

Directors' Report

To,

The Members,

Your Directors have pleasure in presenting their 26<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2020.

**1. Financial Results**

(Amount in ₹)

Particulars	2019-2020	2018-2019
Total Income from Operations	0	0
Finance Cost	0	20,270
Depreciation	2,34,19,024	2,34,14,509
Profit before Taxation	(2,49,21,154)	(2,36,85,298)
Provisions for Taxes	0	0
Exceptional Items	0	0
Profit after Taxes	(2,49,21,154)	(2,36,85,298)
Balance brought forward	(1,00,04,26,183)	(97,67,40,885)
Prior Period Income	0	0
Appropriations	0	0
Profit carried to Balance Sheet	(1,02,53,47,337)	(1,00,04,26,183)
Earnings per share	(1.31)	(1.24)

**2. Brief description of the Company's working during the year/State of Company's affair**

The Company's operations have been discontinued due to possession of factory taken over by Edelweiss Asset Reconstruction Company limited. Therefore income from operations was Nil. The Loss was ₹ 2,49,21,154/- as compared to loss of ₹ 2,36,85,298/- during the previous financial year.

**3. Dividend**

Due to the loss incurred during the year, the Board of Directors of your Company does not recommend any dividend for the Financial Year 2019-2020.

**4. Reserves**

Due to loss incurred during the year the amount is not transferred to reserves.

**5. Share Capital**

The paid up capital of the Company as on 31st March, 2020 was ₹ 19,09,40,500. During the year under review, the Company has not issued shares with differential voting rights, sweat equity shares and shares under Employees Stock Option Scheme.

**6. Directors and Key Managerial Personnel**

In accordance with the provisions of the Act and the Articles of Association of the Company Mr. Chandrakant Joshi, Director retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment.

The Company has received declarations from the Independent Directors of the Company confirming that they meet criteria of independence as prescribed both under the act and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 2 (51) and 203 of the Act, the Key Managerial Personnel of the Company are Mr. Chandrakant Joshi, Managing Director, Mr. Chetan Kothari, Chief Financial Officer and Ms. Kajal Solanki, Company Secretary.

**7. Particulars of Employees**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report is annexed as **(Annexure-I)**

None of the employee was drawing remuneration in excess of the limits set out in the In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company at the registered office of the Company and the same will be furnished on request.

**8. Meetings**

During the year 9 Board Meetings and 4 Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**9. Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance.

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The manner in which the evaluation has been carried out is explained as follows:-

The Independent Directors of the Company, reviewed the performance of the Board as a whole and the Board Committee and also evaluated the performance of Non-Independent Directors and the Board of the Company taking into account the views of Executive Directors and Non –Executive Directors and based on attendance record and intensity of participation at meetings, quality of interventions, special contributions and interpersonal relationships with other Directors and management.

**10. Remuneration Policy:**

The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of section 178 of the Companies Act, 2013, is available on our website, at <http://www.tricomfruitproducts.com/download/Remuneration%20Policy.pdf>. There has been no change in the policy since last fiscal. We affirm that the remuneration paid to the directors is as per the terms laid out in the Remuneration Policy of the Company.

**11. Auditors:**

M/s. R.V. Panamburkar & Associates Chartered Accountants appointed as Auditor of the Company, for a term of 5 (five) consecutive years, at the Annual General Meeting held on 29<sup>th</sup> September, 2017.

The notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

**12. Auditors' Report:**

Our replies to the Auditors' qualifications are as follows:

1. The company was tried to come out from this situation by negotiating with Edelweiss Asset Reconstruction Company Limited. But due to financial crisis the Company could not pay its secured Term Loan and EARC has sold assets in the month of May, 2020.
2. The Company could not find any PE investor and could not settle the dues with Edelweiss Asset Reconstruction Company Limited. Therefore ARC sold assets in the month of May, 2020 in order to recover their dues. Since the negotiations with the lenders are in process; the Company is still going concern.
3. The company is incurring losses and unable to pay any dues. the management is of the opinion that these uncertainties cast significant doubt about the company's ability to continue as a going concern.
4. Due to severe financial crisis, company has requested lenders to waive off interest on loans and therefore no interest provision has been made.

**13. Secretarial Audit Report**

In terms of Section 204 of the Act and Rules made there under, M/s. Sadashiv Kharmate & Associates, Company Secretaries, Practicing Company Secretary have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as Annexure II to this report. The report is self-explanatory .

