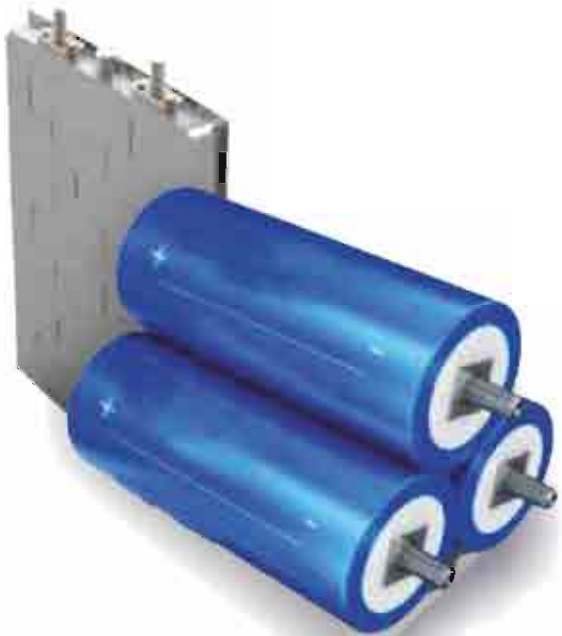




Titanium

...make the world a brighter place

75th ANNUAL REPORT —2021-22—



TRAVANCORE TITANIUM PRODUCTS LIMITED
Kochuveli, Thiruvananthapuram - 695 021
(An ISO 9001-2015 Company) CIN : U13209KL1946SGC001214



**75th
Annual Report
2021-22**

&

**Notice of 75th Annual
General Meeting**

Travancore Titanium Products Limited

(A Government of Kerala undertaking)

Thiruvananthapuram 695021

(An ISO 9001:2015 Company)

CIN : U13209KL1946SGC001214

Corporate Information

BOARD OF DIRECTORS

Shri.APM Mohmmad Hanish IAS
Chairman

Shri.Georgee Ninan
Managing Director

Smt.D. Krishnapriya
Nominee Director

Smt.S. Latha
Nominee Director

Shri.T. S. Ramachandran
Nominee Director

Key Managerial Persons

Shri. K.M. Sivaprasad
CFO

Shri. Vimal S. V.
Company Secretary

Registered Office

Travancore Titanium Products Limited
Kochuveli, Thiruvananthapuram
Kerala, India 695 021

Web : www.travancoretitanium.com
E Mail: mdtravantpl@gmail.com,

Ph: 0471-270 33 99, 270 33 66
Fax: 0471-270 33 77, 270 33 67

STATUTORY AUDITORS

M/s. Dhan & Co.
Chartered Accountants
TC 4/1274, Krishna,
Kuravankonam,
Thiruvananthapuram – 695 003

COST AUDITORS

Shri.N.P.Sukumaran
TC 9/1302, Lekshmi, Temple Road,
Sasthamanagalam,
Thiruvananthapuram

BANKERS

State Bank of India

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TRAVANCORE TITANIUM PRODUCTS LIMITED

(A Government of Kerala Undertaking)

THIRUVANANTHAPURAM

To the Members,

NOTICE OF THE 75th ADJOURNED ANNUAL GENERAL MEETING

NOTICE is hereby given that the 75th Adjournd Annual General Meeting of the Members of Travancore Titanium Products Limited, adjourned *sine die* from 22nd September 2022 will be held at 11.00 A.M. on Tuesday, 11th July 2023 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, 2022 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/remarks of Comptroller and Auditor General of India and Additional Chief Secretary, Finance and the replies thereto and the report of the Board of Directors along with its annexure.

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


Company Secretary

Place : Thiruvananthapuram

Date : 23.05.2023



REGD. OFFICE : KOCHUVELI, THIRUVANANTHAPURAM - 695 021, KERALA, INDIA
Phone : 0471 - 2502748, 2508621, 2500221 Fax : 0471 - 2502724, 2501533, 2501127
CIN : U13209KL1948SGC001214, GST No: 32AAACT8543J1Z9
E - mail : mkting@travancoretitanium.com md@tptltd.in purchase@tptltd.in
Visit us on : www.travancoretitanium.com
Adding Life to Colours

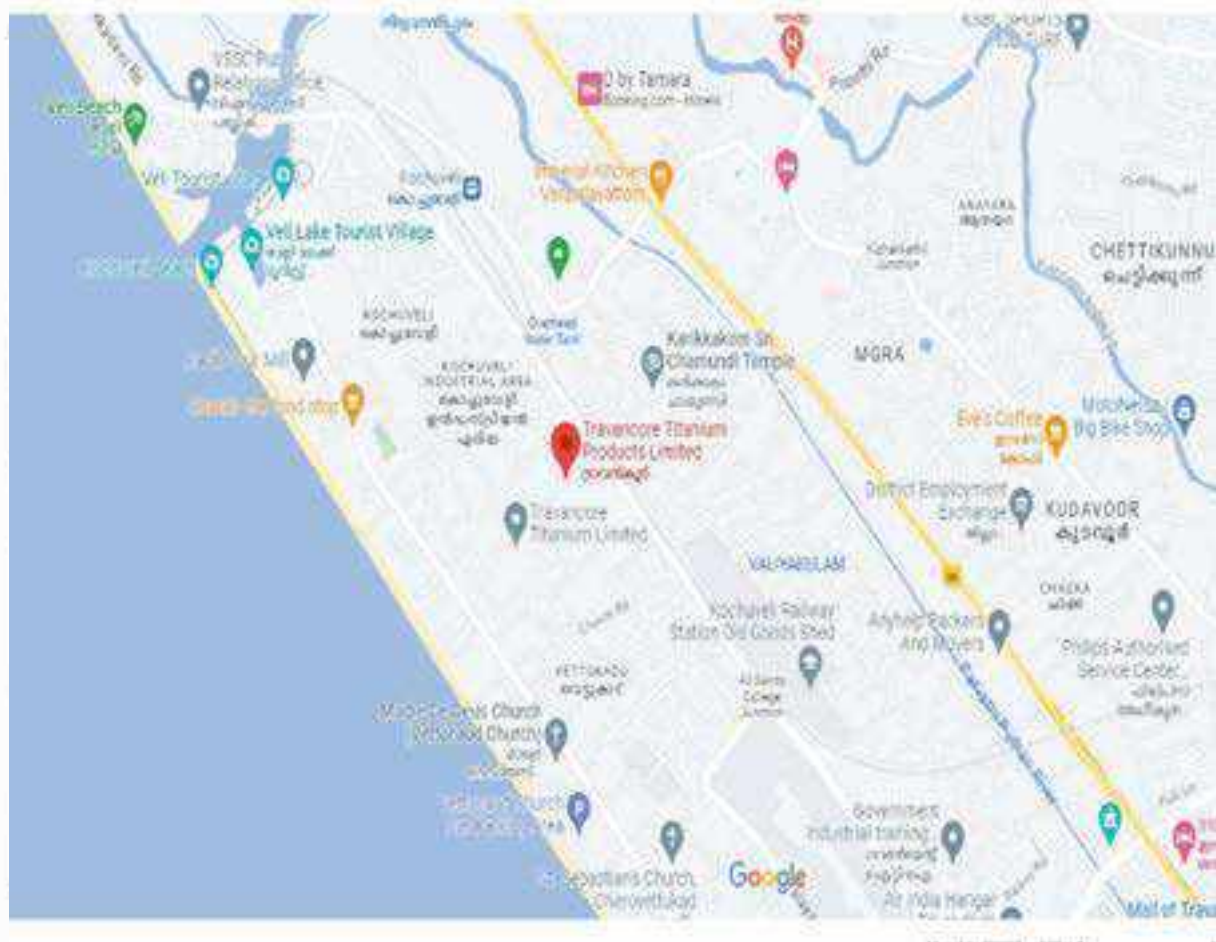
NOTES:

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 75th Annual General Meeting originally held on 22nd September 2022. 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 75th Adjourned Annual General Meeting for the year ended 31st March 2022

I hereby record my presence at the 75th Annual General Meeting of the Members of Travancore Titanium Products Limited, adjourned *sine die* from 22nd Sept 2022, being held at [Time] A.M. on [day], [month] [date], 2023 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.

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 75th Adj Annual general meeting of the Company, adjourned *siue die* from 22nd September 2022, to be held on [Time] A.M. on [day], [month] [date], 2023. at the Registered Office of TIPL, at Kochuveli, Thiruvananthapuram 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 2021-22		

Signed thisday of 2023

Affix
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note : This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



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

CIN: U13209KL1946SGC001214

To : All Shareholders,

NOTICE OF THE 75th ANNUAL GENERAL MEETING

Notice is hereby given that the 75th Annual General Meeting of the members of Travancore Titanium Products Limited will be convened at 10.30AM on Thursday , 22nd day of September , 2022 at the Training Hall Building, Registered Office Premises, Kochuveli, Thiruvananthapuram-695021, to transact the following business:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2022 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
2. Appointment of Statutory Auditors for the FY 2022-23

SPECIAL BUSINESS

3. Ratification of Appointment of Cost Auditors for FY 2022-23

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 2022-23 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 or any 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.”

4. Increase of Authorised Capital of the Company from Rs.50.00Cr. to Rs.100.00 Cr. and consequent amendment to the Memorandum of Association of the Company.

To consider and if thought fit, to pass, with or without modifications the following resolutions as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 13, 61 and all other applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, and subject to such approvals, consents, permission and sanctions as may be required from the appropriate authorities, the consent of the shareholders be and is hereby accorded to increase the authorized share capital of the Company from **Rs.50,00,00,000/-** (Rupees fifty crores only) to **Rs.1,00,00,00,000/-** (Rupees one hundred crores only).”

“RESOLVED FURTHER THAT the clause V of Memorandum of Association of the Company which states that;

V. The authorized share capital of the Company is Rs.50,00,00,000/- (Rupees fifty crores only) divided into 5,00,00,000 (Five crores) shares of Rs.10/- each.

be and is hereby substituted as follows;

V. The authorized share capital of the Company is Rs.1,00,00,00,000/- (Rupees One hundred crores only) divided into 10,00,00,000 (Ten crore only) number of equity shares having a face value of Rs.10/- each, which shall be issued upon such terms and conditions and with such rights and privileges attached thereto as the Board of the Company shall determine in accordance with the Articles of Association of the Company.”

By Order of the Board
Sd/-
Company Secretary

Place :Thiruvananthapuram

Date : 23.08.2022

- 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 2021-22

Pursuant to the provisions of Section 96(1) of the Companies Act, 2013 every company other than One Person Company shall hold its Annual General Meeting within a period of six months from the date of closing of the financial year. 75th Annual General Meeting of Travancore Titanium Products Limited to be held on or before the 30th September 2022. The Agenda of the meeting should be the following business viz.

1. Consideration of the Annual Accounts of the Company relating to the financial year 2021-22.
2. Appointment of Auditors for FY 2022-23.

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 2022-23 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 2021-22, Auditors' Report and the comments thereon by the Comptroller and Auditor General of India.

For and on behalf of the Board of Directors,
Sd/-
Company Secretary

Place :Thiruvananthapuram

Date : 23.08.2022

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

Item No.1: Ratification of Appointment of Cost Auditors for FY 2022-23

The Board of directors at their meeting held on 24.03.2022 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 2022-2023. The

Board of directors approved cost audit fees of Rs.1,00,000/- per annum plus out of pocket expenses for FY 2022-23 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.

Item No. 2: Increase of Authorised Capital of the Company from Rs.50.00Cr. to Rs.100.00 Cr. and consequent amendment to the Memorandum of Association of the Company

The members are informed that the Company has availed various loans from Government of Kerala during the previous years and the outstanding loan amount payable as of 31st March, 2021 amounting to Rs.79,27,40,249/- (Rupees Seventy nine crore twenty seven lakhs forty thousand two hundred forty nine only) including interest (i.e., Rs.42,90,05,868/- Principal and Rs.36,37,34,381/- Interest payable).

The Board of Directors of the Company at their 427th meeting held on 21st July 2022 has decided to make a proposal before the Government of Kerala for the conversion of outstanding loan amounts availed into equity shares of the Company as per Section 62 (3) and (4) of the Companies Act, 2013. The proposal is subject to the sole discretion of the Government of Kerala and the Company is expecting a favourable response in this regards.

Further, if the Government of Kerala accepts the proposal to convert the loan into equity shares of the Company as per Section 62 (3) and (4) of the Companies Act, 2013 the existing authorised share capital of the Company is not sufficient to accommodate the same. The present authorized share capital of the Company is Rs.50,00,00,000/- (Rupees Fifty core) divided into 5,00,00,000 (Five Crore only) equity shares of Rs.10/- each. In order to accommodate further shares subsequent to conversion of loan into equity shares of the Company and also to accept further investment in future the Board of Directors of the Company has decided to enhance the existing authorized share capital to Rs.1,00,00,00,000 (Rupees One Hundred crore only) comprising of 10,00,00,000 (Ten crore) equity shares of Rs.10/- each.

As per section 61 of Companies Act, 2013 increase of authorized capital requires approval of shareholders of the Company and consequent to the increase of authorized capital Memorandum of Association of the Company also need to amend and the same need to be approved by the shareholders of the Company via Special Resolution at the general meeting as per Section 13 of the Companies Act, 2013. Hence this resolution.

The resolution proposed at item No. 4 of the notice for increasing the authorized capital and for making the requisite amendment to the Memorandum of Association of the Company.

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

For and on behalf of the Board of Directors,
Sd/-

Company Secretary

Place :Thiruvananthapuram

Date : 23.08.2022

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 UI3209KLI946SGC001214
Name of the company Travancore Titanium Products Limited
Registered office Kochuveli, Thiruvananthapuram -21

Name of the member (s): Registered address: E-mail Id: Folio No/ Client Id: <input type="checkbox"/> DP ID:
--

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

- Name**
Address
E-mail Id
Signature Or failing him
- Name**
Address
E-mail Id
Signature Or failing him
- Name**
Address
E-mail Id
Signature Or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on ____ day of _____, 2022 at Training Hall Building, Registered Office Premises, Kochuveli, Thiruvananthapuram and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. 1 To Consider and approve the Financial statement of the Company for the FY 2021-22.

Resolution No. 2 Appointment of Auditors for FY 2022-23

Resolution No. 3 Ratification of Appointment of Cost Auditors for FY 2022-23

Signed this

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.

ATTENDANCE SLIP
75th Annual General Meeting held on __, _____, 2022

Name of the member/Proxy in Block Letters:

Folio No.:

No. of shares held:

I certify that I am a member/proxy for the member of the company

I hereby record my presence at the 75th Annual General Meeting of the company on the _____, _____, 2022 at Training Hall Building, Registered Office Premises, Kochuveli, Thiruvananthapuram

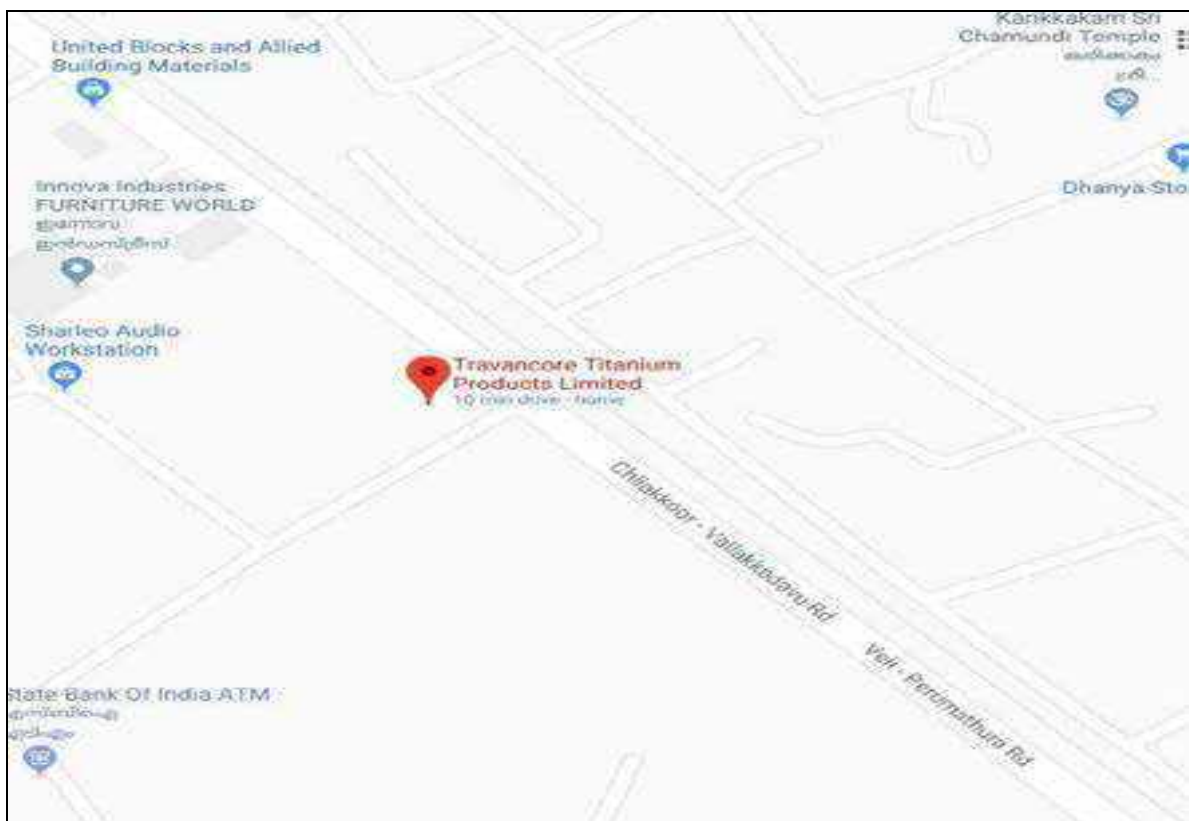
.....
Signature of the Member/Proxy

Note:

Please fill up the attendance slip and hand it over at the entrance of the meeting hall.

Route map of the 75th Annual General Meeting venue

Travancore Titanium Products Limited, Kochuveli, Thiruvananthapuram -21



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 75th (Seventy Fifth) Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2022.

1. FINANCIAL SUMMARY AND HIGHLIGHTS OF THE COMPANY

(Amount in Rs.)

Stand Alone	2021-2022	2020-2021
Revenue	2,38,10,89,409	1,69,10,97,883
Total expenses	2,19,54,54,193	2,32,62,03,879
Profit/ (Loss) before tax	18,56,35,215	(63,51,05,996)
Current Tax	2,54,32,063	3,88,87,123
Deferred tax	(9,63,62,081)	(33,05,092)
Profit/ (Loss) after tax	25,65,65,233	(67,06,88,027)
Share capital	13,76,75,191	13,76,75,191

During the year 2021-22, your Company has earned a Total Revenue of Rs. 2,38,10,89,408/- compared to total revenue of Rs.1,69,10,97,883/- in the previous year 2020-21. However, your Company has reported a Net Profit of Rs.25,65,65,233/- as compared to a Net Loss of Rs.67,06,88,027/- in the Financial Year 2020-2021.

2. DETAILS OF REVISION OF FINANCIAL STATEMENT OR THE REPORT

During the year, Company has not revised its previous year accounts.

3. DIVIDEND

The Company had not declared any dividend during the year.

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION & PROTECTION FUND (IF ANY)

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year

5. AMOUNT PROPOSED TO CARRY TO ANY RESERVES

During the year, Company has not transferred any amount to General reserve of the Company.

6. SHARE CAPITAL

Authorised, Issued and Paid-up Share Capital

The authorized capital of the company is Rs.50,00,00,000/- dividend 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 2021-22.

During the year, the Company has not made any issue or allotment of shares of the Company.

a) Issue of shares or other convertible securities	: Nil
b) Issue of equity shares with differential rights	: Nil
c) Issue of Sweat Equity Shares	: Nil
d) Details of Employee Stock Options	: Nil
e) Shares held in trust for the benefit of employees where the voting rights are not exercised directly by the Employees	: Nil
f) Issue of Debentures, Bonds or any non-convertible securities	: Nil
g) Issue of warrants	: Nil

7. STATE OF COMPANY'S AFFAIR

The main objective of the Company is to carry on the business;

- (1) To promote the production and use of Titanium, zinc, lead and other metals or their compounds, derivatives and alloys and in particular Titanium pigments, composite pigments and all other pigments.
- (2) To carry on all kinds of research work incidental or relating to the production and use of Titanium, zinc, lead and other metals and their alloys and compounds and prepare for market all such articles and things, and generally to carry on all kinds of metallurgical operations.
- (3) To carry on the business of manufacturing chemists and of manufacturers, producers of and dealers in sulphuric and other acids, alkalies and chemicals and chemical substances of every description.
- (4) To explore, erect, exercise, develop, finance, and turn to account all kinds of processes for the production of Titanium, zinc, lead and other metals and their compounds and alloys and all kinds of plant and machinery for the production of

the same and for any such purpose to buy or otherwise acquire buildings, plant, machinery, appliances and tools.

- (5) To search for, prospect, examine and explore mines and ground in any part of India and to obtain information in regard to mines, mining claims, mining districts and localities; to acquire, take on lease or concession or otherwise to acquire any interest therein, and to hold, sell, dispose of and deal with any property supposed to contain Titanium, zinc, lead or other metals or minerals and undertakings connected therewith.
- (6) To carry on the business of roasters, smelters, refiners, rollers, galvanisers and manufacturers of and dealers in Titanium, zinc, lead and other metals and all byproducts thereof.
- (7) To institute, enter into, carry on, assist or participate in such mining, metallurgical manufacturing, agricultural, commercial, industrial and other operations, trades, businesses and undertakings as may seem to the Company capable of being conveniently carried on in connection with any of the objects of the Company or which may be calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.

8. CHANGE IN THE NATURE OF BUSINESS

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

9. 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.

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

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

11. (A) DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Company has no subsidiary / Joint Venture or Associate Companies.

(B) REMUNERATION RECEIVED BY MANAGING/WHOLE TIME DIRECTOR FROM HOLDING OR SUBSIDIARY COMPANIES

The Company has no subsidiary / Joint Venture or Associate Companies; hence it is not applicable to the Company.

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

The Company has no subsidiary / Joint Venture or Associate Companies; hence consolidation of financial statements is not applicable to the Company.

13. THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

During the previous year Company has no Subsidiary / Joint Venture or Associate Companies; hence it is not applicable to the Company.

14. ANNUAL RETURN

Company has published the annual return on website of the Company and members can view the same on following web-link <http://www.travancoretitanium.com/finance/>

15. DETAILS OF DEPOSITS COVERED UNDER COMPANIES ACT, 2013

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.

If Company accepts deposits, below are the details:

a) Amount of Deposits Accepted During the Year:	:	NIL
b) Amount remained unpaid or unclaimed as at the end of the year;	:	NIL
c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:		
i. at the beginning of the year	:	NIL
ii. maximum during the year	:	NIL
iii. at the end of the year	:	NIL
iv. the details of deposits which are not in compliance with the requirements of Chapter V of the Act	:	NIL

16. DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE ACT

Not applicable.

17. CREDIT RATING OF SECURITIES

Not Applicable

18. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year 2021-22, following changes were occurred in the constitution of board of directors of the Company.

Sl. No.	Name of the Director/ Key Managerial Person	Date of board meeting in which the change occurred/Date of Appointment	Type of change
1	Mr.Manoharan P.V	18/05/2021	Cessation of office as Director
2	Adv.Alihassan Pillai Abdul Rasheed	13/07/2021	Cessation of office as Director
3	Mr.Acharath Parakat Mahalil Mohamed Hanish	13/07/2021	Appointed as Nominee Director
4	Ms. Sarasamma Latha	13/07/2021	Appointed as Nominee Director
5	Mr.Navaneeth Kumar	13/07/2021	Cessation of office as Director
6	Mr. Sivaprasad K.M.	27/07/2021	Appointed as Chief Financial Officer of the Company
7	Mr. S.V.Vimal	17/08/2021	Appointed as Company Secretary of the Company

The board of directors/ Key Managerial Persons as on financial year ended 31st March 2022 was;

Sl. No.	Name of the Director/Key Managerial Person	Designation
1	Mr.Georgee Ninan	Managing Director
2	Ms.Usha K S	Nominee Director
3	Mr.Acharath Parakat Mahalil Mohamed Hanish	Chairman & Nominee Director
4	Ms. Sarasamma Latha	Nominee Director
5	Mr. Sivaprasad K.M.	Chief Financial Officer
6	Mr. S.V.Vimal	Company Secretary

The following changes were also occurred in the Board of Directors of the Company after the closure of Financial Year 2021-2022,

Sl. No.	Name of the Director	Date of board meeting in which the change occurred/Date of Appointment	Type of change
1	Ms.Usha K.S	25/07/2022	Cessation of office as Director
2	Mr.Ahammed Kabeer Yonus Kunju	19/08/2022	Appointed as Nominee Director
3	Mr. Ram Chandran Thoppil Subramaniasarma	12/08/2022	Appointed as Nominee Director

19. (a) NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year under review the Board of Directors met 6 times. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013. The details of meeting and its attendance is mentioned below;

Sl No	Date of Board Meeting	No of directors entitled to attend	No of directors attended
1	27 th July, 2021 [421 st BM]	4	4
2	26 th August, 2021 [422 nd BM]	4	4
3	6 th September, 2021 [423 rd BM]	4	3
4	28 th October, 2021 [424 th BM]	4	4
5	18 th February, 2022 [425 th BM]	4	3
6	24 th March, 2022 [426 th BM]	4	4

20. COMPOSITION OF COMMITTEES CONSTITUTED UNDER THE ACT, IF ANY.

During the year 2021-22, Company has re-constituted Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee as per the applicable provisions of Companies Act, 2013 and details of the same were detailed below;

(A) Audit Committee

Sl. No.	Name of the Members	Designation
1	Mr.Acharath Parakat Mahalil Mohamed Hanish	Chairman & Member
2	Mr.Georgee Ninan	Member
3	Ms.Usha K S	Member
4	Ms. Sarasamma Latha	Member

Sl. No	Date of Audit Committee Meeting	No of directors entitled to attend	No of directors attended
1	26 th October, 2021	4	3

2	4 th February, 2022	4	3
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(B) Nomination & Remuneration Committee

Sl. No.	Name of the Director/Key Managerial Person	Designation
1	Mr.Acharath Parakat Mahalil Mohamed Hanish	Chairman & Member
2	Mr.Georgee Ninan	Member
3	Ms. Sarasamma Latha	Member

Sl. No	Date of Nomination & Remuneration Committee Meeting	No of directors entitled to attend	No of directors attended
1	26 th August, 2021	3	3

(C) Corporate Social Responsibility Committee

Sl. No.	Name of the Director/Key Managerial Person	Designation
1	Mr.Acharath Parakat Mahalil Mohamed Hanish	Chairman & Member
2	Mr.Georgee Ninan	Member
3	Ms. Sarasamma Latha	Member

Sl. No	Date of Corporate Social Responsibility Committee	No of directors entitled to attend	No of directors attended
1	22 nd October, 2021	3	3

21. STATEMENT OF ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS HAS BEEN MADE

Not Applicable

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Not Applicable

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year 2021-22 Company had done business dealings with other Government companies in which directors of the Company are interested pursuant to Section 188 of the Companies Act, 2013. The company has obtained approval from the Board of Directors of the Company via resolution in Board meeting for transaction with two companies and being the transactions are between Government companies prior approval from shareholders is not required.

24. 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 State Government and Company has written to Government of Kerala to appoint Independent Directors and to comply the statutory requirements. We are still waiting for the Government decision on the matter.

25. COMPOSITION OF AUDIT COMMITTEE UNDER SECTION 177 OF COMPANIES ACT, 2013.

The provisions of Section 177 of the Companies Act, 2013 with respect to constitution of Audit Committee is applicable to the company and constituted Audit Committee to the Board. However, due to the non-appointment of Independent Directors to the Board, Company has constituted the Committee without Independent Directors in the Committee.

