

**41<sup>st</sup>**  
**ANNUAL REPORT**  
**2017-18**



**TMT (India) Limited**





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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

- |                                         |                              |
|-----------------------------------------|------------------------------|
| ● Mr. Tumbalam Gooty Veera Prasad       | Chairman & Managing Director |
| ● Mr. Tumbalam Gooty Naga Aravind Gupta | Non Executive Director       |
| ● Mr. Bondili Bala Prasad Singh         | Independent Director         |
| ● Mrs. Rendla Sunitha                   | Independent Director         |
| ● Ambati Venkata Ramana Murthy          | Chief Financial Officer      |
| ● Krishna Mashetti                      | Company Secretary            |

**CIN** L99999TG1976PLC002002

**ISIN** INE182E01010

**REGISTERED OFFICE** A-28, 2nd Floor, Journalist Colony, Road No.70, Jubilee Hills Hyderabad, TG -500033

**LISTED AT** The BSE Ltd.

**AUDITORS** Venugopal & Chenoy  
Chartered Accountants  
4-1-889/16/2 Tilak Road, Abids,  
Hyderabad, Telangana-500001

**REGISTRARS & SHARE TRANSFER AGENTS** M/s. Venture Capital and Corporate Investments Private Limited  
12-10-167, Bharat Nagar,  
Hyderabad - 500018

### **BANKERS**

- State Bank of India, MJJ Road Branch, Nampally, Hyderabad.
- Axis Bank Limited, CTO Extn. Counter, Nampally, Hyderabad.
- Citibank N.A., Hyderabad



**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 41<sup>st</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF TMT (INDIA) LIMITED WILL BE HELD ON FRIDAY, THE 28<sup>TH</sup> SEPTEMBER, 2018 AT 3.00 PM AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT A-28, 2<sup>ND</sup> FLOOR, JOURNALIST COLONY, ROAD NO.70, JUBILEE HILLS, HYDERABAD 500033, TELANGANA TO TRANSACT THE FOLLOWING BUSINESS:**

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**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2018 and the Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended on that date along with the Report of Directors and the Auditors thereon.
2. To appoint a Director in the place of Shri Tumbalam Gooty Veera Prasad, who retires by rotation and being eligible offers himself for re-appointment.

**SPECIAL BUSINESS:**

1. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution.

**ALTERATION OF MAIN OBJECTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

**“RESOLVED THAT** pursuant to the provisions of Section 13 and all other applicable provisions, if any, contained under the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), consent of members be and is hereby accorded for amendment of main object clause of the Memorandum of Association of the Company by adding new object clause to the existing main objects of Memorandum of Association as mentioned below:

***“9.To promote, buy, acquire, sell, lease, hire, develop give on rent, to let, mortgage or otherwise dispose of the lands, plots, industrial Complexes, flats, houses, buildings, farm houses, Dairy Farms, agricultural lands, and any other immovable property including any share or shares, interest or interests therein and to transact on commission or otherwise business of real estate as agent and to participate in tenders for purchase of property or otherwise, to acquire civil contracts for or in relation to real estate, water proofing, sewage, construction, execution, equipment, improvement, management, administrations or control of mechanical and civil works and conveniences and to undertake, execute, dispose or otherwise turn to account the same.”***

**“RESOLVED FURTHER THAT** pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, contained under the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), the existing Memorandum of Association of the Company be substituted with new set of Memorandum of Association prepared in line with Table A of schedule I of Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board (including its Committee(s) thereof and/or any Director or any individual delegated with powers necessary for the purpose) be and is hereby authorized to do all such acts, deeds, matters



and things, as may be necessary, proper or expedient without being required to seek any further consent or approval of the Company or otherwise to the end and intent that they shall be deemed to have been given all necessary approval thereto expressly by the authority of this resolution.

**BY THE ORDER OF THE BOARD  
For TMT (India) Limited**

**Sd/-  
T G Veera Prasad  
Chairman & Managing Director  
(DIN: 01557951)**

**Place : Hyderabad  
Date : 13.08.2018**

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of him/her and such a proxy need not be a Member of the Company. A proxy shall not vote except on a poll. Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting. A person cannot act as proxy for more than 50 members and holding in aggregate not more than 10% of the total share capital of the Company;
2. In respect of the Item No. 2, a Statement giving additional information on the Director(s) seeking re-appointment is annexed herewith as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
3. The Register of Members and the Share Transfer Books will remain closed from 22<sup>nd</sup> September, 2018 to 28<sup>th</sup> September, 2018 (both days inclusive);
4. Members / Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and the attendance slip duly filled in for attending the Meeting. No copies of the Annual Report will be distributed at the meeting;
5. Members are requested to quote their Registered Folio No. on all correspondence with the Company;
6. Members are requested to send all communication relating to shares to the Company's Registered Office situated at A-28, 2<sup>nd</sup> Floor, Journalist Colony, Road No.70, Jubilee Hills, Hyderabad, TG- 500033;
7. Members holding shares in physical form are requested to immediately notify change in their address, if any, to the Registrar and Share Transfer Agents of the Company namely M/s. Venture Capital and Corporate Investments Private Limited having its office at 12-10-167, Bharat Nagar, Hyderabad - 500018 quoting their folio numbers;
8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified;
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and Bank details by every participant in securities market. Members holding shares in electronic and physical form are, therefore, requested to submit the PAN and Bank details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN and Bank details to the Registrar and Share Transfer Agents of the Company namely M/s. Venture Capital and Corporate Investments Private Limited having its Office at 12-10-167, Bharat Nagar, Hyderabad - 500018 quoting their folio Numbers;
10. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their



own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares;

11. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circular stating that service of notice/documents including annual report can be sent by e-mail to its members. We fully support the Ministry's green initiative. Accordingly, the Members are requested to inform their e-mail addresses to the Company at its Registered Office;
12. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon;
13. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote;
14. Electronic copy of the Notice of the 41<sup>st</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 41<sup>st</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode;
15. All the documents referred to in the notice and explanatory statement will be available to the members at the Registered Office of the Company between 10.30 A.M to 12.30 P.M on all working days from the date hereof up to the date of the Meeting;
16. Members may also note that the Notice of the 41<sup>st</sup> Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website at [www.tmtindia.in](http://www.tmtindia.in) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during 10:30 a.m. to 12:30 p.m. on all working days till 28<sup>th</sup> September, 2018. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the members may also send requests to the Company's email id: [cstmtindia@gmail.com](mailto:cstmtindia@gmail.com);
17. Members/Proxies should fill the attendance slip for attending the meeting and bring their attendance slip along with their copy of Annual Report to the meeting;
18. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing such a representative to attend and vote on their behalf at the meeting;
19. As per the provisions of the Companies Act, 2013 facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Company.





20. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on Resolutions proposed to be considered at the 41<sup>st</sup>Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the 41<sup>st</sup>Annual General Meeting (AGM) ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- II. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the 41<sup>st</sup>Annual General Meeting (AGM) may also attend the 41<sup>st</sup>Annual General Meeting (AGM) but shall not be entitled to cast their vote again.

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

- (i) The remote e-voting period commences on 25<sup>th</sup> September, 2018 (9:00 am IST) and ends on 27<sup>th</sup> September, 2018 (5:00 pm IST). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21<sup>st</sup>September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.



- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)-</p> <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>● 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.</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be used by the demat holders also 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant TMT (India) Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **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.**

**(xix) 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.
- (xx) 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).
- (xxi) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e 21<sup>st</sup> September, 2018, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or [info@vccilindia.com](mailto:info@vccilindia.com).
- However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- (xxii) A member may participate in the 41<sup>st</sup> Annual General Meeting (AGM) even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the 41<sup>st</sup> Annual General Meeting (AGM).
- (xxiii) A person, whose name is recorded in the register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the 41<sup>st</sup> Annual General Meeting (AGM) through ballot paper.
- (xxiv) Mr. Mohit Gurjar, Practicing Company Secretary has been appointed as the Scrutinizer to conduct the e-voting process in a fair and transparent manner.
- (xxv) The Chairman shall, at the 41<sup>st</sup> Annual General Meeting (AGM), at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Poling Paper” for all those Members who are present at the 41<sup>st</sup> Annual General Meeting (AGM) but have not cast their votes by availing the remote e-voting facility.



- (xxvi) The Scrutinizer shall after the conclusion of voting at the General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the 41<sup>st</sup> Annual General Meeting (AGM), a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (xxvii) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.tmtindia.in](http://www.tmtindia.in) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE.
- (xxviii) The Company has recently got electronic connectivity with the depository i.e. NSDL & CDSL and the ISIN of the Company is INE182E01010. The members are requested to avail the facility and lodge their shares for Demat.
- (xxix) Route map showing directions to reach venue of 41<sup>st</sup> Annual General Meeting is attached to this Annual Report

**BY THE ORDER OF THE BOARD  
For TMT (India) Limited**

**Sd/-  
T G Veera Prasad  
Chairman & Managing Director  
(DIN: 01557951)**

**Place : Hyderabad  
Date : 13.08.2018**



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## **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 3**

Your company intends to expand and diversify its present scope of operations and it is proposed to venture into new real estate activities which have good potential for growth of the Company. The proposed alteration to the main objects of the memorandum of association shall enable the Company to expand its activities and venture into new areas of business. The Board of Directors, at their meeting held on 13.08.2018 has approved the alteration of Memorandum of Association of the Company.

The existing Memorandum of Association ("MOA") of the Company, based on Companies Act, 1956 ("1956 Act") are no longer in conformity with the Companies Act, 2013 ("2013 Act"). With the enactment of 2013 Act, several clauses of MOA require alteration/deletion. Given this position, it is considered expedient to adopt the new set of Memorandum of Association (primarily based on Table A set out under Schedule I to the Act) in place of existing MOA, instead of amending it by alteration/incorporation of provisions of 2013 Act. In terms of Section 13 of 2013 Act, consent of Members by way of a Special Resolution is required for adoption of a new set of Memorandum of Association. The entire set of proposed new Memorandum of Association is available in the website of the Company. Members can also obtain a copy of the same from the Company's Registered Office.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said Resolution. The Directors recommend the aforesaid Resolution for the approval by the Members as Special Resolution.

**BY THE ORDER OF THE BOARD  
For TMT (India) Limited**

**Sd/-  
T G Veera Prasad  
Chairman & Managing Director  
(DIN: 01557951)**

**Place : Hyderabad  
Date : 13.08.2018**

**ADDITIONAL INFORMATION**

**(Pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure requirements) Regulation, 2015)**

<b>Name of the Director</b>	<b>Tumbalam Gooty Veera Prasad</b>
Date of Birth	05/07/1952
Date of Appointment on the Board	07/08/1987
Qualification, Experience & Expertise	He is a B. Com graduate with 41 years of rich experience in various fields like Mining, Chemicals, Transport, Engineering, LPG Cylinder manufacturing, Floriculture and many other areas. He was elected as Vice Chairman, CII (Confederation of Indian Industry), Andhra Pradesh in the year 1995 and served as Chairman, CII, Andhra Pradesh for the year 1996-97. He Played key role in reviving a large paper industry in Andhra Pradesh.
Directorship in other companies (Excluding private limited companies, foreign companies and section 8 Companies)	NIL
Disclosure of relationships between Directors Interest	NIL
Shareholding	6.50%
Terms and Conditions of Appointment with details of Remuneration	He was appointed as Managing Director of the Company with no Remuneration.
Last drawn Remuneration, if any	7.2 lakhs
No. of board meetings attended during the year	7
Other directorship, committee membership on other boards	NIL

**BY THE ORDER OF THE BOARD  
For TMT (India) Limited**

**Sd/-  
T G Veera Prasad  
Chairman & Managing Director  
(DIN: 01557951)**

**Place : Hyderabad**

**Date : 13.08.2018**



## DIRECTORS' REPORT

Your Directors hereby present the 41<sup>st</sup> Annual Report together with the Audited Accounts of the Company for the financial year ended 31<sup>st</sup> March, 2018.

### 1. **FINANCIAL SUMMARY OR HIGHLIGHTS:**

The financial highlights for the current year in comparison to the previous year are as under:

PARTICULARS	Amount in Rs.	
	Current Year 2017-18	Previous year 2016-17
Total Revenue	37,24,102	9,62,661
Total Expenditure (before Financial Charges, Depreciation and Taxation)	44,08,336	17,64,135
Profit before Financial Charges, Depreciation and Taxation	(6,84,234)	(8,01,474)
Less: Depreciation	-	-
Less: Financial Charges	2,343	2,866
<b>Profit Before Tax</b>	(6,86,577)	(8,04,340)
Less: Provision for Tax & Deferred Tax	-	-
<b>Profit After Tax</b>	(6,86,577)	(8,04,340)
<b>Net Loss/profit carried to Balance Sheet</b>	(6,86,577)	(8,04,340)

During the financial year 2017-18, the Company has reported a total income of Rs. 37,24,102 as compared to Rs. 9,62,661 in the previous year resulting in a Loss of Rs. (6,86,577) as compared to Rs. (8,04,340) in the previous year.

### 2. **CHANGE IN NATURE OF BUSINESS:**

There is no change in the nature of business of the Company. However Company has closed down the operations of Palmarosa cultivation and extraction of essential oil.

