



# Deep Polymers Limited.

Additive Filler Compoundings

CIN : U25209GJ2005PLC046757



Date: 6<sup>th</sup> September, 2019

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

Dear Sir,

**Sub: Annual Report**

**Ref: DEEP POLYMERS LIMITED (Security Id/Code: DEEP/541778)**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the 14<sup>th</sup> Annual General Meeting of the Company to be held on Monday, 30<sup>th</sup> September, 2019 at 3:00 PM at the Registered Office of the Company.

Kindly take on record and oblige us.

For, **DEEP POLYMERS LIMITED**

A handwritten signature in blue ink, appearing to read 'R. Patel', is written over the printed name of the Managing Director.

**Rameshbhai Patel**  
**Managing Director**  
**DIN: 01718102**





**DEEP  
POLYMER**

**DEEP POLYMERS LIMITED**

**14<sup>TH</sup> ANNUAL REPORT**

**2018-19**

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### ***Company Information***

<b><u>Board of Directors</u></b>	1. Mr. Rameshbhai Patel	Managing Director
	2. Ms. Ashaben Patel	Director
	3. Mr. Jignesha Patel	Non Executive Director
	4. Mr. Narayansinh Chauhan	Independent Director
	5. Mr. Subhash Chaturvedi	Independent Director
<b><u>Audit Committee</u></b>	1. Mr. Ramesh Patel	Chairman
	2. Mr. Narayansinh Chauhan	Member
	3. Mr. Subhash Chaturvedi	Member
<b><u>Nomination and Remuneration Committee</u></b>	1. Ms. Jignesha Patel	Chairman
	2. Mr. Narayansinh Chauhan	Member
	3. Mr. Subhash Chaturvedi	Member
<b><u>Stakeholders' Relationship Committee</u></b>	1. Ms. Ashaben Patel	Chairman
	2. Mr. Subhash Chaturvedi	Member
	2. Mr. Narayansinh Chauhan	Member
<b><u>Key Managerial Personnel</u></b>	Mr. Rameshbhai Patel	Managing Director
	Ms. Priya Singh	Company Secretary
	Mr. Debsankar Das	Chief Financial Officer
<b><u>Statutory Auditor</u></b>	M/s. H K Shah & Co, Chartered Accountants, Ahmedabad	
<b><u>Secretarial Auditor</u></b>	Mr. Jitendra Parmar, Practising Company Secretary	
<b><u>Share Transfer Agent</u></b>	Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri (East) ,Mumbai,Maharashtra,400059	
<b><u>Registered Office</u></b>	Block No 727b/H Bhavi Industries Rakanpur (Santej), Kalol District, Gandhinagar-382721.	

## **NOTICE OF THE 14<sup>TH</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 14<sup>th</sup> Annual General Meeting of the Shareholders of **DEEP POLYMERS LIMITED** will be held on 30<sup>th</sup> September, 2019 at the Registered Office of the Company situated at Block No 727 B/H Bhavi Industries Rakanpur (Santej), Kalol District, Gandhinagar- 382 721 to transact the following business.

### **ORDINARY BUSINESS:**

1. To consider and adopt the standalone audited financial statement of the Company for the financial year ended on 31<sup>st</sup> March, 2019 and statement of Profit and Loss account together with the notes forming part thereof and Cash Flow Statement for the financial year ended on that date, and the reports of the Board of Directors (“The Board”) and Auditor thereon.
2. To appoint a director in place of Ms. Ashaben Patel (DIN: 01310745), who retires by rotation and being eligible, offers herself for re-appointment.
3. Appointment of Statutory Auditor and to fix their remuneration - **Ordinary Resolution**

“**RESOLVED THAT** pursuant to provisions of Section 139 and other applicable provisions of the Companies Act 2013, and pursuant to the recommendation made by the Audit Committee and Board of Directors, M/s. S. Mandawat & Co., Chartered Accountants (Firm Registration No. 118330W) to hold office from the conclusion of 14<sup>th</sup> Annual General Meeting till the conclusion of 19<sup>th</sup> Annual General Meeting and that the Managing Director be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company. .”

### **SPECIAL BUSINESS:**

4. **Appointment of Mr. Narayansinh Chauhan as an Independent Director of the Company**

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

“**RESOLVED THAT**, pursuant to the provisions of Sections 149 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the appointment of Mr. Narayansinh Chauhan (DIN: 07424417), who qualifies for being appointed as an Independent Director be and is hereby appointed as an Independent

Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years from 1<sup>st</sup> October, 2019 to 30<sup>th</sup> September, 2024.”