Sl. No.	Name of the Members	Designation
1	Mr.Acharath Parakat Mahalil Mohamed Hanish	Chairman & Member
2	Mr.Georgee Ninan	Member
3	Ms.Usha K S	Member
4	Ms. Sarasamma Latha	Member

Sl. No	Date of Audit Committee Meeting	No of directors entitled to attend	No of directors attended
1	26 th October, 2021	4	3
2	4 th February, 2022	4	3

26. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES UNDER SECTION 177 (9) OF THE COMPANIES ACT, 2013

The provisions of Section 177(9) of the Companies Act, 2013 with respect to establishment of Vigil Mechanism is not applicable to the Company.

27. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178.

The provisions of Section 178 of the Companies Act, 2013 was applicable to the Company and company has constituted a Nomination Remuneration Committee to the Board. However, due to the non-appointment of Independent Directors to the Board,

Company has constituted the Committee without Independent Directors in the Committee.

Nomination & Remuneration Committee

Sl. No.	Name of the Director/Key Managerial Person	Designation
1	Mr.Acharath Parakat Mahalil Mohamed Hanish	Chairman & Member
2	Mr.Georgee Ninan	Member
3	Ms. Sarasamma Latha	Member

Sl. No	Date of Nomination & Remuneration Committee Meeting	No of directors entitled to attend	No of directors attended
1	26 th August, 2021	3	3

28. CORPORATE SOCIAL RESPONSIBILITY

During the year 2020-21, Company incurred a Net Loss before tax of Rs.63,49,31,131.95. However, as per Rule 3 (2) of The Companies (Corporate Social Responsibility Policy) Rules, 2014 during the three consecutive financial years Company is not ceases to be a company covered under subsection (1) of section 135 of the Act. Therefore, during the year 2021-22 Company is required to constitute Corporate Social Responsibility Committee pursuant to Section 135 (1) of the Companies Act, 2013 and comply the provisions of Section 135 (5) Companies Act, 2013.

However, during the year 2021-22 while computing CSR Obligation of the Company pursuant to Section 135(5) of the Companies Act, 2013, the average net profit for the past three financial years and Two percentage of average net profit of the company comes to negative value, therefore Company is not required to spend any amount towards the CSR expenditure of the Company for the FY 2021-22.

29. MANAGERIAL REMUNERATION

During the year 2021-22 Company has paid remunerations to the following Persons;

Sl. No	Name of the Director/ Key Managerial Person	Designation	Remuneration Paid
1	Mr.Georgee Ninan	Managing Director	Rs.19,25,000/-
2	Mr.Sivaprasad K.M.	CFO	Rs.15,43,000/-
3	Mr.Vimal S.V	Company Secretary	Rs.6,01,950/-

30. STATUTORY AUDITORS

The Statutory Audit of the Company for the FY 2021-22 were done by M/s. Dhan & Co, Chartered Accountants, TC 4/1274, Krishna, Kuravankonam, Trivandrum, Kerala, India, 695003. They were appointed as statutory Auditors of the Company for the Financial Year 2021-2022 at the 74th AGM held on 30th September, 2021 upon the

recommendation of Comptroller and Auditor General of India vide their letter No.CA.V/COY/Kerala/ TRTITN (1)/1779 dt. 23.09.2021.

31. DETAILS OF EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITOR IN HIS REPORT UNDER CLAUSE 134 (3) (F) (I)

The Statutory Auditors of the Company were made qualifications to their report for the year ended 2021-2022 and replies to the same by Directors of the Company were attached as Annexure to this report.

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

32. DETAILS OF EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE COMPANY SECRETARY IN PRACTICE IN HIS SECRETARIAL AUDITOR REPORT

Pursuant to the provisions of Section 204 of Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, Secretarial Audit is not applicable to the Company.

33. MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013.

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 27th July, 2021 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 2021-2022 and Central Government has approved their appointment. The Cost Auditors were submitted their report to the Company on 27th September, 2022 and the Annexures to their report were approved by the Board of Directors on 23rd August, 2022.

34. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

Nil

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

A necessary internal control system has been implemented by the company

36. PARTICULARS OF EMPLOYEES

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

37. COMMITTEE FOR PREVENTION OF SEXUAL HARASSMENT

The Company has constituted committee under the sexual harassment of women at workplace (prevention, prohibition and Redressal) Act, 2013 and complied with the provisions of the same.

The Company is committed to provide a safe and conducive work environment to its employees during the financial year. Your Directors state that during the financial year, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

38. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The information on conservation of energy, technology absorption stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 (3) of The Companies (Accounts) Rules, 2014-:

(A) Conservation of energy-	
(i) the steps taken or impact on conservation of energy:	Following savings were made by the company by adoption of various steps for conservation of energy during the year under review: - (i) Replaced around 90 no's of 75W ceiling fan with 30W BLDC fan and saved around 21,060 units of electricity and thereby saved around Rs. 1,36,890/- (ii) Replaced around 103 no's of flood lights/street light fittings (400W/250W/125W) with LED floodlights/bulbs/tubes (150/100/50/45W) and saved around 54,315 units of electricity and thereby saved around Rs, 3,47,198 /-

	<ul style="list-style-type: none"> (iii) Replaced around 700 no's of incandescent bulbs/CFL/tube light fittings (40W) with LED bulbs/tubes (20/18W) and saved around 1,07,715 units of electricity and thereby saved around Rs. 7,00,148/- (iv) Saved around 30,370 electricity units through replacement of standard motors with 19 no's energy efficient motors IE3 equivalent and saved an amount of Rs. 1,97,405/- (v) Provided Variable frequency drive for post precipitation filter pump motor and saved around 14,400 electricity units and thereby saved an amount of Rs, 93,600/- (vi) Saved an amount of Rs. 1,75,081/- through prompt payment incentive on payment of electricity bill. (vii) Saved an amount of Rs. 17,32,938/- in electricity bill through power factor incentive. (viii) Reduction in the use of KSEB power through open access power purchase and saved an amount of Rs. 4,82,711/- <p>Total savings for the year 2021-22 is Rs. 38,65,971/-</p>
<p>(ii) the steps taken by the company for utilizing alternate sources of energy:</p>	<ul style="list-style-type: none"> (i) Cogeneration project:- Work Order was awarded on 18.04.2022 with M/s Green Secure Power Systems to supply erection and commissioning of cogeneration project from which we could generate 110 KW of electricity from steam produced from the Waste Heat Boiler in the Sulphuric Acid Plant. (ii) Installation of 1.5 MW solar power

	plant inside TTPL campus by utilizing the concrete roof top area and 3 acres land (in and around the 5 acres area) through M/s ANERT.
(iii) the capital investment on energy conservation equipments:	Nil
(B) Technology absorption-	
(i) the efforts made towards technology absorption:	<p>Areas in which R&D work is carried out in the company are as follows:</p> <p>a) Road Marking Paint: This is a quick drying, hot applied thermoplastic compound. Easy to apply. Suitable for use on concrete, bituminous road and runway surfaces. 71,650 Mt sold in the market.</p> <p>b) Concrete bricks & Tiles: High strength and low cost Concrete bricks and tiles are made from solid concrete with the addition of ilmenite waste from TiO₂ manufacturing process. 25,000 bricks produced. 31,000 sqft interlock tiles produced.</p> <p>c) Catalytic Grade TiO₂: High surface area ultrafine TiO₂ powder. Low contents in sodium, potassium and iron. Specially designed for air purification applications. DeNO_x Stationary Catalysis - Power Plants. DeNO_x Auto Mobile Catalysis - Diesel, Claus Catalysis etc. It also finds application in Colored pigments, Electronics etc. DPR submitted in 2020-21 and approved in 2021-22.</p> <p>d) Coloured Inorganic Pigments: They are high temperature coloured pigments; can be used in High temperature applications such as coil</p>

	<p>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 in 2019-20, submitted in 2020-21 and approved in 2021-22.</p> <p>e) Pearlescent Pigment: 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. DPR was prepared & submitted to the Govt. DPR approved in 2021-22.</p> <p>f) Pigment Grade Iron Oxides: 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.</p> <p>g) Nano Titanium Dioxide: Ultrafine TiO₂ 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</p>
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	<p>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 in the market based on order.</p> <p>h) Lithium Titanate: $\text{Li}_4\text{Ti}_5\text{O}_{12}$ (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. MOU signed with KSIDC, We have supplied 50kg material to VSSC for the battery development.</p> <p>i) Alternative material for reduction (Cast iron): 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. Successfully completed plant trials.</p> <p>j) Conductive Pigments: conductive pigments are useful materials particularly in paints, coatings, printing inks, floor covering, antistatic or dissipative articles, Plastics. Product produced and supplied to VSSC.</p> <p>k) Lithium iron phosphate: (LiFePO_4), also known as LFP, is a cathode</p>
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	<p>material used in lithium ion (Li-ion) batteries. Its primary applications are electric vehicles (EV) and distributed energy storage. Initial studies started and achieved reasonable quality in lab trial.</p> <p>l) Sanitizer: Started production in the sanitizer plant. Started sales in the domestic market, internal use and medical service corporation.</p> <p>m) Hand wash: Sales started</p> <p>n) Electrochemical reduction: During TiO₂ production, scrap iron used for the reduction of ferric sulphate. Electrochemical reduction can be used for reduction of ferric to ferrous iron. Conducted lab trials.</p>
(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 like iron oxide and concrete bricks will results in solving the severe pollution problem presently face by the company. Products like Lithium titanate and Lithium Ferro phosphate will facilitate e-mobility.
(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	<p>a. Capital : Nil</p> <p>b. Recurring : Rs.42,78,622/-</p> <p>c. Total : Rs. 42,78,622/-</p>

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO: Foreign Currency earned by way of Export is Rs.1,41,16,574/- & Foreign Currency outgo by way of import is Rs. 1,46,01,108/-

39. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the element of risk threatening the Company's existence is very minimal.

40. COMPLIANCE WITH RESPECT TO SECRETARIAL STANDARDS ISSUED BY INSTITUTE OF COMPANY SECRETARIES OF INDIA CONSTITUTED UNDER SECTION 3 OF THE COMPANY SECRETARIES ACT, 1980 (56 OF 1980)

Company has complied the compliance requirement applicable with respect to the secretarial standards issued by Institute of Company Secretaries of India constituted under section 3 of the company secretaries act, 1980 (56 of 1980).

41. FAILURE TO IMPLEMENT ANY CORPORATE ACTION.

Nil

42. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

During the year there are no proceedings pending under Insolvency and Bankruptcy Code, 2016

43. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

Nil

44. 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 2022, 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, 2022 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 2021-22 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.

45. ACKNOWLEDGEMENTS

Your Directors acknowledge the gratitude and wishes to place on record its appreciation for dedication and Commitment of your Company's Employees at all levels, which has continued to be our major strength. Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functions and areas as well as the efficient utilization of Companies resources for sustainable and profitable growth.

Your Directors also thank the shareholders, customers, business partners, bankers, and other stakeholders for their confidence in Company and its management and look forward for their continuous support.

For and on Behalf of the Board of Directors

Sd/-

Acharath Parakat Mahalil Mohamed Hanish

Chairman

DIN: 02504842

Place: Trivandrum

Date: 23.05.2023

ANNEXURE

ANNUAL REPORT ON CSR ACTIVITIES FOR THE YEAR ENDED 31ST MARCH,
2022

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

1. Brief outline on CSR Policy of the Company:

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. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. A.P.M. Mohamed Dhanish	Chairman of the Committee	1	Nil
2	Mr. Georgee Ninan	Member	1	1
3	Ms. Latha S	Member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.:

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable : Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sl. No.	Financial year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
		Nil	Nil
	Total		

6. Average net profit of the company as per section 135(5).

Sl. No.	Particulars	Amount (Rs.)
1	Net Profit before Tax for financial year 2020-2021	(63,49,31,131.95/-)
2	Net Profit before Tax for financial year 2019-2020	(6,86,67,385.18)/-
3	Net Profit before Tax for financial year 2018-2019	8,05,85,864.35/-
	Total Net Profits for the past three financial years	(62,30,12,352.19)
	Average Net Profits for the past three financial years	(20,76,70,884.26)

7.

a)	Two percent of average net profit of the company as per section 135(5)	(Rs.41,53,417.69/-)*
b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
c)	Amount required to be set off for the financial year,	Nil
d)	Total CSR obligation for the financial year (7a+7b-7c).	Nil

*The average net profit for the past three financial years and two percentage of average net profit of the company comes to negative value, therefore during the 2021-22 Company is not required to spend any amounts towards CSR Expenditure.

8. (a) CSR amount spent or unspent for the financial year.

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount.	Date of transfer
Nil	Nil	NA	NA	NA	NA

8. (b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the Project.		Project Duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number.
	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Total											

8. (c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount Spent for the project (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number.
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Total					NA			

d)	Amount spent in Administrative Overheads.	Nil
e)	Amount spent on Impact Assessment, if applicable.	Nil
f)	Total amount spent for the Financial Year (8b+8c+8d+8e)	Nil
g)	Excess amount for set off, if any	Nil

Sl. No.	Particular	Amount (in Rs.)
1	Two percent of average net profit of the company as per section 135(5)	(Rs.41,53,417.69/-)*
2	Total amount spent for the Financial Year	NA
3	Excess amount spent for the financial year [(ii)-(i)]	Nil
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
1	NA	Nil	NA	Nil			Rs. 29,38,789.03
	Total						

9. (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in The reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
NA	NA	NA	NA	NA	NA	NA	NA	NA
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details).

a)	Date of creation or acquisition of the capital asset(s).	NA
b)	Amount of CSR spent for creation or acquisition of capital asset.	NIL
c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc	NA
d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

During the year Company has not required to spend any amount towards CSR Expenditure of the Company. However, Due to delay in finalization of accounts for the year 2020-2021, Company could not spend the exact amount applicable under Section 135(5) of the Companies Act, 2013 towards CSR expenditure for the year 2020-2021. However the unspent amounts towards previous financial years were not spent by the company in the current financial year.

Sd/-

Chairman

ACHARATH PARAKAT MAHALIL MOHAMEDHANISH

DIN: 02504842

Chairman of the CSR Committee

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2022

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

I. REGISTRATION & OTHER DETAILS:		
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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

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			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
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SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NIL				

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-2021]				No. of Shares held at the end of the year [As on 31-March-2022]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
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%
Sub Total (A) (1)	-	13,430,564	13,430,564	97.55%	-	13,430,564	13,430,564	97.55%	0.00%
(2) Foreign									
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%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%

TOTAL (A)	-	13,430,564	13,430,564	97.55%	-	13,430,564	13,430,564	97.55%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	5	5	0.00%	-	5	5	0.00%	0.00%
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 coeporate	-	192,298	192,298	1.40%	-	192,298	192,298	1.40%	0.00%
Sub-total (B)(1):-	-	332,035	332,035	2.41%	-	332,035	332,035	2.41%	0.00%
2. Non-Institutions									
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%
Sub-total (B)(2):-	-	4,818	4,818	0.03%	-	4,818	4,818	0.03%	0.00%
Total Public (B)	-	336,853	336,853	2.45%	-	336,853	336,853	2.45%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	-	13,767,417	13,767,417	100.00%	-	13,767,417	13,767,417	100.00%	0.00%

(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 shares	No. of shares	% of total shares
1	At the beginning of the year	01.04.2021		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	31.03.2022		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	Peerless General Finance Investment						
	At the beginning of the year	01.04.2021		192,228	1.40%	192,228	1.40%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2022		192,228	1.40%	192,228	1.40%
2	Kerala State Industrial Development Corporation						
	At the beginning of the year	01.04.2021		139,732	1.01%	139,732	1.01%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2022		139,732	1.01%	139,732	1.01%
3	Kanthimathy.L						
	At the beginning of the year	01.04.2021		220	0.00%	220	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2022		220	0.00%	220	0.00%
4	Alaxandar P.J. IPS						
	At the beginning of the year	01.04.2021		205	0.00%	205	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2022		205	0.00%	205	0.00%
5	Menon.M.C						
	At the beginning of the year	01.04.2021		200	0.00%	200	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2022		200	0.00%	200	0.00%
6	Ravindranathan Nair.K						
	At the beginning of the year	01.04.2021		165	0.00%	165	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2022		165	0.00%	165	0.00%
7	Balachandran.M						
	At the beginning of the year	01.04.2021		100	0.00%	100	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2022		100	0.00%	100	0.00%

8	Hema.M.S						
	At the beginning of the year	01.04.2021		100	0.00%	100	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2022		100	0.00%	100	0.00%
9	Mohanchand.R						
	At the beginning of the year	01.04.2021		100	0.00%	100	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2022		100	0.00%	100	0.00%
10	Subramoniam.P						
	At the beginning of the year	01.04.2021		100	0.00%	100	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2022		100	0.00%	100	0.00%

(v) 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	Georgee Ninan						
	At the beginning of the year	01.04.2021		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2022		-	0.00%	-	0.00%
2	Usha Kunchuveedu Sreedharan Pillai						
	At the beginning of the year	01.04.2021		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2022		-	0.00%	-	0.00%
3	Acharath Parakat Mahalil Mohamed Hanish						
	At the beginning of the year	01.04.2021		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2022		-	0.00%	-	0.00%
4	Sarasamma Latha						
	At the beginning of the year	01.04.2021		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31.03.2022		-	0.00%	-	0.00%

V. INDEBTEDNESS

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

(Amt. Rs.Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	556.98	4,718.19	-	5,275.17
ii) Interest due but not paid	-	3,618.57	-	3,618.57
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	556.98	8,336.76	-	8,893.74
Change in Indebtedness during the financial year				
* Addition	120.33	-	-	120.33
* Reduction	-	401.57	-	(401.57)
Net Change	120.33	401.57	-	(281.24)
Indebtedness at the end of the financial year				
i) Principal Amount	677.31	4,297.23	-	4,974.54
ii) Interest due but not paid	-	3,637.96	-	3,637.96
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	677.31	7,935.19		8,612.50

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 (Rs. In Lakhs)
		Name		
		Mr.Georgee Ninan		
		Managing Director		
1	Gross salary	20.70		20.70
	(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)	20.70	-	20.70
	Ceiling as per the Act			

B. Remuneration to other Directors

SI No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr.Acharath Parakat Mahalil Mohamed Hanish	Ms.Usha Kunchuveedu Sreedharan Pillai	Ms.Sarasamma Latha	(Rs. In Lakhs)
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	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	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
		Mr.Sivaprasad	Mr.S.V.Vimal		(Rs. In Lakhs)
	Designation	CEO	CFO	CS	
1	Gross salary		16.29	6.02	22.31
	(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	-	-	-	-
	(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	-	16.29	6.02	22.31

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)
A. COMPANY : NIL					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS :					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT : NIL					
Penalty					
Punishment					
Compounding					

For Travancore Titanium Products Limited

Sd/-

ACHARATH PARAKAT MAHALIL MOHAMEDHANISH

DIN : 02504842

Chairman and Director

DHAN & CO.
CHARTERED ACCOUNTANTS
FRN 000740S

T.C 4/1274
"KRISHNA"
KURAVANKONAM
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INDEPENDENT AUDITOR'S REPORT

To

The Members of Travancore Titanium Products Ltd.
Kochuveli
Thiruvananthapuram - 695 021.

Report on the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of **Travancore Titanium Products Limited, Kochuveli, Trivandrum - 695 021** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2022 and its Profit and cash flows for the year ended on that date.

Basis for Qualified Opinion

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 of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirement that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our Qualified Opinion on the financial statements.

1. Note 1 – Share Capital

- (i) Note 1 – Share Capital – Authorized refers to Note 18.45 under Significant Accounting Policies and notes on financial statement. However, Note 18.45 (in page 22) relates to previous year's figure being regrouped/rearranged wherever necessary and rounded off to nearest rupees, and not share capital authorized.
- (ii) Promoter's Contribution has not been disclosed as per the amended Schedule III.
- (iii) Under 'Reconciliation of Share Capital', the value of 13767417 shares with face value of Rs.10.00 is Rs.1376.74 lakhs, but has been shown as Rs.137.67 lakhs.
- (iv) In the column headings of Details of share holding more than 5% of shares read 'Ast at 31.03.2022' and 'Ast at 31.03.2021'.

2. Note 3 – Non-current liabilities – Long Term Borrowings

Loans and advances from related parties have not been disclosed.



3. Note 4 – Deferred tax liability (Net)

- (i) The figure of disallowance u/s 43B has been shown upto 3 decimal points which is not uniform with other figures shown upto 2 decimal points.
- (ii) Deferred tax Asset (Net) in Note 4 in the face of balance sheet as at 31.03.2022 is Rs.1071.18 lakhs but has been disclosed as Rs.1071.00 lakhs in Note 4, the net deferred tax (A – B). The total of the figures in Note 4 is Rs.1071.18 lakhs but shown as Rs.1071.00 lakhs.

4. Current Liabilities Note 4(a) – Other Non Current Liabilities

- (i) Pay revision arrear of Rs.384687371.00 (Rs.3846.87 in lakhs) and Govt. of Kerala production service charges Rs.698776350.00 (Rs.6987.76 in lakhs) which are current liabilities have been shown in Note 4(a) - other noncurrent liabilities, due to which Other Non Current Liabilities in Note 4(a) has been overstated by Rs.1083463721.00 (Rs.10834.64 in lakhs) and Other Current Liabilities in Note 7 understated to that extent.
- (ii) There is a casting error of Rs.0.01 lakhs in Note 4(a) Other Current Liabilities for the year 2021-22, as the correct total of Rs.10834.63 in lakhs is shown as Rs.10834.64 lakhs.

5. Current Liabilities - Note 6(a) – Short Term Borrowings

- (i) The aggregate amounts of loans guaranteed by directors or others under each head has not been disclosed.
- (ii) The period and amount of default in repayment of loans and interest as on the balance sheet date has not been disclosed.

6. Note 6(b) – Trade payables

- (i) The Company has not disclosed the following u/s 22 of Micro Small and Medium Enterprises Development Act, 2006 ie. Principal amount

remaining unpaid to MSME Suppliers, interest due on unpaid principal amount to MSME suppliers, and interest accrued and remaining unpaid as on 31st March, 2022, the interest paid and payments made to the MSME suppliers beyond appointed date and the interest due and payable for the year (without adding the interest under MSME Development Act).

- (ii) The total of Rs.1062.78 lakhs of previous year's column is incorrectly shown as Rs.1062.77 in lakhs.
- (iii) Trade payables are subject to reconciliation and confirmation from the respective parties.
- (iv) In Note 18.55, the total of age-wise classification of Rs.113.01 lakhs is shown as Rs.113.00 lakhs.

7. Note 7 – Other Current Liabilities

- (a)(i) In Sl. No.12 & 13 loan from Government of Kerala – Principal and loan from Government of Kerala, the interest accrued of Rs.3637.96 lakhs has been calculated adopting simple interest rate in contravention of G.O.(MS) No.169/2018/Fin dt 16.05.2018 of Finance (Public undertaking) revising the interest for Government organizations including public sector undertaking to compound interest of 9.5% annually. Due to this, interest and penal interest have been short accounted by Rs.159319254.00 (Rs.1593.19 in lakhs) from 16.05.2018 to 31.03.2022 ie. prior period interest of Rs.83685218.00 (Rs.836.85 in lakhs) [from 16.05.2018 to 31.03.2021] and current year's interest of Rs.75634036.00 (Rs.756.34 in lakhs).

Consequently, the profit for the year has been overstated by Rs.159319254.00 (Rs.1593.19 in lakhs) and in Note 7 Sl. No.13 loan

from Govt. of Kerala interest accrued has been understated by that extent.

(b) Sl. No.5 Expense payable

Expense payable of Rs.223374212.00 (Rs.2233.74 in lakhs) includes outstanding expense payable of Rs.190618232.00 (Rs.1906.18 in lakhs) imposed by the Joint Director General of Foreign Trade and payable to EPCG for non compliance of export obligation performance, and consists of penalty of Rs.147783689.00 (Rs.1477.84 in lakhs) and 15% interest upto 31.03.2019. As the amount provided was not paid as on 31.03.2022, ie. Rs.99288272.00 (Rs.992.88 lakhs) consisting of prior period interest of Rs.61474380.00 (Rs.614.74 in lakhs) and current year's interest of Rs.37813892.00 (Rs.378.14 in lakhs) ought to have been provided.

Consequently, profit for the year has been overstated by Rs.99288272.00 (Rs.992.88 lakhs) and expense payable under note 7 has been understated to that extent, apart from non-compliance with AS-5.

(c) Service charge payable to RIAB

According to G.O.(MS) No.103/2010/ID dt 30.04.2010 and Circular No.23081/Hi/2009/ID dt 18.12.2009 of Industries (H) Department, Trivandrum, service charges are payable to RIAB at 0.1% of the Company's turnover which was Rs.2381089408.00 (Rs.23810.89 in lakhs) ie. exceeded Rs.25 crores, during the financial year 2021-22. As such Rs.2381089.00 (Rs.23.81 in lakhs) ought to have been provided as service charges to RIAB. The non-provision has resulted in the profit for the year being overstated by Rs.2381089.00 (Rs.23.81 in lakhs) and expenses payable - service charge payable to RIAB also being understated by that extent.



(d) Amount payable to Varma & Varma, Chartered Accountants

In its 424th meeting the Board of Directors, approved the quoted rate of Rs.10 lakhs plus GST for submitting application before Union Bank of India for waiver of excess interest charged, and initial payment of 30% was made towards professional charges for filing complaint before banking Ombudsman, the balance to be provided after obtaining the final order from the banking Ombudsman. Although this final order has been received, the balance payment of Rs.7.00 lakhs plus GST is pending payment and not provided for during 2021-22. As such, profit for the year has been overstated by Rs.7.00 lakhs and expense payable in Note 7 in respect of outstanding expense understated to that extent.

(e) Security deposits (From stockists)

As the Company has not furnished the requisite details of Security Deposits of Rs.17687393.00 (Rs.176.87 in lakhs) from stockists shown as lumpsum, we are unable to comment on same and the impact, if any, on its financial statements.

(f) In Note 7 - Sl. No.6, 7 and 11, cross refer to Note 18.21(a), 18.21(b) and 18.21(c); however, no such disclosure is found in Note 18.21. Further, in Note 18.21, the term loan availed from KMML is shown as Rs.7.16 lakhs (previous year Rs.428.12 lakhs) whereas in Note 7 Sl. No.11, it is disclosed at Rs.7.17 lakhs (previous year Rs.428.13 lakhs).

(g) Note 18.20 – Long Term Borrowings – Term loan

The amount of Rs.4290.06 in lakhs has been bifurcated between long term borrowings and other current liabilities in the face of the balance sheet. The bifurcation between long term borrowings and other current liabilities of the loans noted in Sl. No.1 – 11 cannot be ascertained from this Note. Note 7 - other current liabilities does not cross-refer to

18.20 long term borrowing – term loan in notes forming part of financial statement. Further Note 18.20 states that as on 31.03.2022, the Company has not repaid principal amount due of Rs.3056.16 lakhs (previous year Rs.2729.39 lakhs) against the actual amount of Rs.3082.27 lakhs (previous year Rs.2921.79 lakhs), and does not match with Note 7 Sl. No.12 of other current liabilities.

(h) The total of column of the previous year (2020-21) is Rs.11244.42 lakhs but is shown as Rs.11244.41 lakhs.

(i) Expenses payable

Note 7(5) Rs.1023496.00 (Rs.10.23 lakhs) being interest payable to bank provided in earlier years, was omitted to be reversed in interest account paid. Consequently in Note 7(5), expenses payable has been overstated by Rs.1023496.00 (Rs.10.23 lakhs) and profit for the year understated to that extent.

8. Note 8 – Short Term Provisions

(a) Provision for employee benefit – provision for gratuity

(i) The actuarial assumptions of gratuity disclosed by the Company in the notes forming part of the financial statement in page 15 & 16 differ from the actuarial assumptions certified by the consulting actuary.

