



GUJARAT PETROSYNTHESE LIMITED

Reg. Off: No.24, II Main, Doddanekkundi Industrial Area, Phase I, Mahadevapura Post, Bangalore-560 048.

Ph: 91 – 80 - 28524133 Fax: 91– 80 - 28524171

E-mail : info@gpl.in, Website: www.gpl.in

CIN No. L23209KA1977PLC043357



Date: 04th September, 2020

To,
Bombay Stock Exchange Limited,
1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001

Scrip Code: 506858

Subject: Annual Report of the Company for the Financial Year 2019-20 pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations')

Dear Sir/Madam,

We wish to inform you that the **Forty-Third (43rd)** Annual General Meeting of the Company will be held on Tuesday, 29th September, 2020 at 12.30 p.m. (IST) through Video Conferencing in accordance with the General Circular issued by the Ministry of Corporate Affairs dated 05th May, 2020, read with General Circulars dated 08th April, 2020 and 13th April, 2020 and SEBI Circular dated 12th May, 2020. The venue of the meeting shall be deemed to be the registered office of the Company situated at No. 24, II Main, Doddanekkundi Industrial Area, Phase I, Mahadevapura Post, Bangalore-560048.

Pursuant to Regulation 34(1) of the Listing Regulations, please find enclosed the Annual Report of the Company along with the Notice of the 43rd AGM and other Statutory Reports for the Financial Year 2019-20, which is also being sent through electronic mode to those members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent/ Depositories. The said Annual Report is also available on the website of the Company, i.e. www.gpl.in.

We request you to take the same on your records.

Thanking you,

For Gujarat Petrosynthese Limited

Ms. Urmi N. Prasad
Joint Managing Director
DIN: 00319482

Address: 8-2-417/301, Mount Kailash, Road No. 4, Banjara Hills, Hyderabad-50003

Place: Hyderabad

Office: 1A, Ground Floor, Arcadia Building, NCPA Marg, Nariman Point, Mumbai – 400021
Phone: 022-22049309/22, E-mail: secretarial@gujaratpetrosynthese.com

GUJARAT PETROSYNTHESIS LIMITED



**FORTY THIRD ANNUAL REPORT
2019-20**

BOARD OF DIRECTORS	Mr. Rameshchandra Thakkar (DIN: 00248949)	*Chairman & Non-Executive Director
	Ms. Urmi Nuthakki Prasad (DIN: 00319482)	Joint Managing Director
	Ms. Charita Thakkar (DIN: 00321561)	Joint Managing Director
	Mr. Moreshwar Garde (DIN: 00689103)	Independent Director
	Mr. Raghu Venkataraman (DIN: 02012383)	Independent Director
	Mr. Rajesh Parikh (DIN:08258755)	Independent Director

*Mr. Rameshchandra Thakkar ceased to be a director of the Company w.e.f. 16th May, 2020 due to his sad demise.

BANKERS	AXIS BANK LIMITED STATE BANK OF INDIA CANARA BANK IDBI BANK BANK OF BARODA HDFC BANK
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AUDITORS	M/S Dayal and Lohia Mumbai
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COMPANY SECRETARY	Ms. Pratiksha Parmar (w.e.f. 14th February, 2020)
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REGD. OFFICE & WORKS	NO. 24, II MAIN PHASE I, DODDANEKUNDI INDUSTRIAL AREA, MAHADEVPURA POST, BENGALURU - 560 048 Ph No. : 080-28524133, Email : info@gpl.in; secretarial@gujaratpetrosynthese.com
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CIN No.	L23209KA1977PLC043357
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The above disclosure has been given in accordance with Section 158 of Companies Act 2013, and reference of any of the above directors made in this document be read along with the above disclosure of their respective Director Identification Numbers

NOTICE

NOTICE is hereby given that the **Forty Third (43rd)** Annual General Meeting of the Members of Gujarat Petrosynthese Limited ("**the Company**") will be held on Tuesday, 29th September, 2020 at 12.30 p.m. (IST) through Video Conferencing ("**VC**")/ Other Audio Visual Means ("**OAVM**") at No. 24, II Main, Doddanekkundi Industrial Area, Phase I, Mahadevapura Post, Bangalore-560048 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited (Standalone and Consolidated) Statements of Profit and Loss, Cash Flow Statement of the Company for the Financial Year ended 31st March, 2020 and the Balance Sheet as at 31st March, 2020 and the Reports of the Directors and the Auditors thereon.
2. To appoint Ms. Urmi N. Prasad (holding **DIN:** 00319482), who retires by rotation and being eligible offers herself for re-appointment.

SPECIAL BUSINESS:

3. To consider the continuation of Directorship of Mr. Moreshwar Digambar Garde, Independent Director of the Company, who will attain the age of Seventy-five (75) in this Financial Year and in this regard if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and such other applicable provisions of the Companies Act, 2013 and the applicable rules made thereunder and based on the recommendation of the Nomination and Remuneration Committee, consent of the members of the Company be and is hereby accorded for the continuation of Directorship of Mr. Moreshwar Digambar Garde (**DIN:** 00689103) as an Independent Director of the Company till the expiry of his existing term notwithstanding that he will attain the age of 75 years in September 2020."

4. To consider the continuation of Directorship of Mr. Raghu Ventakaraman, Independent Director of the Company, who will attain the age of Seventy-five (75) in September, 2021 and in this regard if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and such other applicable provisions of the Companies Act, 2013 and the applicable rules made thereunder and based on the recommendation of the Nomination and Remuneration Committee, consent of the members of the Company be and is hereby accorded for the continuation of Directorship of Mr. Raghu Ventakaraman (**DIN:** 02012383) as an Independent Director of the Company till the expiry of his existing term notwithstanding that he will attain the age of 75 years in September 2021."

Regd. Office:

24, II main, Doddanekkundi Industrial Area,
Phase I, Mahadevapura,
Bengaluru- 560 048
CIN: L23209KA1977PLC043357
Website: www.gpl.in; Email: info@gpl.in
Tel: 080-28524133

By Order of the Board of Directors
For Gujarat Petrosynthese Limited.

(Ms. Urmi N. Prasad)
Joint Managing Director
DIN: 00319482

Date : 20th August, 2020

NOTES

1. In view of the continuing outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs ('MCA') followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the Annual General Meeting ('AGM') venue is not required and AGM be held through video conferencing ('VC') or other audio visual means ('OAVM'). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and abovementioned MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional investors, who are members of the Company, are encouraged to attend the 43rd AGM of the Company through VC/ OAVM mode and vote electronically. Corporate members are required to send a scanned copy (PDF/JPG Format) of the Board Resolution/ Power of Attorney authorizing its representatives to attend and vote at the AGM through VC / OAVM on its behalf pursuant to Section 113 of the Act. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to scrutinizer@mmjc.in with a copy marked to www.evotingindia.com.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts concerning the Special Business is annexed hereto.
5. Details under regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting, forms integral part of the notice.
6. All the documents referred to in the accompanying notice and Explanatory Statement, shall be available for inspection through electronic mode, basis the request being sent on secretarial@gujaratpetrosynthese.com.
7. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection upon login at CDSL e-voting system at www.evotingindia.com.
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
10. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by CDSL.



11. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories and has been uploaded on the website of the Company at www.gpl.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.
12. Members who would like to express their views/ask questions during the AGM may send their questions in advance and pre-register themselves as a speaker by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at secretarial@gujaratpetrosynthese.com from Thursday, 17th September, 2020 (09.00 a.m. IST) to Tuesday, 22nd September, 2020 (05.00 p.m. IST). Only those Members who have pre-registered themselves as speakers will be allowed to express their views/ask questions during the AGM and the time limit for each speaker to speak at the AGM shall be 2-3 minutes. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING: -

- (i) The voting period begins on Thursday, 24th September, 2020 at 09.00 a.m. (IST) and ends on Monday, 28th September, 2020 at 05.00 p.m. (IST). During this period, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Tuesday, 22nd September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on “Shareholders” module.
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA..
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v)

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

Shareholders can also cast their vote using CDSL’s mobile app “**m-Voting**”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **Company/RTA email id**.

INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at www.evotingindia.com under shareholder/members login. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of CDSL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views/have questions may send their questions in advance between Thursday, 24th September, 2020 and Monday, 28th September, 2020 mentioning their name demat account number/folio number, email id, mobile number at secretarial@gujaratpetrosynthese.com. The same will be replied by the company suitably. No grievances shall be replied in between the meeting.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at scrutinizer@mmjc.in and to the Company at the email address viz; secretarial@gujaratpetrosynthese.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

EXPLANATORY STATEMENT

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

As required by the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statements set out all material facts relating to the business mentioned under Item No. 3 to Item No. 4 of the accompanying Notice.

Item No. 3

Pursuant to the amendment dated 9th May, 2018 to the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which shall be effective from 1 April, 2019, no listed Company shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy five years unless a Special Resolution is passed.

The Company had re-appointed Mr. Moreshwar Digambar Garde as an Independent Director of the Company in their 41st Annual General Meeting held on 21st September 2018 for a term of five years from 1st April 2019 to 31st March 2024. However, Mr. Garde will attain the age of Seventy-five years in September 2020.

The Board is of the opinion that Mr. Moreshwar Digambar Garde has provided valuable insights to the Company. In view of his enriched experience and appreciable contribution, his continuation as Director would be of immense benefit to the Company thus it is intended to continue availing his services. Also, he is in good health to continue further as an Independent Director. Hence, the Board of Directors and Nomination and Remuneration Committee at their meeting held on Thursday, 20th August, 2020 have recommended continuation of his term as an Independent Director even after attaining the age of Seventy-Five (75) years.

The Board of Directors recommends the Resolution set out at Item No. 3 of the accompanying Notice for approval of the Members of the Company as a **Special Resolution**.

Further, except Mr. Moreshwar Digambar Garde none of the other Directors/ key managerial personnel of the Company/their relatives are, in anyway, concerned or interested, financially or otherwise in the said Resolution.

Item No. 4

Pursuant to the amendment dated 9th May, 2018 to the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which shall be effective from 1 April, 2019, no listed Company shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy five years unless a Special Resolution is passed.

The Company had re-appointed Mr. Raghu Venkataraman as an Independent Director of the Company in their 41st Annual General Meeting held on 21st September 2018 for a term of five years from 1st April 2019 to 31st March 2024. However, Mr. Raghu will attain the age of Seventy-five years in September 2021.

Having regard to his qualification, knowledge and rich experience, his continuation as Independent Director will be in the best interest of the Company. Also, he is in good health to continue further as an Independent Director. Hence, the Board of Directors and Nomination and Remuneration Committee at their meeting held on Thursday, 20th August, 2020 have recommended continuation of his term as an Independent Director even after attaining the age of Seventy-Five (75) years.

The Board of Directors recommends the Resolution set out at Item No. 4 of the accompanying Notice for approval of the Members of the Company as a **Special Resolution**.

Further, except Mr. Raghu Venkataraman none of the other Directors/ key managerial personnel of the Company/ their relatives are, in anyway, concerned or interested, financially or otherwise in the said Resolution.



Gujarat Petrosynthese Limited

Particulars of the Directors seeking appointment / re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Name	Ms. Urmi N. Prasad (DIN: 00319472)
Age	55 Years
Date of First Appointment	01/04/1993
Expertise in Specific Functional Areas	Accounts, Finance, Business Administration and Strategic Planning.
Qualifications	B. Com. ACA, MBA (INSEAD France)
Directorship held in other entities	Gujarat Polybutenes Private Limited Multichem Private Limited Guardian Finance Limited Gpl Finance and Investments Ltd Yashashree Commercial Services Private Limited
Membership / Chairmanship of Committees	01 (Member of Stakeholders Relationship Committee of Gujarat Petrosynthese Limited)
Number of shares held in the Company	2,87,610
Disclosure of relationship	Ms. Urmi N. Prasad is related to Ms. Charita Thakkar
Terms and Conditions of Appointment/ re- appointment	As agreed by the Board
Details of Remuneration sought to be paid	As mentioned in the Board Report
Remuneration last drawn	As mentioned in the Board Report
Number of Meetings attended during the year	06 (including Annual General Meeting)

Regd. Office:

24, II main, Doddanekkundi Industrial Area,
Phase I, Mahadevapura,
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CIN: L23209KA1977PLC043357
Website: www.gpl.in; Email: info@gpl.in
Tel: 080-28524133

By order of the Board of Directors
For **Gujarat Petrosynthese Limited.**

Ms. Urmi N. Prasad
Jt. Managing Director
DIN : 00319482

Date : 20th August, 2020

BOARDS' REPORT

To the Members of,

Gujarat Petrosynthese Limited

Address:24, II Main, Doddanekkundi Industrial Area, Phase 1, Mahadevapura, Bengaluru - 560048

Your Directors have pleasure in presenting the 43rd Annual Report of the Company together with the Audited Statement of Accounts for the Financial Year ended 31st March, 2020.

FINANCIAL RESULTS

The Company's financial performance, for the year ended 31st March, 2020 is summarised below:

(Rs. in '000)

Particulars	for the financial year 31/03/2020	for the financial year 31/03/2019
Revenue from Operation	2,02,054	2,20,676
Other Income	4,451	2,968
Total Revenue	2,06,505	2,23,644
Less: Expenses	2,15,120	2,37,650
Profit/(Loss) before exceptional items & Tax	(8,615)	(14,006)
Profit on exceptional items	23,186	-
Profit/ (Loss) before tax	14,571	(14,006)
Less: 1. Current Tax	-	321
2. Tax adjustment of earlier years (net)	-	-
3. Deferred Tax	(340)	(3,389)
Profit/(Loss) for the year	14,911	(10,938)
Other comprehensive income (OCI):Items that will not be reclassified to profit or loss:		
1. Re-measurement gains/(losses) on defined benefit plans	-	-
2. Income tax effect on above	-	-
Total Other Comprehensive Income (OCI) for the year, net of tax expense	-	-
Total Comprehensive Income/(Expense) for the year	14,911	(10,938)
Earnings per equity shares (Face Value of Rs.10/- each)		
Basic and Diluted earnings per share	2.50	(1.83)

APPROPRIATION

Interim Dividend	NIL	NIL
Final Dividend	NIL	NIL
Tax on distribution of dividend	NIL	NIL
Transfer of General Reserve	NIL	NIL
Balance carried to Balance sheet	14,911	(10,938)

b. OPERATIONS:

The Company continues to be engaged in the activities pertaining to Manufacture of polymer/ synthetic.

There was no change in nature of the business of the Company, during the financial year under review.

c. PERFORMANCE & FUTURE OUTLOOK:

The slowdown in the automotive industry during 2019 accompanied by the lockdown at the end of the financial year 2019-2020 due to the COVID 19 pandemic was a heavy dampener to the sales during the year. The Company had targeted an annual sales of 2000 MT for the year 2019-2020, an increase of 13% over the previous year sales figure of 1742 MT, but ended the year with 1727 MT, thus managing to retain the sales to the same level as last year in spite of the tough challenges

The COVID-19 pandemic and the consequent lockdown restrictions imposed on various activities during the current year, while being a necessary measure to contain its spread, have also posed unprecedented challenges to all businesses, and the business operations of the Company has been no exception to this. Our plant was closed from March 24, 2020 to May 4, 2020 due to the lockdown. Besides losing a week's production at the end of the financial year, we were unable to sell all our products which resulted in piling up of finished stocks and less revenue for the 2019-2020 year.



The plant started operations on 05th May, 2020, at only 10% of the capacity while observing full compliance to the conditions of operations stipulated, to avoid any infection due to COVID-19. As of now the Company has not faced any shortage of raw materials. However, since some of our raw materials are imported, we may be affected in the future if our suppliers are unable to supply on time.

The situation due to Covid-19 is exceptional, changing dynamically and has had a negative impact on our operations. However, the Company is confident about adapting to the changing business environment and responding suitably to fulfil the needs of its customers. With the opening of domestic market post lockdown, we expect business to start improving from the 2nd quarter of this financial year and we hope to expect normal business from the 3rd quarter onwards subject to availability of imported raw materials and customer needs.

d. PERFORMANCE & FUTURE OUTLOOK OF THE WHOLLY OWNED SUBSIDIARIES:

Gujarat Polybutenes Private Limited (GPPL)

In the Board meeting on June 30th, 2020, the directors approved the scheme of merger between the Company and GPPL subject to the requisite approval, consent and sanction of National Company Law Tribunal (NCLT), Mumbai and Bengaluru Bench or other authorities as required under the law. The appointed date of the merger has been decided as 01st July, 2020. This will create a single stronger entity with operational synergies, streamlining and optimizing the group structure and provide efficient administration

GPL Finance and Investments Limited (GPLFIL)

The Company received approval of RBI for change in control and management of GPLFIL on 18th March, 2020 whereby White Oak Investment Management Private Limited and its nominee shareholders would acquire 99% of the equity shares of GPLFIL from the Company and its nominees within 60 days of receipt of approval from RBI. Thereafter the sale of shares was completed on 30th March, 2020 after receipt of the sales proceeds of Rs 3.41 crores. As GPLFIL no longer is a wholly owned subsidiary, the accounts of GPLFIL are not part of GPL's consolidated accounts.

e. DIVIDEND:

With a view to conserve resources, your Directors have thought it prudent not to recommend any dividend for the financial year under review.

f. UNPAID DIVIDEND & IEPF:

The Company has not transferred any amount to the Investor Education & Protection Fund (IEPF) and no amount is lying in Unpaid Dividend A/c of the Company.

g. TRANSFER TO RESERVES:

The Company has not transferred any amount to the Reserves during the year.

h. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The performance and financial position / salient features of the financial statement of the Subsidiary, for the Financial Year ended 31st March 2020 during the year under review, is given in **Form AOC-1** and is attached and marked as "**Annexure-I**" and forms part of this Report.

i. DEPOSITS:

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("**the Act**") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

j. CONSOLIDATED FINANCIAL STATEMENT:

Consolidated Financial Statements are prepared by your Company in accordance with the applicable Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs and the same together with Auditors' Report thereon form part of the Annual Report. The financial statements have been prepared as per Division II of Schedule III issued by the Ministry of Corporate Affairs vide its Notification dated April 06, 2016.

k. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

The Company has not entered into any transactions/contracts/arrangements referred to in Section 188(1) of Companies Act, 2013 with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review.

I. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in “**Annexure III**” which forms part of this Report.

m. ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, extract of the Annual Return for the financial year ended 31st March 2020 made under the provisions of Section 92(3) of the Act is attached as “**Annexure IV**” which forms part of this Report. Further the Company has placed its Extract of the Annual Return (as at 31st March, 2020 and as at 31st March, 2019, referred to in Section 92(3) in MGT-9 format on the below mentioned web address:

<https://www.gpl.in/mgt-9.php>.

n. PARTICULARS OF INVESTMENTS, LOANS, GUARANTEES AND SECURITIES:

Full particulars of investments, loans, guarantees and securities covered under Section 186 of the Companies Act 2013 provided during the financial year under review has been furnished in the Notes to Accounts which forms part of the financials of the Company.

o. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:

As mentioned earlier, the Board has approved the scheme of merger between the Company and its subsidiary GPL subject to the requisite approval, consent and sanction of National Company Law Tribunal (NCLT), Mumbai and Bengaluru Bench or other authorities as required under the law. The appointed date of the merger has been decided as 01st July, 2020. Except the scheme of merger and matters as disclosed else wherein this report, no material changes and commitments which could affect the Company's financial position, have occurred between the end of the financial year of the Company and date of this report.

p. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors of the Company for inefficiency or inadequacy of such controls.

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**a. BOARD OF DIRECTORS****i. Appointment**

- The term of office of Ms. Charita Thakkar as Joint Managing Director expired on 31st March, 2019. Hence, she was re-appointed as a Joint Managing Director by the members through special resolution w.e.f. 01st April, 2019.
- The term of office of Ms. Urmi Prasad as Joint Managing Director expired on 31st March, 2019. Hence, she was re-appointed as a Joint Managing Director by the members through special resolution w.e.f. 01st April, 2019.
- At the previous Annual General Meeting of the Company, the members accorded their approval by passing ordinary resolution for appointment of Mr. Rajesh Parikh as an independent director for a period of 5 years. Pursuant to Rule 8 of the Companies (Accounts), Rules, 2014, as amended, in the opinion of the Board, Mr. Rajesh Parikh who was appointed as an Independent Director during the year, has integrity, expertise and experience (including the proficiency).

ii. Resignation

None of the Directors of the Company has resigned as Director of the Company during the year under review.

However, Mr. Rameshchandra Thakkar, **Chairman and Non-Executive Director of the Company** has ceased to be the director of the Company w.e.f. 16th May, 2020 due to his sad demise. The Board took on record the invaluable contribution made by Mr. R. M. Thakkar as the promoter and Chairman of the holding company GPL and as Director of the subsidiary GPL. Having successfully led the company for 36 years since the start of the commercial production of the polybutene unit and later establishing the polymer and blends unit, his immense knowledge, extraordinary vision, extensive and varied experience, valuable guidance and helpful advice contributed to the growth and development of the company.

iii. Retirement by rotation

In accordance with the provisions of the Act, none of the Independent Directors is liable to retire by rotation.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Ms. Urmi Prasad, is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers herself for re-appointment. The said Director is not disqualified from being re-appointed as a Director of a Company as per the disclosure received from him pursuant to Section 164(2) of the Companies Act, 2013.

b. KEY MANAGERIAL PERSONNEL
i. Appointment

- Ms. Urmi Prasad is appointed as Chief Financial Officer (CFO) of the Company w.e.f. 01st April, 2019.
- Ms. Pratiksha Parmar is appointed as Company Secretary and Compliance Officer of the Company w.e.f. 14th February, 2020.

ii. Resignation

- Ms. Ankita Gokani resigned as Company Secretary and Compliance Officer of the Company w.e.f. 05th October, 2019.

Other than as stated above, there has not been any change in the Directors and Key Managerial Personnel of the Company.

c. DECLARATIONS BY INDEPENDENT DIRECTORS:

As required under Section 149(7) of the Companies Act, 2013, read with SEBI (Listing Obligations and Disclosure Requirements), (Amendment) Regulations, 2018, the Independent Directors have placed the necessary declaration of their independence in terms of the conditions laid down under Section 149(6) of the Companies Act, 2013, as amended in the Board Meeting held on Tuesday, 30th June, 2020. Further, pursuant to the Companies (Appointment and Qualification of Directors), Rules, 2014 as amended, the said declaration also includes a confirmation to the effect that the Independent Directors have included their names in the Database maintained by the Indian Institute of Corporate Affairs and they have paid the necessary fees for the said registration and will pay the fees for the renewal.

d. REMUNERATION / COMMISSION DRAWN FROM HOLDING / SUBSIDIARY COMPANY:

The Company does not have any Holding Company and none of the Directors have drawn any remuneration/commission from Subsidiary Company.

b. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES
a. BOARD MEETINGS:

The Board of Directors met Five (5) times during the financial year ended 31st March 2020 on 19th April, 2019, 20th May 2020, 14th August, 2019, 13th November, 2019, 14th February, 2020 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

Name of Directors	Number of Board meetings that Directors were eligible to attend during financial year 2019-20	Board Meetings attended
Mr. Rameshchandra Thakkar	5	4
Ms. Urmi Prasad	5	5
Ms. Charita Thakkar	5	2
Mr. V Raghu	5	4
Mr. Rajesh Parikh	5	5
Mr. M. D. Garde	5	5

The Company has complied with the applicable Secretarial Standards in respect of all the above Board meetings.

b. AUDIT COMMITTEE:

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section. The Audit Committee comprises of:

1. Mr. Moreshwar Garde, Chairman,
2. Mr. Rameshchandra Thakkar, Member
3. Mr. Raghu Venkataraman, Member
4. Mr. Rajesh Parikh, Member

The Audit Committee met Four (4) times during the financial year ended 31st March 2020 on 20th May 2020, 06th August, 2019, 13th November, 2019 and 14th February, 2020 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder

Name of Directors	Number of meetings that members were eligible to attend during financial year 2019-20	Board Meetings attended
Mr. M. D. Garde, Chairman	4	4
Mr. Rameshchandra Thakkar	4	4
Mr. V Raghu	4	4
Mr. Rajesh Parikh	4	4

Due to the sad demise of Mr. Rameshchandra Thakkar, the Board members have re-constituted the Audit Committee in their meeting held on 30th June, 2020 wherein the re-constituted committee is as follows:

1. Mr. Moreshwar Garde, Chairman
2. Mr. Raghu Venkataraman, Member
3. Mr. Rajesh Parikh, Member

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

c. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of Directors as constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Act.

