



**Titanium**

*...make the world a brighter place*



**73<sup>rd</sup>**

**ANNUAL  
REPORT**

— 2019-20 —

**TRAVANCORE TITANIUM PRODUCTS LIMITED**  
KOCHUVELI, THIRUVANANTHAPURAM - 695 021  
(AN ISO 9001-2015 COMPANY) CIN : U132109KL1946SGC001214



**73<sup>rd</sup>  
Annual Report  
2019-20  
&  
Notice of 73<sup>rd</sup> Annual General Meeting**

**Travancore Titanium Products Limited**  
**(A Government of Kerala undertaking)**  
**Thiruvananthapuram 695021**  
**(An ISO 9001:2015 Company)**  
**CIN:U132109KL1946SGC001214**

**REPORTS TO SHARE HOLDERS**

Notice of 73 <sup>rd</sup> Adjourned Annual General Meeting	4 to 6
Attendance Slip	7
Proxy Form	8 to 9
Directors' Report	10 to 20
Annexure A to Directors' Report	21 to 25
Annexure B to Directors' Report	26 to 33
Annexure C to Directors' Report	34 to 37
Extracts of Annual Return [Form MGT-9]	38 to 49
Comments under Section 143(6)(b) of the Companies Act, 2013	50
Auditor's Report	51 to 72
Balance Sheet	73
Profit & Loss Account	74
Cash Flow Statement	75
Schedules	76 to 86
Notes to the Financial Statements	87 to 113

## **Corporate Information**

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### **BOARD OF DIRECTORS**

**Shri.A P M Mohammed Hanish IAS**  
Chairman

**Shri.Georgee Ninan**  
Managing Director

**Smt.Latha.S.,**  
Nominee Director

**Registered Office**  
**Travancore Titanium Products Limited**  
Kochuveli,Thiruvananthapuram  
Kerala,India 695021  
Web:[www.travancoretitanium.com](http://www.travancoretitanium.com)  
EMail:[mdtravantpl@gmail.com](mailto:mdtravantpl@gmail.com),  
[fmtitan@travancoretitanium.com](mailto:fmtitan@travancoretitanium.com),  
Ph:0471-2500221,2500222,2502748  
Fax:0471-2502724,2501533,2501127

### **STATUTORY AUDITORS**

**M/s.Sridhar & Co**  
Chartered Accountants  
TC 37/275, Padmatheertham North,  
Fort, Thiruvananthapuram 695023

### **COST AUDITORS**

**Shri.N.P.Sukumaran**  
TC9/1302,Lekshmi, TempleRoad  
Sasthamanagalam, TVM

### **BANKERS**

State Bank of India,  
Union Bank of India



# **TRAVANCORE TITANIUM PRODUCTS LIMITED**

(A Government of Kerala Undertaking)  
THIRUVANANTHAPURAM

To the Members,

## **NOTICE OF THE 73<sup>rd</sup> ADJOURNED ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 73<sup>rd</sup> Annual General Meeting of the Members of Travancore Titanium Products Limited, adjourned *sine die* from August 17, 2020, will be held at **11:30 A.M. on Thursday, July 21, 2022** at the **Training Hall Building, Registered Office Premises, Kochuveli, Thiruvananthapuram -695 021** to transact the following:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as at March 31, 2020 and the Profit and Loss Account and the Cash Flow Statement for the year ended on that date and the schedules and the notes together with the Reports of the Auditors and the comments of Comptroller and Auditor General of India thereon and the report of the Board of Directors along with its annexure.

By order of the Board of Directors  
For Travancore Titanium Products Limited

Place :Thiruvananthapuram  
Date : 21.06.2022

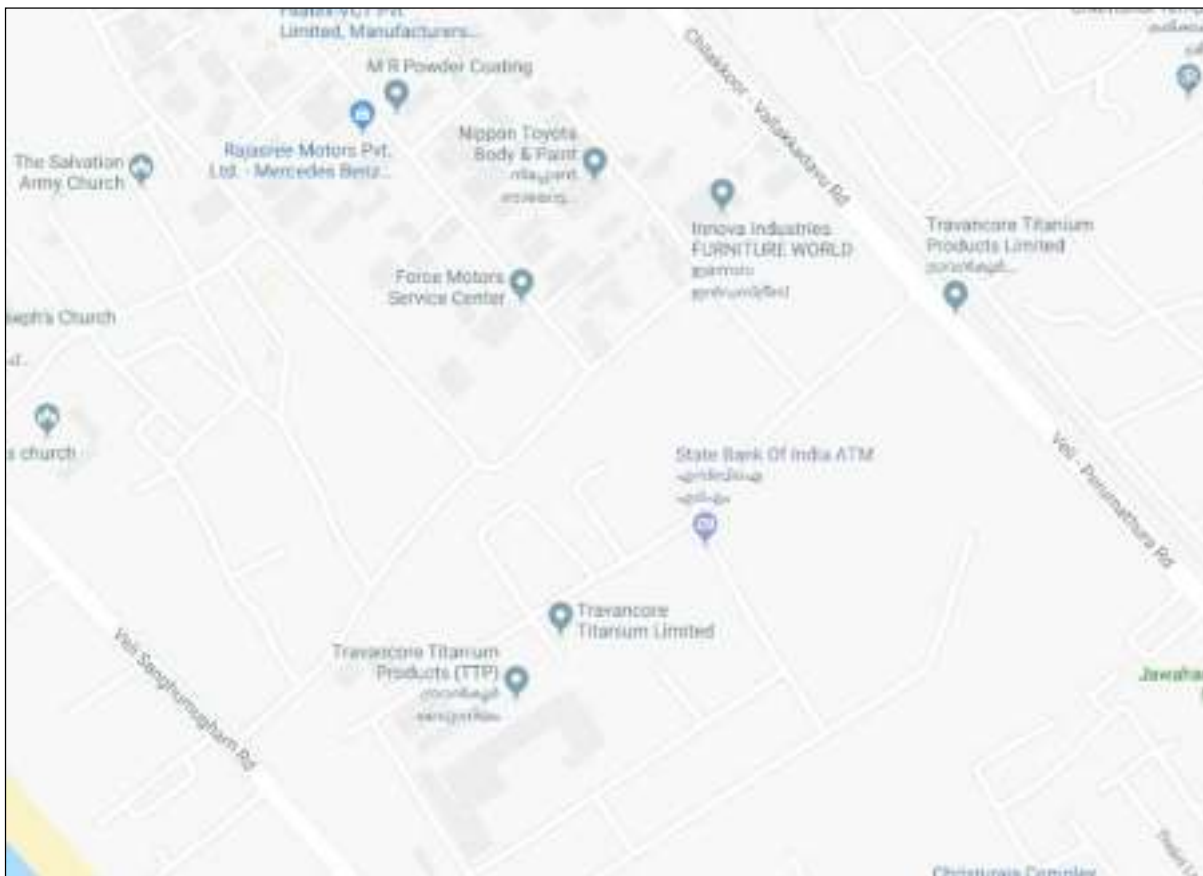
**Sd/-**  
**Company Secretary**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER.
2. The instrument of proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of Members not exceeding fifty (50) in number and holding in the aggregate not more than ten percent of the total share capital of the Company.
3. The Audited Financial Statements for the year could not be considered by the members at the 73<sup>rd</sup> Annual General Meeting originally held on August 17, 2020. The said meeting, after considering other agenda items, adjourned *sine die* to be reconvened after receipt of the Audited Financial Statements. Now the said adjourned meeting is being re-convened to consider the Audited Financial Statements.
4. The Auditors' Report & Directors' Report has been issued under the provisions of Companies Act, 2013.
5. Only registered Members carrying their attendance slips and holders of valid proxy forms registered with the Company are permitted to attend the meeting.
6. Members may please note that, a copy of the PAN card and address proof of the transferee shall be submitted with the transfer deed for registering transfer of physical shares.
7. Members may please note that there is a facility for nomination, in prescribed form (Form No. SH-13), which can be obtained from the Company on request, of any person to whom shares in the Company held by such member shall vest in the event of his / her death.
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.
9. As part of the Green Initiative of the Ministry of Corporate affairs, Members are requested to register their email IDs with the Company for receiving communication including notices, annual reports etc. in electronic form, in future.
10. With a view to be able to respond to the queries of the members of the Company, members are requested to send the same to the Company at its registered address at least four days before the date of the AGM.

11. The provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, are not applicable to the Company as the number of its shareholder is below the prescribed minimum. Therefore electronic voting (e-voting) facility for exercise voting rights on the resolutions proposed to be considered at the AGM is not being provided.

### Route Map to the Venue





**Travancore Titanium Products Limited,  
Kochuveli, Thiruvananthapuram -695 021**

**CIN: U13209KL1946SGC001214**

***Attendance Form***

**The 73<sup>rd</sup> Adjourned Annual General Meeting for the year ended 31<sup>st</sup> March 2020**

I hereby record my presence at the 73<sup>rd</sup> Annual General Meeting of the Members of Travancore Titanium Products Limited, adjourned *sine die* from August 17, 2020, being held at **11:30 A.M.** on **Thursday, July 21, 2022** at the **Training Hall Building, Registered Office Premises, Kochuveli, Thiruvananthapuram -695 021.**

Member's Folio No. :

Signature of Member / Proxy :

Name :

Note: - Please sign this attendance slip and hand it over at the attendance verification counter at the Entrance of the meeting venue.

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**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 No.U13209KL1964SGC001214**

Name of the Company : **Travancore Titanium Products Limited**  
Registered Office : **Kochuveli, Thiruvananthapuram -695 021**

Name of the

Member(s):.....

Registered Address :

.....

E Mail id

:.....

Folio No.....

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 73<sup>rd</sup> Annual general meeting of the Company, adjourned *sine die* from August 17, 2020, to be held on **11:30 A.M. on Thursday, July 21, 2022** at the **Training Hall Building, Registered Office Premises, Kochuveli, Thiruvananthapuram -695 021** and at any adjournment thereof in respect of such resolutions as are indicated below:

Optional

Resolution Number	For	Against
1. Adoption of Annual Accounts for the year 2019-20		

Signed this .....day of ..... 2022

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

**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.**



Travancore Titanium Products Limited,  
Kochuveli, Thiruvananthapuram -695 021

CIN: U13209KL1946SGC001214

To : All Shareholders

**NOTICE OF THE 73<sup>rd</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 73<sup>rd</sup> Annual General Meeting of Travancore Titanium Products Limited will be held at 11.30 a.m. on Monday, the 17<sup>th</sup> day of August, 2020 at the Training Hall Building, Registered Office Premises, Kochuveli, Thiruvananthapuram, to transact the following Ordinary business:

1. Consideration of the Annual financial statement together with notes to accounts and auditors report for the FY 2019-20.
2. Appointment of Auditors for FY 2020-21

**SPECIAL BUSINESS**

3. Ratification of Appointment of Cost Auditors for FY 2020-21

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

**“RESOLVED THAT** pursuant to the provisions of Sections 148, and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Cost records and Audit) Rules, 2014 made thereunder, appointment of M/s.Sukumaran & Co, Practising Cost Accountant, Lakshmi, TC No:9/1302, Temple Road, Sasthamangalam, Thiruvananthapuram - 695 010 as Cost Auditors of the Company for the FY 2020-21 be and is hereby approved, on such terms and conditions as may be mutually agreed by the Board and M/s.Sukumaran & Co.”

**“RESOLVED FURTHER THAT** Shri Georgee Ninan, Managing Director and/or Shri Alihassan Pillai Abdul Rasheed, Chairman and Director of the Company be and is hereby authorized to take the necessary action in connection with the appointment of cost auditor of the Company.”

By Order of the Board  
Sd/-

**Alihassan Pillai Abdul Rasheed**  
**Chairman and Director**  
**DIN : 00338768**

Place :Thiruvananthapuram

Date : 22.07.2020

1. Explanatory statement pursuant to section 102 (1) of the Companies Act, 2013 is annexed hereto.
2. 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 himself and the proxy need not be a member of the company. for appointing the proxy the enclosed proxy form duly filled, stamped and signed must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
3. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.
4. Members/Proxies should bring the Attendance Slip sent herewith, duly filled in and signed and handover the same at the entrance of the hall for attending the meeting.
5. Members are requested to notify immediately any change in their address to the Registered Office of the Company.
6. Relevancy of question and the order of speakers will be decided by the Chairman. Members are requested to forward in writing to the Company any question on the Accounts, so as to reach the Registered Office one week before the date of the Annual General Meeting.

#### **Statement In lieu of Accounts relating to the Financial Year 2019-20**

The 73<sup>rd</sup> Annual General Meeting of Travancore Titanium Products Limited had to be held on or before the 30th September 2020. The Agenda of the meeting should be the following ordinary business viz.

1. Consideration of the Annual Accounts of the Company relating to the financial year 2019-20.
2. Appointment of Auditors for FY 2020-21.

The items listed above could be transacted at the meeting only after the Audit of the Accounts of the relevant year is completed. As of now, the audit of the accounts by the Statutory Auditors has not been completed. We have also to present the audited annual accounts to the Comptroller and Auditor General of India (C&AG) for comments, if any, before they are considered and approved at the Annual General Meeting of the Company. Therefore, this statement in lieu of accounts alone could be presented before the meeting for the information of the Shareholders.

The Statutory Auditors of the Company relating to the financial year 2020-21 to be appointed by the Comptroller and Auditor General of India and company is still waiting the details of auditors from them. It is suggested that the AGM may authorize the Board to fix the remuneration of the Statutory Auditors as and when appointed by the C&AG.

It is suggested that the meeting may be held and adjourned to a date to be fixed after the receipt of the Audited Financial statements for FY 2019-20, Auditors' Report and the comments thereon by the Comptroller and Auditor General of India.

For and on behalf of the Board of Directors,

Sd/-

**Alihassan Pillai Abdul Rasheed**  
**Chairman and Director**  
**DIN : 00338768**

Place :Thiruvananthapuram

Date : 22.07.2020

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE  
COMPANIES ACT, 2013**

**Item No.1: Ratification of Appointment of Cost Auditors for FY 2020-21**

The Board of directors at their meeting held on 9<sup>th</sup> June, 2020 appointed M/s.Sukumaran & Co, Practising Cost Accountant, Lakshmi, TC No:9/1302, Temple Road, Sasthamangalam, Thiruvananthapuram, - 695 010 as Cost auditors as per the recommendations of the Audit Committee of the Company for FY 2020-21. The Board of directors approved cost audit fees of Rs.1,00,000/- per annum plus out of pocket expenses for FY 2020-21 as per the revised guidelines from Institute of Cost and Works Accountants of India which was also approved by the Audit Committee of the Company.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors as set out in the Resolution for the aforesaid services to be rendered by them.

The Resolution is recommended for your approval.

None of the Directors and Key Managerial Personnel of the Company are interested in the resolution.

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 73<sup>rd</sup> Annual Report along with the Audited Statement of Accounts of your Company for the financial year ended 31<sup>st</sup> March 2020 and Auditors Report thereon.

### FINANCIAL HIGHLIGHTS:

(Amounts in Rs.)

Particulars	2019-20	2018-19
Total Revenue	1,804,453,898	2,108,895,294
Total Expenses	1,873,121,283	2,028,309,429
Profit/(Loss) before tax	(68,667,385)	80,585,864
Less: Tax Expenses:		
Current Tax:	96,962,477	(20,323,744)
Deffered Tax	(5,188,319)	1,96,23,400
Profit/(Loss) after tax	(160,441,543)	81,286,209
Gross Block	1,020,700,361	998,753,882
Share capital	137,675,191	137,675,191

### DIVIDEND

The Company has not declared dividend during the year.

### RESERVES

No amount has been proposed to be transferred to general or dividend reserves as there was no dividend declaration.

### REVIEW OF OPERATIONS:

Production of Titanium Dioxide Pigment was 9,950 MT for financial year 2019-20.

Sulphuric Acid Production marked 66,044 MT for financial year 2019-20.

Your Company sold 10,301 Mts of Titanium Dioxide Pigment during the year 2019-20.

Sulphuric Acid sale during the year 2019-20 was 23,886.96 Mts. Potassium Titanate sale during the year 2019-20 was 10.50 Mts.

## **PERFORMANCE DURING THE CURRENT YEAR**

During the financial year 2022-23 your Company has achieved a production of 942 Mts. of Titanium Dioxide and 39.25 Mts of Sulphuric Acid till April 2022.

The Profit before tax recorded for the year 2022-23 ,till May 2022 is Rs.27.53 Lakhs.

## **COVID-19**

During the financial year 2020-21, the COVID-19 pandemic developed rapidly, forced the Central and State Governments to enforce social distancing and lock-downs all over the Country.

By making suitable adaptations in the operation schedule, raw material planning, logistics, product despatch and marketing arrangements, TTPL could minimise the impact of COVID-19 during the year.

Government of Kerala allowed relaxation in operation of company considering it as an essential service.

Company took all possible steps to contain the outbreak of COVID -19 in the Company by providing thermal scanners at entry points, sanitizers, hand washes, adopting steps for social distancing, distribution of face masks, dissemination of information among employees for creating awareness, continuous sanitation of all areas, distribution of homoeo medicines for employees and their families, control of visitors, etc. Indigenous foot operated and electronic sanitizer dispensing machines were developed and installed at all entry levels.

The Company is maintaining its operations adhering to COVID-19 protocols and does not expect any major impact of COVID-19 in the day to day activities.

## **CHANGE IN THE NATURE OF BUSINESS**

There has been no change in the nature of business of the Company.

**Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

No material changes and commitments have occurred after the close of the year till the date of this Report.

## **POLLUTION ABATEMENT PROJECT:**

In order to comply the norms of Kerala State Pollution Control Board for the effluent discharge, Company started the integrated pollution abatement projects consisting of Acid Recovery Plant (ARP), Copperas Recovery Plant (CRP) and Neutralization Plant (NP) along with capacity expansions. M/s MECON, a central public sector company

was engaged as project management consultancy and they submitted their project report called as Basic Project Implementation Document during January 2005. As per agreement Company had imported almost all the critical and the proprietary equipments required for ARP and CRP valued at Rs.62 crores (Approx) during 2007-2008 availing the EPCG License.

During 2007-08 the cost of one of the major raw materials 'Sulphur' had increased about 10 times and the operation of the company itself became unviable. Due to the severe financial crisis and resultant stoppage of production for a period of four months in 2008, the project also was discontinued. Meanwhile the cost of the project got escalated and Company was unable to continue the project as originally planned.

Meanwhile the Government vide Order GO(Ms) No. 55/2008/ID dated 25/04/2008 and GO(Ms)No.62/2008/ID dated 14/5/2008 constituted an Expert Committee "to Study and Report the feasibility of continuing with the ongoing pollution abatement-cum-diversification/Expansion Project of the Company".

Based on the recommendation of the 'Expert Committee', Company decided to install the Neutralization Plant and Copperas Recovery Plant without having costly unviable Acid Recovery Plant (ARP) after the approval from Govt. The Board was directed that to commission the Neutralisation Plant first and the implementation of Copperas Recovery Plant should be speeded up once the fund position of the company improves.

