

TAPARIA TOOLS LTD.



ANNUAL REPORT 2017 - 18

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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
(Upto 03/10/2017)

Shri B.B. Ladda
Independent Director

Shri G.S. Manasawala
Independent Director

Shri Rajeev J. Mundra
Independent Director

Mrs. Disha N. Wadhvani
Independent Director

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

Shri Devendra Vyas
Independent Director
(Since 11/12/2017)

Shri Virendraa Bangur
Non-Executive Director

Shri Sivaramakrishnan
Director – Operations

Key Managerial Personnel

Shri S. R. Bagad
Chief Financial Officer

Shri V. S. Datey
Company Secretary

BOARD COMMITTEES

Audit Committee

Shri G.S. Manasawala (Chairman)
Shri P.N. Shah
(Upto 03/10/2017)
Shri B.B. Ladda
Shri Rajeev J. Mundra

Nomination and Remuneration Committee

Shri G.S. Manasawala (Chairman)
Shri P.N. Shah
(Upto 03/10/2017)
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

STATUTORY AUDITORS

M/s. M. M. Parikh & Co.
Chartered Accountants, Mumbai

SECRETARIAL AUDITOR

C.S. Sagar Khandelwal
Practicing Company Secretary

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

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

E-Mail: hntaparia@tapariatools.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

CIN: L99999MH1965PLC013392

E-Mail: nashik@tapariatools.com

Web Site: www.tapariatools.com

Notice

NOTICE is hereby given that Fifty-second Annual General Meeting of the Members of TAPARIA TOOLS LIMITED will be held on Saturday, the 29th day of September, 2018 at 9.30 a.m. at Hotel Emerald Park, Sharanpur Link Road, Nashik, 422002 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, 2018 and the Reports of the Board of Directors and Auditors thereon and in this regard, pass the following resolution as ordinary resolution:

"RESOLVED THAT the Audited Financial Statement of the Company for the Financial Year ended March 31, 2018 and the Reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To appoint Shri J. K. Taparia, who retires by rotation as a Director 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 J. K. Taparia (DIN 00126945), 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."

By order of the Board
For TAPARIA TOOLS LTD.

V. S. Datey
Company Secretary

Mumbai, 11th August, 2018

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, if any, is annexed hereto.
- 8) In terms of Section 152 of the Act, Shri J.K. Taparia, Director, retires by rotation at the Meeting and being eligible, offer himself for re-appointment.
- 9) Shri J.K. Taparia, Director is interested in the Ordinary Resolution set out at Item No. 2 of the Notice with regard to his re-appointment. Shri H.N. Taparia, Chairman & Managing Director, Shri D.P. Taparia, Director and Shri M.P. Taparia, Director, being related to Shri J.K. 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 is, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under item Nos. 2 of the Notice.
- 10) Details of Director/s 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) 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.
- 12) 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.
- 13) 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.
- 14) The Company has notified closure of Register of Members and Share Transfer Books from Friday, September 21st, 2018 to Saturday, September 29th, 2018 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
- 15) 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.
- 16) 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.

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- 17) 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 under the section 'Investor Relations'.
 - 18) 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.
 - 19) 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.
 - 20) 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.
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Annexure I

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

[In pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015]

Particulars	Shri J. K. Taparia (DIN: 00126945)
Date of Birth	03.06.1942
Qualifications	Graduate in Commerce, Law & Industrial Management
Experience (including expertise in Specific functional area)	Wide Managerial Experience
Date of Appointment/ Re-appointment	29.09.2015
Relationship with other Directors / Key Managerial Personnel	Relative of Shri D.P. Taparia Relative of Shri M.P. Taparia Relative of Shri H.N. Taparia
Shareholding in the Company as on March, 31, 2018	147476

Annexure II

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on 26th September 2018 at 9.00 a.m. and ends on 28th September 2018 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 22nd September 2018 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.
- 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 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:

For Members holding shares in Demat Form and Physical Form	
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)	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. 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).
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- 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 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.
 - 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 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

Board's Report

To the Members of Taparia Tools Limited,

Your Directors have pleasure in presenting the 52nd Annual Report on the operations of the Company together with the Audited Financial Statements for the year ended March 31, 2018.