The composition of the committee is as under:

1. Mr. Moreshwar Garde, Chairman,
2. Mr. Rameshchandra Thakkar, Member
3. Mr. Raghu Venkataraman, Member

The Nomination & Remuneration Committee met two (2) times during the financial year ended 31st March 2020 as on 20th May 2019 and 14th February 2020.

Name of Directors	Number of meetings that members were eligible to attend during financial year 2019-20	Board Meetings attended
Mr. Moreshwar Garde, Chairman	2	2
Mr. V Raghu	2	2
Mr. Rameshchandra Thakkar	2	2

Due to the sad demise of Mr. Rameshchandra Thakkar, the Board members have re-constituted the Nomination & Remuneration Committee by passing the circular resolution as on 23rd June, 2020 wherein the re-constituted committee is as follows:

1. Mr. Moreshwar Garde, Chairman
2. Mr. Raghu Venkataraman, Member
3. Mr. Rajesh Parikh, Member

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

The policy is also uploaded on the website of the Company. The path of the same is as follows:

<https://www.gpl.in/policy.php>

d. STAKEHOLDERS RELATIONSHIP COMMITTEE:

During the year under review, pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company has constituted the Stakeholder's Relationship Committee.

The composition of the committee is as under:

1. Mr. Rajesh Parikh, Chairman
2. Mr. Raghu Venkataraman, Member
3. Ms. Urmi Prasad, Member

The Stakeholders' Relationship Committee met two (2) times during the financial year ended 31st March 2020 as on 13th November 2019 and 14th February 2020.

Name of Directors	Number of meetings that members were eligible to attend during financial year 2019-20	Board Meetings attended
Mr. Rajesh Parikh, Chairman	2	2
Mr. V Raghu	2	2
Mr. Urmi Prasad	2	2

e. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

The Board of Directors of the Company has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed “**Vigil Mechanism Policy**” for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The policy is also uploaded on the website of the Company. The path of the same is as follows:

<https://www.gpl.in/policy.php>

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Board of Directors.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

f. RISK MANAGEMENT POLICY:

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company’s businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

The policy is also uploaded on the website of the Company. The path of the same is as follows:

<https://www.gpl.in/policy.php>

g. CORPORATE SOCIAL RESPONSIBILITY POLICY:

The provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, are not applicable on the Company.

h. ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:

The Board has carried out an annual performance evaluation of its own performance, and of the directors individually, as well as the evaluation of all the committees i.e. Audit, Nomination and Remuneration, Stakeholders Relationship Committee.

The Board adopted a formal evaluation mechanism for evaluating its performance and as well as that of its Committees and individual directors, including the Chairman of the Board the exercise was carried out by feedback survey from each director covering the Board functioning such as composition of Board and its Committees, experience and competencies, governance issues etc. Separate Exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board who were evaluated on parameters such as attendance, contribution at the meeting etc.

The various criteria considered for evaluation of Executive Directors included qualification, experience, knowledge, commitment, integrity, leadership, engagement, transparency, analysis, decision making, governance etc. The Board commended the valuable contributions and the guidance provided by each Director in achieving the desired levels of growth. This is in addition to evaluation of Non-Independent Directors and the Board as a whole by the Independent Directors in their separate meeting being held every year.

c. AUDITORS AND REPORTS

The matters related to Auditors and their Reports are as under:

a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2020:

The observations / qualifications / disclaimers made by the Statutory Auditors in their report for the financial year ended 31st March 2020 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

b. SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31st MARCH 2020:

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practicing Company Secretary. M/s. J.J. Gandhi & Associates, Practicing Company Secretaries had been appointed to issue Secretarial Audit Report for the financial year 2019-20.

Secretarial Audit Report issued by M/s. J.J. Gandhi & Associates, Practicing Company Secretaries in Form MR-3 for the financial year 2019-20 and is annexed hereto and marked as “**Annexure-II**”. The report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013 except as mentioned below:

"As per the requirements of Regulation 31(2) of the SEBI (LODR) Regulations, 2015 the 100% shareholding of the promoters have not been maintained in demat form."

The management hereby gives explanation to the above mentioned qualification that the two promoters who are holding shares in physical form are deceased and hence, Company was not able to maintain all the shareholding of promoter in demat form. However, Company is identifying various measures to do the same.

c. STATUTORY AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Dayal & Lohia, Chartered Accountants, the Statutory Auditors of the Company have been appointed for a term of five financial years and they continue to be the Statutory Auditors of the Company till the conclusion of the Annual General Meeting for the financial year 2021-22.

They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for re-appointment as Auditors of the Company. As required under Regulation 33(1) (d) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The amended provision of Section 139(1) of the Companies Act, 2013, has dispensed with the ratification of appointment of Statutory Auditors each year by the Members.

d. INTERNAL AUDITOR:

The Company has adopted an internal control system, commensurate with its size. The Company had appointed M/s. Krishna & Vishwas LLP as the internal auditors of the Company for FY 2019-20 to complete the internal audit.

Further, the board of directors in their meeting held on 20th August, 2020 have proposed to reappoint M/s Krishna & Vishwas LLP, as the Internal Auditor of the Company for the financial year 2020-21. The Company ensures compliance and controls so that the assets and business interests of your Company are adequately safe guarded.

e. MAINTENANCE OF COST RECORDS

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is not required to maintain Cost Records under said Rules.

f. REPORTING OF FRAUDS BY STATUTORY AUDITORS UNDER SECTION 143(12):

There were no incidences of reporting of frauds by Statutory Auditors of the Company under Section 143(12) of the Act read with Companies (Accounts) Rules, 2014.

d. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis report is annexed hereto and marked as "**Annexure - V**".

e. DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

The disclosures as per Rule 5 of Companies (Appointment & Remuneration) Rules, 2014 have been marked as "**Annexure-VI**".

f. OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

a. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

b. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2020, the Board of Directors hereby confirms 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. such accounting policies have been selected and applied consistently and the Directors 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 as at 31st March, 2020 and of the profit/loss of the Company for that year;

- c. proper and sufficient care was taken 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 annual accounts of the Company have been prepared on a going concern basis;
- e. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- f. the internal financial controls are followed by the Company and such internal financial controls are adequate and were operating effectively.
- c. DISCLOSURE REGARDING INTERNAL COMPLAINTS COMMITTEE:**
- The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- d. CORPORATE GOVERNANCE:**
- The compliance with the corporate governance provisions as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to the Company but the Company strives to ensure that best corporate governance practices are adopted and consistently followed.
- e. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:**
- The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- f. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:**
- The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- g. DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013:**
- The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- h. DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:**
- During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.
- i. ACKNOWLEDGEMENTS AND APPRECIATION:**
- Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

For and on behalf of the Board
Gujarat Petrosynthese Limited

Ms. Urmi N. Prasad
Jt. Managing Director
DIN : 00319482
Place : Hyderabad.

Ms. Charita Thakkar
Jt. Managing Director
DIN : 00321561
Place : San Francisco

Date : 20th August, 2020

Form AOC - I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES**PART "A" : Subsidiaries**

S.No.	Name of the subsidiary	
1	Name of the subsidiary/Joint Venture/Associate Companies	Gujarat Polybutenes Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 st March, 2020
3	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	Amount in "Rupees"
4	Share capital	4,49,00,000
5	Reserves and Surplus	17,56,05,899
6	Total Assets	22,19,49,312
7	Total Liabilities	22,19,49,312
8	Investments	-
9	Turnover	7,38,771
10	Profit before taxation	63,02,775
11	Provision for taxation	9,60,000
12	Profit after taxation	1,09,42,688
13	Proposed Dividend	-
14	% of shareholding	99.99%

Notes

- 1 Names of subsidiaries which are yet to commence operations NIL
- 2 Names of subsidiaries which have been liquidated or sold during the year. **GPL Finance and Investments Limited**

PART "B" : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures is not applicable as the company does not have an associate or joint venture company.

For and on behalf of the Board
Gujarat Petrosynthese Limited

Ms. Urmi N. Prasad
Jt. Managing Director
DIN : 00319482
Place : Hyderabad.

Ms. Charita Thakkar
Jt. Managing Director
DIN : 00321561
Place : San Francisco

Date : 20th August, 2020

SECRETARIAL AUDIT REPORT

(For the Financial year ended on 31st March, 2020)

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

To,
The Members,
Gujarat Petrosynthese Ltd.,
24, II main, Doddanekkundi Industrial Area, Mahadevapura,
Bengaluru - 560048

Dear Sirs,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Gujarat Petrosynthese Ltd.** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2020**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on **31st March, 2020**, according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings. - As reported to us there were no FDI, ODI and ECB transactions in the Company during the financial year under review.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
 - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not Applicable as the Company did not issue any security during the financial year under review.
 - D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. - Not Applicable as the Company has not granted any options to its employees during the financial year under review.
 - E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. - Not Applicable as the Company neither issued nor listed any debt securities during the financial year under review.
 - F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 - Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent.
 - G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. - Not Applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.
 - H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. - Not Applicable as the Company did not buy back any security during the financial year under review.
6. Considering representation of management and products, process and location of the Company, following laws are applicable specifically to the Company. Having regard to the compliance system prevailing in the Company and on examination of the relevant records on test check basis, we further report that the Company has complied with the following laws;
 1. The Environment (Protection) Act, 1986;
 2. The Air (Prevention and Control of Pollution) Act, 1981;
 3. The Water (Prevention and Control of Pollution) Act, 1974.

We have also examined compliance with the applicable clauses of the following;



Gujarat Petrosynthese Limited

- (i) The Mandatory Secretarial Standards (SS1 and SS2) issued by The Institute of Company Secretaries of India.
(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above except to the extent mentioned herein below;

As per the requirements of Regulation 31(2) of the SEBI (LODR) Regulations, 2015 the 100% share holding of the promoters have not been maintained in demat form.

We further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

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

We further report that as per the minutes of the meetings duly recorded and signed by the Chairman, the decisions were carried at meetings without any dissent.

Based on the Compliance mechanism established by the Company and on the basis of certificates placed before the Board and taken on record by the Directors at their meetings, we are of the opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**for J J Gandhi & Co.
Practising Company Secretaries
(J J Gandhi)
Proprietor
FCS No. 3519 and CP No. 2515
UDIN number F003519B000395031**

Place : Vadodara
Date : 30th June, 2020

This report is to be read with our letter of even date which is annexed as **Annexure** and forms an integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Gujarat Petrosynthese Ltd.,
24, II main, Doddanekkundi Industrial Area,
Bengaluru 560048

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. The Compliance of applicable financial laws like direct and indirect laws have not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and Other designated professionals.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**for J J Gandhi & Co.
Practising Company Secretaries
(J J Gandhi)
Proprietor
FCS No. 3519 and CP No. 2515
UDIN number F003519B000395031**

Place : Vadodara
Date : 30th June, 2020

ANNEXURE III TO THE BOARD'S REPORT

DISCLOSURE PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

(A) Conservation of energy:

Steps taken or impact on conservation of energy	Use of standard quality equipment. Proposals are under consideration for Additional Investment and proposals to implement reduction of energy. Company also strives for reduction in usage of electricity.
Steps taken by the company for utilizing alternate sources of energy	Not Applicable
Capital investment on energy conservation equipments	Not Applicable

B. TECHNOLOGY ABSORPTION

Efforts made towards technology absorption	Technology obtained from our collaborators has been fully absorbed. Improvements are being continuously made and have resulted in improved efficiency of operation.
Benefits derived like product improvement, cost reduction, product development or import substitution	Various measures for power savings have attributed to cost reduction and reduction in energy consumption.
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
<ul style="list-style-type: none"> • Details of technology imported • Year of import • Whether the technology has been fully absorbed • If not fully absorbed, areas where absorption has not taken place, and the reasons thereof 	<ul style="list-style-type: none"> Not Applicable Not Applicable Not Applicable Not Applicable
Expenditure incurred on Research and Development	Not Applicable

C. FOREIGN EXCHANGE EARNING AND OUTGO :

During the year, the Foreign Exchange outgo was ₹ Nil. The Company has earned Foreign Exchange of ₹ Nil during the year.

	April 01, 2019 to March 31, 2020 [Current F.Y.] Amount in Rs.	April 01, 2018 to March 31, 2019 [Previous F.Y.] Amount in Rs.
Actual Foreign Exchange earnings	Nil	Nil
Actual Foreign Exchange outgo	Nil	Nil

For and on behalf of the Board Directors

Ms. Urmi N. Prasad
Jt. Managing Director
DIN : 00319482
Place : Hyderabad.

Ms. Charita Thakkar
Jt. Managing Director
DIN : 00321561
Place : San Francisco

Date : 20th August, 2020

Form MGT- 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March, 2020

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

I. Registration and other details

I)	CIN:-	L23209KA1977PLC043357
II)	Registration Date	19/09/1977
III)	Permanent Account No.	AAACG8600K
IV)	Name of the Company	GUJARAT PETROSYNTHESE LIMITED
V)	Category / Sub Category of the Company	Company Limited by Shares (Indian Non-Government company)
VI)	Address of the Registered office and Contact Details	24,II Main, Doddanekkundi Industrial Area, Phase 1, Mahadevapura, Bengaluru - 560048, Karnataka
VII)	Whether listed company	Listed
VIII)	Name, address and Contact details of Registrar and Transfer Agent	Bigshare Services Pvt. Ltd. Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Next to Keys Hotel, Marol Maroshi Road, Andheri – East, Mumbai – 400059 Phone: 022 – 62638200

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:

Sr. No.	Name and Description of main products/ service	NIC code of the product/ service	Revenue (Rupees in '000')	% to total turnover of the company
1	Manufacture of polymer/ synthetic	22209	2,02,054	100%

III. Particulars of Holding, Subsidiary and Associate Companies

Sl.No	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associates	% of Shares	Applicable
1.	Gujarat Polybutenes Private Limited	U24200MH2002PTC340316	Subsidiary Company	99.99%	2(87) of Companies Act, 2013

*Note:

GPL Finance and Investments Limited was also a wholly owned subsidiary of the Company till 30th March, 2020. However, there was a sale of shares as on 30th March, 2020 and hence, it is not a subsidiary of the Company as on 31st March, 2020.

Gujarat Petrosynthese Limited

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 01-4-2019				No. of Shares held at the end of the year 31-3-2020				% Change
	Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(A) SHAREHOLDING OF PROMOTER AND PROMOTER GROUP 2									
(A) INDIVIDUAL / HUF	1204429	3256	1207685	20.23	1689846	2311	1692157	28.35	8.12
(B) CENTRAL GOVERNMENT	0	0	0	0	0	0	0	0	-
(C) STATE GOVERNMENT(S)	0	0	0	0	0	0	0	0	-
(D) BANKS / FI	0	0	0	0	-	-	-	-	-
(E) ANY OTHERS (SPECIFY)									
(F) ANY OTHER	0	0	0	0	-	-	-	-	-
SUB TOTAL (A)(1) :	2405573	59026	2464599	41.29	2954936	2311	2957247	49.54	8.25
FOREIGN									
A) NRIS INDIVIDUALS	0	0	0	0	0	0	0	0	0
B) OTHER INDIVIDUALS	0	0	0	0	0	0	0	0	0
C) BODIES CORP.	0	0	0	0	0	0	0	0	0
D) BANKS / FI	0	0	0	0	0	0	0	0	0
E) ANY OTHER									
I) DIRECTORS RELATIVES	485417	0	485417	8.13	0	0	0	0	8.13
SUB-TOTAL (A)(2):	485417	0	485417	8.13	0	0	0	0	8.13
TOTAL SHARE HOLDING OF PROMOTERS (A)=(A)(1) + (A)(2)	2890990	59026	2950016	49.42	2954936	2311	2957247	49.54	0.12
(B) PUBLIC SHAREHOLDING INSTITUTIONS									
A) MUTUAL FUNDS	18800	5910	24710	0.41	5236	5910	11146	0.19	0.22
B) BANKS / FI	-	20259	20259	0.34	-	20259	20259	0.34	-
C) CENTRAL GOVT	0	0	0	0	-	-	-	-	-
D) STATE GOVT(S)	0	0	0	0	-	-	-	-	-
E) VENTURE CAPITAL FUNDS	0	0	0	0	-	-	-	-	-
F) INSURANCE COMPANIES	814650	463	815113	13.66	814650	463	815113	13.66	-
G) FIIS 0	60000	60000	1.01	0	60000	60000	1.01	-	-
H) FOREIGN VENTURE CAPITAL FUNDS	0	0	0	0	-	-	-	-	-
I) OTHERS (SPECIFY)	0	0	0	0	-	-	-	-	-
I)(A) FOREIGN PORTFOLIO INVESTOR	0	0	0	0	-	-	-	-	-
SUB-TOTAL (B)(1):	833450	86632	920082	15.41	819886	86632	906518	15.19	0.22
(2) NON-INSTITUTIONS									
A) BODIES CORP.	7072	25099	32171	0.54	6659	24842	31501	0.53	0.01
I) INDIAN									
II) OVERSEAS									
B) INDIVIDUALS									
I) INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UP TO RS. 1 LAKH	290100	1368527	1658627	27.79	314345	1332487	1646832	27.59	0.20
II) INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS 1 LAKH	-	-	-	-	23876	0	23876	0.40	0.40
C) OTHERS (SPECIFY)									
I) TRUSTS	308	0	308	0.01	308	0	308	0.01	-
II) HINDU UNDIVIDED FAMILY	0	0	0	0	5246	0	5246	0.09	0.09
III) NON RESIDENT INDIANS (NRI)	2009	390810	392819	6.58	0	379731	379731	6.36	0.22
IV) NON RESIDENT INDIANS (REPAT)	8898	0	8898	0.15	11817	0	11817	0.20	0.05
V) NON RESIDENT INDIANS (NON REPAT)	5343	0	5343	0.09	5189	0	5189	0.09	-
VI) CLEARING MEMBER	200	0	200	0	199	0	199	0.00	-
VII) DIRECTORS RELATIVES	0	702	702	0.01	0	702	702	0.01	-
SUB TOTAL (B)(2) :	195971	1915676	2111647	35.38	313930	1785138	2099068	35.17	(0.21)
TOTAL PUBLIC SHAREHOLDING (B)=(B)(1) + (B)(2)	1147380	1871770	3019150	50.58	1187525	1824394	3011919	50.46	0.12
(C) SHARES HELD BY CUSTODIAN FOR GDRS & ADRS									
(A) SHARES HELD BY CUSTODIANS	0	0	0	0.00	0	0	0	0.00	0.00
(I) PROMOTER AND PROMOTER GROUP	0	0	0	0.00	0	0	0	0.00	0.00
(II) PUBLIC	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (C)(1) :	0	0	0	0.00	0	0	0	0.00	0.00
(C)=(C)(1)	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A) + (B) + (C)	4038370	1930796	5969166	100	4142461	1826705	5969166	100	-

ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01.04.2019)			Shareholding at the end of the year (As on 31.03.2020)			% change in share holding 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	Raghavendra Indukumar Thakkar	100	0.0017	0	0	0	0	-
2	Smita Prakash Mayekar	195	0.0033	0	195	0	0	-
3	Shaila Arun Powle	0	0	0	0	0	0	-
4	Rajendra Adhik Shirodkar	845	0.0142	0	0	0	0	-
5	Adhik Narayan Shirodkar	2116	0.0354	0	2116	0.04	0	-
6	Anantha Lakshmi N	4638	0.0777	0	4638	0.08	0	-
7	Rameshchandra Maganlal Thakkar	239711	4.02	0	239711	4.02	0	-
8	Ravindrarai B. Mehta	0	0	0	0	0	0	-
9	Hemchandra Mehta	0	0	0	0	0	0	-
10	Mrinalini Mehta	0	0	0	0	0	0	-
11	Urmi Prasad N	287610	4.8183	0	287610	4.82	0	-
12	N Rajender Prasad	319564	5.3536	0	319564	5.35	-	-
13	Ursula Rameshchandra Thakkar	352906	5.9121	0	352906	5.91	0	-
14	Multichem Private Limited	456914	7.6546	0	465090	7.79	0	0.13
15	Charita Thakkar	485417	8.1321	0	485417	8.13	0	-
16	Yashashree Commercial Services Private Limited	800000	13.4022	0	800000	13.40	0	-
17	Ravindrarai B Mehta (jointly with Nergis Ravindrarai Mehta)	0	0	0	0	0	0	-
18	Hemchandra Mehta (jointly with Mrinalini Mehta)	0	0	0	0	0	0	-
	Total	2950016	49.4210	0	2957247	49.54	0	0.13

(iii) Change in Promoters' Shareholding:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 31/03/2019		Cumulative shareholding during the year 31/03/2020		% change in share holding during the year
		No. of shares	% of total shares of company	No. of shares	% of total shares of company	
1.	Raghavendra Indu kumar Thakkar	100	0.0017	0	0	0.0017
2.	Rajendra Adhik Shirodkar	845	0.0142	0	0	0.0142
3.	Multichem Private Limited	456914	7.6546	465090	7.79	0.13

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

Sl. No	Top ten shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in share holding during the year
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1.	Life Insurance Corporation of India	538498	9.02	538498	9.02	-
2.	General Insurance Corporation of India	276152	4.63	276152	4.63	-
3.	Chenguan Chemical Research Institute	60000	1.01	60000	1.01	-
4.	Karnataka State Financial Corporation	20000	0.34	20000	0.34	-
5.	Southern India Depository Services P Ltd	10000	0.17	10000	0.17	-
6.	Mahendra Girdharilal	8622	0.14	23876	0.4	0.26
7.	Balram Bharwani	8000	0.13	6400	0.11	0.02
8.	Jitesh Bhagwandas Shah	7115	0.12	7115	0.12	-
9.	Filatex India Ltd.	6500	0.11	6500	0.11	-
10.	Lucienne Viegas	6435	0.11	6435	0.11	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1	Mr. Rameshchandra Thakkar (Chairman and Non executive Director)	At the beginning of the year	239711	4.02	239711	4.02
		At the End of the year	239711	4.02	239711	4.02
2	Ms. Urmi Nuthakki Prasad (Joint Managing Director)	At the beginning of the year	287610	4.82	287610	4.82
		At the End of the year	287610	4.82	287610	4.82
3	Ms. Charita Thakkar (Joint Managing Director)	At the beginning of the year	485417	8.13	485417	8.13
		At the End of the year	485417	8.13	485417	8.13
4	Mr. Moreshwar Digambar Garde (Independent Director)	At the beginning of the year	-	-	-	-
		At the End of the year	-	-	-	-
5	Mr. Raghu Venkataraman (Independent Director)	At the beginning of the year	-	-	-	-
		At the End of the year	-	-	-	-

6	Mr. Rajesh Parikh (Director)				
	At the beginning of the year	92	0.001	92	0.001
	At the End of the year	92	0.001	92	0.001
7	Ms. Pratiksha Parmar (Company Secretary & Compliance Officer)				
	At the beginning of the year	-	-	-	-
	At the End of the year	-	-	-	-

(V) Indebtedness

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

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

(VI) Remuneration of Directors and Key Managerial Personnel

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

(₹ in Lacs)

SI No.	Particular of Remuneration	Name of MD/ WTD/ Manager		Total Amount
		Mrs. Urmi N. Prasad	Mrs. Charita Thakkar	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	22.50	22.50	45.00
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961.	2.38	0.16	2.54
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961.	-	-	-
2	Stocks Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- As % of profit	-	-	-
	- Other, specify	-	-	-
5	Others, Please specify	1.25	1.25	2.50
	Contribution to Provident Fund	1.80	-	1.80
	Contribution to Superannuation Fund	2.25	-	2.25
	Total (A)	30.18	23.91	54.09

B. Remuneration to other Directors

(₹ in Thousand)

Particulars of Directors	Particulars of Remuneration		
	Mr. Moreswar Garde Digambar	Mr. Raghu Venkataraman	Mr. Rajesh Parikh
Independent Directors			
• Fee for attending board / committee meetings	90.00	85.00	80.00
• Commission	-	-	-
• Others	-	-	-
Total (1)	90.00	85.00	80.00
Other Non-Executive Directors	Mr. Rameshchandra Thakkar	-	-
• Fee for attending board / committee meetings	70.00	-	-
• Commission	-	-	-
• Others	-	-	-
Total (2)	70.00	-	-
Total (B)=(1+2)			325

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

(₹ in Lacs)

Particulars of Directors	Key Managerial Personnel			
	CEO	CS	CFO	Total
Gross Salary		Ms. Pratiksha Parmar		Amount
(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	0.32	-	0.32
(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.	-			
Stock Option	-			
Sweat Equity	-			
Commission	-	-	-	-
- As % of profit				
- Others, specify				
Other, Please specify				
Total	-	0.32	-	0.32

Notes: *Ms. Pratiksha Parmar is appointed as Company Secretary and Compliance Officer on 14th February, 2020. So, her remuneration is considered from February 2020 to March 2020.