Sl. No.	Description of items	As per the notes forming part of approved financial statement (Rs. in lakhs)	Page reference	As per Actuarial Valuation Certificate (Rs. in lakhs)
1)	Actuarial Gain/(Loss)	544.63	15	529.81
2)	Fair value of plan asset at the end	268.06	15	364.27

3)	Net present value of funded obligation recognized as (Asset)/Liability in the balance sheet	2841.12	15	2744.92
4)	Expected return of Plan Asset	25.76	16	29.37
5)	Actuarial Gain/ (Loss) recognized In the period	544.63	16	464.22

Due to the aforesaid, the actuarial assumption has not been properly disclosed in accordance with AS-15.

- (ii) The Company has created "The Travancore Titanium Products Gratuity Fund" as a trust for the payment of gratuity. As such, retirement benefit of gratuity of the employees ought to have been paid by this gratuity trust fund. However, the Company paid gratuity of Rs.45873234.00 (Rs.458.73 in lakhs) during the year 2021-22 to its retired employees from its own fund.
- (iii) The balance in the "Trustee TTP Gratuity Fund" shows a debit balance of Rs.27292268.00 (Rs.272.92 in lakhs) which has been incorrectly classified under Note 16(a)(ii) Advance to suppliers and included in Rs.94407568.00 (Rs.944.08 in lakhs). Thus balance Gratuity payment by the Company on behalf of the gratuity trust fund and as such its classification as advance to suppliers is misleading and incorrect.

(b) Others – Provision for taxation

Short term provisions of Rs.45411551.00 (Rs.454.12 in lakhs) disclosed in Note 8 includes provision for income tax created by the Company for assessment year(s) 2012-13 - Rs.5041921.00 (Rs.50.42 in lakhs), 2013-14 - Rs.3004632.00 (Rs.30.05 in lakhs), 2014-15 - Rs.11806971.00 (Rs.118.07 in lakhs) and 2018-19 - Rs.125964.00 (Rs.126.00 in lakhs) aggregating Rs.19979488.00 (Rs.199.79 in lakhs) which ought to have been set off against advance income tax paid for respective assessment years. This was not done due to which short term provisions in Note 8 has been overstated by Rs.19979488.00 (Rs.199.79 in lakhs) and corresponding short term loans and advances in Note -16 has also been overstated to that extent.

9. Note 9 – Property, Plant and Equipment

- (i) The word intangible assets has been omitted in the heading.
- (ii) The Note does not mentioned the unit of measurement.
- (iii) The carrying value as on 31.03.2022 of tangible assets less ERP of Rs.2.13 lakhs which is Rs.3136.90 lakhs in the schedule has been disclosed at Rs.3189.89 lakhs in the face of the balance sheet under tangible assets in noncurrent assets ie., variance of Rs.52.99 lakhs.
- (iv) The carrying value as on 31.03.2022 of intangible assets (ERP) which is Rs.2.13 lakhs in Note -9 has been shown as Rs.1.13 lakhs in the face of balance sheet under noncurrent assets.

(v) (a) Variance in column totals are as follows:

	Total shown (in lakhs)	Actual Total (in lakhs)	Variance (in lakhs)
Depreciation as on 01.04.2021	7458.25	7458.27	- 0.02
Provided during the year	419.36	419.34	+ 0.02
Carrying Value as on 31.03.2022	3139.04	3139.03	+ 0.01
Carrying Value as on 31.03.2021	3098.68	3098.67	+ 0.01

(b) Variance (Rs. in lakhs) in cross totals of columns:

- 1) Depreciation on 01.04.2021 – 7428.28 lakhs
Add Provided during the year - 419.36 lakhs
 = 7877.64 lakhs – shown as 7879.50 lakhs
 ie, variance of Rs.1.86 in lakhs
- 2) Gross block as at 01.04.2021 – Rs.10537.28 lakhs
 Addition during the year – 461.58 lakhs
 = 10998.86 lakhs shown as Rs.11018.54 lakhs
 ie, variance of Rs.19.68 in lakhs.
- 3) Gross Block as on 01.04.2021 – Rs.10537.28 lakhs
Less depreciation as on 01.04.2021 – Rs.7458.28 lakhs
 = Rs.3079.00 lakhs shown as Rs.3098.68n lakhs
 ie, variance of Rs.19.68 in lakhs.

In view of the aforesaid errors, omissions, and commissions, the figures disclosed in Note 9 property, plant and equipment do not agree with the figures in the face of the balance sheet to the extent stated above.

(vi) Work-in-progress as on 31.03.2022 classified as plant & equipment

As per Invoice No.G/V/PL 049/21-22 dt 07.07.2021 online SO₂ Analyser was purchased for Rs.1840800.00 (inclusive of IGST) and this was capitalized under service and miscellaneous equipment and depreciation of Rs.88308.00 provided at the rate 5.66%. According to the records produced, this Analyser was not commissioned and the trial run carried out between 01.07.2022 and 31.07.2022. On 21.05.2022 the Company requested M/s Vasthi Instruments Private Ltd. to depute its service engineer for rectifying the fault and calibrating the instrument. Since, as on 31.03.2022, this machinery was not commissioned, its cost should have been classified as capital work-in-progress.

Due to the aforesaid, profit for the year has been understated by Rs.88308.00 (Rs.0.88 in lakhs) being depreciation provided, service miscellaneous equipment in Note 9 Tangible Assets has been overstated by Rs.1471692.00 (Rs.14.72 in lakhs), and capital work-in-progress understated by Rs.1560000.00 (Rs.15.60 in lakhs).

- (vii) The gross block of Audio Visual equipment as on 31.3.2021 of Rs.1967615.00 (Rs.19.68 in lakhs) has not been carried forward as opening balance as on 01.04.2021 under the same head. The amount in the column against audio visual equipment shown as " – " without disclosing the amount.

(viii) Hot Heat Exchanger for SAP

The total addition to Hot Heat Exchanger as per invoice is Rs.15900000.00 (Rs.159.00 lakhs) and this machinery was commissioned on 01.04.2021. Out of the total cost of Rs.15900000.00 (Rs.159.00 lakhs), only 90% amounting to Rs.14310000.00 (Rs.143.10 lakhs) has been capitalized to plant and equipment and the remaining 10% cost of Rs.1590000.00 (Rs.15.90 lakhs) omitted to be accounted by the Company. Consequently plant and equipment Hot Heat exchanger has been understated by Rs.1590000.00 (Rs.15.90 lakhs). As the depreciation amount on the unaccounted amount of Rs.1590000.00 (Rs.15.90 lakhs) has not been furnished by the Company, we are unable to quantify its impact on the profit for the financial year 2021-22.

(ix) Cold Heat Exchanger for SAP

The purchase cost Cold Heat Exchanger, is Rs.18300000.00 (Rs.183.00 in lakhs). Although this machinery was commissioned on 01.04.2021, only 90% of the cost amounting to Rs.16470000.00 (Rs.164.70 in lakhs) has been capitalized and 10% of the cost amounting to Rs.1830000.00 (Rs.18.30 in lakhs) has not been accounted by the Company. As a result, plant and equipment (cold heat exchanger) has been understated by Rs.1830000.00 (Rs.18.30 in lakhs). As the depreciation on the unaccounted amount of Rs.1830000.00 (Rs.18.30 in lakhs) has not been furnished by the Company, we are unable to quantify the impact on the profit for the financial year 2021-22.

(x) The total additions to plant and equipment during the current year was Rs.43187400.00 (Rs.431.87 in lakhs); however, additions during the

year 2021-22 in Note 9, has been shown as Rs.37989371.00 (Rs.379.89 in lakhs). Hence there is a variance of Rs.5198029.00 (Rs.51.98 lakhs) between the figure accounted by the Company and the figure disclosed in the financial statements for the year ended 31.03.2022, due to omission of addition to plant and machinery (Acid storage tank) in Note 9, property, plant and equipments.

(xi) In Note -9 and in the face of the balance sheet as at 31.03.2022, the capital work-in-progress under Non-current assets – property, plant and equipments is Rs.3757.32 lakhs. However, the total of Rs.3757.31 lakhs is not shown in Note No.18.52 in notes forming part of financial statements, under the age-wise classification. Thus, the actual capital work-in-progress for 2021-22 is Rs.3757.30 lakhs, and the disclosure in Note 18.52 is erroneous to that extent.

(xii) Capitalization of revenue expenditure

(a) As per Invoice No.A060/2021-22 dt 18.06.2021 of Pulse Technology, Rs.450000.00 (Rs.4.50 in lakhs) was paid for renovation of 30MT weigh Bridge being service work on miscellaneous equipment. As such it is repairs and maintenance of plant and machinery; however, it has been capitalized under service and miscellaneous equipments, resulting in the profit for the year being overstated by Rs.450000.00 (Rs.4.50 in lakhs) and service and miscellaneous equipments also being overstated to that extent.

(b) Maintenance of the compound wall under the head "Plastering Eastern Side Boundary Wall for Advertisement - Rs.1900980.00 (Rs.19.01 in lakhs) has been treated as addition to asset with depreciation at the rate of 64.87%. As plastering of the existing Compound Wall is renovation and maintenance it ought to have

been debited to repairs and maintenance. The aforesaid capitalization has resulted in the profit for the year being overstated by Rs.1900980.00 (Rs.19.01 in lakhs), factory and office building also being overstated to that extent.

(c) 10% of the total bill for plastering the compound wall of Rs.2112900.00 (Rs.21.12 in lakhs) amounting to Rs.211920.00 (Rs.2.12 in lakhs) was omitted to be accounted and only Rs.1900980.00 (Rs.19.01 in lakhs) has been accounted by the Company. Thus, profit for the year has been overstated by Rs.211920.00 (Rs.2.12 in lakhs) and repairs and maintenance of building understated to that extent.

(d) Rs.1469910.00 (Rs.14.70 in lakhs) consisting of replacement of roofing sheet Rs.291718.00 (Rs.2.92 in lakhs) and supply of conference table fabrication of guest house of Rs.170807.36 (Rs.1.71 in lakhs) have been shown as addition under Guest House building. However, Rs.291718.00 (Rs.2.92 lakhs) is repairs and maintenance of Guest House and Rs.170807.36 (Rs.1.71 lakhs) is addition to furniture and office equipments. The misclassification of furniture & fittings as guest house building has also resulted in the depreciation being understated by Rs.239.00

Due to the aforesaid, the profit for the year has been overstated by Rs.291957.00 (Rs.2.92 lakhs) [291718 + 239] and Guest house building overstated by Rs.462525.36 (Rs.4.63 lakhs) and furniture and office equipment understated by Rs.170807.36 (Rs.1.71 lakhs).



(xiii) Short depreciation on assets

The following excess/(short) provision of depreciation as per rate adopted by the Company was observed on test-check of depreciation on additions to tangible assets during the current year:

Sl. No.	Description of Asset	Rate of depreciation (%)	No. of days for which asset is used	Depreciation		Excess/ (Short) depreciation (Rs.)
				Provided by the Company (Rs.)	Actual depreciation (Rs.)	
1	Retaining wall near filter press building in N.P. [Addition – 22.12.2021 Cost – Rs.178194.00 (Rs.1.78 lakhs)]	45.07	100	42280	22003	20277
2	Plastering of Eastern side of Boundary Wall for advertisement [Date – 03.11.2021 Addition – Rs.1900980.00 (Rs.19.01 lakhs)]	9.50	149	1112625	73722	1038903
3	Hot Heat Exchanger 2021-22 [Date – 10.04.2021 Cost – Rs.14310000.00 (Rs.143.10 laksh)]	31.23	356	14674	4358818	(4344144)

4	Cold Heat Exchanger [Date – 10.04.2021 Cost – Rs.16470000.00 (Rs.164.70 lakhs)]	31.23	356	16888	5016753	(4999865)
5	Super Heater [Date – 10.04.2021 Cost – Rs.6722100.00 (Rs.67.22 lakhs)]	31.23	356	6893	2047548	(2040655)
6	Online PH meter [Date – 28.05.2021 Cost – Rs.264650.00 (Rs.2.65 lakhs)]	25.89	307	58946	57630	1316
7	Online conductivity metre [Date – 28.05.2021 Cost – Rs.122500.00 (Rs.1.23 lakhs)]	25.89	307	27285	26676	609
8	Laser distance metre [Date – 11.10.2021 Cost – Rs.11616.00 (Rs.0.12 lakhs)]	25.89	172	1521	1418	103
9	Electromagnetic flow meter [Date – 18.08.2021 Cost – Rs.189618.00 (Rs.1.90 lakhs)]	25.89	226	31973	30397	1576)

10	Acid measuring tank [Date – 31.03.2021 Cost – Rs.176990.00 (Rs.1.77 lakhs)]	25.89	1	29844	126	29718
11	GRP Street light pole with LED street light [Date – 03.03.2022 Cost – Rs.929534.00 (Rs.9.30 lakhs)]	25.89	29	763	19121	(18358)
12	Tables & Chairs <u>Cost</u> <u>Date</u> 10000 23.09.2021 (Rs.0.10 lakhs) 8000 24.11.2021 (Rs.0.08 lakhs) 23500 21.03.2022 (Rs.0.24 lakhs) 30466 31.03.2022 (Rs.0.30 lakhs)	25.89	190 128 11 1	1437 792 192 <u>25</u> <u>2446</u>	1348 726 183 <u>22</u> <u>2279</u>	167
13	Sanitary Napkin incinerator [Date – 22.12.2021 Cost – Rs.35580.00 (Rs.0.36 lakhs)]	25.89	100	6000	2523	3477
14	Mobile phones <u>Cost</u> <u>Date</u> 8050 21.06.2021 (Rs.0.08 lakhs) 19500 22.06.2021 (Rs.0.20 lakhs)	25.89	283 282 255 9	1669 4029 2400 307	1616 3900 2299 10	641



	12710 19.07.2022 (Rs.0.13 lakhs) 1624 23.03.2022 (Rs.0.02 lakhs) 3472 05.02.2022 (Rs.0.03 lakhs)		55	<u>197</u> <u>8601</u>	<u>135</u> <u>7960</u>	
15	Weigh Bridge 30MT [Cost –Rs.450000.00 (Rs.4.50 lakhs) Date – 20.09.2021]	25.89	193	65608	61604	4004
16	RTU Panel [Cost –Rs.234000.00 (Rs.2.34 lakhs) Date – 20.09.2021]	25.89	193	34116	32034	2082
17	SO ₂ Analyser [Cost – Rs.1560000.00 (Rs.15.60 lakhs) Date – 19.01.2022]	25.89	72	88308	79670	8638
18	CCTV Camera in Furnace Oil pumping & Draining Areas [Cost –Rs.57860.00 (Rs.0.58 lakhs) Date – 12.09.2022]	25.89	201	8259	8249	10
19	CCTV connections at Western side of Company [Cost –Rs.16628.00 (Rs.0.17 lakhs) Date – 12.09.2021]	25.89	201	2373	2371	2



20	Brother label printer PT D600 2021-22 [Cost –Rs.12400.00 (Rs.0.12 lakhs) Date – 10.03.2022]	63.16	22	692	472	220
21	Laptop <u>Cost</u> <u>Date</u> 94238 18.08.2021 (Rs.0.94 lakhs) 329944 31.03.2022 (Rs.3.30 lakhs)	63.16	226 1	43318 901 44219	36854 571 37425	6794
22	Air canteen equipments [Cost –Rs.3120.00 (Rs.0.03 lakhs) Date – 25.06.2021]	45.07	280	1434	1079	355
	TOTAL			1605748	11889878	(10284130)

In view of the above, depreciation amounting to Rs.10284130.00 (Rs.102.84 lakhs) has been short provided in the accounts resulting in profit being overstated by Rs.10284130.00 (Rs.102.84 lakhs) and the tangible assets overstated to the same extent.

(xiv) Land

As per Note 9, property, plant and equipment, the Company owned land (Free hold) of Rs.28909189.00 (Rs.289.09 lakhs) as disclosed in the approved financial statements. As the original title deeds of the properties purchased/transferred through Government orders, for 26.23 acres of land in Survey/Resurvey Nos.2728/3, 2728/11, 2728/20, 2726/B2-10, 2726/?B2-16, 2726/B2-17, 2728/17,

2728/4, 2728/16, and 2728/21 in Kadakampally Village in Trivandrum District, pattayam have not been furnished, we are unable to comment on the ownership of this land.

10. Note 11 – Long Term loans and advances

- (i) Long Term loans and advances to related parties if any, not disclosed.
- (ii) Security deposits in Note 11 not classified as secured considered good/unsecured considered good/doubtful.
- (iii) Allowances for bad and doubtful loans and advances if any not disclosed.

11. Note 12 – Other non-current assets

- (i) Long term Trade receivables doubtful of Rs.68458515.00 (Rs.684.59 lakhs) against which provision for doubtful debts is Rs.68590259.00 (Rs.685.90 lakhs) resulting in provision of Rs.131744.00 (Rs.1.31 lakhs) in excess of doubtful long term trade receivables. In the statement of profit and loss provision for bad and doubtful debt debited is Rs.42.01 lakhs (Rs.685.90 lakhs – Rs.643.89 lakhs) of previous financial year. Hence, profit for the year has been understated by Rs.131744.00 (Rs.1.31 lakhs).
- (ii) The Note 12 – Other non-current assets - others long term fixed deposit with bank is Rs.61200000.00 (Rs.612.00 lakhs). The excess provision of Rs.1.31 lakhs has been netted of from long term fixed deposit with bank, due to which, in the face of the balance sheet, Note 12 – Long Term fixed deposit with bank is shown as Rs.610.68 lakhs instead of Rs.612.00 lakhs. As such, other noncurrent assets in Note 12 under (3) Others – Long Term fixed deposit with Bank has been understated by Rs.131744.00 (Rs.1.31 lakhs).



12. Note 13 – Inventories

The Company's Significant Accounting Policy stated in Note 18.05(c), relating to valuation of Goods in transit, at cost or net realizable value whichever is lower, has not been complied for the following purchases of furnace oil and sulphur from BPCL as on 31.03.2022, which have been omitted to be accounted as purchases:

(a) Furnace Oil

<u>Sl. No.</u>	<u>Invoice No.</u>	<u>Date</u>	<u>Amount</u>
1	4550738191	28.03.2022	152496.00
2	4550738672	30.03.2022	1314062.00
3	4550738422	30.03.2022	1642247.00
4	4550739465	31.03.2022	1307898.00
5	4550739625	31.03.2022	<u>2030700.00</u>
		TOTAL	<u>6447403.00</u>

(b) Sulphur

<u>Sl. No.</u>	<u>Invoice No.</u>	<u>Date</u>	<u>Amount</u>
1	4550738850	31.03.2022	910535.00
2	4550740003	31.03.2022	<u>790371.00</u>
		TOTAL	<u>1700906.00</u>

The omission to account these purchases has resulted in purchases being understated by Rs.8148309.00 (Rs.81.48 in lakhs) and trade payable BPCL also understated to that extent.



13. Note 14 – Trade Receivables

- (a) Trade receivables are subject to confirmation from the respective parties and reconciliation.
- (b) Trade receivables in Note -14 includes trade receivable of more than 3 years - Rs.3433.00, provision has to be made for Rs.3433.00 pending collection for 3 years in accordance with the Company's accounting policy which has not done. Therefore, profit for the year has been overstated by Rs.3433.00 and Trade receivables in Note 14 also overstated by Rs.3433.00.

14. Note 16 – Short term loans and advances

Amount not in the nature of Advance income tax in Note -16 short term loans and advances (iv) Advance tax income tax paid & TDS

Rs.49060961.00 (Rs.490.61 in lakhs) under Note 16(1)(a)(iv) includes amounts which are not advance income tax/TDS which have been omitted to be set off against provision for income tax for the respective assessment years:

Sl. No.	Assessment Year	Financial year	Income Tax provision created	Advance tax/ Income tax Remitted	(Excess)/ Short provision
1)	2008-09	2007-08	--	4258993	4258993
2)	2011-12	2010-11	--	2101512	2101512
3)	2012-13	2011-12	5041921	4744533	(297388)
4)	2013-14	2012-13	3004632	2903001	(101631)
5)	2014-15	2013-14	11806971	11784982	(21989)
6)	2017-18	2016-17	--	14507975	14507975



7)	2018-19	2017-18	125964	--	(125964)
8)	2019-20	2018-19	--	1727195	1727195
	TOTAL		19979488	42028191	22048703

Thus, income tax remitted in excess of provision for income tax amounting to Rs.22048703.00 (Rs.220.49 in lakhs) as above ought to have been debited under tax expenses as income tax paid in excess of provision of earlier years. The omission has resulted in profit for the year being overstated by Rs.22048703.00 (Rs.220.49 in lakhs) and Note -16 short term loans and advances correspondingly overstated.

15. Note 25 – Other expenses

- (a) Breakup of payments to Auditors has not been disclosed as per schedule III of the Companies Act and only particulars of fee for (a) Statutory audit fee (inclusive of Tax), and (b) Internal Audit fee have been shown.
- (b) There is a casting error of Rs.0.02 lakhs each for the financial year 2021-22 and the financial year 2020-21. The totals of the amount given therein in financial year (2021-22) is Rs.6173.96 lakhs and for previous year (2020-21) is Rs.4658.41 lakhs against which the Company has disclosed Rs.6173.94 lakhs and Rs.4658.43 lakhs respectively.
- (c) The Sl. Nos. in Note 25 are not in chronological order, Sl. No.26 and 27 being repeated.

16. Errors/omissions/inconsistencies in the approved financial statement

(i) Note 10 – Non Current Investments

The current year's column (31.03.2022) and previous year's column (31.03.2021) of Trade Investment and Other Investment have been left blank.

(ii) Note 12 – Other Current Asset

(a) There is a casting error of Rs.0.01 lakhs in the current year column (2021-22 in lakhs) of Note -12, the total of the figures in Note 12 of Rs.610.69 lakhs, being shown as Rs.610.68 lakhs.

(b) Negative figure is shown as -685.90 instead of within brackets.

(iii) Note 13 – Inventories

There is casting error of Rs.0.01 lakhs in the current year's figures (2021-22), the actual total of Rs.5839.16 lakhs being shown as Rs.5839.15 lakhs, and the total of the figures of the financial year 2020-21 of Rs.3121.65 lakhs being shown as 3121.66 lakhs.

(iv) Note 14 – Trade Receivables

(a) There is a casting error of Rs.0.01 lakhs in the previous year's column (2020-21), the total of the figures in column of 2020-21 is Rs.794.16 lakhs being shown as Rs.794.15 lakhs.

(b) The columns of disputed trade receivables considered doubtful, disputed trade receivables considered good and disputed trade receivable considered doubtful are kept blank in the age-wise classification in Note 18.54

(v) Note 15 – Cash and Cash Equivalents

(a) Cash and cash equivalents (b) others (ii) and (iii) have been cross-referred to Note 18.23 and 18.24. However, in Note 18.23,

State Bank of India F.D. for KSPCB bank guarantee and KSEB Bank guarantee are left blank in the 31.03.2022 column. Further, there is a casting error of Rs.0.01 lakhs in the total of the figures of the previous year's column as at 31.03.2021 ie. the total of Rs.145.17, being shown as Rs.145.18 lakhs.

There is a casting error of Rs.0.02 lakhs in the previous year's column (as at 31.03.2021) of note 18.24 relating to fixed deposit less than 12 months maturity, the actual total of Rs.3746.74 in lakhs being shown as Rs.3746.76 lakhs.

- (b) In Note 15 – Cash and cash equivalents item (b) others (iii) the fixed deposit less than 12 months maturity is shown as Rs.85.76 lakhs. The corresponding amount in Note 18.24, is shown as Rs.92.45 lakhs, as such, there is a variance of Rs.6.69 lakhs between Note 15 and Note 18-24.
- (c) The current years column (2021-22) of Note -15 under cash and cash equivalents contains a casting error of Rs.0.01 lakhs, the actual total of Rs.2807.70 in lakhs being shown as Rs.2807.71 lakhs.
- (vi) Note 16 – Short term loans and Advances
- (i) There is a casting error of Rs.0.01 lakhs in the current year's column (2021-22) and the previous year's column (2020-21). The current year's column total of Rs.2420.33 lakhs has been shown as Rs.2420.32 lakhs. The previous year's column total of Rs.2374.76 lakhs has been shown as Rs.2374.77 lakhs.
- (ii) The Company has shown classification of only unsecured considered good and not shown the entire classification as

prescribed in Schedule III ie. to related parties, others, secured considered good and doubtful.

(vii) Note 17 – Other Current Assets

There is a casting error of Rs.0.01 lakhs in Note 17 Other Current Assets, the total of Rs.36.12 lakhs being shown as Rs.36.13 lakhs.

(viii) Note 19 – Revenue from Operations

There is a casting error of Rs.0.01 lakhs in the current year's column (2021-22) and the previous year's column (2020-21), the total of Rs.23105.05 lakhs of the figures in the current year's column being shown as Rs.23105.04 lakhs. In the previous year's column (2020-21) the total of the figures of Rs.16560.99 lakhs has been shown as Rs.16561.00 in lakhs.

(ix) Note 20(a) – Other operating income

There is a casting error of Rs.0.01 lakhs in the current year's figure and also in the previous year's figures, the total of the current year's figures of Rs.79.61 lakhs being shown as Rs.79.60 lakhs, and the previous year's total Rs.108.63 lakhs being shown as Rs.108.64 lakhs.

(x) Note 20(b) – Other Income

There is a casting error of Rs.0.01 lakhs in the current year's column, the total of Rs.626.24 lakhs being disclosed as Rs.626.25 lakhs.

(xi) Note 21 – Cost of Raw materials consumed

There is a casting error of Rs.0.01 lakhs in the raw material consumed, the total purchase of raw materials in store of Rs.11037.80 lakhs being shown as Rs.11037.81.

(xii) Note 22 – Change in inventories of Finished Goods and work-in-progress

There is a casting error of Rs.0.01 lakhs both in the current year's figure and the previous year's figure. The total of the current year's column of Rs.(-)3096.07 lakhs is shown as Rs.(-)3096.06 lakhs (both ought to have been shown in brackets). In the previous year's column the total of Rs.1352.09 lakhs is shown Rs.1352.08 lakhs.

(xiii) Note 23 – Employee Benefit expenses

- (a) The actuarial valuation of leave encashment benefit to be debited to the P & L is Rs.19328265.00 ie. 193.28 lakhs in place of which, in Note -23 employee benefit expenses item No.(3), leave encashment is shown as at Rs.197.44 lakhs resulting in excess debit of Rs.4.16 lakhs.
- (b) There is a casting error of the Rs.0.01 lakhs each in the Totals of the current financial year and the previous financial year, the total of Rs.7320.81 lakhs for the current financial year and Rs.11505.81 lakhs for the previous financial year, being shown as Rs.7320.80 lakhs and Rs.11505.82 lakhs respectively.

(xiv) Note 24 – Finance Cost

There is a casting error of Rs.0.01 lakhs in the previous year's column, the total of Rs.601.88 lakhs being shown as Rs.601.87 lakhs.

(xv) Note 18 – Significant Accounting Policies and Notes on financial statements

- 1) The last sentence in Note under 18.01 stating that the previous year's figure has been regrouped/rearranged wherever necessary

and round off to nearest rupee is in contradiction the fact that the figures have been rounded off to the nearest rupees in lakhs.

- 2) The statement in Note 18.01 that accounting standard specified u/s 133 of the Companies Act, 2013 (the Act, 2013) and relevant provisions of the 1956 Act/2013 Act are applicable is incorrect as only the provisions of the Companies Act, 2013 are applicable for the financial year 2021-22.
- 3) The statement in Note 18.06(a) that the sale of goods is recognized net of returns and VAT Tax" is erroneous as VAT has been repealed.
- 4) In Note 18.07 - Excise duty/GST – the statement that excise duty has been accounted on the basis of despatches and Excise duty provision is made for closing stock of finished goods lying in the factory godown as on the balance sheet date is erroneous as excise duty has been replaced by GST.
- 5) Note 18.20 discloses the principal amount of Government loan at Rs.4290.05 lakhs as on 31.03.2022.

In Note 3 – Long Term Borrowings, loan from Govt. of Kerala under unsecured is Rs.1207.79 lakhs and in Note 7 - other current liabilities, loan from Government of Kerala principal in Sl. No.12 shows Rs.3082.27 lakhs, aggregate Rs.4290.06 lakhs – variance of Rs.0.01 lakhs.