Based on the experience gained, the Company has explored various avenues such as supply of designs, drawings and trading operations of Garcinia, Curcumin and essential oils. During the year supply of designs and drawings activities have been carried on by the Company

### 3. **DIVIDEND:**

In view of the accumulated losses, your Directors did not recommend any dividend for the financial year ended 31<sup>st</sup> March, 2018.

### 4. **TRANSFER TO RESERVES**

Your Company did not transfer any amount to reserves during the period under review.

**5. EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as **Annexure - I** to this report.

**6. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:**

In accordance with the provisions of Section 152 of the Companies Act, 2013, Shri Tumbalam Gooty Veera Prasad, Director of the Company retires by rotation and being eligible, has offered himself for re-appointment.

Mr. Ramana Murthy A V has been appointed as Chief Financial Officer of the Company w.e.f. 09.06.2018.

Excepting above changes, there are no changes in the office of Directors or office of Key Managerial Persons during the reporting period.

The details of various committees of the Board are given as **Annexure - II** and forms part of this report.

**7. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS.**

The Board has on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors and Senior Management Personnel and fixes their remuneration. The detailed Nomination and Remuneration Policy is displayed on the Company's website viz. [www.tmtindia.in](http://www.tmtindia.in).

**8. COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:**

This Company does not have any Subsidiaries, Associates or Joint Ventures.

**9. FIXED DEPOSITS:**

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance sheet.

**10. STATUTORY AUDITORS:**

M/s Venugopal & Chenoy, Chartered Accountants, Hyderabad was appointed as Statutory Auditors of the Company at the 40<sup>th</sup> Annual General Meeting to hold the office for a period of 5 years commencing from the conclusion of 40<sup>th</sup> Annual General Meeting till the conclusion of 45<sup>th</sup> Annual General Meeting of the Company subject to ratification at every subsequent Annual General Meeting of the Company. However ratification of appointment of Statutory Auditors by the Members at every Annual General Meeting is done away vide notification dated May 07, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for the ratification of appointment of Auditors in the 41<sup>st</sup> Annual General Meeting, who were appointed in the 40<sup>th</sup> Annual General Meeting.

The Auditors' Report for F.Y. 2017-18 does not contain any qualifications. The Auditors' Report is enclosed with the Financial Statements in this Annual Report.



**11. INTERNAL AUDITORS:**

The Board of Directors based on the recommendation of the Audit Committee has appointed M/s. Sateesh & Associates, Chartered Accountants, Hyderabad, as the Internal Auditors for FY 2018-19.

**12. SECRETARIAL AUDIT:**

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. P. S. Rao & Associates, Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report, pursuant to Section 204(1) of the Companies Act, 2013, for the Financial Year ended 31<sup>st</sup> March, 2018 is given in **Annexure III** attached hereto and forms part of this Report.

**REPLY TO QUALIFICATIONS IN SECRETARIAL AUDIT REPORT:****i) Company has not appointed CFO as required under section 203 of Companies Act, 2013 during the F.Y 2017-18.**

The Board of Directors in its meeting held on June 9, 2018 has appointed Mr. Ramana Murthy AV as CFO of the Company.

**ii) Company did not appoint an internal auditor as required under section 138(1) of Companies Act, 2013.**

The Board of Directors in its meeting held on May 29, 2018 has appointed M/s Sateesh & Associates, Chartered Accountants, Hyderabad as internal auditor for the F.Y 2018-19.

**iii) Company did not file Form MGT-14 for approval of accounts, directors report for the F.Y 2016-17 and appointment of secretarial auditor for the F.Y 2016-17 and also failed to file Form MGT-15 as required to file under section 121(1) of Companies Act, 2013.**

The Company is facing huge financial crunch and could not hire professionals for submission of forms which are required to be filed on event base and on annual basis and the Company is in the process of filing the same.

**iv) The Company is irregular in filing various forms required to be filed under provisions of Companies Act, 2013.**

The Company is facing huge financial crunch and could not hire professionals for submission of forms which are required to be filed on event base and on annual basis and the Company is in the process of filing the same.

**v) Trading in the shares of the Company has been suspended with effect from 31<sup>st</sup> May, 1999.**

Company is in process to revoke the suspension imposed on the trading in the scrip of our Company.

**13. MEETINGS OF BOARD OF DIRECTORS**

During the Financial year ended 31<sup>st</sup> March, 2018, Board of Directors met (7) seven times and gap between two Board meetings did not exceed 120 days.

25-04-2017	29-05-2017	14-08-2017	06-09-2017	14-11-2017	12-02-2018	19-02-2018
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**14. DECLARATION GIVEN BY INDEPENDENT DIRECTORS:**

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149 of the Companies Act, 2013 which have been relied on by the Company and were placed at the Board Meeting held on April 25, 2017.

**15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The Company has not provided any loan or guarantee and has neither made any investments during the year in accordance with Section 186 of the Companies Act, 2013.

**16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

There were no contracts or arrangements with related parties as specified in section 188 (1) of the Act during the financial year 2017-18, except the transactions in the ordinary course of business and at arm's-length basis.

**17. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained /received from the operating Management, your Directors make the following statement and confirm that:

- (i) in the preparation of Annual Accounts for the financial year ended 31<sup>st</sup> March, 2018, the applicable accounting standards have been followed along with the proper explanation relating to material departures, if any, there from;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year the loss of the Company for that period
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) the Directors have prepared the annual accounts on a going concern basis.
- (v) the Directors had laid down Internal Financial controls to be followed by the Company and that such internal financial Controls are adequate and were operating efficiently.
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and Operating effectively.

**18. MATERIAL CHANGES AND COMMITMENTS:**

There are no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

However, the Registered Office of the Company has been shifted from 5-8-113, 2<sup>nd</sup> floor, 21<sup>st</sup> Century Complex, Nampally, Hyderabad-500001, Telangana to A-28, 2<sup>nd</sup> Floor, Journalist Colony, Road No.70, Jubilee Hills, Hyderabad-500033, Telangana, w.e.f. 19.02.2018.

**19. RISK MANAGEMENT**

The Company has risk management mechanism in place which mitigates the risk at appropriate situations and there are no elements of risk, which in the opinion of Board of Directors may threaten the existence of the Company.

**20. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:**

Your Company believes in promoting a fair, transparent, ethical and professional work environment. The Board of Directors of the Company has established a Whistle Blower Policy & Vigil Mechanism in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 for reporting the genuine concerns or grievances or concerns of actual or suspected, fraud or violation of the Company's code of conduct. The said Mechanism is established for directors and employees to report their concerns. The policy provides the procedure and other details required to be known for the purpose of reporting such grievances or concerns.

The details of the Whistle Blower Policy & Vigil Mechanism and other policies of the Company are posted on the website of the Company [www.tmtindia.in](http://www.tmtindia.in).

**21. PERFORMANCE EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgments, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

**22. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given as **Annexure –IV** and forms part of this report.

**23. 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 herewith annexed as **Annexure-V** to this report.

**24. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Pursuant to the provisions of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015, a report on Management Discussion & Analysis is herewith annexed as **Annexure -VI** to this report.

**25. CORPORATE GOVERNANCE:**

The Corporate Governance is not applicable to the Company as per SEBI Circular CIR/CFD/POLICY CELL/7/2014 dated 15<sup>th</sup> September, 2014 and as such this disclosure is not applicable

**26. LISTING:**

Your Company's shares are presently listed on BSE Limited, Mumbai and the trading of shares of the Company is suspended since May 31, 1999. The Company has made an application to BSE for revocation of suspension and the same is under process by BSE.

**27. ELECTRONIC CONNECTICITY WITH DESIGNATED DEPOSITORY:**

The Company has recently got electronic connectivity with the depository i.e. NSDL & CDSL and the ISIN of the Company is **INE182E01010**. The members are requested to avail the facility and lodge their shares for Demat.

**28. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.**

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Internal control systems comprising of policies and procedures designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources are acquired are used economically.

**29. DETAILS ABOUT THE CORPORATE SOCIAL RESPONSIBILITY POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY**

The Company does not meet the Criteria as specified in Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility.

**30. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

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

**31. MAINTENANCE OF COST RECORDS:**

Company is not required to maintain cost records as specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013.

**32. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has in place Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received



regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the following are the members of the Committee:

Sr. No.	Name	Category
1.	Tumbalam Gooty Veera Prasad	Chairman
2.	Tumbalam Gooty Naga Aravind Gupta	Member
3.	Rendla Sunitha	Member

The following is a summary of sexual harassment complaints received and disposed off during the Calendar year:

- No. of complaints received: Nil
- No. of complaints disposed off: Nil

### **33. ACKNOWLEDGEMENTS:**

Your directors acknowledge the continued support from regulatory, government authorities, staff and all the stake holders for their support and cooperation.

**BY THE ORDER OF THE BOARD  
For TMT (India) Limited**

**Sd/-  
T G Veera Prasad  
Chairman & Managing Director  
(DIN: 01557951)**

**Place : Hyderabad  
Date : 13.08.2018**

**Annexure – I****Form No. MGT-9****EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31/03/2018**

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

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN : L99999TG1976PLC002002
- ii) Registration Date : 08/03/1976
- iii) Name of the Company : TMT (INDIA) LIMITED
- iv) Category / Sub-Category of the Company : Public Limited, Company Limited by Shares
- v) Address of the Registered Office and contact details : A-28, 2nd Floor, Journalist Colony, Road No. 70, Jubilee Hills, Hyderabad, TG- 500001  
Ph No:-040-23556089  
Email Id: cstmtindia@gmail.com
- vi) Whether listed Company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : M/s. Venture Capital and Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad TG-500018

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

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

Sl. No	Name and Description of main products and services	NIC Code of the product/service	% to total turnover of the Company
1	Natural Plant Extracts and Essential oil	20293	100%

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

The Company doesn't have any Subsidiary or Associate Companies.



**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				No. of Shares held at the end of the Year				% Change during the Year
	Demat	Physical	Total	% of shares	Demat	Physical	Total	% of shares	
A. Promoters									
1. Indian	-	-	-	-	-	-	-	-	-
a. Individual/HUF	-	2451000	2451000	49.48	-	2451000	2451000	49.48	-
b. Central Govt	-	-	-	-	-	-	-	-	-
c. State Govt(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	-	-	-	-	-	-	-	-	-
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	-	<b>2451000</b>	<b>2451000</b>	<b>49.48</b>	-	<b>2451000</b>	<b>2451000</b>	<b>49.48</b>	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) other Individuals	-	-	-	-	-	-	-	-	-
c) Body Corp	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other.	-	-	-	-	-	-	-	-	-
<b>Sub-total(A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Share holding of promoter (A) = (A) (1) + (A) (2)</b>	-	<b>2451000</b>	<b>2451000</b>	<b>49.48</b>	-	<b>2451000</b>	<b>2451000</b>	<b>49.48</b>	-
B. Public Share Holding									

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1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total (B)(1)</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
A) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	84600	84600	1.71	-	84600	84600	1.71	-
ii) Overseas									
B) Individuals	-	-	-	-	-	-	-	-	-
i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	-	1385800	1385800	27.97		1385800	1385800	27.97	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	-	1032400	1032400	20.84	-	1032400	1032400	20.84	-
Others (specify) Clearing Members	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2)</b>	-	<b>2502800</b>	<b>2502800</b>	<b>50.52</b>	-	<b>2502800</b>	<b>2502800</b>	<b>50.52</b>	-
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	-	<b>2502800</b>	<b>2502800</b>	<b>50.52</b>	-	<b>2502800</b>	<b>2502800</b>	<b>50.52</b>	-
c) Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>4953800</b>	<b>4953800</b>	<b>100</b>	-	<b>4953800</b>	<b>4953800</b>	<b>100</b>	-





**( ii ) Shareholding of Promoters**

SNo	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% Change in Share holding during the year.
		No. of Shares	% to Total Shares of the Company	% of Shares pledged / Encumbered to total shares	No. of Shares	% to Total Shares of the Company	% of Shares pledged / Encumbered to total shares	
1	Aruna Kumari T.G.N	1429200	28.85	-	1429200	28.85	-	-
2.	Rohit Naag	700000	14.13	-	700000	14.13	-	-
3.	Veera Prasad T.G	321800	6.50	-	321800	6.50	-	-
	<b>Total</b>	<b>2451000</b>	<b>49.48</b>	<b>-</b>	<b>2451000</b>	<b>49.48</b>	<b>-</b>	<b>-</b>

**( iii ) Change in Promoters' Shareholding (please specify, if there is no change) : No change**

S.No	Name	Share Holding		Date	Increase Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the Beginning (01.04.2017) / end of the year (31.03.2018)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	Aruna Kumari T.G.N.	1429200	28.85	01.04.2017	Nil movement during the year	NA	1429200	28.85
		1429200	28.85	31.03.2018			1429200	28.85
2	Rohit Naag	700000	14.13	01.04.2017	Nil movement during the year	NA	700000	14.13
		700000	14.13	31.03.2018			700000	14.13
2	Veera Prasad T.G.	321800	6.50	01.04.2017	Nil movement during the year	NA	321800	6.50
		321800	6.50	31.03.2018			321800	6.50