The Neutralisation Plant envisages neutralizing the effluent and further treatment by Reverse osmosis system, the purified water is reused in main Plant. The Copperas Recovery Plant (CRP) envisage the extraction of Copperas ( $\text{FeSO}_4 \cdot 7\text{H}_2\text{O}$ ) from the in process liquor used for the production of Titanium Dioxide. This separation reduces iron sulphate load in the effluent.

### **Neutralization Plant**

The Neutralisation Plant with Water Recovery module was completed in 2016 by M/s VA TECH Wabag, Chennai, the plant contractor. The Performance Guarantee test run conducted by M/s VA TECH was not satisfactory to TTPL that the technical performance of the plant was not as per the contract parameters and the Company initiated Arbitration procedure against the contractor and the arbitrator awarded compensation to TTPL.



However TTPL rectified the technical issues in the plant and plant has been operating satisfactorily. Since the operation of Neutralization Plant was not able to operate the plant as per design and capacity. For enhancement of capacity additional equipments/modifications in plant is required, for this fund support is requested from Govt.

### **Copperas Recovery Plant (CRP)**

The erection of CRP was started during 2009 and few packages like Civil and structural work and some of the Mechanical packages pumps, Instrumentation and PLC are finalized and part of the above work are completed. TTPL had invested about Rs. 6.5 crores for the indigenous packages in addition to the value of the imported items (Centrifuge, Ejector, Barometric condenser and booster) of Rs.10 crores. TTPL invested total about Rs. 17 crores including imported equipments. The implementation work started during 2009 and the work was stopped in the year 2012 due to the shortage of funds.

The Govt. of Kerala vide order no. GO (Rt) No.1089/2017/ID dated 31/7/2017 provided administrative sanction with specific allocation of Rs. 15.50 crore for the Copperas Recovery Plant. TTPL had requested to Govt. for fund supporting of Rs.17.00 crores for the completion of Copperas Recovery Plant.

Accordingly TTPL started the work to complete the Copperas Recovery Plant, the completion of Copperas Recovery Plant were scheduled to June 2020. All the required Work Orders were released and the works were progressing. All the imported equipments, pumps, instruments, and PLC are already at site now. Electrical, Piping materials were partly supplied by supplier. Cooling tower was installed at site. The major delay was in the CRP Civil Structural work due to heavy corrosion and the need to strengthen the structure on safety concerns, which was completed by February 2020 except painting in some areas. On completion of the structural major installation works were scheduled to start from March 2020. But all the works were stopped due to the lockdown situation of covid-19 and standstill for seven to eight months. After lifting the restrictions, different contractors have to mobilize their work force at site from other states and also from other country like Switzerland. In view of the pandemic situation, the project was delayed and the completion of plant was re scheduled to March 2021.

## **AWARDS AND RECOGNITIONS**

- 1) TTPL has been recognized & awarded by Bureau of Indian Standards(BIS) for its dedication to quality and association with BIS for more than 50 years during the celebration of Iconic Week under Azadi Ka Amrit Mahotsav 14-20 March 2022

## **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

The Company has no subsidiary/Joint Venture or Associate Companies.

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

The Company has an Internal Control System commensurate with the size, scale and complexity of its operations. In order to maintain the objectivity and independence of internal audit, the quarterly internal audit reports are being placed before the Audit Committee Meeting of the Company for their review, suggestions for the betterment. Based on the suggestions and directions of the Audit Committee or Board meeting, corrective actions are being taken at respective areas and thereby strengthen the internal controls.

## **PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT**

Not Applicable

## **DEPOSITS**

Your Company has not accepted any fixed deposits covered under Chapter V of the Companies Act, 2013 and, as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

## **STATUTORY AUDITORS**

The Statutory Audit of the Company for the FY 2019-2020 were done by M/s.Sridhar & Co, Chartered Accountants, Sreenidhi, T C 37/275, Padmatheertham North, Fort P.O., Thiruvananthapuram-695 023. They were appointed as statutory Auditors of the Company for the Financial Year 2019-2020 at the 72<sup>nd</sup> AGM held on 26<sup>th</sup> August, 2019 upon the recommendation of Comptroller and Auditor General of India vide their letter No.CA.V/COY/Kerala/ TRTITN (1/1995 dt. 29.05.2020.

## **SHARE CAPITAL**

### **Issued and Paid-up Share Capital**

The authorized capital of the company is Rs.50,00,00,000/- divided into 5,00,00,000 Equity shares of Rs.10/- each, Issued capital of the company is Rs.13,78,50,000/- divided into 1,37,85,000 equity shares of Rs.10/- each and the subscribed and paid up capital is Rs. 13,76,74,170/- divided into 1,37,67,417 equity shares of Rs.10/- each. There was no allotment of securities during the financial years 2019-20.

## **ANNUAL RETURN**

The extracts of Annual Return in Form MGT-9 as required under Section 92(3) and Rule 12 of The Companies (Management and Administration) Rules, 2014 is enclosed along with this report.

## **PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE**

The Company has in place a system for prevention of sexual harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Company has the risk management policy commensurate with size and nature of its business.

## **DIRECTORS**

During the Year 2019-2020, there were no reconstitution occurred in the Board of Directors of the Company and as of 31<sup>st</sup> March, 2020 the Board consists of following Directors

<b>Sl. No.</b>	<b>Name of the Director and KMP</b>	<b>Designation</b>
1	Shri. Alihassan Pillai Abdul Rasheed	Chairman & Nominee Director
2	Shri. Georgee Ninan	Managing Director
3	Smt. Usha K S	Nominee Director
4	Shri. Sivankutty Nair Vasudevan Pillai	Nominee Director
5	Shri. Navaneetha Kumar Navakumaran Sulochana	Nominee Director
6	Shri. Jayasree Vijayamma Krishnan	Nominee Director
7	Shri. Sreekumaran Ramakrishna Nair	CFO

### Number of meetings of the Board of Directors

During the year 6 Board Meetings were duly convened and the intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013. The following are the date of Board meeting during the year;

Sl. No	Date of Meeting	No of directors entitled to attend	No of directors attended
1	24/04/2019	6	6
2	18/06/2019	6	5
3	01/08/2019	6	6
4	24/09/2019	6	5
5	25/11/2019	6	6
6	20/01/2020	6	6

### Committee meetings

#### (i) Audit Committee Meeting

Sl. No	Date of Meeting	No of members entitled to attend	No of members attended
1	18/06/2019	3	2
2	24/09/2019	3	2

#### (ii) Corporate Social Responsibility Committee Meeting

Sl. No	Date of Meeting	No of members entitled to attend	No of members attended
1	01/08/2019	3	3

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

No inter corporate loans, guarantee or investment made by the Company during the financial year 2019-20.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large and approvals of the Board of Directors and shareholders were obtained wherever required.

### **MANAGERIAL REMUNERATION:**

The Company has paid the following managerial remuneration during the financial year.

<b>Sl. No</b>	<b>Name of Managerial personnel</b>	<b>Designation</b>	<b>Remuneration paid (in Rs)</b>
1	Georgee Ninan	Managing Director	14,15,625
2	Alihassan Pillai Abdul Rasheed	Chairman & Director	2,64,400
3	Sreekumaran Ramakrishna Nair	CFO	17,19,635

### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that –

- a) In the preparation of the annual accounts for the financial year ended 31st March 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2020 and of the Profit of the Company for that year;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts 2019-20 on a going concern basis.
- e) 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.

### **DECLARATION BY INDEPENDENT DIRECTORS:**

The provisions of Section 149 of the Companies Act, 2013, pertaining to the appointment of Independent Directors was applicable to the Company. But the Company has not yet appointed Independent Directors to the board of the Company. However, the Company being a Public Sector undertaking owned by Kerala Sate Government has written to Government of Kerala to appoint Independent Directors and comply the statutory requirements. We are still waiting for Government decision on the matter of appointment of Independent Directors.

**COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES UNDER SECTION 178:**

The provisions of Section 178 of the Companies Act, 2013 was applicable to the Company, but the company has not constituted a Nomination Remuneration Committee due to the non-appointment of Independent Directors during the financial year 2019-20. However, the Company has constituted the Committee in subsequent years even though Independent Directors were not there in the Committee.

**STATUTORY STATEMENTS:**

Information in accordance with the provisions of Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is furnished as Annexure A forming part of this Report.

**PARTICULARS OF EMPLOYEES**

None of the employees of the Company were in receipt of remuneration during the financial year 2019-20, in excess of the sum prescribed under provisions of Rules 5(2) and 5 (3) of Companies Appointment and Remuneration of Managerial Personnel) Rules 2014.

**CORPORATE SOCIAL RESPONSIBILITY POLICY**

The Company has a corporate social responsibility policy of its own approved by the Board of directors of the Company. The Company has actively supported various initiatives in the areas of health, education and environment over the years.

The financial statements of the Company for the year 2019-2020 were finalized and approved by the Board of Directors of the Company on 18<sup>th</sup> February, 2022. Hence, Company could not ascertain the exact amount of implication under Section 135 (1) of the Companies Act, 2013 for the year 2019-2020 and also not earmark any amount towards the CSR Expenses for the FY 2019-2020 as per Section 135 (5). However, during the year 2019-2020 the Company has spent an amount of Rs.3,22,207/- towards various CSR activities in line with the CSR Charter and CSR Policy of the Company. After finalization of accounts, the Company assessed Rs.20,42,002.24 as the minimum amount required to spent as CSR expense as per Companies Act, 2013 for the FY 2019-2020.

Due to delay in finalization of accounts for the year 2019-2020, the Company has unable to assess the exact amount which needs to spend as CSR expenditure and hence company could not spent the actual amount towards CSR expenditure for the year 2019-2020.

The annual report of the CSR Committee of the Company as required under Rule 8 (1) of the Companies (Corporate Social Responsibility) Rules, 2014 is enclosed as **Annexure** to this Report.

**EXPLANATION OF DIRECTORS WITH REGARD TO RESERVATIONS, QUALIFICATIONS IN STATUTORY AUDITOR'S REPORT**

The Reservations and qualifications in statutory auditor's report in specified in Annexure B to this report along with the explanation of the Board directors of the Company

We also state that the C&AG have given a Non review certificate under section 143 (6)(b) of the Companies Act, 2013 with a direction to please the same before the Annual General Meeting of the Company.

**COST AUDIT**

In pursuance of directions issued by the Central Government under Section 148 of Companies Act, 2013, the Board of Directors have appointed Shri N.P. Sukumaran, Cost Accountant to conduct Cost Audit of your Company for the year 2019-20 and Central Government has approved his appointment.

In pursuance of directions issued by the Central Government under Section 148 of Companies Act, 2013, the Board of Directors of the Company at the meeting held on 24<sup>th</sup> April, 2019 have appointed M/s. SUKUMARAN & Co, Cost Accountants as Cost Accountants of the Company to conduct Cost Audit of the Company for the financial year 2019-2020 and Central Government has approved their appointment. The Cost Auditors were submitted their report on 18<sup>th</sup> November, 2020 and the same were approved by the Board of Directors on 4<sup>th</sup> November, 2020.

**PERSONNEL AND INDUSTRIAL RELATIONS:**

The Industrial Relations during the period remained excellent and cordial in all respects.

## **ACKNOWLEDGEMENT**

Your Directors acknowledge the continued support from Government of Kerala. The Directors thank all the employees for their hard work, dedication and commitment towards the growth and stability of the Company. The co-operation from the Principal Accountant General (Audit) of Kerala, Kerala State Pollution Control Board, Director of Factories and Boilers, Regional and Assistant Labour Commissioners, Regional Provident Fund Commissioner, State Bank of Travancore, ICICI Bank, Union Bank of India, The Federal Bank Ltd, Kerala State Electricity Board, Kerala Water Authority and the District Administration need special mention and the Directors acknowledge the same. Further your Directors thank all the shareholders for their unstinting support and patronage. Your Directors look forward to the future with confidence.

For and on behalf of the Board of Directors

Sd/-

Chairman

**ACHARATH PARAKAT MAHALIL MOHAMEDHANISH**

**DIN : 02504842**

Place: Thiruvananthpauram,

Date:21/06/2022



**Annexure A**

<b>CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO</b>	
<p>The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act,2013 read with Rule 8 of The Companies (Accounts) Rules,2014-:</p>	
<b>(A) Conservation of energy-</b>	
<p>(i) the steps taken or impact on conservation of energy:</p>	<p>Following savings were made by the company by adoption of various steps for conservation of energy during the year under review: -</p> <ul style="list-style-type: none"> <li>(i) 11 KW conventional lighting replaced with 5 KW LED lighting and saved around 25,900 units of electricity and thereby saved around Rs. 1,55,520/-</li> <li>(ii) Saved an amount of Rs. 2,00,929/- through prompt payment incentive on payment of electricity bill.</li> <li>(iii) Saved an amount of Rs. 10,25,973/- in electricity bill through power factor incentive.</li> </ul> <p>Total savings for the year 2019-20 is Rs. 13,82,422/-</p>
<p>(ii) the steps taken by the company for utilising alternate sources of energy:</p>	<p>Steps taken to utilizing alternative source of energy by way of Power generation package through Pressure Reducing Desuper heating Station (PRDS) from sulphuric acid plant. The co- generation plant is proposed to be installed instead of PRDS for utilizing the 3.835 Tones/hour steam at 32 kg/cm<sup>2</sup>. By doing so, a considerable amount of electrical energy can be produced and the steam available afterwards at reduced pressure can be utilised for process. TTPL decided to install roof top solar</p>

	project under soura scheme of KSEB. Discussions are ongoing with KSEB. KSEB visited our company and waiting for their feasibility report. Approximate 150kwp solar plant is expected to be installed above our rooftop.
(iii) the capital investment on energy conservation equipments:	Nil
(B) Technology absorption-	
(i) the efforts made towards technology absorption:	<p>Areas in which R&amp;D work is carried out in the company are as follows:</p> <p><b>a) Road Marking Paint:</b> This is a quick drying, hot applied thermoplastic compound. Easy to apply. Suitable for use on concrete, bituminous road and runway surfaces. Initial studies completed and production started. 83.675 MT sold in the market</p> <p><b>b) Concrete bricks &amp; Tiles :</b> High strength and low cost Concrete bricks and tiles are made from solid concrete with the addition of ilmenite waste from TiO<sub>2</sub> manufacturing process. Started manufacturing Cement bricks in the company, around 4182 bricks produced.</p> <p><b>c) Fibre Grade TiO<sub>2</sub>:</b> Anatase Type Fiber Grade titanium dioxide is a white powder, insoluble in water, no toxicity, with excellent tint reducing power and hiding power. It's with prominent dispersibility and regular particle sizes without assemblers and is a textile grade pigment mainly for synthetic fibres. The project is in the implementation stage.</p> <p><b>d) Catalytic Grade TiO<sub>2</sub>:</b> High surface area ultrafine TiO<sub>2</sub> powder. Low contents in sodium, potassium and iron. Specially designed for air purification applications. DeNOx</p>

	<p>Stationary Catalysis - Power Plants. DeNOx Auto Mobile Catalysis - Diesel, Claus Catalysis etc. It also finds application in Colored pigments, Electronics etc. Successful trial was taken in the plant &amp; 8.0Mt sold in the market.</p> <p>e) <b>Coloured Inorganic Pigments:</b> They are high temperature coloured pigments; can be used in High temperature applications such as coil coatings, powder coatings, automobile coatings, outdoor architectural coatings, camouflage coatings, road sign coatings, as well as engineering plastics, general plastics, toys plastics, food packaging plastics, printing ink etc. Lab developmental work carried out. DPR prepared.</p> <p>f) <b>Pearlescent Pigment:</b> Mica coated titanium dioxide is a value-added pigment having metallic luster used in exterior and interior applications especially in decorative paints, ink, paper and plastics. A DPR was prepared and submitted to Govt. Lab developmental work carried out</p> <p>g) <b>Pigment Grade Iron Oxides:</b> Iron oxide pigments are useful raw materials for a number of industrial applications like; paint, plastic, tiles etc. These are a low cost pigments with good pigmentary properties. Red, yellow black and green are the different colours available for paint, plastic, paper, rubber, leather, ink, tiles, glass, cosmetic etc. Trial taken in plant for black IOP and sold 1.5 mt. Lab developmental work carried out in 2018-19. In 2019-20 a Trial was taken in plant for black IOP.</p>
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	<p><b>h) Nano Titanium Dioxide:</b> Ultrafine TiO<sub>2</sub> nano size crystals recommended for Photo catalysts, self cleaning glass, self cleaning ceramics and chemical fibers. UV resistant materials, plastic, printing ink coatings etc. Antibacterial, air purification, sewage treatment, chemical industry, Cosmetics, sunscreen cream, natural white moisture protection cream, beauty and whitening cream, morning and night cream, moistening refresher, vanishing cream, skin protecting cream, face washing milk, skin milk, powder make-up Coating for paper-making industry. Started selling the product. Sales continuing.</p> <p><b>i) Lithium Titanate.</b> Li<sub>4</sub>Ti<sub>5</sub>O<sub>12</sub> (LTO) which is a promising anode material for high power lithium ion (Li-ion) cells has been synthesised by solid state method using lithium hydroxide and titania as precursors. The material has been identified by Fourier-transform infrared spectroscopy and X-ray diffraction methods. Lab trail carried out in 2018-19. Developmental work carried out in 2019-20.</p> <p><b>j) Alternative material for reduction (Cast iron) :</b> During titanium dioxide production scrap iron used for the reduction of ferric sulphate to ferrous sulphate. Cast iron can be used as an alternative for scrap iron. Initial studies completed and lab</p>
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	developmental work carried out.  <b>k) Tetrapot/Tetrapods</b> using ilmenite sludge and Red gypsum. Lab developmental work carried out.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution:	The products developed in R&D will increase the turnover and profit margin of the company. Commercialization products likes iron oxide and concrete bricks will results in solving the severe pollution problem presently face by the company. R&D plan to scale up the laboratory processes to pilot plant level prior to commercialization.
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- :	Nil
(iv) the expenditure incurred on Research and Development	a. Capital : Nil b. Recurring : Rs.51,50,374/- c.Total : Rs.51,50,374/-
(C) Foreign exchange earnings and Outgo-	Foreign Currency earned by way of Export Rs.7,41,04,500/- Foreign Currency outgo by way of import-Rs.6,78,982/-