Gujarat Petrosynthese Limited

VII Penalties / Punishment / Compounding Offences

Type	Section of the companies Act.	Brief Description	Details of penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ CO/URT)	Appeal made, if any (give Details)
A. Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. Other officers in default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors
Gujarat Petrosynthese Limited

Ms. Urmi N. Prasad
Jt. Managing Director
DIN : 00319482
Place : Hyderabad.

Ms. Charita Thakkar
Jt. Managing Director
DIN : 00321561
Place : San Francisco

Date : 20th August, 2020

ANNEXURE – V**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Industry Structure and Development**

We are one of the major source for polymer compounding, coloring, alloying and blending of engineering plastics in south India catering to the demands and needs of our customers for their specific applications.

Opportunities & Threats

The polymer alloys and blends unit was set up with the technical collaboration and equity participation of Chenguang Research Institute of Chemical Industry (CRICI). The products of your company have diverse uses and applications in several industries right from automotive, telecommunication and medical to electrical, electronic and home applications.

The Company has loyal pan- India customers and enjoys a good reputation in the industry owing to the consistency, reliability and quality of its products. It has a full-fledged testing laboratory along with the latest equipment. The Company has recently entered started providing products to the growing market for e- vehicles and green bio-plastics industry. The company has obtained the ISO 9001:2015 and 14001:2015 certification maintaining its pursuit in consistently providing high quality products while observing effective environment management systems.

Segment/ Product Wise Performance

Your company is engaged in manufacture of polymer alloys and blends which is considered as a single segment.

Your company has been showing a continuous and steady growth in Turnover over the past few years from 1113 MT in the year 2015 -2016 to 1727 MT in 2019-2020, a jump of 55%.

In the last financial year, the Company has developed 28 new customers and 44 new products.

Market and Outlook

Due to the Covid 19 pandemic and the slowdown last year the Company was not able to achieve its targeted sales of 2000 MT. Due to the lockdown and the consequent slowing down of the economy, the Company faced loss of production during the last quarter of 2019-2020 and the first quarter of 2020-2021. The Company is expecting the business to improve from the second quarter. The Company is waiting for customer approval for some of their products which will boost the sales significantly once obtained.

The Company is targeting a better product mix, operational efficiency and stringent control on the cost in order to increase productivity and operating margins. Continuous efforts are being made for efficient energy and raw material consumption. Your company, barring unforeseen circumstances, expects to further improve the turnover and performance. Increasing working capital is vital towards substantial growth in the coming years.

Risks and Concerns

Some of the raw materials are imported from other countries. The volatility of exchange rate of rupee against US dollar accompanied by the problems in supply chain due to the Covid 19 pandemic could have a significant impact on the supply and cost of raw Material.

However, the company has managed to mitigate the risk to an extent by stocking some quantities of the raw materials.

Internal Control Systems and their Adequacy

The Company has an adequate Internal Control System commensurate with the size and nature of its business. The preparation, designing and documentation of Policy on Internal Financial Control has been finalized and implemented which is being reviewed periodically and modified suitably to ensure controls. The internal audit functions are carried out by a separate firm of Chartered Accountants. This is supplemented through an extensive internal audit programme and periodic review by management and Audit Committee.

Discussion on Financial Performance with respect to operational performance

The total revenue from the operations for the year ended March 31, 2020 amounts to Rs. 202,054,000 as against Rs. 220,676,000 in the previous financial year. The revenue showed slight decrease in the current financial year as compared to the previous financial year though the company managed to retain the sales level. The Company is taking efforts to reduce consumption, energy cost and wastage & get higher yield to achieve maximum profits.



Gujarat Petrosynthese Limited

Human Resources

Human Resources are always the most important and valuable asset to the Company. The Company has approximately 31 permanent employees as on 31st March, 2020 at factory and office level. Your company believes in investing in people to develop and expand their capability. The Company has been able to create a favorable work environment that motivates performance and customer focus. The Human Resource Department had arranged a number of training programs on cGMP, scientific thinking mechanism and Safety Awareness.

Key Financial Ratios

Particulars of Ratio	31.03.2020	31.03.2019
Debtors Turnover	9.88	11.29
Inventory Turnover	23.99	33.51
Interest Coverage Ratio	-	-
Current Ratio	6.86	3.72
Debt Equity Ratio	-	-
Operating Profit Margin (%)	(5.22)	(6.63)
Net Profit Margin (%)	7.38	(4.96)

Return on Net Worth

The return on net worth has escalated to 6.75% as against -5.31% in the previous year due to exceptional gain by the Company.

Cautionary Statement

Statements in the Management Discussion & Analysis Report describing the Company's expectations, opinion, and predictions may please be considered as "forward looking statements" only. Actual results could differ from those expressed or implied. Company's operations should be viewed in light of changes in market conditions, prices of raw materials, economic developments in the country and such other factors.

For and on behalf of the Board of Directors

Date : 20th August, 2020

Ms. Urmi N. Prasad
Jt. Managing Director
DIN : 00319482
Place : Hyderabad.

Ms. Charita Thakkar
Jt. Managing Director
DIN : 00321561
Place : San Francisco

ANNEXURE VI

(Disclosure under Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Remuneration) Rules, 2014)

- I. The percentage increase in remuneration of the executive Directors, Chief Financial Officer and Company Secretary during the Financial Year 2019-20, the ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year and the comparison of remuneration of each Key Managerial personnel (KMP) against the performance of the Company is as under:

Sr. No.	Name	Designation	% increase in the remuneration for Financial Year 2019-20	Ratio of remuneration of Director to median remuneration of employees
1.	Ms. Urmi Nuthakki Prasad	Joint Managing Director and Chief Financial Officer	No increase	8.96:1
2.	Ms. Charita Thakkar	Joint Managing Director	No increase	7.095:1

Notes:

Ms. Ankita Gokani was the Whole-time Company Secretary of the Company during the Financial Year 2019-20. However, she resigned from the Company with effect from 05th October, 2019.

Thereafter, Ms. Pratiksha Parmar was appointed as Company Secretary on 14th February, 2020. Accordingly, Company paid the remuneration for two months and there was no increase in her remuneration in the financial year.

- II. The median remuneration of employees during the Financial Year 2019-20 was **Rs. 3,37,007/-**
- III. There were **31 Permanent Employees** on the rolls of the Company as on 31st March, 2020.
- IV. During the financial year 2019-20, there was no change in the managerial remuneration w.r.t the managerial personnel for the financial year 2019-20 as compared to remuneration paid in previous year (2018-19).
- V. During the financial year 2019-20, there was an average increase of 6-7% in the salary of the employees as compared to the previous financial year
- VI. It is hereby affirmed that the remuneration is paid as per the remuneration policy of the company.
- VII. **List of top 10 employees in terms of remuneration drawn.**

Sr. No.	Name of the Employee	Designation	Remuneration (in Rs.)	Nature of Employment	Date of commencement of employment	Age of employee	Last employment held by such employee	Qualification	If the employee is a relative of Director or Manager
1.	Mr. Pradeep Kumar T. K.	Administration Manager	13,73,803	Permanent	17-04-1996	52	Leela Computer	BSC+ PGDCA centre	No
2.	Ms. Hema. K	Manager Accounts	10,42,866	Permanent	06-11-2000	47	Bhandari Spinning Mills Ltd	B.COM	No
3.	Mr. Sunil Kumar S M	Manager Operations	8,82,589	Permanent	06-02-2017	38	Lumax Auto Technology	DME + BE	No
4.	Mr. Venkata subbaiah S	Manager Business Development	7,27,812	Permanent	11-06-2012	48	Bill Forge Pvt Ltd	Dipolma In Mechanical Engineer	No
5.	Mr. A P Govindaraju	Asst Manager Maintainance	7,24,312	Permanent	19-08-2013	50	Quad Tooling Technologies Pvt Ltd	I.T.I. Electrical	No
6.	Mr. Udaya G	Asst Manager Production	6,74,511	Permanent	18-04-2005	45	San Motors	Diploma in Polymer Techonology	No
7.	Ms. Mohini A Rajput	Accountant	5,89,872	Permanent	01-08-2007	47	Bright Star Componnets Pvt Ltd	B.COM	No
8.	Ms. Kanchana G	Accountant	4,48,649	Permanent	02-11-2001	39	NA	B.COM	No
9.	Mr. C. S. Chidananda Murthy	Accountant	4,43,724	Permanent	22-10-2018	47	Rama & Co	B.COM	No
10.	Mr. Borendra Parida	Shift Supervisor	4,06,346	Permanent	01-12-1997	42	Periwal Plastics Pvt Ltd	7th Std	No

For and on behalf of the Board of Directors

Ms. Urmi N. Prasad
Jt. Managing Director
DIN : 00319482
Place : Hyderabad.

Ms. Charita Thakkar
Jt. Managing Director
DIN : 00321561
Place : San Francisco

Date : 20th August, 2020

INDEPENDENT AUDITORS' REPORTS

To,
The Members of
M/s. Gujarat Petrosynthese Ltd

Report on the Standalone Financial Statements

Opinion

We have audited the Financial Statements of **Gujarat Petrosynthese Limited** ("the Company"), which comprise of the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss, Statement of Changes in Equity and 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, the aforesaid financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2020;
- (b) in the case of the Statement of Profit and Loss (including Other Comprehensive Income), of the Profit for the year ended on that date;
- (c) in the case of the Statement of Changes in Equity, of the changes in equity for the year ended on that date; and
- (d) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion there on, and we do not provide a separate opinion on these matters.

Key Audit Matters	Auditor's Response
<p><i>Review of the value of stock-in-trade & investments held by the Company as on 31st March 2020</i></p>	<p><u>Principal Audit Procedures</u> <i>The assessment of various procedures adopted by the management which includes) Ascertaining the value of investments and stock-in-trade held as at 31st March, 2020.ii) Verification of amount invested, current value of investments, regularity of receipt of income on those investments and it's fair classification and presentation in the audited financial statements.iii) Assessing the appropriateness of value of stock-in-trade disclosed in the financial statements.</i></p>

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises of the information included in the Management Discussion and Analysis, Draft Board's Report including Annexures to the said Board's Report, Corporate Governance and Shareholder's Information, 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing (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 responsible for expressing our opinion on whether the Company has adequate internal financial controls 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.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



Gujarat Petrosynthese Limited

2. As required by Section 143(3) of the Act, we report that:
- 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.
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company does not have any pending litigations which would impact its financial position in financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no dues which were required to be transferred to Investor Education and Protection Fund by the Company.

For **Dayal and Lohia**
Chartered Accountants
Firm Reg. No. 102200W

(Anil Lohia)
Partner
Membership No: 031626

Place : Mumbai
Date : 30th June, 2020

ANNEXURE – 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF GUJARAT PETROSYNTHESIS LIMITED

Statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, to the extent applicable.

- In respect of its fixed assets:
 - The Company, on the basis of available information, has maintained proper records showing full particulars including quantitative details and situations of fixed assets;
 - The Management of the Company has physically verified the fixed assets at reasonable intervals. The discrepancies, if any noticed during such verification have been suitably adjusted in the books of account. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets;
 - According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- According to the information and explanations given to us, the inventories have been physically verified at reasonable intervals by the management during the year and no material discrepancies have been noticed.
 - In our opinion and according to the information and explanations given to us, the procedures followed by the management for physical verification of inventory are reasonable and adequate in relation to the size of the Company and the nature of the business.
- According to the information and explanations given to us and on the basis of our examination of books of account, the Company has not given unsecured loan to Company covered in the register maintained under section 189. Accordingly, reporting under clause (iii) of the order is not applicable to the Company.
- In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made and the Company has not provided any loan, guaranty or security.

5. According to the information and explanation given to us, the Company has not accepted any deposits as per the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013 in respect of the Company's Products to which the said rules are made applicable, and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
7.
 - a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Goods and Service Tax, Cess and any other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March, 2020 for a period of more than six months from the date it became payable.
 - b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income Tax, Goods and Service Tax, Custom Duty, Cess which have not been deposited on account of any dispute
8. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3(viii) of the Order is not applicable to the Company on the basis.
9. In our opinion and on the basis of information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company. Accordingly paragraph 3(xii) of the Order is not applicable.
13. According to information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in accordance with section 177 and 188 of the act where applicable and details of such transactions have been disclosed in Financial Statements as required by applicable Ind AS.
14. According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore paragraph 3(xv) of the Order is not applicable.
16. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45- IA of Reserve Bank of India Act, 1934.

For **Dayal and Lohia**
Chartered Accountants
Firm Reg. No. 102200W

(Anil Lohia)
Partner
Membership No: 031626

Place : Mumbai
Date : 30th June, 2020

ANNEXURE – ‘B’ TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF GUJARAT PETROSYNTHESIS LIMITED**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Gujarat Petrosynthese Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

For **Dayal and Lohia**
Chartered Accountants
Firm Reg. No. 102200W

(Anil Lohia)
Partner
Membership No: 031626

Place : Mumbai
Date : 30th June, 2020

BALANCE SHEET AS AT 31st MARCH, 2020

(₹ in thousands)

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
A ASSETS			
I Non-Current Assets			
Property, plant and equipment	3	21,435	21,335
Financial Assets:			
Investments	4	96,418	103,086
Loans	5	1,525	3,013
Other financial assets	6	-	1,523
Assets Held for Sale	7	16,700	16,700
Total Non-Current Assets		136,078	145,657
II Current Assets			
Inventories	8	8,481	5,137
Financial Assets:			
Loans	9	10	126
Trade receivables	10	18,009	22,902
Cash and cash equivalents	11	60,299	13,523
Other financial assets	12	5,577	34,742
Other current assets	13	1,691	440
Total Current Assets		94,067	76,870
TOTAL ASSETS		230,145	222,527
B EQUITY AND LIABILITIES			
I Equity			
Equity share capital	14	59,692	59,692
Other equity	15	161,170	146,259
Total Equity		220,862	205,951
Liabilities			
II Non-Current Liabilities			
Deferred tax Liability (Net)	16	(4,426)	(4,085)
Total Non-Current Liabilities		(4,426)	(4,085)
III Current Liabilities			
Financial Liabilities :			
Borrowings	17	-	5
Trade payables	18	10,379	15,994
Other financial liabilities	19	2,690	3,777
Short Term Provisions	20	301	-
Other current liabilities	21	339	885
Total Current Liabilities		13,709	20,661
Total Liabilities		9,283	16,576
Branch Balance (After profit transfer to HO)			
TOTAL EQUITY AND LIABILITIES		230,145	222,527
Significant accounting policies	1 to 2		

The accompanying notes form an integral part of the Financial Statements 3 to 40

As per our report of even date

For Dayal and LohiaChartered Accountants
Firm Regn. No. 012106S**Anil Lohia**(Partner)
Membership No. 31626PLACE : Mumbai
DATE : 30-06-2020

For and on behalf the Board of Directors

Urmi N. Prasad
Jt. Managing Director & CFO
DIN : 00319482
Place : Mumbai**Ms. Charita Thakkar**
Jt. Managing Director
DIN: 00321561
Place : San Francisco**Ms. Pratiksha Parmar**
Company Secretary
Place : Sagar, Madhya Pradesh

DATE : 30-06-2020

DATE : 30-06-2020

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

(₹ in thousands)

Particulars	Note No.	For the year ended As on 31.03.2020	For the year ended As on 31.03.2019
INCOME			
I Revenue from operations	22	202,054	220,676
II Other income	23	4,451	2,968
III Total income (I+II)		206,505	223,644
IV EXPENSES			
Cost of Materials Consumed	24	165,271	180,436
Changes in Inventories of Finished & WIP Products	25	(1,938)	601
Employee benefits expense	26	26,919	28,347
Finance costs	27	7	229
Depreciation	28	2,512	2,336
Other expenses	29	22,349	25,701
Total expenses (IV)		215,120	237,650
V Profit/(loss) before exceptional item and tax (III-IV)		(8,615)	(14,006)
VI Exceptional Items	30	23,186	-
VII Profit/(loss) before tax (V-VI)		14,571	(14,006)
VIII Tax Expense:			
(1) Current tax		-	321
Less : MAT Credit available to utilise		-	-
(2) MAT Credit available to utilise pertaining to previous year		-	-
(3) Deferred tax		(340)	(3,389)
(4) Earlier year taxes		-	-
IX Profit/(loss) for the year (VII-VIII)		14,911	(10,938)
X OTHER COMPREHENSIVE INCOME / (EXPENSE)- (OCI):			
Items that will not be reclassified to profit or loss			
1. Re-measurement gains / (losses) on defined benefit plans		-	-
3. Income tax effect on above		-	-
Total other comprehensive income (OCI) for the year, net of tax expense		-	-
TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR (IX+X)		14,911	(10,938)
Earnings per equity shares (Face Value of Rs.10/- each)			
Basic and Diluted earnings per share	31	2.50	(1.83)
Significant accounting policies	1 to 2		
The accompanying notes form an integral part of the Financial Statements	3 to 40		

As per our report of even date

For and on behalf the Board of Directors

For Dayal and LohiaChartered Accountants
Firm Regn. No. 012106S**Urmi N. Prasad**
Jt. Managing Director & CFO
DIN : 00319482
Place : Mumbai**Ms. Charita Thakkar**
Jt. Managing Director
DIN: 00321561
Place : San Francisco**Anil Lohia**(Partner)
Membership No. 31626**Ms. Pratiksha Parmar**
Company Secretary
Place : Sagar, Madhya PradeshPLACE : Mumbai
DATE : 30-06-2020

DATE : 30-06-2020

DATE : 30-06-2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020

₹ in thousands)

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
1. EQUITY SHARE CAPITAL			
Balance at the beginning of the year		59,692	59,692
Changes in equity share capital during the year		-	-
Balance at the end of the year		<u>59,692</u>	<u>59,692</u>

2. OTHER EQUITY

Particulars	Reserves and Surplus				Total other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
Balance as at 1 April 2018	1,750	20,000	135,446	-	157,196
Profit/(loss) for the year				(10,937)	(10,937)
Other comprehensive income/(expense)				-	-
Total comprehensive income/(expense)	-	-	-	(10,937)	(10,937)
Balance as at 31 March 2019	1,750	20,000	135,446	(10,937)	146,259
Profit/(loss) for the year				14,911	14,911
Other comprehensive income/(loss)				-	-
Total comprehensive income/(expense)	-	-	-	14,911	14,911
Balance as at 31 March 2020	1,750	20,000	135,446	3,974	161,170

CAPITAL RESERVE

Pertains to share application money forfeited in the cases where remaining amount was not paid. This can be utilised in accordance with the provisions of the Act.

SECURITIES PREMIUM RESERVE

Securities premium is used to record the premium on issue of shares. This reserve can be utilised in accordance with the provisions of the Act.

GENERAL RESERVE

General Reserve represents amounts transferred from Retained Earnings in earlier years. The reserve can be utilised in accordance with the provisions of the Act. Declaration of dividend out of such reserve shall not be made except in accordance with the rules prescribed in this behalf under the Act.

Significant Accounting Policies - Note 1**The accompanying notes form an integral part of the Financial Statements**

As per our report of even date

For Dayal and Lohia
Chartered Accountants
Firm Regn. No. 012106S

Anil Lohia
(Partner)
Membership No. 31626

PLACE : Mumbai
DATE : 30-06-2020

For and on behalf the Board of Directors

Urmi N. Prasad
Jt. Managing Director & CFO
DIN : 00319482
Place : Mumbai

Ms. Charita Thakkar
Jt. Managing Director
DIN: 00321561
Place : San Francisco

Ms. Pratiksha Parmar
Company Secretary
Place : Sagar, Madhya Pradesh

DATE : 30-06-2020

DATE : 30-06-2020

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Rs. In Thousands

Particulars	As at 31st March, 2020	As at 31st March, 2019
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/(Loss) before tax	14,571	(14,005)
Adjustments for :		
Add:		
Depreciation	2,512	2,336
MAT Written off	1,054	
Interest Expense	7	229
Less:		
Profit/Loss on sale of Investment	(24,112)	-
Profit/Loss on sale of Assets	(2)	(75)
Fair Value measurement of Investment	(46)	(136)
Interest Income	(4,251)	(846)
	(10,266)	(12,499)
Adjustments for :		
Increase /(Decrease) of Other Financial Liabilities	(1,087)	670
Increase /(Decrease) of Current Liabilities	(245)	324
Decrease / (Increase) of Financial Assets	31,235	15,236
Decrease / (Increase) of Non-Financial Assets	(1,251)	(9)
Decrease / (Increase) of Trade Receivables	4,893	(6,698)
Decrease / (Increase) of Trade Payables	(5,615)	3,922
Decrease / (Increase) of Inventories	(3,344)	538
	24,586	13,983
Cash Generated from Operations	14,319	1,485
Income Tax Paid (Net of refund received)	-	-
Net cash from Operating Activities	14,319	1,485
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchases of fixed assets	(2,613)	(2,670)
Sale of Fixed Asset	5	-
Redemption of Preference shares of Gujarat Polybutenes Private Limited	28,000	
Redemption of REC Bonds	4,700	
Sale of Investment of Subsidiary	34,140	10,500
Sale of Mutual Funds	11,986	
Purchase of Mutual Fund	(48,000)	
Investment in Fixed deposits	-	(12,300)
Interest Income	4,251	846
Net cash used in Investing activities	32,469	(3,624)
(C) CASH FLOW FROM FINANCING ACTIVITIES:		
Short Term Borrowings	(5)	(6,358)
Interest Paid on borrowings	(7)	(229)
Net cash from Financing Activities	(12)	(6,587)
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	46,776	(8,727)
CASH & CASH EQUIVALENTS AS AT 01.04.2019 (Opening Balance)	13,523	22,250
CASH & CASH EQUIVALENTS AS AT 31.03.2020 (CLOSING)	60,299	13,523
Significant accounting policies	1 to 3	
The accompanying notes form an integral part of the Financial Statements	4 to 47	

As per our report of even date

For and on behalf the Board of Directors

For Dayal and LohiaChartered Accountants
Firm Regn. No. 012106S**Urmi N. Prasad**
Jt. Managing Director & CFO
DIN : 00319482
Place : Mumbai**Ms. Charita Thakkar**
Jt. Managing Director
DIN : 00321561
Place : San Francisco**Anil Lohia**(Partner)
Membership No. 31626**Ms. Pratiksha Parmar**
Company Secretary
Place : Sagor, Madhya PradeshPLACE : Mumbai
DATE : 30-06-2020

DATE : 30-06-2020

DATE : 30-06-2020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

CORPORATE INFORMATION

GUJARAT PETROSYNTHESE LIMITED (“the Company”) is a public limited company, incorporated and domiciled in India having its registered office at No. 24, II Main Phase I, Donnanekundi Industrial Area Mahadevpura Post Bengaluru 546048 Karnataka, India. The equity shares of the Company are listed on BSE Limited. The Company is primarily engaged in the business of plastic polymers and blends.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) **Basis of preparation:**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“the Act”) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities, which are measured at fair value.

(ii) **Fair value measurement**

The Company's accounting policies and disclosures require the measurement of fair values for financial assets and liabilities.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(iii) **Revenue Recognition:**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized when all significant risk and rewards of ownership in goods are transferred to customers and recovery of consideration from customer is probable and revenue can be estimated reliably. Revenue is recognized net of trade discounts and indirect taxes.

Revenue from rendering services is recognized when performance of agreed contractual task is completed.

Interest income is recognized on accrual basis on time proportion basis using effective interest rate.