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

S.No	Name	Share Holding		Date	Increase Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the Begin- ning (01.04. 2017)/ end of the year 31.03.2018)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	Kishore Babu PVK	192240	3.88	01.04.2017	Nil movement during the year	NA	192240	3.88
		192240	3.88	31.03.2018			192240	3.88
2	Nageswara Rao Prattipati	191360	3.86	01.04.2017	Nil movement during the year	NA	191360	3.86
		191360	3.86	31.03.2018			191360	3.86
3	G.Sanjeevnath	170490	3.44	01.04.2017	Nil movement during the year	NA	170490	3.44
		170490	3.44	31.03.2018			170490	3.44
4	Satya Srinag Pasam	101500	2.05	01.04.2017	Nil movement during the year	NA	101500	2.05
		101500	2.05	31.03.2018			101500	2.05
5	Prasad Y.N.S	50000	1.01	01.04.2017	Nil movement during the year	NA	50000	1.01
		50000	1.01	31.03.2018			50000	1.01
6	Siva Rao T.S	44600	1.95	01.04.2017	Nil movement during the year	NA	44600	1.95
		44600	1.95	31.03.2018			44600	1.95
7	Sone Paper & Industries	38200	0.77	01.04.2017	Nil movement during the year	NA	38200	0.77
		38200	0.77	31.03.2018			38200	0.77
8	Prakash A.Shah	23900	0.48	01.04.2017	Nil movement during the year		23900	0.48
		23900	0.48	31.03.2018			23900	0.48
9	Harish Textiles Engineering	14900	0.30	01.04.2017	Nil movement during the year	NA	14900	0.30
		14900	0.30	31.03.2018			14900	0.30
10	N.Ravichandran	12700	0.26	01.04.2017	Nil movement during the year	NA	12700	0.26
		12700	0.26	31.03.2018			12700	0.26



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

S.No	Name	Share Holding		Date	Increase Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the Begin- ing (01.04. 2017)/ end of the year 31.03.2018)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	Tumbalam Gooty Veera Prasad	321800	6.50	01.04.2017	0	Nil movement during the year	321800	6.50
		321800	6.50	31.03.2018			321800	6.50
2	Bondili Bala Prasad Singh	70000	1.41	01.04.2017	0	Nil movement during the year	70000	1.41
		70000	1.41	31.03.2018			70000	1.41
3	Tumbalam Gooty Naga Aravind Gupta	0	0	01.04.2017	0	NA	0	0
		0	0	31.03.2018			0	0
4	Rendla Sunitha	0	0	01.04.2017	0	NA	0	0
		0	0	31.03.2018			0	0
5	Ramana Murthy AV(CFO)	165210	3.34	01.04.2017	0	Nil movement during the year	165210	3.34
		165210	3.34	31.03.2018			165210	3.34
6	Krishna Mashetti (CS)	0	0	01.04.2017	0	NA	0	0
		0	0	31.03.2018			0	0


**V. INDEBTEDNESS**
**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Amount in Rs.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	0	2,40,00,000	0	2,40,00,000
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total ( i + ii + iii )	0	2,40,00,000	0	2,40,00,000
Change in Indebtedness during the financial year	0	0	0	0
• Addition				
• Reduction				
Net Change	0	0	0	0
Indebtedness at the end of the financial year	0	2,40,00,000	0	2,40,00,000
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total ( i + ii + iii )	0	2,40,00,000	0	2,40,00,000

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

(i). Remuneration to Managing Director, Whole-time Directors and/or Manager:

SNo	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Tumbalam Gooty Veera Prasad			
1.	Gross Salary ( a ) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 ( b ) Value of perquisites u/s 17(2) Income Tax Act, 1961 ( c ) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	NIL			NIL
2.	Stock Option	NIL			NIL
3.	Sweat Equity	NIL			NIL
4.	Commission • As a % of profit • Others, specify	NIL			NIL
5.	Others please specify (Performance Pay)	NIL			NIL
	Total A	NIL			NIL
	Ceiling as per the Act (Section 197 read with Sch V of the Companies Act 2013.)	60,00,000			



**(ii). Remuneration to other directors: Nil**

SNo	Particulars of Remuneration	Bondili Bala Prasad Singh	Rendla Sunitha	Tumbalam Gooty Naga Aravind Tupta	Total Amount
		Independent Director	Independent Director	Non Executive Director	
1.	Independent Directors <ul style="list-style-type: none"> <li>• Fee for attending Board Committee Meetings</li> <li>• Commission</li> <li>• Others please specify</li> </ul>	NIL	NIL	NIL	NIL
	Total ( 1 )	NIL	NIL	NIL	NIL
2.	Others Non Executive Directors <ul style="list-style-type: none"> <li>• Fee for attending Board Committee Meetings</li> <li>• Commission</li> <li>• Others please specify</li> </ul>	NIL	NIL	NIL	NIL
	Total ( 2 )	NIL	NIL	NIL	NIL
	Total B= (1) + (2)	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	One Lakh per meeting per director			

**(iii). REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

SNo	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Krishna Mashetti	*Ramana Murthy AV	
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	2,40,000	NIL	2,40,000
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission <ul style="list-style-type: none"> <li>• As a % of profit</li> <li>• Others, specify</li> </ul>	NIL	NIL	NIL
5.	Others please specify	NIL	NIL	NIL
	<b>Total</b>	<b>2,40,000</b>	<b>NIL</b>	<b>2,40,000</b>

*\* Mr. Ramana Murthy AV has been appointed as CFO of the Company w.e.f. 09.06.2018*

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

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					
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment					
Compounding					
<b>C. others officers in default</b>					
Penalty					
Punishment					
Compounding					

**BY THE ORDER OF THE BOARD  
For TMT (India) Limited**

**Sd/-  
T G Veera Prasad  
Chairman & Managing Director  
(DIN: 01557951)**

**Place : Hyderabad  
Date : 13.08.2018**

**Annexure-II****COMMITTEES OF DIRECTORS****a. AUDIT COMMITTEE :****Brief description of terms of reference:**

The Committee comprises of non-executive and independent Directors and has been formed to monitor and provide effective supervision of the financial control and reporting process. The terms of reference of the Committee covers the matters specified for Audit Committee as per section 177 of the Companies Act, 2013. This inter-alia, include review of the financial reporting process, internal audit process, adequacy of internal control systems, management audit and risk management policies and also recommendation and appointment of the statutory auditors and their remuneration.

**Composition:**

S.No.	Name of the Director	Category	No. of meetings held during the year	No. of meetings attended
1.	Bondili Bala Prasad Singh	Chairman	4	4
2.	Rendla Sunitha	Member	4	4
3.	Tumbalam Gooty Naga Aravind Gupta	Member	4	4

The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company. The Audit Committee meetings were held during the year under review on the following dates:

29-May-2017	14- Aug- 2017	14-Nov-2017	12-Feb-18
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The necessary quorum was present at all the meetings.

**Terms of reference**

The terms of reference of the Audit Committee are as per SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time.

**i) Powers of the Audit Committee include:**

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

**ii) Role of the Audit Committee includes:**

- a) Oversight of Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of auditors and fixation of audit fee.
- c) Approval of payment to statutory auditors for any other services rendered by them.
- d) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:



- matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
- Changes, if any, in accounting policies and practices and reasons for the same
- Major accounting entries involving estimates based on the exercise of judgment by management
- Significant adjustments made in the financial statements arising out of audit findings - compliance with listing and other legal requirements relating to financial statements
- Disclosure of any related party transactions
- Review of draft Auditors Report, in particular qualifications / remarks / observations made by the Auditors on the financial statements
- Management Discussion and Analysis of financial conditions and results of operations
- Review of Statement of significant related party transactions submitted by the management.
- Review of management letters/letters of internal control weaknesses issued by the statutory auditors.
- Review of internal audit reports relating to internal control weaknesses.
- Review of appointment, removal and terms of remuneration of the Chief Internal Auditor.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Review of the financial statements of subsidiary Companies.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary
- Evaluation of internal financial controls and risk management systems.
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors.
- 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 utilized 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.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
- Reviewing the adequacy of internal audit function, if any, 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
- Discussion with internal auditors of any significant findings and follow up there on
- Reviewing the risk management policies, practices and 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

- 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.
- To review the functioning of the Whistle Blower Mechanism
- Approval of appointment / reappointment / remuneration of CFO (or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate
- Carrying out any other function as may be mentioned in the terms of reference of the Audit Committee. The Audit Committee discharges its functions and obligations on regular basis and on the occurrence of the events.

**b. NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee has been formed in compliance of Section 178 of the Companies Act, 2013 comprising of 2 Independent Directors and 1 Non-Executive Director.

**Terms of Reference:**

- Attraction and Retention strategies for employees.
- Determine the compensation (including salaries and salary adjustments, incentives / benefits, bonuses) and Performance targets of the Chairman, Managing Director, COO, CFO, CEO & other senior management personnel
- Review employee development strategies.
- Formulate a criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy for the remuneration of directors, key managerial personnel and other employees;
- Identify and nominate for the approval of the Board, candidates to fill Board vacancies as and when they arise.
- Recommend the appointment of any director to executive or other employment/place of profit in the Company;
- Recommend the sitting fees to be paid to Non-Executive Directors;

Details on composition of the Nomination and Remuneration Committee and the attendance by each Member of the Nomination and Remuneration Committee are as under:

S.No.	Name of the Director	Category	No. of Meetings held during the year	No. of Meetings attended
1	Bondili Bala Prasad Singh	Chairman	1	1
2	Rendla Sunitha	Member	1	1
3	Tumbalam Gooty Naga Aravind Gupta	Member	1	1

The Nomination and Remuneration committee met on 06.09.2017 in the FY 2017-18.

**c. SHAREHOLDERS/ INVESTORS GRIEVANCE REDRESSAL COMMITTEE**

The present composition of the Shareholders/ Investors Grievance Redressal Committee is as under:

<b>Name of the Director</b>	<b>Nature of Directorship</b>
Bondili Bala Prasad Singh	Chairman
Rendla Sunitha	Member
Tumbalam Gooty Naga Aravind Gupta	Member

The Committee reviews the security transfers / transmissions, process of dematerialization and the investors' grievances and the systems dealing with these issues.

In accordance with SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015 the Board has authorized the Compliance Officer, to approve share transfers / transmissions and comply with other formalities in relation thereto.

All investor complaints, which cannot be settled at the level of the Compliance Officer, will be placed before the Committee for final settlement.

There were no complaints pending for redressal during the year under review.

**Terms of reference**

The terms of reference of the Stakeholders Relationship Committee are as under:

- i) Redressal of grievances of shareholders, debenture holders and other security holders.
- ii) Transfer and transmission of securities.
- iii) Dealing with complaints related to transfer of shares, non-receipt of declared dividend, non-receipt of Balance Sheet etc.
- iv) Issuance of duplicate shares certificates.
- v) Review of dematerialization of shares and related matters.
- vi) Performing various functions relating to the interests of shareholders/investors of the Company as may be required under the provisions of the Companies Act, 2013, SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015.

**BY THE ORDER OF THE BOARD  
For TMT (India) Limited**

**Sd/-  
T G Veera Prasad  
Chairman & Managing Director  
(DIN: 01557951)**

**Place : Hyderabad  
Date : 13.08.2018**

**Form No. MR-3****SECRETARIAL AUDIT REPORT**

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

For The Financial Year Ended 31<sup>st</sup> March, 2018

To,  
The Members,  
TMT (India) Limited,  
A-28, 2nd Floor, Journalist Colony,  
Road No.70, Jubilee Hills,  
Hyderabad, Telangana.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s TMT (India) Limited, (hereinafter called 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 our 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, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We 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, 2018 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 following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - (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;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
  - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;



- (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (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;
  - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
3. We have also examined compliance with the applicable Listing Regulations entered into by the Company with BSE Limited

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

- i) Company has not appointed CFO as required under section 203 of Companies Act, 2013 during the F.Y 2017-18.*
- ii) Company did not appoint an internal auditor as required under section 138(1) of Companies Act, 2013.*
- iii) Company did not file Form MGT-14 for approval of accounts, directors report for the F.Y 2016-17 and appointment of secretarial auditor for the F.Y 2016-17 and also failed to file Form MGT-15 as required to file under section 121(1) of Companies Act, 2013.*
- iv) The Company is irregular in filing various forms required to be filed under provisions of Companies Act, 2013.*
- v) Trading in the shares of the Company has been suspended with effect from 31<sup>st</sup> May, 1999.*

#### **We 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. There were no changes in the composition of the Board of Directors during the period under review.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We 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.



We further report that during the year under report, the Company has not undertaken any event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

**For P.S. Rao & Associates  
Company Secretaries**

**Sd/-  
Mohit Gurjar  
Company Secretary  
C.P. No.: 18644**

Date: 13.08.2018  
Place: Hyderabad

**'ANNEXURE A'**

To,  
The Members,  
TMT (India) Limited  
Hyderabad

Our report of even date is to be read along with this letter.

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. Wherever 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.