For and on behalf of the Board of Directors

Sd/-  
Chairman  
**ACHARATH PARAKAT MAHALIL MOHAMEDHANISH**  
**DIN : 02504842**

Place: Thiruvananthapuram  
Date: 21/06/2022

## Annexure B

<u>Management response to the Auditors Qualification/ remarks for the financial year 2019-20</u>		
1	<p>Balances in respect of trade receivables, trade payables, loan from Government, interest accrued on loan from Government, loans and advances given to employees and other parties are subject to confirmation and/or reconciliation. Due to the non- availability of confirmation and/or reconciliation, we are unable to quantify the impact of the adjustments, if any, arising from the reconciliation and settlement of account balances on the financial statements.</p>	<p>We have received the statements of the major suppliers like IRE &amp; BPCL which together constitute more than 80% of total purchase value. In respect of Government loans, Company submits the quarterly, half yearly return showing the details of loan amount outstanding &amp; interest accrued thereon which are duly accounted by Government of Kerala. As on date the Government of Kerala had not raised any dispute on principal amount &amp; interest outstanding declared in our return. In respect of trade receivables. The company had already completed the reconciliation of more than 80 % of the stockiest &amp; for the balance stockiest &amp; customers, reconciliation is under progress.</p>
2	<p>With regard to the consumption of Raw materials</p> <p>In the Financial Statements, derived figures are mentioned in consumption rather than actual (note no.21 to the financial statements). Purchase of various items viz. ilmenite, scrap iron, Sulphur, furnace oil, etc are not independently verifiable in the ledger account as all the purchases are accounted under a single head 'Raw Materials and Chemicals'/RAWAC. Hence, we are unable to verify the accuracy of derived figures of consumption with respective purchase and the consequential impact, if any, on the financial statements.</p>	<p>The purchases of raw material &amp; stores item are accounted based on the 'Goods Received Note'(GRN). The quantity of purchase of raw material /chemicals / stores item are accounted based on the weight as per the TTPL weigh bridge / Physical count as the case may be. Each of the purchase entry is linked to a GRN which is also linked to particular inventory item code. Therefore, each purchase entry recorded in the books of accounts are traceable respective raw Material / chemicals / stores item. The sum total of purchase value accounted as per purchase register is matched with the receipts of the inventory ledger. The company normally purchases 30 major /minor chemicals &amp; 6000 numbers of stores item. lorted to have multiple purchase item wise ledger in the financial books, the company accounts the purchase in the two ledgers mentioned by the auditors with the corresponding inventory item of respective stores item. The company is accounting purchase of the material as mentioned above. Each issue of the raw material / stores is recorded based on the requisition slip &amp; Material issue Note. These are properly recorded in the inventory ledger on regular basis. At</p>

		the time of physical verification of inventory of the end of the year, difference if only is adjusted in the consumption of respective item. It may be noted that the mentioned account is a control account pertaining to raw materials and stores.
3	Sales Suspense account grouped under Other Current Liabilities showing a credit balance of Rs.20,000/-(PY Rs. 45,590/-) as on 31.03.2021. In the absence of details, we are unable to comment upon the impact, if any, arising from aforesaid transactions on the financial statements.	The entries to Sales suspense ledger are made when bank receipt comes but party couldn't be identified later when the party is identified it will be transferred to respective party ledger. Kindly be noted the unidentified credits had been properly accounted to the concerned party account & the balance in the ledger as on 25-03-2022 is nil
4	The company is following the practice of providing gratuity liability based on Actuarial Valuation. However, it is noticed that company is also passing entry in respect of gratuity by debiting Trust account and crediting unpaid salary/unpaid wages payable account. This has resulted in overstatement of liability and asset to the tune of Rs. 4,31,52,945.26/- (PY2,10,13,737.26/-) being the amount to be disbursed.	The company every year create provision towards gratuity payable by debiting profit and loss account. This provision is created based on the actuarial valuation. At the time of retirement of employees, the gratuity due amount is debited to Trust account and equal amount is shown as payable. The company is of the view that as this entry will not creating any fresh liability, the balances in trust fund and gratuity is not overstated.
5	In respect of Property, Plant & Equipment	
a	The Company has not disclosed useful lives of each class of Property, Plant & Equipment as required by the Accounting Standard 10 on 'Property, Plant & Equipment	The reporting requirement will be complied from the ensuing financial statement.
b	The Company has not followed the	Based on the recommendation of Auditors Company

	<p>component accounting for depreciation of its Property, Plant &amp; Equipment which is mandatory as per Companies Act, 2013. In the absence of details, we are not in a position to comment on the impact of the same on the Financial Statements.</p>	<p>appointed outside experts for computation of depreciation as per Companies Act 2013 and based on their report necessary entries are passed by the Company reworking for computation of depreciation as per Companies Act,2013 and based on their report necessary entries are passed by the Company. The component wise breakup is available in the depreciation working.</p>
c	<p>The Company has estimated the cost and date of acquisition based on certain assumptions for the calculation of depreciation. As per Schedule II of Companies Act, 2013, the Company has to calculate depreciation based on actual data instead of assumptions. Hence, we are not in a position to comment on the accuracy of the same and its impact on Financial Statements.</p>	<p>The assumption used for calculation is taken from the audited balances of the previous year</p>
d	<p>The company has not carried out any exercise to identify and account the loss due to impairment during the year. Hence identification of impairment loss and provision thereof, if any, has not been made which is not in line with the Accounting Standard 28 on 'Impairment of Assets'. In the absence of any documentary evidence consequential impact of adjustment, if any, on the financial statements is currently not ascertainable.</p>	<p>Based on the recommendation of Auditors Company appointed outside experts for computation of depreciation as per Companies Act 2013 and based on their report necessary entries are passed by the Company reworking for computation of depreciation as per Companies Act,2013 and based on their report necessary entries are passed by the Company. No Impairment was identified during the year &amp; hence no provision has been made on this account</p>



6	<p>GST Returns are subject to reconciliation with Books of Account. In the absence of details, we are not in a position to comment on the impact of the same on the financial statement.</p>	<p>As the statutory audit was in progress while filing the annual return under Goods and Services Tax, the company has filed its annual return based on the provisional financial statement. The company regularly files the periodical return under Goods and Services Tax based on the books of accounts regularly maintained by the company. The total turnover declared in Goods and Services Tax annual return for the year 2019-20 was Rs:178,72,57,717/-. After adjusting the value of non-taxable supplies in the total revenue reported in the audited statement, the value of taxable supply as per the audited financial statement is Rs 178,72,51,021- with a difference of Rs 6,696/-. The company has appointed an Independent professional firm, to review the Goods and Services Tax returns and reconciliation and further action will be taken by the company based on the report.</p>
7	<p>As per G.O.(P) No. 126/2004/RD, the Company has to pay 5% of the market value of leasehold land towards lease rent which is not seen provided in the books. This has resulted in an understatement of loss for the year and understatement of liability. In the absence of details, the resultant impact of the same on financial statements is not ascertainable and quantifiable.</p>	<p>The company's proposal for conversion of lease land to own land as a part of restructuaral proposal is under active consideration of Government. Hence we had not made provision for leased rent for lease land</p>
8	<p>With regard to Deferred Tax &amp; Current Tax</p>	
a	<p>The deferred tax &amp; current tax in previous years was calculated based on provisional financials used for filing the returns in the earlier years. Even though the provision</p>	<p>As denoted deferred tax &amp; current tax were earlier computed for based on the provisional financials used for filing the returns. The observation of the auditors is duly noted for the strict compliance in the</p>

	for the current year has been calculated based on the approved financial statements. The provision has not been reworked based on the figures as per the financials approved by the Board earlier years. Hence, current tax as well as deferred tax provision given in the financial statements are not correct. In the absence of details, we are not in a position to quantify the impact of the same in the Financial statements	subsequent years
b	Unabsorbed depreciation and brought forward business losses are not considered for the calculation of deferred tax. In the absence of details, we are not in a position to quantify the impact of the same in financial statements.	In the earlier years of assessment income tax. , income tax department as disallowed the carry forward loss benefit to the company. The Company has filed the appeal against the assessment order, hence the same was not considered.
9	The company has valued the variations noticed during physical verification of stock by applying weighted average method (as per the accounting policy of the company). In the absence of supporting documentary evidence for the valuation, we are not in a position to comment upon the accuracy of the same.	Kindly note that the weighted average is taken from the PSL Ledger maintained in ERP system in which the rate is computed by the system based on opening rate, purchase rate and issue rate in congruence with the weighted average principle.
10	The company has filed declaration under Vivad Se Viswas Scheme for resolving dispute with the Income Tax Department and as per Form -3. issued by the Income Tax Department, the tax liability should	The gross tax liability as per Form 3 issued by Income Tax department under Vivad Se Viswas Scheme was Rs 5,25,26,383/-. This liability is for the period commencing from Assessment year 2008-09 to 2017-

have been Rs.5,25,26,383/- .However, during the year 2019-20, the company has provided the income tax liability Rs.2,81,03,096/-. The company has neither removed the disclosure from the contingent liabilities nor has made provision for the balance amount of tax liability of Rs.2,44,23,287/-. This has resulted in understatement of loss to the tune of 2,44,23,287/-.

18. There was no demand of tax for the Assessment year 2009-10,2015-16 and 2016-17.

As mentioned in the audit report, company has already created provision for assessment year 2012-13, 2013-14 and 2014-15 for Rs 2,81,03,906/-.

In respect of assessment year 2008-09 ,the refund adjustment of Rs 1,23,06,256 of earlier years is over and above the tax demand of Rs 1,14,57,913, hence tax provision and refund was not considered based on Form -3.

In respect of Assessment year 2011-12, after considering the earlier year provision, company created a provision for Rs 3,93,19,520 during the year. In respect of Assessment year 2017-18, provision was already created in earlier year and available in the opening balance.

The following table provides for year wise status of tax demand, tax adjusted, refund adjusted and net tax payable.

Sl N O	Assess ment Year	Tax arrears as per Income Tax authority- payable before 30.4.2021	Tax adjusted in Form-3	Refund adjusted	Net tax payable/ (refunda ble)
1	2008-09	11,457,913	3,410,650	12,306,256	(4,258,993)
2	2009-10	-	-	-	-
3	2010-11	433,556	433,556	-	-
4	2011-12	5,837,473	7,938,985	-	(2,101,512)
5	2012-13	4,744,533	-	-	4,744,533
6	2013-14	8,353,623	4,645,000	805,622	2,903,001
7	2014-15	15,004,940	2,938,000	281,958	11,784,982
8	2015-16	-	-	-	-
9	2016-17	-	-	-	-
10	2017-18	6,694,345	7,146,928	-	(452,583)

The conclusiveness of the proceedings under Vivad Se Viswas Scheme culminates only after issuing

		Form-5 from the department. Considering the above facts, at this stage, the management is of the view that, adequate provisions were created in the books towards the Income Tax liability. Further provisions/refund adjustment will be made based on the final certification from the Income Tax Department.
11	As per AS 3 'Cash Flow Statement', cash flows arising from investing activities are to be separately disclosed. However, company has netted off Purchase of Property, Plant and Equipment against the Transfer/Sale of Property, Plant & Equipment (including the insurance claim for loss] during the year instead of showing it separately.	The comments of the auditors are noted for future compliance.
12	In respect of DA Arrear, the company has not made any provision for ' the current year 'Since proper details regarding the workings of provisions were not furnished to us we are not in a position to qualify the shortage of provision accurately as well as to	It was vide GO. (P) No.25/2021/Fin. dated 8.2.2021 The Government of Kerala had declared the DA arrears for the period from 01-01-2019 to 01-07-2020 .It may please be noted that the total provision to be made in respect of DA arrear with respect to GO . (P) No.25/2021/Fin. dated 8.2.2021 was amounting to Rs 2,00,85,101 /- which was in total adequately

	comment on its impact on the loss for the Year	provided in the books vide JV 6211 dtd 31-03-2019 (Rs 15,65,741 ) JV 7616 dtd 31-03-2021 (Rs 1,14,87,985) & JV 7820 dtd 31-03-2021 ( Rs 70,31,375 )
13	An amount of Rs 1,32,4L6/- which should have been debited to canteen subsidy is wrongly accounted under canteen account' This has resulted in overstatement of current asset and understatement of loss to the tune of 1,32,416/-.	It may be kindly be noted that the same shall be rectified in the subsequent financial year.

For and on behalf of the Board of Directors

Sd/-  
Chairman  
**ACHARATH PARAKAT MAHALIL MOHAMEDHANISH**  
**DIN : 02504842**

Place: Thiruvananthapuram

Date: 21/06/2022

ANNEXURE-C

**ANNUAL REPORT ON CSR ACTIVITIES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH,  
2020**

[Pursuant to Rule 8 (1) of the Companies (Corporate Social Responsibility) Rules, 2014]

**1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

The CSR initiatives of the Company are aimed towards promotion of education and vocational skills, community development through corporate citizenship program and promoting environmental sustainability.

**2. The composition of the CSR Committee:**

The CSR Committee of the Company for the year 2019-2020 consists of following members:

1. Shri.V.Shivan Kutty : Chairman of the Committee
2. Shri.N.S.Navaneetha Kumar : Member

After the end of the financial year 2019-2020, the Board of Directors of the Company at the 421<sup>st</sup> Board Meeting held on 27<sup>th</sup> July, 2021 the CSR Committee of the Company were reconstituted and accordingly, the CSR Committee of the Company as on the date of this report comprises of the following:

1. Mr. A.P.M. Mohamed Dhanish : Chairman of the Committee
2. Mr. Georgee Ninan : Member
3. Mr. Latha S : Member

**4. Average net profit of the Company for last three financial years:**

The Net profit of the Company for the last three financial years and the average net profit for the last three financials years are given below:

Sl. No.	Particulars	Amount (Rs.)
1	Net Profit before Tax for financial year 2018 - 2019	8,05,85,864.35
2	Net Profit before Tax for financial year 2017 - 2018	19,25,49,640.00

3	Net Profit before Tax for financial year 2016 - 2017	3,31,64,832.00
	Total Net Profits for the past three financial years	30,63,00,336.35
	<b>Average Net Profits for the past three financial years</b>	<b>Rs.10,21,00,112.12</b>
	<b>Prescribed CSR Expenditure to be Spent for the FY 2019-2020</b>	<b>Rs.20,42,002.24</b>

**5. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):**

The total CSR Expenditure of the Company for the financial year 2019-2020 amounts to **Rs.20,42,002,24/-**. The CSR Committee and Board had earmarked an amount of **Rs.20,42,002,24/-** to spent towards CSR activities during the financial year 2019-2020. The said amount of **Rs.20,42,002,24/-** has been recommended / approved and ratified by the CSR Committee and the Board of Directors, respectively.

**6. Details of CSR spent during the financial year:**

- (a) Total amount to be spent for the financial year 2019-2020 :  
**Rs.2,82,346/-**
- (b) Amount unspent , if any :  
**Rs.17,19,795.24**
- (c) Manner in which the amount spent during the financial year is detailed below:

Due to delay in finalization of accounts, Company could not spend the exact amount applicable under Section 135(5) of the Companies Act, 2013 towards CSR expenditure for the year 2019-2020.

**I. Details of amount spent during the FY 2018-2019:**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No .	CSR project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) Specify the state and the district where projects or	Amount outlay (budget) project or programs-wise	Amount spent on the project or programs sub-heads: (1) Direct expenditure on projects or program	Cumulative - expenditure up to the reporting period	Amount spent Direct or through implementing agency*

			<b>program s was under- taken</b>		<b>s (2) Over heads</b>		
1.	<i>Eradicating hunger, poverty and malnutrition, ["promoting health care including preventive health care"] and sanitation [including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water</i>	<i>Healthcare Sector</i>	<i>Local Area Project</i>	NA	Rs.2,58,546/-	Rs.2,58,546/-	<i>Direct Spent</i>
2	<i>Eradicating hunger, poverty and malnutrition, ["promoting health care including preventive health</i>	<i>Healthcare Sector</i>	<i>Local Area</i>	NA	Rs.5,000/-	Rs.5,000/-	<i>Direct Spent</i>



	<i>care"] and sanitation [including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water</i>						
3	<i>Promoting education</i>	<i>Educational Sector</i>	<i>Local Area</i>	<i>NA</i>	<i>Rs.18,800/-</i>	<i>Rs.18,800/-</i>	<i>Direct Spent</i>
<b>Total Amount Spent</b>						<b>Rs.2,82,346/-</b>	
						-	

### **7. Responsibility Statement of the CSR Committee of the Company:**

The CSR Committee of the Company hereby confirms that the implantation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Sd/-  
Chairman  
**ACHARATH PARAKAT MAHALIL MOHAMEDHANISH**  
DIN: 02504842

**Place: Thiruvananthapuram**  
**Date: 21/06/2022**

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2020**

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

<b>I. REGISTRATION &amp; OTHER DETAILS:</b>		
1	CIN	U13209KL1946SGC001214
2	Registration Date	18-Dec-1946
3	Name of the Company	TRAVANCORE TITANIUM PRODUCTS LTD
4	Category/Sub-category of the Company	Company Limited by Shares State govt Company
5	Address of the Registered office & contact details	KOCHUVELI P.O., TRIVANDRUM, KERALA INDIA, 695 021
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>
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(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing	202	100
2			
3			

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>
--

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section

**IV. SHARE HOLDING PATTERN**

(Equity share capital breakup as percentage of total equity)

**(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01 -April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	13,430,564	13,430,564	97.55%	-	13,430,564	13,430,564	97.55%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	-	13,430,564	13,430,564	97.55%	-	13,430,564	13,430,564	97.55%	0.00%
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>TOTAL (A)</b>	-	13,430,564	13,430,564	97.55%	-	13,430,564	13,430,564	97.55%	0.00%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI				0.00%				0.00%	0.00%

	-	5	5		-	5	5		
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Govt. Companies	-	139,732	139,732	1.01%	-	139,732	139,732	1.01%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Body coeperate	-	192,298	192,298	1.40%	-	192,298	192,298	1.40%	0.00%
<b>Sub-total (B)(1):-</b>	-	<b>332,035</b>	<b>332,035</b>	<b>2.41%</b>	-	<b>332,035</b>	<b>332,035</b>	<b>2.41%</b>	<b>0.00%</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	4,818	4,818	0.03%	-	4,818	4,818	0.03%	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals	-	-	-		-	-	-		
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Others (specify)	-	-	-		-	-	-		

Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	-	4,818	4,818	0.03%	-	4,818	4,818	0.03%	0.00%
<b>Total Public (B)</b>	-	<b>336,853</b>	<b>336,853</b>	<b>2.45%</b>	-	<b>336,853</b>	<b>336,853</b>	<b>2.45%</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	-	<b>13,767,417</b>	<b>13,767,417</b>	<b>100.00 %</b>	-	<b>13,767,417</b>	<b>13,767,417</b>	<b>100.00 %</b>	<b>0.00%</b>

**(ii) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Govt. of Kerala	13,430,564	97.55%	Nil	13,430,564	97.55%	Nil	0.00%

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total	No. of shares	% of total

					shares		shares
1	At the beginning of the year	01.04.2019		13,430,564	97.55%		0.00%
2	Changes during the year			-	0.00%	13,430,564	97.55%
	At the end of the year	31.03.2020		13,430,564	97.55%	13,430,564	97.55%

