR activities. Thus the details of the amount spent are:

Amount to be spent (2% of the average net profit of immediately preceding 3 financial years)	Amount spent by the Company	Unspent amount carried forward to next year
₹ 35.31 Lakhs	₹ 30.43 Lakhs	₹ 4.88 Lakhs

### 35) Research and Development Expenses

Expenditure on Research and Development is as under:

Capital	-
Recurring	₹ 151.18 Lakhs
Total	₹ 151.18 Lakhs

Total R and D Expenditure as percentage of total turnover: 0.45%

**36) Additional Information:**

(i)	Value of consumption of Raw Material, Stores, Parts, and Components				
		(₹ in Lakhs)		Percentage	
		2016-17	2015-16	2016-17	2015-16
	Imported	4.61	2.18	0.34%	0.15%
	Indigenous	1350.63	1422.26	99.66%	99.85%

(₹ in lakhs)

(ii)	Value of Imports on CIF Basis	2016-17	2015-16
	Raw materials	Nil	Nil
	Stores and Spare parts	3.15	3.11
	Capital Goods	7.05	49.82
	Traded Goods	Nil	328.39

(₹ in Lakhs)

(iii)	Expenditure in Foreign Currency	2016-17	2015-16
	Travel	5.14	5.61
	Sales Promotion and commission	7.41	24.67

(₹ in Lakhs)

(iv)	Earnings in Foreign Currency	2016-17	2015-16
	FOB Value of Exports	239.95	308.97

37) Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016

(Amount in ₹)

	SBN	Other Denomination	Total
Closing cash in hand as on 08.11. 2016	631,000	167	631,167
(+) Permitted receipts (Bank withdrawals made)	-	50,000	50,000
(-) Permitted payments	-	35,473	35,473
(-) Amount deposited in Banks	631,000	-	631,000
Closing cash in hand as on 13.11. 2016	-	14,694	14,694

No amount was held in SBN after 13/11/2016 and so above calculation is provided upto 13/11/2016.

**38)** Previous Year's figures have been recast/regrouped wherever necessary.

**Signatures to Notes 1 to 38**

As per our report of even date

**For BATLIBOI & PUROHIT**  
Chartered Accountants  
(Firm Reg. No. 101048W)

**V.S. DATEY**  
Company Secretary

**H.N. TAPARIA** (DIN: 00126774)  
Chairman & Managing Director

**KAUSHAL MEHTA**  
Partner  
(Membership No. 111749)

**S.R. BAGAD**  
Chief Financial Officer

**D. P. TAPARIA** (DIN: 00126892)  
Director

 Mumbai, 26<sup>th</sup> May, 2017

## Cash Flow Statement for the year ended 31<sup>st</sup> March 2017

		(₹ in Lakhs)	
		As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>A Cash flow from Operating activities</b>			
Net Profit Before Tax		1,758.37	1,933.47
Adjusted for :			
Depreciation	42.32		44.47
Foreign Exchange gain on Import	(0.10)		-
(Loss) on Sale of Fixed Assets	-		2.99
Special Additional Duty	-		(12.75)
Sundry Credit Balance Written Off	2.95		0.09
Bad Debts written off	0.08		0.03
Finance Cost	130.47		225.66
		175.72	260.49
		<b>1,934.09</b>	<b>2,193.94</b>
<b>Operating Profit before Working Capital Changes</b>			
Working Capital Changes			
Inventories	2,045.71		(2,863.96)
Trade Receivables	(16.05)		(269.44)
Loans and Advances	684.77		331.87
Other Current Assets	(15.01)		3.76
Trade Payable	(1,837.01)		1,428.36
Other Current Liabilities	31.66		(195.38)
Provisions	(94.86)		(90.23)
		799.21	(1,655.04)
<b>Cash Generated from Operations</b>		<b>2,733.30</b>	<b>538.90</b>
Income Tax Paid		618.41	650.00
<b>Net Cash flow from operating Activities</b>		<b>2,114.89</b>	<b>(111.10)</b>
<b>B Cash flow from Investing Activities</b>			
Purchase of fixed assets		(40.52)	(89.26)
Sales of Fixed Assets		-	3.56
Margin Money Deposit for Letter of Credit		-	(8.18)
<b>Net Cash flow from investing activities</b>		<b>(40.52)</b>	<b>(93.88)</b>

	(₹ in Lakhs )	
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>C Cash flow From Financing Activities</b>		
(a) Repayment of Long-term Borrowings	-	-
(b) Proceeds from Short-term Borrowings	(1,943.89)	404.73
(c) Finance Cost	(130.47)	(225.66)
<b>Net Cash flow from financing activities</b>	<b>(2,074.36)</b>	<b>179.07</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>0.01</b>	<b>(25.91)</b>
<b>Add: Cash and cash equivalents at the beginning of the period</b>	<b>23.43</b>	<b>49.34</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>23.44</b>	<b>23.43</b>