**For P.S. Rao & Associates  
Company Secretaries**

**Sd/-  
Mohit Gurjar  
Company Secretary  
C.P. No.: 18644**

Date: 13.08.2018  
Place: Hyderabad

**Annexure – IV****ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given as below.

**A. CONSERVATION OF ENERGY:****i. The steps taken or impact on conservation of energy:**

The operations of the Company are not power intensive. However, it is very careful in using the power to reduce the cost of maintenance and conserve the resources.

**ii. Steps taken by the Company for utilizing alternate sources of energy:**

As the Company is not a power intensive Company, there are no requirements for utilizing of alternate sources of energy

**iii. The capital investment on energy conservation equipments:**

The Company has not made any additional investments and has not proposed any amount for reduction of consumption of energy.

**B. TECHNOLOGY ABSORPTION:**

- |                                                                                                                                                                    |   |                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|------------------------------------------------|
| (i) the efforts made towards technology absorption                                                                                                                 | : | NIL                                            |
| (ii) the benefits derived like product improvement, cost reduction, Product development or import substitution                                                     | : | NIL                                            |
| (iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished: |   |                                                |
| (a) the details of technology imported                                                                                                                             | : | No technology imported during the last 3 years |
| (b) the year of import                                                                                                                                             | : | NA                                             |
| (c) whether the technology been fully absorbed                                                                                                                     | : | NA                                             |
| (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof                                                                     | : | NA                                             |
| (iv) the expenditure incurred on Research and Development                                                                                                          | : | NIL                                            |

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Activities relating to exports and initiatives taken to increase export products, services and export plans  
Foreign Exchange earnings and outgo: (on receipts and payments basis)

<b>Particulars</b>	<b>2017-18</b>	<b>(Rs. In Lacs)</b>
		<b>2016-17</b>
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Outgo	-	-

**BY THE ORDER OF THE BOARD  
For TMT (India) Limited**

**Sd/-  
T G Veera Prasad  
Chairman & Managing Director  
(DIN: 01557951)**

**Place : Hyderabad  
Date : 13.08.2018**



**Annexure-V****Report on Managerial Remuneration**

As per Section 197 of the Companies Act 2013

Read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**Details pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i) **The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18, and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:**

The Managing Director of the Company does not draw any remuneration from the Company and there is no Change in remuneration of Company Secretary during the FY 2017-18.

- ii) **The percentage increase in the median remuneration of employees in the financial year: NIL**
- iii) **The number of permanent employees on the rolls of Company as at March 31, 2018: 2**
- iv) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: NIL**

**The Company affirms that remuneration to the Directors and Key Managerial Personnel is as per the remuneration policy of the Company.**

There are no employees who are in receipt of remuneration more than Rs. One Crore and Two Lakh per annum or Rs. Eight Lakhs and Fifty Thousand per month

**BY THE ORDER OF THE BOARD  
For TMT (India) Limited**

**Sd/-  
T G Veera Prasad  
Chairman & Managing Director  
(DIN: 01557951)**

**Place : Hyderabad  
Date : 13.08.2018**

**MANAGEMENT DISCUSSION & ANALYSIS****OVERVIEW:**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and other statutory requirements. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions and reasonably present our state of affairs, profits and cash flows for the year.

**INDUSTRY STRUCTURE AND DEVELOPMENT:**

Despite high interest rates and their consequent cascading impact on the broader economy, the overall trends in agro products industry consumption remained positive. Continuing robust growth of the processed agro products industry in India will require investments in two key areas - building of agro products processing capabilities and expansion of distribution reach. Together, these will ensure that we are capable of reaching out to large numbers of Indian consumers with products that are relevant, affordable and profitable.

**OPERATIONS:**

The Operations of the Company are at minimal scales and the management is actively working towards bagging new orders for execution and is evaluating all the possibilities of bringing back the glory of the Company with good order book and generation of sizable revenues

**FUTURE OUTLOOK:**

The management is actively scouting for new orders and markets. In the coming years, the management will strive to identify and produce distinct varieties of products to cater to the needs of overseas markets.

**OPPORTUNITIES & THREATS**

**Strength:** Huge demand for natural agro products produced in India in foreign countries, providing high export potential.

**Weakness:** The necessity of any product may come at any time and any material required in this connection needs to be purchased in bulk quantity whenever it is available, requiring heavy capital investments in stocks.

**Opportunities:** We are a very old Company having vast amount of experience which will enable us to execute any orders received by the Company.

**Threats:** The business of the Company is exposed to normal industry threats.

**INTERNAL CONTROL SYSTEM AND ITS ADEQUACY**

The philosophy we have with regard to internal control systems and their adequacy has been formulation of effective systems and their strict implementation to ensure that assets and interests of the Company are safeguarded; checks and balances are in place to determine the accuracy and reliability of accounting data. The Company has a well defined organization structure with clear functional authority, limits for approval of all transactions. The Company has a strong reporting system, which evaluates and forewarns



the management on issues related to compliance. Company updates its internal control system from time to time, enabling it to monitor employee adherence to internal procedures and external regulatory guidelines.

**PERSONNEL:**

Human wealth is the ultimate wealth in for any industry. The Company recognizes this fact and understands that employees are one of the most important sources for sustained growth of any business. Quality personnel delivering their optimum potential for the organization is the key differentiator. The Company maintained good relations with its employees and there was no unrest in the Company at any point of time.

**HEALTH AND SAFETY:**

The Company places considerable emphasis on health and safety throughout its operation and displays commitment to ensure the high standards being maintained in compliance with applicable laws and regulations.

**FORWARD LOOKING / CAUTIONARY STATEMENT:**

Certain statements in the Management Discussion & Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. These statements being based on certain assumptions and expectation of future event, actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting domestic demand supply conditions, finish goods prices, changes in Government Regulations and Tax regime etc. The Company assumes no responsibility to publically amend, modify or revise any forward looking statements on the basis of subsequent developments, information or events.

**BY THE ORDER OF THE BOARD  
For TMT (India) Limited**

**Sd/-  
T G Veera Prasad  
Chairman & Managing Director  
(DIN: 01557951)**

**Place : Hyderabad  
Date : 13.08.2018**

**INDEPENDENT AUDITORS' REPORT****To  
The Members of TMT (India) Limited  
Report on the Financial Statements**

We have audited the accompanying Ind AS financial statements of TMT (India) Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, 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 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 statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion, 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 31<sup>st</sup> March, 2018, and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" 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, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) 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) There are no pending litigations for the Company that will impact the financial position of the Company;
    - 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

**For VENUGOPAL & CHENOY,  
CHARTERED ACCOUNTANTS,  
FRN: 004671S**

**Sd/-  
( P.V.SRI HARI )  
Partner**

**Membership No.021961**

Place : Hyderabad  
Date : May 29, 2018

**TMT (India) Limited****Annexure “A” to the Auditors’ Report**

The Annexure referred to in our report to the members of TMT (India) Limited for the year ended on 31st March, 2018. We report that:

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- b) According to the information and explanations given to us and the records of the Company examined by us, there is no sufficient evidence available that the fixed assets have been physically verified by the management in a periodical manner.
- c) According to the information and explanations given to us, the Company does not hold any immovable properties during the year.
- (ii) The Company does not hold any inventory during the year. Hence, clause (ii) of Order is not applicable.
- (iii) During the year, the Company has not granted any loans secured or unsecured to parties covered in the register maintained under section 189 of the Act. Hence paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, during the year Company has not given any loans, made investments, given guarantees or given security to parties covered under provisions of section 185 and 186 of the Companies Act, 2013. Hence, paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government has not prescribed maintenance of Cost records under section 148(1) of the Companies Act, 2013. Hence, clause (vi) is not applicable.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, value added tax, service tax, customs duty, excise duty, cess and any other statutory dues as applicable with the appropriate authorities and there are no arrears of outstanding statutory dues as at year ended concerned for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and records of the Company examined by us, there are no amounts which have not been deposited on account of any dispute pending of provident fund, employees’ state insurance, income-tax, sales-tax, value added tax, service tax, customs duty, excise duty, cess as at 31st March, 2018.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institutions, banks or debenture holders.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company or by its officers or employees was noticed or reported during the period.



- (xi) During the year, the Company has not paid any managerial remuneration. Hence, clause (xi) of the Order is not applicable.
- (xii) The Company is not a Nidhi Company. Hence, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, hence paragraph 3(xiv) of the Order is not applicable.
- (xv) To the best of our knowledge and belief and according to the information and explanations given to us, Company has not entered into any non-cash transactions with directors or persons connected with them. Hence paragraph 3(xv) of the Order is not applicable.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For VENUGOPAL & CHENOY,  
CHARTERED ACCOUNTANTS,  
FRN: 004671S**

**Sd/-  
( P.V.SRI HARI )  
Partner**

**Membership No.021961**

Place : Hyderabad  
Date : May 29, 2018

**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 TMT (India) Limited (“the Company”) as of 31st March 2018 in conjunction with our audit of the 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

The Company needs to documents its procedures and controls vis a vis Internal controls over Financial Reporting.

**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 2018, 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 VENUGOPAL & CHENOY,  
CHARTERED ACCOUNTANTS,  
FRN: 004671S**

**Sd/-  
( P.V.SRI HARI )  
Partner**

**Membership No.021961**

Place : Hyderabad  
Date : May 29, 2018


**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2018**

(All amounts in ₹)

PARTICULARS	Note No.	As at March 31, 2018	As at March 31, 2017	As on April 01, 2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, Plant and Equipment	7	170,797	170,797	170,797
(b) Capital work-in-progress		-	-	-
(c) Investment Property		-	-	-
(d) Other intangible assets		-	-	-
(e) Financial Assets				
(i) Investments	8	3,097,503	2,199,634	2,380,534
(ii) Trade Receivables		-	-	-
(iii) Loans & Advances	9	1,362,902	1,362,902	1,362,902
(iv) Others		-	-	-
(f) Deferred tax Assets (net)		-	-	-
(g) Other non-current Assets		-	-	-
<b>Current Assets</b>				
(a) Inventories		-	-	-
(b) Financial Assets				
(i) Investments		-	-	-
(ii) Trade Receivables	10	2,712,996	431,996	431,996
(iii) Cash & Cash Equivalents	11	7,170,506	575,163	536,777
(iv) Bank Balances other than (iii) above		-	-	-
(v) Loans & Advances	12	47,429,241	47,435,345	47,412,802
(iv) Others (Int accrued on employee loans and term deposits)		-	-	-
(c) Current Tax Assets		-	-	-
(d) Other Current Assets		-	-	-
<b>Total</b>		<b>61,943,945</b>	<b>52,175,837</b>	<b>52,295,808</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	1	49,538,000	41,895,000	41,895,000
(b) Other Equity	2	(31,890,760)	(32,691,683)	(32,201,343)
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	3	24,000,000	24,000,000	24,000,000
(ii) Trade Payables		-	-	-
(iii) Other Financial Liabilities		-	-	-
(b) Provisions		-	-	-
(c) Other non-current liabilities		-	-	-
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		-	-	-
(ii) Trade payables	4	(18,886)	2,871,914	2,871,914
(iii) Other Financial Liabilities		-	-	-
(b) Provisions	5	834,411	834,411	834,411
(c) Current Tax Liabilities		-	-	-
(d) Other current liabilities	6	19,481,180	15,266,195	14,895,826
<b>Total Equity and Liabilities</b>		<b>61,943,945</b>	<b>52,175,837</b>	<b>52,295,808</b>

# **TMT (India) Limited**

*41<sup>st</sup> Annual Report for the year 2017-18*



As per our report of even date attached

**For Venugopal & Cheney  
Chartered Accountants  
Firm Regn. No. 004671S**

**For and on behalf of the Board of  
TMT (India) Limited**

**Sd/-  
(TG Veera Prasad)  
Managing Director**

**Sd/-  
(BP Singh)  
Director**

**Sd/-  
CA P.V. Sri Hari  
Partner  
M.No.021961**

**Sd/-  
(Krishna Mashetti)  
Company Secretary**

Place : Hyderabad  
Date : May 29, 2018



**Statement of Profit and Loss for the year ended March 31, 2018**

<b>PARTICULARS</b>	<b>Note No</b>	<b>For the year ended 31.03.2018</b>	<b>For the year ended 31.03.2017</b>
<b>Income</b>			
i) Revenue From Operations	13	3,266,000	805,800
ii) Other Income	14	458,102	156,861
<b>Total Income (I)</b>		<b>3,724,102</b>	<b>962,661</b>
<b>Expenses</b>			
i) Cost of material consumed		-	-
ii) Purchase of Stock in Trade		2,900,000	-
iii) Changes in inventories of finished goods, stock in trade and work in progress		-	-
iv) Employees' Benefit Expenses	15	278,645	185,515
v) Finance Cost		-	-
vi) Depreciation & Amortization Expenses		-	-
vii) Other Expenses	16	1,232,034	1,581,486
<b>Total expenses (II)</b>		<b>4,410,679</b>	<b>1,767,001</b>
<b>Profit/(loss) before exceptional items and tax (I-II)</b>		<b>(686,577)</b>	<b>(804,340)</b>
Exceptional Items-expense/(income)		-	-
<b>Profit/(loss) Before Tax</b>		<b>(686,577)</b>	<b>(804,340)</b>
<b>Tax Expenses</b>			
- Current Tax		-	-
- Adjustments relating to prior periods		-	-
- Deferred Tax		-	-
<b>Total Tax Expense</b>		<b>-</b>	<b>-</b>
<b>Profit/(loss) for the Year (A)</b>		<b>(686,577)</b>	<b>(804,340)</b>
<b>Other Comprehensive Income</b>			
<b>i) Items that will not be reclassified to profit or loss:</b>			
- Remeasurements of the defined benefit plans		-	-
- Equity Instruments through other comprehensive income		1,487,500	615,000
- Income Tax effect		-	-
<b>ii) Items that will be reclassified to profit or loss:</b>			
- Debt Instruments through Other Comprehensive Income		-	-
- The effective portion of gains and loss on hedging		-	-
- instruments in a cash flow hedge		-	-
- Income Tax effect		-	-
<b>Total Other Comprehensive Income net of tax (B)</b>		<b>1,487,500</b>	<b>615,000</b>
<b>Total Comprehensive Income for the year (A) + (B)</b>		<b>800,923</b>	<b>(189,340)</b>
Earnings per equity share : Basic & Diluted		(0.14)	(0.16)