- 6) The last para of 18.20 states that as on 31.03.2022, the Company has not repaid principal due amount of Rs.3056.16 lakhs (previous year Rs.2729.39 lakhs) which figure does not match with note -7(12) which shows the figures Rs.3082.27 lakhs and



Rs.2921.79 lakhs respectively – variance of Rs.26.11 lakhs and Rs.192.40 lakhs.

- 7) Note 18.21 discloses the balance in term loan availed from KMML at Rs.7.16 lakhs (previous year Rs.428.12 lakhs) whereas as per Note 7 item No.11 loan from KMML is Rs.7.17 lakhs and Rs.428.13 lakhs in the previous year - variance of Rs.0.01 lakhs both in the current year's and previous year's figures.
- 8) A uniform unit of measurement has not been used by the Company in the following:
 - (a) In Note 18.25(b) claim against the Company by MACT of Rs.55000.00 (previous year Rs.55000.00) an absolute figure.
 - (b) In Note 18.25(e), the demand from the Commissioner of Central Excise and Customs of Rs.6167071.00 is an absolute figure.
 - (c) In Note 18.31, Net loss/(Gain) on foreign exchange fluctuation debited to statement of profit and loss, Rs.5277.51 for the current year and Rs.23667.00 for the previous year are absolute figures.
 - (d) In Note 18.36, capacity and production under MT Stores and Spares are disclosed as absolute figure of Rs.14601108.00.
 - (e) In Note 18.30 (A) consumption of raw materials (b) Indigenous current year and previous year figures, in Note 18.36(B) Consumption of Stores and Spares both imported and indigenous of current year and previous year's, the indigenous consumption of store, have been disclosed as absolute figures.

- (f) In Note 18.36, both the current year's and previous year's figure Foreign exchange earned by way of export (DOB) are disclosed as absolute figures.
- (g) In Note 18.37, against investments in Apollo Tyres, the market value as on 31.03.2022 has been disclosed as absolute figure of Rs.286500.00.
- (h) In Note 18.43, travelling expenses, the previous year's figure has been disclosed as absolute figure.
- (i) In Note 18.51, the CIF value of import in respect of components and spare parts of Rs.13419691.00 has been disclosed as absolute figure.
- (9) Note 18.28 – Prior period items, all the column headings read as current year, whereas the 3rd and 4th columns ought to read (previous year). Further, the total of the third column shown is Rs.3.67 lakhs but shown as Rs.3.68 lakhs.
- (10) In Note 18.45, incorrectly state that previous year's figure have been regrouped/rearranged wherever necessary and rounded off to the nearest rupee.
- (11) (a) Note 18.47 - Going concern, the figure of Rs.23 crores ought to have been shown in lakhs.
- (b) In Note 18.49, The demand to pay arrears and the excess charged have been shown in Rs. in crores ie. Rs.1.30 crores and Rs.1.89 crores instead of Rs. in lakhs.
- (12) Note 18.52, the figures of Capital work-in-progress aged more than 3 years and capital work-in-progress (Fibre Grade) 3, are shown upto 3 decimal points all other figures in the financial statements being shown upto 2 decimal points. Capital work-

in-progress (CRP) also shows casting error of Rs.0.01 lakhs, the actual total of Rs.3303.80 lakhs, being shown as Rs.3303.81 lakhs.

- (13) In the face of statement of profit and loss for the year ended 31.03.2022, the purpose of the '#' symbol below 'for and on behalf of Board of directors', has not been explained.
- (xvi) The financial statements do not mention the Company's CIN, the disclosure of which is mandatory and the date(s) of the signatures are not mentioned.
- (xvii) In Note 18.37 - details of investment aggregate amount of quoted shares has been shown upto 3 decimal points.

17. Impairment of Asset

Although the Company disclosed in Note 18.18 in note forming part of financial statement of 2021-22 its policy for treatment of impairment of asset, it has not carried out any exercise to identify and account the loss due to impairment during the year. 2 acid tanks were sold during the year without ascertaining the impairment loss of these assets and the sale proceeds treated as miscellaneous income under other income in Note 20(b). As such, AS-28 has not been complied to this external.

18. Loans and advance to employee

Loan from Govt., and other parties interest accrued and due from Govt. are subject to confirmation and reconciliation. Due to the non availability of confirmations and reconciliations, we are unable to quantify the impact, if any, arising from the reconciliation and settlement of the account balances on the financial statements.

19. Note 21 – Cost of raw materials consumed

The figures of consumption of raw materials are derived and not actual (note No.21 to the financial statements). Purchase of various materials viz. ilmenite, scrap iron, sulphur, furnace oil etc. are not independently verifiable in the ledger accounts as all the purchases are accounted under a single head 'Raw materials and Chemicals/RAWAC. As such, the accuracy of derived figures of consumption cannot be verified with the respective purchases and the consequential impact, if any, on the financial statements.

20. GST returns are subject to reconciliation with the books of accounts. In the absence of details, we are unable to comment on the impact in the financial statements.
21. As per G.O.(P) No.126/2004/RD, 5% of the market value of leasehold land is to be paid towards lease rent. No provision has been made on this account, resulting in overstatement of profit for the year and understatement of liability. In the absence of particulars, the resultant impact of the same on financial statements is not ascertainable and quantifiable.
22. Sale of old acid storage tanks (2 nos.) for Rs.1228643.00 has been credited to miscellaneous income under other income in Note 20(b) instead of deducting the amount from the carrying value of the respective plant and machinery under the head sale/Transfer. This has resulted in profit being overstated by Rs.1228643.00 (Rs.12.29 lakhs) and plant and machinery being also overstated to that extent.
- 23.(a) Due to the matters stated in the aforesaid paras 7(a)(iii), 7(b), 7(c), 7(d), 7(i) 9(xii), 9 [xiii(a)], 9(vi), 9(xiii c), 9(xv), 13, 14 and 16 net profit has been net overstated by Rs.296864833.00 (Rs.2968.65 lakhs).

Consequently in Sl. No.xi, the Profit (Loss) for the period from continuing operations (ix – x) in the statement of profit & loss for the year ended 31st March, 2022 has been net overstated by Rs.296864833.00 (Rs.2968.65 lakhs) and is loss of 40299815.00 (Rs.403.00 lakhs) in the place of profit of Rs.256565018.00 (Rs.2565.65 lakhs) disclosed by the Company.

- (b) Due to the matters stated in para 14 and 8(b), short term loans and advances in Note 16 has been overstated by Rs.42028191.00 (Rs.420.82 in lakhs) and short term provisions in Note 8 also overstated by Rs.19979488.00 (Rs.199.79 in lakhs).

Due to the matters stated in para 11(ii), other non current assets in Note 12 have been understated by Rs.131744.00 (Rs.1.31 lakhs), Capital work-in-progress in Note -9 understated by Rs.1560000.00 (Rs.15.60 in lakhs).

Due to the matters stated in para 9(vi), 9(vii), 9(ix), 9(xii), 9(xiv) and para 16 above, tangible assets in Note 9 have been overstated by Rs.10014465.00, due to the matters stated in paras 9[xiii(a)] and 9[xiii(g)], factory and office building under tangible assets in Note 9 net have been overstated by Rs.1438455.00 (Rs.14.38 in lakhs) and due to the matter stated in para 9[xiii(c)], in Note 9 tangible assets, Furniture and office equipment has been net understated by Rs.170807.00 (Rs.1.71 in lakhs).

Due to the matters stated in para 4(a) above other non current liabilities in Note 4 have been overstated by Rs.1083463721.00 (Rs.10834.64 in lakhs) and due to the matters stated in para 4(a), 7(a)(iii), 7(b), 7(c), 7(d) and 7(i), other current liabilities in Note -7 have been overstated by Rs.1346175832.00 (Rs.13461.76 in lakhs).

Due to the matters stated in para 12(b) above cost of Raw materials consumed in Note -21 has been understated by Rs.8148309.00 (Rs.81.48 in lakhs), Trade payables in Note 6(b) also understated by Rs.8148309.00 (Rs.81.48 in lakhs) and due to the matters stated in para 13 above, Trade receivables in Note 14 have been overstated by Rs.3433.00.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Board's Report including Annexures to Board's 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 do not express any form of assurance 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 during the course of our audit or otherwise appears to be materially misstated.
- If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and those charged with Governance for Financial Statements

The Company's Management and its Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statement that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

In preparing the financial statements, management and Board of Directors are 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. The Board of Directors is also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the financial statements of the Company

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:

- 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.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also for expressing our opinion on whether the Company has adequate Internal Financial Control System in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 the Company to cease to continue as a going concern.
- 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.

Materiality is the magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order 2020 (the order) issued by the Central Government of India in terms of sub-section 11 of section 143 of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the order, to the extent applicable.
- 2) As required by Section 143 (3) of the Act based on our audit, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid financial statements;
 - (b) Except for the effects/possible effects of the matters described in the Basis of Qualified opinion paragraphs, in our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept by the Company so far as it appears from our examination of those books;
 - (c) Except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraphs, 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 accounts;

- (d) Except for the effects/possible effects of the matters reported in the Basis for Qualified Opinion paragraphs, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act;
- (e) Since the Company is a Government Company section 164(2) of the Companies Act, 2013 regarding obtaining written representations from the Directors of the Company is not applicable to the Company in terms of notification No.GSR 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs;
- (f) With respect to the adequacy of the Internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses a qualified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting;
- (g) With respect to the matter to be included in the Independent Auditor's Report under section 197(16) of the Act, as amended, in our opinion and according to the information and explanation given to us, the provisions of Section 197 of the Act in relation to the remunerations paid by the Company to its directors is applicable only to a public company as defined under the Act. Accordingly, the matter to be included in the Auditor's Report under Section 197(16) of the Act is not applicable to the Company; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us;

- (i) The Company has disclosed the impact of pending litigations on its financial positions in its financial statement – Refer No.18.48 to the 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 materials foreseeable losses;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- iv) a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the Notes to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ('Intermediaries') with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries.
- b) The Management of the Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including

foreign entity (Funding Parties') with the understanding, whether recorded in writing or otherwise, that the Company shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our attention that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.

(v) No dividend has been declared or paid during the year by the Company.

3. As required by the directions and sub directions issued by the Comptroller and Auditor General of India, in terms of sub-section (5) of section 143 of the Companies Act, we state on the matters specified in these directions to the extent applicable in Annexure - C.

Thiruvananthapuram

21st November, 2022.

For DHAN & CO.
Chartered Accountants
FRN 0007408

V.S. Veloyudhan Nair
22.11.2022

V.S. Veloyudhan Nair
Partner, M.No. 018285



UDIN: 22018281BDSUTK5662

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, 2022

- (i)(a)(A) According to the information and explanations given to us by Company, the Company has not maintained proper records showing full particulars including quantitative details and situation of property, plant and equipments.
- (B)The company has also not maintained proper records showing full particulars of its intangible assets.
- (b) According to the information and explanations given by the Company, the property, plant and equipment has not been physically verified by the management at reasonable intervals and no physical verification reports have been furnished to us. As the Company has not produced records relating to the physical verification of its property, plant and equipment, we are unable to comment on whether any material discrepancies have been noted and properly dealt with/in the books of accounts.
- (c) The Company has not produced the title deeds of all the immovable properties (other than properties where Company is a lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements. Hence, we are unable to comment on whether these landed properties are held in the name of the Company. The details of landed property disclosed in the financial statements are as below:



Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in name of company
1. Land	Rs.28909189.00 (Rs.289.09 lakhs)	Unable to comment as the title deeds of property not produced	Unable to comment as the title deeds of property not produced	Unable to comment as the title deeds of property not furnished	Unable to comment as the title deeds of property not furnished

- (d) According to the information and explanations given by the Company, it has not revalued its property, plant and equipment and intangible assets during the year.
- (e) According to the information and explanations given by the Company, no proceedings have been initiated during the year or are pending against the Company as at 31.03.2022 for holding any benami property under the Benami transactions (prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)(a) The physical verification of inventory has been conducted by the respective head of department of stores & spares and finished goods by Marketing Division. In our opinion, such verification is not appropriate having regard to the size of the Company and the nature of its operation and the Company should introduce a system for verification by a committee/authorized personnel outside the department concerned. No discrepancies of 10% or more in the



- aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of accounts.
- (b) According to the information and explanations furnished to us, the Company has been sanctioned working capital in excess of Rs.5 crores in aggregate from bank on the basis of security of its current assets. The quarterly returns or statements filed by the Company with the banks and examined by us are in agreement with its books of accounts.
- (iii) According to the information and explanations furnished to us, the Company has not made investment in, provided guarantee or security and granted loans or advances in nature of loan secured or unsecured to Companies, firms, limited liability partnerships or any other parties during the year.
- (iv) According to the information and explanation furnished to us, the Company has not complied with section 185 and 186 of the Companies Act, 2013 in respect of Rs.20000.00 (Rs.0.20 in lakhs) given as Christmas advance to its Managing director during the year and the balance of Rs.14000.00 (Rs.0.14 in lakhs) outstanding as on 31.03.2022 has not been separately disclosed in its financial statements.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly reporting under this clause (v) of the Order is not applicable.
- (vi) According to the information and explanations furnished to us, maintenance of cost records has been specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 and the Company is maintaining such accounts and records.
- (vii)(a) The company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state

insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable it to the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues in arrears as at 31.03.2022 for a period of more than 6 months from the date they became payable.

- (b) Details of statutory dues referred to in sub clause (a) above which have not been deposited as on 31.03.2022 on account of dispute are given below:

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which amount relates	Amount (Net of amount paid under protest)	Amount paid under protest)
EPCG	Penalty for non-compliance of export obligation performance	Chairman, EPCG policy relaxation committee	2018-19	Rs.190618232.00 (Rs.1906.18 in lakhs)	NIL

- (viii) There were no transactions relating to previously unrecorded income, that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- (ix)(a) According to the information and explanations furnished by the Company, the Company has defaulted in repayment of loans availed from Government of Kerala.



Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
(1)	(2)	(3)	(4)	(5)	(6)
Government loans	Government of Kerala and Director of Industries, Govt. of Kerala	Rs.429005868.00 (Rs.4290.06 in lakhs) + Interest of Rs.363796369.00 (Rs.3637.96 in lakhs) aggregating Rs.792802237.00 (Rs.7928.02 in lakhs)	Both principal and interest as stated in column (3)	Approximately 30 days to 45 days	NIL

- (b) The Company has not been declared wilful defaulter by any bank/ financial institution/Government/any Government authorities;
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year; accordingly reporting under clause (ix)(c) of the Order is not applicable;
- (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie not been used during the year for long term purposes by the Company;
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any fund from any entity or person on account of or to meet the obligation of its subsidiaries, associates of joint ventures;

- (f) The Company has not raised any loans during the year; accordingly reporting of clause (ix)(f) of the order is not applicable;
- (x) (a) The Company has not raised money by way of initial public offer or further public offer including debt instruments during the year; accordingly reporting under clause (x)(a) of the order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debenture (fully/partially/optionally) accordingly reporting under clause (x)(b) of the order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub section (12) of section 143 of the Companies Act, 2013 has been filed in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rule 2014 with Central government during the year and upto the date of this report.
- (c) According to the information and explanations furnished by the Company, it has not received 'whistle blower' compliance, if any, during the year.
- (xii) The Company is not a nidhi Company. Accordingly reporting under 12(a), (b) and (c) of the order is not applicable.
- (xiii) In our opinion, the Company has not complied with section 177 and 188 of Companies Act, 2013 where applicable for all its transactions with related parties and details of related parties transactions have not been

disclosed in financial statements as required by the applicable accounting standards.

- (xiv)(a) In our opinion, the internal audit system prevalent for the financial year 2021-22 was not adequate and commensurate with the size of the Company and the nature of its business.
- (b) We have considered the internal audit reports issued to the Company for the period under audit.
- (xv) According to the information and explanation given to us, we are of the opinion that during the year, the Company did not enter into any non cash transactions with its directors or persons connected with its directors accordingly, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45 – 1A of the Reserve Bank of India Act, 1934, accordingly reporting under clause (xvi)(a), (b), (c) and (d) of the order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year 2021-22. In the immediately preceding financial year, it incurred a cash loss of Rs.6267610.64 (Rs.6267.61 in lakhs).
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the board of directors and management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that

company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- (xx) Although, CSR spending is not applicable to the Company in accordance with section 135(1) of the Companies Act, 2013, the Company incurred Rs.308359.00 (Rs.3.08 lakhs) for CSR expenses during the year. There was no unspent CSR amount for the year requiring a transfer to a fund specified in Schedule VII of the Companies Act, 2013 or special account in compliance with the provisions of sub-section (6) of the section 135 of said Act. Accordingly, reporting under clause (xx) of the order is not applicable to the Company.
- (xxi) As the Company is a standalone Company clause (xxi) of the order is not applicable to it.

Thiruvananthapuram
21st November, 2022.

For DHAN & CO.
Chartered Accountants
FRN 000740S

V.S. Velayudhan Nair
22-11-2022
V.S. Velayudhan Nair
Partner, M.No. 013281



UDIN: 22018281BDSUTK5662

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial control over financial reporting of **M/s Travancore Titanium Products Limited** as of 31 March 2022 in conjunction with our audit of the financial statement of the Company for the year ended on that date.

Management's Responsibility for internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 of the Company 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") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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



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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Basis of Qualified Opinion

Based on the limited audit procedures performed by us during the course of our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's Internal Financial control over financial reporting as at 31st March, 2022:



1. The Company's Internal financial Control 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 impairments on the property, plant and equipments held by the Company, which could, potentially result in an overstatement of value of property, plant and equipment and the understatement of resulting impairment of loss expenses for the year.
3. The company does not have an effective systems of accounting in respect of consumption of raw materials. Derived figures are accounted in the books of accounts rather than actual consumption. This may lead to accounting errors and inaccurate particulars in the financial statements.
4. The Company's present system for detection of incorrect classification in the financial statements is ineffective which may potentially result in inaccurate classification.
5. The Company's present Internal Control System is inadequate with respect to the drawing up of error free financial statements for the approval of its Board of Directors.
6. The Company has not introduced a proper Internal Control System to determinate and recognize of normal and abnormal losses in the material consumption.
7. There are no Internal Financial Controls over the physical verification of stock of various items. The present system of periodical stock



verification and certification of Stores and Spares by the section head, certification of periodical closing stock by the Marketing division head and also year end physical verification of assets of the Company by the respective head of department in which the assets are located is inadequate and the Company should introduce a system for verification by a committee/authorised personal outside the department concerned.

8. The Company does not have an effective for accounting purchase and stock in transit resulting in omission to account these stocks.
9. No documented standards, if any, were available for the consumption of raw materials, yield of finished products and byproducts. Variances from standards were not ascertained and recognised.

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 mis-statement of the Company's annual financial statement will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, except for the effects/possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate Internal Financial Control System over financial reporting and such Internal Financial Control over financial reporting were operating effectively as of 31st March, 2022, based on the Internal Control over financial reporting criteria established by the Company considering the essential components of Internal Control stated in the guidance note on Audit of Internal Financial Control 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 March 31st 2022, financial statements of the Company and these materials weakness have affected our opinion on the financial statements of the Company.

Thiruvananthapuram
21st November, 2022.

For DHAN & CO.
Chartered Accountants
FRN-000740S

V.S. Valsayudhan Nair
22.11.2022

V.S. Valsayudhan Nair
Partner, M.No. 018285



UDIN: 22018281BDSUTK5662

ANNEXURE - C**Directions under sub-section (5) of section 143 of the Companies Act, 2013
applicable from the year 2020-21**

Sl. No.	Directions	Reply
1.	Whether the company has system in place to process all the accounting transactions through IT systems? 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.	No, the Company does not have a system in place to process all the accounting transactions through I.T. systems. ERP software were installed by the Company in the year 2012, but pay roll has not been fully integrated till the end of 31.03.2022, work-in-progress and finished goods valuation were also not through ERP. Further coding used by different departments are not uniform. R & D and production of the Company are not computerized. Therefore, in our opinion all the accounting transactions are not processed through I.T. System. However, there is no financial impact.
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 due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	According the books of accounts and records examined and the information and explanations furnished by the Company, there was no case of waiver/write off of debts/loans/interest etc. during the financial year 2021-22 – Financial impact - Nil.

3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	During the current financial year 2021-22 no fund (grants/subsidy etc.) were received by the Company from Central/ State Government or its Agencies.
Sector Specific Sub-directions under Section 143(5) of the Companies Act, 2013		
Manufacturing Sectors		
1.	Whether the Company's pricing policy absorbs all fixed and variable cost of production as well as the allocation of overheads?	Yes, the fixed and variable costs as well as allocation of overheads are absorbed. The Company's pricing policy is governed by the sales promotion committee (S.P.C.) and the pricing decisions are based on the prevailing market conditions.
2.	Whether the Company has utilized the Government assistance for technology upgradation/modernization of its manufacturing process and timely submitted the utilization certificate?	No Government assistance received from the Government during the year 2021-22 for technology up gradation/modernization of its manufacturing process.
3.	Whether the Company has fixed norms for normal losses and a system for evaluation abnormal losses for remedial action is in existence?	The company has no fixed norms for normal/abnormal losses also and no system is in place for evaluation of abnormal losses within the Company. In our opinion no remedial measures were in existence to curb abnormal losses in various stages of production.

4	<p>What is the system of valuation of by-products and finished products. List out the cases of deviation from its declared policy any?</p>	<p>Sulphuric acid is used for the manufacture of Titanium dioxide. After production this sulphuric acid is neutralized using calcium carbonate and water in the neutralization plant. In this process white gypsum and red gypsum are generated. White gypsum sold to cement factories for production of cement and red gypsum is used by the Company for production of bricks. The bye-products are valued at the prevalent market price. We have not noticed any deviation from the declared policy in this regard.</p>
5	<p>Whether the effect of deteriorated stores and spares of closed unit been properly accounted for in the books?</p>	<p>The Company has no closed units.</p>
6	<p>Whether the Company has an effective system of physical verification, valuation of stock, treatment of non-moving items and accounting the effect of shortage/excess noticed during the physical verification?</p>	<p>The Company has no effective system for physical verification, and treatment of non-moving items and accounting the effect of shortage/excess noticed during the year. Physical verification of stores/spare are periodically conducted by the store head, but there is no independent verification by other officials, not related to the stores/spares. Raw materials, materials in process and stores and spares are valued at cost on weighted average or net realization value whichever is lower and</p>

		finished products are valued at lower of the cost or net realizable value which appears to be reasonable.
7	State the extent of utilization of plant and machinery during the year vis-a-vis installed capacity	<p>Titanium dioxide</p> <ul style="list-style-type: none"> - Plant – installed capacity - 24500 MT per annum - Utilised capacity - 9088 MT per annum (37.09% of installed capacity) <p>Sulphuric acid</p> <ul style="list-style-type: none"> plant capacity - 99000 MT per annum - Utilised capacity - 77665 MT per annum (78.45% of installed capacity)
8	Report on the cases of discounts/ commission in this regards to debtors and creditors where the Company has deviated from its laid down policy.	No cases of deviation from the laid down policy in this regard have been noticed by us.

Thiruvananthapuram
21st November, 2022.

For DHAN & CO.
Chartered Accountants
FRN 000740S

[Signature]
22-11-2022

V.S. Velayudhan Nair
Partner, M.No. 018281



UDIN: 22018281BDSUTK5662

TRAVANCORE TITANIUM PRODUCTS LIMITED

TRIVANDRUM - 695 021

(A Government Of Kerala Undertaking)

BALANCE SHEET AS AT 31ST MARCH, 2022

Particulars	Note No.	As at 31.03.2022 ₹ (in Lakhs)	As at 31.03.2021 ₹ (in Lakhs)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	1,376.75	1,376.75
(b) Reserves and Surplus	2	(9,861.13)	(12,426.78)
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	1,207.79	1,368.27
(b) Deferred Tax Liabilities (Net)	4	-	-
(c) Other Non-Current Liabilities	4(a)	10,834.64	10,874.68
(d) Long Term Provisions	5	3,428.24	3,605.34
(3) Current Liabilities			
(a) Short-term Borrowings	6(a)	677.31	556.98
(b) Trade payables	6(b)	606.74	1,062.77
(c) Other Current Liabilities	7	10,788.45	11,244.42
(d) Short-Term Provisions	8	1,256.30	366.62
Total		20,315.10	18,029.06
II. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	9		
(i) Tangible Asset		3,189.89	3,094.36
(ii) Intangible Asset		1.13	4.32
(iii) Capital Work-in-progress		3,757.32	3,783.86
(iv) Intangible Capital Work-in-progress		9.20	9.20
(b) Non-current investments	10	12.29	12.29
(c) Deferred tax assets (net)	4	1,071.18	107.56
(d) Long term loans and advances	11	83.29	86.89
(e) Other non-current Assets	12	610.68	-
(2) Current Assets			
(a) Inventories	13	5,839.15	3,121.68
(b) Trade receivables	14	476.79	794.15
(c) Cash and cash equivalents	15	2,807.71	4,603.47
(d) Short-term loans and advances	16	2,420.32	2,374.77
(e) Other current assets	17	36.13	36.52
Total		20,315.10	18,029.06
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 Mohanmad Hanish, IAS
Chairman
(DIN No.02504842)

Vimal S V
Company Secretary
(M.No F10468)

George N N N
Managing Director
(DIN No. 7635736)

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

As per our report of even date attached

For DHAN & CO.
Chartered Accountants
FRN 009746S

22.11.2022
V.S. Velayudhan Nair
Partner, M.No. 018261



TRAVANCORE TITANIUM PRODUCTS LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2022

Sr. No	Particulars	Note No.	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
I	Revenue from operations			
	Net Sales	19	23,105.04	16,561.00
II(a)	Other Operating Income	20(a)	79.60	108.64
II(b)	Other Income	20(b)	626.25	241.34
III	Total Revenue (I + II)		23,810.89	16,910.98
IV	Expenses:			
	Cost of Raw materials consumed	21	10,591.97	4,704.57
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	(3,096.06)	1,352.08
	Employee Benefit Expense	23	7,320.80	11,505.82
	Finance Costs	24	544.53	601.87
	Depreciation and Amortization Expense	9	419.36	439.27
	Other Expenses	25	6,173.94	4,658.43
	Total Expenses (IV)		21,954.54	23,262.04
V	Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		1,856.35	(6,351.06)
VI	Exceptional Items			
VII	Profit/(Loss) before extraordinary items and tax (V - VI)		1,856.35	(6,351.06)
VIII	Extraordinary Items			
IX	Profit/(Loss) before tax (VII - VIII)		1,856.35	(6,351.06)
X	Tax expense:			
	(1) Current tax		254.32	388.87
	(2) Deferred tax	4	-963.62	-33.05
XI	Profit/(Loss) for the period from continuing operations (IX - X)		2,565.65	(6,706.88)
XII	Earning per equity share:			
	(1) Basic		18.64	(48.72)
	(2) Diluted		18.64	(48.72)

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 DHAN & CO.
Chartered Accountants
FRN 000740S

22-11-2022
V.S. Velayudhan Nair
Partner, M.No. 018281

UDIN : 22018281BDSUTK7662

Thiruvananthapuram,



TRAVANCORE TITANIUM PRODUCTS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