Dividend income is accounted when right to receive is established.

(iv) **Property, Plant and Equipment:**

Recognition and measurement:

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment includes purchase price, including freight, duties, taxes and expenses incidental to acquisition and installation. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Property, plant and equipment are derecognized from financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence.

Subsequent expenditures:

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured. All other repair and maintenance costs are recognized in the Statement of Profit and Loss during the year in which they are incurred.

Depreciation:

Depreciation is provided on all property, plant and equipment on straight-line method in the manner and useful life prescribed in Schedule II of the Companies Act, 2013. Depreciation on additions/deletion is provided on pro-rata basis with reference to the date of addition/deletion as the case may be.

Company has adopted cost model for all class of items of Property Plant and Equipment.

(v) Impairment of Non-Financial Assets:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If such recoverable amount of the asset or cash generating unit is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is any indication that any impairment loss recognized for an asset in prior years may no longer exist or may have decreased, the recoverable amount is reassessed and such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss..

(vi) Assets taken on Lease:**Operating Lease**

A Lease in which a significant portion of the risks and rewards of ownership are not transferred to the Company is classified as operating lease. Payments made under operating lease are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease deposits given are financial instruments (financial assets) and need to be measured at fair value on initial recognition. The difference between the fair value and the value of deposits is considered as prepaid rental expenses and recognized over the lease term on a straight line basis. Unwinding of discount is treated as interest income for deposit given and is accrued as per the effective interest rate method.

(vii) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial Assets**Initial recognition and measurement**

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, the financial assets are classified as under:

i) Financial assets at amortised cost

A financial asset is measured at the amortised cost, if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. Interest income from these financial assets is included in other income using the EIR in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

ii) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are classified as FVTOCI, if both of the following criteria are met:

- These assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income and foreign exchange gains or losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Profit or Loss and recognised in other income/(loss).

iii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is recognized in profit or loss and presented net in the Statement of Profit and Loss within other income in the period in which it arises.

iv) Equity instruments

All equity instruments are measured at fair value. Equity instruments which are for trading are classified as FVTPL. All other equity instruments are measured at fair value through other comprehensive income (FVTOCI). The classification is made on initial recognition and is irrevocable.

Where the Company's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in profit and loss when the Company's right to receive payments is established.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Impairment of financial assets

The Company applies 'simplified approach' for recognition of impairment loss on financial assets for loans, deposits and trade receivables.

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.

De-recognition

A financial asset is derecognized when:

- the rights to receive cash flows from the assets have expired or
- the Company has transferred substantially all the risk and rewards of the asset, or
- the Company has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Financial Liabilities**• Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction cost.

• Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to short maturity of these instruments.

• Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. Gain and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transaction costs. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

- **Derecognition**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

- **Offsetting financial instruments**

Financial assets and financial liabilities are offset and the net amount is reflected in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(viii) Inventories:

Raw Materials and consumables are valued at cost on First in First out (FIFO) basis or net realizable value whichever is lower. Raw material and consumables are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes the fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

Work in progress is valued at cost basis or net realizable value whichever is lower. They are not written down below cost if the finished products are expected to be sold at or above cost.

Finished goods are valued at lower of cost or net realizable value. The cost is computed on specific identification basis

Stores and spares are charged to revenue in the year of purchase.

Consumables are charged to revenue on actual consumption basis.

(ix) Taxes:

The tax expense comprises current and deferred tax. Tax is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

i. **Current Tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantially enacted at the reporting date.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

ii. **Deferred Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amount used for taxation purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

(x) Employee benefits:**Short term employee benefits:**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Defined contribution plans:

The Company's contribution to Provident Fund, Pension, Superannuation and Employees State Insurance Contribution are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contribution made to the respective fund/scheme and are charged as an expense based on the amount of contribution required to be made.

Defined benefit plans:

The liability recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period.

The liability of gratuity to the employees is covered under the Group Gratuity scheme with the Life Insurance Corporation of India. The annual service cost on basis of valuation received from LIC, the amount is paid to LIC of India and debited to Profit and Loss Account.

Long Term Compensated Absences

The liability of leave encashment of employees is covered with LIC. On basis of Actuarial Valuations, the present value of liability is accounted and paid to the LIC of India.

(xi) Borrowing Costs:

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

All other borrowing costs are recognized as expense in the period in which these are incurred.

(xii) Cash and Cash Equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand, demand deposit and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(xiii) Provisions & Contingent Liabilities:

The Company recognizes a provision when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(xiv) Earnings per share

Basic earnings per share is calculated by dividing the net profit / (loss) for the year attributable to the equity shareholders by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(xv) Dividend

Dividend to the equity shareholders is recognized as a liability in the Company's financial statements in the period in which the dividend is approved by the shareholders.

(xvi) Foreign Exchange Transactions

Foreign currency transactions are accounted for at the exchange rates prevailing on the date of such transactions where these are not covered by forward contracts. Liabilities in foreign currencies as on the date of balance sheet are converted at the exchange rate prevailing on that date.

2. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed at each reporting date. Any revision to accounting estimates and assumptions are recognised prospectively i.e. recognised in the period in which the estimate is revised and future periods affected.

i. Recognition and measurement of defined benefit obligations

The cost of defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuations using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of discount rate, future salary increase and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

ii. Fair value measurement of financial instruments

When the fair values of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from the observable market, where possible, but where this is not feasible, a review of judgement is required in establishing fair values. Changes in assumptions relating to these assumptions could affect the fair value of financial instruments.

iii. Deferred taxes

Deferred tax is recorded on temporary differences between tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profit during the periods in which those temporary differences and the tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced.

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT

(₹ in thousands)

Particulars	Gross Block			Depreciation			Net Block		
	As at 01-04-2019	Additions	For the year ended 31-03-2020	As at 01-04-2019	For the year ended 31-03-2020	Deductions	For the year ended 31-03-2020	As at 31-03-2020	As at 31-03-2019
Leasehold Land	15,527	-	15,527	-	-	-	-	15,527	15,527
Freehold Land	4,419	-	4,419	-	-	-	-	4,419	4,419
Factory Buildings	13,524	300	13,824	9,313	329	-	9,642	4,182	4,211
Laboratory Equipment	2,303	-	2,303	2,303	-	-	2,303	0	0
Vehicle	9,511	-	9,511	5,876	582	-	6,458	3,052	3,635
Office Equipment	2,661	101	2,693	2,338	130	66	2,403	291	323
Furniture & Fixtures	2,322	-	2,322	2,052	49	-	2,101	222	271
Computer	1,962	25	1,988	1,905	19	-	1,924	64	58
Mobile	369	-	369	356	5	-	361	8	12
Plant & Machinery	45,670	2,186	47,855	36,087	1,397	-	37,484	10,372	9,583
Electrical Installation	2,422	-	2,422	2,422	-	-	2,422	-	-
Jigs and Moulds	403	-	403	403	-	-	403	-	-
Total	101,093	2,613	103,636	63,054	2,512	66	65,501	38,135	38,038
Less : Classified under held for sale (Leasehold land and Part of Factory Buildings)									
Fixed Assets Block									
								16,700	16,700
								21,435	21,335

3.(a) Non-Current Investments

Details of Investments - (valued at cost, unless stated otherwise)

(₹ in thousands)

Sr. No.	Particulars	Subsidiary	Face Value fully Paid	No. of Shares / Bonds		Value ('000)	
				31.03.2020	31.03.2019	31.03.2020	31.03.2019
I	Investments in Equity Instruments Unquoted						
	Investments valued at Cost						
	Gujarat Polybutenes Pvt. Ltd	Subsidiary	10	4,489,999	4,489,999	57,400	57,400
	GPL Finance and Investment Ltd	Others	10	9,940	999,940	99	9,999
II	Investments in Preference Shares Unquoted						
	Investments valued at Cost						
	(a) Gujarat Polybutenes Pvt. Ltd	Subsidiary	10	-	2,800,000	-	28,000
III	Investment in Government Bonds Unquoted						
	Investments valued at Amortized Cost						
	Rural Electrification Corporation Bonds	Others	10,000	-	470	-	4,700
	Total Non Current Investments					57,499	100,099
IV	Investments in Mutual Funds						
	Quoted						
	Investments valued at Fair Value through Profit and Loss						
	Bank of Baroda Pioneer Advantage Plan A (Growth)			-	1,376	-	2,987
	SBI Liquid Fund			12,585	-	38,919	-
	Total Current Investments					38,919	2,987

	31.03.2020	31.03.2019
Aggregate market value of quoted investments		
Current	38,919	2,987
Aggregate carrying value of unquoted investments		
Non-Current	57,499	100,099
Aggregate amount of impairment in value of investments		

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	As at 31st March, 2020	As at 31st March, 2019	
NOTE 5 : LOANS (NON-CURRENT) (Unsecured, considered good)			
Security Deposits	1,525	3,013	
	1,525	3,013	
6 Other Financial Assets (NON-CURRENT) (Unsecured, considered good)			
Advance for Capital Goods	-	1,523	
	-	1,523	
7 Assets Held for Sale			
	Leasehold Land	Building	Total
As at 1st April 2019	15,527	1,173	16,700
Additions	-	-	-
Disposals/Adjustments	-	-	-
As at 31st March 2020	15,527	1,173	16,700
8 Inventories			
Raw Materials and Consumables*	5,119	3,713	
Finished Goods and Work in Progress*	3,362	1,424	
*(Mode of Valuation is specified in Note 1 (viii) of Significant Accounting Policies)	8,481	5,137	
9 Loans (Current) (Unsecured, considered good)			
Loans to Employees	10	126	
	10	126	
10 Trade Receivables Unsecured and considered good			
Trade Receivables for more than six months	851	346	
Trade Receivable for less than six months	17,158	22,556	
	18,009	22,902	
11 Cash and Cash Equivalents			
Cash in Hand	48	67	
Bank Balance			
Balance in bank	9,316	13,456	
Cheques, drafts in hand	50,935	-	
	60,299	13,523	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	As at 31st March, 2020	As at 31st March, 2019
12 Other Financial Asset (Current)		
Other Receivables	146	197
Other Bank Balance	1	-
Advance to vendors	-	870
Deposits with banks	-	30,263
Interest Receivables	2,910	295
Advance Income Tax (net of provisions)	2,520	3,117
	5,577	34,742
13 Other Assets (Current)		
Prepaid Expenses	422	235
Indirect Taxes Credit Recoverable	1,269	205
	1,691	440

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	31.03.2020	31.03.2019
14. EQUITY SHARE CAPITAL		
AUTHORISED		
80,00,000 (31 March 2020 - 80,00,000) Equity Shares of ₹10/- each	80,000	80,000
ISSUED, SUBSCRIBED AND PAID UP		
59,69,166 (31 March 2020- 59,69,166) Equity shares Of ₹10/- each	59,692	59,692
Total issued, subscribed and fully paid up share capital	59,692	59,692

a. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	31.03.2020		31.03.2019	
	Equity Shares		Equity Shares	
	Number	Value ('000)	Number	Value ('000)
Shares outstanding at the beginning of the year	59,69,166	59,692	59,69,166	59,692
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	59,69,166	59,692	59,69,166	59,692

b. Terms/rights attached to the equity shares

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

c. Details of the shareholders holding more than 5% shares in the Company

Name of Shareholder	31.03.2020		31.03.2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
YASHASHREE COMMERCIAL SERVICES PRIVATE LIMITED	800,000	13.4	800,000	13.4
LIFE INSURANCE CORPORATION OF INDIA	538,498	9.02	538,498	9.02
CHARITA THAKKAR	485,417	8.13	485,417	8.13
MULTICHEM PRIVATE LIMITED	465,090	7.79	456,914	7.65
URSULA RAMESHCHANDRA THAKKAR	352,906	5.91	352,906	5.91
N RAJENDRA PRASAD	319,564	5.35	319,546	5.35

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	31.03.2020	31.03.2019
15. OTHER EQUITY		
AUTHORISED		
Opening balance	1,750	1,750
Addition during the year	-	-
Closing balance	1,750	1,750
SECURITIES PREMIUM ACCOUNT		
Opening balance	20,000	20,000
Addition/(utilisation) during the year	-	-
Closing balance	20,000	20,000
GENERAL RESERVE		
Opening balance	129,208	129,208
Addition/(utilisation) during the year	-	-
Closing balance	129,208	129,208
RETAINED EARNINGS		
Opening balance	(4,698)	6,238
Profit/Loss of the year	14,911	(10,937)
Items of other comprehensive income recognised directly in retained earnings:		
Remeasurement of defined benefit obligation (net of tax)	-	-
Profit for the year transferred to General Reserves	-	-
Closing balance	10,213	(4,698)
Total other equity	161,171	146,260

CAPITAL RESERVE

Pertains to share application money forfeited in the case where remaining amount was not paid. This can be utilised in accordance with the provisions of the Act.

SECURITIES PREMIUM RESERVE

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Act.

GENERAL RESERVE

General Reserve represents amounts transferred from Retained Earnings in earlier years as per the requirements of the erstwhile Companies Act, 1956. The reserve can be utilised in accordance with the provisions of the Act. Declaration of dividend out of such reserve shall not be made except in accordance with the rules prescribed in this behalf under the Act.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	31.03.2020	31.03.2019	
16 Deferred tax Liability (Net)			
Deferred Tax Liabilities :			
On Property Plant and Equipment	1,447	1,594	
On Fair Value of Investments	-	-	
Deferred Tax Asset :			
On Provision	-76	-	
On Carry forward losses	-5,797	-5,679	
	-4,426	-4,085	
a) Movement in deferred tax balances	Opening balance	Recognized in	Closing balance
Movement in deferred tax during the year	as at 01.04.2019	Profit and Loss	as at 31.03.2020
Property, plant and equipment	1,594	-148	1,446
Unused tax credit/losses	-5,679	-117	-5,797
Provision	-	-76	-76
On Fair Value of Investments	-	-	-
Net deferred tax liability (net)	-4,085	-340	-4,426
Movement in deferred tax during the year ended March 31, 2019	Opening balance	Recognized in	Closing balance
	as at 01.04.2019	Profit and Loss	as at 31.03.2020
Property, plant and equipment	1,401	193	1,594
Unused tax credit/losses	-2,110	-3,569	-5,679
On Fair Value of Investments	13	-13	-
Net deferred tax liability (net)	-696	-3,389	-4,085
b) Income tax recognised in profit or loss	31.03.2020	31.03.2019	
Current tax			
In respect of current year	-	321	
In respect of earlier years	-	-	
In respect of earlier years - MAT Credit	-	-	
Deferred tax			
Relating to origination and reversal of temporary differences	(340)	(3,389)	
Total income tax recognised for the year	(340)	(3,069)	
c) The income tax expense for the year can be reconciled to the accounting profit as follows:	31.03.2020	31.03.2019	
Profit or (loss) before tax	14,571	(14,005)	
Tax expense/(income) calculated at 22% (2018-19):25.75%	3,667	(3,641)	
Effect of excess deferred tax liability recognised in previous years	1,619	-	
Effect of short deferred tax asset recognised in previous years	-	-	
Tax impact due to utilisation of tax losses	-	-	
Expenses not deductible under income tax	447	126	
Income taxable / Expenses deductible additionally under income tax	(6,068)	411	
Adjustment due to changes in tax rates	(6)	(127)	
Other	-	133	
	(340)	(3,389)	
d) Adjustments recognised in the current year in relation to the current tax of earlier years		(5,730)	
Income tax expense recognised in profit or loss	(340)	(3,389)	
The tax rate used for the above reconciliations is the corporate tax rate of 22.00% for the year 2019-20 and 26% for the year 2018-19 payable by corporate entities based on the turnover criteria on taxable profits under Indian Income Tax Laws as on financial statements signing date.			
e) The company has recognized deferred tax asset for unutilised tax losses. The company as per forecast budgets and business plans has concluded that it will be able to utilise the tax losses which are available to be set off in coming five to six years as per tax laws .			

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	31.03.2020	31.03.2019
17 Borrowings (Current)		
Secured		
Overdraft Facility from Bank	-	5
(Secured against pledge of fixed deposits with bank @ 2% incremental rate than interest received on fixed deposits)		
Unsecured		
From Directors	-	-
	-	5
18 Trade payables		
Trade Payables to Micro Small Medium Enterprise	460	5,936
Trade Payables to others	9,918	10,058
Refer Note 36)	10,379	15,994
19 Other financial liabilities (Current)		
Other Payables	2,689	3,778
	2,689	3,778
20 Provisions (Short Term)		
Provision for Employee Benefits : For Gratuity	301	-
	301	-
21 Other current liabilities		
Advance from Customers	-	29
Statutory Dues Payables	339	856
	339	885
22 Revenue From Operations		
Sale of Goods	200,358	217,957
Sale of Services	1,696	2,719
	202,054	220,676
23 Other Income		
Interest income on financial assets		
Interest Received from Banks	3,702	295
Interest Received from Others	548	551
Interest on Income Tax Refund	-	1,566
Profit/(loss) on Sale of Current Investment	-128	-
Fair Value measurement of Investments	46	136
Sundry Balances Written Back	-	227
Profit/loss on sale of Fixed Assets	100	
Specimen Testing Charges	38	118
Miscellaneous Income	145	75
	4,451	2,968
24 Cost of Materials Consumed		
Opening Stock of Raw Materials	3,713	3,651
Purchase of Raw Materials	166,676	180,499
Less : Closing Stock of Raw Materials	5,119	3,713
	165,271	180,436
25 Changes in Inventory		
Opening Stock of Finished Goods and Working in Progress	1,424	2,024
Less: Closing Stock of Finished Goods and Work in Progress	3,362	1,424
	-1,938	601
26 Employee Benefit Expenses		
Salaries & Wages	24,524	24,270
Contribution to provident and other funds	1,993	3,824
Staff welfare expenses	403	254
	26,919	28,347
27 Finance Costs		
Interest to Bank	7	6
Interest to Others	0	223
Total finance costs	7	229

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	2019-20	2018-19
29 Other Expenses		
Bank Charges	26	51
Computer Expenses	81	136
Director's Sitting Fees	325	245
Discount and Rebate Given	-	12
Demat Charges	0	-
Donations	11	11
Audit Remuneration		
Audit Remuneration	-	-
Audit Fees	177	200
Exchange Rate Difference	-	-6
Fees and Subscription Expenses	446	353
Foreign Travelling Expenses	469	764
Freight Inward Expenses	1,106	1,310
Freight Outward Expenses	736	737
General Expenses	1,583	1,232
Insurance Expenses	395	430
Legal and Professional Fees	2,804	4,824
Meeting Expense	133	171
Postage & Courier Expenses	326	884
Power and Fuel Expenses	6,956	6,910
Printing and Stationery Expenses	624	664
Rates & Taxes	417	529
Rental Expenses	1,320	1,187
Repair & Maintenance - Building	9	-
Repair & Maintenance - Other	1,993	2,092
Security Expenses	716	732
Sundry Balances Written Off	-	-
Telephone Expense & Mobile Expense	268	277
Travelling and Conveyance Expenses	451	833
Vehicle Maintenance Expenses	977	1,125
	22,349	25,701

Particulars	2019-20	2018-19
30 Exception Items		
MAT Written off	-1,054	-
Profit on Sale of Investment of Subsidiary	24,240	-
	23,186	-

** Exceptional items pertain to Sale of shares of Subsidiary and MAT Written off since the company is opting for the new tax rate of 22% as per Sec 115BBA of Income tax Act, 1961.

31 EARNINGS PER SHARE EPS is calculated by dividing the profit / (loss) attributable to the equity share holders by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares, except when the results would be anti-dilutive.

Particulars	2019-20	2018-19
1. Profit after Tax (In '000)	14,911	(10,937)
2. Weighted average number of shares outstanding during the year	5,969,166	5,969,166
3. Face value of shares	10	10
4. Basic / Diluted EPS	2.50	(1.83)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
32. FINANCIAL INSTRUMENTS-FAIR VALUE AND RISK MANAGEMENT
a) Accounting classification

The carrying value of financial instruments by categories are as follows:

Particulars	31.03.2020				31.03.2019			
	At cost	FVTOCL	FVTPL	Amortised cost	At cost	FVTOCL	FVTPL	Amortised cost
Financial Assets								
Investments in subsidiary	57,499				95,399			
Investments in Bonds				-				4,700
Investments in Mutual Funds			38,919				2,987	
Loans				1,535				3,139
Trade receivable				18,009				22,902
Cash and cash equivalents				60,299				13,523
Other financial assets				5,577				36,266
	57,499	-	38,919	85,420	95,399	-	2,987	80,530
Financial Liabilities								
Borrowings	-	-		-	-			5
Trade payables	-	-		10,379	-			15,994
Other financial liabilities	-	-		2,690	-			3,777
	-	-		13,069	-	-		19,776

b) Fair value hierarchy and Method of valuation

The following table shows fair value measurement hierarchy. Except for these financial instruments, the Company considers that the carrying value amount recognised in the financial statements approximate their fair value largely due to the short term maturities of these instruments

Particulars	31.03.2020			31.03.2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments in Mutual Funds	38,919	-	-	2,987	-	-

- a. Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed mutual funds that have quoted price. The fair value of equity instruments which are traded is valued using the closing price as at the reporting period.

c) RISK MANAGEMENT FRAMEWORK

The Company's principal financial liabilities include borrowing, trade and other payables. The Company's principal financial assets include loans, trade receivable, cash and cash equivalents and others. The Company also holds FVTPL investments. The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

d) Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- i) Credit Risk ii) Liquidity Risk iii) Market Risk

i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given to related parties and others

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. To manage, this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition and ageing of account receivables.

No impairment is observed on the carrying value of trade receivables.

Other Financial Assets

Credit risk from balances with banks, loans, investments is managed by Company's finance department. Investments of surplus funds are made only with approved counterparties.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
ii) Liquidity Risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation.

The Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank loans.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date.

INR ('000)

	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
March 31, 2020						
Financial liabilities						
Borrowings	-	-	-			
Trade payables	10,379	10,379	10,379			
Other Financial Liabilities	2,690	2,690	2,690			
	13,069	13,069	13,069	-	-	-
March 31, 2019						
Financial liabilities						
Borrowings	5	5	5			
Trade payables	15,994	15,994	15,994			
Other Financial Liabilities	3,777	3,777	3,777			
	19,776	19,776	19,776	-		

iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and commodity prices which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market exposures within acceptable parameters, while optimising the return..

Currency risk

Currency risk is not material, as the Company's primary business activities are within India and does not have any exposure in foreign currency.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rate is not material as the Company borrowing from banks are very minimal

Commodity price risk

Company is exposed to fluctuation in prices of its inputs. The company in effect of changes in prices of inputs , have a process to revise its selling price accordingly.