**For Venugopal & Chenoy**  
Chartered Accountants  
Firm Regn. No. 004671S

Sd/-  
CA P.V. Sri Hari  
Partner  
M.No.021961

**For and on behalf of the Board of**  
**TMT (India) Limited**

Sd/-  
(TG Veera Prasad)  
Managing Director

Sd/-  
(BP Singh)  
Director

Sd/-  
(Krishna Mashetti)  
Company Secretary

Place : Hyderabad  
Date : May 29, 2018



**Cash flow statement for the year ended on 31st March, 2018**

PARTICULARS		For the year ended 31.03.2018	For the year ended 31.03.2017
<b>A. Cash from operating activities</b>			
Net loss before tax		(686,577)	(804,340)
Adjustments:			
Add/(Less): Non Operating Items			
Depreciation		-	-
Interest Received		(110,722)	(40,079)
Profit on sale of Investments		(213,162)	(116,782)
Investment Expenses		82,965	125,979
Loss on Sale of Tangible Assets		-	-
Provision for Investments		-	-
<b>Operating loss before working capital changes</b>		<b>(927,496)</b>	<b>(835,222)</b>
Change in Inventories		-	-
Change in Short term Loans and advances		6,104	(22,543)
Change in trade receivables		(2,281,000)	-
Change in Trade Payables		(2,853,028)	-
Change in other current liabilities		4,214,985	370,371
<b>Cash (used in)/generated from operations</b>		<b>(1,840,435)</b>	<b>(487,394)</b>
Income taxes paid		-	-
<b>Net cash (used in) / generated from operating activities</b>	<b>(A)</b>	<b>(1,840,435)</b>	<b>(487,394)</b>
<b>B. Cash flows from investing activities:</b>			
Proceeds from sale of Investments - India Reit Fund Scheme IV		719,828	485,701
Sale of Tangible assets		-	-
Interest received		110,722	40,079
<b>Net cash used in investing activities</b>	<b>(B)</b>	<b>830,550</b>	<b>525,780</b>
<b>C. Cash flows from financing activities</b>			
Receipt of unpaid allotment money		7,643,000	-
Proceeds from issue of shares including securities premium		-	-
Finance charges paid		-	-
<b>Net cash from financing activities</b>	<b>(C)</b>	<b>7,643,000</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(A+B+C)</b>	<b>6,633,115</b>	<b>38,386</b>
Cash and cash equivalents at the beginning of the year		575,163	536,777
<b>Cash and cash equivalents at the end of the year</b>		<b>7,208,278</b>	<b>575,163</b>
V&C - beOFboah (A/S)			
<b>Note:</b>			
<b>Cash and cash equivalents comprise:</b>			
Cash in hand		113,405	177,152
Balance with scheduled banks			
- In current accounts		7,057,101	398,011
- In deposit accounts		-	-
<b>Total cash and cash equivalents</b>		<b>7,170,506</b>	<b>575,163</b>

As per our report of even date attached

**For Venugopal & Chenoy**  
Chartered Accountants  
Firm Regn. No. 004671S

Sd/-  
CA P.V. Sri Hari  
Partner  
M.No.021961

**For and on behalf of the Board of**  
TMT (India) Limited

Sd/-  
(TG Veera Prasad)  
Managing Director

Sd/-  
(BP Singh)  
Director

Sd/-  
(Krishna Mashetti)  
Company Secretary



**Statement of Changes in Equity:**

<b>A. Equity Share Capital</b>		Balance at the end of the reporting period					
Balance at the beginning of the reporting period	Changes in equity share capital during the year	49,538,000	49,538,000				
41,895,000	7,643,000						
<b>B. Other Equity as at March 31, 2018</b>							
	Reserves and Surplus			Debt instruments through OCI	Equity instruments through OCI	Other items of OCI	Total
	Capital Reserve	Securities Premium	State Subsidy				
Balance as at 1.04.2017	112,032,590	23,199,142	100,000	(168,638,415)	-	615,000	(32,691,683)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(686,577)	-	1,487,500	800,923
Dividend and DDT	-	-	-	-	-	-	-
Unamortized premium on forward contract	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-
Re-measurements of defined benefit plans							
Any other changes	-	-	-	-	-	-	-
Balance as at 31.03.2018	112,032,590	23,199,142	100,000	(169,324,992)	-	2,102,500	(31,890,760)



B. Other Equity as at March 31, 2017		Reserves and Surplus				Debt instruments through OCI	Equity instruments through OCI	Other items of OCI	Total
		Capital Reserve	Securities Premium	State Subsidy	Retained Earnings				
Balance as at 1.04.2016	112,032,590	23,199,142	100,000	(167,834,075)	-	301,000	-	32,201,343	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	(804,340)	-	314,000	-	490,340	
Dividend and DDT	-	-	-	-	-	-	-	-	
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	
Transfer to retained earnings	-	-	-	-	-	-	-	-	
Re-measurements of defined benefit plans	-	-	-	-	-	-	-	-	
Any other changes	-	-	-	-	-	-	-	-	
Balance as at 31.03.2017	112,032,590	23,199,142	100,000	168,638,415	-	615,000	-	<b>32,691,683</b>	



### NOTE - 1 : SHARE CAPITAL

	Figures at the end of March 31, 2018	Figures at the end of March 31, 2017	Figures at the end of April 01, 2016
	Rs.	Rs.	Rs.
<b>Authorised:</b>			
1,00,00,000 Equity Shares of Rs.10/- each	100,000,000	100,000,000	100,000,000
<b>Total:</b>	<b>100,000,000</b>	<b>100,000,000</b>	<b>100,000,000</b>
Issued, Subscribed & Paid up:			
49,53,800 Equity Shares of Rs.10/- each, fully paid up	49,538,000	49,538,000	49,538,000
Less: Allotment money unpaid	-	7,643,000	7,643,000
<b>Total:</b>	<b>49,538,000</b>	<b>41,895,000</b>	<b>41,895,000</b>

#### Additional Notes:

- [1] No shares were issued during the current year. Hence, there is no change in number of shares outstanding as at the beginning and as at the end of the reporting period.
- [2] The details of shares in the Company held by each shareholder holding more than 5% shares.

Name of the Shareholder	Financial Year 2017-18		Financial Year 2016-17	
	% of Shareholding	No. of Shares	% of Shareholding	No. of Shares
TG Naga Aruna Kumari	28.85	1,429,200	28.85	1,429,200
TG Veera Prasad	6.50	321,800	6.50	321,800
Naag Rohit	14.13	700,000	14.13	700,000

- [3] The Company has one class of Equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote for each share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

### NOTE - 2 : RESERVES & SURPLUS

	Figures at the end of March 31, 2018		Figures at the end of March 31, 2017		Figures at the end of April 01, 2016	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
a) Capital Reserve as per the last balance sheet		112,032,590		112,032,590		112,032,590
b) Securities Premium		23,199,142		23,199,142		23,199,142
c) State Subsidy		100,000		100,000		100,000
d) Surplus in Profit & Loss Account: Opening Balance	(168,638,415)		(167,834,075)		(163,777,979)	
<b>Add: Profit/(Loss) for the year</b>	(686,577)		(804,340)		(4,056,094)	
		(169,324,992)		(168,638,415)		(167,834,073)
<b>Total:</b>		<b>(33,993,260)</b>		<b>(33,306,683)</b>		<b>(32,502,341)</b>





**NOTE - 3 : LONG TERM BORROWINGS**

	Figures at the end of March 31, 2018	Figures at the end of March 31, 2017	Figures at the end of April 01, 2016
	Rs.	Rs.	Rs.
Loans from Related Parties (Maddi Laxmaiah & Associates)	24,000,000	24,000,000	24,000,000
Total:	24,000,000	24,000,000	24,000,000
Additional Notes:			
Secured	-	-	-
Unsecured	<b>24,000,000</b>	<b>24,000,000</b>	<b>24,000,000</b>

**NOTE - 4 : TRADE PAYABLES**

	Figures at the end of March 31, 2018	Figures at the end of March 31, 2017	Figures at the end of April 01, 2016
	Rs.	Rs.	Rs.
Outstanding dues of Micro and Small Enterprises	-	-	-
Other than Micro and Small Enterprises	(18,886)	2,871,914	2,871,914
<b>Total:</b>	<b>(18,886)</b>	<b>2,871,914</b>	<b>2,871,914</b>

**Disclosure relating to Micro and Small Enterprises:**

- i) (a) The principal amount remaining unpaid to the supplier as at the end of the year.
- i) (b) The interest due on the above amount, remaining unpaid to the supplier as at the end of the year.
- ii) the amount of interest paid in terms of Section 16, along with the amount of the payment made to the supplier beyond the day during each accounting year.
- iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006).
- (iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and
- (v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.

**NOTE- 5 : SHORT TERM PROVISIONS**

	Figures at the end of March 31, 2018	Figures at the end of March 31, 2017	Figures at the end of April 01, 2016
	Rs.	Rs.	Rs.
Provisions:			
- Provision for Employee Benefits	-	-	-
- Provision for Gratuity	834,411	834,411	834,411
<b>Total:</b>	<b>834,411</b>	<b>834,411</b>	<b>834,411</b>



### NOTE - 6 : OTHER CURRENT LIABILITIES

	Figures at the end of March 31, 2018	Figures at the end of March 31, 2017	Figures at the end of April 01, 2016
	Rs.	Rs.	Rs.
Advances from related parties	19,131,965	15,149,610	14,400,971
Other Payables	349,215	116,585	494,855
<b>Total</b>	<b>19,481,180</b>	<b>15,266,195</b>	<b>14,895,826</b>

### NOTE - 8 : NON CURRENT INVESTMENTS

	Figures at the end of March 31, 2018		Figures at the end of March 31, 2017		Figures at the end of April 01, 2016	
	Rs.		Rs.		Rs.	
Quoted Investments:						
a) 50,000 Equity Shares of Rs.10/- each Fully paid in M/s Sree Rayalaseema Alkalies & Allied Chemicals Ltd Add: Revaluation to fair value	1,115,000	1,487,500	801,000	314,000	500,000	301,000
		2,602,500		1,115,000		801,000
Unquoted Investments:						
a) Government Securities						
i. National Savings Certificate	11,000		11,000		11,000	
b) Shares and Units/Bonds						
i. 1200 Equity Shares of Rs.100/- each Fully paid in M/s Dronachalam Lime and Minerals Pvt.Ltd.	120,200		120,200		120,200	
ii. 5000 Equity Shares of Rs.10/- each fully paid in M/s TGL Quick Foods Ltd.	50,000		50,000		50,000	
iii. Vishal Paper Tech (India) Ltd- application money paid for 20,000 shares at Rs. 5/- share (15100 shares allotted)	100,000		100,000		100,000	
iv. 4000 shares of Bank of Baroda Rs.25/- each at premium of Rs.75/- per share (Rs.25/- per share Application money paid)	100,200		100,200		100,200	
v. 150,000 Equity Shares of Rs.10/- each Application money paid to Roses Floriculture Ltd.	1,500,000		1,500,000		1,500,000	
vi. India Reit Fund Scheme IV - Citi Bank	495,003		1,084,634		1,579,534	
Less: Provision for Diminution value of Investments		2,376,403		2,966,034		3,460,934
		1,881,400		1,881,400		1,881,400
<b>Total:</b>		<b>495,003</b>		<b>1,084,634</b>		<b>1,579,534</b>
Secured, Considered good		<b>3,097,503</b>		<b>2,199,634</b>		<b>2,380,534</b>
Unsecured, Considered good		-		-		-
Doubtful		3,097,503		2,199,634		2,380,534
		-		-		-