**(iv) Shareholding Pattern of top ten Shareholders**

*(Other than Directors, Promoters and Holders of GDRs and ADRs):*

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	<b>Peerless General Finance Investment</b>						
	At the beginning of the year	01.04.2019		192,228	1.40%	192,228	1.40%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		192,228	1.40%	192,228	1.40%
2	<b>Kerala State Industrial Development Corporation</b>						
	At the beginning of the year	01.04.2019		139,732	1.01%	139,732	1.01%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		139,732	1.01%	139,732	1.01%
3	<b>Kanthimathy.L</b>						
	At the beginning of the year	01.04.2019		220	0.00%	220	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		220	0.00%	220	0.00%

4	<b>Alexandar P.J. IPS</b>						
	At the beginning of the year	01.04.2019		205	0.00%	205	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		205	0.00%	205	0.00%
5	<b>Menon.M.C</b>						
	At the beginning of the year	01.04.2019		200	0.00%	200	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		200	0.00%	200	0.00%
6	<b>Ravindranathan Nair.K</b>						
	At the beginning of the year	01.04.2019		165	0.00%	165	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		165	0.00%	165	0.00%
7	<b>Balachandran.M</b>						
	At the beginning of the year	01.04.2019		100	0.00%	100	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		100	0.00%	100	0.00%
8	<b>Hema.M.S</b>						
	At the beginning of the year	01.04.2019		100	0.00%	100	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		100	0.00%	100	0.00%
9	<b>Mohanchand.R</b>						
	At the beginning of the year	01.04.2019		100	0.00%	100	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		100	0.00%	100	0.00%

10	<b>Subramoniam. P</b>						
	At the beginning of the year	01.04.2019		100	0.00%	100	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		100	0.00%	100	0.00%

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

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	<b>GEORGE NINAN</b>						
	At the beginning of the year	01.04.2019		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		-	0.00%	-	0.00%
2	<b>USHA KUNCHUVEE DU SREEDHARAN PILLAI</b>						
	At the beginning of the year	01.04.2019		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2020		-	0.00%	-	0.00%
3	<b>ALIHASSAN PILLAI ABDUL RASHEED</b>						
	At the beginning of the year	01.04.2019		-	0.00%	-	0.00%
	Changes			-	0.00%	-	0.00%



	during the year					-	
	At the end of the year	31.03.2020			-	0.00%	0.00%
4	<b>SIVANKUTTY NAIR VASUDEVAN PILLAI</b>						
	At the beginning of the year	01.04.2019			-	0.00%	0.00%
	Changes during the year				-	0.00%	0.00%
	At the end of the year	31.03.2020			-	0.00%	0.00%
5	<b>NAVANEETHA KUMAR NAVAKUMAR AN SULOCHANA</b>						
	At the beginning of the year	01.04.2019			-	0.00%	0.00%
	Changes during the year				-	0.00%	0.00%
	At the end of the year	31.03.2020			-	0.00%	0.00%
6	<b>JAYASREE VIJAYAMMA KRISHNAN</b>						
	At the beginning of the year	01.04.2019			-	0.00%	0.00%
	Changes during the year				-	0.00%	0.00%
	At the end of the year	31.03.2020			-	0.00%	0.00%

#### V. INDEBTEDNESS

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

(Amt. Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				

i) Principal Amount	31,242,661.00	359,113,928.00	-	390,356,589.00
ii) Interest due but not paid	-	266,642,642.00	-	266,642,642.00
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>31,242,661.00</b>	<b>625,756,570.00</b>	<b>-</b>	<b>656,999,231.00</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	10,284,245.00	35,050,930.00	-	45,335,175.00
* Reduction		-	-	-
Net Change	10,284,245.00	35,050,930.00	-	45,335,175.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	41,526,906.00	348,477,110.00	-	390,004,016.00
ii) Interest due but not paid	-	312,330,390.00	-	312,330,390.00
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>41,526,906.00</b>	<b>660,807,500.00</b>		<b>702,334,406.00</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name	<b>Mr. GEORGE NINAN</b>		(Rs)
	Designation	Managing Director		
1	Gross salary	1,415,625		1,415,625
	(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	Stock Option			-
3	Sweat Equity			-
4	Commission			-
	- as % of profit			-
	- others, specify			-
5	Others, please specify			-
	Total (A)	1,415,625	-	1,415,625
	Ceiling as per the Act			

#### B. Remuneration to other Directors

SI No.	Particulars of Remuneration	Name of Directors			Total Amount
		<b>Ms.JAYASREE VIJAYAMMA KRISHNAN</b>	<b>Mr.NAVANEET HA KUMAR NAVAKUMARA N SULOCHANA</b>	<b>Mr.SIVANKUT TY NAIR VASUDEVAN PILLAI</b>	(Rs)
1	Independent Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board/ committee meetings	-	4,800.00	1,800.00	6,600.00
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	4,800.00	1,800.00	6,600.00
	Total (B)=(1+2)	-	4,800.00	1,800.00	6,600.00
	Overall Ceiling as per the Act				
SI No.	Particulars of Remuneration	Name of Directors			Total Amount
		<b>Adv.A.A.Rasheed</b>	<b>Mrs. USHA KUNCHUVEED U SREEDHARAN</b>		(Rs)

			PILLAI		
	Independent Directors	-	-	-	-
	Fee for attending board committee meetings	6,400.00	-	-	6,400.00
	Commission	-	-	-	-
	Others, please specify [Honorarium]	240,000.00	-	-	240,000.00
	Others, please specify [Telephone Charges]	18,000.00			18,000.00
	Total (1)	264,400.00	-	-	264,400.00
	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify [Honorarium]	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	264,400.00	-	-	264,400.00
	Overall Ceiling as per the Act				

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name		<b>Mr.SREEKUMARAN RAMAKRISHNA NAIR</b>		(Rs)
	Designation	CEO	CFO	CS	
1	Gross salary		1,719,635	-	1,719,635
	(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	Stock				-

	Option	-	-	-	
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify	-	-	-	-
		-	-	-	-
		-	-	-	-
5	Others, please specify	-			-
	Total	-	1,719,635.00	-	1,719,635


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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY : NIL</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS :</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT : NIL</b>					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors

Sd/-  
Chairman  
**ACHARATH PARAKAT MAHALIL MOHAMEDHANISH**  
**DIN : 02504842**

Place: Thiruvananthapuram  
Date: 21/06/2022

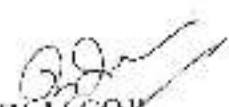
  
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT-II)  
KERALA, THIRUVANANTHAPURAM

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF TRAVANCORE TITANIUM PRODUCTS LIMITED FOR THE YEAR ENDED 31 MARCH 2020.

The preparation of financial statements of Travancore Titanium Products Limited, Thiruvananthapuram for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 21 March 2022.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Travancore Titanium Products Limited, Thiruvananthapuram for the year ended 31 March 2020 under section 143 (6) (a) of the Act.

For and on behalf of  
The Comptroller and Auditor General of India

  
Dr. BIJU JACOB

PRINCIPAL ACCOUNTANT GENERAL (AUDIT-II), KERALA

Thiruvananthapuram  
Dated: 17.06.2022



**INDEPENDENT AUDITOR'S REPORT**

**To the Members of TRAVANCORE TITANIUM PRODUCTS LTD**

**Report on the Financial Statements**

**Qualified Opinion**

We have audited the accompanying financial statements of **Travancore Titanium Products Ltd, Kochuveli, Trivandrum-695 021** ("the Company") which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

*The company has opted for bunching facility for the financial years 2018-19, 2019-20 and 2020-21 on 425<sup>th</sup> meeting of Board of Directors held on 18.02.2022. Accordingly Audit of Comptroller and Auditor General of India as well as adoption of financial statements for the year 2018-19 by the share holders at Annual General meeting will be done after the completion of audit of accounts for all the periods bunched. So, opening balances of the Financial Year 2019-20 are based on financial statements of 2018-19 not adopted by the share holders at the Annual General Meeting.*

In our opinion and to the best of our information and according to the explanations given to us, subject to the matters discussed in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March, 2020 and its losses and cash flows for the year ended on that date.

In the absence of adequate information, the impact of the matters listed in point 1,2,3,5,6,7,8(a),8(b), 9 and 12 on the loss for the year and the retained earnings of the company could not be ascertained and disclosed.

The impact of the matters listed in Point 4 ,10 and 13 below has resulted in understatement of loss for the year of the company and retained earnings of the Company by Rs 2,45,55,703/- (PY Rs. 1,15,77,913/-) and overstatement of Asset and Liability by Rs2,10,13,737.26 (PY 1,48,04,840.26/-) Accordingly in Statement of Profit and Loss , the Loss for the period ought to have been Rs18,49,97,246/- as against the currently reported loss amount of Rs



16,04,41,543/- The Basic and Diluted Earnings Per Share for the year ought to have been (13.44) after considering the above impact.

**Basis for Qualified Opinion**

1. Balances in respect of trade receivables, trade payables, loan from Government, interest accrued on loan from Government, loans and advances given to employees and other parties are subject to confirmation and/or reconciliation. Due to the non-availability of confirmation and/or reconciliation, we are unable to quantify the impact of the adjustments, if any, arising from the reconciliation and settlement of account balances on the financial statements.

2. With regard to the consumption of Raw materials

In the Financial Statements, derived figures are mentioned in consumption rather than actual (note no.21 to the financial statements). Purchase of various items viz. ilmenite, scrap iron, sulphur, furnace oil, etc are not independently verifiable in the ledger account as all the purchases are accounted under a single head 'Raw Materials and Chemicals'/RAWAC. Hence, we are unable to verify the accuracy of derived figures of consumption with respective purchase and the consequential impact, if any, on the financial statements.

3. Sales Suspense account grouped under Other Current Liabilities showing a credit balance of Rs.45,590 /-(PY Rs.2,96,925/-) as on 31.03.2020. In the absence of details, we are unable to comment upon the impact, if any, arising from aforesaid transactions on the financial statements.

4. The company is following the practice of providing gratuity liability based on Actuarial Valuation. However, it is noticed that company is also passing entry in respect of gratuity by debiting Trust account and crediting unpaid salary/unpaid wages payable account. This has resulted in overstatement of liability and asset to the tune of Rs.2,10,13,737.26/-(PY 1,48,04,840.26/-) being the amount to be disbursed.

5. In respect of Property, Plant & Equipment

a) The Company has not disclosed useful lives of each class of





Property, Plant & Equipment as required by the Accounting Standard 10 on 'Property, Plant & Equipment'.

- b) The Company has not followed the component accounting for depreciation of its Property, Plant & Equipment which is mandatory as per Companies Act, 2013. In the absence of details, we are not in a position to comment on the impact of the same on the Financial Statements.
  - c) The Company has estimated the cost and date of acquisition based on certain assumptions for the calculation of depreciation. As per Schedule II of Companies Act, 2013, the Company has to calculate depreciation based on actual data instead of assumptions. Hence, we are not in a position to comment on the accuracy of the same and its impact on Financial Statements.
  - d) The company has not carried out any exercise to identify and account the loss due to impairment during the year. Hence identification of impairment loss and provision thereof, if any, has not been made which is not in line with the Accounting Standard 28 on 'Impairment of Assets'. In the absence of any documentary evidence consequential impact of adjustment, if any, on the financial statements is currently not ascertainable.
6. GST Returns are subject to reconciliation with the Books of Account. In the absence of details, we are not in a position to comment on the impact of the same in the financial statements.
7. As per G.O.(P) No. 126/2004/RD, the Company has to pay 5% of the market value of leasehold land towards lease rent which is not seen provided in the books. This has resulted in an understatement of loss for the year and understatement of liability. In the absence of details, the resultant impact of the same on financial statements is not ascertainable and quantifiable.
8. With regard to Deferred Tax & Current Tax
- a) The deferred tax & current tax has been calculated based on provisional financials used for filing the returns. The provision has not been reworked based on the figures as per the financials



approved by the Board. Hence , current tax as well as deferred tax provision given in the financial statements are not correct. In the absence of details , we are not in a position to quantify the impact of the same in the Financial statements.

b) Unabsorbed depreciation and brought forward business losses are not considered for the calculation of deferred tax. In the absence of details, we are not in a position to quantify the impact of the same in financial statements.

9. The company has valued the variations noticed during physical verification of stock by applying weighted average method (as per the accounting policy of the company). In the absence of supporting documentary evidence for the valuation, we are not in a position to comment upon the accuracy of the same.

10. The company has filed declaration under Vivad Se Viswas Scheme for resolving dispute with the Income Tax Department and as per Form -3 issued by the Income Tax Department, the tax liability should have been Rs.5,25,26,383/-. However , during the year 2019-20, the company has provided the income tax liability Rs.2,81,03,096/-. The company has neither removed the disclosure from the contingent liabilities nor has made provision for the balance amount of tax liability of Rs.2,44,23,287/-. This has resulted in understatement of loss to the tune of 2,44,23,287/-.

#### 11. Cash flow statement

As per AS 3 'Cash Flow Statement', cash flows arising from investing activities are to be separately disclosed. However, company has netted off Purchase of Property, Plant and Equipment against the Transfer/Sale of Property, Plant & Equipment (including the insurance claim for loss) during the year instead of showing it separately.

12. In respect of DA Arrear, the company has not made any provision for the current year .Since proper details regarding the workings of provisions were not furnished to us we are not in a position to qualify the shortage of provision accurately as well as to comment on its impact on the loss for the year .



13. An amount of Rs 1,32,416/- which should have been debited to canteen subsidy is wrongly accounted under canteen account. This has resulted in overstatement of current asset and understatement of loss to the tune of 1,32,416/-.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section in our report. We are independent of the Company in accordance with Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of financial statements under the provisions of the Companies Act, 2013 and Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter**

We draw attention to the following notes in the notes forming part of financial statements.

- a) Note no: 2 in the financial statements, indicates that the company earned a net loss of Rs.16,04,41,543/-(PY Rs.8,12,86,209/-) for the year ended 31<sup>st</sup> March, 2020 and the company has a negative net worth of Rs. 43,43,14,801/-(previous year Rs. 27, 38, 73,258/-). The impact of various qualifications in our audit report has the effect of increasing current year loss and increasing the accumulated losses.

The management is of the view that there is no material uncertainty affecting the "Going Concern" assumption mainly on account of factors and reasons referred to in Note 18.48.

Our opinion is not modified in respect of this matter.

#### **Information other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors and Management is responsible for the preparation of the other information. The other information comprises the Directors Report including the annexure to Directors' Report and Annual Report,



but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### **Responsibilities of Management's and those charged with governance 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 of 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 (AS) specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.



**Auditor's Responsibilities for the Audit of the Financial Statements:**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Sec.143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial reporting in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However,



future events or conditions may cause a Company to cease to continue as a going concern.

- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **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 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit except for the matters described in the Basis for Qualified Opinion paragraph;




- b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion , proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, 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) Except for the possible effects of the matter described in the Basis for Qualified Opinion Paragraph, in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- e) The matter described in the Basis for Qualified Opinion paragraph and the going concern matter described in the Emphasis of Matter paragraph above, in our opinion, may not have an adverse effect on the functioning of the Company.
- f) Being a Government Company and pursuant to Notification No. G.S.R. 463(E) dated June 5, 2015, issued by the Ministry of Corporate Affairs, provisions of subsection (2) of Section 164 of the Act, are not applicable to the Company.
- g) With respect to the adequacy of Internal Financial Controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report given in '**Annexure B**' to this Report.
- h) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- i) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company has disclosed the impact of pending litigations fully on its financial position in its financial statements.
  - ii. Since the Company has not furnished the details of long term contracts, we are not in position to confirm whether it has 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.
3. As required by Section 143(5) of the Act, our comments in regard to the directions and sub directions issued by the Comptroller and Auditor General of India are given in 'Annexure C'

Place: Thiruvananthapuram  
Date: 21.03.2022

For SRIDHAR & CO.  
Chartered Accountants(FRN 003978S)

  
CA R. Srinivasan.  
Partner (M.No.200969)  
UDIN: 22200969AFLDQR4221





**Annexure A referred to in paragraph (1) of "Report on Other Legal and Regulatory Requirements" of Our Report of even date to the members of TRAVANCORE TITANIUM PRODUCTS LTD on the accounts of the company for the year ended 31st March 2020**

According to the information and explanations given to us during the course of our audit, we report that:

- (i)
  - a) The records are not properly maintained by the Company in respect of fixed assets.
  - b) As explained to us, fixed assets have not been physically verified by the management during the year. In the absence of the physical verification report, we are unable to comment on whether there is any material discrepancy between physical count and fixed assets records and the impact of the same on the loss of the Company.
  - c) The Company has not produced the title deeds of the immovable properties for our verification and thus we are unable to comment on whether the same is held in the name of the Company.
- (ii)
  - a) As per the information and explanation given to us, Company has physically verified the inventory during the year.
  - b) The discrepancies between the physical stocks and the book stocks of raw material have been adjusted in the consumption of respective raw material in the books of accounts.
- (iii) As per the information and explanation given to us, during the year, the Company has not granted any loans, secured or unsecured to any companies, firms, limited liability partnership, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence, the question of reporting whether the terms and conditions of the grant of such loans are prejudicial to the interest of the company, whether the receipt of principal and interest are regular and whether reasonable steps for recovery of overdue of such loans taken do not arise.
- (iv) According to the information and explanation given to us, the Company has not advanced any loans, given guarantees or security or made any investment



in contravention of Section 185 and Section 186 of the Companies Act, 2013 during the year.

- (v) In the absence of age-wise analysis of advance received for the supply of goods or provision of service, we are not in a position to comment upon the compliance of provisions of Section 73 to 76 or relevant provisions of the Act and the Rules framed there under.
- (vi) The Company is required to maintain the cost records as prescribed by the Central Government under Sub section 1 of Section 148 of the Companies Act, 2013 and based on the preliminary review of the same, it is seen that the Company has prepared and maintained such prescribed accounts and records.
- (vii)
- a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Goods and Services Tax (GST), Value Added Tax, Service Tax, Customs Duty, Excise Duty, Cess, and other statutory dues have been generally deposited with a delay to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31.03.2020 for a period of more than six months from the date they became payable.
- b) According to the records made available to us and the information and explanations given by the management, the details of the dues of income tax, sales tax, service tax and excise duty which have not been deposited on account of dispute are as under:



Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961*	Income Tax	71,46,928/-	2016-17	Commissioner of Income Tax (Appeals), Trivandrum
Income Tax Act, 1961*	Income Tax	1,95,81,570/-	2013-14	Commissioner of Income Tax (Appeals), Trivandrum
Income Tax Act, 1961*	Income Tax	49,61,280/-	2012-13	Commissioner of Income Tax (Appeals), Trivandrum
Income Tax Act, 1961*	Income Tax	3,19,20,360/-	2011-12	Commissioner of Income Tax (Appeals), Trivandrum
Income Tax Act, 1961*	Income Tax	4,45,20,340/-	2010-11	Commissioner of Income Tax (Appeals), Trivandrum
Income Tax Act, 1961*	Income Tax	2,27,260/-	2009-10	Commissioner of Income Tax (Appeals), Trivandrum
Income Tax Act, 1961*	Income Tax	1,46,55,780/-	2007-08	Commissioner of Income Tax (Appeals), Trivandrum
The Central Excise Act, 1944	Excise Duty- Ineligible CENVAT Credit	1,23,34, 142/-	2008-12	Customs Excise and Service Tax Appellate Tribunal

\* denotes disputed demand against which the company has filed declaration under Vivad Se Viswas Scheme. Non removal of these has resulted in overstatement of contingent liabilities.