	Current Year (01.04.2021 to 31.3.2022)		Previous Year (01.04.2020 to 31.3.2021)	
	₹ (in Lakhs)	₹ (in Lakhs)	₹ (in Lakhs)	₹ (in Lakhs)
A Cash flow from Operating Activities:				
Net Profit after tax and extraordinary items		2,565.65		(6,706.88)
Adjustment for:				
Deferred Tax	(963.82)		(33.05)	
Provision for Taxation	254.32		388.87	
Depreciation	419.36		439.27	
Interest expense	544.53		601.87	
Interest income	(141.09)		(147.92)	
		113.53		1,249.04
Operating Profit before Working Capital changes		2,679.18		(5,457.84)
Adjustment for:				
Inventories	(2,717.49)		818.81	
Trade Receivables	317.36		148.74	
Other Receivables	(45.17)		1,910.24	
Other Non Current Assets	(607.08)		(3.54)	
Decrease in Non Current liabilities	(177.10)		693.67	
Increase/Decrease in Other Non-Current Liabilities	(40.05)		10,874.88	
Trade & Other Payables (net)	98.02	-3,171.52	-6,816.14	7,626.46
Cash generated from operations		-492.34		2,168.62
Net Cash Flow from Operating Activities (A)		-492.34		2,168.62
B Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment	(485.17)		(1,010.71)	
Sale of Property, Plant and Equipment				
Capital Work in Progress-Intangible			-9.20	
Shortterm Deposit	3,690.47		(804.36)	
Interest received	141.05		147.92	
Net Cash Flow from Investing Activities (B)		3,346.37		-1,676.35
C Cash Flow from Financing Activities				
Interest Paid	(544.53)		(601.87)	
Term Loans	(160.48)		1,182.58	
Excess provision in earlier years				
Provision for Income Tax	(254.32)		(388.87)	
Increase in Capital (Adv against Share Capital)				
Net Cash Flow from Financing Activities (C)		(959.33)		191.81
Net Increase/Decrease in Cash and Cash equivalents (A+B+C)		1,894.70		684.08
Cash and Cash equivalents (Opening Balance) Excluding item in Note 15(b)ii & iii		711.52		27.44
Cash and Cash equivalents (Closing Balance) Excluding item in Note 15(b)ii & iii		2,606.21		711.52

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

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

For and on behalf of the Board of Directors

George 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 DHAN & CO.
 Chartered Accountants
 FRN 000740S

V.S. Velayudhan Nair
 Partner, M.No. 016281

UDIN: 22018281BDSUTKH662



TRAVANCORE TITANIUM PRODUCTS LIMITED

**Notes on Financial Statements for the year ended 31st March, 2022
included in and forming part of the Balance Sheet and Statement of Profit and Loss.**

Note 1 - Share Capital

Sl. No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
a	SHARE CAPITAL		
	AUTHORIZED		
	50,000,000 Equity Shares of Rs.10/- each, Previous year 50,000,000 Equity Shares of Rs.10/- each (See note 18.45)	5,000.00	5,000.00
		5,000.00	5,000.00
b	ISSUED CAPITAL		
	13,785,000 Equity Shares of Rs.10/- each (Previous Year 13785000 Equity Shares of Rs.10/-each)	1,378.50	1,378.50
c	Subscribed and paid-up		
	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)	1,376.74	1,376.74
	Add Forfeited Shares - amount paid up	0.01	0.01
	TOTAL	1,376.75	1,376.75

Sl. No.	Particulars	2021-22 ₹		2020-21 ₹	
		No. of Shares	Amount (in Lakhs)	No. of Shares	Amount (in Lakhs)
d	Reconciliation of Share Capital Equity Shares				
	Number of shares at the beginning	13767417	137.67	13767417	137.67
	Add Shares issued during the year	---	---	---	---
	Number of shares at the end	13767417	137.67	13767417	137.67
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 31.3.2022	% of Total shares	Ast at 31.3.2021	% 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	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Capital Reserve - as per last Balance Sheet	20.83	20.83
	Surplus/Deficit in statement of Profit and Loss	-	-
2	Balance as per last Balance Sheet	-12,447.61	-5,740.73
3	Add/(Less) Profit/(Loss) for the year	2,565.65	-6,706.88
		-9,881.96	-12,447.61
	Closing Balance	-9,861.13	-12,426.78

NON CURRENT LIABILITIES

Note 3 - Long Term Borrowings

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Term Loan - From Banks Secured		
2	Term Loan - From Others a) Loan from Kerala Minerals and Metals Ltd. Unsecured a) Loan from Government of Kerala - Principal (See Note 18.20)	1,207.79	1,368.27
	TOTAL	1,207.79	1,368.27



Note 4 - Deferred Tax Liability (Net)

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Deferred Tax Liability (A) On fiscal allowance on Fixed Assets	121.57	21.35
2	Deferred Tax Asset (B) Leave Encashment and other employee benefits Gratuity benefits Disallowance-u/s 43B	-39.00 124.80 1,105.950	- 97.80 31.11
	Net Deferred tax (A - B) (See note 18.40)	(1071)	-107.56

Note 4(a) - Other Non-Current Liabilities

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Arrear Salary Payable	3,846.87	3,886.92
2	Govt. Of Kerala - production service charges	6,987.76	6,987.76
	TOTAL	10,834.64	10,874.68

Note 5 - Long Term Provisions

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
	Provision for Employee Benefits		
1	Provision for Gratuity	2,264.70	2,279.76
2	Provision for Leave encashment	1,163.54	1,325.58
	TOTAL	3,428.24	3,605.34

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

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Loans repayable on demand Secured		
	a. From banks - Working Capital Loan		
1	SBI, Kochuvelli-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 9.40%.	127.82	556.98
2	Loan against FD with SBI, Kochuvelli Br.	549.49	-
	b. From other parties	-	-
	c. Loans and advances from related parties	-	-
	d. Deposits	-	-
	e. Other loans and advances	-	-
	TOTAL	677.31	556.98

Note 6(b) - Trade payables

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Payables for Raw Material purchase	94.55	279.93
2	Payables for Services rendered	242.19	313.15
3	Payables for Stores & Spare purchase	80.85	225.57
4	Other payables	189.15	244.13
	TOTAL	606.74	1,062.77



Note 7 - Other Current Liabilities

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Security Deposit (from stockist)	176.87	186.87
2	Security deposit (from Others)	157.75	166.15
3	Earnest Money Deposit	41.31	44.53
4	Advance from Customers	312.30	350.26
5	Expenses payable	2,233.74	2,459.64
6	Statutory Dues (See note 18.21(a))	970.41	748.22
7	Others (See Note 18.21 (b))	168.67	320.25
8	Current maturities of long-term debt	-	-
9	Secured Loan	-	-
10	Unsecured Loan	-	-
11	Loan from KMML (See Note 18.21 (c))	7.17	428.13
12	Loan from Govt. Of Kerala - Principal	3,062.27	2,921.79
13	Loan from govt. Of Kerala - Interest accrued	3,637.96	3,618.57
	TOTAL	10,788.45	11,244.42

Note 8 - Short Term Provisions

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Provision for Employees Benefit		
	Provision for Gratuity	480.22	36.58
	Provision for Leave encashment	321.96	130.25
2	Others		
	Provision for Taxation	454.12	199.79
	TOTAL	1,256.30	366.62



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 31.03.2022

note-9

PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION STATEMENT

NAME OF ASSETS	As on 01.04.2021	Additions during the year	Transfer/ Sales	As on 31.03.2022	As on 01.04.2021	Provided during the year	As on 31.03.2022	As on 31.03.2022	As on 31.03.2021
Intangible Assets									
Lease hold	0.73	-	-	0.73	-	-	-	0.73	-
Land (Freehold)	289.09	-	-	289.09	-	-	-	289.09	-
Road/Fencing & Docks	58.23	1.78	-	60.01	50.91	3.46	54.37	5.64	7.32
Factory & Office Building	981.50	33.71	-	1,015.21	612.65	45.91	660.43	354.78	368.84
Plant & Machinery	8,338.95	379.89	-	8,718.84	6,119.77	316.54	4,436.31	2,282.53	2,219.18
Lab Equipments	177.90	7.65	-	185.55	136.66	11.26	145.92	39.63	43.24
Workshop Equipments	37.67	-	-	37.67	35.79	-	35.79	1.88	1.88
Electric fittings	74.03	9.30	-	83.33	63.90	2.30	66.20	19.13	12.14
Furniture & Office Equipments	99.66	0.72	-	100.38	91.36	1.00	92.36	8.02	8.30
Service & Miscellaneous Equipment	313.46	23.25	-	336.71	186.84	33.30	220.15	116.56	126.62
Audio Visual Equipments	-	0.88	-	0.88	9.95	2.55	12.50	8.05	9.72
Medical Aid Equipments	0.59	-	-	0.59	0.56	-	0.56	0.03	0.03
Computer	91.84	4.37	-	96.20	86.86	0.82	87.69	8.52	4.97
Transport Vehicle	0.76	-	-	0.76	0.72	-	0.72	0.04	0.04
Car/Jeep Equipment	20.08	0.03	-	20.12	19.08	0.01	19.09	1.02	1.00
Library & Club Library	3.53	-	-	3.53	3.35	-	3.35	0.18	0.18
Inst.Sec. Equipment	21.39	-	-	21.39	20.32	-	20.32	1.07	1.07
Rounding off	-	-	-	-	-	-	-	-	-
Intangible Assets									
8P	25.87	-	-	25.87	21.55	2.19	23.74	2.13	4.32
Total	10,537.28	461.58	-	11,018.54	7,458.28	419.36	7,879.50	3,139.04	3,098.68
Figures for the Previous year	10,207.00	346.96	-	10,556.96	7,019.01	439.27	7,458.28	3,098.68	3,187.99
Capital work-in-progress	-	-	-	-	-	-	-	9,622.69	9,629.23
Less: Provision for abandoned Projects	-	-	-	-	-	-	-	5,845.37	5,845.37
Intangible Asset after provision-See Note no.18.52	-	-	-	-	-	-	-	3,757.32	3,783.86
Intangible Asset -See Note no.18.53	-	-	-	-	-	-	-	9.20	9.20



Note 10 - Non Current Investments

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
	A. Investments in Equity Instruments		
	Trade Investment		
	Other investments		
1	Kerala Enviro Infrastructure Ltd. - Unquoted 116300 fully paid equity shares of Rs.10/- each (Previous year 116300 equity shares of Rs.10/- each fully paid unquoted)	11.63	11.63
2	Kilbourn Chemicals - Quoted 100 fully paid equity shares of Rs.52.04 each, Face value of Rs.10/- each (Current year Market Value of Rs.8.67 per share) (Previous year Market value of Rs.9.28, 100 fully paid equity shares of face value of Rs.10/- per share)	0.05	0.05
3	Travancore Sulphates Ltd. (The company is under liquidation) 60000 fully paid equity shares of face value of Rs.10/- each less diminution - Unquoted (Previous year 60000 fully paid equity shares of face value of Rs.10/- each)	0.60	0.60
	B. Other Non-current Investments (other investments)	-	-
4	Titanium Labour Sahakarana Sangam - Unquoted 10 fully paid equity shares of Rs.100/- each (Previous year 10 fully paid equity shares of Rs.100/- each unquoted)	0.01	0.01
	TOTAL	12.29	12.29

Note 11 - Long term loans and advances

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Capital Advance	-	-
2	Security Deposits	0.19	0.19
3	Unsecured considered good (Deposit with suppliers)	83.10	86.70
	TOTAL	83.29	86.89

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

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Long term Trade receivable		
1	Secured considered good	-	-
2	Unsecured, considered good	-	-
3	Doubtful	684.59	643.89
	Less Provision for doubtful debts	-685.90	-643.89
2	Security Deposits		
3	Others		
	Long Term Fixed Deposit with Bank	612.00	
	TOTAL	610.68	-

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**

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Raw Material	385.55	956.02
2	Work-in-Progress	1,139.73	560.78
3	Finished Goods	2,974.67	457.55
4	Stores & Spares	1,329.21	1,147.30
	TOTAL	5,839.15	3,121.66

(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

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Outstanding for a period exceeding six months from the date they became due for payment -		
	Secured, Considered Good	107.88	262.82
	(Secured by bank guarantees)	-	-
	Unsecured, Considered Good	368.91	531.34
	TOTAL	476.79	794.15

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

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
a)	Balance with Banks -		
i)	In current accounts	80.53	710.26
ii)	Cheques, drafts on hand	-	-
iii)	Cash on hand	0.70	1.26
b)	Others -		
i)	Unclaimed dividend account	-	-
ii)	Margin Money/Guarantee deposit with bank less than 12 months maturity (See Note 18.23)	115.71	145.19
iii)	Fixed deposit with less than 12 months maturity (See Note 18.24)	85.76	3,746.76
iv)	Govt. Of Kerala Treasury Savings Bank account	2,525.00	0.00
	TOTAL	2,807.71	4,603.47

Note 16 - Short Terms Loans and Advances

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	(a) Unsecured considered good:		
	i) Advances Recoverable in Cash or in kind or for value to be received - Advance to Employees	175.25	402.92
	ii) Advance to Suppliers - Unsecured, considered good	944.08	979.70
	iii) Pre-paid Expenses	13.68	16.15
	iv) Advance tax Income Tax paid & TDS	490.61	258.87
	v) Duties and Tax Receivables	729.33	406.98
	vi) KVAT Receivable	67.38	310.14
	TOTAL	2,420.32	2,374.77

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

Sl No.	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Duty Entitlement	0.20	0.56
2	Dividend Receivable	0.04	0.05
3	Interest Receivable	2.86	9.02
4	Stipend Receivable	33.02	26.89
	TOTAL	36.13	36.52



Notes 19 - Revenue from Operations

Sl No	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Domestic Sale (Net)		
	Anatase Domestic	17,605.93	13,999.00
	Rutile Domestic	1,397.05	1,573.37
	Sulphuric Acid Domestic	3,950.25	554.19
	Potassium Titanate Domestic	10.65	21.15
2	Export Sales		
	Anatase	141.12	348.34
	Rutile	0.05	64.94
	TOTAL	23,105.04	16,561.00

Note 20(a) - Other Operating Income

Sl No	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Sale of Scrap	78.21	103.55
2	Income From Duty Draw Back	1.40	5.08
	TOTAL	79.60	108.64

Note 20(b) - Other Income

Sl No	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Interest Receipt (Annexure 1)	141.06	147.92
2	Dividend received	0.05	0.05
3	Prior Period Income	471.74	-
4	Miscellaneous Income	13.39	93.37
	TOTAL	626.25	241.34



Note 21 - Cost of Raw material Consumed.

Sl No	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
	Purchase of Raw Materials and Stores		
1	Opening Stock (Raw materials)	958.02	485.02
	Add Purchase of Raw materials	10,065.65	5,166.59
	Add Freight Charges included in Closing Stock of Rawmaterials	16.13	50.29
		11,037.81	5,702.90
	Less Closing Stock of Raw materials	395.55	956.02
	Less Freight Charges included in opening stock	50.29	41.31
	Cost of Raw materials consumed	10,591.97	4,705.57

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	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Opening Stock - (a)	1,018.34	2,370.41
	Finished Goods	457.55	1,356.97
	Goods in process	560.78	413.45
2	Closing Stock - (b)	4,114.39	1,018.34
	Finished Goods	2,974.67	457.55
	Goods in process	1,139.73	560.78
	TOTAL (a) - (b)	-3,096.06	1,352.08

Note 23 - Employee Benefit Expenses

Sl No	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Salaries and Wages	4,942.54	9,294.95
2	PF and Other charges	528.71	458.42
3	Leave Encashment	157.44	450.81
4	Welfare and Other Expenses	818.53	725.91
5	Gratuity	833.59	577.72
	TOTAL	7,320.80	11,505.82

Note 24 - Finance Costs

Sl No	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Interest on Stockist Deposit	8.02	7.65
2	Interest on Term loan from KML	21.89	39.43
3	Interest on Government Loan	479.26	495.27
4	Interest on Bank OD/Term Loan	34.74	42.48
5	Other interest charges	0.62	17.07
	TOTAL	544.53	601.87



Note 25 - Other Expenses

Sl No	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
1	Consumption of Stores and spare parts	762.94	618.58
2	Power & Fuel and Electricity	2,447.80	1,984.57
3	Carriage inward and freight & forwarding	625.28	486.55
4	Water Charges	64.41	122.16
5	Rates and Taxes	25.24	17.10
6	Postage & Telephone Expenses	5.45	6.35
7	Travelling Expenses (See Note 18.43)	1.95	2.20
8	Repairs & Maintenance of Building	26.89	16.61
9	Repairs & Maintenance of Machinery	909.53	829.47
10	Repairs & Maintenance of Vehicle	4.14	4.38
11	Repairs & Maintenance of Computer	6.15	4.39
12	Insurance Expenses	37.56	27.79
13	Legal and Professional charges	63.30	86.00
14	Bank Charges	5.28	2.90
15	Sales promotion expenses	339.32	60.39
16	Directors sitting fee	-	0.14
17	Printing and Stationery	27.98	46.39
18	Security expenses	52.41	49.98
19	Pollution Control expenses	17.38	21.20
20	R & D expenses	42.79	56.78
21	General charges	60.24	127.13
22	Auditors' Remuneration (See Note 18.41)	6.54	7.03
23	Prior Period expenses	263.38	3.68
24	Provision for bad and doubtful debts	42.01	-
25	Neutralisation Plant- operating expenses	123.52	67.01
26	Sanitizer Plant Operating expense	2.22	2.68
27	Interlock Making Expense	6.16	5.52
26	Excise / Customs duty	-	-
27	Abnormal Loss	0.47	1.43
28	Audit expenses	3.60	-
	TOTAL	6,173.94	4,658.43

Annexure - 1 to Note 20

Sl No	Particulars	2021-22 ₹ (in Lakhs)	2020-21 ₹ (in Lakhs)
	Interest Receipts:-	-	-
1	On loan to employees	0.03	0.03
2	On bank deposits	134.98	117.18
3	From Customers	0.14	19.75
4	From Others	-	7.01
5	From KSEB	5.93	3.95
	TOTAL	141.06	147.92

0



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. *Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items*

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. *The company adopts the useful life of the asset as prescribed by the Companies Act 2013, except effluent treatment plant which is depreciated over the period of 20 years.*

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 31.03.2022. Intangible assets are amortized 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.

Most of the assets were capitalized in earlier period of time and it was not possible to identify the value of the individual component for each category of assets. Most of the assets were already depreciated by more than 90%, it was decided to apply depreciation as per the book value.

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized 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 realizable 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 in Lakhs)	Interest accrued upto 31/03/2022 (Rupees in Lakhs)	Period of Arrear
1	G.O (Rt) No.968/2008 dt 29.8.2008	700.00/-	1,390.57 /-	12 years 7 months
2	G.O (Rt) No.620/2008 ID dt 23.6.2008	300.00/-	604.48 /-	12 years 9 months
3	G.O (Rt)No.1419/2013/ID dt 11.11.2013	500.00 /-	525.50 /-	7 years 3 months
4	G.O (Rt) No.730/2015/ID dt 31.07.2015	300.00 /-	253.76 /-	6 years 3 months
5	G.O (Rt) No.730/2015/ID dt 31.07.2015	300.00 /-	230.44 /-	5 years 6 months
6	GO(Rt)No1251/2016/ID dt.28/11/2016	499.23 /-	286.53 /-	4 year 3 months
7	GO(Rt)No395/2017/ID dt. 18/03/2017	83.52 /-	81.02 /-	4 year
8	GO(Rt)No1245/2018/ID dt 31/10/2018	207.83 /-	71.27 /-	2 year 5 months
9	GO(Rt)No.740/2019/ID dt 07/08/2019	249.47 /-	53.18 /-	7 months
10	G.O (Rt) No.614/2020/ID dt 12.08.2020	500.00 /-	75.48 /-	7 months
11	G.O (Rt) No.230/2021/ID dt 17.02.2021	650.00 /-	65.73 /-	1 months
Total		4,290.05 /-	3,637.96 /-	

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 31.03.2022 was aggregating Rs.3,637.96 /- lakhs (previous year Rs. 3,618.57 /-



lakhs . As on 31/03/2022 the Company has not repaid Principal due amount of Rs 3,056.16 /- lakhs.(previous year Rs 2,729.39 /- lakhs) .

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

18.21 As on 31.03.2022, the balance in term loan availed from M/s KMML is Rs 7.16 lakhs .(Previous year 428.12 Lakhs) towards the settlement of loan . The 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 2021-22, 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.

The company's proposal for conversion of lease land to own land as a part of restructure proposal is under active consideration of Government. Hence we had not made provision for leased rent for lease land

- (b) The contingent liability in respect of lease rent for the financial years from 2009-10 to 2021-22 is estimated at Rs.30.16 lakhs (Previous year Rs. 27.84 lakhs).

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

Particulars	As at 31.3.2022 (Rupees in lakhs)	As at 31.3.2021 (Rupees in lakhs)
State Bank of India – FD for KSEB bank guarantee	115.58	94.86
State Bank of India FD for KSPCB bank guarantee		49.50
Union Bank of India – FD for KSEB bank guarantee		0.81
TOTAL	115.58	145.18

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

Particulars	As at 31.3.2022 (Rupees in lakhs)	As at 31.3.2021 (Rupees in lakhs)
Fixed deposit with State Bank of India	81.02	118.51



Fixed deposit with Union Bank of India- kzhakkuttam	-	400.56
Fixed deposit with ICICI Bank	6.69	815.36
Fixed deposit with Union Bank of India – Karamana	4.74	2412.31
TOTAL	92.45	3,746.76

Estimated amounts of contracts remaining to be executed on capital assets and not provided for amounts to Rs.1,091.40 lakhs /- (Previous year Rs.146.20 lakhs)

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 company had submitted application under Vivad Se Viswas Scheme to settle the Income tax disputes under appeal for the assessment year 2008-09 to 2017-18. Based on the application filed, Income tax department issued demand/ refund order. Out of the ten assessment years, company has received the final order from Income Tax department in Form-5 for seven years. In respect of three assessment year, the demanded tax as per Form -3 was paid and company await for the final order.

Particulars of Income tax final orders in respect of seven assessment years is as below

Sl No	Assessment Year	Tax Demand/(Refund) (Rupees in Lakhs)	Form -5- Vs Vs	Date	Remarks
1	2008-09	(42.58)	909530541110122	11-01-22	Refund awaited
2	2009-10	Nil	909542291110122	11-01-22	Nil
3	2010-11	Nil	909553261110122	11-01-22	Nil
4	2011-12	(21.01)	909689191110122	11-01-22	Refund awaited



5	2015-16	Nil	909736431110122	11-01-22	Nil
6	2016-17	Nil	909794711110122	11-01-22	Nil
7	2017-18	(4.52)	909815131110122	11-01-22	Refund awaited

Particulars of Income tax demand orders in respect of three assessment years is as below:

Sl No	Assessment Year	Tax Demand/(Refund) (Rupees in Lakhs)	Form -3- Vs Vs	Date	Remarks
1	2012-13	47.44	341577460150421	15-04-11	Tax Paid-Form-5 awaited
2	2013-14	29.03	336687030010421	01-04-11	Tax Paid-Form-5 awaited
3	2014-15	117.84	336688110010421	01-04-11	Tax Paid-Form-5 awaited

- 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 in Lakhs)
Kerala State Electricity Board	96.35
TOTAL	96.35

The total contingent liability in respect of the above guarantees is estimated at Rs. 96.35 lakhs (Previous year Rs. 95.67 lakhs).



- d) M/s BGH Exim Ltd. filed a case against the Travancore Titanium Products Ltd. for compensation of Rs.4,56.83 lakhs 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 31st May 2016. As per the Award a sum of Rs.89.55 lakhs 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 2021-22 is Rs.456.83 lakhs (Previous Year Rs.456.83 lakhs).

- 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 lakhs u/s 11A(10) of Central Excise Act,1944 r.w.Rule 14 of the Cenvat Rules, the total demand in being Rs.123.34 lakhs. 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 2020-21 is Rs.123.34 lakhs.

f) Gratuity in respect of 13 contract workers amounting to Rs.7.33 lakhs 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 lakhs on 11.09.2018. The appeal is still pending and contingent liability of Rs.7.33 lakhs.

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

Sl. No	Court	Petitioner	Subject Matter	Financial Commitment (Rupees in lakhs)
1	High Court of Kerala	Kerala Transport Company	Payment of outstanding bill(against the Company)	Rs.3.87
2	Munsiff Court, Trivandrum	Babu	For attaching Security Deposit(by the Company)	Rs.0.22
3	Employee Compensation Commissioner, Kollam	K.Bhuvanendran Nair	For getting compensation for injuries sustained while on duty	Rs.3.31
4	Employee Compensation	a.S.Rajalekshmi b.K.Sudhamani	For Getting Compensation	a.Rs.4.98 b.Rs 4.06

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

a) Defined Contribution Plans



Particulars	2021-2022	2020-2021
	Rupees in lakhs	Rupees in lakhs
Contributions to Defined Contribution Plans recognized as expenses for the year under Employer's Contribution to:		
a. Provident Fund	525.79	455.92
b.ESI	2.91	0.50
c. Labour Welfare Fund	0.45	0.86

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	2021-2022 Rupees in lakhs	2020-2021 Rupees in lakhs
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)	14.46	14.46

ii. Changes in Present Value of Obligations (Leave)	2021-2022 Rupees in lakhs	2020-2021 Rupees in lakhs
a) Present Value of Obligations at the beginning of the period	1,455.82	1,119.97
b) Interest Cost	109.18	102.37
c) Past Service Cost (non-vested)		
d) Past Service cost (vested)		
e) Current Service Cost	497.50	490.15
f) Benefits paid	0	(59.19)
g) Actuarial Gain / (Loss)	(577.01)	(197.48)
h) Present Value of Obligations at the end of the period	1,485.50	1,455.82

iii. Members Summary	2021-2022 Rupees in lakhs	2020-2021 Rupees in lakhs
a) No. of Employees	615	626
b) Average Monthly Salary (Rs.)	0.56	0.54
c) Average Age	45	45.54
d) Superannuation age	60	60
e) Average service left (years)	15	14.46
iv. Expenses recognized in the Statement of Profit and Loss	2021-2022 Rupees in lakhs	2020-2021 Rupees in lakhs
i. Current Service Cost	497.50	490.15
ii. Past Service Cost (if applicable)		
iii. Interest Cost	109.18	102.37
iv. Expected return on plan assets		-
v. Curtailment Cost/(Credit)		-
vi. Settlement Cost/(Credit)		-
vii. Net actuarial gain/(loss) recognized in the Period	(577.01)	(197.48)
viii. Expenses recognized in the statement Of Profit & Loss	29.67	395.04

B. Actuarial assumptions Gratuity

i.	2021-2022 Rupees in lakhs	2020-2021 Rupees in lakhs
a) Discount Rate (per annum)	7.5%	7.5%
b) Salary escalation rate	3% Indian Lives Assured (1994-1996)	3% Indian Lives Assured (1994-1996)
c) Mortality rate	Ultimate	Ultimate

ii. Reconciliation of present value of obligation	2021-2022 Rupees in lakhs	2020-2021 Rupees in lakhs
a) Present Value of Obligations at the beginning of the year	2,746.17	2,250.17
b) Interest Cost	187.90	173.07
c) Past Service Cost (non-vested)		-
d) Past Service cost (vested)		-
e) Current Service Cost	126.81	115.08
f) Benefits paid including earmarked	(481.50)	(81.43)
g) Actuarial Gain / (Loss)	544.63	289.26
h) Present Value of Obligations at the end of the year	3,109.18	2,746.17

iii. Net (Asset)/Liability recognized in the Balance sheet as at the year end	2021-2022 Rupees in lakhs	2020-2021 Rupees in lakhs
a) Present Value of Obligations at the end of the year	3,10.918	2,746.17
b) Fair value of plan assets at the end of the year	268.06	429.83
c) Net present value of funded obligation recognized as (asset)/liability in the Balance Sheet	2,841.12	2,316.33

iv. Expenses recognized in the Statement	2021-2022	2020-2021
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of Profit and Loss	Rupees	Rupees
a) Current Service Cost	126.81	115.08
b) Past Service Cost (if applicable)		-
c) Interest Cost	187.90	173.07
d) Expected return on plan assets	(25.76)	(3.05)
e) Actuarial (gain)/Loss recognized in the period	544.63	289.89
f) Total expenses recognized in the statement Of Profit & Loss for the year	833.58	575.00

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

18.27 Remuneration paid to the Managing Director, Chief Financial Officer and Honorarium paid to Chairman

Rs.0.40 /- in lakhs paid as honorarium to the Chairman Shri.Adv.A Abdul Rasheed for the period from 01/04/2021 to 31/03/2022.