33. CAPITAL MANAGEMENT

Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt and the total equity of the Company. For this purpose, net debt is defined as total borrowings less cash and cash equivalents.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirements are met through short-term/long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The Company's net debt to equity ratio is as follows:

	March 31,2020	April 01,2019
Borrowing	-	5
Cash & cash equivalents	(60,299)	(13,523)
Net Debt (restricted to zero, if cash and cash equivalents are greater than borrowings)		
Total equity	220,862	205,951
Debt/Equity ratio	0.00%	0.00%

34. The Company has given loans to its subsidiaries. The disclosures pursuant to Regulation 34(3) read with para A of Schedule V to SEBI Listing Regulation, 2015

Balances as at the year end were: INR ('000)

Subsidiary Company	As at March 31, 2020	As at March 31, 2019
Gujarat Polybutenes Pvt. Ltd	-	-
The loans are provided for the purpose of business	-	-

35. Disclosure Pursuant to Micro Small and Medium Enterprise Act, 2006 :

INR ('000)

Particulars	2019-20	2018-19
a) The principal amount remaining unpaid to any supplier as at the end of accounting year.	-	813,610
aa) The interest due remaining unpaid to any supplier as at the end of accounting year.	-	3,611
b) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
d) The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	3,611
d) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	2,407

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
36. Additional Disclosure

a) Pursuant to Schedule III				
Value of Imported and Indigenous Raw Material Consumed during the year	INR ('000)			
	2019-20		2018-19	
	Value	%	Value	%
Import	-	0.00%	112	0.06%
Indigenous	165,271	100.00%	180,324	99.94%
	165,271		180,436	
C.I.F., Value of Imports				
Raw Materials		-		246.20
Spares		-		-
		-		246.20
b) Other disclosures				
a. Details of Turnover				
Alloys & Blends :				
	Qty (M.T)	Value	Qty (M.T)	Value
Sales	1663	199645	1,661	217,957
Job Work	64	2409	81	2,719
		202,054		220,676
b. Consumption of Raw Materials				
Products / Plastics of Different Types	1,683	165,271	1,660	180,436
		165,271		180,436

37. EMPLOYEE BENEFITS
I) Defined Contribution Plans

- Provident fund
- Superannuation fund and Pension scheme, 1995
- Employer's contribution to Employees State Insurance

II) Defined Benefit Plans
GRATUITY

- The liability of gratuity to the employees is covered under the Group Gratuity scheme with the Life Insurance Corporation of India.
- Company have created two different plans for their employees of different offices, termed as Plan A and Plan B
- Life Insurance Corporation of India provides valuation on basis of Projected Unit Credit Method.
- Disclosures are made to extent of informations received from LIC of India :

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Membership Data:	Plan A		Plan B	
	2019-20	2018-19	2019-20	2018-19
Number of Members	18	18	8	9
Average Age	43.72	42.72	49.13	46
Average Monthly Salary	17,963	16,438	40,575	38,161
Average Past Service	13.27	12.28	13.13	11.11

Actuarial Assumptions:	Plan A		Plan B	
	2019-20	2018-19	2019-20	2018-19
Mortality Rate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate
Withdrawal Rate	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age
Discount Rate	7.5% p.a	7.5% p.a	7.5% p.a	7.5% p.a
Salary Escalation	6%	6%	6%	6%

Results of Valuation:	Plan A		Plan B	
	2019-20	2018-19	2019-20	2018-19
Present Value of Past Service Benefit	2,433,205	1,969,633	2,118,820	1,966,422
Current Service Cost	160,410	141,110	37,481	43,764
PV of Defined Benefit Obligation	2,593,615	2,110,743	2,156,301	2,010,186
Fund Value	2,593,615	2,110,743	2,156,301	2,875,530

Amount Recognized in Balance Sheet:	Plan A		Plan B	
	2019-20	2018-19	2019-20	2018-19
Present value of defined benefit obligation at end of the year	2,593,615	2,110,743	2,156,301	2,010,186
Fair value of plan assets at end of the year	2,593,615	2,110,743	2,156,301	2,875,530
Net liability / (asset) recognized in the Balance Sheet	-	-	-	-

Expenses recognised in statement of Profit and Loss:

	Plan A	
	2019-20	2018-19
Grauity Expense recognised (including Provision)	304,396	367,241

In absence of information from LIC regarding quantification for different components of changes in defined benefit obligation and fund assets, disclosures pertaining to movement in defined benefit obligation and fair value of Plan Assets is not provided. Also, No actuarial gain / loss is recognised separately in Other Comprehensive Income in absence of information.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
38. Related party disclosure

(i) List of Related Parties as required by Ind AS-24 "Related Party Disclosures" are given below:

(a) Subsidiary	Gujarat Polybutenes Private Limited
(b) Key management personnel and their relatives	Dr. R.M Thakkar - Chairman and Non Executive Director Mrs. Urmi N. Prasad - Joint Managing Director Mrs. Charita Thakkar - Joint Managing Director
(c) Non Executive/Independent Directors	Mr. Rajesh Parikh Mr. M.D Garde Mr. V. Raghu
(d) Where persons mentioned in (b) exercise significant influence	Multichem Private Limited Guardian Finance Ltd

(ii) Transactions with related parties

Type of related party	Description of the nature of transactions	Volume of Transactions during 2019-20 (Rs.in "000")	Volume of Transactions during 2018-19 (Rs.in "000")	Balance as on 31.03.2020 Receivable/ (Payable) (Rs.in "000")	Balance as on 31.03.2019 Receivable/ (Payable) (Rs.in "000")	Balance as on 01.04.2019 Receivable/ (Payable) (Rs.in "000")
(a) Subsidiary		-	-	-	-	-
(i) Gujarat Polybutenes Private Limited	Loan given /(repaid)-net Expense reimbursement on behalf	- 631	39,000 1,723	- 38	- -	39,000 -1,041
(ii) GPL Finance and Investments Limited	Expense reimbursement	2	6	-	-	-
(b) Key management personnel and their relatives	Director's Remuneration and Perks*** Mrs. Urmi N. Prasad Mrs. Charita Thakkar Loan Taken and Interest Paid thereon Dr. R.M Thakkar	- 2,613 2,391 -	- 2,653 2,507 19	- - - -	- - - -	- - - -
(c) Non Executive/ Independent Directors	Sitting fees Mr. R.M. Thakkar Mr. Rajesh Parikh Mr. M.D Garde Mr. V. Raghu	- 70 80 90 85	- 62 40 72 72	- - - - -	- - - - -	- - - - -
(d) Where persons mentioned in (b) exercise significant influence						
i) Reimbursement of expenses received	Multichem Private Limited Guardian Finance Ltd	50 1	309 2	- -	- -	- -

*** Contribution towards gratuity and leave encashment is not added as it is not determinable each employee wise

39. Previous year figures have been regrouped , reclassified and restated as per Ind AS and Schedule III of Companies Act, 2013

BOARDS' REPORT

To the Members of
Gujarat Polybutenes Private Limited

Your Directors have pleasure in presenting the 17th Annual Report of the Company together with the Audited Statement of Accounts for the Financial Year ended 31st March, 2020.

1. FINANCIAL RESULTS

a. Financial Results

The Company's performance during the year ended 31st March, 2020 as compared to the previous financial year, is summarized below

Particulars	for the year ended on 31/03/2020	for the year ended on 31/03/2019
Revenue from Operation	738.77	2,593.63
Other Income	7,975.21	2,032.26
Total Revenue	8,713.98	4,625.89
Less: Expenses	2,393.18	13,089.47
Profit/(Loss) before exceptional items & Tax	6320.81	(8463.58)
Profit on exceptional items	-	3,35,150.54
Less: Prior Period Items	18.03	-
Profit/ (Loss) before tax	6,302.78	3,26,686.96
Less: 1.Current Tax	960.00	70,500.00
2.Tax adjustment of earlier years (net)	-	-
3.Deferred Tax	-	-
Profit/(Loss) for the period	5,342.78	2,56,186.96
Add:Other comprehensive income:Items that will not be classified to Profit or Loss	-	-
Items that may be classified to Profit or Loss	5599.91	-
Total Profit/ (Loss) for the year	10942.69	2,56,186.96
Earning per equity share:Basic & Diluted	12	57

b. FUTURE OUTLOOK:

In March 2019, the Company had transferred the leasehold rights on the land and structures as well as the plant and machinery to Panoli Intermediates India Pvt Ltd. The Company has not conducted any business in the financial year under review except sale of remaining finished stock of polybutene manufactured in previous financial year. The revenue earned includes the interest earned on the investments made from the profits from this transaction after paying off the loans.

In order to create a single stronger entity with operational synergies, streamlining and optimizing the group structure and provide efficient administration, the Board at its meeting on 30th June, 2020, approved the scheme of merger between the Company and its holding company Gujarat Petrosynthese Limited. This is subject to the to the requisite approval, consent and sanction of National Company Law Tribunal (NCLT), Mumbai and Bengaluru Bench or other authorities as required under the law. The appointed date of the merger has been decided as 01st July, 2020.

c. DIVIDEND:

With a view to conserve resources, your Directors have thought it prudent not to recommend any dividend for the financial year under review.

d. UNPAID DIVIDEND & IEPF:

The Company has not transferred any amount to the Investor Education & Protection Fund (IEPF) and no amount is lying in Unpaid Dividend A/c of the Company.

e. TRANSFER TO RESERVES:

The Company has not transferred any amount to the reserves.

f. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The Company does not have any subsidiary, associate and joint venture company.

g. DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

h. LOANS FROM DIRECTORS OR DIRECTORS' RELATIVES:

The Company has not borrowed from the Directors or their relatives.

i. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

The Company has not entered into any transactions/contracts/arrangements referred to in Section 188(1) of Companies Act, 2013 with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review.

j. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption are not applicable to the Company.

Further, there are no foreign exchange earnings and outgo in the Company during the financial year under review.

k. ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, extract of the Annual Return for the financial year ended 31st March 2020 made under the provisions of Section 92(3) of the Act is attached as **Annexure I** which forms part of this Report. The Company does not have any website and hence, the Annual Return referred to in Section 92(3) has not been placed on the website.

l. PARTICULARS OF INVESTMENTS, LOANS, GUARANTEES AND SECURITIES:

Full particulars of investments, loans, guarantees and securities covered under Section 186 of the Companies Act 2013 provided during the financial year under review has been furnished in the Notes to Accounts which forms part of the financials of the Company.

m. DISCLOSURES UNDER SECTION 134(3)(l) OF THE COMPANIES ACT, 2013:

The Board has approved the scheme of merger between the Company and its holding company, Gujarat Petrosynthese Limited. This is subject to the requisite approval, consent and sanction of National Company Law Tribunal (NCLT), Mumbai and Bengaluru Bench or other authorities as required under the law.

Except as disclosed above, no material changes and commitments which could affect the Company's financial position, have occurred between the end of the financial year of the Company and date of this report.

n. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS –

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors of the Company for inefficiency or inadequacy of such controls.

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**a) BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL****Appointment:**

No appointment has been made to the Board of the Company during the year.

The Company was not required to appoint any Key Managerial Personnel.

Resignation:

None of the Directors resigned as Directors of the Company during the year.

****Note:** The Company informs about the sad demise of Mr. Rameshchandra Maganlal Thakkar, Director of the Company on 16th May, 2020.

Retirement by rotation:

In accordance with the provisions of the Act, none of the nominee Directors is liable to retire by rotation.

As per the provisions of Section 152 of the Companies Act, 2013, Ms. Charita Thakkar retire by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment. Your Directors recommend her approval.

b) REMUNERATION / COMMISSION DRAWN FROM HOLDING / SUBSIDIARY COMPANY:

None of the Directors of the Company have drawn any remuneration / commission from the Company's holding Company / subsidiary Companies.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

a. BOARD MEETINGS:

The Board of Directors met five times during the financial year ended 31st March 2020 on 19th April, 2019, 20th May 2020, 14th August, 2019, 13th November, 2019, 14th February, 2020 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

Name of Directors	Number of Board meetings that Directors were eligible to attend during financial year 2019-20	Board Meetings attended
Mr. Rameshchandra Thakkar	5	4
Ms. Urmi Prasad	5	5
Ms. Charita Thakkar	5	2
Mr. V Raghu	5	4
Mr. M. D. Garde	5	5

The Company has complied with the applicable Secretarial Standards in respect of all the above Board meetings.

The Company was not required to constitute any Committees during the financial year under review.

b. RISK MANAGEMENT POLICY:

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

c. CORPORATE SOCIAL RESPONSIBILITY POLICY:

The provisions of Section 135 of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2013 is not applicable to the Company, as the Company does not meet with the requirement of profit criteria.

4. AUDITORS AND REPORTS

The matters related to Auditors and their Reports are as under:

a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2020:

The observations / qualifications / disclaimers made by the Statutory Auditors in their report for the financial year ended 31st March 2020 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

b. STATUTORY AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Suresh Thakkar & Co., Chartered Accountants, the Statutory Auditors of the Company have been appointed for a term of five years from FY 2017-18 to FY 2021-22 in the Annual General Meeting of the Company held on 15th September, 2017. However, he has given his notice of resignation dated 29th June, 2020 as the Statutory Auditors of the Company which shall be effective from the date of furnishing the signed Financial Results along with Limited Review Report for quarter ended 30th June, 2020 to the Company.

Further, pursuant to Section 139 of the Companies Act, 2013, on account of such casual vacancy, It is proposed to appoint M/s. Dayal and Lohia as Statutory Auditors of the Company at the ensuing AGM to hold

office for a period of 1 (One) year i.e. FY 2020-21 from the date of ensuing general meeting till the AGM to be held in year 2021. The consent of the proposed Auditors along with certificate under Section 139 of the Act have been obtained from the proposed Auditors to the effect that their appointment, if made, shall be in accordance with the prescribed conditions and that they are eligible to hold the office of Auditors of the Company. The Board recommends the appointment of M/s. Dayal and Lohia, Chartered Accountants as the Statutory Auditors of the Company from the conclusion of the ensuing AGM till the conclusion of the AGM of the Company to be held in the FY 2021.

Necessary resolution for appointment of the said Auditors is included in the Notice of AGM for seeking approval of members.

c. MAINTENANCE OF COST RECORDS

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is not required to maintain Cost Records under said Rules.

d. REPORTING OF FRAUDS BY STATUTORY AUDITORS UNDER SECTION 143(12):

There were no incidences of reporting of frauds by Statutory Auditors of the Company under Section 143(12) of the Act read with Companies (Accounts) Rules, 2014.

5. OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

a. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

b. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2020, the Board of Directors hereby confirms 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. such accounting policies have been selected and applied consistently and the Directors 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 as at 31st March, 2020 and of the profit/loss of the Company for that year;
- c. proper and sufficient care was taken 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 annual accounts of the Company have been prepared on a going concern basis;
- e. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

c. DISCLOSURE REGARDING INTERNAL COMPLAINTS COMMITTEE:

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

d. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

e. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.



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f. DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT,2013:

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

g. DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT,2013:

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014is furnished.

6. ACKNOWLEDGEMENTS AND APPRECIATION:

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/ associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

For and on behalf of the Board
Gujarat Polybutenes Private Limited

(Ms. Charita Thakkar)

Director

DIN: 00321561

Place : San Francisco

(Ms. Urmi N Prasad)

Director

DIN: 00319482

Place : Hyderabad

Date : 20th August, 2020

FORM MGT - 9
EXTRACT OF ANNUAL RETURN
as on the Financial Year Ended on 31.03.20
(Pursuant of Section 92(3) of the Companies Act, 2013 and rule 12 (1) of the
Companies (Management and Administration) Rules, 2014)

CIN	U24200GJ2002PTC045675
Registration Date	17.12.2002
Name of the Company	GUJARAT POLYBUTENES PRIVATE LIMITED
Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non Government Company
Address of the Registered Office and Contact Details	1A, Ground Floor, Arcadia Building, N.C.P.A. Marg, Nariman Point, Mumbai - 400021
Whether Listed Company	No
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:

Sr. No.	Name and Description of main products/ service	NIC code of the product/ service	Revenue (Rupees in '000')	% to total turnover of the company
1	Manufacture of Poly iso butylenes	19201	738.77	100%

III. Particulars of Holding, Subsidiary and Associate Companies

Sl.No	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associates	% of Shares	Applicable
1.	Gujarat Petrosynthese Limited	L23209KA1977PLC043357	Holding Company	99.99%	2(46) of Companies Act, 2013

*Note:

GPL Finance and Investments Limited was also a wholly owned subsidiary of the Company till 30th March, 2020. However, there was a sale of shares as on 30th March, 2020 and hence, it is not a subsidiary of the Company as on 31st March, 2020.

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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 01-4-2019				No. of Shares held at the end of the year 31-3-2020				% Change
	Demat	Physical	TotalShares	Total%	Demat	Physical	TotalShares	Total%	
(A) SHAREHOLDING OF PROMOTER AND PROMOTER GROUP2									
(A) INDIVIDUAL / HUF	0	1	1	0.0002	0	1	1	0.0002	-
(B) CENTRAL GOVERNMENT	0	0	0	0	0	0	0	0	-
(C) STATE GOVERNMENT(S)	0	0	0	0	0	0	0	0	-
(D) BANKS / FI	0	0	0	0	-	-	-	-	-
(E) ANY OTHERS (SPECIFY)									
(F) ANY OTHER	0	0	0	0	-	-	-	-	-
SUB TOTAL (A)(1) :	4489999	0	4489999	99.9998	4489999	0	4490000	99.99998	-
FOREIGN									
A) NRIS INDIVIDUALS	0	0	0	0	0	0	0	0	0
B) OTHER INDIVIDUALS	0	0	0	0	0	0	0	0	0
C) BODIES CORP.	4489999	1	4490000	100	4489999	1	4490000	100	-
D) BANKS / FI	0	0	0	0	0	0	0	0	0
E) ANY OTHER									
I) DIRECTORS RELATIVES	-	-	-	-	-	-	-	-	-
SUB-TOTAL (A)(2):	-	-	-	-	-	-	-	-	-
TOTAL SHARE HOLDING OF PROMOTERS (A)=(A)(1) + (A)(2)	4489999	1	4490000	100	4489999	1	4490000	100	-
(B) PUBLIC SHAREHOLDING INSTITUTIONS									
A) MUTUAL FUNDS	-	-	-	-	-	-	-	-	-
B) BANKS / FI	-	-	-	-	-	-	-	-	-
C) CENTRAL GOVT	-	-	-	-	-	-	-	-	-
D) STATE GOVT(S)	-	-	-	-	-	-	-	-	-
E) VENTURE CAPITAL FUNDS	-	-	-	-	-	-	-	-	-
F) INSURANCE COMPANIES	-	-	-	-	-	-	-	-	-
G) FIIS 0	-	-	-	-	-	-	-	-	-
H) FOREIGN VENTURE CAPITAL FUNDS	0	0	0	0	-	-	-	-	-
I) OTHERS (SPECIFY)	0	0	0	0	-	-	-	-	-
I)(A) FOREIGN PORTFOLIO INVESTOR	0	0	0	0	-	-	-	-	-
SUB-TOTAL (B)(1):	-	-	-	-	-	-	-	-	-
(2) NON-INSTITUTIONS									
A) BODIES CORP.	-	-	-	-	-	-	-	-	-
I) INDIAN									
II) OVERSEAS									
B) INDIVIDUALS									
I) INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UP TO RS. 1 LAKH	-	-	-	-	-	-	-	-	-
II) INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS 1 LAKH	-	-	-	-	-	-	-	-	-
C) OTHERS (SPECIFY)									
I) TRUSTS	-	-	-	-	-	-	-	-	-
II) HINDU UNDIVIDED FAMILY	-	-	-	-	-	-	-	-	-
III) NON RESIDENT INDIANS (NRI)	-	-	-	-	-	-	-	-	-
IV) NON RESIDENT INDIANS (REPAT)	-	-	-	-	-	-	-	-	-
V) NON RESIDENT INDIANS (NON REPAT)	-	-	-	-	-	-	-	-	-
VI) CLEARING MEMBER	-	-	-	-	-	-	-	-	-
VII) DIRECTORS RELATIVES	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2) :	-	-	-	-	-	-	-	-	-
TOTAL PUBLIC SHAREHOLDING (B)=(B)(1) + (B)(2)	-	-	-	-	-	-	-	-	-
(C) SHARES HELD BY CUSTODIAN FOR GDRS & ADRS									
(A) SHARES HELD BY CUSTODIANS	-	-	-	-	-	-	-	-	-
(I) PROMOTER AND PROMOTER GROUP	-	-	-	-	-	-	-	-	-
(II) PUBLIC	-	-	-	-	-	-	-	-	-
SUB TOTAL (C)(1) :	-	-	-	-	-	-	-	-	-
(C)=(C)(1)	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A) + (B) + (C)	4489999	1	4490000	100	4489999	1	4490000	100	-

Gujarat Polybutenes Private Limited

ii) Shareholding of Promoters

Sl. No.	Name of the shareholder	No of Shares at the beginning the year 1-4-2019			Share holding at the end of the year 31-3-2020			
		No. of shares	% of total shares of the company	% of shares pledged/en cumbered to total share	No. of shares	% of total shares of the company	% of shares pledged/en cumbered to total share	% of change in share during the year
1	Gujarat Petrosynthese Limited (GPL)	4489999	99.99998	0	4489999	99.99998	0	-
2	Mr. Rameshchandra Maganlal Thakkar (as a nominee of Gujarat Petrosynthese Limited)	1	0.00002	1	0.00002	-		
	Total	4490000	100	0	4490000	100	0	-

iii) Change in Promoters Shareholding

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative share holding during the year		% change in share holding during the year
		No. of Shares	% of total share of the company	No. of Shares	% of total share of the company	
	At the beginning of the year		44,90,000	100	4490000	100
1	Gujarat Petrosynthese Limited (GPL)	4489999	99.99998	4489999	99.99998	-
2.	Mr. Rameshchandra Maganlal Thakkar (as a nominee of Gujarat Petrosynthese Limited)	1	0.00002	1	0.00002	-

(iv) Shareholding Pattern of top ten Shareholders : N.A.

Sl. No.	Top Ten shareholders	Shareholding at the beginning of the year		Cumulative share holding during the year		% change in share holding during the year
		No. of Shares	% of total share of the company	No. of Shares	% of total share of the company	
1	Gujarat Petrosynthese Limited (GPL)	4489999	99.99998	4489999	99.99998	-

V) Change in Promoters Shareholding

Sl. No.		Shareholding at the beginning of the year		Cumulative share holding during the year		% change in share holding during the year
		No. of Shares	% of total share of the company	No. of Shares	% of total share of the company	
1.	Mr. Rameshchandra Maganlal Thakkar (as a nominee of Gujarat Petrosynthese Limited)	1	0.00002	1	0.00002	-
	At the beginning of the year	1	0.00002	1	0.00002	-
	At the End of the year	1	0.00002	1	0.00002	-

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(V) INDEBTEDNESS

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

(in Rupees)

Description	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

(VI) Remuneration of Directors and Key Managerial Personnel

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

(₹ in Lacs)

SI No.	Particular of Remuneration	Name of MD/ WTD/ Manager		Total Amount
		Mrs. Urmi N. Prasad	Mrs. Charita Thakkar	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961.	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961.	-	-	-
2	Stocks Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- As % of profit	-	-	-
	- Other, specify	-	-	-
5	Others, Please specify	-	-	-
	Contribution to Provident Fund	-	-	-
	Contribution to Superannuation Fund	-	-	-
	Total (A)	-	-	-



Gujarat Polybutenes Private Limited

B) Remuneration to other directors:

Particulars of Directors	Particulars of Remuneration				
Independent Directors					
* Fee for attending board /committee meetings	-	-	-	-	-
* Commission					
*Others -	-	-	-	-	-
Total (1) -	-	-	-	-	-
Other Non Executive Directors	Mr. Rameshchandra Thakkar	Ms. Urmi Prasad	Ms. Charita Thakkar	Mr. Moreswar Garde	Mr. Raghu Venkataraman
*Fee for attending board committee meetings					
*Commission	-	-	-	-	-
*Others, please specify.	-	-	-	-	-
Total (2) -	-	-	-	-	-
Total (B)=(1+2)	-	-	-	-	-
Total Managerial Remuneration	-	-	-	-	-
Overall Ceiling as per the Act.					

C) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Particulars of Directors	Particulars of Remuneration			Total Amount
	CEO	CS	CFO	
Gross Salary				
(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-	-	-
(b) Value of perquisites u/s 17 (2) of the Income Tax Act, 1961		-	-	- -
(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
Stock Option		-	-	- -
Sweat Equity		-	-	- -
Commission				
- as % of profit		-	-	- -
- others		-	-	- -
Others		-	-	- -
Total		-	-	- -

D. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the companies Act.	Brief Description	Details of penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ CO/URT)	Appeal made, if any (give Details)
A. Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. Other officers in default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board
Gujarat Polybutenes Private Limited

(Ms. Charita Thakkar)
Director
DIN: 00321561
Place : San Francisco

(Ms. Urmi N Prasad)
Director
DIN: 00319482
Place : Hyderabad

Date : 20th August, 2020

INDEPENDENT AUDITORS REPORT TO THE MEMBERS

To the Members of Gujarat Polybutenes Pvt. Ltd.

Report on the Financial Statements:

Opinion

We have audited the accompanying financial statements of Gujarat Polybutenes Pvt. Ltd. ("the Company"), which comprise the balance sheet as at 31st March 2020, the statement of Profit and Loss, 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, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit and its cash flows for the year ended on that date subject to.

Emphasis of Matters:

We draw attention to the following matters in the notes to the financial statements:

Note 24: Which relating to uncertainty of outcome of the Appeals filed with Income Tax.

Note 28: Relating to Going Concern Concept.

Note 30: Relating to Non Provision of Deferred Tax Asset / Liability.