**“RESOLVED FURTHER THAT,** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

**Registered Office:**

Block No 727 B/H Bhavi Industries  
Rakanpur (Santej), Kalol District,  
Gandhinagar – 382 721.

**Place:** Ahmedabad

**Date:** 3<sup>rd</sup> September, 2019

**By the Order of the Board  
Deep Polymers Limited**

**Sd/-**

**Rameshbhai Patel  
Managing Director  
DIN: 01718102**

### **Notes:**

- 1.** PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE FOURTEENTH ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIM/HER AND THE PROXY NEED NOT BE A SHAREHOLDER OF THE COMPANY. A person can act as a proxy on behalf of maximum of 50 shareholders and holding in aggregate not more than 10% of the total share capital of the Company. A shareholder holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other shareholder. Proxies submitted on behalf of limited Companies, Societies, etc., must be supported by an appropriate resolution / authority, as applicable.
- 2.** Every shareholder entitled to vote at a meeting of the company, or on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention to inspect is given to the company.
- 3.** A proxy form is enclosed herewith. In case a shareholder wants to appoint a proxy, a duly completed and stamped proxy form must reach the Registered Office of the Company not later than 48 hours before the time of the aforesaid meeting.
- 4.** Corporate shareholders intending to send their authorized representatives to attend the meeting are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Fourteenth Annual General Meeting.
- 5.** Shareholders who have not registered their email addresses so far are requested to register their email address in respect of their electronic holding with the Depository through their concerned Depository Participants and shareholders are further requested to register their email addresses with the Share Transfer and Registrar Agent of Company i.e. Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri (East), Mumbai, Maharashtra-400059
- 6.** Shareholders/ Proxies attending the meeting are requested to bring the duly completed attendance slip (which has been enclosed herewith) to the Fourteenth Annual General Meeting.
- 7.** All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours.

- 8.** Electronic copy of the notice of the Annual General Meeting along with Annual Report inter-alia, including remote e-voting instructions, proxy form and attendance slip is being sent to all the shareholders whose name appears in the prelist furnished by NSDL and CDSL as Beneficial Owner as on 31<sup>st</sup> August, 2019 at the email Ids registered with the Company / RTA / DP for communication purposes. For those shareholders whose name stand registered in the Register of Members as on 31<sup>st</sup> August, 2019 and who have not registered their email address, physical copies of the Notice of the Annual General Meeting along with Annual Report inter-alia, including remote e-voting instructions, proxy form and attendance slip is being sent to them in the permitted mode.
- 9.** Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rules 20 and 21 of Companies (Management and Administration (Rules), 2014 as amended from time to time and pursuant to Regulation 44 of SEBI (LODR), 2015 the Company is pleased to provide the shareholders of the company facility to exercise their right to vote by electronic means for the resolution set forth in this notice through remote E- voting services provided by National Securities Depository Limited (NSDL). The detail instructions for E -Voting are annexed to this Notice separately.
- 10.** Shareholders are also informed that voting shall be by both the means i.e. polling paper and E –voting. Shareholders who could not vote through remote E-Voting can exercise their voting rights at the Fourteenth Annual General Meeting. The Company will make arrangements of polling papers in this regard at the Meeting's Venue. The shareholders attending the meeting who have not cast their vote by remote E-Voting shall be able to exercise their right to vote at the meeting.
- 11.** However, the shareholders who have cast their vote by remote E-Voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. In case the shareholders have cast their vote, through E - Voting and Polling Papers, then voting through E-voting shall prevail and voting done by Polling Papers shall be treated as invalid.
- 12.** The Company has set 21<sup>st</sup> September, 2019 as the “Cut-off Date” for taking record of the shareholders of the Company who will be eligible for casting their vote on the resolution to be passed in the ensuing Fourteenth Annual General Meeting, for both E- Voting and Voting by Physical Mode through polling papers.
- 13.** The Board of Directors of the Company has appointed Mr. Jitendra Parmar, Practising Company Secretary, Ahmedabad as the Scrutinizer, for conducting the E-Voting and Poll paper voting process for the Fourteenth Annual General Meeting in a fair and transparent manner.