Amount in ₹

S. No.	Particulars	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK		
		As at 01.04.2016	Additions	Deletion	As at 31.03.2017	Up to 31.03.2016	For the year	Deletion	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
1	Plant & Machinery	2,200,530	-	-	2,200,530	2,090,503	-	-	2,090,503	110,027	110,027
2	Furniture & Fixtures	248,635	-	-	248,635	236,204	-	-	236,204	12,431	12,431
3	Vehicles	1,127,938	-	-	1,127,938	1,079,599	-	-	1,079,599	48,339	48,339
	<b>TOTAL:</b>	<b>3,577,103</b>	<b>-</b>	<b>-</b>	<b>3,577,103</b>	<b>3,406,306</b>	<b>-</b>	<b>-</b>	<b>3,406,306</b>	<b>170,797</b>	<b>170,797</b>
4	Capital WIP	-	-	-	-	-	-	-	-	-	-
	<b>GRAND TOTAL:</b>	<b>3,577,103</b>	<b>-</b>	<b>-</b>	<b>3,577,103</b>	<b>3,406,306</b>	<b>-</b>	<b>-</b>	<b>3,406,306</b>	<b>170,797</b>	<b>170,797</b>

**Note No - 7 Fixed Assets**



### NOTE - 9 : LONG TERM LOANS & ADVANCES

	Figures at the end of March 31, 2018	Figures at the end of March 31, 2017	Figures at the end of April 01, 2016
	Rs.	Rs.	Rs.
Deposits :			
- With Government bodies	81,449	81,449	81,449
- Others	1,281,453	1,281,453	1,281,453
<b>Total:</b>	<b>1,362,902</b>	<b>1,362,902</b>	<b>1,362,902</b>
Secured, Considered good	-	-	-
Unsecured, Considered good	1,362,902	1,362,902	1,362,902
Doubtful	-	-	-

### NOTE - 10 : TRADE RECEIVABLES

	Figures at the end of March 31, 2018	Figures at the end of March 31, 2017	Figures at the end of April 01, 2016
	Rs.	Rs.	Rs.
Outstanding for a period exceeding six months	431,996	431,996	431,996
Others	2,281,000	-	-
<b>Total:</b>	<b>2,712,996</b>	<b>431,996</b>	<b>431,996</b>
Notes:			
Particulars of Trade Receivables:			
Secured, Considered good	-	-	-
Unsecured, Considered good	2,712,996	431,996	431,996
Doubtful	-	-	-

### NOTE -11 : CASH & CASH EQUIVALENTS

	Figures at the end of March 31, 2018	Figures at the end of March 31, 2017	Figures at the end of April 01, 2016
	Rs.	Rs.	Rs.
Balances with Banks:-			
In Current Accounts	7,057,101	398,011	259,886
Cash on hand	113,405	177,152	276,891
<b>Total:</b>	<b>7,170,506</b>	<b>575,163</b>	<b>536,777</b>

### NOTE -12 : SHORT TERM LOANS & ADVANCES

	Figures at the end of March 31, 2018	Figures at the end of March 31, 2017	Figures at the end of April 01, 2016
	Rs.	Rs.	Rs.
Advance Income Tax & TDS (Net of provision)	614,995	603,662	591,654
Corporate Loans & Advances	18,667,181	18,667,181	18,667,181
Advances to Suppliers/Contractors	25,471,491	25,448,710	25,457,342
Advances to Employees	2,653,974	2,694,192	2,675,025
Interest Receivable	21,600	21,600	21,600
<b>Total:</b>	<b>47,429,241</b>	<b>47,435,345</b>	<b>47,412,802</b>
Secured, Considered good	-	-	-
Unsecured, Considered good	47,429,241	47,435,345	47,412,802
Doubtful	-	-	-



### NOTE - 13 : REVENUE FROM OPERATIONS

	Figures at the end of March 31, 2018	Figures at the end of March 31, 2017
	Rs.	Rs.
Sale of Designs	316,000	805,800
Sale of Curcumi	2,950,000	-
<b>Total:</b>	<b>3,266,000</b>	<b>805,800</b>

### NOTE - 14 : OTHER INCOME

	Figures at the end of March 31, 2018	Figures at the end of March 31, 2017
	Rs.	Rs.
Profit on sale of Investments	213,162	116,782
Interest Income from India Reit Fund	110,722	40,079
Sales Tax Refund	134,218	-
<b>Total:</b>	<b>458,102</b>	<b>156,861</b>

### NOTE - 15 : EMPLOYEE BENEFIT EXPENSES

	Figures at the end of March 31, 2018	Figures at the end of March 31, 2017
	Rs.	Rs.
Salaries, Wages & Bonus	274,029	178,200
Staff Welfare Expenses	4,616	7,315
<b>Total:</b>	<b>278,645</b>	<b>185,515</b>

### NOTE -16 : OTHER EXPENSES

	Figures at the end of March 31, 2018	Figures at the end of March 31, 2017
	Rs.	Rs.
Insurance	-	8,721
Rates & Taxes	190,760	49,275
Auditors Remuneration		
As Auditors	85,000	51,850
As Tax Auditors	-	-
	85,000	51,850
Investment Expenses	82,965	125,979
Vehicle Maintenance	-	5,441
Travelling expenses	28,604	50,151
Postage, Telephone & Telex	43,755	48,593
Printing & Stationery	108,819	97,650
Bank Charges & Commission	2,343	2,866
Legal & Professional Fees	650,550	1,108,800
Repairs & Maintenance	-	15,300
Miscellaneous expenses	39,238	16,860
<b>Total</b>	<b>1,232,034</b>	<b>1,581,486</b>

**Notes to Accounts for the year ended March 31, 2018****Notes to the Financial Statements****17. General Information**

The Company has closed down the operations of Palmarosa cultivation and extraction of essential oil.

Based on the experience gained, the Company has explored various avenues such as supply of designs, drawings and trading operations of Garcina, Curcumin and essential oils. During the year supply of designs and drawings activities have been carried on by the Company.

**18. Basis of preparation of Financial Statements**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. All amounts included in the financial statements are reported in Indian rupees (in Rupees) except number of equity shares and per share data, unless otherwise stated.

The accounting policies have been applied consistently to all periods presented in these financial statements.

**19. Use of estimates and judgment**

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised

**20. Commitments**

(a) **Capital Commitments:** Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on capital account and not provided for is Rs.NIL (P.Y. Rs.NIL).

(b) **Commitment related to Investment Properties:** (Details shall be provided for any commitment made for Investment Properties)

(c) **Other Commitments:** Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on account of external projects and not provided for is Rs.NIL (P.Y. Rs.NIL).



**21. Financial Instruments- Fair Values and Risk Management**

**a. Financial Instruments by Categories**

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

**(Amount in lakhs as of March 31, 2018)**

<b>Particulars</b>	<b>Cost</b>	<b>Financial assets/ liabilities at FVTPL</b>	<b>Financial assets/ liabilities at fair value through OCI</b>	<b>Total carrying value</b>	<b>Total fair value</b>
<b>Assets:</b>					
Investments in Equity Shares - Quoted & Unquoted	9.95	-	21.025	30.975	30.975
Cash & Cash Equivalents (Ref Note No. 11 )	71.70	-	-	71.70	71.70
Trade Receivable (Ref Note No.10 )	27.12	-	-	27.12	27.12
Loans to (Ref Note No. 12)	474.29	-	-	474.29	474.29
Security Deposits (Ref Note No.9)	13.62	-	-	13.62	13.62
Other Financial Assets (Ref Note No.)	-	-	-	-	-
<b>Total</b>	<b>596.71</b>	<b>-</b>	<b>21.025</b>	<b>617.731</b>	<b>617.731</b>
<b>Liabilities:</b>					
Trade Payable (Ref Note No.4)	(0.19)	-	-	(0.19)	(0.19)
Borrowings (Ref Note No 3)	240.00	-	-	240.00	240.00
Other Financial Liabilities (Ref Note No.)	-	-	-	-	-
<b>Total</b>	<b>239.81</b>	<b>-</b>	<b>-</b>	<b>239.81</b>	<b>239.81</b>



The carrying value and fair value of financial instruments by categories were as follows as on March 31, 2017:

(Amount in lakhs as of March 31, 2017)

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Investments in Equity Shares - Quoted & Unquoted	15.85	-	6.15	21.99	21.99
Cash & Cash Equivalents (Ref Note No. 11 )	5.75	-	-	5.75	5.75
Trade Receivable (Ref Note No.10 )	4.32	-	-	4.32	4.32
Loans to (Ref Note No. 12)	474.35	-	-	474.35	474.35
Security Deposits (Ref Note No.9)	13.62	-	-	13.62	13.62
Other Financial Assets (Ref Note No.)	-	-	-	-	-
<b>Total</b>	<b>513.89</b>	<b>-</b>	<b>6.15</b>	<b>520.03</b>	<b>520.03</b>
<b>Liabilities:</b>					
Trade Payable (Ref Note No.4)	28.72	-	-	28.72	28.72
Borrowings (Ref Note No 3)	240.00	-	-	240.00	240.00
Other Financial Liabilities (Ref Note No.)	-	-	-	-	-
<b>Total</b>	<b>268.72</b>	<b>-</b>	<b>-</b>	<b>268.72</b>	<b>268.72</b>





The carrying value and fair value of financial instruments by categories were as follows as on April 01, 2016:

(Amount in lakhs as of April 1, 2016)

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Investments in Equity Shares - Quoted & Unquoted	20.79	-	3.01	23.80	23.80
Cash & Cash Equivalents (Ref Note No. 11 )	5.37	-	-	5.37	5.37
Trade Receivable (Ref Note No.10 )	4.32	-	-	4.32	4.32
Loans to (Ref Note No. 12)	474.13	-	-	474.13	474.13
Security Deposits (Ref Note No.9)	13.62	-	-	13.62	13.62
Other Financial Assets (Ref Note No.)	-	-	-	-	-
<b>Total</b>	<b>518.23</b>	<b>-</b>	<b>3.01</b>	<b>521.24</b>	<b>521.24</b>
<b>Liabilities:</b>					
Trade Payable (Ref Note No.4)	28.72	-	-	28.72	28.72
Borrowings (Ref Note No 3)	240.00	-	-	240.00	240.00
Other Financial Liabilities (Ref Note No.)	-	-	-	-	-
<b>Total</b>	<b>268.72</b>	<b>-</b>	<b>-</b>	<b>268.72</b>	<b>268.72</b>



**b. Fair Value Hierarchy**

- Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- Level 2 - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

**The following tables present fair value hierarchy of assets and liabilities measured at fair value:**

**(Amount in lakhs as at March 31, 2018)**

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
<b>Financial Assets:</b>						
Investments in Equity Shares	26.025	-	-	26.025	Measured at FVTOCI	-
Others (specify nature)	-	-	-	-	-	-
Derivatives designated as hedges	-	-	-	-	-	-
Foreign exchange forward contracts	-	-	-	-	-	-
<b>Total</b>	<b>26.025</b>	<b>-</b>	<b>-</b>	<b>26.025</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities:</b>						
Derivatives designated as hedges	-	-	-	-	-	-
Foreign exchange forward contracts	-	-	-	-	-	-
Specify nature	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



(Amount in lakhs as at March 31, 2017)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
<b>Financial Assets:</b>						
Investments in Equity Shares	11.15	-	-	11.15	Measured at FVTOCI	-
Others (specify nature)	-	-	-	-	-	-
Derivatives designated as hedges	-	-	-	-	-	-
Foreign exchange forward contracts	-	-	-	-	-	-
<b>Total</b>	11.15	-	-	11.15	-	-
<b>Financial Liabilities:</b>						
Derivatives designated as hedges	-	-	-	-	-	-
Foreign exchange forward contracts	-	-	-	-	-	-
Specify nature	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-



(Amount in lakhs as at April 01, 2016)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
<b>Financial Assets:</b>						
Investments in Equity Shares	8.01	-	-	8.01	Measured at FVTOCI	-
Others (specify nature)	-	-	-	-	-	-
Derivatives designated as hedges	-	-	-	-	-	-
Foreign exchange forward contracts	-	-	-	-	-	-
<b>Total</b>	8.01	-	-	8.01	-	-
<b>Financial Liabilities:</b>						
Derivatives designated as hedges	-	-	-	-	-	-
Foreign exchange forward contracts	-	-	-	-	-	-
Specify nature	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

## 22. Financial risk management

The Company's activities expose it to the following financial risks: -  
market risk (see (a))

credit risk (see (b)); and

liquidity risk (see (c)).

The Company has not arranged funds that have any interest rate risk.

### a) Market risk

#### (i) Foreign Exchange Risk

The Company does not deal with import and export transactions and hence foreign exchange risk is not applicable to the Company.

#### (ii) Price Risk

The Company's exposure to price risk arise as the investments held by the Company are classified in balance sheet at fair value through other comprehensive income.

As of March 31, 2018, March 31, 2017 and 1st April, 2016, every increase or decrease of the respective equity prices would impact other component of equity by approximately INR14.87, INR3.14 and INR 3.01 (in Lakhs) respectively. It has no impact on profit or loss.



**b) Credit Risk**

Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

**Trade Receivables:**

The Company has outstanding trade receivables amounting to INR 27.13, INR4.32 and INR 4.32 (in lakhs) as of March 31, 2018, March 31, 2017 and 1st April,2016, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers.