Our opinion is not modified in respect of these matters

Basis for 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

There are no key audit matters in the company during the year.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the, Board's Report including annexure 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 identified above 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.

Based on the work we have performed, we conclude that if 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 the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error;

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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, 2016 ("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 the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2020, 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; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
Since, no remuneration is paid to Directors, requirements of section 197(16) of the Act is not applicable.
- (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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements – **Refer note 24** to the financial statements;
 - The Company has not entered into any long term derivative contracts and hence no provisions are required.
 - The Company has not declared any dividends hence no amount is required to be transferred, to the Investor Education and Protection Fund by the Company;

For Suresh Thakkar & Co.
Chartered Accountants
(F.R. No 110702W)

(SURESH THAKKAR)
PROPRIETOR
(M. No. 11650)

PLACE : Vadodara.
DATE : 30th June, 2020

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the **Gujarat Polybutenes Pvt. Ltd. (Company)** on the financial statements for the year ended 31st March 2020.

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

1. In Respect of Fixed Assets

- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- As informed to us, the Company has a programme of physical verification of its fixed assets by which fixed assets are verified at the end of the year. In our opinion, physical verification is reasonable having regard to size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- In our opinion and according to the information and explanations given to us and on the basis of an examination of records of the Company, there are no immovable properties.

2. In respect of Inventories:

According to the information and explanations given to us, there is no inventory at the end of the year.

3. In respect of loans granted:

According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, LPP and other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, clause 3(a) and 3(b) are not applicable for the year;

4. In respect of Investments:

According to the information and explanations given to us, provisions of section 186 of the Companies Act 2013 in respect of investment made have been compiled by the Company. In our opinion, an according to information and given explanation to us, the Company has not given loans, guarantees and securities in respect of provisions of section 185 and 186 of the Companies Act, 2013 and hence no comments are made.

5. In respect of deposits / loans taken:

In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits. Hence, the provisions of sections 73 to 76 of the companies Act, 2013 and the rules framed there under for the deposits acceptance are not applicable.

Gujarat Polybutenes Private Limited

6. **In respect of maintenance of Cost records:**

The Central Government has not prescribed the maintenance of cost records by the Company under section 148(1) of the Companies Act, 2013;

7. **In respect of Statutory Dues Payment:**

- According to the information and explanations given to us and the records examined by us, the Company had not to pay any undisputed statutory dues during the year such as including income-tax, sales-tax, excise-duty, value added tax, GST, cess and other statutory dues and there are no undisputed statutory dues outstanding as at 31st March 2020, for a period of more than six months from the date they became payable;
- According to the information and explanations given to us, there are no dues of income tax, customs, wealth-tax, service tax, excise duty, sales tax(CST), value added tax or cess that has not been deposited on account of disputes except followings:

Note: Net of amounts paid under protest.

Sl. No.	Name of the Statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
1.	Income Tax department	Penalty	19.42 Lakhs	F.Y. 2014-15	CIT(Appeals)-16, Mumbai

8. **In respect of payments to Banks & Financial Institutions:**

In our opinion and according to the information and explanations given to us, the Company has not taken any loan from bank hence no comments are made. The Company has not issued any debentures, hence no comments are made.

9. **In respect of further capital and term loans:**

According to the information and explanations given to us by the Management, the Company has not raised money by way of equity capital and preference capital. The Company has not raised any term loan during the year and no term loan is outstanding.

10. **In respect of Fraud:**

According to the information and explanations given to us by the Management, no fraud by the Company or on the Company by its Officers or Employees has been noticed or reported during the course of our audit

11. **In respect of Managerial Remuneration:**

According to the information and explanations given to us by the Management, no managerial remuneration has been paid or provided for during the year.

12. **In respect of Nidhi Company:**

According to the information and explanations given to us by the Management, the Company is not a Nidhi Company as prescribed under section 406 of the Act. Accordingly paragraph 3(xii) of the order is not applicable to the Company.

13. **In respect of related parties transactions:**

According to the information and explanations given to us by the Management, there are no transactions with related parties and hence compliance with section 177 and 188 of the Act where not applicable.

14. **In respect of preferential allotment of shares / debentures:**

According to the information and explanations given to us by the Management, the Company has not made preferential allotment / private placement of equity capital / debentures. No Equity Shares and Convertible Debentures are issued during the year.

15. **In respect of Non cash transactions with directors and their concerned persons:**

According to the information and explanations given to us by the Management and based on our examination of the records of the Company, the Company has not entered into non cash transactions with directors or persons connected with them.

16. **In respect of registration under section 45-IA of RBI Act 1934:**

According to the information and explanations given to us by the Management, the provisions of section 45-IA of the Reserve Bank of India Act of 1934 are not applicable to the Company.

For Suresh Thakkar & Co.
Chartered Accountants
(F.R. No 110702W)

(SURESHTHAKKAR)
PROPRIETOR
(M. No. 11650)

PLACE : Vadodara.
DATE : 30th June, 2020

BALANCE SHEET AS ON 31ST MARCH, 2020

(in "000")

Particulars	Note No	As at 31.03.2020	As at 31.03.2019
A) ASSETS :			
1) NON-CURRENT ASSETS :			
(a) Property, Plant & Equity	4	265,850	265,850
(b) Capital Work in Progress		-	-
(c) Intangible Assets		-	-
(d) Financial Assets		-	-
(i) Investments		-	-
(ii) Loans		-	-
(iii) Other Financial Assets		-	-
(e) Income Tax Assets(Net Deffer Tax)		327,814	327,814
(f) Other Non Current Assets	5	2,242,942	2,300,942
Total Non Current Assets		2,836,606	2,894,606
2) Current Assets			
(a) Inventories	6	-	994,937
(b) Financial Assets			
(i) Investments	7	205,919,266	289,621,228
(ii) Trade Receivables		-	-
(iii) Cash & Cash equivalents	8	736,356	3,724,006
(iv) Bank balances other than(iii) above		-	-
(v) Loans	-	-	-
(vi) Other Financial Assets		-	-
(c) Other Current Assets	9	12,457,087	76,822,900
Total Current Assets		219,112,709	371,163,071
Total Assets		221,949,312	374,057,674
B) Equity & Liabilities			
1) Equity			
(a) Equity Share Capital	10	44,900,000	72,900,000
(b) Other Equity			
Reserves & Surplus		175,605,899	164,663,211
Total Equity		220,505,899	237,563,211
2) Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(b) Employee's Benefits obligations		-	-
(c) Other Non Current Liabilities		-	-
(d) Provisions		-	-
(e) Deffered Tax Liabilities(Net)		-	-
Total Non Current Liabilities		-	-
3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade Payables	11	177,230	1,580,277
(iii) Other Financial Liabilities	12	37,827	-
(b) Provisions	13	1,487,000	70,527,713
(c) Other Current Liabilities	14	(258,644)	64,386,473
(d) Current Income Tax Liabilities(Net)		-	-
Total Current Liabilities		1,443,413	136,494,463
Total Equity & Liabilities		221,949,312	374,057,674

As per our report of even date attached for **SURESH THAKKAR & CO.**
Chartered Accountants
Firm Regn. No. 110702W

For and on behalf of the Board of Director

SURESH THAKKAR

Proprietor
MEM. No. 11650

Place : Vadodara
Date : 30.06.2020

Charita Thakkar

Director
DIN No. 00321561

Place : San Francisco
Date : 30.06.2020

Urmi. N. Prasad

Director
DIN No. 00319482

Place : Mumbai
Date : 30.06.2020

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-3- 2020

(in "000")

Particulars	Note No.	Year Ended 31.03.2020	Year Ended 31.03.2019
1) Revenue From Operations :	15	738,771	2,593,626
2) Other Income	16	7,975,212	2,032,138
3) Total Revenue		8,713,983	4,625,764
4) Expenses			
a) Cost of materials Consumed	17	-	44,800
b) Payment to Sub Contractors		-	-
c) Decrease in Inventories of Finished Goods and RM & Working in Progress & Contract in Progress	18	994,940	2,687,060
d) Employee Benefits Expenses	19	206,789	40,127
e) Finance Costs	20	15,070	1,270,932
f) Depreciation and Amortization Expenses		-	-
g) Excise Duty on Sale of goods		-	-
h) Other Expenses	21	1,176,377	9,042,080
Total Expenses		2,393,176	13,084,999
5) Profit /(Loss) before exceptional items & Tax		6,320,807	(8,459,235)
6) Profit on Exceptional items		-	335,150,535
7) Add: Prior Period items		18,032	4,084
8) Profit / (Loss) before Tax		6,302,775	326,687,216
9) Tax Expenses		-	-
a) Current Tax		-	-
(i) Provision Current Tax for current year		960,000	70,500,000
(ii) Current Tax for the previous year		-	-
b) Deferred Tax		-	-
(i) Deferred Tax for current year		-	-
Total Tax Expense			
10) Profit / (Loss) for the period		5,342,775	256,187,216
11) Other comprehensive income		-	-
a) Items that will not be classified to Profit or Loss		-	-
b) Items that may be classified to Profit or Loss		5,599,913	-
Total other comprehensive income			
12) Total Loss / Profit for the year		10,942,688	256,187,216
Earning per equity share			
(a) Basic		12	57
(b) Diluted		12	57

As per our report of even date attached for **SURESH THAKKAR & CO.**
Chartered Accountants
Firm Regn. No. 110702W

For and on behalf of the Board of Director

SURESH THAKKAR
Proprietor
MEM. No. 11650

Charita Thakkar
Director
DIN No. 00321561

Urmi. N. Prasad
Director
DIN No. 00319482

Place : Vadodara
Date : 30.06.2020

Place : San Francisco
Date : 30.06.2020

Place : Mumbai
Date : 30.06.2020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
Note 10 (i) Equity Share Capital
(in “000”)

SHARE HOLDER'S FUNDS	As on 31-03-2020	As on 31-03-2019
a) Equity Share Capital		
<u>Authorised</u> 6000000 Equity Shares of Rs. 10/- each	60,000,000	60,000,000
4000000 shares 5% non cummulative redeemable preference share of Rs. 10/- each	40,000,000	40,000,000
Total Authorised Capital (A)	100,000,000	100,000,000
Equity shares Issued, Subscribed & Paid up		
44,90,000 Equity Shaes of Rs. 10/- each fully paid (Above shares are issued to Gujarat Petrosyntheses Limited a holding company)	44,900,000	44,900,000
Sub Total	44,900,000	44,900,000
Preference shares Issued, Subscribed & Paid up		
28,00,000 5% non cumulative redeemable Preference Shares of Rs. 10/- each fully paid to Gujarat Petrosyntheses Ltd a holding company	28,000,000	28,000,000
Less : Redeemd during the year	28,000,000	
Sub Total (B)	-	28,000,000
GRAND TOTAL	44,900,000	72,900,000

Note 10 (ii) Statement of changes in equity for the year ended 31 March, 2020
(in “000”)

Particulars	As on 31-03-2020	As on 31-03-2019
A) Equity share capital		
Balance as at April 1, 2019	72,900,000	72,900,000
Changes in equity share capital during the ended March 31, 2020	28,000,000	-
Balance as at March 31, 2020 (A)	44,900,000	72,900,000
B) Other Equity	Reserve & Surplus Share Premium	Reserve & Surplus Share Premium
1) Share Premium		
Balance as at April 1, 2019	12,500,000	12,500,000
Additions during the year	-	-
Balance as at March 31, 2020 (B)	12,500,000	12,500,000
2) Retained Earnings (P&L A/C)		
Balance as at April 1, 2019	152,163,211	(104,024,005)
Additions profit/ (loss) during the year	10,942,688	256,187,216
Balance as at March 31, 2020 (C)	163,105,899	152,163,211
Total (A+B+C)	220,505,899	237,563,211



Gujarat Polybutenes Private Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020

(₹ in Lacs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	109	3267
<i>Adjustments for:</i>		
Other Non Cash item	-	(30)
Profit on sale of Asset	-	(3352)
Finance costs	-	12
Interest income	(72)	(15)
Dividend income & Realized gain on Mutual Funds	-	(2)
Operating profit / (loss) before working capital changes	(72)	(3387)
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	10	27
Trade receivables	-	-
Short-term loans and advances	-	-
Other Current Assets	644	(719)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	(14)	10
Other current liabilities/Short term borrowings	(646)	499
Short term provisions	(690)	21
Cash flow from extraordinary items	-	-
Cash generated from operations	(659)	(282)
Net cash flow from / (used in) operating activities (A)	(659)	(282)
B. Cash flow from investing activities		
Investment in Mutual Funds	(2323)	(2856)
Withdrawal from FDR & Trade Deposits	-	-
Proceeds from sale of fixed assets	-	3600
Proceeds from sale of long-term investments	3160	-
Dividend income & Realized gain on Mutual Funds	-	2
Interest received	72	16
Net cash flow from / (used in) investing activities (B)	909	762
C. Cash flow from financing activities		
Proceeds from issue of equity/ preference shares	(280)	-
Repayment of long-term borrowings	-	(431)
Finance cost	-	(12)
Tax on dividend	-	-
Net cash flow from / (used in) financing activities (C)	(280)	(443)
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	(30)	37
Cash and cash equivalents at the beginning of the year	37	-
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		
Cash and cash equivalents at the end of the year	7	37
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
* Comprises:		
(a) Cash on hand	0	0
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) In current accounts	7	37
(ii) In EEFC accounts		
(iii) In deposit accounts with original maturity of less than 3 months		
(iv) In earmarked accounts (give details) (Refer Note (ii) below)		
(d) Others (specify nature)		
(e) Current investments considered as part of Cash and cash equivalents (Refer Note (ii) to Note 16 Current investments)	7	37

As per our report of even date attached for **SURESH THAKKAR & CO.**
Chartered Accountants
Firm Regn. No. 110702W

For and on behalf of the Board of Director

SURESH THAKKAR
Proprietor
MEM. No. 11650

Charita Thakkar
Director
DIN No. 00321561

Urmi. N. Prasad
Director
DIN No. 00319482

Place : Vadodara
Date : 30.06.2020

Place : San Francisco
Date : 30.06.2020

Place : Mumbai
Date : 30.06.2020

NOTE '11'- SIGNIFICANT ACCOUNTING POLICIES**Notes to Financial Statements****1) Corporate Information:**

Gujarat Polybutenes Private Limited (Company) is a 100% subsidiary of Gujarat Petrosyntheses Ltd a public limited company incorporated and domiciled in India and listed on BSE Ltd. The registered office address and principal place of business are disclosed in the introduction to the Annual Report. The company has discontinued its business of manufacturing. The Registered office of the company is shifted to First Floor, Thakkar Building, Agnishanti Kendra, Dandia Bazar, Vadodara.

2) Application of Indian Accounting Standards(Ind AS):

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) have been considered in preparing these financial statements.

3) Significant Accounting Policies:Adoption of Indian Accounting Standards:

The financial statements have been prepared for the year ended March 31, 2019 in accordance with Indian Accounting Standards(Ind AS) notified of the Companies Act, 2013 r.w.s. Companies(Indian accounting standards) rules, 2015 and amended rules, 2016 and other relevant provisions of the Act and rules amended thereunder.

3.1) Basis of preparation and presentation :

Financial statements for the year ended March 31, 2019 have been prepared in accordance with Ind AS.

The financial statements have been prepared on the historical cost basis. The Company generally follows the Mercantile System of accounting and Recognizes significant items of the income and expenditure on accrual basis except Insurance claims and refunds from Government authorities.

3.2) Revenue reorganization:

Revenue on sale of goods as recognized as and when amount of revenue can be reasonably measured, it is probable that future economic benefits will flow to the company and significant risks and rewards of ownership have been transferred buyer. Revenue excludes GST and discounts.

Interest income and expenses are reported on accrual basis. Dividends are recognized at the time on the receipt basis.

3.3) Operating Cycle:

Bases on nature of activities of the company, company has determined its operating cycle as 12 months for the purpose of classification of assets and liabilities as current and non-current.

3.4) Operating expenses:

Operating expenses are recognized in statement of profit and loss upon utilization of the service or as incurred.

3.5) Segment Reporting:

The Company is engaged in the business of manufacturing and selling polybutenes and its byproducts which constitute a single business segment. Therefore, no allocation of resources and assessing performance is required to be disclosed.

3.6) Property, Plant & Equipments:

Lease land is carried at historical cost. All other items of property, plant and equipments are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The initial cost of assets comprises fixed purchase price including incidental expenses related to acquisition and installation.

The company has chosen the carrying value of all its property, plant and equipment as at 01.04.2015 measured as per previous GAAP and used that carrying value as deemed cost of all property, plant and equipments.

3.7) Depreciation / amortization:

The company follows the Written down Value method of Depreciation on pro- rata basis as per the rates prescribed in the Schedule II of the Companies Act, 2013, except for the following assets where depreciation is charged on pro-rata basis over the estimated useful life of the assets based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement.

Assets class	Depreciation
Factory building	30 Years
Plant and equipment including pipelines	20 Years
Laboratory equipments	8 Years
Furniture & Fixtures	8 Years
Office equipments	5 Years
Vehicles	8 Years

3.8) Lease Land:

Leasehold land is not amortized

3.9) Inventories:

- Raw materials and consumables - Valued at lower of cost or realizable value.
- Processed stock - Valued at estimated cost.
- Manufactured Finished Goods - Valued at lower of absorption cost or realizable value.
- Obsolete, defective and unserviceable stocks are duly provided for.

3.10) Stores, spares & Consumable:

- Stores and spares are charged to revenue in the year of purchase.
- Consumables are charged to revenue on actual consumption basis.

3.11) Taxes on Income:

- Current Tax: Provision for Income Tax is determined in accordance with the Provisions of Income Tax Act, 1961.
- Deferred Tax Provision: Deferred Tax is recognized on timing difference being difference between taxable incomes and accounting income that originated in one period and are capable of reversal in one or more subsequent period(s).

3.12) Investments:

A company has elected to recognize its investment in mutual funds at cost.

3.13) Provisions, contingent liabilities and contingent assets:

Provisions:

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities:

Contingent liability is disclosed for (i) possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate or the amount of the obligation cannot be made.

Contingent Assets:

Contingent assets are not recognized in the financial statements. Contingent assets if any are disclosed in the notes to the financial statements.

24. Contingent Liabilities:

The Company has received Income Tax Assessment Order for Asst. Year 2014-15. The loss claimed as per Return of Income of Rs. 2,02,07,941/- has been reduced due to disallowance of depreciation of Rs. 33,32,341/- and addition on account of non reconciliation of interest of Rs. 23,81,548/-. Therefore, loss has been reduced to Rs. 1,44,94,052/-. Since, final figure is loss determined, no demand of tax is raised. We have been informed that the company has belatedly filed an appeal against the said assessment order. The penalty proceedings have been completed u/s 271(1)(c) of the Income Tax Act levying penalty of Rs. 19,42,150/-. The part payment of Rs. 4,00,000/- is made against penalty demand till decision of appeal. No provision is made for the said liability.

25. Charges on Assets of the Company:

There is no primary / secondary charge over the stocks of raw materials, stock in process, finished goods, stores and spares, books debts and FDR of the Company and no collateral charges on other assets of the company as there are no secured loans from banks and / or other financial Institutions.

26. Outstanding of M S M Enterprises:

Based on the information received by the company, the company has not received any intimation from suppliers regarding for their status under Micro, Small and Medium Enterprises Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid or payable as required under the said Act have not been given.

27. Financial Instrument - Fair Value and Risk management:

Particulars Financial assets	31.03.2020			31.03.2019		
	At cost	FVTOCI	Amortized cost	At cost	FVTOCI	Amortized cost
Investment in mutual fund	198850			1935		
Trade receivable						
Cash & Cash equivalents	736			3724		
Other financial assets						
Financial liabilities						
Borrowings						
Trade payables	181			1580		
Other Financial Liabilities						

b) Fair value hierarchy and method of valuation:

31.03.2020			31.03.2019		
Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
2145	0	0	2050	0	0

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed mutual funds that have quoted price.

Risk management framework:

The company's principal financial liabilities include borrowing, trade and other payables. The company's principal financial assets include investments, cash and cash equivalents etc.

c) Financial risk management:

The company has exposure to the following risks arising from financial instruments.

- i) Credit Risk
- ii) Liquidity Risk
- iii) Market Risk

i) Credit Risk:

There is no credit risk as there are not trade receivable and other financial assets.

ii) Liquidity Risk:

Liquidity risk is the risk that the company will encounter difficulty in meeting its obligations associated with its financial liabilities that are to be settled by delivering cash or other financial assets. A company has no sufficient liquid assets to meet its current liabilities. Following are the remaining contractual maturities of financial liabilities at reporting date.

March, 2020

Financial liabilities

(Figures in '000)

Particulars of liabilities	Carrying Amt.	Contractual cash flows		
		Total	Within 1 Year	More than 1 Years
Borrowing	-	-	-	-
Trade payable	177	177	177	-
Other financial liabilities	38	38	38	-

March, 2019

Financial liabilities

(Figures in '000)

Particulars of liabilities	Carrying Amt.	Contractual cash flows		
		Total	Within 1 Year	More than 1 Years
Borrowing	-	-	-	-
Trade payable	1580	1580	1580	-
Other financial liabilities	-	-	-	-

iii) **Market Risk:**

Market risk is the risk that changes in market prices such as interest rates which will affect company's income or value of its holding of financial instruments.

a) **Currency risk:**

There is no Currency risk as company's primary business activities are within India and does not have exposure in foreign currency.

b) **Interest rate risk:**

Interest rate risk is the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to risk of changes in market interest rate is with regard to investment in fixed deposits with banks and mutual funds which is considered insignificant.

28. **Capital management:**a) **Going concern concept:**

The management is taking steps to channelize and utilise the available resources in the best interest of the company. Considering the same accounts are prepared on going concern basis.

b) The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The company's net debt to equity ratio is as follows.

Particulars	March, 2020	March, 2019
Borrowings	0	0
Cash and cash equivalents	736	3724
Net Debt	0	0
Total equity	220506	235089
Debt / equity ratio	-	-

29. **Segment Reporting:**

Inventory of finished goods of polybutenes is sold. There is only one segment

30. **Deferred Tax Assets/Liabilities**

	As at 31 st March 2020 Rs.'000	As at 31 st March 2019 Rs.'000
Op Balance as on 01.04.2019	328	328
Add: Tax impact of differences between Book depreciation in the Financial Statements and depreciation as per Income Tax,	0	0
Total	328	328

No provision on Deferred tax has been made in view of major disposal of Property, Plant and Equipments.

31. Earning Per Shares	31 st March 2020	31 st March 2019
a) Net Profit (Loss) (Numerator used for calculation)	Rs. 53 lacs	Rs. 2537 lacs
b) Weighted Average No. of Equity Shares	44,90,000	44,90,000
c) Basic and Diluted Earnings per share (Rs.) (Equity shares of face value of Rs. 10 each)	Rs. 11.89	56.50

32. Transactions with Related Parties:

Related Party Disclosures, where control exists and where key management personnel are able to exercise significant influence along with description of relationship as identified, are given below.

A. Relationship

- I) Enterprises having significant control over the Company
Gujarat Petrosynthese Ltd (Holding Co).
- II) Key Management Personnel

Name	Designation
Ms. Urmi Prasad	Director
Ms. Charita Thakkar	Director
Dr. R M Thakkar	Director in holding company

- B. No transactions were carried out with related key management personnel in the ordinary course of business during the year.

- 33. The financial statements for the year ended on 31.03.2020 of the company are prepared as per company's Ind As financial statements
- 34. The assets are not depreciated in view of non use of other fixed assets.
- 35. Additional disclosure pursuant to Schedule –III.

Details of Turnover	2019-20 (INR '000)		2018-19 (INR '000)	
	Qty	Amt.	Qty	Amt.
Polybutene	68.25	2594	14.00	961

(A) Balances of creditors subject to confirmations, reconciliation and adjustments, if any, having consequential impact on loss of the year, assets & liabilities, the amounts whereof are presently not ascertainable. However, the management does not expect material difference affecting the current year's financial statements.

(B) In the opinion of the Board, the current assets have a value on relation in ordinary course of business at least equal to the amounts at which they are stated. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

- 37. Previous year's figures have been re-grouped and re-arranged wherever necessary.
- 38. Figures have been rounded off to the nearest rupee.
- 39. Figures in bracket relate to the previous year and in case of non-existence of Previous year's figures, the same are not given.