(viii) The company has defaulted in repayment of loans or borrowings to Government in the following instances :

Particulars	Amount outstanding as on 31.03.2020 (Rs)	Principal Default (Rs)	Period of default
G.O. (Rt) No.968/2008 dated 29.08.2008	7,00,00,000/-	7,00,00,000/-	More than 10 Years
G.O. (Rt) No.620/2008/ID dated 23.06.2008	3,00,00,000/-	3,00,00,000/-	More than 10 Years
G.O. (Rt) No.1419/2013/ID dated 11.11.2013	5,00,00,000/-	5,00,00,000/-	More than 5 Years
G.O. (Rt) No. 730/2015/ID dated 31.07.2015	3,00,00,000/-	2,62,50,000/-	More than 4 Years
G.O. (Rt) No. 730/2015/ID dated 31.07.015	3,00,00,000/-	2,06,25,000/-	More than 3 Years
G.O. (Rt) No.1251 /2016/1D dated 28.11.2016	4,99,23,000/-	1,87,21,125/-	More than 2 Years
G.O. (Rt) No.395/2017 / dated 18.03.2017	83,52,009 /-	83,52,009/-	2 Years
GO(Rt)No1245/2018/ID dt 31/10/2018	2,07,83,000/-	27,56,038/-	5 months
	<b>28,90,58,009/-</b>	<b>22,67,04,172/-</b>	

(ix) According to the records of the Company, the Company has not raised any money by way of Initial Public Offer/Further Public Offer and term loans obtained by the company have been applied for the purpose for which they were raised.

(x) According to the information and explanations given by the management, we report that no fraud by the Company and no fraud on the Company were noticed or reported during the course of our audit.

(xi) The Company, being a Government Company is exempted from the provisions of Section 197 read with Schedule V of the Act. Therefore, clause (xi) of the Companies (Auditor's Report) Order, 2016, is not applicable to the company.


(xii) As the Company is not a Nidhi Company, hence clause (xii) of the Companies (Auditor's Report) Order, 2016, is not applicable to the Company.



- (xiii) As per the information and explanation given to us, the Company has not entered into any transaction with related parties requiring compliance with Section 177 and 188 of the Companies Act, 2013.
- (xiv) According to the information and explanations provided to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) In our opinion and according to the information and explanation given to us, the Company has not entered into any non-cash transaction with directors or persons connected with him as referred to in Section 192 of the Companies Act, 2013.
- (xvi) In our opinion and according to the information and explanation given to us, the Company is not carrying any activities which require registration under Section 45-IA of the Reserve Bank of India Act, 1934.

Place: Thiruvananthapuram  
Date: 21.03.2022

For SRIDHAR & CO.  
Chartered Accountants (FRN 003978S)

  
CA R. Srinivasan.  
Partner (M.No.200969)  
UDIN: 22200969AFLDQR4221



**Annexure B to the Independent Auditor's Report of even date on the Financial Statements of TRAVANCORE TITANIUM PRODUCTS LIMITED**

***Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013***

We have audited the internal financial controls over financial reporting of **M/s Travancore Titanium Products Limited** as on March 31, 2020, 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 controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

***Auditor's Responsibility***

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 Sec 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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 procedure selected depends 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 purpose in accordance with Generally Accepted Accounting Principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



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

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

***Basis for Qualified Opinion***

According to the information and explanation given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2020:

1. The company's internal financial controls over Property, Plant and Equipments are not operating effectively as the company is neither maintaining proper register nor carrying out physical verification at regular intervals which could potentially result in under/over statement of Property, Plant and Equipments and depreciation thereon;
2. The company does not have an effective internal financial control system for identifying, determining and accounting the impairment on the Property, Plant and Equipment held by the company, which could potentially result in an overstatement of the value of Property, Plant and Equipment and the understatement of resulting impairment loss expenses for the year.
3. The company does not have an effective system of accounting in respect of consumption of raw material. Derived figures are accounted in the books of accounts rather than actual. This may lead to accounting errors and inaccurate particulars in the financial statements.
4. The Company's present system for the detection of the wrong classification in the financial statement is not working effectively.
5. The company's internal control system with respect to timely accounting of transactions and finalization of accounts is not working effectively.
6. There is no proper system for the determination and recognition of normal and abnormal loss in the case of material consumption.





7. The Company does not have a system of off-site storage of back up to tackle the unforeseen event at the office premises.
8. Proper system must be in place for the timely closure of internal audit.
9. The System of timely reconciliation of GST returns with books of accounts is not working effectively.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting , such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

#### **Qualified Opinion**

In our opinion , except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria , the Company has maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of March 31, 2020, financial statements of the Company, and these material weaknesses do not affect our opinion on the financial statements of the Company.

For SRIDHAR & CO.  
Chartered Accountants(FRN 003978S)

CA .R. Srinivasan,  
Partner (M.No.200969)  
UDIN: 22200969AFLDQR4221

Place: Thiruvananthapuram  
Date: 21.03.2022



**Annexure C to the Independent Auditor's Report of even date to the members of Travancore Titanium Products Ltd on the Financial Statements for the Year ended on 31<sup>st</sup> March 2020.**

**Direction under Sub-section (5) of section 143 of the Companies Act, 2013.**

<u>Directions</u>	<u>Report</u>	<u>Impact in Financial Statements</u>
1. Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	As per the information and explanation given to us, all the accounting transactions are effected through ERP. Based on the audit procedures carried out we have not seen any accounting transactions processed or carried outside the ERP system.	Nil
2. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest/etc. made by a lender to the company's due to company inability to repay the loan? If yes, the financial impact may be stated.	As per the information given to us, there was no case of waiver/write off of debts/loans/interest, etc. during the year under audit.	Nil
3. Whether fund received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	As per the information and explanation given to us, during the year 2019-20 Government released Rs.2,49,47,859/- vide GO(Rt)No.740/2019/ID dated 07/08/2019, out of the sanctioned amount Government resumed Rs.2,24,94,677/- on 31/03/2020 and as per the documents provided by the company the fund received has been utilized as per its terms and conditions.	Nil



**Sector Specific sub-directions under section 143(5) of the Companies Act, 2013**

**Manufacturing Sector**

<u>Sub Directions</u>	<u>Report</u>	<u>Impact in Financial Statements</u>
1. Whether the company's pricing policy absorbs all fixed and variable cost of production as well as the allocation of overheads.	Yes, the company's pricing policy is governed by the 'Sales Promotion Committee' (SPC) and pricing decision are based on the prevailing market conditions.	In the absence of details, impact on financial statement is unascertainable.
2. Whether the company has utilized the Government assistance for technology up-gradation / modernization of its manufacturing process and timely submitted the utilization certificate.	As per the information and explanation given to us, during the period under audit, the Company has received Rs. 2,49,47,859/- vide GO(Rt)No.740/2019/ID dated 07/08/2019 and out of the sanctioned amount Government resumed Rs.2,24,94,677/- on 31-03-2020.	Nil
3. Whether the company has fixed norms for normal losses and a system for evaluation of abnormal losses for remedial action is in existence.	There is no proper system for the determination and recognition of normal and abnormal loss in the case of material consumption.	Due to lack of details, impact on financial statement could not be quantified.
4. What is the system of valuation of by-products and finished products? List out the cases of deviation from its declared policy.	According to the information and explanation given to us, there is no by-product during the period under audit. The finished goods were valued lower of cost price or net realizable value. No deviation is observed from its declared policy.	Nil
5. Whether the effect of deteriorated stores and spares of closed units been properly accounted for in the books.	The company has no closed units.	Nil
6. Whether the company has an effective system for physical verification, Valuation of Stock, treatment of non-moving items and accounting the effect of shortage/excess noticed during physical verification.	Yes, Physical verification of inventory is conducted annually.  As per the information provided to us, the company has not identified any non-moving items during the year.  The company has accounted the shortage/excess of stock noticed during physical verification.	Nil



<p>7. State the extent of utilization of plant and machinery during the year vis-à-vis installed capacity.</p>	<p>The extent of utilization of plant and machinery during the year vis-à-vis installed capacity is as follows:</p> <table border="1" data-bbox="626 401 1089 877"> <thead> <tr> <th>Plant</th> <th>Installed capacity</th> <th>Utilized capacity</th> </tr> </thead> <tbody> <tr> <td>Titanium Dioxide plant</td> <td>24,500 MT</td> <td>9,950 MT (40.612% of Total capacity)</td> </tr> <tr> <td>Sulphuric Acid plant</td> <td>99,000 MT</td> <td>66,044 MT (66.71% of Total capacity)</td> </tr> </tbody> </table> <p>The above figures are given by the management and no supporting documents have been provided for verification.</p>	Plant	Installed capacity	Utilized capacity	Titanium Dioxide plant	24,500 MT	9,950 MT (40.612% of Total capacity)	Sulphuric Acid plant	99,000 MT	66,044 MT (66.71% of Total capacity)	<p>Due to lack of details, impact on financial statement could not be quantified.</p>
Plant	Installed capacity	Utilized capacity									
Titanium Dioxide plant	24,500 MT	9,950 MT (40.612% of Total capacity)									
Sulphuric Acid plant	99,000 MT	66,044 MT (66.71% of Total capacity)									
<p>8. Report on the cases of discount/commission in regard to debtors and creditors where the company has deviated from its laid down policy.</p>	<p>No cases of deviations were noticed.</p>	<p>Nil</p>									

For SRIDHAR & CO.  
Chartered Accountants(FRN 003978S)

CA .R.Srinivasan.  
Partner (M.No.200969)  
UDIN: 22200969AFDQR4221

Place: Thiruvananthapuram  
Date:21.03.2022



**TRAVANCORE TITANIUM PRODUCTS LIMITED**

**TRIVANDRUM - 695 021**

**(A Government Of Kerala Undertaking)**

**BALANCE SHEET AS AT 31ST MARCH, 2020**

Particulars	Note No.	As at 31.03.2020 ₹	As at 31.03.2019 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	137675191	137675191
(b) Reserves and Surplus	2	(571989992)	(411548449)
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	18571204	42435250
(b) Deferred Tax Liabilities (Net)	4	-	-
(c) Long Term Provisions	5	291167445	246499210
<b>(3) Current Liabilities</b>			
(a) Short-term Borrowings	6(a)	41526906	22464965
(b) Trade payables	6(b)	151697479	88261421
(c) Other Current Liabilities	7	1684388186	1610645499
(d) Short-Term Provisions	8	127080440	106060258
<b>Total</b>		<b>1880116859</b>	<b>1842493344</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	9		
(i) Tangible Asset		316551852	336059323
(ii) Intangible Asset		2247286	479078
(iii) Capital Work-in-progress		312310932	284185928
(iv) Intangible Capital Work-in-progress		-	-
(b) Non-current investments	10	1229204	1229204
(c) Deferred tax assets (net)	4	7451290	2262971
(d) Long term loans and advances	11	8335146	7986416
(e) Other non-current Assets	12	-	-
<b>(2) Current Assets</b>			
(a) Inventories	13	394046816	541340587
(b) Trade receivables	14	94289035	85704652
(c) Cash and cash equivalents	15	311502698	140300570
(d) Short-term loans and advances	16	429772637	439394913
(e) Other current assets	17	2379963	3549705
<b>Total</b>		<b>1880116859</b>	<b>1842493344</b>
Significant Accounting Policies and notes to financial statements	18		
The Notes referred to above and the Cash Flow Statement form an integral part of the Financial Statements			

For and on behalf of Board of Directors

APM Mohammed Hanish, IAS  
Chairman  
(DIN No.02504842)

Vimal.S.V  
Company Secretary  
(M.No.F10468)

Georgee Nnan  
Managing Director  
(DIN No.7635736)

CMA. Sivaprasad.K.M  
Chief Financial Officer  
(M.No.73481)

As per our report of events attached

For SRIDHAR & Co.  
(FIRN 0030785)  
Chartered Accountants

CA. P. SRINIVASAN  
Partner (M. No. 200969)



UDIN: 22200969APLDQR4221

**TRAVANCORE TITANIUM PRODUCTS LIMITED**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2020**

Sr. No	Particulars	Note No.	2019-20 ₹	2018-19 ₹
<b>I</b>	<b>Revenue from operations</b>			
	Net Sales	19	1777344062	2086700893
<b>II(a)</b>	Other Operating Income	20(a)	11573462	5786147
<b>II(b)</b>	Other Income	20(b)	15536374	16408253
<b>III</b>	<b>Total Revenue (I + II)</b>		<b>1804453898</b>	<b>2108895294</b>
<b>IV</b>	<b>Expenses:</b>			
	Cost of Raw materials consumed	21	545724771	693244817
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	54986813	(45740493)
	Employee Benefit Expense	23	590848660	575433705
	Finance Costs	24	54064613	52624843
	Depreciation and Amortization Expense	9	41409638	46726233
	Other Expenses	25	586086788	706020324
	<b>Total Expenses (IV)</b>		<b>1873121283</b>	<b>2028309429</b>
<b>V</b>	Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		(68667385)	80585864
<b>VI</b>	Exceptional Items			
<b>VII</b>	Profit/(Loss) before extraordinary items and tax (V - VI)		(68667385)	80585864
<b>VIII</b>	Extraordinary Items			
<b>IX</b>	Profit/(Loss) before tax (VII - VIII)		(68667385)	80585864
<b>X</b>	<b>Tax expense:</b>			
	(1) Current tax		96962477	(20323744)
	(2) Deferred tax	4	(5188319)	19623400
	(3) Excess Income tax provision of earlier years			
<b>XI</b>	Profit(Loss) for the period from continuing operations (IX - X)		<b>(160441543)</b>	<b>81286209</b>
<b>XII</b>	Earning per equity share:			
	(1) Basic		(11.65)	5.90
	(2) Diluted		(11.65)	5.90

**Significant Accounting Policies and notes to financial statements (Ref: Note-18)**

The Notes referred to above and the Cash flow Statement form an integral part of the Financial Statements

For and on behalf of Board of Directors

APM Mohammad Hanish, IAS  
Chairman  
(DIN No.02504842)

Vimal.S.V  
Company Secretary  
(M.No.F10468)

Georgee Ninan  
Managing Director  
(DIN No.7635736)

CMA. Sivaprasad.K.M  
Chief Financial Officer  
(M.No.26481)

As per our report of even date attached

For SRIDHAR & Co.  
(FIRN 0039785)  
Chartered Accountants

CA. R. SRINIVASAN  
Partner (M. No. 200919)



UDIN: 22200769AFLDPR4221

**TRAVANCORE TITANIUM PRODUCTS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2020**

	Current Year (01.04.2019 to 31.3.2020)		Previous Year (01.04.2018 to 31.3.2019)	
	₹	₹	₹	₹
<b>A Cash flow from Operating Activities:</b>				
Net Profit after tax and extraordinary items		(160,441,543)		81,286,209
Adjustment for:				
Deferred Tax	(5,188,319)		19,623,400	
Provision for Taxation	96,962,477		-	
MAT Credit Receivable	-		(20,323,744)	
Depreciation	41,409,638		46,726,233	
Interest expense	54,064,613		52,624,843	
Interest income	(11,017,487)		(7,986,517)	
Dividend received	-		(67,525)	
		176,230,922		90,596,690
<b>Operating Profit before Working Capital changes</b>		<b>15,789,380</b>		<b>171,882,899</b>
Adjustment for:				
Inventories	147,293,770		(112,078,177)	
Trade Receivables	(8,584,382)		98,011,191	
Other Receivables	10,792,018		(168,703,024)	
Other Non Current Assets	(348,730)		831,379	
Decrease in Non Current liabilities	44,668,235		(24,218,615)	
Trade & Other Payables (net)	177,260,867	371,081,779	153,034,041	(53,123,204)
<b>Cash generated from operations</b>		<b>386,871,159</b>		<b>118,759,695</b>
<b>Net Cash Flow from Operating Activities (A)</b>		<b>386,871,159</b>		<b>118,759,695</b>
<b>B Cash Flow from Investing Activities</b>				
Purchase of Property, Plant and Equipment	(51,795,381)		(32,826,232)	
Shortterm Deposit	(197,321,681)		(74,342,308)	
Dividend received	-		67,525	
Interest received	11,017,487		7,986,517	
<b>Net Cash Flow from Investing Activities (B)</b>		<b>(238,099,575)</b>		<b>(99,114,498)</b>
<b>C Cash Flow from Financing Activities</b>				
Interest Paid	(54,064,613)		(52,624,843)	
Term Loans	(23,864,046)		(6,525,865)	
Excess provision in earlier years				
Provision for Income Tax	(96,962,477)		-	
MAT Credit Receivable	-		20,323,744	
Increase in Capital (Adv. against Share Capital)				
<b>Net Cash Flow from Financing Activities (C)</b>		<b>(174,891,136)</b>		<b>(38,826,964)</b>
<b>Net Increase/Decrease in Cash and Cash equivalents (A+B+C)</b>		<b>(26,119,553)</b>		<b>(19,181,767)</b>
Cash and Cash equivalents (Opening Balance) Excluding item in Note 15(b)ii & iii		28,863,649		48,045,416
Cash and Cash equivalents (Closing Balance) Excluding item in Note 15(b)ii & iii		2,744,096		28,863,649

*As per our report of even date attached.*

APM Mohammad Hashish, IAS  
Chairman  
(DIN No.02504842)

Vimal S.V.  
Company Secretary  
(M.No.F10468)

George Ninan  
Managing Director  
(DIN No.7635738)

CMA. Sivaprasad K.M  
Chief Financial Officer  
(M.No.26481)

For SRIDHAR & Co.  
(FRN 0032785)  
Chartered Accountants

CA. R. SRINIVASAN  
Partner (M. No. 200969)



UDIN: 22200969AF LDP R4221

Thiruvananthapuram,  
18-02-2022

**TRAVANCORE TITANIUM PRODUCTS LIMITED**

**Notes on Financial Statements for the year ended 31st March, 2020  
included in and forming part of the Balance Sheet and Statement of Profit and Loss**