**Credit risk exposure:**

An analysis of age of trade receivables at each reporting date is summarized as follows:

**(As at 31st March 2018, Amount in Rs)**

Particulars	Gross amount	Impairment	Carrying Value
Not past due	-	-	-
Past due less than 30 days	17,40,500	-	17,40,500
Past due more than 30 days but not more than 60 days	5,40,500	-	5,40,500
Past due more than 60 days but not more than 90 days	-	-	-
Past due more than 90 days but not more than 120 days	-	-	-
Past due more than 120 days	4,31,996	-	4,31,996
<b>Total</b>	<b>27,12,996</b>	<b>-</b>	<b>27,12,996</b>

**(As at 31st March, 2017, Amount in Rs)**

Particulars	Gross Amount	Impairment	Carrying Value
Not past due	-	-	-
Past due less than 30 days	-	-	-
Past due more than 30 days but not more than 60 days	-	-	-
Past due more than 60 days but not more than 90 days	-	-	-
Past due more than 90 days but not more than 120 days	-	-	-
Past due more than 120 days	4,31,996	-	4,31,996
<b>Total</b>	<b>4,31,996</b>	<b>-</b>	<b>4,31,996</b>



(As at 1st April, 2016, Amount in Rs)

<b>Particulars</b>	<b>Gross Amount</b>	<b>Impairment</b>	<b>Carrying Value</b>
Not past due	-	-	-
Past due less than 30 days	-	-	-
Past due more than 30 days but not more than 60 days	-	-	-
Past due more than 60 days but not more than 90 days	-	-	-
Past due more than 90 days but not more than 120 days	-	-	-
Past due more than 120 days	4,31,996	-	4,31,996
<b>Total</b>	<b>4,31,996</b>	<b>-</b>	<b>4,31,996</b>

Trade receivables are generally considered credit impaired after 120 days past due, unless the amount is considered receivable, when recoverability is considered doubtful based on the recovery analysis performed by the Company for individual trade receivables.

With regard to trade receivable on certain transactions, the Company has equivalent trade payables to associate suppliers which are payable on realization of trade receivables. Such trade receivables are considered not impaired though past due.

#### **Financial assets:**

Credit risk relating to cash and cash equivalents is considered negligible because our counterparties are banks. There will be no credit risk related to employee loans as they are adjusted against their salaries.

#### **Liquidity Risk**

Our liquidity needs are monitored on the basis of monthly and yearly projections. The Company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Due to the dynamic nature of underlying businesses, the Company maintains flexibility in funding by maintaining availability under committed credit lines.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues arising during the normal course of business as of each reporting date. The Company maintains sufficient balance in cash and cash equivalents to meet short term liquidity requirements.

The Company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals and committed credit lines.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities.



(Amount in Rs as of March 31, 2018)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	-	-	-	-	-	-
Short term borrowings (cash credit)	-	-	-	-	-	-
Long Term Borrowings	-	-	-	40,00,000	2,00,00,000	<b>2,40,00,000</b>
Other Financial Liabilities	-	-	-	-	-	-
<b>Total</b>						

(Amount in Rs as of March 31,2017)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	-	-	28,71,914	-	-	28,71,914
Short term borrowings (cash credit)	-	-	-	-	-	-
Long Term Borrowings	-	-	40,00,000	-	2,00,00,000	2,40,00,000
Other Financial Liabilities	-	-	-	-	-	-
<b>Total</b>	-	-	<b>68,71,914</b>	-	<b>2,00,00,000</b>	<b>2,68,71,914</b>

(Amount in Rs as of April 01,2016)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	-	-	28,71,914	-	-	28,71,914
Short term borrowings (cash credit)	-	-	-	-	-	-
Long Term Borrowings	-	-	40,00,000	-	2,00,00,000	2,40,00,000
Other Financial Liabilities	-	-	-	-	-	-
<b>Total</b>	-	-	<b>68,71,914</b>	-	<b>2,00,00,000</b>	<b>2,68,71,914</b>

**23. Disclosure in respect of Indian Accounting Standard (Ind AS)-21 “The Effects of changes in Foreign Exchange Rates”**

The Company had not entered into any foreign currency transactions during the year.

**24. Disclosure in respect of Indian Accounting Standard (Ind AS)-23 “Borrowing Costs”**

The amount capitalized with Property, Plant & Equipments as borrowing cost is RS. NIL, RS. NIL& RS. NIL for the year ended March 31, 2018 , March 31, 2017 & March 31, 2016 respectively.



**25. Disclosure in respect of Indian Accounting Standard (Ind AS)-36 “Impairment of assets”**

During the year, the Company assessed the impairment loss of assets and ECL debited to Profit & Loss is NIL (P.Y. NIL)

**26. Disclosure in respect of Indian Accounting Standard (Ind AS)-20 “Accounting for Government Grants and Disclosure of Government Assistance”**

The Company did not receive any Government Grants during the year and Previous year.

**27. Disclosure in respect of Indian Accounting Standard (Ind AS)-19 “Employee Benefits”**

The Company has not provided for any employee benefits during the year.

**28. Disclosure in respect of Indian Accounting Standard 24 “Related Parties Disclosures”**

The following are the transactions of the related parties, which are related on account of shareholding by the Directors, key managerial personnel and their relatives, viz., Sri. T G Veera Prasad, Managing Director and his relatives and Associate Company M/s Dreamland Distillers Private Limited (formerly Demerara Distillers Private Limited).

**Related party transactions:**

**Enterprises in which Key Managerial Personnel has significant influence** (Rs. in lakhs)

Particulars	31st March, 2018	31st March, 2017	1st April,2016
Dreamland Distillers Private Limited			
Amount during the year	NIL	NIL	NIL
Balance as on	75.75	75.75	75.75
Prauna Agro Industries			
Amount during the year	NIL	NIL	NIL
Balance as on	1.19(Dr)	1.19(Dr)	1.19(Dr)

**Key Managerial Personnel:**

(Rs. in lakhs)

Particulars	31st March, 2018	31st March, 2017	1st April,2016
Sri TG Veera Prasad			
Remuneration	NIL	NIL	7.20
Sundry Creditors			
Amount during the year	2.33	0.47	25.58
Balance as on	30.83	28.50	28.03

**Relatives of Key Managerial Personnel:**

(Rs. in lakhs)

Particulars	31st March, 2018	31st March, 2017	1st April,2016
<b>Sundry Creditors</b>			
TGN Aruna Kumari			
Amount during the year	39.58	7.01	4.02
Balance as on	87.71	48.12	41.11





**Unsecured loans taken:**

(Rs. in lakhs)

Particulars	31st March, 2018	31st March, 2017	1st April,2016
Maddi Laxmaiah & Associates			
Amount during the year	NIL	NIL	NIL
Balance as on	240.00	240.00	240.00

**29. Disclosure in respect of Indian Accounting Standard (Ind AS) 17 “Leases”**

The Company does not have any lease arrangements during the year.

**30. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 “Earnings Per Share(EPS)”**

**a) Basic EPS**

The earnings and weighted average number of ordinary shares used in the calculation of basic EPS and Basic EPS is as follows:

(Amount in Rs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Earnings used in calculation of basic earnings per share(A)</b>	(6,86,577)	(8,04,340)
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	49,53,800	49,53,800
<b>Basic EPS(A/B)</b>	(0.14)	(0.16)

**b) Diluted EPS**

The earnings and weighted average number of ordinary shares used in the calculation of Diluted EPS is as follows:

(Amount in Rs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Earnings used in calculation of basic earnings per share(A)</b>	(6,86,577)	(8,04,340)
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	49,53,800	49,53,800
<b>Basic EPS(A/B)</b>	(0.14)	(0.16)

**31. Accounting Policies under Ind AS:**

**1. Significant Accounting Policies**

**1.1 Statement of Compliance and basis of preparation of Financial Statements**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently



to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

## **1.2 Application of Indian Accounting Standards (Ind-AS)**

All Listed companies are required to adopt Ind AS.

All amounts included in the financial statements are reported in of Indian rupees (Rupees in) except number of equity shares and per share data, unless otherwise stated.

## **1.3 Use of estimates and judgment**

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

## **1.4 Functional and presentation currency**

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

## **1.5 Revenue Recognition**

### ***i) Trading Income***

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, it is probable that economic benefits associated with the transaction will flow to the entity, the associated costs incurred or to be incurred in respect of the transaction can be measured reliably and there is no continuing management involvement with the goods. The point of transfer of risks and rewards depends upon the terms of the contract of sale with individual customers.

### ***ii) Other Operating Revenue***

The income relating to the core activities of the Company which are not included in revenue from sales/services for e.g. dispatch earned, subsidy, claims against losses on trade transactions, interest on credit sales and trade related advances (other than on overdue) etc., which are derived based on the terms of related trade agreements with business associates or schemes on related trade, are accounted for under 'Other Operating Revenue'.

### ***iii) Claims***

Claims are recognized in the Statement of Profit & Loss (Net of any payable) on accrual basis including receivables from Govt. towards subsidy, cash incentives, reimbursement of losses etc, when it is not unreasonable to expect ultimate collection. Claims recognized but subsequently becoming doubtful are provided for through Statement of Profit and Loss. Insurance claims are accounted upon being accepted by the insurance Company

**iv) Service Income**

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized by reference to the stage of completion (Percentage of Completion Method) of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:-

- a) The amount of revenue can be measured reliably;
- b) It is probable that the economic benefits associated with the transaction will flow to the Company ;
- c) The stage of completion of the transaction can be measured reliably;
- d) Costs incurred for the transaction and to complete the transaction can be measured reliably.

**v) Dividend and interest income**

Dividend income from investments is recognized when the Company's right to receive payment is established and it is probable that the economic benefits associated with the transactions will flow to the Company and the amount of income can be measured reliably.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

**vi) Revenue Recognition on Actual Realization**

Revenue is recognized on accrual basis except in the following items which are accounted for on actual realization since realisability of such items is uncertain, in accordance with the provisions of Ind AS-18 :-

- a) Duty credit / exemption under various promotional schemes of EXIM policy in force, Tax credit, refund of custom duty on account of survey shortage, and refund of income-tax/ service tax / sales-tax /VAT and interest thereon etc.
- b) Decrees pending for execution/contested dues and interest thereon, if any:
- c) Interest on overdue recoverable where realisability is uncertain.
- d) Liquidated damages on suppliers/underwriters.

**1.6 Property, Plant and Equipment**

All Property, Plant and Equipments (PPE) are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The cost of an item of PPE is the cash price equivalent at the recognition date. The cost of an item of PPE comprises:



- i) Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- ii) Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the PPE is acquired or as a consequence of having used the PPE during a particular period for purposes other than to produce inventories during that period.

The carrying value of assets held by the Company has fallen below the residual value and hence no depreciation has been charged.

### **1.7 Intangible Assets**

All Intangible Assets are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101. Identifiable intangible assets are recognized when the Company controls the asset; it is probable that future economic benefits expected with the respective assets will flow to the Company for more than one economic period; and the cost of the asset can be measured reliably. At initial recognition, intangible assets are recognized at cost. Intangible assets are amortized on straight line basis over estimated useful lives from the date on which they are available for use. Softwares are amortized over its useful life subject to a maximum period of 5 years or over the license period as applicable.

### **1.8 Non-Current Assets Held for Sale**

The Company classifies a non-current asset (or disposal group of assets) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The non-current asset (or disposal group) classified as held for sale is measured at the lower of its carrying amount and the fair value less costs to sell.

### **1.9 Depreciation**

Depreciation is provided on straight line method as per the useful lives approved by the Board of Directors, which are equal to those provided under schedule II of the Companies Act, 2013. The useful life of an asset is reviewed at each financial year-end. Each part of an item of PPE with a cost that is significant in relation to the total cost of the asset and if the useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortization of intangible assets and lease hold assets. Freehold land is not depreciated. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Certain items of small value like calculators, wall clock, kitchen utensils etc. whose useful life is very limited are directly charged to revenue in the year of purchase. The useful lives of the assets are taken as under:-



<b>Name of Assets</b>	<b>Useful life as adopted by the Company as per Schedule II</b>
<b>A. General Assets</b>	
Furniture & Fittings	10
Office Equipment	5
Vehicles – Scooter	10
Vehicles – Car	8
Computers - Servers and networks	6
Computers – End User Devices	3
Lease-hold Land	As per Lease Agreement
Wagon Rakes	As per Agreement / Wagon Investment Scheme
Electrical installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Roads	
Carpeted Roads – RCC	10
Carpeted Roads - Other than RCC	5
Non Carpeted Roads	3
Culverts	30
Buildings	
RCC	60
Other than RCC	30
Residential Flats (Ready Built)	
RCC	60
Other than RCC	30
Temporary Structure & wooden partition	3
Warehouse / Godown	30
<b>B. Manufacturing Unit's Assets</b>	
Factory Buildings	30
Electronic installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Plant and Machinery	
Single Shift	15
Double Shift	10
Triple Shift	7.5
Plant and Machinery- Wind Energy Generation Plant	22
<b>C. Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company</b>	5
<b>D. Amortization of Intangible Assets</b>	
Softwares	5 years or License period as applicable



The carrying value of assets held by the Company has fallen below the residual value and hence no depreciation has been charged.

**1.10 Borrowing Costs**

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset.