The details of remuneration paid to the Managing Director Shri. Georgee Ninan, during 2021-22,under Section 197 of the Companies Act is as below .

Particulars	2021-2022	2020-2021
	Rupees in lakhs	Rupees in lakhs
Salary and allowances	19.25	13.89
Leave Salary	Nil	Nil
Pay Revision Arrear	Nil	Nil
Perquisites	Nil	Nil
TOTAL	19.25	13.89

Particulars	2021-2022
	Rupees in lakhs
The details of remuneration paid to the Chief Financial Officer, Shri. K.M.Sivaprasad during 2021-22,under Section 197 of the Companies Act is as below .	
Salary and allowances	15.43
Leave Salary	Nil
Pay Revision Arrear	Nil
Perquisites	Nil
TOTAL	15.43



Appointed as Chief Financial Officer w.e.f. 27-07-2021.

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	Current Year	Current Year
	(Debit)	(Credit)	(Debit)	(Credit)
	(31.3.2022)	(31.3.2022)	(31.3.2021)	(31.3.2021)
	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs	Rupees in lakhs
Safety Expense	0.00	-	0.09	-
Trade Discount	3.16	-	0.05	-
Sample Sales		-	-	-
Contract Vehicle		-	0.02	-
Outstanding Expenses	0.01			
Profit/Loss On Foreign Exchange		-	0.01	-
Central Excise	0.30	-	3.50	
Agriculture Expense	0.43	-		
Bank Charges	0.01	-		
Canteen Expense	0.44	-		
Duty Draw Back	-	-0.36		
Freight	0.01	-		
Cenvat	-	-6.00		
IGST		-2.00		
Indian Rare Earth Limited	0.94	-		
Input Credit	3.00			
Interest paid	1.15	-460.48		
Interest Receivable	8.45			
Kerala Value Added Tax	242.77			
Misc Income	0.10	-0.13		
Provision for Statutory Audit Fee	-	-2.16		
sales Expense	0.77	-		
Subsistence Allowance	-	-0.61		
Depreciation	1.86	-		
TOTAL	263.40	471.74	3.68	-

18.29 Furnace Oil leakage

In respect of furnace oil spillage in the year 2020-21, Hon'ble National Green Tribunal has initiated a proceedings against the company and the matter is pending before the Tribunal.



During the year , based on the approval from Fisheries Department-Kerala, company has paid a sum of Rs.9.26 lakhs as compensation towards the damages suffered in the local area.

18.30 In respect of Micro and Small Enterprises to whom the Company owes dues, the amount outstanding as on 31st March, 2022 has been settled in the subsequent months.

18.31

18.31 Net Loss /Gain on foreign exchange fluctuations debited to statement of profit and loss amounted to Rs.5277.51 (Previous year Rs. 23.667).

18.32 Related party disclosures, as required by Accounting Standard 18. "Related Party Disclosures" notified under section 168 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 2021-22 there was no impairment loss on the assets owned by the Company (Previous year NIL).

18.34

Particulars	2021-22		2020-21	
	Quantity	Amount	Quantity	Amount
	Tonnes (MT)	Rupees in lakhs	Tonnes (MT)	Rupees in lakhs
1) SALES: (a)Titanium Dioxide	8,021.666	19,144.15	9,672.20	15,985.66
(b) Sulphuric Acid	36,474.15	3,950.25	9,102.65	554.19
(c)Potassium Titanate	4.725	10.65	11.45	21.15
2) RAW MATERIALS CONSUMED :	2021-22 Tonnes	2021-22 Rupees in lakhs	2020-21 Tonnes	2020-21 Rupees in lakhs
a) Ilmenite	18,674.290	4,192.36	17,715.83	2,864.47



b)	Sulphur	24,630.280	4,319.10	13,836.12	818.56
c)	Scrap Iron	2,302.025	1,122.92	2,085.54	709.16
d)	Other Materials		957.59		312.38

18.35 EARNINGS PER SHARE (EPS)

Particulars	As on 31.3.2022	As on 31.3.2021
a) Weighted Average number of shares outstanding during the year		
i) For Basic Earnings per share (Number)	1,37,67,417	1,37,67,417
ii) For Diluted earnings per share (Number)	1,37,67,417	1,37,67,417
b) Net Profit/(Loss) after tax available for Equity Shareholders (Rupees in lakhs)	2,565.65	(6,706.88)
c) Earnings per share – Face value Rs.10/-(Rupees)		
Basic	18.64	(48.72)
Diluted	18.64	(48.72)

18.36 CAPACITY & PRODUCTION		As on 31.3.2022 (MT)		As on 31.3.2021 (MT)
(a) Titanium Dioxide Plant				
Licensed Capacity per annum	24500		24500	
Installed Capacity per annum	24500		24500	
Actual Production	9088		8805	
(b) Sulphuric Acid Plant				
Licensed Capacity per annum		108000		108000
Installed Capacity per annum		99000		99000
Actual Production		77664.760		41897
Value of Imports during the Year (FOB Value)				
a) Raw Materials				--
b) Stores & spares		146,01,108		--
A) Consumption of Raw Materials				

a) Imported				
b) Indigenous	100%	105,91,97,061	100.00%	47,04,57,260
B) Consumption of Stores and Spares				
a) Imported	12%	146,01,108		
b) Indigenous	88%	1087,77,574	100.00%	12,16,18,775
Expenditure in Foreign Currency:				
a) On Capital				--
b) On Others - Foreign Travel				--
Foreign Currency earned				
a) by way of Export(FOB)	1,41,16,574			4,13,28,663
b) Export sales through agent				--

18.37. Details of Investments

Name of Company	Number of Shares	Purchase Value (Rupees in lakhs)	Market Value as on 31/03/2022 (Rupees in lakhs)
Apollo Tyres Ltd.	1,500	Bonus issue	286500
Kerala Enviro Infrastructure Ltd. (1,16,300 fully paid Equity Shares of Rs. 10/- each)	1,16,300	11.63	Unquoted
Kilburn Chemicals Ltd. (100 Fully paid equity shares of face value of Rs. 10/- each)	100	0.052	867.00
Titanium Labour Sahakarana Sangom. (10 Fully paid Equity shares of Rs. 100/- each)	10	0.01	Unquoted
Travancore Sulphate (60,000 fully paid equity shares of Rs. 10/- each less diminution)	60,000	0.60	Unquoted
Aggregate Market Value of quoted			2.87
Aggregate amount of quoted			0.052
Aggregate amount of unquoted			12.24

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 31.3.2022 (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 in lakhs (31.03.2022)	Deferred Tax Assets (Liability) Rupees in lakhs (31.03.2021)
Obsolete Stores		-
Disallowance U/s 43B		-
Leave Salary	(39.00)	97.80
Gratuity	124.80	31.11
TOTAL	85.80	128.91
Deferred Tax Liability Depreciation	(160.57)	21.35
Deferred Tax Asset/(Liability) Net	1,071.18	(107.56)

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

Particulars	2021-2022 (Rupees in lakhs)	2020-2021 (Rupees in lakhs)
Statutory Audit fees (Inclusive of Tax)	3.54	3.54
Internal Auditors' fee	3.00	3.49
TOTAL	6.54	7.03

18.42 Confirmation received from the majority of our customers as on 31.03.2022.



18.43 Travelling expenses include travelling expenses paid to the Managing Director & Directors amounting to Nil (previous year Rs. 13,870/-).

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 . Previous year's figures have been regrouped / rearranged wherever necessary & rounded off to the nearest rupee.

18.46 Physical Verification of Inventories; The physical verification of inventories has been carried out periodically by the departments internally.

18.47. Going Concern

The Company has not defaulted in honouring liabilities. The Government of Kerala has provided Rs.23 crores in the Kerala budget for the year 2022-23 for the ongoing modernisation program of the company and in connection with 'Master Plan' project and various ongoing projects vide GO No.756/2022/ID dated 23-07-22 , GO No. 799/2022/ID dated 01-08-22 and GO No. 802/2022/ID dated 02-08-22 .The proposal for conversion of Government loan intoequity and conversion of leased government land to own land of the company is also under the active consideration of the Government.

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

18.48 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:01/03/20110 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.



18.49 In respect of the term loan availed from M/s Union Bank of India (UBI), the company was asked to enhance the monthly repayment of term loan Rs 50.21 lakhs to Rs 55.04 lakhs and further demanded to pay arrears amount of Rs 1.30 Crore. In order to verify the correctness of the claim by UBI, company had appointed a firm of Chartered Accountants to study and report on the claim by the Bank. After verifying the term loan documents, repayment by company, the firm reports that a sum of Rs 1.89 crore was charged as excess interest by the Bank. Based on the report, the company claimed the excess interest from the Bank. Further, In order to avoid the loan status to be classified as Non performing asset, the company has paid Rs 89.14 lakhs under protest. The company has taken up the matter before various authorities in the Bank. As the company has not received any refund / suitable reply from the Bank, an application was filed with Banking Ombudsman Authority. The Bank has denied the company's claim in their written statement filed in January 2022. The ombudsman authorities has directed the company to file a counter for the denial and company has filed its counter reply. In the order dated 11.3.2022, the Banking ombudsman authorities has directed the Bank to verify the claim of company with their internal auditors and report within period of two months and the company was asked to re approach if there is failure on the part of Bank. The Banking Ombudsman Authorities has rejected the claim of the company by its order dated 01.08.2022 on the ground of maintainability. The company is exploring the options of pursuing the claim in available legal forum after consulting with advocates. As the company has provided and paid the disputed claim by the Bank under protest, no further provision was created by the company.

18.50 The company regularly files its periodical return under Goods and Service Tax Act (GST). The annual return for the period from 2017-18 to 2020-21 was filed based on the provisional accounts. The company has appointed an external chartered accountant firm to study and report on the GST compliances over the period. As on date the verification of returns with audited records for the above period is under progress.

18.51 The CIF value of import in respect of components and spare parts amounts to Rs.1,34,19,691/- during the financial year 2021-22.

18.52 Capital Work- in- Progress Ageing



CWIP	TOTAL	(Rupees in lakhs) Amount in CWIP for a period of			
		LESS THAN 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS
CAPITAL WORK IN PROGRESS(CRP)	3303.81	330.24	286.74	174.80	2512.02
CAPITAL WORK IN PROGRESS(NP)	131.88	4.77	51.95		75.16
CAPITAL WORK IN PROGRESS(SAP)	305.01	75.06	29.18	-	200.77
CAPITAL WORK IN PROGRESS(FIBRE GRADE)	15.84	-	4.52	6.79	4.525
CAPITAL WORK IN PROGRESS(HAND WASH)	0.77	0.77	-	-	-

18.53 Intangible asset under development Ageing

Intangible asset under development	TOTAL	(Rupees in lakhs) Amount in Intangible asset under development for a period of			
		LESS THAN 1 YR	1-2 YRS	2-3 YRS	MORE THAN 3 YRS
SOFTWARE DEVELOPMENT PROGRAM(SYON SOLUTIONS)	9.2		9.2		

18.54 Trade Receivables ageing schedule

PARTICULARS	(Rupees in lakhs) OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT					
	LESS THAN 6 MONTHS	6 MONTHS TO 1 YEAR	1 to 2 year	2 TO 3 year	MORE THAN 3 YEARS	TOTAL
UNDISPUTED TRADE RECEIVABLE CONSIDERED GOOD	435.79	36.11	2.19	2.67	0.03	476.79



UNDISPUTED TRADE RECEIVABLE CONSIDERED DOUBTFUL						
DISPUTED TRADE RECEIVABLE CONSIDERED GOOD						
DISPUTED TRADE RECEIVABLE CONSIDERED DOUBTFUL						

18.55 Trade Payable ageing schedule

PARTICULARS	(Rupees in lakhs)				
	Outstanding for following periods from due date of payment				
	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years
MSME	113	111.62	0.20	0.36	0.83
OTHERS	493.74	414.07	12.81	19.08	47.78
DISPUTED DUES-MSME	-	-	-	-	-
DISPUTED DUES-OTHERS					

18.56 RATIO ANALYSIS

SL.NO	RATIO	EQUATION	AS ON 31.03.22	AS ON 31.03.21	Remarks
1	Current ratio	Current Asset / Current Liabilities	0.87 11580.11 13328.81	0.83 10930.57 13230.79	
2	Debt equity Ratio	Total Debt/Shareholder's Equity	2491.85 -8484.38 -0.29	2988.03 -11050.03 -0.27	
3	Debt Service Coverage Ratio	Earnings available for debt service/Debt Service	2820.24	-5309.92	



		Earnings available for debt service	2820.24	-5309.92	
		Debt Service			
4	Return on Equity	Net Profits after taxes – Preference Dividend (if any)/Average Shareholder's Equity	-0.30	0.61	Provision made for Payrevision arrear during previous year
		Net Profits after taxes	2565.65	-6706.88	
		Shareholder's Equity	-8484.38	-11050.03	
5	Inventory Turnover ratio	Cost of goods sold OR sales/Average Inventory			
		sale	23105.04	16561.00	
		opening + closing	8960.81	7062.13	
		Average Inventory	4480.41	3531.07	
		Ratio	5.16	4.69	
6	Trade receivables turnover ratio	Net Credit Sales/Average Accounts Receivable	48.46	20.85	During the current year Avg Sales price of TiO2 per Mt increased from Rs.1.65 lakhs to Rs.2.37 lakhs
		Net Sales	23105.04	16561.00	
		closing Trade Receivable	476.79	794.15	
7	Trade payables turnover ratio	Net Credit Purchases/Average Trade Payables	16.59	4.86	During the current year Price of Major Rawmaterials like, Ilmenite increased by 44% and Sulphur increased by-168%
		Net Purchases	10065.65	5166.59	
		Closing Trade Payables	606.74	1062.77	
8	Net capital turnover ratio	Net Sales/Average Working Capital			
		Net Sales	23105.04	16561.00	
		CA	11580.11	10930.57	
		CL	13328.81	13230.79	
		WC	-1748.70	-2300.22	During the current year Avg Sales price of TiO2 per Mt increased from Rs.1.65 lakhs to

					Rs.2.37 lakhs.
		RATIO	-13.21	-7.20	
9	Net profit ratio	Net Profit/Net Sales	0.11	-0.40	Provision made for Payrevision arrear during previou year
		Net Profit	2565.65	-6706.88	
		Net Sales	23105.04	16561.00	During the current year Avg Sales price of TiO2 per Mt increased from Rs.1.65 lakhs to Rs.2.37 lakhs.
10	Return on capital employed	Earning before interest and taxes/Capital Employed			
		EBIT	2400.88	-5749.19	Provision made for Payrevision arrear during previou year
		Capital Employed	6986.29	4798.26	
		RATIO	0.34	-1.20	
11	Return on investment	$\frac{\{MV(T1) - MV(T0) - \text{Sum } [C(t)]\}}{\{MV(T0) + \text{Sum } [W(t) * C(t)]\}}$	0.34	-1.20	Provision made for Payrevision arrear during previous year

For and on behalf of Board of Directors

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

Georgee Nnan
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 DHAN & CO.
Chartered Accountants
FRN.000740S

V.S. Veliyudhan Nair
Partner, M.No. 018281

UDIN : 2 2016 2 61BDSUTK5662

Thiruvananthapuram



REPLY TO INDEPENDENT AUDITOR'S REPORT FOR FY 2021-22

	Query	Reply
1.	<p>(i) Note 1 - Share Capital - Authorized refers to Note 18.45 under Significant Accounting Policies and notes on financial statement. However, Note 18.45 (in page 22) relates to previous year's figure being regrouped/rearranged wherever necessary and rounded off to nearest rupees, and not share capital authorized.</p> <p>(ii) Promoter's Contribution has not been disclosed as per the amended Schedule III.</p> <p>(iii) Under 'Reconciliation of Share Capital', the value of 13767417 shares with face value of Rs.10.00 is Rs.1376.74lakhs, but has been shown as Rs.137.67 lakhs.</p> <p>(iv) in the column headings of Details of share holding more than 5% of shares read 'Ast at 31 .03.2022' and 'Ast at 31 .03.2021'.</p>	<p>(i) The observation of the Auditor is duly noted. Kindly be noted that the same is a typographical and referencing error. The appropriate changes shall be incorporated in subsequent years' Financial Statements.</p> <p>(ii) We shall incorporate appropriate disclosures as mandated by Amended III in the financial years 2022-23.</p> <p>(iii) It may be kindly noted that the same is a Typographic error.</p> <p>(iv) Kindly be noted that is a Clerical error</p>
2.	Loans and advances from related parties have not been disclosed	We shall incorporate appropriate disclosures as mandated by Amended Schedule III in the financial years 2022-23.
3.	<p>(i) The figure of disallowance u/s 43B has been shown up to 3 decimal points which is not uniform with other figures shown up to 2 decimal points.</p> <p>(ii) Deferred tax Asset (Net) in Note 4 in the face of balance sheet as at 31.03.2022 is Rs. 1071.18 lakhs but has been disclosed as Rs.1071.00 lakhs in Note 4, the net deferred tax (A - B) The total of the figures in Note 4 is Rs. 1071.18 lakhs but shown as Rs. 1071.00 lakhs</p>	It may be please noted that the query pertains to Clerical Errors, which have no significant impact on profit materially
4.	(i) Pay revision arrear of Rs.384687371.00 (Rs.3846.87 in lakhs) and Govt. of Kerala production service charges Rs.698776350.00 (Rs.6987.76 in lakhs) which are current	(i) Management is not expecting the entire pay revision liability to be settled within the period of 12 months, considering the operating levels

	<p>liabilities have been shown in Note 4(a) - other noncurrent liabilities, due to which Other Non Current Liabilities in Note 4(a) has been overstated by Rs.1083463721.00 (Rs.10834.64 in lakhs) and Other Current Liabilities in Note 7 understated to that extent.</p> <p>(ii) There is a casting error of Rs.0.01 lakhs in Note 4(a) Other Current Liabilities for the year 2021-22, as the correct total of Rs.10834.63 in lakhs is shown as Rs.10834.64lakhs</p>	<p>of the company & previous experience in settling the pay revision arrears, this liability towards pay revision was grouped under long term liability.</p> <p>(ii) It may be noted that the same is casting error. Due care shall be taken to avoid the same in Financial Statement.</p>
5.	<p>(i) The aggregate amounts of loans guaranteed by directors or others under each head has not been disclosed.</p> <p>(ii) The period and amount of default in repayment of loans and interest as on the balance sheet date has not been disclosed.</p>	<p>(i) None of the Directors had given any guarantee to the short-term borrowings of the company</p> <p>(ii) Company has not defaulted any principal and interest toward short term borrowings. we shall incorporate suitable disclosures in the ensuing financial year.</p>
6.	<p>(i) The Company has not disclosed the following u/s 22 of Micro Small and Medium Enterprises Development Act, 2006 ie. Principal amount remaining unpaid to MSME Suppliers, interest due on unpaid principal amount to MSME suppliers, and interest accrued and remaining unpaid as on 31"1 March,2022, the interest paid and payments made to the MSME suppliers beyond appointed date and the interest due and payable for the year (without adding the interest under MSME Development Act).</p> <p>(ii) The total of Rs.1062.78 lakhs of previous year's column is incorrectly shown as Rs.1062.77 in lakhs.</p> <p>(iii) Trade payables are subject to reconciliation and confirmation from the respective parties.</p> <p>(iv) In Note 18.55, the total of age-wise classification of Rs.113.01 lakhs is shown as Rs.1 13.00 lakhs</p>	<p>(i) It may be please be noted that the requisite Disclosure as mandated by the Micro Small and Medium Enterprise Development Act 2006 will be incorporated in the ensuing Financial Year.</p> <p>(ii) It may be noted that the same is Casting error. Due care shall be taken to avoid the same in Financial Statement preparation of next year.</p> <p>(iii) It may pleasebe noted that we had collected and reconciled the Statements of Major parties like IREL , BPCL , MRPL Etc. which attributes over 80% of the Total Purchase value.</p> <p>(iv) It may be please noted that the same is Clerical error, due care shall be taken to avoid the same in the Financial Statement preparation of next year.</p>
7.		

<p>(a) In Sl. No.12 & 13 loan from Government of Kerala - Principal and loan from Government of Kerala, the interest accrued of Rs.3637.96 lakhs has been calculated adopting simple interest rate in contravention of G.O.(MS) No.169/2018/Fin dt 16.05.2018 of Finance (Public undertaking) revising the interest for Government organizations including public sector undertaking to compound interest of 9.50/o annually. Due to this, interest and penal interest have been short accounted by Rs.159319254.00 (Rs.1593.19 in lakhs) from 16.05.2018 to 31 .03.2022 ie. prior period interest of Rs.83685218.00 (Rs.836.85 in lakhs) [from 16.05.2018 to 31 .03.2021] and current year's interest of Rs.75634036.00 (Rs.756.34 in lakhs). Consequently, the profit for the year has been overstated by Rs.159319254.00 (Rs.1593.19 in lakhs) and in Note 7 Sl. No.13 loan from Govt. of Kerala interest accrued has been understated by that extent.</p> <p>(b) Expense payable of Rs.223374212.00 (Rs.2233.74 in lakhs) includes outstanding expense payable of Rs.190618232.00 (Rs.1 906.18 in lakhs) imposed by the Joint Director General of Foreign Trade and payable to EPCG for non compliance of export obligation performance, and consists of penalty of Rs. 147783689.00 (Rs. 1477.84 in lakhs) and 15% interest upto 31.03.2019. As the amount provided was not paid as on 31 .03.2022, ie. Rs.99288272.00 (Rs.992.88 lakhs) consisting of prior period interest of Rs.61 474380.00 (Rs.614.74 in lakhs) and current year's interest of Rs.37813892.00 (Rs.378.14 in lakhs) ought to have been provided. Consequently, profit for the year has been overstated by Rs.99288272.00 (Rs.992.88 lakhs) and expense payable under note 7 has been understated to that extent, apart from non-compliance with AS-5</p> <p>(c) According to G.O.(MS) No.10312010/ID dt 30.04.2010 and Circular No.23081/HI/2009/ID dt 18.12.2009 of industries (H) Department, Trivandrum, service charggs are payable to RIAB at 0.1% of the Company's turnover which was Rs.2381089408.00 (Rs.23810.89 in lakhs) ie. exceeded Rs.25 crores, during the financial year 2021-22. As such Rs.2381089.00 (Rs.23.81 in lakhs) ought to have been provided as service charges to RIAB. The non-provision has resulted in the profit for the year being overstated by</p>	<p>(a) We have accounted the interest expenses as per the rate mentioned in the respective GO based on which loan was sanctioned and the Interest amount accrued in the balance sheet as on 31.3.2022 is Rs.363796369. Govt of Kerala, vide its GO in 2018, has revised the interest rate for the loan @ 9.5% on compounding basis. Accordingly, the interest amount payable in total on the basis of compound interest from May 2018 to Mar 22 will be Rs.394307801. The difference amount of interest Rs.30511432 will be provided in the next financial year. The compound interest is applied on the principal outstanding as on May 2018 and not on the outstanding interest payable as on May 2018. The outstanding interest payable on May 2018 was computed at higher rate of simple interest.</p> <p>(b) It may be noted that EPCG Committee dated 17-10-22 had rejected the request for further extension of export obligation period. The said expense will be accounted in the current year.</p> <p>(c) The observation of the Auditors is duly noted for future guidance. The company will be consulting the RIAB, with respect to the same.</p>
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<p>Rs.2381089.00 (Rs.23.81 in lakhs) and expenses payable - service charge payable to RIAB also being understated by that extent.</p> <p>(d) In its 424th meeting the Board of Directors, approved the quoted rate of Rs.10 lakhs plus GST for submitting application before Union Bank of India for waiver of excess interest charged, and initial payment of 30% was made towards professional charges for filing complaint before banking Ombudsman, the balance to be provided after obtaining the final order from the banking Ombudsman. Although this final order has been received, the balance payment of Rs.7.00 lakhs plus GST is pending payment and not provided for during 2021-22. As such, profit for the year has been overstated by Rs.7.00 lakhs and expense payable in Note 7 in respect of outstanding expense understated to that extent.</p> <p>(e) As the Company has not furnished the requisite details of Security Deposits of Rs.17687393.00 (Rs. 176.87 in lakhs) from stockists shown as lumpsum, we are unable to comment on same and the impact, if any, on its financial statements.</p> <p>(f) In Note 7 - sl. No.6, 7 and 11, cross refer to Note 18.21(a),18.21(b) and 18.21(c); however, no such disclosure is found in Note 18.21. Further, in Note 18.21, the term loan availed from KMMML is shown as Rs.7.16 lakhs (previous year Rs.428.12 lakhs) whereas in Note 7 sl. No.11, it is disclosed at Rs.7.17 lakhs (previous year Rs.428.13 lakhs).</p> <p>(g) The amount of Rs.4290.06 in lakhs has been bifurcated between long term borrowings and other current liabilities in the face of the balance sheet. The bifurcation between long term borrowings and other current liabilities of the loans noted in Sl. No.1 - 11 cannot be ascertained from this Note. Note 7 - other current liabilities does not cross-refer to 18.20 long term borrowing - term loan in notes forming part of financial statement. Further Note 18.20 states that as on 31.03.2022, the Company has not repaid principal amount due of Rs.3056.16 lakhs (previous year Rs.2729.39 lakhs) against the actual amount of Rs.3082.27 lakhs (previous year Rs.2921.79 lakhs), and does not match with Note 7 Sl. No. 12 of other current liabilities.</p>	<p>(d) Banking ombudsman has rejected our application on the ground of that the claim is not maintainable and not disposed the case on merits. Company has planned to file Writ Petition before High Court for seeking remedy. As the concerned professional firm has not raised the claim as on date, the query for making the provision at this stage is not required, considering the fact that ombudsman has rejected the claim in initial stage itself..</p> <p>(e)The company has furnished the details of security deposit collected from stockiest to Auditors and same is available for verification. There is no impact to financial statement as observed by auditors</p> <p>(f) Kindly be noted that the same is a referencing error. The same shall be rectified in the financial statements of ensuing Financial year.</p> <p>(g) The total principal outstanding with respect to Government Loan Rs.42.90 Crore had been disclosed in the Notes as stated below:</p> <p>Note – 7 Other Current Liabilities, Sl. No : 12 - 3082.27 Lakhs</p> <p>Note- 3 Long Term Borrowings,Sl.No:2 - 1207.79 Lakhs</p> <p>Further it is submitted that there is a clerical error occurred in Note 18.20. It is to be noted that the same will be corrected in the ensuing Financial years statement.</p>
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	<p>(h) The total of column of the previous year (2020-21) is Rs.11244.42lakhs but is shown as Rs.11244.41 lakhs.</p> <p>(i) Note 7(5) Rs.1023496.00 (Rs.10.23 lakhs) being interest payable to bank provided in earlier years, was omitted to be reversed in interest account paid. Consequently in Note 7(5), expenses payable has been overstated by Rs.1023496.00 (Rs.10.23 lakhs) and profit for the year understated to that extent.</p>	<p>(h) The audit observation is duly noted and same is caused due to unintended clerical omission/error.Suitable rectification/corrections may be adopted in the following financial year and measures shall be adopted not to repeat the same in future.</p> <p>(i) The observation of the auditor has been duly noted. The same shall be rectified in the financial statements of ensuing financial year.</p>																														
8.	<p>(a) Provision for employee benefit - provision for gratuity</p> <p>(i) The actuarial assumptions of gratuity disclosed by the Company in the notes forming part of the financial statement in page 15 & 16 differ from the actuarial assumptions certified by the consulting actuary.</p> <table border="1" data-bbox="204 1003 922 1525"> <thead> <tr> <th>SL NO</th> <th>Description of items</th> <th>As per the notes forming part of approved financial statement (Rs. in lakhs)</th> <th>Page reference</th> <th>As per Actuarial Valuation Certificate (Rs. in lakhs)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Actuarial Gain/(Loss)</td> <td>544.63</td> <td>15</td> <td>529.81</td> </tr> <tr> <td>2</td> <td>Fair value of plan asset at the end</td> <td>268.06</td> <td>15</td> <td>364.27</td> </tr> <tr> <td>3</td> <td>Net present value of funded obligation recognized as (Asset)/Liability in the balance sheet</td> <td>2841.12</td> <td>15</td> <td>27 44.92</td> </tr> <tr> <td>4</td> <td>Expected return of Plan Asset</td> <td>25.76</td> <td>16</td> <td>29.37</td> </tr> <tr> <td>5</td> <td>Actuarial Gain/ (Loss) recognized in the period</td> <td>544.63</td> <td>16</td> <td>464.22</td> </tr> </tbody> </table> <p>Due to the aforesaid, the actuarial assumption has not been properly disclosed in accordance with AS-15.</p> <p>(ii) The Company has created "The Travancore Titanium Products Gratuity Fund" as a trust for the payment of gratuity. As such, retirement benefit of gratuity of the employees ought to have been paid by this gratuity trust fund. However, the Company paid gratuity of Rs.45873234.00 (Rs.458.73 in lakhs) during the year 2021-22 to its retired employees from its own fund.</p> <p>(iii) The balance in the "Trustee TTP Gratuity Fund" shows a</p>	SL NO	Description of items	As per the notes forming part of approved financial statement (Rs. in lakhs)	Page reference	As per Actuarial Valuation Certificate (Rs. in lakhs)	1	Actuarial Gain/(Loss)	544.63	15	529.81	2	Fair value of plan asset at the end	268.06	15	364.27	3	Net present value of funded obligation recognized as (Asset)/Liability in the balance sheet	2841.12	15	27 44.92	4	Expected return of Plan Asset	25.76	16	29.37	5	Actuarial Gain/ (Loss) recognized in the period	544.63	16	464.22	<p>(a)(i) The comments of the auditor are duly noted. The grouping corrections as advised by the auditors will be incorporated in the Financial Statement for subsequent years.</p> <p>(ii)The observation of the auditor has been duly noted.</p> <p>(iii) It may kindly be noted that there was a</p>
SL NO	Description of items	As per the notes forming part of approved financial statement (Rs. in lakhs)	Page reference	As per Actuarial Valuation Certificate (Rs. in lakhs)																												
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debit balance of Rs.27292268.00 (Rs.272.92 in lakhs) which has been incorrectly classified under Note 16(a)(ii) Advance to suppliers and included in Rs.94407568.00 (Rs.944.08 in lakhs). Thus balance Gratuity payment by the Company on behalf of the gratuity trust fund and as such its classification as advance to suppliers is misleading and incorrect.