**Note 1 - Share Capital**

Sl. No.	Particulars	2019-20 ₹	2018-19 ₹
a	<b>SHARE CAPITAL</b>		
	<b>AUTHORIZED</b>		
	50,000,000 Equity Shares of Rs.10/- each, Previous year 50,000,000 Equity Shares of Rs.10/- each (See note 18.45)	500000000	500000000
		500000000	500000000
b	<b>ISSUED CAPITAL</b>		
	13,785,000 Equity Shares of Rs.10/- each (Previous Year 13785000 Equity Shares of Rs.10/-each)	137850000	137850000
c	<b>Subscribed and paid-up</b>		
	13,767,417 Equity shares of Rs.10/- each fully paid up of which 26,668 shares are allotted as fully paid up pursuant to a contract without payment received in Cash [Previous Year 13767417 Equity Shares of of Rs.10/- each]	137674170	137674170
	Add Forfeited Shares - amount paid up	1021	1021
	<b>TOTAL</b>	<b>137675191</b>	<b>137675191</b>

Sl. No.	Particulars	2019-20 ₹		2018-19 ₹	
		No. of Shares	Amount	No. of Shares	Amount
d	Reconciliation of Share Capital				
	Equity Shares				
	Number of shares at the beginning	13767417	137674170	13767417	137674170
	Add Shares issued during the year	---	---	---	---
	Number of shares at the end	13767417	137674170	13767417	137674170
e	Terms/rights attached to Equity Shares				
	<p>The Company has equity shares having par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The shareholders have the right to receive interim dividends, if any declared by the Board of Directors and final dividends, if any proposed by the Board of Directors and approved by the shareholders. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders. The equity shareholders have all other rights as available to the equity shareholders as per the provisions of Companies Act, 2013 read together with the Memorandum of Association and Articles of Association of the Company as applicable.</p>				





Sl No.	Particulars	Ast at 31.3.2020	% of Total shares	Ast at 31.3.2019	% of Total shares
f	Details of shareholders holding more than 5% of shares Name of Shareholders -				
	i) Government of Kerala	13430564	97.55	13430564	97.55
	ii) Kerala State Industrial Development Corporation Ltd.	--	--	--	--
	iii) Peerless General Finance Investment Company Ltd.	--	--	--	--

**Note 2 - Reserves & Surplus**

Sl No.	Particulars	2019-20 ₹	2018-19 ₹
1	Capital Reserve - as per last Balance Sheet	2,083,368	2,083,368
2	Surplus/Deficit in statement of Profit and Loss	(413631817)	(494918026)
3	Balance as per last Balance Sheet	(160441543)	81286209
	3 Add/(Less) Profit/(Loss) for the year	(574073360)	(413631817)
	<b>Closing Balance</b>	<b>(571989992)</b>	<b>(411548449)</b>

**NON CURRENT LIABILITIES**

**Note 3 - Long Term Borrowings**

Sl No.	Particulars	2019-20 ₹	2018-19 ₹
1	<b>Term Loan - From Banks</b>		
	<b>Secured</b>		
	UBI, Karamana - (Project Term Loan) 10000002 (Secured by Equitable Mortgage of 13.94 acres of factory land with existing and proposed building and hypothecation of plant and machinery and other assets).		
2	<b>Term Loan - From Others</b>		
	<b>Unsecured</b>		
	a) Loan from Government of Kerala - Principal (See Note 18.20)	18571204	42435250
	<b>TOTAL</b>	<b>18571204</b>	<b>42435250</b>



**Note 4 - Deferred Tax Liability (Net)**

Sl No.	Particulars	2019-20 ₹	2018-19 ₹
1	<b>Deferred Tax Liability (A)</b> On fiscal allowance on Fixed Assets	1805492	(4032)
2	<b>Deferred Tax Asset (B)</b> Leave Encashment and other employee benefits	2599736	3260842
	Gratuity benefits	6657046	(1015590)
	Disallowance-u/s 43B	-	13686
	<b>Net Deferred tax (A - B) (See note 18.40)</b>	<b>(7451290)</b>	<b>(2262971)</b>

**Note 5 - Long Term Provisions**

Sl No.	Particulars	2019-20 ₹	2018-19 ₹
	<b>Provision for Employee Benefits</b>		
1	Provision for Gratuity	190666032	161615965
2	Provision for Leave encashment	100501413	84883245
	<b>TOTAL</b>	<b>291167445</b>	<b>246499210</b>

**CURRENT LIABILITIES****Note 6(a) - Short-term borrowings**

Sl No.	Particulars	2019-20 ₹	2018-19 ₹
	<b>Working Capital Loan</b>		
1	SBI, Kochuveli-ODCC, Sanctioned limit Rs.600 lakhs, against rawmaterial stock (Margin 25%),WIP(Margin 50%), Finished goods (Margin 25%)&Book Debts(Margin 100%) interest at the rate of 13.85%.	41526906	22464965
	<b>TOTAL</b>	<b>41526906</b>	<b>22464965</b>

**Note 6(b) - Trade payables**

Sl No.	Particulars	2019-20 ₹	2018-19 ₹
1	Payables for Raw Material purchase	85012853	32744068
2	Payables for Services rendered	23380702	21001987
3	Payables for Stores & Spare purchase	24255457	21868481
4	Other payables	19048467	12646885
	<b>TOTAL</b>	<b>151697479</b>	<b>88261421</b>



**Note 7 - Other Current Liabilities**

SI No.	Particulars	2019-20 ₹	2018-19 ₹
1	Security Deposit (from stockist)	18854015	13604015
2	Security deposit (from Others)	19511490	18633032
3	Earnest Money Deposit	3090427	2341982
4	Advance from Customers	24916225	27972866
5	Expenses payable	235725657	231821616
6	Arrear Salary Payable	11528	11528
7	Statutory Dues (See note 18.21(a) )	37807392	23626314
8	Govt. Of Kerala - production service charges	698776350	698776350
9	Others (See Note 18.21 (b) )	3458806	3758780
	<b>Current maturities of long-term debt</b>		
	<b>Secured Loan</b>		
10	Term Loan - UBI Karamana	-	8777696
	<b>Unsecured Loan</b>		
11	Loan from KMML (See Note 18.21 (c) )	56965919	70055919
12	Loan from Govt. Of Kerala - Principal	272939987	246622759
13	Loan from govt. Of Kerala - Interest accrued	312330390	266642642
	<b>TOTAL</b>	<b>1684388186</b>	<b>1610645499</b>

**Note 8 - Short Term Provisions**

SI No.	Particulars	2019-20 ₹	2018-19 ₹
1	<u>Provision for Employees Benefit</u>		
	Provision for Gratuity	30282556	36471889
	Provision for Leave encashment	11496010	12389591
2	<u>Others</u>		
	Provision for Taxation	85301874	57198778
	<b>TOTAL</b>	<b>127080440</b>	<b>106060258</b>



**TRAVANCORE TITANIUM PRODUCTS LIMITED**  
**TRIVANDRUM -695021**

(A Government Of Kerala Undertaking)

**NOTES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2020**

**Note-9**

**PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION STATEMENT**

NAME OF ASSETS	As on	Additions during the year	Transfer/ Sales	As on	Provided during the year	Transfer/ Sales	As on	As on	As on
	01.04.2019			31.03.2020			01.04.2019		
<b>Tangible Assets</b>									
Lease Land	72568			72568	-		-	72568	72568
Land (Freehold)	28909190			28909190	-		-	28909190	28909190
Road,Fencing & Docks	5280222			5280222	59218		4987640	292582	351800
Factory & Office Building	90696339			90696339	3191550		58207805	32488534	35680084
Plant & Machinery	808478058	4846605	1814629	811510034	35446151	1723896	577150528	234359505	265049783
Lab Equipments	14655353	1181979		15837332	837886		12519484	3317848	2973755
Workshop Equipments	3767357			3767357	-		3578990	188367	188367
Electric Fittings	6632682			6632682	-		6301049	331633	331633
Furniture & Office Equipments	9489870	476241		9966111	73796		8994163	971948	569503
Service & Miscellaneous Equipments	14198930	16785000		30983930	1415190		14533234	16450696	1080886
Audio Visual Equipments	882891	95290		978181	29592		794226	183955	118257
Medical Aid Equipments	58869			58869	-		55926	2943	2943
Computer	8807910	375994		9183904	259428		8573317	610587	494020
Transport Vehicle	75722			75722	-		71936	3786	3786
Canteen Equipment	2008462			2008462	-		1908040	100422	100422
Library & Club Library	352967			352967	-		335318	17649	17649
Insd.Sec. Equipment	2139206			2139206	7718		2032247	106959	114677
Rounding off			2	-2					
<b>Intangible Assets</b>									
ERP	2247286	-		2247286	89110		1857320	389966	479076
<b>TOTAL</b>	998753882	23761109	1814631	1020700361	41409638	1723896	701901223	318799138	336538399
Figures for the Previous year	999517615	1701021	2464754	998753882	46726233	2341515	662215482	336538399	381686850
Capital work-in-progress				617830765				896847820	868722816
Less: Provision for abandoned Portion of Pollution Control Project								584536887	584536887
Tangible Asset after provision								312310932	284185928
Intangible Asset									



**Note 10 - Non Current Investments**

Sl No.	Particulars	2019-20 ₹	2018-19 ₹
	A. Investments in Equity Instruments		
	Trade Investment		
	Other Investments		
1	Kerala Enviro Infrastructure Ltd. - <b>Unquoted</b> 116300 fully paid equity shares of Rs.10/- each - (Previous year 116300 equity shares of Rs.10/- each fully paid unquoted)	1163000	1163000
2	Kilburn Chemicals - <b>Quoted</b> 100 fully paid equity shares of Rs.52.04 each, Face value of Rs.10/- each (Current year Market Value of Rs.9.28 per share ) (Previous year Market value of Rs.25.90, 100 fully paid equity shares of Rs.52.04 each- face value of Rs.10/-per share)	5204	5204
3	Travancore Sulphates Ltd. 60000 fully paid equity shares of face value of Rs.10/- each less diminution - <b>Unquoted</b> (Previous year 60000 fully paid equity shares of face value of Rs.10/- each)	60000	60000
	B. Other Non-current Investments (other investments)		
4	Titanium Labour Sahakarana Sangam - <b>Unquoted</b> 10 fully paid equity shares of Rs.100/- each (Previous year 10 fully paid equity shares of Rs.100/- each unquoted)	1000	1000
	<b>TOTAL</b>	<b>1229204</b>	<b>1229204</b>

**Note 11 - Long term loans and advances**

Sl No.	Particulars	2019-20 ₹	2018-19 ₹
1	Capital Advance	-	-
2	Security Deposits	18575	39151
3	Unsecured considered good (Deposit with suppliers)	8316471	7947265
	<b>TOTAL</b>	<b>8335146</b>	<b>7986416</b>

None of the above long term loans and advances are due by Directors or Other Officers of the company or any of them either severally or jointly with any other persons or amounts due by firm or private companies respectively in with any director is a partner or a director or a member



**Note 12 - Other non-current assets**

SI No.	Particulars	2019-20 ₹	2018-19 ₹
	<b>Long term Trade receivable</b>		
1	Secured considered good	-	-
2	Unsecured, considered good	-	-
3	Doubtful	64545696	63158288
	Less Provision for doubtful debts	(64545696)	(63158288)
	<b>TOTAL</b>	<b>-</b>	<b>-</b>

Debts due by Directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member - NIL

**CURRENT ASSETS****Note 13 - Inventories**

SI No.	Particulars	2019-20 ₹	2018-19 ₹
1	Raw Material	48502099	74648688
2	Work-in-Progress	41344671	74834193
3	Finished Goods	195696801	217194093
4	Stores & Spares	108503245	174663613
	<b>TOTAL</b>	<b>394046816</b>	<b>541340587</b>

(Raw materials, work-in-progress and stores and spares are valued at cost on weighted average method or net realizable value whichever is lower. Finished goods valued at lower of the cost or net realizable value).

**Note 14 - Trade Receivables**

SI No.	Particulars	2019-20 ₹	2018-19 ₹
1	Outstanding for a period exceeding six months from the date they became due for payment:-		
	Secured, Considered Good	52077555	43558194
	(Secured by bank guarantees )		
	Unsecured, Considered Good	42211480	42146458
	<b>TOTAL</b>	<b>94289035</b>	<b>85704652</b>

Debts due by Directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member - NIL



**Note 15 - Cash and Cash Equivalents**

SI No.	Particulars	2019-20 ₹	2018-19 ₹
a)	<b>Balance with Banks -</b>		
i)	In current accounts	1624179	26691312
ii)	Cheques, drafts on hand	-	-
iii)	Cash on hand	119817	172237
b)	<b>Others -</b>		
i)	Unclaimed dividend account	-	-
ii)	Margin Money/Guarantee deposit with bank less than 12 months maturity (See Note 18.23 )	13724030	12923760
iii)	Fixed deposit with less than 12 months maturity (See Note 18.24 )	295034572	98513161
iv)	Govt. Of Kerala Treasury Savings Bank account	1000100	100
	<b>TOTAL</b>	<b>311502698</b>	<b>140300570</b>

**Note 16 - Short Terms Loans and Advances**

SI No.	Particulars	2019-20 ₹	2018-19 ₹
1	(a) Unsecured considered good:		
	i) Advances Recoverable in Cash or in kind or for value to be recieved - Advance to Employees	78931605	43142388
	ii) Advance to Suppliers - Unsecured, considered good	144902392	143228606
	iii) Pre-paid Expenses	1036641	893505
	iv) Advance tax Income Tax paid & TDS	129136642	196671778
	v) Duties and Tax Receivables	44751182	12095045
	vi) KVAT Receivable	31014175	43363591
	<b>TOTAL</b>	<b>429772637</b>	<b>439394913</b>

None of the above Short term loans and advances are due by Directors or Other Officers of the company or any of them either severally or jointly with any other persons or amounts due by firm or private companies respectively in with any director is a partner or a director or a member

**Note 17 - Other Current Assets**

SI No.	Particulars	2019-20 ₹	2018-19 ₹
1	Duty Entitlement	-	477751
2	Dividend Receivable	62,650	67,525
3	Interest Receivable	845177	1532293
4	Stipend Receivable	1472136	1472136
	<b>TOTAL</b>	<b>2379963</b>	<b>3549705</b>



**Notes 19 - Revenue from Operations**

SI No	Particulars	2019-20 ₹	2018-19 ₹
1	<b>Sale of Production Domestic (Gross)</b> (inclusive of Excise Duty) Anatase Domestic Rutile Domestic Sulphuric Acid Domestic Potassium Titanate Domestic	1402601189 143630270 155038903 1969200	1566808249 195791887 240079145 1824277
2	<b>Export Sales</b> Anatase Rutile	59759049 14345451	69182080 13015255
	<b>TOTAL</b>	<b>1777344062</b>	<b>2086700893</b>

**Note 20(a) - Other Operating Income**

SI No	Particulars	2019-20 ₹	2018-19 ₹
1	Sale of Scrap	10845970	4983181
2	Income From Duty Draw Back	727492	802966
	<b>TOTAL</b>	<b>11573462</b>	<b>5786147</b>

**Note 20(b) - Other Income**

SI No	Particulars	2019-20 ₹	2018-19 ₹
1	Interest Receipt (Annexure 1)	11017487	7986517
2	Dividend received	62650	67525
3	Prior Period Income	54000	1588694
4	Miscellaneous Income	4402237	6765517
	<b>TOTAL</b>	<b>15536374</b>	<b>16408253</b>





**Note 21 - Cost of Raw material Consumed**

Sl No	Particulars	2019-20 ₹	2018-19 ₹
<b>Purchase of Raw Materials and Stores</b>			
1	Opening Stock (Raw materials)	74648688	50142831
	Add Purchase of Raw materials	521820278	715830703
	Add Freight Charges included in Closing Stock of Rawmaterials	4130677	6372773
		600599643	772346307
	Less Closing Stock of Raw materials	48502099	74648688
	Less Freight Charges included in opening stock	6372773	4452802
	Cost of Raw materials consumed	<b>545724771</b>	<b>693244817</b>

Being a bulk rawmaterial the consumption is arrived based on the formula Opening stock+Purchase - Closing stock,Hence the opening stock & closing stock are physically verified & purchase is based on purchase register maintained.

**Note 22 - Change in Inventories of Finished Goods, and work in progress**

Sl No	Particulars	2019-20 ₹	2018-19 ₹
1	Opening Stock - (a)	<b>292028285</b>	<b>246287792</b>
	Finished Goods	217194093	176785802
	Goods in process	74834192	69501990
2	Closing Stock - (b)	<b>237041472</b>	<b>292028285</b>
	Finished Goods	195696801	217194093
	Goods in process	41344671	74834192
	<b>TOTAL (a) - (b)</b>	<b>54986813</b>	<b>(45740493)</b>

**Note 23 - Employee Benefit Expenses**

Sl No	Particulars	2019-20 ₹	2018-19 ₹
1	Salaries and Wages	419772759	404894334
2	PF and Other charges	44459672	39964819
3	Leave Encashment	27114178	18871979
4	Welfare and Other Expenses	76641317	74751939
5	Gratuity	22860734	36950634
	<b>TOTAL</b>	<b>590848660</b>	<b>575433705</b>

**Note 24 - Finance Costs**

Sl No	Particulars	2019-20 ₹	2018-19 ₹
1	Interest on Stockist Deposit	637694	439542
2	Interest on Term loan from KMML	5163935	5794712
3	Interest on Government Loan	45687748	42328503
4	Interest on Bank OD/Term Loan	2398890	2007968
5	Other Interest charges	176346	2054118
	<b>TOTAL</b>	<b>54064613</b>	<b>52624843</b>



**Note 25 - Other Expenses**

Sl No	Particulars	2019-20 ₹	2018-19 ₹
1	Consumption of Stores and spare parts	108608170	57694246
2	Power & Fuel and Electricity	222740208	236236743
3	Carriage inward and freight & forwarding	52954252	71167090
4	Water Charges	11651618	17124872
5	Rates and Taxes	3004190	4389661
6	Postage & Telephone Expenses	748049	728624
7	Travelling Expenses (See Note 18.43)	828789	1484301
8	Repairs & Maintenance of Building	3518005	1515643
9	Repairs & Maintenance of Machinery	125722340	64317079
10	Repairs & Maintenance of Vehicle	281362	301587
11	Repairs & Maintenance of Computer	1122773	868482
12	Insurance Expenses	932391	708727
13	Legal and Professional charges	6036211	5930573
14	Bank Charges	419782	1296533
15	Sales promotion expenses	16660315	15477146
16	Directors sitting fee	12600	13400
17	Printing and Stationery	5657994	4783934
18	Security expenses	3168695	3892512
19	Pollution Control expenses	428664	6056884
20	R & D expenses	5150374	435186
21	General charges	4932607	8857014
22	Auditors' Remuneration (See Note 18.41)	704000	604000
23	Prior Period expenses	225922	33461
24	Provision for bad and doubtful debts	1387408	683382
25	Neutralisation Plant- operating expenses	9051955	10690133
26	Excise / Customs duty	88114	190631111
27	Audit expenses	50000	100000
	<b>TOTAL</b>	<b>586086788</b>	<b>706020324</b>

**Annexure - 1 to Note 20**

Sl No	Particulars	2019-20 ₹	2018-19 ₹
	Interest Receipts:-		
1	On loan to employees	3570	22320
2	On bank deposits	8274772	6550914
3	From Customers	24479	624612
4	From Others	2358855	11795
5	From KSEB	355811	776876
	<b>TOTAL</b>	<b>11017487</b>	<b>7986517</b>



**Note - 18**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON  
FINANCIAL STATEMENTS**

**18.01 Basis of Preparation of Accounts**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the 2013 Act") and the relevant provisions of the 1956 Act / 2013 Act, as applicable. The financial statements of the Company are prepared under the historical cost convention using the accrual method of accounting except wherever otherwise stated. The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the 2013 Act. Previous year's figures have been regrouped / rearranged wherever necessary & rounded off to the nearest rupee.