The Company recognises other borrowing costs as an expense in the period in which it incurs them.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

**1.11 Foreign currencies**

Transactions in currencies other than the functional currency are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign currency monetary items (except overdue recoverable where realizability is uncertain) are converted using the closing rate as defined in the Ind AS-21. Non-monetary items are reported using the exchange rate at the date of the transaction. The exchange difference gain/loss is recognized in the Statement of Profit and Loss.

Liability in foreign currency relating to acquisition of fixed assets is converted using the closing rate. The difference in exchange is recognized in the Statement of Profit and Loss.

**1.12 Inventory**

The Company does not hold any inventory during the year.

**1.13 Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**1.14 Contingent Liabilities / Assets****Contingent Liabilities**

Contingent liabilities are not recognized but disclosed in Notes to the Accounts when the Company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the Company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

Where an entity is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources



embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made.

**Contingent Assets**

Contingent Assets are not recognised in the financial statements. Such contingent assets are assessed continuously and are disclosed in Notes when the inflow of economic benefits becomes probable. If it's virtually certain that inflow of economic benefits will arise then such assets and the relative income will be recognised in the financial statements.

**1.15 Leases**

Assets held under lease, in which a significant portion of the risks and rewards of ownership are transferred to lessee are classified as finance leases. Other leases are classified as operating leases. The Company normally enters into operating leases which are accounted for as under:-

- (i) Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.
- (ii) Where the Company is a lessee, operating lease payments are recognized as an expense on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

**1.16 Employee benefits**

- i. Provision for gratuity, leave encashment/availment and long service benefits i.e. service award, compassionate gratuity and employees' family benefit scheme is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss.
- ii. Provision for post-retirement medical benefit is made on defined contribution basis.
- iii. Provident fund contribution is made to Provident Fund Trust on accrual basis.
- iv. Payment of Ex-gratia and Notice pay on Voluntary Retirement are charged to revenue in the year incurred.
- v. Superannuation plan, a defined contribution scheme is administered by Life Insurance Corporation of India (LIC). The Company makes contributions based on a specified percentage of each eligible employee's salary.

***Short-term employee benefit obligations***

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognized for the amount expected to be paid under PLI / PRP Scheme, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**1.17 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The deferred tax liability or asset that arises from the revaluation of a nondepreciable asset in accordance with paragraph 31 of Ind AS 16 shall be measured on the basis of the tax consequences that would follow from recovery of the carrying amount of that asset through sale, regardless of the basis of measuring the carrying amount of that asset.

**1.18 Investment Property**

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are





measured initially at cost, including transaction costs. All of the Company's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties.

After initial recognition, the Company measures investment property at cost.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties to be depreciated in accordance to the class of asset that it belongs and the life of the asset shall be as conceived for the same class of asset at the Company.

### **1.19 Impairment**

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalue amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

At the end of each reporting period, the Company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset. The Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

#### ***Impairment of financial assets***

Financial assets, other than those at Fair Value through Profit and Loss (FVTPL), are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For Available for Sale (AFS) equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.



For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty;
- Breach of contract, such as a default or delinquency in interest or principal payments;
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on individual basis. Objective evidence of impairment for a portfolio of receivables could include Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of zero days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables; such impairment loss is reduced through the use of an allowance account for respective financial asset. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognized.

#### ***De-recognition of financial assets***

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, The Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

### **1.20 Earnings per share**

A basic earnings per equity is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares



outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any shares splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

### **1.21 Discontinued operations**

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed off or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

### **1.22 Financial instruments**

#### **i) Non-derivative financial instruments**

Non-derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

Subsequent to initial recognition, non derivative financial instruments are measured as described below:

#### **a) Cash and cash equivalents**

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

#### **b) Investments in liquid mutual funds, equity securities (other than Subsidiaries, Joint Venture and Associates) are valued at their fair value. These investments are measured at fair value**



and changes therein, other than impairment losses, are recognized in other comprehensive income and presented within equity, net of taxes. The impairment losses, if any, are reclassified from equity into statement of income. When an available for sale financial asset is derecognized, the related cumulative gain or loss recognised in equity is transferred to the statement of income.

c) **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade receivables, unbilled revenues and other assets.

The company estimates the un-collectability of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

d) **Trade and other payables**

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

e) **Investments in Subsidiary, Associates and Joint Venture**

The Company accounts investment in subsidiary, joint ventures and associates at cost

An entity controlled by the Company is considered as a subsidiary of the Company.

Investments in subsidiary Company outside India are translated at the rate of exchange prevailing on the date of acquisition.

Investments where the Company has significant influence are classified as associates. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement is classified as a joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

ii) **Derivative financial instruments**

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency.

The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of income as cost.

Subsequent to initial recognition, derivative financial instruments are measured as described below:



a) Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of income and reported within foreign exchange gains/ (losses), net within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of income upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, such cumulative balance is immediately recognized in the statement of income.

b) Others

Changes in fair value of foreign currency derivative instruments neither designated as cash flow hedges nor hedges of net investment in foreign operations are recognized in the statement of income and reported within foreign exchange gains/ (losses), net within results from operating activities.

Changes in fair value and gains/ (losses) on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance expense.

### **1.23 Segment Information**

The Company has only one reportable business segment, which is supply of designs and drawings and operates in a single business segment. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

### **1.24 Prior Period Errors**

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes to Accounts. Taking into account the nature of activities of the Company, prior period errors are considered material if the items of income / expenditure collectively (net) exceed 0.5% of sales turnover of the Company.

### **32. Approval of financial statements**

The financial statements were approved by the board of directors and authorised for issue on 29-05-2018.

### **33. Transition from IGAAP to IND AS**

These financial statements, for the year ended March 31<sup>st</sup>, 2018, are first financial statements prepared by the Company in accordance with Ind AS. For years upto and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with IGAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

Accordingly, the Company has prepared IND AS compliant financial statements for year ending on March 31<sup>st</sup>, 2017. In preparing these financial statements, the Company has prepared opening IND AS balance sheet as at 1<sup>st</sup> April, 2016 the Company's date of transition to Ind-AS in accordance



with requirement of IND AS 101, "First time Adoption of Indian Accounting Standards". The basic approach adopted is summarized hereunder:

- i) All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities.
- ii) All non-current financial assets/liabilities at below market rate of interest or zero interest and outstanding as on 1<sup>st</sup> April, 2016 have been measured at fair value.
- iii) In accordance with IND AS 101, the resulting adjustments are considered as arising from events and transactions entered before date of transition and recognized directly in the retained earnings at the date of transition to IND AS.
- iv) The estimates as at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with IGAAP (after adjustments to reflect any differences in accounting policies).
- v) IND AS 101 also allows to first time adopter certain exemptions from the retrospective application of certain requirements under IND AS. Accordingly, the Company has availed the following exemptions/mandatory exceptions as per IND AS 101:
  - a) **Deemed Cost for Property, Plant & Equipment and Intangible Assets:** Para D7AA of appendix D to IND AS 101 which permits a first time adopter to continue with the carrying values for its PPE as at date of transition to IND ASs measured as per previous GAAP. However, the assets of the Company are carried at an amount below the residual value. Thereby, the above provision is not applicable.
  - b) **Classification & Fair value measurement of financial assets or financial liabilities at initial recognition:** The financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to IND AS. In addition, the exemption permits prospective application of requirements of IND AS 109 to transactions entered into on or after date of transition.

As per our report of even date

For Venugopal & Chenoy  
Chartered Accountants

Sd/-  
CA P.V. Sri Hari  
Partner  
M.No.021961

Place : Hyderabad  
Date : May 29, 2018

For and on behalf of the Board of  
TMT (India) Limited

Sd/-  
(TG Veera Prasad)  
Managing Director

Sd/-  
(BP Singh)  
Director

Sd/-  
(Krishna Mashetti)  
Company Secretary

**FORM NO. MGT – 11****PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**CIN** : L99999TG1976PLC002002  
**Name of the Company** : TMT (INDIA) LIMITED  
**Registered Office** : A-28, 2nd Floor, Journalist Colony, Road No.70, Jubilee Hills, Hyderabad, TG- 500033  
**Name of the Member(s)** :  
**Registered Address** :  
**Email ID** :  
**Folio No. /Client ID** :  
**DP ID** :

We, being the member(s) of ..... shares of the above named Company, hereby appoint;

1. Name ..... E-mail Id : .....  
 Address:.....  
 ..... Signature : ..... Or failing him
2. Name ..... E-mail Id : .....  
 Address:.....  
 ..... Signature : ..... Or failing him
3. Name ..... E-mail Id : .....  
 Address:.....  
 ..... Signature : ..... Or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 41<sup>st</sup> Annual General Meeting of the Company, to be held on Friday, 28<sup>th</sup> September, 2018, at 3.00 P.M. at the registered office of the Company at A-28, 2<sup>nd</sup> Floor, Journalist Colony, Road No.70, Jubilee Hills, Hyderabad, TG -500033 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Statement of Profit and Loss, Balance Sheet, Cash Flow Statement, Reports of Board of Directors and Auditors for the year ended March 31, 2018.
2. Re-appointment of Shri Tumbalam Gooty Veera Prasad as Director of the Company.



Signed this ..... Day of ..... 2018.

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

Signature of Proxy holder(s) \_\_\_\_\_

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.

**TMT (INDIA) LIMITED**

A-28, 2nd Floor, Journalist Colony, Road No.70, Jubilee Hills, Hyderabad, TG-500033

CIN: L99999TG1976PLC002002

**ATTENDANCE SLIP**

(Please present this slip at the Meeting venue)

I hereby record my presence at the 41<sup>st</sup> Annual General Meeting of the members of the Company to be held on Friday, 28<sup>th</sup> September, 2018 at 3.00 P.M. at the registered office of the Company at A-28, 2<sup>nd</sup> Floor, Journalist Colony, Road No.70, Jubilee Hills, Hyderabad, TG-500033.

Shareholders/Proxy's Signature \_\_\_\_\_

Shareholders/Proxy's full name \_\_\_\_\_

(In block letters)

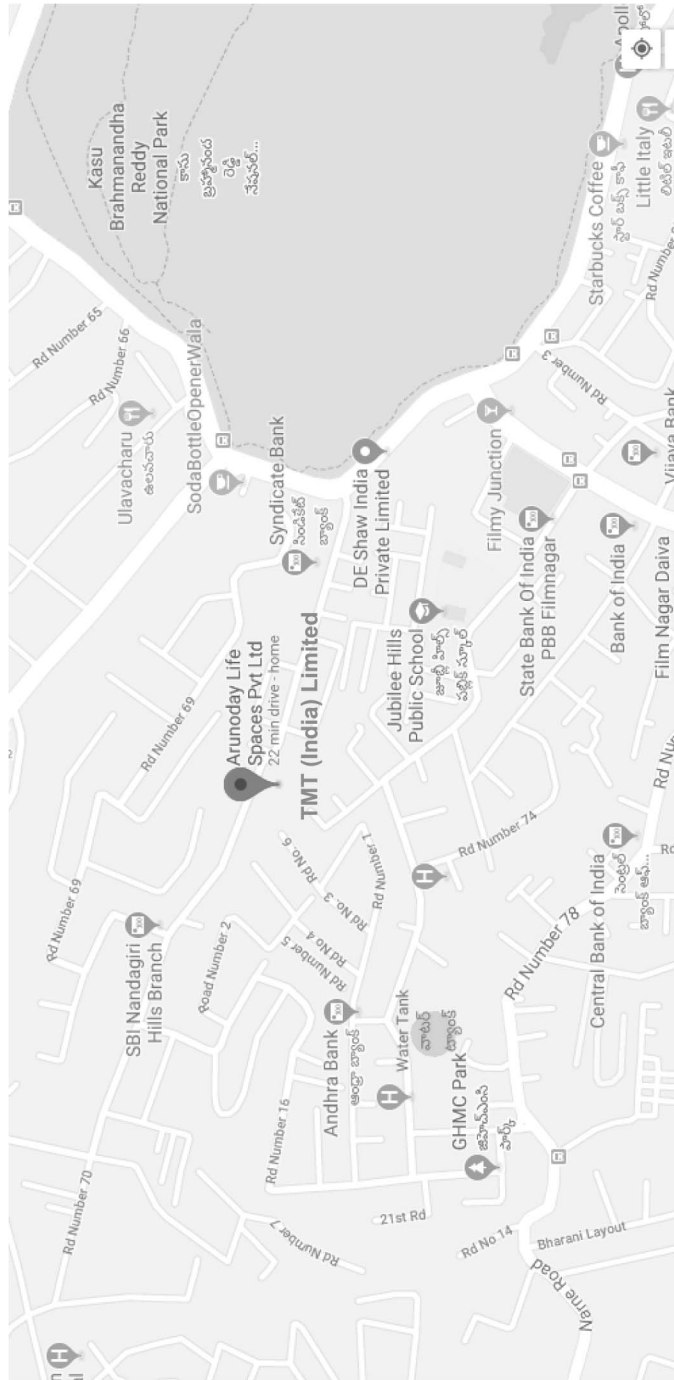
Folio No./ Client ID \_\_\_\_\_

No. of shares held \_\_\_\_\_

**Note:** Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.



**ROUTE MAP**







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