- 14.** The Resolution will be taken as passed effectively on the date of announcement of the result by the Chairman of the Company, if the result of the E-voting & Paper Poll Votes indicates that the requisite majority of the Shareholders had assented to the Resolution.
- 15.** The scrutinizer shall, immediately after the conclusion of voting at the Fourteenth Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, within a period not exceeding 48 hours from the conclusion of Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same and declare the result of the voting forthwith. After declaration, the result of the E-voting and Paper Poll Votes will also be posted on the Company's website [www.deeppolymer.in](http://www.deeppolymer.in) besides communicating the same to NSDL and Bigshare Services Private Limited Corporate Services Private Ltd, Registrar and Share transfer Agents on the said date and also to Bombay Stock Exchange, Main Board where the shares of the Company are listed.
- 16.** In case of joint-holding, the Voting Poll Paper Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Shareholder and in his/her absence, by the next named Shareholder.
- 17.** Unsigned or incomplete and improperly or incorrectly ticked Voting Poll Papers shall be rejected.
- 18.** A person who acquires shares and becomes shareholder of the Company after the dispatch of the Notice and remains a Shareholder as on 21<sup>st</sup> September, 2019 (the "Cut-off" date) can exercise remote E-Voting by obtaining the Login Id and Password by sending an email to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) by mentioning their Folio No./ DP ID/ and Client ID No. However, if such shareholder is already registered with NSDL for remote E-Voting then the existing user ID and password can be used for casting their vote.
- 19.** The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members are therefore requested to submit their PAN to their depository participant(s).
- 20.** The route map showing directions to reach the venue of the 14<sup>th</sup> Annual General Meeting is annexed.
- 21.** Additional information, pursuant to Regulation 36 of the SEBI LODR Regulations and as per Secretarial Standard -2 issued by Institute of Company Secretaries of India, in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms part of the Explanatory Statement.

## 22. General information on E- Voting: -

- i. The Voting rights of the shareholders will be in proportion of their shares as on 21<sup>st</sup> September, 2019 to the paid up share capital of the Company.
- ii. The scrutinizer shall count the votes cast at the Meeting and thereafter unblock the votes cast through remote E-Voting in the presence of at least two witnesses not in the employment of the Company and make a consolidated scrutinizer's report of the votes cast in favour or against, in not later than two days of the conclusion of the meeting. And shall forthwith forward the same to the Chairman who shall countersign the same.
- iii. The Voting results of the Fourteenth Annual General Meeting so declared shall be immediately placed on the BSE website and will also be available on the website of NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- iv.

### **The Instructions for shareholders voting electronically are as under:**

1. Open the attached PDF file "**e-Voting.pdf**" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting
2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
3. Click on "Shareholder - Login".
4. Put User ID and password as initial password noted in step (1) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
6. Home page of remote "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
7. Select "EVEN" of Deep Polymers Limited. Members can cast their vote online from **27<sup>th</sup> September, 2019 (9:00 am) till 29<sup>th</sup> September, 2019 (5:00 pm)**.  
**Note: e-Voting shall not be allowed beyond said time.**

8. Now you are ready for “e-Voting” as “Cast Vote” page opens.
9. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm”, when prompted.
10. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail [csjitendraparmar@gmail.com](mailto:csjitendraparmar@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

## ANNEXURE TO NOTICE

### **EXPLANATORY STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013**

#### **Item No: 3**

The statutory Auditors, M/s. H. K. Shah, Chartered Accountants, Ahmedabad (Firm Registration No. 109583W) have expressed their unwillingness to continue as the auditors of the Company. A special notice has been received under section 140(4)(i) of the Companies Act, 2013 from a member proposing appointment of M/s. S. Mandawat & Co., Chartered Accountants (Firm Registration No. 118330W) as the statutory auditors. The Audit Committee has considered the qualifications and experience of the proposed auditors and has recommended their appointment. The Board of Directors has also considered the matter and recommends the passing of the Special Resolution appointing M/s. S. Mandawat & Co., Chartered Accountants (Firm Registration No. 118330W) as statutory auditors in place of the continuing Auditor. Written consent of the proposed auditors together with a certificate that the appointment, if made, shall be in accordance with the conditions specified in Rule 4 of the Companies (Audit and Auditors) Rules, 2014 has been received.

None of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the Resolution.

#### **Item No. : 4**

Pursuant to provisions of Section 161 of the Companies Act, 2013 and pursuant to the Articles of Association of the Company, the Board of Directors of the Company has appointed Mr. Narayansinh Chauhan as an Additional Director with effect from 3<sup>rd</sup> September, 2019. Mr. Narayansinh Chauhan is an Independent Woman Director on the Board of the Company.