**18.02 Use of Estimates**

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between the actual and estimates are recognized in the period in which they materialize.

**18.03 Property, Plant and Equipment and Depreciation**

Property, Plant and Equipment are stated at cost of acquisition net of taxes subsequently recoverable plus additions less accumulated less depreciation and impairment loss, if any. Cost comprises of cost of acquisition, borrowing cost, cost of improvements and any cost attributable to bringing the assets to condition for its intended use.



Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the W.D.V method, and is generally recognized in the profit or loss. Leasehold improvements are amortized over the lease term or useful lives of assets, whichever is lower.

Depreciation on additions during the year is provided for on a pro-rata basis i.e, from the date on which asset is acquired. Depreciation on disposals is provided on a pro-rata basis i.e. up to the date on which asset is disposed of. Intangibles assets are capitalized fully on this year and stated at cost less accumulated amortization till 31.03.2020. Intangible assets are amortised over their respective individual estimated useful lives on a W.D.V, commencing from the date the asset is available to the Company for its use and is included in depreciation and amortization in profit or loss.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

#### **18.04 Investments**

Long term investments are stated at cost. A provision for diminution will be made if required to recognize a decline, other than temporary, in the value of long term investments. Current investments, if any, are stated at lower of cost or fair value.

#### **18.05 Inventories**

Inventories are valued as under:-

- a) Raw materials, materials in process and stores and spares are valued at cost on weighted average method or net realisable value whichever is lower.



b) Finished products:-

At lower of cost or net realizable value.

c) Goods in transit, if any, are valued at cost or net realizable value whichever is lower.

#### **18.06 Revenue Recognition/Income**

a) Sale of goods is recognized net of returns and vat tax, Discount on sale is treated as expenditure and recognized in profit and loss account.

b) Sale of goods is recognized on dispatch at factory gate.

c) Other operating revenues are accounted on accrual basis.

d) Interest income is accounted on accrual basis.

e) Dividend income is accounted when the right to receive payment is established.

#### **18.07 Excise Duty / GST**

Excise duty has been accounted on the basis of despatches. Excise duty Provision is made for the closing stock of finished goods lying in the factory godown as on the Balance Sheet date. GST has been charged & accounted on the basis of taxable event under GST regime ie Supply of goods/ services wherever applicable.

#### **18.08 Research and Development**

Capital expenditure on research and development is treated as addition to fixed assets (property, plant and equipment) and included in the respective head under property, plant and equipment. Revenue expenditure on research and development is charged to Profit and Loss account in the year of incurrence.

#### **18.09 Retirement Benefits**

a) Defined contribution plans

Company's contributions during the year towards Employee Provident Fund, ESIC and Labour Welfare Fund are charged to the statement of Profit and Loss as incurred.



b) Defined Benefit Plans

- i) Company's contribution towards gratuity is made to approved gratuity trust administered by the Company as per actuarial valuation.
- ii) Provision for Leave Encashment has been made on the basis of actuarial valuation.

**18.10 Foreign Currency Transactions**

Foreign Currency transactions are accounted at the rates prevailing on the date of transaction. Year end current assets and liabilities are translated at the exchange rate ruling on the date of the Balance Sheet.

Exchange differences on settlement/conversion are adjusted to the statement of profit and loss. Exchange fluctuations relating to acquisition of Fixed Assets(property, plant and equipment ) are adjusted to the cost of assets concerned.

**18.11 Provisions and Contingent Liabilities**

The Company recognizes a provision when there is a present obligation as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**18.12 Export Incentive**

Export incentive in the form of credit earned under Duty Entitlement pass book (DBK) scheme is treated as income in the year of export at the estimated realizable value / actual credit on export earned during the year.

**18.13 Leases**

Lease arrangements where the risks and rewards incident to ownership of an asset substantially vest with the lessor are recognized as operating lease.



Lease rents under operating leases are recognized in the statement of profit and loss on the basis of annual lease rent fixed by the lessor.

**18.14 Trade receivables**

Trade receivables are stated net of provisions for bad and doubtful debts. 100% provision is made for unsecured Trade receivables aged more than 3 years which in the opinion of Company that the chances of recovery of these trade receivables are remote. Letters of confirmation of balances are being received from all Creditors and Debtors

**18.15 Fines/Penalties**

Fines/Penalties, if any, imposed by the Government authorities for violation of law are recognized as expenses in the statement of profit and loss in the year of demand of such fines or penalties.

**18.16 Prior Period income/expenses**

Prior period income/expenses are recognized in the books in accordance with AS-5.

**18.17 Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961. Deferred Tax resulting from 'timing difference' between taxable and accounting income is accounted for using the tax rates and law that are enacted or substantively enacted, as on the Balance Sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

**18.18 Impairment of Assets**

An asset is treated as impaired when its carrying cost exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.



### 18.19 Borrowing cost

Borrowing cost includes interest, fees, and other charges incurred in connection with the borrowing of funds and are considered as revenue expenditure for the year in which it is incurred. Borrowing cost attributed to the acquisition/improvement of qualifying capital asset and incurred till the commencement of commercial use of the asset is capitalized as cost of asset.

### 18.20 Long Term Borrowings- Term loan

a)

Sl No	Government Order	Principal Amount (Rupees)	Interest accrued upto 31/03/2020 (Rupees)	Period of Arrear
1	G.O.(Rt) No.968/2008 dt 29.8.2008	7,00,00,000/-	13,27,57,125/-	10 years 7 months
2	G.O.(Rt) No.620/2008 ID dt 23.6.2008	3,00,00,000/-	5,77,47,903/-	10 years 9 months
3	G.O.(Rt)No.1419/2013/ID dt 11.11.2013	5,00,00,000/-	4,65,50,612/-	5 years 3 months
4	G.O.(Rt) No.730/2015/ID dt 31.07.2015	3,00,00,000/-	1,99,76,455/-	4 years 3 months
5	G.O.(Rt) No.730/2015/ID dt 31.07.2015	3,00,00,000/-	1,94,55,469/-	3 years 6 months
6	GO(Rt)No1251/2016/ID dt.28/11/2016	4,99,23,000/-	2,30,72,088/-	2 year 3 months
7	GO(Rt)No395/2017/ID dt 18/03/2017	83,52,009/-	86,63,460/-	2 year
8	GO(Rt)No1245/2018/ID dt 31/10/2018	2,07,83,000/-	27,56,038/-	5 months
9	GO(Rt)No.740/2019/ID dt 07/08/2019	24,53,182/-	13,51,240/-	
Total		2,9,15,11,191/-	31,23,30,390/-	





Under the terms of the loan sanctions, the repayment would commence on the first anniversary of the drawal of each loan in quarterly installments and the period of the loan was 5 years. The interest accrued and unpaid on the loans as on 31.03.2020 was aggregating Rs.31,23,30,390/- (previous year Rs.26,66,42,642/-). As on 31/03/2020 the Company has not repaid Principal due amount of Rs 24,66,22,759/-.(previous year Rs 22,39,48,134/-) .

Government released Rs.5,00,00,000 vide GO(Rt)No 395/2017/ID dated 18/03/2017(SL No.7 of Note No.18.20) on 31/03/2017. Out of Rs.5,00,00,000.00 , Rs.4,16,47,991/- was resumed by Government vide Go No. 156/2017/Fin dt.14/12/2017 Rs.2,19,19,995/- on 02/02/2018 and GO No. 51/2018/Fin dt.28/03/2018 Rs.1,97,27,996/- on 31/03/2018. An amount of Rs.344,00,000/- was sanctioned vide GO No. 366/2018/ID dated:28/03/2018 was resumed by Government on 31/03/2018 . During 2019-20 Government released Rs. 2,49,47,859/-vide GO(Rt)No.740/2019/ID dated 07/08/2019 and out of the sanctioned amount Government resumed Rs. 2,24,94,677/- on 31/03/2020.

b) None of the above loans have been guaranteed by directors or others.

18.21 a) Under Note 7 – other current liabilities included in SI. No.7, statutory dues consists of the following amounts:-

Particulars	As at 31.3.2020 Rupees	As at 31.3.2019 Rupees
EPF payable	1,10,18,350	1,09,44,039
ESI payable	1,416	1,92,132
TCS & TDS payable	58,27,757	29,67,945
GST/Central Excise	2,09,59,869	95,22,198
<b>TOTAL</b>	<b>3,78,07,392</b>	<b>2,36,26,314</b>



b) Note No.7 – other current liabilities included in Sl. No.(9), others consists the following amounts:-

Particulars	As at 31.3.2020 Rupees	As at 31.3.2019 Rupees
House Loan Recovery	7,72,831	9,66,848
LIC recovery	5,60,096	5,38,522
Staff Deputation	1,21,405	1,21,405
Mediclaime Premium (Adv)	13,20,390	12,82,520
National Savings Scheme	1,000	7,000
TTP Benevolent Fund	1,43,587	1,43,587
Salary/Wages attachment	1,46,429	79,309
SBT Recovery	2,200	32,091
Titanium officer Club	8,400	10,550
Titanium officers Association	18,150	16,200
Met Life Insurance	965	1,310
Union Subscription	3,24,016	5,34,991
Employees	39,338	24,448
<b>TOTAL</b>	<b>34,58,806</b>	<b>37,58,780</b>

c) The balance on the loan of Rs.10,00,00,000.00 from Kerala Minerals and Metals Ltd., the being Rs.5,69,65,919.00 (previous year Rs.7,00,55,919.00). The loan will be repaid in four years from the scheduled date of completion of the pollution abatement project and rate of interest is 7.50% pa.



18.22 (a) 51.49.194 acres of land in Sy. Nos.2623, 2768, 2728, 2843, 2726 and purampoke land in Sy. No.2623 (2.9300 Acres) of Kadakampally Village, Karikakom Muri, Trivandrum were leased from Govt. of Kerala as per G.O.(MS) 265/Rev dt 29.4.1968 for 25 years, and the lease period expired in the year 1993. The annual lease rent payable was Rs.19,956.00 and the Company remitted lease rent to the credit of Govt. of Kerala only upto 31.3.2009 no remittances being made subsequently due to the non-renewal of the lease agreement. In letter No.14944/F1/12 ID dt 5.6.2012, the Govt. of Kerala, Revenue Department informed the Company that the lease might be renewed for a further period of 25 years upto 2.10.2018 subject to the provisions of G.O.(P) No.126/2004/RD dt 14.5.2004 with effect from 2.10.1993 and that as a commercial organization, the Company had to pay 5% of the market value of the land as lease rent with effect from 15.4.2004. The Company's request to the Government of Kerala, Industries (H) Department to transfer the ownership of the leased land of 51.49.194 acres of land together with 14.62.586 acres of land having no patta, to the Company is under the Government's consideration. However, during the financial year 2019-20, the above land of 51.49.194 acres of land was under operating lease with the Company since as a lessee, it is only permitted to use the asset for a specified period and the risk incidental to the ownership remained wholly with the lessor.

Clause 2(iii) of GO(MS)264/Rev dt 29.4.1968 states that the Govt. shall have power to resume the land without paying any compensation for improvements if any, made by the Company if the Company contravenes any of the conditions of the lease or order of the Government assigning the land or in the event of the Company not requiring the land for which it is assigned or in the event of the Company being wound up.

(b) The contingent liability in respect of lease rent for the financial years from 2009-10 to 2019-20 is estimated at Rs.25,52,000.00 (Previous year Rs.23,20,000.00).



18.23 Margin money/guarantee deposits with bank less than 12 months maturity consists of the following:-

Particulars	As at 31.3.2020 Rupees	As at 31.3.2019 Rupees
State Bank of Travancore – FD for KSEB bank guarantee	89,83,673	84,54,483
State Bank of Travancore FD for KSPCB bank guarantee	46,59,323	43,88,243
Union Bank of India – FD for KSEB bank guarantee	81,034	81,034
<b>TOTAL</b>	<b>1,37,24,030</b>	<b>1,29,23,760</b>

18.24 Fixed deposit with less than 12 months maturity consists of:-

Particulars	As at 31.3.2020 Rupees	As at 31.3.2019 Rupees
Fixed deposit with State Bank of Travancore	17,40,530	16,39,691
Fixed deposit with Union Bank of India- kzhakkuttam	2,20,22,554	-
Fixed deposit with ICICI Bank	27,10,00,000	9,25,00,000
Fixed deposit with Union Bank of India – Karamana	2,71,488	43,73,470
<b>TOTAL</b>	<b>29,50,34,572</b>	<b>9,85,13,161</b>

Estimated amounts of contracts remaining to be executed on capital assets and not provided for amounts to Rs.1,70,44,744/- (Previous year Rs.2,12,23,261.00)



### 18.25 Contingent Liabilities

Contingent liabilities are disclosed in respect of possible obligation that arise from past events but their existence is confirmed by occurrence and non-occurrence of one or more uncertain future events not wholly within the control of the Company.

- a) The following demands raised by the Income Tax authorities are disputed in appeal before CIT(A) Trivandrum.

Particulars	Disputed demand raised Rupees	Demanded Tax paid Rupees	Balance amount pending payment Rupees
1) Financial Year 2007-08	1,46,55,780	24,42,630	1,22,13,150
2) Financial Year 2009-10	2,27,260	--	2,27,260
3) Financial Year 2010-11	4,45,20,340	4,45,20,340	--
4) Financial Year 2011-12	3,19,20,360	--	3,19,20,360
5) Financial Year 2012-13	49,61,280	--	49,61,280
6) Financial Year 2013-14	1,95,81,570	--	1,95,81,570
7) Financial Year 2014-15	--	--	--
8) Financial Year 2015-16	--	--	--
9) Financial Year 2016-17	71,46,928	--	71,46,928
10) Financial Year 2017-18	--	--	--
11) Financial Year 2018-19	--	--	--
12) Financial Year 2019-20	--	--	--
<b>TOTAL</b>	<b>12,30,13,518</b>	<b>4,69,62,970</b>	<b>7,60,50,548</b>

(All the above appeals are pending before CIT(A) Trivandrum as on date.

The company had filed application under Vivad Se Viswas Scheme for all the



above appeals from the assessment year 2008-09 to 2017-18 on 26/01/2021 and remitted the tax due as per the directions from the designated authorities of Income Tax Department. The company awaits the final order from designated authority. As the final order is awaited, the company continued to report under contingent liability). Based on the directions from Income Tax authorities Vivad Se Viswas, the company has created provision of Rs 47,44,533 for Assessment Year 2012-13, Rs 83,53,623 for Assessment Year 2013-14 and Rs 1,50,04,940 for Assessment year 2014-15. The company has also remitted the above tax after adjusting the refund/advance payment on 26.4.2021.

- b) Claim against the Company by MACT Rs.55,000.00 (Previous year Rs. 55,000.00) not acknowledged as debt by the Company.
- c) The Company furnished performance bank guarantees wholly secured by fixed deposits maintained at SBI Kochuveli and UBI, Karamana to the following organizations:

Name of Organization	Amount of guarantee (Rupees)
Kerala State Electricity Board	90,64,707.00
<b>TOTAL</b>	<b>90,64,707.00</b>

The total contingent liability in respect of the above guarantees is estimated at Rs. 90,64,707.00 (Previous year Rs. 85,35,517.00).

- d) M/s BGH Exim Ltd. filed a case against the Travancore Titanium Products Ltd. for compensation of Rs.4,56,83,516.00 with 16% interest from 4.12.2012 for violation of its agreement by the Company for the purchase of sulphur during the year 2010-11. Arbitrators have been appointed jointly by TTP Ltd. and BGH Exim Ltd. under the provisions of the Indian Conciliation and Arbitration Act, 1996 and the award was passed by the Arbitrators on 31<sup>st</sup> May 2016. As per the Award a sum of Rs.89,55,787.68 to be paid by the Company to M/s BGH Exim Ltd. within 3 months from the date of award with further interest



at the rate of 12% p.a. from date of this award till the date of payment and in case of default M/s BGH Exim Ltd. would recover the amount from the Company by enforcing this award.

The Company filed a petition under section 34 of the Arbitration and Conciliation Act, 1996 before the Hon'ble District Court, Trivandrum to challenge and set aside the Arbitration award passed by the presiding Arbitrator [Original petition (Arbitration No.225/16)] M/s BGH Exim Ltd. has also filed an application before Hon'ble District Court, Trivandrum vide OP No.Arb. 239/2016 in IA No.2574/2016 to set aside the aforesaid arbitration award. Hence the estimated contingent liability in this regard for the financial year 2019-20 is Rs.4,56,83,516.00 (Previous Year Rs.4,56,83,516.00).

- e) In order dt 10.12.2014 in C.No.V/28/15/10/2013 C.Ex adj, the Commissioner of Central Excise and Customs demanded a sum of Rs.61,67,071/- towards ineligible cenvat credit availed for the period from 2008 to 2012 in respect of procurement of various machinery parts and components procured and utilised for the setting up the Neutralisation plant by TTPL and awarded to M/s VA Tech Wabag Ltd. and imposed penalty of Rs.61,67,070.00 u/s 11A(10) of Central Excise Act,1944 r.w.Rule 14 of the Cenvat Rules, the total demand in being Rs.1,23,34,142.00. In the appeal before the Customs, Excise and Service Tax Appellate Tribunal, South Zone Bench, the Commissioner directed that further extension of period would be considered depending upon the various facts and circumstances. Hence the estimated contingent liability in this regard for the financial year 2019-20 is Rs.1,23,34,142.00.
- f) The Director General of Foreign Trade (DGFT) being the EPCG licence issuing authorities has issued notice 53/21/021/09/AM08 dated 01.10.2019 demanding the duty saved amount under EPCG Scheme. The company has represented before DGFT and apprised of the decision of High court in this regard. Considering the denial of the EPCG policy relaxation committee for waiving certain conditions and extension of time for installation of equipments,



the company has provided for the full duty amount as per the notice, though the review is pending before Chairman, Policy Relaxation Committee. The company has not considered the sanction by Government of Kerala vide GO(Ms) No.67/2011/ID dated:01/03/2011 towards the duty and interest for the abandoned plant, while creating the above provision, as the same is still under the review by the Chairman, Policy Relaxation Committee. As a prudent measure Company made Provision for EPCG demand.

g) Gratuity in respect of 13 contract workers amounting to Rs.7,33,473.00 with interest @10% from 01.03.2013, was ordered to be given by the controlling authority as per its order dt 29.05.2018. The Company filed an appeal remitting Rs.7,33,473.00 on 11.09.2018. The appeal is still pending and contingent liability of Rs.7,33,473.00.

h) The following are the other pending litigations for and against the Company .