(b) Others - Provision for taxation

Short term provisions of Rs.45411551.00 (Rs.454.12 in lakhs) disclosed in Note 8 includes provision for income tax created by the company for assessment year(s) 2012-13 - Rs.5041921.00 (Rs.50.42 in lakhs), 2013-14 - Rs.3004632.00 (Rs.30.05 in takhs), 2014-15 Rs.11806971.00 (Rs.118.07 in lakhs) and 2018-19 - Rs. 125964.00 (Rs.126.00 in lakhs) aggregating Rs. 19979488.00 (Rs.199.79 in lakhs) which ought to have been set off against advance income tax paid for respective assessment years. This was not done due to which short term provisions in Note 8 has been overstated by Rs.19979488.00 (Rs.199.79 in lakhs) and corresponding short term loans and advances in Note -16 has also been overstated to that extent

clerical error incurred in the notes portion regarding the actuarial assumptions .It is hereby humbly submitted that steps may be taken to avoid such errors in future.

(b)The assessment year wise breakup details of Rs 4,54,11,551 (cr) appearing in Note -8, Short Term Provision is as below:

Assessment year	Amount (Cr)	Amount appearing in Advance Tax Receivable Account for the relevant assessment year
2008-09	Nil	42,58,993
2011-12	Nil	21,01,512
2012-13	50,41,921	47,44,533
2013-14	30,04,632	29,03,001
2014-15	1,18,06,971	1,17,84,982
2017-18	Nil	1,45,07,975
2018-19	1,25,964	Nil
2022-23	2,54,32,063	Nil
Assessment year	Amount(cr)	Amount appearing in Advance Tax Receivable Account for the relevant assessment year
Total	4,541,1,511	4,03,00,996

The total liability for the year 2012-13, 2013-14, 2014-15 and 2018-19 is Rs 1, 99,79,488. The total of advance tax paid for the above years is Rs 1,94,32,516, leaving excess provision of Rs 5,46,972/- only and there was no payment of tax in excess of the provisions. With respect to the current tax liability of Rs 2, 54,32,063, the company had provided the tax based on the applicable provisions of MAT under Income Tax Act. However as per the view of the Tax auditor such provision is not required as the company filed declaration under Section 115 BA of Income Tax Act. The provision created will be reversed in the ensuing financial period

9	<p>(i) The word intangible assets has been omitted in the heading.</p> <p>(ii) The Note does not mentioned the unit of measurement.</p> <p>(iii) The carrying value as on 31.03.2022 of tangible assets less ERP of Rs.2.13 lakhs which is Rs.3136.90 lakhs in the schedule has been disclosed at Rs.3189.89 lakhs in the face of the balance sheet under tangible assets in noncurrent assets ie., variance of Rs.52.99 lakhs.</p> <p>(iv) The carrying value as on 31.03.2022 of intangible assets (ERP) which is Rs.2.13 lakhs in Note -9 has been shown as Rs.1.13 lakhs in the face of balance sheet under noncurrent assets.</p> <p>(v) (a) Variance in column totals are as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;"></th> <th style="width: 15%;">Total shown(in lakhs)</th> <th style="width: 15%;">Actual Total(in lakhs)</th> <th style="width: 20%;">Variance(in lakhs)</th> </tr> </thead> <tbody> <tr> <td>Depreciation as on 01.04.2021</td> <td style="text-align: center;">7458.25</td> <td style="text-align: center;">7458.25</td> <td style="text-align: center;">-0.02</td> </tr> <tr> <td>Provided during the year</td> <td style="text-align: center;">419.36</td> <td style="text-align: center;">419.34</td> <td style="text-align: center;">+0.02</td> </tr> <tr> <td>Carrying value as on 31-03-2022</td> <td style="text-align: center;">3139.04</td> <td style="text-align: center;">3139.03</td> <td style="text-align: center;">+0.01</td> </tr> <tr> <td>Carrying value as on 31-03-2021</td> <td style="text-align: center;">3098.68</td> <td style="text-align: center;">3098.67</td> <td style="text-align: center;">+0.01</td> </tr> </tbody> </table>		Total shown(in lakhs)	Actual Total(in lakhs)	Variance(in lakhs)	Depreciation as on 01.04.2021	7458.25	7458.25	-0.02	Provided during the year	419.36	419.34	+0.02	Carrying value as on 31-03-2022	3139.04	3139.03	+0.01	Carrying value as on 31-03-2021	3098.68	3098.67	+0.01	<p>i)&ii) The omission of the word ‘Intangible Asset’ and unit of measurement of amount in Note-9 as observed is purely an inadvertent clerical error.</p> <p>iii)&iv)The variation in figures between balance sheet & Note 9 of balance sheet as on 31-03-2022 pertains to capitalization of supply, fabrication, erection, testing & calibration and commissioning of Acid Storage Plant . It may be notes that the said difference is caused due to inadvertent clerical oversight and omission made on preparation of Note 9 to financial statements, as after the completion of arrear year audits, we had got only limited time for finalization and preparation of accounts of Financial Year 2021-22. Kindly note the capitalization entries has been duly posted and reflected in the books. The figures as per financials are matching and are correctly mapped with the trial balance as on 31-03-2022. The variation in Note 9 to accounts may purely be understood as presentation error.</p> <p>(v) The observation of the auditors is duly noted .The steps shall be taken to avoidance of such mistakes in the ensuing financial year.</p>
	Total shown(in lakhs)	Actual Total(in lakhs)	Variance(in lakhs)																			
Depreciation as on 01.04.2021	7458.25	7458.25	-0.02																			
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Carrying value as on 31-03-2021	3098.68	3098.67	+0.01																			

- b) Variance (Rs. in lakhs) in cross totals of columns:
- 1) Depreciation on 01.04.2021 - 7428.28 lakhs
Add Provided during the year - 419.36 lakhs
 = 7877.64 lakhs - shown as 7879.50 lakhs
 ie, variance of Rs.1.86 in lakhs

 - 2) Gross block as at 01.04.2021 - Rs.10537.28 lakhs
 Addition during the year - 461.58 lakhs
 = 10998.86 lakhs shown as Rs.11018.54lakhs
 ie. variance of Rs.19.68 in lakhs.

 - 3) Gross Block as on 01.04.2021 - Rs. 10537.28 lakhs
Less depreciation as on 01 .04.2021- Rs.7458.28 lakhs
 = Rs.3079.00 lakhs shown as Rs.3098.68 lakhs
 ie. variance of Rs.19.68 in lakhs.

In view of the aforesaid errors, omissions, and commissions, the figures disclosed in Note 9 property, plant and equipment do not agree with the figures in the face of the balance sheet to the extent stated above.

(vi) As per Invoice No.GA//PL 049/21-22 dt 02.07.2021 online SO2 Analyser was purchased for Rs.1840800.00 (inclusive of IGST) and this was capitalized under service and miscellaneous equipment and depreciation of Rs.88308.00 provided at the rate 5.66%. According to the records produced, this Analyser was not commissioned and the trial run carried out between 01.07.2022 and 31.02.2022. on 21.05.2022 the Company requested M/s Vasthi Instruments Private Ltd. to depute its service engineer for rectifying the fault and calibrating the instrument. since, as on 31.03.2022, this machinery was not commissioned, its cost should have been classified as capital work-in-progress. Due to the aforesaid, profit for the year has been understated by Rs.88308.00 (Rs.0.88 in lakhs) being depreciation provided, service miscellaneous equipment in Note 9 Tangible Assets has been overstated by Rs.1471692.00 (Rs.14.72 in lakhs), and capital work-in progress understated by Rs.1560000.00 (Rs.15.60 in lakhs).

(vi) The installation of SO2 Analyzer was successfully completed on 19.03.2022 and was in continuous operation. A calibration glitch was identified during the course of annual maintenance of sulphuric acid plant and it was brought to notice of M/s. Vasthi Instruments Pvt Ltd as part of performance guarantee and annual maintenance contract with the vendor. Please refer to ‘Minutes of meeting regarding the Installation and Commissioning of SO2 Analyzer against WO No. 271/20-21 dated 03.02.2021 held on 01.07.2022’ enclosed as annexure -1, here along, which clearly mentioned the fact of asset installed in March 2022 and in operation from 01.07.2022. Auditors may kindly note that the asset was installed on 07.07.21, as we noticed initial glitches in the performance of the equipment, as a safe measure to protect the interest of the Company Commission Certificate was not issued to the vendor, since the asset is under usage we have capitalized the asset in the year 21-22 Hence, the company have correctly capitalized the expense and there is no understatement of Capital Work in Progress &

<p>(vii) The gross block of Audio Visual equipment as on 31.3.2021 of Rs.1967615.00 (Rs.19.68 in lakhs) has not been carried forward as opening balance as on 01.04.2021 under the same head. The amount in the column against audio visual equipment shown as " - " without disclosing the amount.</p> <p>(viii) The total addition to Hot Heat Exchanger as per invoice is Rs.15900000.00 (Rs.159.00 lakhs) and this machinery was commissioned on 01 .A4.2021. Out of the total cost of Rs.15900000.00 (Rs.159.00 lakhs), only 90% amounting to Rs.14310000.00 (Rs.143.10 lakhs) has been capitalized to plant and equipment and the remaining 10% cost of Rs.1590000.00 (Rs.15.90 lakhs) omitted to be accounted by the Company. Consequently plant and equipment Hot Heat exchanger has been understated by Rs.1590000.00 (Rs.15.90 lakhs). As the depreciation amount on the unaccounted amount of Rs.1590000.00 (Rs.15.90 lakhs) has not been furnished by the Company, we are unable to quantify its impact on the profit for the financial year 2021 -22.</p> <p>(ix) Cold Heat Exchanqer for SAP The purchase cost Cold Heat Exchanger, is Rs.18300000.00 (Rs.183.00 in lakhs). Although this machinery was commissioned on 01.04.2021, only 90% of the cost amounting to Rs.16470000.00 (Rs.164.70 in lakhs) has been capitalized and 10% of the cost amounting to Rs.1 830000.00 (Rs.18.30 in lakhs) has not been accounted by the Company. As a result, plant and equipment (cold heat exchanger) has been understated by Rs.1830000.00 (Rs.18.30 in lakhs). As the depreciation on the unaccounted amount of Rs.1830000.00 (Rs.18.30 in lakhs) has not been furnished by the Company, we are unable to quantify the impact on the profit for the financial y ear 2021 -22.</p> <p>(x) The total additions to plant and equipment during the current year was Rs.43187400.00 (Rs.431.87 in lakhs); however, additions during the year 2021-22 in Note 9, has been shown as Rs.37989371.00 (Rs.379.89 in lakhs). Hence there is a variance of Rs.5198029.00 (Rs.51.98 lakhs) between the figure accounted by the company and the figure disclosed in the financial statements for the year ended 31.03.2022, due to omission of addition to prant and machinery (Acid storage tank) in Note g, property, plant and equipments.</p>	<p>overstatement of service and miscellaneous equipment as indicated in the query</p> <p>(vii) . The variation in Note 9 to accounts may purely be understood as presentation error.</p> <p>(viii)&(ix) The audit observation is duly noted and same is caused due to unintended clerical omission/error.</p> <p>(x) Suitable rectification/corrections may be adopted in the ensuing financial year and measures shall be adopted not to repeat the same in future.</p>
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(xi) In Note -9 and in the face of the balance sheet as at 31.03.2022, the capital work-in-progress under Non-current assets - property, plant and equipments is Rs.3757.32 lakhs. However, the total of Rs.3757.31 lakhs is not shown in Note No.18.52 in notes forming part of financial statements, under the age-wise classification. Thus, the actual capital work-in-progress for 2021-22 is Rs.3757.30 lakhs, and the disclosure in Note 18.52 is erroneous to that extent.

(xii) (a) As per Invoice No.A06012021-22 dt 18.06.2021 of Pulse Technology, Rs.450000.00 (Rs.4.50 in lakhs) was paid for renovation of 30MT weigh Bridge being service work on miscellaneous equipment. As such it is repairs and maintenance of plant and machinery; however, it has been capitalized under service and miscellaneous equipments, resulting in the profit for the year being overstated by Rs.450000.00 (Rs.4.50 in lakhs) and service and miscellaneous equipments also being overstated to that extent.

(xi) The variation of decimal figures as shown in Note 18.52 and in the face of the Balance sheet has been caused due to clerical/typographical error in rounding off while converting amounts to lakhs.

(xii) (a) It may be kindly noted that the Renovation work in 30MT weigh bridge along with supervision of erection and commissioning executed by M/S Pulse Technology through work order No. 05/21-22 dated 07/07/2021 cannot be considered as a revenue item as observed in the query.

We understand that Respected auditors have formed the opinion from the partial / incomplete information and we here by submit as below:

(1) The scope of work was “structural replacement of existing 30MT weigh bridge with new non moving platform of 9 M x 3 M size suitable upto 50 MT capacity , including the main girdes, support sections, platform sections, lateral arrestors , nuts , bolts and reconditioning of existing load cells etc along with supervision of erection and commissioning”

(2) As it is clear from the above the expenditure (vide inv. No. A060/2021-22 dated 18-06-2021) amounting to Rs. 4.5 lakhs is incurred for upgradation of operating and revenue generating capacity of the asset which is non repetitive or routine in nature and involves comparatively a large amount.

Hence, taking into consideration of General Accepted Accounting Principle and company policy / conventions of revenue or capital classification of expenses , the expenditure has been correctly capitalized and it is humbly submitted that there is no overstates of profit as indicated.

<p>(b) Maintenance of the compound wall under the head "Plastering Eastern Side Boundary Wall for Advertisement - Rs.1900980.00 (Rs.19.01 in lakhs) has been treated as addition to asset with depreciation at the rate of 64.87%. As plastering of the existing Compound Wall is renovation and maintenance it ought to have been debited to repairs and maintenance. The aforesaid capitalization has resulted in the profit for the year being overstated by Rs.1900980.00 (Rs.19.01 in lakhs), factory and office building also being overstated to that extent.</p> <p>(c) 10% of the total bill for plastering the compound wall of Rs.2112900.00 (Rs.21.12 in lakhs) amounting to Rs.211920.00 (Rs.2.12 in lakhs) was omitted to be accounted and only Rs.1900980.00 (Rs.19.01 in lakhs) has been accounted by the company. Thus, profit for the year has been overstated by Rs.211920.00 (Rs.2.12 in lakhs) and repairs and maintenance of building understated to that extent.</p> <p>(d) Rs. 1469910.00 (Rs. 14.20 in lakhs) consisting of</p>	<p>(b)&(c) Capitalization of "Plastic Eastern side boundary Wall for advertisement "amounting to Rs.1900980/- during year 2021-2022 (actually 20-21) indicated in the query is the work executed in background of construction of Art wall. The amount of Rs. 211920/- observed to be omitted could be identified to 10% of total bill for plastering which is subject to performance guarantee as per work order terms (Ref WO.275/20-21)</p> <p>"Art wall" – a wall which depicts invaluable creative art work paintings, timeline and major events in the history of the company product range and achievements of TTPL and advertisements etc. was constructed to commemorate the 75 years of Golden service of the company and Platinum Jubilee celebrations with artistic support from AMUSEUM.</p> <p>The Art Wall construction involved skill artistic contribution from renowned artists which are priceless. Specialized paints, Plastering, cladding and lighting of canvas was used for preparation and construction .The plastering work may sound to be of nature of revenue expenditure on general need and understanding, however a detailed study on the specialized expertise involved would make clear the scenario. Further , the Art wall had portions space reserved for advertisements from external interested parties. KINFRA and Kerala State Lotteries Department were the two parties who availed the same, which generated a revenue of Rs 3,00,000/- each respectively , which was also a reason for capitalization.</p> <p>Considering the value addition, non-recurring nature of expenditure, long term potential benefits & considerably huge amount involved in the construction of the asset, the expenses has correctly capitalized as in line with company's policy on accounting of assets.</p>
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replacement of roofing sheet Rs.291718.00 (Rs.2.92 in lakhs) and supply of conference table fabrication of guest house of Rs.170807.36 (Rs.1.71 in lakhs) have been shown as addition under Guest House building. However, Rs.291718.00 (Rs.2.92 lakhs) is repairs and maintenance of Guest House and Rs.170807.36 (Rs.1.71 lakhs) is addition to furniture and office equipments. The misclassification of furniture & fittings as guest house building has also resulted in the depreciation being understated by Rs.239.00

Due to the aforesaid, the profit for the year has been overstated by Rs.291957.00 (Rs.2.92 lakhs) [1291718 + 239] and Guest house building overstated by Rs.462525.36 (Rs.4.63 lakhs) and furniture and office equipment understated by Rs.170807.36 (Rs.1.71 lakhs)

(xiii) The following excess/(short) provision of depreciation as per rate adopted by the company was observed on test-check of depreciation on additions to tangible assets during the current year

Sl. No.	Description of Asset	Rate of Depreciation (%)	No. of days for which asset is used	Depreciation		Excess/(short) depreciation (Rs.)
				Provided by the company (Rs.)	Actual depreciation (Rs.)	
1	Retaining wall near filter press building in N.P. [Addition – 22.12.2021 Cost – Rs. 178194.00 (Rs. 1.78 lakhs)]	45.07	100	42280	22003	20277
2	Plastering of eastern side of boundary wall for advertisement [Date – 03.11.2021 Addition – Rs. 1900980.00 (Rs. 19.01 lakhs)]	9.50	149	1112625	73722	1038903
3	Hot Heat Exchanger 2021-22 [date – 10.04.2021 Cost – Rs. 14310000.00 (Rs. 143.10 lakhs)]	32.23	356	14674	4358818	(4344144)
4	Cold Heat Exchanger [Date – 10.04.2021	31.23	356	16888	5016753	(4999865)

(d) The auditor may kindly note that Rs. 14,69,910/- referred in the query is incurred not against the replacement of roofing sheet, rather against supply & installation of polycarbonate roofing sheet in guest house, which is a part of civil construction of asset, hence it is being capitalized.

The observation with respect to the furniture and fittings is duly noted and the same will be rectified in subsequent financial years.

The rate of depreciation of asset has been worked systematically over the useful life of the asset as mandated by Companies Act 2013.

(xiii) The observation of the Auditors is duly noted, we shall recalculate the depreciation in pursuant to the Schedule II of Companies Act 2013 in the Financials of subsequent years.

	Cost – Rs. 16470000.00 (Rs. 164.70 lakhs)]					
5	Super Heater [Date – 10.04.2021 Cost- Rs. 6722100.00 (Rs. 67.22 lakhs)]	32.23	356	6893	2047548	2(040655)
6	Online PH meter [Date – 28.05.2021 Cost- Rs. 264650.00 (Rs. 2.65 lakhs)]	25.89	307	58946	57630	1316
7	Online conductivity meter [Date – 28.05.2021 Cost – Rs. 122500.00 (Rs. 1.23 lakhs)]	25.89	307	27285	26676	609
8	Laser distance meter [Date – 11.10.2021 Cost – Rs. 11616.00 (Rs. 0.12 lakhs)]	25.89	172	1521	1418	103
9	Electromagnetic flow meter [Date – 18.08.2021 Cost – Rs. 189618.00 (Rs. 1.90 lakhs)]	25.89	226	31973	30397	1576
10	Acid measuring tank [Date – 31.03.2021 Cost – Rs. 176990.00 (Rs. 1.77 lakhs)]	25.89	1	29844	126	29718
11	GRP street light pole with LED street light [Date – 03.03.2022 Cost – Rs. 929534.00 (Rs. 9.30 lakhs)]	25.89	29	763	19121	(18358)

12	Tables and chairs Cost Date 10000 23.09.2021 (Rs. 0.10 lakhs) 8000 24.11.2021 (Rs. 0.08 lakhs) 23500 21.03.2022 (Rs. 0.24 lakhs) 30466 31.03.2022 (Rs. 0.30 lakhs)	25.89	190	1437	1348	167
13	Sanitary napkin incinerator [Date - 22.12.2021 Cost - Rs. 35580.00 (Rs. 0.36 lakhs)]	25.89	100	6000	2523	3477
14	Mobile phones Cost Date 8050 21.06.2021 (Rs. 0.08 lakhs) 19500 22.06.2021 (Rs. 0.20 lakhs) 12710 19.07.2022 (Rs. 0.13 lakhs) 1624 23.03.2022 (Rs. 0.02 lakhs) 3472 05.02.2022 (Rs. 0.03 lakhs)	25.89	283	1669	1616	641
15	Weigh Bridge 30 MT [Cost - Rs. 450000.00 (Rs. 4.50 lakhs) Date - 20.09.2021]	25.89	193	65608	61604	4004
16	RTU panel [Cost - Rs. 234000.00 (Rs. 2.34 lakhs) Date - 20.09.2021]	25.89	193	34116	32034	2082
17	SO2 Analyser [Cost - Rs. 1560000.00 (Rs. 15.60 lakhs) Date - 19.01.2022]	25.89	72	88308	79670	8638
18	CCTV camera in furnace oil pumping & draining areas [Cost - Rs.	25.89	201	8259	8249	10

	57860.00 (Rs. 0.58 lakhs) Date - 12.09.2022]					
19	CCTV connection at western side of company [Cost - Rs. 16628.00 (Rs. 0.17 lakhs) Date - 12.09.2021]	25.89	201	2373	2371	2
20	Brother label printer OT D600 2021-22 [Cost - Rs. 12400.00 (Rs. 0.12 lakhs) Date - 10.03.2022]	63.16	22	692	472	220
21	Laptop Cost Date 94238 18.08.2021 (Rs. 0.94 lakhs) 329944 31.03.2022 (Rs. 3.30 lakhs)	63.16	226 1	43318 <u>901</u> <u>44219</u>	36854 <u>571</u> <u>37425</u>	6794
22	Air canteen equipments [Cost - Rs. 3120.00 (Rs. 0.03 lakhs) Date - 25.06.2021]	45.07	280	1434	1079	355
	TOTAL			1605748	11889878	(10284130)

In view of the above, depreciation amounting to Rs.10284130.00 (Rs.102.84lakhs) has been short provided in the accounts resulting in profit being overstated by Rs.10284130.00 (Rs.102.84 lakhs) and the tangible assets overstated to the same extent

(xiv) As per Note 9 property, plant and equipment, the Company owned land (Free hold) of Rs.28909189.00 (Rs.289.09 lakhs) as disclosed in the approved financial statements. As the original tile deeds of the properties purchased/transferred through Government orders, for 26.23 acres of land in survey/Resurvey Nos.2728/3, 2729/11, 2728/20, 2726/B2-10, 2726/B2-16, 2726/B2-17, 2728/17 2728/4, 2728/10, and 2728/21 in Kadakampally Village in Trivandrum District, pattayam have not been furnished, we are unable to comment on the ownership of this land.

(xiv) TTPL being a Company incorporated in 1946, way before the independence of India in 1947 of formation of State of Kerala in 1956, has its legacy of operation for more than 75 years. The facilities and assets including the land, both on ownership and lease were acquired through various Government Orders and Sanctions issued from various time to time. On review, it was noted by the management that majority of the documents and original title deeds was either superannuated by its age and state or missing in records.