The Company has received a declaration from Mr. Narayansinh Chauhan that he meets with criteria of independence as prescribed under section 149 of the Companies Act, 2013. Mr. Narayansinh Chauhan possesses appropriate skills, experience and knowledge in the field of Law. Brief resume of Mr. Narayansinh Chauhan, nature of his expertise in specific functional areas and names of the Companies in which he holds directorships and memberships / chairperson of the Board / Committees and shareholding are provided in the annexure to the explanatory statement attached herewith.

In the opinion of the Board, Mr. Narayansinh Chauhan fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company.

Keeping in view of his experience and knowledge, the Board considers that his association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Narayansinh Chauhan as an Independent Director.

Save and except Mr. Narayansinh Chauhan and their relatives to the extent their shareholding in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 4.

**Registered Office:**

Block No 727 B/H Bhavi Industries  
Rakanpur (Santej), Kalol District,  
Gandhinagar – 382 721.

**Place:** Ahmedabad

**Date:** 3<sup>rd</sup> September, 2019

**By the Order of the Board  
Deep Polymers Limited**

**Sd/-**

**Rameshbhai Patel  
Managing Director  
DIN: 01718102**

## Annexure to the Explanatory Statement

Relevant details as stipulated under Regulation 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings (“SS-2”) issued by Institute of Company Secretaries of India, in respect of directors seeking appointment / reappointment as director :

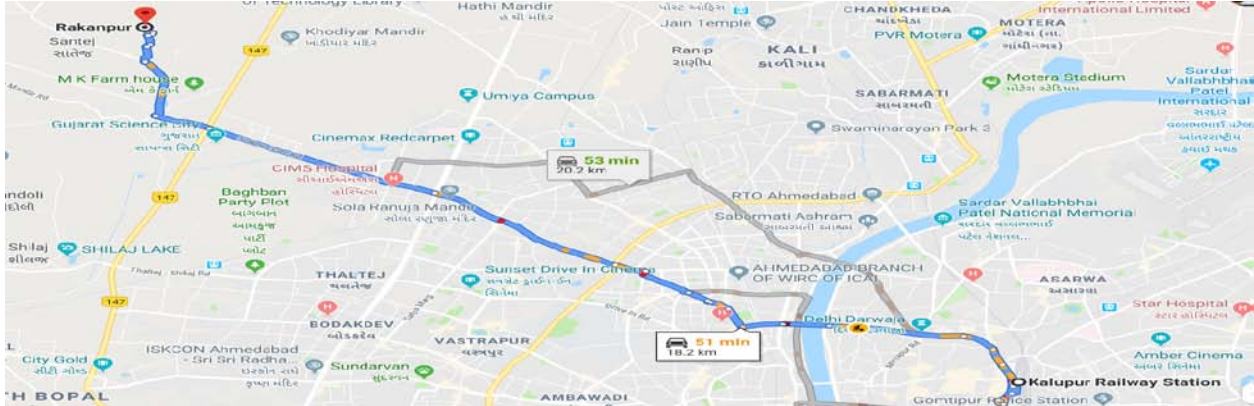
<b>Name of the Director</b>	<b>Narayansinh Chauhan</b>
Date of Birth	10-07-1945
Date of first Appointment on the Board	03-09-2019
Qualifications	L. L. M.
Experience/Brief Resume/ Nature of expertise in specific functional areas;	Law
Terms and Conditions of Appointment along with remuneration sought to be paid.	N.A.
Remuneration last drawn by such person, if any	N.A.
No. of Shares held in the Company as on 31 <sup>st</sup> March, 2019	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company/ Disclosure of relationships between directors inter-se;	N.A.
Number of Meetings of the Board attended during the year.	Nil
Directorship / Designated Partner in other Companies / LLPs	1. Mayur Pulses Private Limited 2. Aryavan Enterprise Limited 3. Wynad Estate and Industries Limited
Chairman/Member of the Committees of Board of other Companies/ Names of listed entities in which the person also holds the directorship and the membership of the Committees of the board	