**14. Vigil Mechanism/Whistler Bowler Policy :**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Agreement a Vigil Mechanism/ Whistler Bowler Policy for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy/ Whistler Bowler Policy has been uploaded on the website of the Company at <http://www.tricomfruitproducts.com/download%5CWhistle%20Blower%20Policy.pdf>

**15. Risk management policy**

The Company has framed a Risk Management Policy to identify and access the key business risk areas and a risk mitigation process.

A detailed exercise is being carried out that the organization faces such as strategic, financial, credit, market, liquidity, legal, regulatory and other risks. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

**16. Extract of Annual Return:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report as (Annexure III)

**17. 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**

There is no material changes and commitments, 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.

**18. 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 other significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**19. Adequacy of Internal Financial Controls :**

The Company has adequate internal financial controls in place with reference to financial statements. These are continually reviewed by the Company to strengthen the same wherever required. The Board addresses issues if any, raised by the Statutory Auditor in respect of Internal Financial Control.

**20. Deposits**

The details relating to deposits, covered under Chapter V of the Act,-

- (a) accepted during the year; NIL
- (b) remained unpaid or unclaimed as at the end of the year; ₹ 29240281/-
- (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; ₹ 3,08,50,281/-
  - (ii) maximum during the year; ₹ 3,08,50,281/-
  - (iii) at the end of the year; ₹ 2,92,40,281/-

The details of deposits which are in compliance with the requirements of Chapter V of the Act except Section 73(2) (C), and 74(1)(b) of the Companies Act, 2013.

**21. Particulars of loans, guarantees or investments under section 186:**

No loans, guarantee or investments made during the year.

**22. Particulars of contracts or arrangements with related parties:**

All related party transactions done by the Company during the financial year were at arm's length and in ordinary course of business. All related party transactions were placed in the meetings of Audit Committee and the Board of Directors for their necessary review and approval. During the financial year your Company has not entered into any material transaction (as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015) with any of its related parties which may have potential conflict with the interest of the Company at large. Disclosure pursuant to Accounting Standards on related party transactions have been made in the notes to the Financial Statements. To identify and monitor significant related party transactions Company has also framed a policy on the related party transactions and the same is available on the Company's website <http://www.tricomfruitproducts.com/download%5CRelated%20Party%20Transactions%20Policy.pdf>

**23. Corporate Governance Certificate:**

The Compliance certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in SEBI (Listing obligation and Disclosure Requirements) Regulation, 2015 annexed with the report.

**24. Suspension of Trading of Securities:**

Securities of the Company suspended from trading on BSE Website between March 1, 2020 to June 30, 2020 on account of nonpayment of Listing Fees to BSE. Due to financial Difficulties company could not paid listing fees to

BSE on time and hence delayed the payment. BSE has revoked the suspension on successful payment of Listing Fees and allowed the free trading of securities from July 1, 2020.

**25. Management Discussion and Analysis:**

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31st March, 2020.

**26. Disclosures:**

**Audit Committee:**

The Audit Committee comprises of Three Directors, 2(two) of them are Non Executive and Independent Directors. All the Directors possess knowledge of corporate finance, accounts and company law. An Independent, Non Executive Director acts as Chairman of the Committee Meetings. The Statutory Auditor is also invited to the meetings. The quorum of the Audit Committee is two members.

**27. Obligation Of Company Under The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013:**

There is no requirement of Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made there under as employees are below the threshold limit.

**28. Conservation of energy, technology absorption and foreign exchange earnings and outgo**

The Operation of the company is discontinued during the year so there is no usage of energy, technology absorption and foreign exchange earnings and outgo.

**29. Human Resources**

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide for the motivation of the employees.

**30. 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, 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 and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) 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.

**31. Acknowledgements**

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

**Registered Office:**

Gat No.336, 338-341,  
Village Andori, Taluka Khandala  
Shirval Pandarpur Road,  
Satara - 415521. Maharashtra  
CIN : L67120PN1995PLC139099

**Place: Mumbai**

**Date : 8th December, 2020**

**By Order of the Board**

**Chandrakant Joshi**  
**Managing Director**  
**(DIN: 00050869)**

**GajananPosti**  
**Director**  
**(DIN: 01127473)**