Considering the same, Management of the company has initiated updation of Land records from 2019 through issue of work order 384/18-19 by engaging two Revenue Liaison officers

		<p>Mr. Ratheesh Kumar, Tech. Asst.(Rtd) & Mr. B. K David John, Tahsildar (Rtd) .</p> <p>Further , Company has got the possession certificate issued in its name by the Village Officer Kadakampally dated 23.03.2022 which has already been submitted along with other essential files related to Land records to the Auditors.</p> <p>As indicated in the certificate, the Company has been continuously remitting Land tax to Revenue Department without failure</p>
10	<p>(i) Long Term loans and advances to related parties if any, not disclosed.</p> <p>(ii) Security deposits in Note 11 not classified as secured considered good/unsecured considered good/doubtful</p> <p>(iii) Allowances for bad and doubtful loans and advances if any not disclosed.</p>	<p>The observation of the Auditors is duly noted. As advised by the auditors we shall incorporate the requisite disclosures as mandated by the Schedule III .</p>
11	<p>(i) Long term Trade receivables doubtful of Rs.68458515.00 (Rs.684.59 lakhs) against which provision for doubtful debts is Rs.68590259.00 (Rs.685.90 lakhs) resulting in provision of Rs. 131744.00 (Rs.1.31 lakhs) in excess of doubtful long term trade receivables. In the statement of profit and loss provision for bad and doubtful debt debited is Rs.42.01 lakhs (Rs.685.90 lakhs - Rs.643.89 lakhs) of previous financial year. Hence, profit for the year has been understated by Rs.131 744.00 (Rs.1.31 lakhs).</p> <p>(ii) The Note 12 - other non-current assets - others tong term fixed deposit with bank is Rs.61200000.00 (Rs.612.00 lakhs). The excess provision of Rs.1.31 lakhs has been netted of from long term fixed deposit with bank, due to which, in the face of the balance sheet, Note 12 - Long Term fixed deposit with bank is shown as Rs.610.68 lakhs instead of Rs.612.00 lakhs. As such, other noncurrent assets in Note 12 under (3) others - Long Term fixed deposit with Bank has been understated by Rs.131744.00 (Rs.1.31 lakhs).</p>	<p>The Audit observation is duly noted for Future guidance. It may please be noted that the same had been incurred due to unintended clerical error.</p> <p>Appropriate rectification measures shall be made to avoid such errors in the financial statements of ensuing Financial Years</p>
12	Inventories - The company's significant Accounting policy	

	<p>stated in Note 18.05(c), relating to valuation of Goods in transit, at cost or net realizable value whichever is lower, has not been complied for the following purchases of furnace oil and sulphur from BPCL as on 31.03.2022, which have been omitted to be accounted as purchases:</p> <p>(a) Furnace Oil</p> <table border="1"> <thead> <tr> <th>sl no</th> <th>inv no</th> <th>date</th> <th>amount</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>4550738191</td> <td>28.03.2022</td> <td>152496</td> </tr> <tr> <td>2</td> <td>4550738672</td> <td>30.03.2022</td> <td>1314062.00</td> </tr> <tr> <td>3</td> <td>4550738422</td> <td>30.03.2022</td> <td>1642247.00</td> </tr> <tr> <td>4</td> <td>4550739465</td> <td>31.03.2022</td> <td>1307898.00</td> </tr> <tr> <td>5</td> <td>4550739625</td> <td>31.03.2022</td> <td><u>2030700.00</u></td> </tr> <tr> <td></td> <td></td> <td>Total</td> <td><u>6447403</u></td> </tr> </tbody> </table> <p>(b) Sulphur</p> <table border="1"> <thead> <tr> <th>sl no</th> <th>inv no</th> <th>date</th> <th>amount</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>4550738850</td> <td>31.03.2022</td> <td>910535.00</td> </tr> <tr> <td>2</td> <td>4550740003</td> <td>31.03.2022</td> <td><u>790371.00</u></td> </tr> <tr> <td></td> <td></td> <td>Total</td> <td><u>1700906.00</u></td> </tr> </tbody> </table> <p>The omission to account these purchases has resulted in purchases being understated by Rs.8148309.00 (Rs.81.4B8 in lakhs) and trade payable BPCL also understated to that extent</p>	sl no	inv no	date	amount	1	4550738191	28.03.2022	152496	2	4550738672	30.03.2022	1314062.00	3	4550738422	30.03.2022	1642247.00	4	4550739465	31.03.2022	1307898.00	5	4550739625	31.03.2022	<u>2030700.00</u>			Total	<u>6447403</u>	sl no	inv no	date	amount	1	4550738850	31.03.2022	910535.00	2	4550740003	31.03.2022	<u>790371.00</u>			Total	<u>1700906.00</u>	<p>The particulars regarding the purchases mentioned is received by the company only after 31.03.2022. Further it is to be noted that the same has no impact on the profitability.</p>
sl no	inv no	date	amount																																											
1	4550738191	28.03.2022	152496																																											
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<p>13</p>	<p>(a) Trade receivables are subject to confirmation from the respective parties and reconciliation.</p> <p>(b) Trade receivables in Note -14 includes trade receivable of more than 3 years - Rs.3433.00, provision has to be made for Rs.3433.00 pending collection for 3 years in accordance with the company's accounting policy which has not done. Therefore, profit for the year has been overstated by Rs.3433.00 and Trade receivables in Note 14 also overstated by Rs.3433.00.</p>	<p>(a) It may be please be noted that we are in receipt of Statement of accounts of the major stockist .</p> <p>(b) The observation of the Auditors is duly noted for the future guidance .</p>																																												
<p>14</p>	<p>Amount not in e nature of Advance income tax in note 16 short term loans and advance (iv) Advance tax income tax paid TDS</p>	<p>It is observed in the query that the tax paid by the company is in excess of provision by Rs 2,20,48,703/ and this amount should have been debited to profit and loss account. It is</p>																																												

Rs.49060901.00 (Rs.490.61 in lakhs) under Note 16(1)(a)(iv) includes amounts which are not advance income tax/TDS which have been omitted to be set off against provision for income tax for the respective assessment years :

Sl. No.	Assessment Year	Financial Year	Income Tax provision created	Advance Tax/Income Tax Remitted	(Excess)/ Short provision
1)	2008-09	2007-08	-	4258993	4258993
2)	2011-12	2010-11	-	2101512	2101512
3)	2012-13	2011-12	5041921	4744533	(297388)
4)	2013-14	2012-11	3004632	2903001	(101631)
5)	2014-15	2013-12	11806971	11784982	(21989)
6)	2017-18	2016-17	-	14507975	14507975

Thus, income tax remitted in excess of provision for income tax amounting to Rs.22048703.00 (Rs.220.49 in lakhs) as above ought to have been debited under tax expenses as income tax paid in excess of provision of earlier years. The omission has resulted in profit for the year being overstated by Rs.22048703.00 (Rs.220.49 in lakhs) and Note -16 short term loans and advances correspondingly overstated.

submitted that the company has made adequate provision in the books of account .For the financial year 2016-17, the tax payable as per the assessment order is Rs 71,46,928/- which was correctly accounted in the books by debiting to profit and loss account. However the company has paid advance tax of Rs 2,10,00,000 against the provision of Rs 71,46,928/-. The difference between the provision amount and advance tax paid for the financial year is Rs 1,38,53,072/-. As the assessed tax itself is Rs 71.46 lakhs, we have not created additional provision for balance of advance tax. It may also be noted, a sum of Rs 4,52,583/- is refund due to company for the FY 2016-17 as per Form -5 –acknowledgment number 909815131110122 dated 11.1.2022

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(a) Breakup of payments to Auditors has not been disclosed as per schedule III of the companies Act and only particulars of fee for (a) statutory audit fee (inclusive of tax), and (b) Internal Audit fee have been shown

(b)There is a casting error of Rs.0.02 lakhs each for the financial year 2021-22 and the financial year 2020-21 The totals of the amount given therein in financial year (2021-22) is Rs.6173.96 lakhs and for previous year (2020-21) is Rs.4658.41 lakhs against which the company has disclosed Rs.6173.94 lakhs and Rs.4658.43 lakhs respectively.

(c) The sl. Nos. in Note 2s are not in chronological order, Sl. No.26 and 27 being repeated

(a)The observation of the Auditors is duly noted. We shall make requisite disclosures as mandated by Schedule -III in ensuing Financial Years

(b) It is hereby humbly noted that the errors mentioned by the Auditors is of nature of curiosity and clerical which does not affect the profitability materially.

(c)The Audit observation is duly noted for Future guidance.

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Errors/omissions/inconsistencies in the approved financial

<p>statement</p> <p>(i) Note 10 - Non Current Investments</p> <p>The current year's column (31.03.2022) and previous year's column (31.03.2021) of trade investment and other investment have been left blank.</p> <p>(ii) Note 12 - Other Current Asset</p> <p>(a) There is a casting error of Rs.0.01 lakhs in the current year column (2021-22 in lakhs) of Note -12, the total of the figures in Note 12 of Rs.610.69 lakhs, being shown as Rs.610.68 lakhs.</p> <p>(b) Negative figure is shown as -685.90 instead of within brackets.</p> <p>(iii) Note 13 - Inventories</p> <p>There is casting error of Rs.0.01 lakhs in the current year's figures (2021-22), the actual total of Rs.5839.16 lakhs being shown as Rs.5839.15 lakhs, and the total of the figures of the financial year 2020-21 of Rs.3121.65 lakhs being shown as 3121.66 lakhs.</p> <p>(iv) Note 14 – Trade Receivables</p> <p>(a) There is a casting error of Rs.0.01 lakhs in the previous year's column (2020-21), the total of the figures in column of 2020-21 is Rs.794.16 lakhs being shown as Rs.794.15 lakhs.</p> <p>(b) The columns of disputed trade receivables considered doubtful, disputed trade receivables considered good and disputed trade receivable considered doubtful are kept blank in the age-wise classification in Note 18.54</p> <p>(v) Note 15 – Cash and Cash Equivalent</p> <p>(a) cash and cash equivalents (b) others (ii) and (iii) have been cross-referred to Note 18.23 and 1g.24. However, in Note 18.23 state Bank of India F.D. for KSPCB bank guarantee and KSEB Bank guarantee are left blank in the 31.03.2022 column. Further, there is a casting error of Rs.0.01 lakhs in the total of the figures of the previous year's column as at 31.03.2021 ie. the total of Rs.145.17, being shown as</p>	<p>(i) to (v) (a) It mSay please be noted that the observations of the Auditors pertaining to clerical ,casting and referencing errors which do not affect the profitability materially steps shall be taken to ensure the avoidance of the same in the Financial statements of ensuing years.</p>
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<p>Rs.145.18 lakhs. There is a casting error of Rs.0.02 lakhs in the previous year's column (as at 31.03.2021) of note 18.24 relating to fixed deposit less than 12 months maturity, the actual total of Rs.3746.74 in lakhs being shown as Rs.3746.76 lakhs.</p> <p>(b) In Note 15 - cash and cash equivalents item (b) others (iii) the fixed deposit less than 12 months maturity is shown as Rs.85.76 lakhs. The corresponding amount in Note 18.24, is shown as Rs.92.45 lakhs, as such, there is a variance of Rs.6.69 lakhs between Note 15 and Note 18-24.</p> <p>(c) The current years column (2021-22) of Note -15 under cash and cash equivalents contains a casting error of Rs.0.01 lakhs, the actual total of Rs.2807.70 in lakhs being shown as Rs.2807.71 lakhs.</p> <p>(vi) Note 16 - Short loans and advances</p> <p>(i) There is a casting error of Rs.0.01 lakhs in the current year's column (2021-22) and the previous year's column (2020-21). The current year's column total of Rs.2420.33 lakhs has been shown as Rs.2420.32 lakhs. The previous year's column total of Rs.2374.76 lakhs has been shown as Rs.2374.77 lakhs.</p> <p>(ii) The company has shown classification of only unsecured considered good and not shown the entire classification as prescribed in schedule III i.e. to related parties, others, secured considered good and doubtful.</p> <p>(vii) Note 17 - Other Current Assets</p> <p>There is a casting error of Rs.0.01 lakhs in Note 17 other current Assets, the total of Rs.36.12 lakhs being shown as Rs.36.13 lakhs.</p> <p>(viii) Note 19 - Revenue from operations</p> <p>There is a casting error of Rs.0.01 lakhs in the current year's column (2021-22) and the previous year's column (2020-21), the total of Rs.23105.05 lakhs of the figures in the current year's column being shown as Rs.23105.04 lakhs. In the previous year's column (2020-21) the total of the figures of Rs.16560.99 lakhs has been shown as Rs.16561.00 in lakhs.</p> <p>(ix) Note 20(a) - Other operating income</p>	<p>(v) (b, c) It may please be noted that there is a referencing error incurred while Financial statement preparation. It may be noted that the figures mentioned in the Note 15 is correct. Due care will be taken in the Financial statement reproduction of ensuing financial years.</p> <p>(vi) The observation of Auditors with regard to the casting and disclosure requirements is duly noted for strict compliance in future.</p> <p>(vii)To (xii) It may please be noted that the observations of the Auditors pertaining to clerical, casting and referencing errors which do not affect the profitability materially steps shall be taken to ensure the avoidance of the same in the Financial statements of ensuing years.</p>
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<p>There is a casting error of Rs.0.01 lakhs in the current year's figure and also in the previous year's figures, the total of the current year's figures of Rs.79.61 lakhs being shown as Rs.79.60 lakhs, and the previous year's total Rs.108.63 lakhs being shown as Rs.108.64 lakhs.</p> <p>(x) Note 20(b) - Other Income</p> <p>There is a casting error of Rs.0.01 lakhs in the current year's column, the total of Rs.626.24 lakhs being disclosed as Rs.626.25 lakhs.</p> <p>(xi) Note 21 - Cost of Raw materials consumed</p> <p>There is a casting error of Rs.0.01 lakhs in the raw material consumed, the total purchase of raw materials in store of Rs.11037.80 lakhs being shown as Rs. 11037.81 .</p> <p>(xii) Note 22- change in inventories of finished goods and work in progress</p> <p>There is a casting error of Rs.0.01 lakhs both in the current year's figure and the previous year's figure. The total of the current year's column of Rs.(-)3096.07 lakhs is shown as Rs.(-) 3096.06 lakhs (both ought to have been shown in brackets). In the previous year's column the total of Rs.1352.08 lakhs is shown Rs.1352.08 lakhs.</p> <p>(xiii) Note 23 - Employee Benefit expenses</p> <p>(a) The actuarial valuation of leave encashment benefit to be debited to the P & L is Rs. 19328265.00 i.e. 193.28 lakhs in place of which, in Note -23 employee benefit expenses item No. (3), leave encashment is shown as at Rs.197.44 lakhs resulting in excess debit of Rs.4.16 lakhs.</p> <p>(b) There is a casting error of the Rs.0.01 lakhs each in the Totals of the current financial year and the previous financial year, the total of Rs.7320.91 lakhs for the current financial year and Rs.11505.81 lakhs for the previous financial year, being shown as Rs.7320.80 lakhs and Rs.11505.82 lakhs respectively.</p> <p>(xiv) Note 24 - Finance Cost</p> <p>There is a casting error of Rs.0.01 lakhs in the previous year's column, the total of Rs.601.88 lakhs being shown as Rs.601.87 lakhs.</p>	<p>(xiii) (a) It may be please be noted that the requisite expense entry had been incorporated in the books to match the closing liability In this regard as per the Actuarial valuation report.</p> <p>(b) Further the casting error incurred is due to round off difference.</p> <p>(xiv) The casting error with respect to the same had been incurred due to the rounding off variation with respect to the Software.</p>
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<p>(xv) Note 18 – Significant Accounting Policies and Notes on financial statements</p> <p>1) The last sentence in Note under 18.01 stating that the previous year's figure has been regrouped/rearranged wherever necessary and round off to nearest rupee is in contradiction the fact that the figures have been rounded off to the nearest rupees in lakhs.</p> <p>2) The statement in Note 18.01 that accounting standard specified u/s 133 of the companies Act, 2013 (the Act,2013) and relevant provisions of the 1956 Act/2013 Act are applicable is incorrect as only the provisions of the companies Act, 2013 are applicable for the financial year 2021-22.</p> <p>3) The statement in Note 18.06(a) that the sate of goods is recognized net of returns and VAT Tax" is erroneous as VAT has been repealed.</p> <p>4) In Note 18.07 - Excise duty/GST - the statement that excise duty has been accounted on the basis of despatches and Excise duty provision is made for closing stock of finished goods lying in the factory godown as on the balance sheet date is erroneous as excise duty has been replaced by GST.</p> <p>5) Note 18.20 discloses the principal amount of Government loan at Rs.4290.05 lakhs as on 31.03.2022. In Note 3 - Long Term Borrowings, loan from Govt. of Kerala under unsecured is Rs.1207.79 lakhs and in Note 7 - other current liabilities, loan from Government of Kerala principal in Sl. No.12 shows Rs.3082.27 lakhs, aggregate Rs.4290.06 lakhs variance of Rs.0.01 lakhs.</p> <p>6) The last para of 18.20 states that as on 31.03.2022, the company has not repaid principal due amount of Rs.3056.16 lakhs (previous year Rs.2729.39 lakhs) which figure does not match with note -7(12) which shows the figures Rs.3082.21 lakhs and Rs.2921.79 lakhs respectively - variance of Rs.26.11 lakhs and Rs.192.40 lakhs.</p> <p>7) Note 18.21 discloses the balance in term loan availed from KMML at Rs.7.16 lakhs (previous year Rs.428.12 lakhs) whereas as per Note 7 item No.11 loan from KMML is Rs.7.17 lakhs and Rs.428.13 lakhs in the previous year - variance of Rs.0.01 lakhs both in the current year's and previous year's figures.</p>	<p>(xv) (1-4) Please note that the same is clerical error incurred while the preparation of significant Accounting policies and notes in the Financial Statements .It is hereby humbly submitted that the requisite disclosures as mentioned by the Company's Act and shall be disclosed in the Financial Statements of ensuing Financial years.</p> <p>(5,6,7) The figures with respect to which is disclosed in the financials is correct. The clerical error with respect to the Note 18 shall be rectified in the Financials of ensuing Financial years.</p>
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<p>8) A uniform unit of measurement has not been used by the Company in the following:</p> <p>(a) In Note 18.2s(b) claim against the company by MACT of Rs.55000.00 (previous year Rs.55000.00) an absolute figure.</p> <p>(b) In Note 18.25(e), the demand from the commissioner of central Excise and customs of Rs.61 6101100 is an absolute figure.</p> <p>(c) In Note 18.31, Net loss/(Gain) on foreign exchange fluctuation debited to statement of profit and loss, Rs.5277.51 for the current year and Rs.23667.00 for the previous year are absolute figures.</p> <p>(d) In Note 18.36, capacity and production under MT stores and spares are disclosed as absolute figure of Rs. 14601108.00.</p> <p>(e) In Note 18.30 (A) consumption of raw materials (b) indigenous current year and previous year figures, in Note 1g.36(8) consumption of stores and spares both imported and indigenous of current year and previous year's, the indigenous consumption of store, have been disclosed as absolute figures.</p> <p>(f) In Note 18.36, both the current year's and previous year's figure Foreign exchange earned by way of export (DOB) are disclosed as absolute figures.</p> <p>(g) In Note 18.37, against investments in Apollo Tyres, the market value as on 31.03.2022 has been disclosed as absolute figure of Rs.286500.00.</p> <p>(h) In Note 18.43, traveling expenses, the previous year's figure has been disclosed as absolute figure.</p> <p>(i) In Note 18.51, the CIF value of import in respect of components and spare parts of Rs.13419691.00 has been disclosed as absolute figure.</p> <p>(9) Note 18.28 - prior period items, all the column headings read as current year, whereas the 3rd and 4th columns ought to read (previous year). Further, the total of the third column shown is Rs.3.67 lakhs but shown as Rs.3.68 lakhs.</p> <p>(10) In Note 18.45, incorrectly state that previous year's</p>	<p>(8) to 13 , (xvi) , (xvii) The observation of the Auditors is duly noted and uniform unit of measurement shall be ensured in the Significant Accounting policies in the ensuing Financial years.</p>
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	<p>figure have been regrouped/rearranged wherever necessary and rounded off to the nearest rupee.</p> <p>(11) (a) Note 18.47 - Going concern, the figure of Rs.23 crores ought to have been shown in lakhs.</p> <p>(b) In Note 18.49, The demand to pay arrears and the excess charged have been shown in Rs. in crores ie. Rs.1.30 crores and Rs.1 89 crores instead of Rs. in lakhs.</p> <p>(12) Note 18.52, the figures of capital work-in-progress aged more than 3 years and capital work-in-progress (Fiber Grade) 3 , are shown upto 3 decimal points Ill other figures in the financial statements being shown upto 2 decimal points. capital work_ In-progress (CRP) also shows casting error of Rs.0.01 lakhs, the actual total of Rs.3303.80 lakhs, being shown as Rs.3303.81 lakhs.</p> <p>(13) In the face of statement of profit and loss for the year ended 31.03-2022, the purpose of the ‘#’ symbol below ,for and on behalf of Board of directors', has not been explained .</p> <p>(xvi) The financial statements do not mention the company’s CIN, the disclosure of which is mandatory and the date(s) of the signatures are not mentioned.</p> <p>(xvii) In Note 18.37 - details of investment aggregate amount of quoted shares has been shown upto 3 decimal points.</p>	
<p>17</p>	<p>Although the company disclosed in Note 18.18 in note forming part of financial statement of 2021-22 its policy for treatment of impairment of asset, it has not carried out any exercise to identify and account the loss due to impairment during the year. 2 acid tanks were sold during the year without ascertaining the impairment loss of these assets and the sale proceeds treated as miscellaneous income under other income in Note 20(b). As such, AS-28 has not been complied to this external</p>	<p>It may be noted that the sale of Acid Storage Tank had been effected at value above the book value. Further, the sale has also been effected at value above the valuation amount. Thus there is a impairment.</p>
<p>18</p>	<p>Loan from Govt., and other parties interest accrued and due from Govt. are subject to confirmation and reconciliation. Due to the non availability of confirmations and reconciliations, we are unable to quantify the impact, if any, arising from the reconciliation and settlement of the account balances on the financial statements</p>	<p>In respect of Government Loan , it may be noted that Company submits Quarterly , Half yearly return showing the details of Loan amount outstanding and interest accrued there on which are duly accounted by Government of Kerala . As on date Government of Kerala has not raised any dispute on the same. The qualification made is noted for strict</p>

		compliance in ensuing financial year.
19	The figures of consumption of raw materials are derived and not actual (note No.21 to the financial statements). Purchase of various materials viz. ilmenite, scrap iron, sulphur, furnace oil etc. are not independently verifiable in the ledger accounts as all the purchases are accounted under a single head 'Raw materials and Chemicals/RAWAC. As such, the accuracy of derived figures of consumption cannot be verified with the respective purchases and the consequential impact, if any, on the financial statements.	The purchases of raw material & stores item are accounted based on the Goods Received Note (GRN). The quantities of purchase of raw material/chemicals/stores item are accounted based on the weighment 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 a particular inventory item code. Therefore each purchase entry recorded in the books of accounts is 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 & 8000 numbers of stores item loded 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 are recorded based on the requisition slip & Material issue Note. These are properly recorded in the inventory ledger on regular basis. At the time of physical verification of inventory of the end of the year, difference if only is adjusted in the consumption of respective item.
20	GST returns are subject to reconciliation with the books of accounts. In the absence of details, we are unable to comment on the impact in the financial statements	It may be please note that the Reconciliation statements between GST returns and Book of Accounts are available for clarification.
21	As per G.O'(P) No.126/2004/RD, 5% of the market value of leasehold land is to be paid towards lease rent. No provision has been made on this account, resulting in overstatement of profit for the year and understatement of liability. In the absence of particulars, the resultant impact of the same on financial statements is not ascertainable and quantifiable.	The Company's proposal for conversion of Lease Land to own Land as a part of restructure program is under active consideration of Government of Kerala. Hence we have not made provision for the same.
22	sale of old acid storage tanks (2 nos.) for Rs. 1228643.00 has	The observation of the Auditors is duly noted

	<p>been credited to miscellaneous income under other income in Note 20(b) instead of deducting the amount from the carrying value of the respective plant and machinery under the head sale/Transfer. This has resulted in profit being overstated by Rs.1228643.00 (Rs.12.29 lakhs) and plant and machinery being also overstated to that extent.</p>	<p>for future guidance.</p>
23	<p>(a) Due to the matters stated in the aforesaid paras 7(a)(iii), 7(b), 7(c), 7(d),7(i) 9(xii), 9 [xiii(a)],9(vi), 9(xiii c), 9(xv), 13, 14 and 16 net profit has been net overstated by Rs.296864833.00 (Rs.2968.65 lakhs) consequently in sl. No.xi, the profit (Loss) for the period from continuing operations (ix - x) in the statement of profit & loss for the year ended 31't March, 2022 has been net overstated by Rs.296864833.00 (Rs.2968.65 lakhs) and is toss of 40299815.00 (Rs.403.00 lakhs) in the place of profit of Rs.256565018.00 (Rs.2565.65 lakhs) disclosed by the Company.</p> <p>(b) Due to the matters stated in para 14 and 8(b), short term loans and advances in Note 16 has been overstated by Rs.42028191.00 (Rs.420.82 in lakhs) and short term provisions in Note 8 also overstated by Rs.19979488.00 (Rs. 199.79 in lakhs). Due to the matters stated in para 11(ii), other non current assets in Note 12 have been understated by Rs.131744.00 (Rs.1.31 lakhs), capital work-in-progress in Note -9 understated by Rs.1560000.00 (Rs.15.60 in lakhs). Due to the matters stated in para 9(vi), 9(vii), 9(ix), 9(xii), 9(xiv) and para 16 above, tangible assets in Note 9 have been overstated by Rs.10014465.00, due to the matters stated in paras 9[xiii(a)] and 9[xiii(g)], factory and office building under tangible assets in Note 9 net have been overstated by Rs. 1438455.00 (Rs. 14.38 in lakhs) and due to the matter stated in para g[xiii(c)], in Note 9 tangible assets, Furniture and office equipment has been net understated by Rs.170807.00 (Rs.1 .71 in takhs). Due to the matters stated in para 4(a) above other non current Liabilities in Note 4 have been overstated by Rs.1083463721 .00 (Rs.10834.64 in lakhs) and due to the matters stated in para 4(a), 7(a)(iii), 7(b),7(c),7(d) and 7(i), other current liabilities in Note-7 have been overstated by Rs.1346175832.00 (Rs.13461.76 in lakhs). Due to the matters stated in para 12(b) above cost of Raw materials consumed in Note -21 has been understated by Rs.8148309.00 (Rs.81.48 in lakhs), Trade payables in Note 6(b) also understated by Rs.8148309.00 (Rs.81.48 in lakhs) and due to the matters stated in para 13 above, Trade receivables in Note 14 have been overstated by Rs,3433.00.</p>	<p>The observation of the Auditors is duly noted kindly be noted that we shall incorporate appropriate reworking for Government Loan, Depreciation and EPCG in subsequent years' Financial Statements and any changes will be made accordingly.</p>



**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 2022.**

The preparation of financial statements of **Travancore Titanium Products Limited** for the year ended **31 March 2022** 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 **22 November 2022**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Travancore Titanium Products Limited** for the year ended **31 March 2022** under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

Thiruvananthapuram
Dated: 12.01.2023


Dr. BIJU JACOB
PRINCIPAL ACCOUNTANT GENERAL (AUDIT-II), KERALA



GOVERNMENT OF KERALA

No.2337161/PU-D1/9/2023-Fin

Finance (PU-D) Department
Thiruvananthapuram
Dated : 14.03.2023

From

The Additional Chief Secretary to Government
Finance Department
Govt. Secretariat, Thiruvananthapuram

To

The Managing Director
Travancore Titanium Products Limited
Kochuveli, Thiruvananthapuram- 695021

Sir,

Sub :- Finance Department- Comments on the Audited Annual Accounts of Travancore Titanium Products Limited for the year 2021-2022 – Reg.

Ref :- Your letter No.TTPL/AC/Govt/19/2022-23 dated 12.12.2022.

Inviting attention to the reference cited, I am to forward herewith the Comments of the Secretary (Finance Expenditure) on the Audited Annual Accounts of Travancore Titanium Products Limited (TTPL) during the year 2021-2022. Five Printed Copies of the Annual Report incorporating the Comments may be forwarded to this Department.

Receipt of the Comments Certificate may be acknowledged

Yours faithfully,

Rejanimol. P. T
Deputy Secretary (Finance)
For Additional Chief Secretary (Finance)

Approved for Issue


Section Officer

COMMENTS OF THE SECRETARY (FINANCE EXPENDITURE) ON THE
AUDITED ANNUAL ACCOUNTS OF TRAVANCORE TITANIUM PRODUCTS
LIMITED (TTPL) -FOR THE FINANCIAL YEAR- 2021-22

1. The Company should be prompt in submitting Audited Annual Accounts Statements as per the provisions of Companies Act and should scrupulously follow the instructions issued from Finance Department in this regard from time to time.
2. The Profit and Loss Accounts show that the company is in profit during the reporting year as compared to the previous year. Hence attempts should be made for the retention of this positive trend.
3. The liquidity ratio under review is 0.87 which is far below the satisfactory level. Quick Ratio is 0.43% during the year under review and the same was 0.59% in the last year.
4. The Return on Equity shows a negative figure (-0.30) as compared to the previous positive figure (0.61) and the Return on Investment shows a figure of 0.34 as compared to the previous year negative figure of (-1.20).
5. There is steep increase in Earnings per Share (EPS) from -48.72 to 18.64. This shows that the investment of funds and the fund management are effective.
6. The Company should have a proper internal audit system commensurate with the size and nature of its business.
7. The Company should maintain proper books of accounts as required by law.
8. Company may take earnest effort in the repayment of loan with interest outstanding towards Government of Kerala.
9. While preparing projects /schemes for the expansion of the company, instead of banking entirely on the resources from State exchequer or Loans from Financial Institutions as source of finance, company must go for only the projects which can be implemented by utilizing own resources.
10. The accumulated loss of the company is Rs. 98.82 Crores. Hence the company may go for plans/ schemes to prune the expenditures in an effort to arrest/ slow down further increase of it's accumulated loss.



SANJAY KAUL
SECRETARY (FINANCE-EXPENDITURE)

Thiruvananthapuram
13.03.2023



Titanium
...make the world a brighter place

TRAVANCORE TITANIUM PRODUCTS LIMITED
KOCHUVELI, THIRUVANANTHAPURAM - 695 021
(AN ISO 9001-2015 COMPANY) CIN : U13209KL1946SGC001214