As per our report of even date attached for **SURESH THAKKAR & CO.**
Chartered Accountants
Firm Regn. No. 110702W

For and on behalf of the Board of Director

SURESH THAKKAR
Proprietor
MEM. No. 11650
Place : Vadodara
Date : 30.06.2020

Charita Thakkar
Director
DIN No. 00321561
Place : San Francisco
Date : 30.06.2020

Urmi. N. Prasad
Director
DIN No. 00319482
Place : Mumbai
Date : 30.06.2020

NOTE -'4' : Property, Plant & Equipment

(Figures in ₹)

Assets description	Furniture & Fixtures	Office Equipments	Computer	Total
Gross Carrying Amt as on 01.04.2019	1,072,662	3,720,572	968,709	5,761,943
Additions				
Disposals				
Balance at March 31, 2020	1072662	3720572	968709	5761943
Accumulated Depreciation				
Balance at April 1, 2019	1,036,126	3,530,789	929,178	5496093
Depreciation Expense				
Disposals				
Balance at March 31, 2020	1036126	3530789	929178	5496093
Net Carrying Amt as on 31.03.2020	36536	189783	39531	265850
Net Carrying Amt as on 31.03.2019	36,536	189,783	39,531	265850

(5) OTHER NON CURRENT ASSETS :

(in "000")

	31.03.2020	31.03.2019
Deposit with GEB / MGVCL	2,171,592	2,171,592
Deposit with GIDC	71,350	71,350
Deposit with GACL	-	58,000
TOTAL	2,242,942	2,300,942

(6) INVENTORIES :

(in "000")

	31.03.2020	31.03.2019
Finished Goods	-	994,937
TOTAL	-	994,937

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2020
(7) INVESTMENTS :

	31.03.2020	31.03.2019
BOB Mutual Fund	886,362	1,475,285
ICICI Mutual Fund	492,673	479,799
FD with Axis Bank	-	44,336
FD with Axis Bank	-	222,849
FD with Bank of Baroda	-	84,502,313
FD with Bank of State Bank of India	-	202,896,645
HDFC HFL	30,000,000	-
LIC Housing Finance Ltd	50,000,000	-
SBI Liquid Fund	124,540,231	-
TOTAL	205,919,266	289,621,227

(8) CASH & CASH EQUIVALENTS :

	31.03.2020	31.03.2019
Cash on Hand	31,619	8,999
Cash at Banks	704,737	3,715,007
TOTAL	736,356	3,724,006

(9) OTHER CURRENT ASSETS :

	31.03.2020	31.03.2019
Advance Income Tax A.Y. 2020-21	390,000	70,596,455
FBT Receivable (Refund)	187,827	187,827
IT Refund Receivable	1,606,713	915,293
TDS Receivable	4,041,854	3,395,251
Central Excise LUT Deposit	10,000	10,000
Balances with Excise department	135,056	135,056
Axis Bank (BG) IOCL	-	216,171
Bank of Baroda(BG)	19,923	19,923
Bank of Baroda(BG)	11,578	-
Deposit- Income Tax(penalty)	400,000	400,000
Deposit with Sales Tax department	447,000	944,904
Advance TDS payment	10,723	2,020
Accrued Interest	5,196,413	-
TOTAL	12,457,087	76,822,900

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2020
(11) OTHER BORROWINGS

(in “000”)

	31.03.2020	31.03.2019
Sundry Creditors for Expenses	177,230	1,577,276
Advances from customers	-	3,001
TOTAL	177,230	1,580,277

(12) OTHER FINANCIAL LIABILITIES :

	31.03.2020	31.03.2019
From Holding Company - GPL	37,827	-
TOTAL	37,827	-

(13) PROVISIONS :

	31.03.2020	31.03.2019
Provision for Account consultancy fees	27,000	25,000
Provision for Telephone Bills	-	2,713
Provision for Income Tax A.Y. 2019-20	500,000	70,500,000
Provision for Income Tax A.Y. 2020-21	960,000	-
TOTAL	1,487,000	70,527,713

(14) OTHER CURRENT LIABILITIES :

	31.03.2020	31.03.2019
Security deposits	17,031	17,031
Duties & Taxes (Net)	(304,935)	64,052,265
TDS payable	17,260	229,138
Other Liabilities	12,000	88,039
TOTAL	(258,644)	64,386,473

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2020
(15) INCOME FROM OPERATIONS

(in "000")

	31.03.2020	31.03.2019
Domestic Sale of Products including excise duty	738,771	2,593,626
TOTAL	738,771	2,593,626

NOTES - 16: OTHER INCOME

Interest income on	31.03.2020	31.03.2019
Interest Income	7,189,263	1,546,124
Interest on Income Tax Refund A.Y. 2018-19	3,820	10,554
Interest on Income Tax Refund A.Y. 2017-18	74,077	-
Dividend on Mutual Fund	12,874	163,998
Realised Gain on sale of Mutual Fund	1,395	63,876
Interest Recd from Sales Tax Dept F Y 2013-14	689,603	-
Debit/Credit W/off	4,180	-
Miscellaneous Income	-	247,586
TOTAL	7,975,212	2,032,138

NOTES - 17: COST OF RAW MATERIAL CONSUMED INCLUDING PACKING MATERIAL

	31.03.2020	31.03.2019
Raw material & Packing materials		
Opening Stock (Raw Material)	-	44,800
Less : Closing Stock	-	-
Less : Reduction in stock	-	-
TOTAL	-	44,800

NOTES - 18: CHANGES IN INVENTORIES OF FINISHED GOODS AND WIP

	31.03.2020	31.03.2019
OPENING INVENTORY		
Finished Products	994,940	3,682,000
	994,940	3,682,000
Less : CLOSING INVENTORY		
Finished Products	-	994,940
TOTAL	994,940	2,687,060

NOTES - '19': EMPLOYEE BENEFITS EXPENSES

	31.03.2020	31.03.2019
Salary & Wages	205,923	-
Staff Welfare Expenses	866	40,127
TOTAL	206,789	40,127

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2020

(in "000")

NOTES - '20': FINANCE COSTS

	31.03.2020	31.03.2019
Bank Charges	15,070	65,917
Interest on Unsecured Loans	-	1,205,015
TOTAL	15,070	1,270,932

NOTES - '21': OTHER EXPENSES

	31.03.2020	31.03.2019
Advertisement	29,604	-
Power & Fuel Charges	600	2,193,060
Freight Expense	-	43,400
Water charges	-	24,738
Brokerage Expense	-	2,625,000
Vehicle Expenses	-	64,377
Computer Expenses	2,832	2,832
Conveyance Expenses	3,690	10,906
Insurance Expenses	-	20,698
Legal and Professional Charges	521,960	1,058,840
Office Expenses	4,930	8,445
Office & Factory Exp.	4,200	161,118
Pollution Control Expenses	-	420,000
Postage & Courier	10,437	2,840
Printing & Stationery	1,102	3,726
Rates and Taxes	-	407,939
Retainership Fees	360,000	-
Repairs & Maintenance others	2,480	16,451
Security Expenses	-	1,593,573
Telephone Expenses	-	19,102
Travelling Expense	34,471	23,208
Rent Paid	10,000	-
Payment to auditors		
For Statutory Audit	50,000	50,000
For other services	25,000	25,000
Fees & Subscription	9,000	74,500
Board Meeting Expense	34,716	39,596
Miscellaneous Expenses	15,826	143,145
ROC Expenses	55,529	8,484
Penalty-VAT & TDS	-	1,102
TOTAL	1,176,377	9,042,080

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF GUJARAT PETROSYNTESES LIMITED

To
The Members of
Gujarat Petrosynthese Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Gujarat Petrosynthese Limited** ('the Company') and its subsidiary (collectively referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss (including total Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at March 31, 2020;
- b) in the case of the Consolidated Statement of Profit and Loss, of the consolidated profit for the year ended on that date; and
- c) in the case of the Consolidated Statement of Changes in Equity, of the changes in equity for the year ended on that date; and
- d) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ('the Act'). 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 requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Auditor's Response
<p><i>Review of the value of stock-in-trade & investments held by the Company as on 31st March 2020</i></p>	<p><u>Principal Audit Procedures</u> <i>The assessment of various procedures adopted by the management which includes</i></p> <ol style="list-style-type: none"> <i>i) Ascertaining the value of investments and stock-in-trade held as at 31st March, 2020.</i> <i>ii) Verification of amount invested, current value of investments, regularity of receipt of income on those investments and it's fair classification and presentation in the audited financial statements.</i> <i>iii) Assessing the appropriateness of value of stock-in-trade disclosed in the financial statements.</i>

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including total comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting the 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 internal financial control 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Company's financial reporting process of the Group.

Auditor's Responsibility for the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated 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 responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are

responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matters

In respect of the subsidiary, Gujarat Polybutenes Private Limited, whose financial statements have not been audited by us, the consolidated financial statements include Subsidiary's net assets of Rs.22,05,05,496/- and Total Comprehensive Income of Rs.1,09,42,285 as considered in the consolidated financial statements. The financial statements of Gujarat Polybutenes Private Limited has been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditor and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books and the reports of the other auditors;
 - c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015;
 - e. On the basis of written representations received from the directors of the Company as on 31st March, 2020 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary Companies incorporated in India, none of the directors of the Group is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements does not have any pending litigations which will impact on the consolidated financial position of the Group;
 - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

For **Dayal and Lohia**
Chartered Accountants
Firm Reg. No. 102200W

(Anil Lohia)
Partner
Membership No:031626

Place: Mumbai.
Date : 30th June, 2020

ANNEXURE – ‘A’ TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GUJARAT PETROSYNTHESE LIMITED AND ITS SUBSIDIARY COMPANY

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

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31st March 2020, we have audited the internal financial controls over financial reporting of **Gujarat Petrosynthese Limited** (“the Company”) and its subsidiary Company, which are Companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its subsidiary Company, which are Companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Group’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Group’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Group’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group;
- (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 Group are being made only in accordance with authorizations of management and directors of the Group; and



Gujarat Petrosynthese Limited

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group'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.

Opinion

In our opinion, the Company and its Subsidiary Company, which are Companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Dayal and Lohia**
Chartered Accountants
Firm Reg. No. 102200W

(Anil Lohia)
Partner
Membership No:031626

Place: Mumbai.
Date : 30th June, 2020

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2020

(₹ in thousands)

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
A ASSETS			
I Non-Current Assets			
Property, plant and equipment	3	21,701	21,601
Financial Assets:			-
Investments	4	164,938	31,265
Loans	5	3,768	5,324
Other financial assets	6	-	1,523
Assets Held for Sale	7	16,700	16,700
Total Non-Current Assets		207,107	76,413
II Current Assets			
Inventories	8	8,481	6,132
Financial Assets:			-
Loans	9	10	126
Trade receivables	10	18,009	22,902
Cash and cash equivalents	11	61,036	18,237
Other financial assets	12	96,862	336,601
Other current assets	13	1,691	446
Total Current Assets		186,089	384,444
TOTAL ASSETS		393,196	460,857
B EQUITY AND LIABILITIES			
I Equity			
Equity share capital	14	59,692	59,692
Other equity	15	324,276	318,564
Total Equity		383,968	378,256
Liabilities			
II Non-Current Liabilities			
Deferred tax Liability (Net)	16	(4,426)	(4,085)
Total Non-Current Liabilities		(4,426)	(4,085)
III Current Liabilities			
Financial Liabilities :			
Borrowings	17	-	5
Trade payables	18	10,556	17,574
Other financial liabilities	19	2,690	3,778
Short Term Provisions	20	328	28
Other current liabilities	21	80	65,301
Total Current Liabilities		13,654	86,686
Total Liabilities		9,229	82,601
TOTAL EQUITY AND LIABILITIES		393,196	460,857
Significant accounting policies	1 to 2		
The accompanying notes form an integral part of the Financial Statements	3 to 38		

As per our report of even date

For Dayal and Lohia
Chartered Accountants
Firm Regn. No. 102200W

Anil Lohia
(Partner)
Membership No.31626

PLACE : Mumbai
DATE : 30-06-2020

For and on behalf the Board of Directors

Urmi N. Prasad
Jt. Managing Director & CFO
DIN : 00319482
Place : Mumbai

Charita Thakkar
Jt. Managing Director
DIN : 00321561
Place : San Francisco

Ms. Pratiksha Parmar
Company Secretary
Place : Sagar, Madhya Pradesh

DATE : 30-06-2020

DATE : 30-06-2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020
(₹ in thousands)

Particulars	Note No.	For the year ended As on 31.03.2020	For the year ended As on 31.03.2019
INCOME			
I Revenue from operations	22	202,793	223,270
II Other income	23	12,552	5,039
III Total income (I+II)		215,345	228,309
IV EXPENSES			
Cost of Materials Consumed	24	165,271	180,481
Changes in Inventories of Finished & WIP Products	25	(943)	3,287
Employee benefits expense	26	27,126	28,386
Finance costs	27	7	1,162
Depreciation	28	2,512	2,336
Other expenses	29	23,667	32,348
Total expenses (IV)		217,640	248,000
V Profit/(loss) before exceptional item and tax (III-IV)		(2,294)	(19,691)
VI Exceptional Items	30	23,168	332,521
VII Profit/(loss) before tax (V-VI)		20,874	312,830
VIII Tax Expense:			
(1) Current tax		998	70,859
Less : MAT Credit available to utilise		-	-
(2) MAT Credit available to utilise pertaining to previous year		(11)	(11)
(3) Deferred tax		(341)	(3,389)
IX Profit/(loss) for the year (VII-VIII)		20,228	245,371
X OTHER COMPREHENSIVE INCOME/(EXPENSE)- (OCI):			
Items that will not be reclassified to profit or loss			
1. Re-measurement gains / (losses) on defined benefit plans		5,600	808
Total other comprehensive income (OCI) for the year, net of tax expense		5,600	808
TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR (IX+X)		25,828	246,179
Earnings per equity shares (Face Value of Rs.10/- each)			
Basic and Diluted earnings per share	31		
Significant accounting policies	1 to 2		
The accompanying notes form an integral part of the Financial Statements	3 to 38		

As per our report of even date

For and on behalf the Board of Directors

For Dayal and Lohia
Chartered Accountants
Firm Regn. No. 102200W

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Ms. Pratiksha Parmar
Company Secretary
Place : Sagar, Madhya Pradesh

PLACE : Mumbai
DATE : 30-06-2020

DATE : 30-06-2020

DATE : 30-06-2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020

(₹ in thousands)

Particulars	As at 31st March, 2020	As at 31st March, 2019
-------------	---------------------------	---------------------------

NOTE 1 : EQUITY SHARE CAPITAL

Balance at the beginning of the year	59,692	59,692
Changes in equity share capital during the year	-	-
Balance at the end of the year	<u>59,692</u>	<u>59,692</u>

2. OTHER EQUITY

Particulars	Reserves and Surplus					Total other Equity
	Capital Reserve	Securities Premium	Statutory Reserve	General Reserve	Retained Earnings	
Balance as at 1 April 2018	1,750	20,000	2,518	129,208	(81,091)	72,385
Profit/(loss) for the year					245,371	245,371
Other comprehensive income/(expense)					808	808
Total comprehensive income/(expense)	-	-		-	246,179	246,179
Transfer to Statutory Reserve			(24)		24	-
Balance as at 31 March 2019	1,750	20,000	2,494	129,208	165,112	318,564
Profit/(loss) for the year					20,228	20,228
Other comprehensive income/(loss)					5,600	5,600
Total comprehensive income/(expense)	-	-			25,827	25,827
Derecognition retained earning of former subsidiary					(20,116)	(20,116)
Balance as at 31 March 2020	1,750	20,000	2,494	129,208	170,824	324,276

CAPITAL RESERVE

Pertains to share application money forfeited in the cases where remaining amount was not paid. This can be utilised in accordance with the provisions of the Act.

SECURITIES PREMIUM RESERVE

Securities premium is used to record the premium on issue of shares. This reserve can be utilised in accordance with the provisions of the Act.

GENERAL RESERVE

General Reserve represents amounts transferred from Retained Earnings in earlier years. The reserve can be utilised in accordance with the provisions of the Act. Declaration of dividend out of such reserve shall not be made except in accordance with the rules prescribed in this behalf under the Act.

Significant Accounting Policies - Note 1 and Note 2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

For Dayal and Lohia
Chartered Accountants
Firm Regn. No. 102200W

Anil Lohia
(Partner)
Membership No.31626

PLACE : Mumbai
DATE : 30-06-2020

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Ms. Pratiksha Parmar
Company Secretary
Place : Sagar, Madhya Pradesh

DATE : 30-06-2020

DATE : 30-06-2020

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Rs. In Thousands

Particulars	As at 31st March, 2020	As at 31st March, 2019
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/(Loss) before tax	20,874	312,830
Adjustments for :		
Add:		
Depreciation	2,512	2,336
Mat Written off	1,054	
Interest Expense	7	3,497
Less:		
Profit/Loss on sale of Investment	(24,113)	(335,151)
Profit/Loss on sale of Assets	(100)	(139)
Fair Value masurement of Investment	(46)	(136)
Dividend Income	(13)	(164)
Interest Income	(12,207)	(2,097)
Operating profit before working capital changes	(36,479)	(337,687)
Adjustments for :	(12,032)	(21,360)
Increase /(Decrease) of Financial Liabilities	(1,093)	(1,647)
Increase /(Decrease) of Non Current Liabilities	-	7
Decrease / (Increase) of Other Financial Assets (Non Current)	3,079	(1,523)
Decrease / (Increase) of Other Financial Assets (Current)	236,891	(317,348)
Decrease / (Increase) of Other Current Assets	(1,245)	256
Decrease / (Increase) of Other Current Liabilities	(64,921)	64,639
Decrease / (Increase) of Trade Receivables	4,893	(6,698)
Decrease / (Increase) of Trade Payables	(7,018)	4,794
Decrease / (Increase) of Inventories	(2,349)	3,270
Less : Derecognition working Capital adjustment of former subsidiary	(4,990)	
	163,248	(254,250)
Cash Generated from Operations	151,216	(275,611)
Income Tax Paid (Net of refund received)	(1,511)	(68,860)
Net cash from Operating Activities (A)	149,704	(344,471)
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchases of fixed assets	(2,613)	(2,670)
Sale of Fixed Asset	103	360,018
Redemption of REC Bonds	4,700	-
Sale of Investment of Subsidiary	34,140	-
Sale of Mutual Funds	12,486	-
Purchase of Mutual Fund	(166,850)	15,000
Purchase of Investment	-	(14,800)
Dividend Income	-	164
Interest Income	12,130	2,097
Net cash used in Investing activities (B)	(105,904)	359,809
(C) CASH FLOW FROM FINANCING ACTIVITIES:		
Short term Borrowings	(5)	(20,786)
Interest Paid on Borrowings	(7)	(1,161)
Net cash from Financing Activities	(12)	(21,947)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	43,788	(6,609)
CASH & CASH EQUIVALENTS AS AT 01.04.2019 (Opening Balance)	18,238	24,847
Less : Derecognition Cash & Cash Equivalents of former subsidiary	(990)	
CASH & CASH EQUIVALENTS AS AT 31.03.2020 (CLOSING)	61,036	18,238
Significant accounting policies	1 to 2	
The accompanying notes form an integral part of the Financial Statements	3 to 38	

As per our report of even date

For Dayal and Lohia
 Chartered Accountants
 Firm Regn. No. 102200W

Anil Lohia
 (Partner)
 Membership No.31626

 PLACE : Mumbai
 DATE : 30-06-2020

For and on behalf the Board of Directors

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 Place : San Francisco

Ms. Pratiksha Parmar
 Company Secretary
 Place : Sagar, Madhya Pradesh

DATE : 30-06-2020

DATE : 30-06-2020

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**CORPORATE INFORMATION**

Gujarat Petrosynthese Limited (“the Company”) is a public limited company, incorporated and domiciled in India having its registered office at No. 24, II Main Phase I, Doddanekkundi Industrial Area, Mahadevpura Post, Bengaluru – 560 048, Karnataka, India. The equity shares of the Company are listed on BSE Limited. The Company is primarily engaged in the business of plastic polymers and blends.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(i) Basis of preparation:**

The consolidated financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“the Act”) read together with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. The consolidated financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities, which are measured at fair value.

(ii) Principles of consolidation**• Subsidiary**

The Consolidated Financial Statement comprises of Gujarat Petrosynthese Limited (“the Company”) and its subsidiary Gujarat Polybutene Private Limited.

Subsidiary companies are incorporated in India. The Company holds 100% equity in its subsidiary company.

The financial statements of the Company and its subsidiary companies have been on line by line basis added together of like items of assets, liabilities, income and expenses after fully eliminating inter-company balances and inter-company transactions resulting in unrealized profits or losses.

(iii) Fair value measurement

The Company’s accounting policies and disclosures require the measurement of fair values for financial assets and liabilities.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(iv) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized when all significant risk and rewards of ownership in goods are transferred to customers and recovery of consideration from customer is probable and revenue can be estimated reliably. Revenue is recognized net of trade discounts and indirect taxes.

Revenue from rendering services is recognized when performance of agreed contractual task is completed.

Interest income is recognized on accrual basis on time proportion basis using effective interest rate.

Dividend income is accounted when right to receive is established.

(v) Property, Plant and Equipment:**Recognition and measurement:**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment includes purchase price, including freight, duties, taxes and expenses incidental to acquisition and installation. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Property, plant and equipment are derecognized from financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence.

Subsequent expenditures:

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured. All other repair and maintenance costs are recognized in the Statement of Profit and Loss during the year in which they are incurred.

Depreciation:

Depreciation is provided on all property, plant and equipment on straight-line method in the manner and useful life prescribed in Schedule II of the Companies Act, 2013. Depreciation on additions/deletion is provided on pro-rata basis with reference to the date of addition/deletion as the case may be.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 01 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Company has adopted cost model for all class of items of Property Plant and Equipment.

(vi) Impairment of Non-Financial Assets:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If such recoverable amount of the asset or cash generating unit is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is any indication that any impairment loss recognized for an asset in prior years may no longer exist or may have decreased, the recoverable amount is reassessed and such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

(vii) Assets taken on Lease:**Operating Lease**

A Lease in which a significant portion of the risks and rewards of ownership are not transferred to the Company is classified as operating lease. Payments made under operating lease are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease deposits given are financial instruments (financial assets) and need to be measured at fair value on initial recognition. The difference between the fair value and the value of deposits is considered as prepaid rental expenses and recognized over the lease term on a straight line basis. Unwinding of discount is treated as interest income for deposit given and is accrued as per the effective interest rate method.

(viii) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial Assets**Initial recognition and measurement**

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, the financial assets are classified as under:

i) Financial assets at amortized cost

A financial asset is measured at the amortized cost, if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. Interest income from these financial assets is included in other income using the EIR in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

ii) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are classified as FVTOCI, if both of the following criteria are met:

- These assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income and foreign exchange gains or losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Profit or Loss and recognised in other income/(loss).

iii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is recognized in profit or loss and presented net in the Statement of Profit and Loss within other income in the period in which it arises.

iv) Equity instruments

All equity instruments are measured at fair value. Equity instruments which are for trading are classified as FVTPL. All other equity instruments are measured at fair value through other comprehensive income (FVTOCI). The classification is made on initial recognition and is irrevocable.

Where the Company's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in profit and loss when the Company's right to receive payments is established.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Impairment of financial assets

The Company applies 'simplified approach' for recognition of impairment loss on financial assets for loans, deposits and trade receivables.

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.

De-recognition

A financial asset is derecognized when:

- the rights to receive cash flows from the assets have expired or
- the Company has transferred substantially all the risk and rewards of the asset, or
- the Company has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

• **Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction cost.

• **Subsequent measurement**

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to short maturity of these instruments.

• **Loans and borrowings**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using Effective Interest Rate (EIR) method. Gain and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and transaction costs. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

• **Derecognition**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

• **Offsetting financial instruments**

Financial assets and financial liabilities are offset and the net amount is reflected in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(ix) Inventories:

Raw Materials and consumables are valued at cost on First in First out (FIFO) basis or net realizable value whichever is lower. Raw material and consumables are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes the fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

Work in progress is valued at cost basis or net realizable value whichever is lower. They are not written down below cost if the finished products are expected to be sold at or above cost.