Sl.No	Court	Petitioner	Subject Matter	Financial Commitment
1	High Court of Kerala	Kerala Transport Company	Payment of outstanding bill(against the Company)	Rs.3,87,706/-
2	Munsiff Court, Trivandrum	Babu	For attaching Security Deposit(by the Company)	Rs.22,000/-
3	Employee Compensation Commissioner, Kollam	K,Bhuvanendran Nair	For getting compensation for injuries sustained while on duty	Rs.3,31,238/-
4	Employee Compensation	a.S.Rajalekshmi b.K.Sudhamani	For Getting Compensation	a.Rs.4,98,800/- b.Rs.4,06,706/-





18.26 Disclosure of Employees Benefits, in accordance with Accounting Standards 15 are as below:-

a) Defined Contribution Plans

	2019-2020 Rupees	2018-2019 Rupees
Contributions to Defined Contribution Plans recognized as expenses for the year under Employer's Contribution to		
a. Provident Fund	4,44,03,731	3,98,39,576
b.ESI	55,941	1,25,243
c. Labour Welfare Fund	8,128	8,560

b) Defined Benefit Scheme

The Employees' Gratuity Fund Scheme managed by the Trust (TTP Gratuity Fund Trust) is a defined benefit plan. The present value of obligation is determined as below:-

A. Actuarial assumptions – Leave Salary

i. Particulars	2019-2020 Rupees	2018-2019 Rupees
Discount Rate ( per annum)	7.5%	7.5%
Expected return on Plan assets	Not Applicable	Not Applicable
Salary escalation rate ( per annum)	3%	3%
Mortality Table	Indian Assured Lives Mortality (1994-96) Ultimate	Indian Assured Lives Mortality (1994-96) Ultimate
Attrition Rate	Modified q (x) Values under above Mortality Table	Modified q (x) Values under above Mortality Table



Expected Average Remaining Working Lives of employees (Years)	13.81	14.10
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<b>ii. Changes in Present Value of Obligations (Leave)</b>	2019-2020 Rupees	2018-2019 Rupees
a) Present Value of Obligations at the beginning of the period	10,30,69,757	9,18,71,811
b) Interest Cost	92,47,580	22,31,374
c) Past Service Cost (non-vested)	-	-
d) Past Service cost (vested)	-	-
e) Current Service Cost	4,04,62,630	4,11,27,693
f) Benefits paid	(1,24,79,639)	(2,83,76,699)
g) Actuarial Gain / (Loss)	(2,83,02,905)	(37,84,422)
h) Present Value of Obligations at the end of the period	11,19,97,423	10,30,69,757

<b>iii. Members Summary</b>	2019-2020 Rupees	2018-2019 Rupees
a) No. of Employees	620	659
b) Average Monthly Salary (Rs.)	45531.80	43,541.5
c) Average Age	46.19	46.03
d) Superannuation age	60	60
e) Average service left (years)	13.81	13.97
<b>iv. Expenses recognized in the Statement of Profit and Loss</b>	2019-2020 Rupees	2018-2019 Rupees
i. Current Service Cost	4,04,62,630	4,11,27,693
ii. Past Service Cost (if applicable)		
iii. Interest Cost	92,47,580	22,31,374
iv. Expected return on plan assets	-	-



v. Curtailment Cost/(Credit)	-	-
vi. Settlement Cost/(Credit)	-	-
vii. Net actuarial gain/(loss) recognized in the Period	(2,83,02,905)	(37,84,422)
viii. Expenses recognized in the statement Of Profit & Loss	2,14,07,305	3,95,74,645

### B. Actuarial assumptions Gratuity

i.	2019-2020 Rupees	2018-2019 Rupees
a) Discount Rate (per annum)	7.5%	7.5%
b) Salary escalation rate	3% Indian Lives Assured	3% Indian Lives Assured
c) Mortality rate	(1994-1996) Ultimate	(1994-1996) Ultimate

ii. Reconciliation of present value of obligation	2019-2020 Rupees	2018-2019 Rupees
a) Present Value of Obligations at the beginning of the year	23,09,94,408	20,65,91,920
b) Interest Cost	1,76,80,997	1,58,58,037
c) Past Service Cost (non-vested)	-	-
d) Past Service cost (vested)	-	-
e) Current Service Cost	95,04,452	96,97,171
f) Benefits paid including earmarked	(3,01,99,938)	(26,81,109)
g) Actuarial Gain / (Loss)	(29,62,292)	1,15,28,389
h) Present Value of Obligations at the end of the year	22,50,17,627	23,09,94,408



<b>iii. Net (Asset)/Liability recognized in the Balance sheet as at the year end</b>	<b>2019-2020 Rupees</b>	<b>2018-2019 Rupees</b>
a) Present Value of Obligations at the end of the year	22,50,17,627	23,09,94,408
b) Fair value of plan assets at the end of the year	40,69,039	3,29,06,554
c) Net present value of funded obligation recognized as (asset)/liability in the Balance Sheet	22,09,48,588	19,80,87,854
<b>iv. Expenses recognized in the Statement of Profit and Loss</b>	<b>2019-2020 Rupees</b>	<b>2018-2019 Rupees</b>
a) Current Service Cost	95,04,452	96,97,171
b) Past Service Cost (if applicable)		
c) Interest Cost	1,76,80,997	1,58,58,037
d) Expected return on plan assets	(24,67,991)	(3,76,234)
e) Actuarial (gain)/Loss recognized in the period	(18,56,724)	1,17,71,660
f) Total expenses recognized in the statement Of Profit & Loss for the year	2,28,60,734	3,69,50,634

The above disclosures are based on information furnished by the independent actuary.



**18.27 Remuneration paid to the Managing Director and Honorarium paid to Chairman**

The details of remuneration/ honorarium and other payments made to Managing Director and Chairman under Section 197 of the Companies Act during 2019-20 is as follows:

a) Managing Director- Shri. Georgee Ninan

Particulars	2019-2020 Rupees	2018-2019 Rupees
Salary and allowances	14,15,625	13,97,445
Leave Salary	Nil	Nil
Pay Revision Arrear	Nil	Nil
Perquisites	Nil	Nil
TOTAL	14,15,625	13,97,445

b) Rs.54,000/- was paid as honorarium to the Chairman Shri.Dr.M.P Sukumaran Nair for the period from 01/04/2018 to 21/06/2018 and Rs.1,94,550/- paid as honorarium and other payments to the Chairman Shri.Adv.A Abdul Rasheed for the period from 21/06/2018 to 31/03/2019 and Rs.2,64,400/- for the period from 01/04/2019 to 31/03/2020.

Particulars	2019-2020 Rupees	2018-2019 Rupees
Honorarium	240,000	2,34,000
Telephone charges	18,000	12,650
Sitting Fee	6,400	1,900
TOTAL	2,64,400	2,48,550



### 18.28 Prior period items

(Errors or omissions in the preparation of financial statements for one or more prior periods)

Particulars	Current Year	Current Year	Previous Year	Previous Year
	(Debit)	(Credit)	(Debit)	(Credit)
	(31.3.2020)	(31.3.2020)	(31.3.2019)	(31.3.2019)
	Rupees	Rupees	Rupees	Rupees
Legal and professional Charges	12,000	-	-	-
Dilip Kumar.M	9,561	-	-	-
Membership subscription	202	-	-	-
Travelling Expense(Staff)	845	-	-	-
CSR expenses	79,000	-	-	-
Cilicant Chem Pvt Ltd	3439	-	-	-
Accord Pharma	353	-	-	-
Mangalore Refineries & petro Chemicals Ltd	-	-	-	12,60,519
S S Enterprises	-	-	5,000	-
Elecon engineers Co.Ltd	-	-	28,461	-
Profit/Loss On Foreign Exchange	-	-	-	2,08,175
ERP-Software(Syon )	1,20,000	-	-	1,20,000
Audit Fee	-	54,000	-	-
Security Deposit-Staff	522	-	-	-
<b>TOTAL</b>	<b>2,25,922</b>	<b>54,000</b>	<b>33,461</b>	<b>15,88,694</b>

### 18.29 Furnace Oil leakage

There was a furnace oil spillage in Travancore Titanium Products Limited on 10-01-2021 at 7.40 am due to an oil line breakage. An estimated amount of 4750 liters of the oil was spilled to the drain. An Emergency Response Team under General Manager (Technical) was employed to recover the spilled oil from the incident point to the discharge point. All solid surface areas were covered with saw dust and scrapped. The spilled oil from the drain was recovered using cloth and employing decantation techniques. The emergency response team also started recovering contaminated sand from the beach in the evening of 10.02.2021 and



throughout the night on to 11/02/2021. All employees of the company along with top officials, participated in the cleaning drive from South Thumpa to Kochuveli area.

Company as an immediate response halted the operations and later resumed to operating the plant at a minimum capacity of 10 tonnes /day and it was further increased to normal 45 MTs after reaching to conciliation and dilution of the tensions with the local people through discussions with participation from Ministers, Corporation Councilors , KSPCB, local authorities etc.

The National Green Tribunal (NGT) filed a suo-motu case against the company vide Original Application -No-71 of 2021 (SZ) on 16.02.2021. The Company has engaged its Standing Counsel M/s. B.S.Krishnan Associates for representing the case and the same is in progress.

**18.30** There are no Micro and Small Enterprises to whom the Company owes dues, outstanding for more than 45 days as on 31<sup>st</sup> March, 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

**18.31** Net Loss /Gain on foreign exchange fluctuations debited to statement of profit and loss amounted to Rs.1,85,154.84 Dr (Previous year Rs.4,92,498.24 Cr).

**18.32** Related party disclosures, as required by Accounting Standard 18. "Related Party Disclosures" notified under section 188 of the Companies Act, 2013 is Nil.

**18.33** An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount. During the year 2019-20 there was no impairment loss on the assets owned by the Company (Previous year NIL).



## 18.34

Particulars	2019-20		2018-19	
	Quantity	Amount	Quantity	Amount
	Tonnes (MT)	Rupees	Tonnes (MT)	Rupees
1) SALES: (a) Titanium Dioxide	10301.07	1,62,03,35,959	11424.45	1844797471
(b) Sulphuric Acid	23886.96	15,50,38,903	25961.70	240079145
(c) Potassium Titanate	10.50	19,69,200	7.97	1824277
2) RAW MATERIALS CONSUMED :	2019-20 Tonnes	2019-20 Rupees	2018-19 Tonnes	2018-19 Rupees
a) Ilmenite	20072.08	28,63,70,134	23921.586	30,74,08,706
b) Sulphur	21705.36	14,06,59,455	25048.43	26,08,81,023
c) Scrap Iron	2394.781	8,30,56,359	3121.17	10,29,91,965
d) Other Materials		3,56,38,823		2,19,63,123

## 18.35 EARNINGS PER SHARE (EPS)

	As on 31.3.2020	As on 31.3.2019
a) Weighted Average number of shares outstanding during the year		
i. For Basic Earnings per share (Number)	13767417	13767417
ii) For Diluted earnings per share(Number)	13767417	13767417
b) Net Profit/(Loss) after tax available for Equity Shareholders (Rupees)	(16,04,41,543)	8,12,86,209
c) Earnings per share – Face value Rs.10/- (Rupees)		
Basic	(11.65)	5.90
Diluted	(11.65)	5.90





<b>18.36 CAPACITY &amp; PRODUCTION</b>		As on 31.3.2020 (MT)		As on 31.3.2019 (MT)
(a) Titanium Dioxide Plant				
Licensed Capacity per annum	24500			24500
Installed Capacity per annum	24500			24500
Actual Production	9950			11665
(b) Sulphuric Acid Plant				
Licensed Capacity per annum		108000		108000
Installed Capacity per annum		99000		99000
Actual Production		66044		77216
Value of Imports during the Year (FOB Value)				
a) Raw Materials		--		1,37,37,167
b) Stores & spares		7,42,922		1,08,49,033
A) Consumption of Raw Materials				
a) Imported		--	--	--
b) Indigenous	100.00%	54,57,24,771	100.00%	69,32,44,817
B) Consumption of Stores and Spares				
a) Imported	0.34%	6,78,982	11.49%	99,59,343
b) Indigenous	99.66%	19,72,83,676	88.51%	7,67,41,879
Expenditure in Foreign Currency:				
a) On Capital		--		--
b) On Others - Foreign Travel		--		--
Foreign Currency earned				
a) by way of Export		7,41,04,500		8,21,97,335
b) Export sales through agent		--		--



### 18.37 Details of Investments

Name of Company	Number of Shares	Purchase Value Rupees	Market Value as on 31/03/2020 Rupees
Apollo Tyres Ltd.	1500	Bonus issue	1,19,100.00
Kerala Enviro Infrastructure Ltd. (1,16,300 fully paid Equity Shares of Rs.10/- each)	116300	11,63,000	Unquoted
Kilburn Chemicals Ltd. (100 Fully paid equity shares of face value of Rs.10/- each)	100	5,204	928.00
Titanium Labour Sahakarana Sangom. (10 Fully paid Equity shares of Rs.100/- each)	10	1,000	Unquoted
Travancore Sulphate (60,000 fully paid equity shares of Rs.10/- each less diminution)	60000	60,000	Unquoted
Aggregate Market Value of quoted			1,20,028.00
Aggregate amount of quoted			5,204
Aggregate amount of unquoted			12,24,000

The entire investment in equity shares of Apollo Tyres Ltd. were sold during 2007-08 and the Company received 1500 equity shares of Rs.10/- each as bonus shares after the sale. As no amount has been invested by the Company in the above bonus shares, their value has not been disclosed under non-current investments.

18.38 As per Accounting Standards (AS) 17 on Segment Reporting, the Company predominately deals with only one product viz. titanium dioxide pigment and the turnovers of other products during the year under audit is insignificant. As such, there are no separate reportable segments as defined by AS-17 (Segment Reporting) issued by the Institute of Chartered Accountants of India.

18.39 There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at 31.3.2020 (Previous year – NIL).

Accounting for Taxes on Income As per Accounting Standard 22.



**18.40 Major Components of Deferred Tax Assets and Liabilities arising are:**

Particulars	Deferred Tax Assets (Liability) Rupees (31.03.2020)	Deferred Tax Assets (Liability) Rupees (31.03.2019)
Obsolete Stores	-	-
Disallowance U/s 43B	-	13,686
Leave Salary	25,99,736	32,60,842
Gratuity	66,57,046	(10,15,590)
<b>TOTAL</b>	<b>92,56,782</b>	<b>22,58,939</b>
Deferred Tax Liability Depreciation	18,05,492	(4,032)
Deferred Tax assets (Liability)	(74,51,290)	(2,62,971)

**18.41 The following are the details of Auditors' Remuneration:-**

Particulars	2019-2020 (Rupees)	2018-2019 (Rupees)
Statutory Audit fees (Inclusive of Tax)	3,54,000	3,54,000
Internal Auditors' fee	3,50,000	2,50,000
<b>TOTAL</b>	<b>7,04,000</b>	<b>6,04,000</b>

**18.42** Trade receivables and Trade payables as on 31.3.2020 are subject to confirmations from the respective parties.

**18.43** Travelling expenses include travelling expenses paid to the Managing Director & Directors amounting to Rs. 12,435/- (previous year Rs. 61,441/-).

**18.44** The cash Flow Statement has been prepared under the "Indirect Method" as set out in accounting standard -3 on Cash Flow Statement issued by the Institute of Chartered accountants of India.

**18.45** The Company had increased its authorised capital from Rs.25,00,00,000/- (Rupees twenty five crores only) divided into 2,50,00,000 Equity shares of Rs.10/- to Rs.50,00,00,000/- (Rupees fifty crores only) divided into 5,00,00,000 Equity shares of Rs.10/- each by further creation of 2,50,00,000 additional equity shares of Rs.10/- at its



71st Annual General Meeting held on 12th September, 2018. The same was approved by the Registrar of Companies Kerala on 22nd October, 2018 on document filed vide SRN H15844848 dt.26.09.2018.

**18.46 Physical Verification of Inventories;** The physical verification of inventories (including Finished Goods, Raw Materials, Works in Progress , other Store items etc) has been carried out by engaging independent auditors M/s. ANANTHAN & SUNDARAM, Chartered Accountants, Thiruvananthapuram on or around 31st March 2020. The differences over book figures in the case of inventories were majorly due to non-posting of consumption entries on time and the difference has been adjusted in consumption in the current year Profit and Loss account. The value of figures may bifurcated as NS(Non Store) items amounting to Rs.3,86,36,609.97/- and Store item amounting to Rs.4,97,76,850.30/- .

#### **18.47 COVID-19**

During March 2020, the COVID-19 pandemic developed rapidly, forcing Central and State Governments to enforce social distancing and lockdowns all over the Country. Company has taken urgent steps to minimise the impact on its operations, with a special focus to Manpower safety. For a continuous process industry like TTPL, sudden changes in the operating environment can have severe impact on operations and overall performance. By making suitable adaptations in the operation schedule, raw material planning, logistics, product despatch and marketing arrangements, TTPL could minimise the impact of COVID-19 .

#### **18.48 Going Concern**

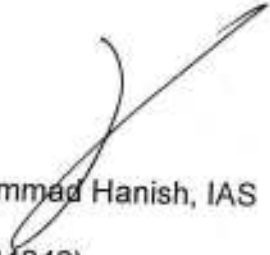
The Company is owned by Government of Kerala. During the year 2020-21 company's provisional net loss is Rs.36.37 crores. The Company has not defaulted in honouring liabilities. The Government of Kerala has provided Rs.21.51 crores in the Kerala budget for the year 2020-21 for the ongoing modernisation program of the company. The proposal for conversion of Government loan into equity and conversion of leased government land to own land of the company is also under the active consideration of the Government. The





Company had received 11.50 crores during 2020-21 from Government of Kerala in connection with various ongoing projects.


Accordingly the financial statement has been prepared on the basis of Going Concern assumption.

For and on behalf of Board of Directors

  
A P M. Mohammed Hanish, IAS  
Chairman  
(DIN No.02504842)

  
Georgee Nihan  
Managing Director  
(DIN No.7635736)

  
S.V Vimal  
Company Secretary  
(Mem.No.F10468)

  
CMA.Sivaprasad.K.M  
Chief Financial Officer  
(M.No.26481)

As per our report of even date attached.  
For SRIDHAR & Co.  
(FNN 0037705)  
Chartered Accountants

  
CA. R. SRINIVASAN  
Partner (M No. 200969)

Thiruvananthapuram  
18-02-2022



UDIN: 22200969AFLDQR+221





**Titanium**

*...make the world a brighter place*

**TRAVANCORE TITANIUM PRODUCTS LIMITED**  
**KOCHUVELI, THIRUVANANTHAPURAM - 695 021**  
**(AN ISO 9001-2015 COMPANY) CIN : U132109KL1946SGC001214**