As per our report of even date

**For BATLIBOI & PUROHIT**  
Chartered Accountants  
(Firm Reg.No.101048W)

**V.S.DATEY**  
Company Secretary

**H. N. TAPARIA** (DIN: 00126774)  
Chairman & Managing Director

**KAUSHAL MEHTA**  
Partner  
(Membership No.111749)

**S. R. BAGAD**  
Chief Financial Officer

**D. P. TAPARIA** (DIN: 00126892)  
Director

Mumbai, May 26, 2017



**TAPARIA TOOLS LTD.**

(Regd. Office : 52 & 52B, MIDC Area, Satpur, Nashik – 422 007)  
Tele. :(0253) 2350317/318/418, Fax : (0253) 2350740  
E-Mail:nashik@tapariatools.com  
CIN : L99999MH1965PLC013392

**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./DP Id and Client ID : \_\_\_\_\_

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

1. Name : \_\_\_\_\_

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

E-mail Id : \_\_\_\_\_

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

2. Name : \_\_\_\_\_

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

E-mail Id : \_\_\_\_\_

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

3. Name : \_\_\_\_\_

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

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 51<sup>st</sup> Annual general meeting of the company, to be held on Wednesday, 27<sup>th</sup> September, 2017 at 9.30 A.M. at Hotel Emerald Park, Sharanpur Link Road, Nashik- 422 002 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Resolution No.	Description of Resolution	For	Against
1	Adoption of the Audited Financial Statements of the Company for the Financial Year ended March 31, 2017 and the Reports of the Board of Directors and the Auditors thereon.		
2	Appointment of Director in place of Shri D.P. Taparia (DIN: 00126892), who retires by rotation and being eligible, offers himself for re-appointment as a Director.		
3	Appointment of Director in place of Shri Virendraa Bangur (DIN: 00237043), who retires by rotation and being eligible, offers himself for re-appointment as a Director.		
4	Appointment of M/s. M. M. Parikh & Co., Chartered Accountants, (Registration No.107557W) as Statutory Auditors of the Company, for a term of 5 (five) consecutive years from the conclusion of this Annual General meeting till the conclusion of the sixth Annual General Meeting from this Annual General Meeting, subject to ratification by members every year, as applicable, at such remuneration, as shall be fixed by the Board of Directors of the Company.		
5	Re-appointment Shri Sivaramakrishnan (DIN 06436717) as a Whole-time Director, designated as Director - Operations of the Company, for a further period of 5 (five) years from the expiry of his present term of office, that is, with effect from 3rd November 2017		
6	Appointment of Mrs. Premlata Purohit (DIN: 07846020 as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years on the Board of the Company.		

Signed this \_\_\_\_\_ day of September, 2017

Affix a Re. 1/-  
revenue stamp

Signature of shareholder \_\_\_\_\_

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

**Note: 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.**



**TAPARIA TOOLS LTD.**

(Regd. Office : 52 & 52B, MIDC Area, Satpur, Nashik – 422 007)  
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E-Mail:nashik@tapariatools.com  
CIN : L99999MH1965PLC013392

**ATTENDANCE SLIP**  
**51<sup>st</sup> ANNUAL GENERAL MEETING**

Member's Folio Number : \_\_\_\_\_

Name of the attending Member : \_\_\_\_\_

Name of the Proxy : \_\_\_\_\_

I/We hereby record my/our presence at the 51<sup>st</sup> Annual General Meeting of the Shareholders of the Company at Hotel Emerald Park, Sharanpur Link Road, Nashik- 422 002 on Wednesday, 27<sup>th</sup> September, 2017 at 9.30 A.M.

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

NOTES:

1. The Member/proxy must bring the attendance slip to the Meeting duly completed and signed and hand over the same at the entrance of the Meeting Hall.
2. Please bring your copy of enclosed Annual Report and Accounts.
3. No attendance slip will be issued on the date of Annual General Meeting.
4. Photo copy/torn attendance slip will not be accepted at the entrance of the Meeting Hall.

Directions for : **51st Annual General meeting of Taparia Tools Ltd.**  
**Venue : Hotel Emerald Park, Sharanpur Link Road, Nashik - 422 002**  
**MAP FOR AGM VENUE**

Shalimar Chowk (Nashik City) : 3 KM
Nasik Road Station : 11 KM

<b>NOTE : SHALIMAR CHOWK IS A CENTRAL PLACE OF CITY CONNECTED BY ALL OUTSIDE ROADS.</b>
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