FINANCIAL PERFORMANCE (as per Ind AS)

(₹ in Lakhs)

	2017-2018	2016-2017
Revenue (Net)	40918.28	38301.56
Profit before interest and depreciation	2264.47	1901.18
<i>Less : Interest</i>	12.15	130.47
Gross Profit	2252.32	1770.71
<i>Less : Depreciation</i>	49.01	42.32
Profit for the year before tax	2203.31	1728.39
<i>Less : Provision for taxation</i>		
Current Tax	760.64	608.04
Deferred Tax	(11.96)	28.90
Profit after tax	1454.63	1091.45
Other Comprehensive Income		
Gain on Remeasurements of the defined benefit plans	(20.69)	29.98
<i>Income Tax effect</i>	7.16	(10.37)
Total other comprehensive Income	(13.53)	19.60
Total comprehensive Income for the period	1441.10	1111.05

The company has adopted Indian Accounting Standard (Ind AS) with effect from April 1, 2017 and accordingly, these Financial Results along with the comparatives have been prepared in accordance with the recognition and measurement principles stated therein, as prescribed under section 133 of the Companies Act, 2013 (Act) read with the relevant Rules framed thereunder and the other accounting principles generally accepted in India.

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) was ₹ 40918.28 lakhs that represent an increase of 6.83 % over the sales of ₹ 38301.56 Lakhs in the previous year. Profit earned after tax is ₹ 1454.63 Lakhs in the current year represents an increase of 33.28% against ₹ 1091.45 Lakhs in the previous year.

GOODS AND SERVICES TAX (GST)

The introduction of Goods and Services Tax (GST) is the biggest tax reform in the history of independent India which absorbed almost dozen central as well as local taxes. The GST is the baby born in front of us and as aimed has not been able to achieve the synonym of Goods and Simple Tax. The loopholes in current law are being covered by issue of various explanations and amendments wherever required, another important aspect in GST law is the introduction of the e-way bill Rules which are being gradually implemented in a phase wise manner to avoid glitches and achieve One Nation One Tax goal in a smooth and effective manner. The company is working on the smooth application of GST and has been successful in complying with all its requirements till date, however the new statute has long way to go for becoming industry friendly and achieving its goal of increasing ease of business in India. According to a survey there has been an increase of 50% tax base in indirect tax revenue in Nation post implementation of GST.

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 is attached.

LISTING INFORMATION

The equity shares of the company are listed on the Bombay Stock Exchange. The listing fees for the year 2018-2019 have been paid to BSE.

DEMATERIALISATION OF SHARES

Since the initiation of the dematerialization of shares of the Promoter and Promoter group, the Company has dematerialized 73.57% of their shareholding as on date. The Promoters and Promoter Group have finished the dematerialization of their shareholding whatever has been possible.

PUBLIC DEPOSITS

During the financial year 2017-18, 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 2017-18, 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.

During the financial year 2017-2018, the company invested surplus fund generated from its operating activities in the mutual funds namely HDFC FLOATING RATE INCOME FUND, ICICI PRUDENTIAL FLEXIBLE INCOME PLAN AND HDFC CMF TREASURY ADVANTAGE PLAN. However there is no balance as on 31.03.2018.

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 J.K. Taparia, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Brief profile of Shri J.K. Taparia is given in the Annexure I to the Notice.

Shri P.N. Shah resigned on October 3, 2017 effective from October 3, 2017 due to his personal reasons.

Shri Devendra Vyas (DIN: 08019038), has been appointed as an Independent Director of the Company on 11th

December 2017 to fill up the casual vacancy caused due to Shri P.N. Shah vacating his office as an Independent Director of the Company before the expiry of his term of office. Shri Devendra Vyas is to hold office till the date the outgoing Director Mr. P.N. Shah would have held office (i.e. till 53rd Annual General Meeting).

Brief profile of Shri Devendra Vyas (DIN: 08019038) is given as under:

Date of Birth	:	21.09.1975
Qualifications	:	Chartered Accountant
Experience (including expertise in Specific functional area)	:	Monitoring of Accounts, taxation and Financial Management
Date of Appointment/ Re-appointment	:	11.12.2017
Relationship with other Directors / Key Managerial Personnel	:	N.A.
Shareholding in the Company as on March, 31, 2018	:	NIL

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:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- 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, 2018 and of the profit of the Company for the year ended on that date;
- 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;