Finished goods are valued at lower of cost or net realizable value. The cost is computed on specific identification basis

Stores and spares are charged to revenue in the year of purchase.

Consumables are charged to revenue on actual consumption basis.

(x) Taxes:

The tax expense comprises current and deferred tax. Tax is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

i. Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantially enacted at the reporting date.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

ii. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amount used for taxation purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

(xi) Employee benefits:

Short term employee benefits:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Defined contribution plans:

The Company's contribution to Provident Fund, Pension, Superannuation and Employees State Insurance Contribution are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contribution made to the respective fund/scheme and are charged as an expense based on the amount of contribution required to be made.

Defined benefit plans:

The liability recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period.

The liability of gratuity to the employees is covered under the Group Gratuity scheme with the Life Insurance Corporation of India. The annual service cost on basis of valuation received from LIC, the amount is paid to LIC of India and debited to Profit and Loss Account.

Long Term Compensated Absences

The liability of leave encashment of employees is covered with LIC. On basis of Actuarial Valuations, the present value of liability is accounted and paid to the LIC of India.

(xii) Borrowing Costs:

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

All other borrowing costs are recognized as expense in the period in which these are incurred.

(xiii) Cash and Cash Equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand, demand deposit and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(xiv) Provisions & Contingent Liabilities:

The Company recognizes a provision when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(xv) Earnings per share

Basic earnings per share is calculated by dividing the net profit / (loss) for the year attributable to the equity shareholders by weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(xvi) Dividend

Dividend to the equity shareholders is recognized as a liability in the Company's financial statements in the period in which the dividend is approved by the shareholders.

(xvii) Foreign Exchange Transactions

Foreign currency transactions are accounted for at the exchange rates prevailing on the date of such transactions where these are not covered by forward contracts. Liabilities in foreign currencies as on the date of balance sheet are converted at the exchange rate prevailing on that date.

2. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed at each reporting date. Any revision to accounting estimates and assumptions are recognised prospectively i.e. recognised in the period in which the estimate is revised and future periods affected.

i. Recognition and measurement of defined benefit obligations

The cost of defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuations using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of discount rate, future salary increase and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

ii. Fair value measurement of financial instruments

When the fair values of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from the observable market, where possible, but where this is not feasible, a review of judgement is required in establishing fair values. Changes in assumptions relating to these assumptions could affect the fair value of financial instruments.

iii. Deferred taxes

Deferred tax is recorded on temporary differences between tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profit during the periods in which those temporary differences and the tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	Gross Block				Depreciation			Net Block		
	As at 01-04-2019	Additions	For the year ended 31-03-2020	As at 01-04-2019	For the year ended 31-03-2020	Deductions	For the year ended 31-03-2020	As at 31-03-2020	As at 31-03-2019	
Leasehold Land	15,527	-	15,527	-	-	-	-	15,527	15,527	
Freehold Land	4,419	-	4,419	-	-	-	-	4,419	4,419	
Factory Buildings	13,524	300	13,824	9,313	329	-	9,642	4,182	4,211	
Laboratory Equipment	2,303	-	2,303	2,303	-	-	2,303	0	0	
Vehicle	9,511	-	9,511	5,876	582	-	6,458	3,052	3,635	
Office Equipment	6,382	101	6,414	5,869	130	66	5,933	480	513	
Furniture & Fixtures	3,395	-	3,395	3,088	49	-	3,137	258	307	
Computer	2,931	25	2,956	2,834	19	-	2,853	103	97	
Mobile	369	-	369	356	5	-	361	8	12	
Plant & Machinery	45,670	2,186	47,855	36,087	1,397	-	37,484	10,372	9,583	
Electrical Installation	2,422	-	2,422	2,422	-	-	2,422	-	-	
Jigs and Moulds	403	-	403	403	-	-	403	-	-	
Total	106,855	2,613	109,398	68,550	2,512	66	70,997	38,401	38,304	
Less : Classified under held for sale (Leasehold land and Part of Factory Buildings)									16,700	16,700
Fixed Assets Block									21,701	21,601

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

4 Non-Current Investments

Details of Investments - (valued at cost, unless stated otherwise)

(₹ in thousands)

Sr. No.	Particulars	Nature	Face Value fully Paid	No. of Shares / Bonds		Value ('000)	
				31.03.2020	31.03.2019	01.04.2020	31.03.2019
I	Investments in Equity Instruments						
	Unquoted						
	Investments valued at Cost	Former					
	GPL Finance and Investment Ltd	Subsidiary	10	9,940	-	99	-
I	Investment in Government Bonds						
	Unquoted						
	Investments valued at Amortized Cost	Others	10,000	-	470	-	4,700
	Rural Electrification Corporation Bonds						
	Total Non Current Investments					99	4,700
II	Investments in Mutual Funds						
	Quoted						
	Investments valued at Fair Value through Profit and Loss						
	Bank of Baroda Pioneer Advantage Plan A (Growth)			-	1,376	-	2,987
	SBI Liquid Fund			12,585	-	38,919	-
	Investments valued at Fair Value through Other Comprehensive Income						
	Bank of Baroda Pioneer Advantage Plan A (Growth)			723	217	886	1,475
	ICICI Mutual Fund			4,991	33,115	493	480
	SBI Liquid Fund			40,257	-	124,540	-
	Bank of Baroda Pioneer Advantage Plan A (Growth)			-	5,334	-	21,623
	Total Current Investments					164,838	26,565
						31.03.2020	31.03.2019
	Aggregate market value of quoted investments						
	Current					164,838	26,565
	Aggregate carrying value of unquoted investments						
	Non-Current					99	4,700
	Aggregate amount of impairment in value of investments						

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	As at 31st March, 2020	As at 31st March, 2019	
NOTE 5 : LOANS (NON-CURRENT)			
(Unsecured, considered good)			
Security Deposits	3,768	5,324	
	3,768	5,324	
6 Other Financial Assets (NON-CURRENT)			
(Unsecured, considered good)			
Advance for Capital Goods	-	1,523	
	-	1,523	
7 Assets Held for Sale			
	Lease Hold Land	Building	Total
	INR ('000')	INR ('000')	INR ('000')
As at 1st April 2019	15,526	1,173	16,700
Additions	-	-	-
Disposals/Adjustments	-	-	-
Additions	-	-	-
Disposals/Adjustments	-	-	-
As at 31st March 2020	15,526	1,173	16,700
Particulars	As at 31st March, 2020	As at 31st March, 2019	
8 Inventories			
Raw Materials and Consumables*	5,119	3,713	
Finished Goods and Work in Progress*	3,362	2,419	
*(Mode of Valuation is specified in Note 1 (viii) of Significant Accounting Policies)	-	-	
	8,481	6,132	
9 Loans (Current)			
(Unsecured, considered good)			
Loans to Employees	10	126	
	10	126	
10 Trade Receivables			
Unsecured and considered good			
Trade Receivable for more than six months	851	346	
Trade Receivable for less than six months	17,158	22,556	
	18,009	22,902	
11 Cash and Cash Equivalents			
Cash in Hand	80	92	
Bank Balances	-	-	
Balance in bank	10,021	18,144	
Deposits having Maturity less than 3 Months	50,935	-	
	61,036	18,237	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	As at 31st March, 2020	As at 31st March, 2019
12 Other Financial Asset (Current)		
Other Receivables	6,496	1,877
Other Bank Balance	1	-
Advance to vendors	-	870
Deposits with banks	80,032	323,169
Interest Receivables	2,909	295
Advance Income Tax (net of provisions)	7,426	10,388
	96,862	336,600
13 Other Assets (Current)		
Prepaid Expenses	422	241
Indirect Taxes Credit Recoverable	1,269	205
	1,691	446
16 DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liabilities :	-	-
On Property Plant and Equipment	-	-
On Fair Value of Investments	1,447	1,594
Deferred Tax Asset :	-	-
On Provision	-76	-
On Carry forward losses	-5,797	-5,679
	-4,426	-4,085
17 BORROWINGS (CURRENT)		
Deferred Tax Liabilities :	-	-
Secured		
Overdraft Facility from Bank	-	5
(Secured against pledge of fixed deposits with bank @ 2% incremental rate than interest received on fixed deposits)	-	5
	-	5
18 TRADE PAYABLES		
Trade Payables to Micro Small Medium Enterprise	460	5,936
Trade Payables to Others	10,096	11,638
(Note No 34)	10,556	17,574
19 OTHER FINANCIAL LIABILITIES (CURRENT)		
Other Payables	2,689	3,778
	2,689	3,778
20 PROVISIONS (SHORT TERM)		
Provision for others	27	28
Provision for gratuity	301	-
	328	-
21 OTHER CURRENT LIABILITIES		
Advance from Customers	-	29
Statutory Dues Payable	80	65,272
	80	65,301

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	31.03.2020	31.03.2019
14. EQUITY SHARE CAPITAL		
AUTHORISED		
80,00,000 (31 March 2019 - 80,00,000) Equity Shares of 10/- each	80,000	80,000
ISSUED, SUBSCRIBED AND PAID UP		
59,69,166 (31 March 2019- 59,69,166) Equity shares Of 10/- each	59,692	59,692
Total issued, subscribed and fully paid up share capital	59,692	59,692

a. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	31.03.2020		31.03.2019	
	Equity Shares		Equity Shares	
	Number	Value ('000)	Number	Value ('000)
Shares outstanding at the beginning of the year	59,69,166	59,692	59,69,166	59,692
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,969,166	59,692	5,969,166	59,692

b. Terms/rights attached to the equity shares

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

c. Details of the shareholders holding more than 5% shares in the Company

Name of Shareholder	31.03.2020		31.03.2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
YASHASHREE COMMERCIAL SERVICES PRIVATE LIMITED	800,000	13.4	800,000	13.4
LIFE INSURANCE CORPORATION OF INDIA	538,498	9.02	538,498	9.02
CHARITA THAKKAR	485,417	8.13	485,417	8.13
MULTICHEM PRIVATE LIMITED	394,840	6.61	394,840	6.61
URSULA RAMESHCHANDRA THAKKAR	352,906	5.91	352,906	5.91
N RAJENDRA PRASAD	319,564	5.35	319,564	5.35

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	31.03.2020	31.03.2019
15. OTHER EQUITY		
AUTHORISED		
CAPITAL RESERVE		
Opening balance	1,750	1,750
Addition during the year	-	-
Closing balance	1,750	1,750
STATUTORY RESERVE		
Opening balance	2,494	2,518
Addition during the year	-	24
Closing balance	2,494	2,494
SECURITIES PREMIUM ACCOUNT		
Opening balance	20,000	20,000
Addition/(utilisation) during the year	-	-
Closing balance	20,000	20,000
GENERAL RESERVE		
Opening balance	129,208	129,208
Addition/(utilisation) during the year	-	-
Closing balance	129,208	129,208
RETAINED EARNINGS		
Opening balance	165,112	(81,091)
Profit/Loss of the year	20,228	245,371
Items of other comprehensive income recognised directly in retained earnings:		
Profit for the year transferred to Statutory reserves	5,600	808
Derecognising retained earning of former subsidiary	-	(24)
Closing balance	(20,116)	-
Closing balance	170,824	165,112
Total other equity	324,276	318,564

CAPITAL RESERVE

Pertains to share application money forfeited in the case where remaining amount was not paid. This can be utilised in accordance with the provisions of the Act.

SECURITIES PREMIUM RESERVE

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Act.

GENERAL RESERVE

General Reserve represents amounts transferred from Retained Earnings in earlier years as per the requirements of the erstwhile Companies Act, 1956. The reserve can be utilised in accordance with the provisions of the Act. Declaration of dividend out of such reserve shall not be made except in accordance with the rules prescribed in this behalf under the Act.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	31.03.2020	31.03.2019
22 Revenue From Operations		
Sale of Goods	201,097	220,551
Sale of Services	1,696	2,719
	202,793	223,270
23 OTHER INCOME		
Interest income on financial assets:		
Interest Received from Banks	10,892	333
Interest Received from Others	1,238	2,097
Interest on Income Tax Refund	78	1,576
Profit on Sale of Current Investment	-	64
Dividend for Investments	13	164
Fair Value measurement of Investments	46	136
Sundry Balances Written Back	-	227
Sale of Fixed Assets	98	-
Profit on sale of asset	2	-
Specimen Testing Charges	38	118
Miscellaneous Income	149	323
	12,552	5,039
24 COST OF MATERIALS CONSUMED		
Opening Stock of Raw Materials	3,713	3,696
Purchase of Raw Materials	166,676	180,499
Less : Closing Stock of Raw Materials	-5,119	-3,713
	165,271	180,481
25 CHANGES IN INVENTORY		
Opening Stock of Finished Goods and Working in Progress	2,419	5,706
Less: Closing Stock of Finished Goods and Work in Progress	-3,362	-2,419
	-943	3,287
26 EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	24,730	24,270
Contribution to provident and other funds	1,993	3,824
Staff welfare expenses	403	294
	27,126	28,387
27 FINANCE COSTS		
Interest to Bank	7	7
Interest to Others	0	1,155
	7	1,162

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	2019-20	2018-19
29 Other Expenses		
Bank Charges	41	119
Computer Expenses	84	139
Conveyance charges	325	255
Office Expenses		170
Discount and Rebate Given	-	12
Donations	0.3	-
Audit Remuneration	11	11
Audit Fees	50	85
Tax Audit Fees and Other Services	202	225
Fees and Subscription Expenses	9	113
Foreign Travelling Expenses	446	353
Freight Inward Expenses	469	807
Freight Outward Expenses	1,106	1,310
General Expenses	1,206	922
Insurance Expenses	1,583	1,253
Legal and Professional Fees	917	1,532
Loss on Sale of Current Investment	127	-
Pollution Control Expense	2,804	5,244
Meeting Expense	168	210
Postage & Courier Expenses	337	887
Power and Fuel Expenses	6,956	9,103
Printing and Stationery Expenses	625	668
Rates & Taxes	417	944
Rental Expenses	1,330	1,187
Repair & Maintenance - Building	9	-
Repair & Maintenance - Other	1,995	2,109
Security Expenses	716	2,326
Water Charges	-	25
Telephone Expense & Mobile Expense	268	296
Travelling and Conveyance Expenses	489	856
Vehicle Maintenance Expenses	977	1,190
	23,667	32,348

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	2019-20	2018-19
30 Exception Items		
MAT Written off	(1,054)	-
Profit on sale of Assets	-	335,151
Brokerage Expenses	-	(2,625)
Prior Period Exp	(18)	(4)
Profit on Sale of Current Investment	24,240	-
	23,168	332,521

** Exceptional items pertain to sale of shares of Subsidiary and MAT written off since the company is opting for the new tax rate of 22% as per Sec 115BBA of Income tax Act, 1961.

31 EARNINGS PER SHARE EPS is calculated by dividing the profit / (loss) attributable to the equity share holders by weighted average number of equity shares outstanding during the year."

For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares, except when the results would be anti-dilutive.

Particulars	2019-20	2018-19
1. Profit after Tax (IN '000)	20,228	245,371
2. Weighted average number of shares outstanding during the year	5,969,166	5,969,166
3. Face value of shares	10	10
4. Basic / Diluted EPS	3.39	41.11

32. FINANCIAL INSTRUMENTS-FAIR VALUE AND RISK MANAGEMENT**a) Accounting classification**

The carrying value of financial instruments by categories are as follows:

INR ('000)

Particulars	31.03.2020				31.03.2019			
	At cost	FVTOCI	FVTPL	Amortised cost	At cost	FVTOCI	FVTPL	Amortised cost
Financial Assets								
Investments in Bonds				-				4,700
Investments in Mutual Funds	-	125,919	38,919			23,578	2,987	
Loans				3,778		1,955		5,450
Trade receivable				18,009				22,902
Cash and cash equivalents				61,036				18,237
Other financial assets				96,862				338,124
	-	125,919		179,684			2,987	389,412
Financial Liabilities								
Borrowings			-	-		5		
Trade payables			10,556	-		17,574		
Other financial liabilities			2,690	-		3,778		
	-	-	13,247	-	-	21,357		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
b) Fair value hierarchy and Method of valuation

The following table shows fair value measurement hierarchy. Except for these financial instruments, the Company considers that the carrying value amount recognised in the financial statements approximate their fair value largely due to the short term maturities of these instruments.

Particulars	31.03.2020			31.03.2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments in Mutual						
Funds	164,838	-	-	26,565	-	-

- a. Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed mutual funds that have quoted price. The fair value of equity instruments which are traded is valued using the closing price as at the reporting period.

c) RISK MANAGEMENT FRAMEWORK

The Company's principal financial liabilities include borrowing, trade and other payables. The Company's principal financial assets include loans, trade receivable, cash and cash equivalents and others. The Company also holds FVTPL investments. The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

d) Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- i) Credit Risk ii) Liquidity Risk iii) Market Risk

i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given to related parties and others

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. To manage, this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition and ageing of account receivables.

No impairment is observed on the carrying value of trade receivables.

Other Financial Assets

Credit risk from balances with banks, loans, investments is managed by Company's finance department. Investments of surplus funds are made only with approved counterparties.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

ii) Liquidity Risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation.

The Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank loans.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date.

INR ('000)

	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
March 31, 2020						
Financial liabilities						
Trade payables	10,556	10,556	10,556	-	-	-
Other Financial Liabilities	2,690	2,690	2,690	-	-	-
	13,247	13,247	13,247	-	-	-
	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
March 31, 2019						
Financial liabilities						
Borrowings	5	5	5	-	-	-
Trade payables	17,574	17,574	17,574	-	-	-
Other Financial Liabilities	3,778	3,778	3,778	-	-	-
	21,357	21,357	21,357	-	-	-

iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and commodity prices which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market exposures within acceptable parameters, while optimising the return.

Currency risk

Currency risk is not material, as the Company's primary business activities are within India and does not have any exposure in foreign currency.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rate is not material as the Company borrowing from banks are very minimal

Commodity price risk

Company is exposed to fluctuation in prices of its inputs. The company in effect of changes in prices of inputs, have a process to revise its selling price accordingly.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
33. CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt and the total equity of the Company. For this purpose, net debt is defined as total borrowings less cash and cash equivalents.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirements are met through short-term/long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The Company's net debt to equity ratio is as follows:

	March 31,2020	March 31,2019
Borrowing	-	5
Cash & cash equivalents	(61,036)	(18,237)
Net Debt (restricted to zero, if cash and cash equivalents are greater than borrowings)		
Total equity	220,786	205,951
Debt/Equity ratio	0.00%	0.00%

34. Disclosure Pursuant to Micro Small and Medium Enterprise Act, 2006 :

Particulars	As at March 31,2020	As at March 31,2019
a) The principal amount remaining unpaid to any supplier as at the end of accounting year	-	813,610
aa) The interest due remaining unpaid to any supplier as at the end of accounting year.	-	3,611
b) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
d) The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	3,611
d) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	2,407

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

36. Additional Disclosure

a) Pursuant to Schedule III

c. Value of Imported and Indigenous Raw Material Consumed during the year	2019-20		2018-19	
	Value	%	Value	%
Import	-	0.00%	112	0.06%
Indigenous	165,271	100.00%	180,324	99.94%
	165,271		180,436	
d. C.I.F, Value of Imports				
Raw Materials		-		246.20
Spares		-		-
		-		246.20
b) Other disclosures				
a. Details of Turnover				
Alloys & Blends :		2019-20		2018-19
	Qty (M.T)	Value	Qty (M.T)	Value
Sales	1,663	199,645	1,661	217,957
Job Work	64	2,409	81	2,719
		202,054		220,676
b. Consumption of Raw Materials				
	Qty (M.T)	Value	Qty (M.T)	Value
Products / Plastics of Different Types	1,683	165,271	1,660	180,436
		165,271		180,436

36. EMPLOYEE BENEFITS

I) Defined Contribution Plans

- Provident fund
- Superannuation fund and Pension scheme, 1995
- Employer's contribution to Employees State Insurance

II) Defined Benefit Plans

GRATUITY

- The liability of gratuity to the employees is covered under the Group Gratuity scheme with the Life Insurance Corporation of India.
- Company have created two different plans for their employees of different offices, termed as Plan A and Plan B
- Life Insurance Corporation of India provides valuation on basis of Projected Unit Credit Method.
- Disclosures are made to extent of informations received from LIC of India :

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Membership Data:	Plan A		Plan B	
	2019-20	2018-19	2019-20	2018-19
Number of Members	18	18	8	9
Average Age	43.72	42.72	49.13	46
Average Monthly Salary	17,963	16,438	40,575	38,161
Average Past Service	13.27	12.28	13.13	11.11

Actuarial Assumptions:	Plan A		Plan B	
	2019-20	2018-19	2019-20	2018-19
Mortality Rate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate
Withdrawal Rate	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age
Discount Rate	7.5% p.a	7.5% p.a	7.5% p.a	7.5% p.a
Salary Escalation	6%	6%	6%	6%

Results of Valuation:	Plan A		Plan B	
	2019-20	2018-19	2019-20	2018-19
Present Value of Past Service Benefit	2,433,205	1,969,633	2,118,820	1,966,422
Current Service Cost	160,410	141,110	37,481	43,764
PV of Defined Benefit Obligation	2,593,615	2,110,743	2,156,301	2,010,186
Fund Value	2,301,470	2,110,743	2,156,301	3,456,397

Amount Recognized in Balance Sheet:	Plan A		Plan B	
	2019-20	2018-19	2019-20	2018-19
Present value of defined benefit obligation at end of the year	2,593,615	2,110,743	2,156,301	2,010,186
Fair value of plan assets at end of the year	2,593,615	2,110,743	2,156,301	3,456,397
Net liability / (asset) recognized in the Balance Sheet	-	-	-	-

Expenses recognised in statement of Profit and Loss:	(in INR)	
	2019-20	2018-19
Grauity Expense recognised	304,396	367,241

In absence of information from LIC regarding quantification for different components of changes in defined benefit obligation and fund assets, disclosures pertaining to movement in defined benefit obligation and fair value of Plan Assets is not provided. Also, No actuarial gain / loss is recognised separately in Other Comprehensive Income in absence of information.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

37. Related party disclosure

(i) List of Related Parties as required by Ind AS-24 "Related Party Disclosures" are given below:

(a) Key management personnel and their relatives	Dr. R.M Thakkar - Chairman and Non Executive Director Mrs. Urmi N. Prasad - Joint Managing Director Mrs. Charita Thakkar - Joint Managing Director
(b) Non Executive/Independent Directors	Mr. Rajesh Parikh Mr. M.D Garde Mr. V. Raghu
(c) Where persons mentioned in (b) exercise significant influence	Multichem Private Limited Guardian Finance Ltd

(ii) Transactions with related parties

Type of related party	Description of the nature of transactions	Volume of Transactions during 2019-20	Volume of Transactions during 2018-19	Balance as as on 31.03.20 Receivable/(Payable)	Balance as as on 31.03.19 Receivable/(Payable)	Balance as as on 01.04.18 Receivable/(Payable)
(a) Subsidiary (i) Gujarat Polybutenes Private Limited	Director's Remuneration Loan given/(repaid)-net Expense reimbursement	- 631	39,000 1,723	- 38	- -	39,000 -1,041
(ii) GPL Finance and Investments Limited Key management personnel and their relatives	Expense reimbursement	2	6	-	-	-
Director's Remuneration and Perks*** (b) Non Executive/	Mrs. Urmi N. Prasad Mrs. Charita Thakkar Loan Taken and Interest Paid thereon Dr. R.M Thakkar	2,613 2,391 -	2,653 2,507 19	- - -	- - -	- - -
(c) Non Executive /Independent Directors	Sitting fees Mr. R.M. Thakkar Mr. Rajesh Parikh Mr. M.D Garde Mr. V. Raghu	70 80 90 85	62 40 72 72	- - - -	- - - -	- - - -
d) Where persons mentioned in (b) exercise significant influence i) Reimbursement of expenses received	Multichem Private Limited Guardian Finance Ltd	50 1	309 2	- -	- -	- -

*** Contribution towards gratuity and leave encashment is not added as it is not determinable each employee wise

39. Contingent Liability

Previous year figures have been regrouped , reclassified and restated as per Ind AS and Schedule III of Companies Act, 2013