## Route Map to the venue of the Seventh Annual General Meeting as per Secretarial Standard-2

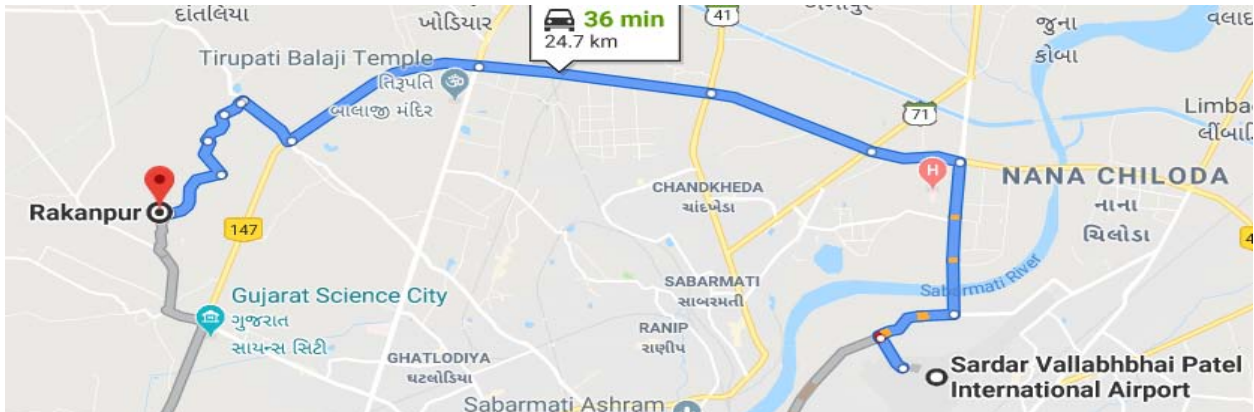
### Prominent Land Mark of the Venue:

Block No 727 B/H Bhavi Industries Rakanpur (Santej), Kalol District,  
Gandhinagar – 382 721

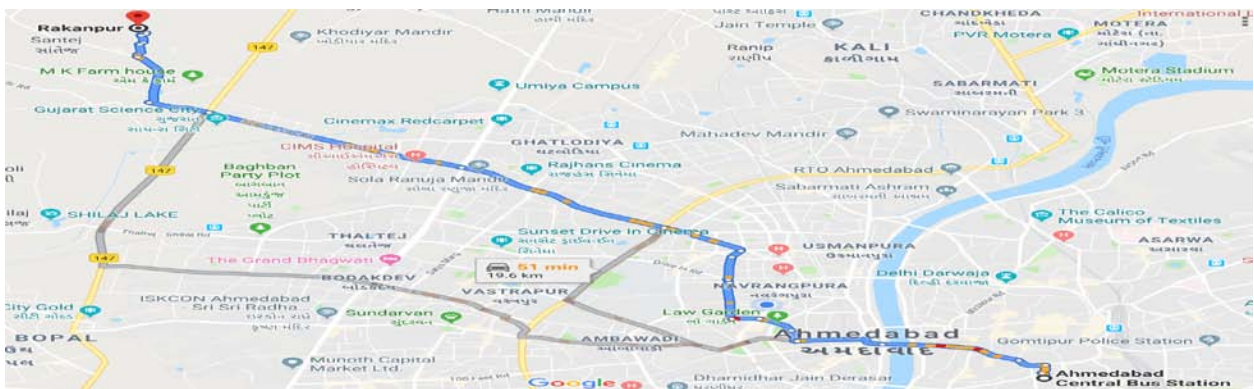
#### A. From Kalupur Railway Station



#### B. From Ahmedabad Airport



#### C. From Ahmedabad Central Bus Station



## BOARD'S REPORT

To,  
The Members,

Your Directors are pleased to present the 14<sup>th</sup> Annual Report on the Business and Operations of the Company along with the Audited Statement of Accounts for the Financial Year ended on 31<sup>st</sup> March, 2019.

### 1. FINANCIAL RESULT

The financial performance of the Company for the Financial Year ended on 31<sup>st</sup> March, 2019 and for the previous financial year ended on 31<sup>st</sup> March, 2018 is given below:

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Revenue from Operations	40.42	39.79	40.42	39.79
Other Income	2.11	1.31	2.11	1.31
<b>Total</b>	<b>42.53</b>	<b>41.10</b>	<b>42.53</b>	<b>41.10</b>
<b>Total Expenses</b>	<b>37.94</b>	<b>38.21</b>	<b>37.94</b>	<b>38.21</b>
Profit Before Exceptional and Extra Ordinary Items and Tax	4.59	2.89	4.59	2.89
Exceptional Items	0.00	0.00	0.00	0.00
Profit before Extra -Ordinary Items and Tax/ Profit Before Tax	4.59	2.89	4.59	2.89
Tax Expense: Current Tax	1.19	0.82	1.19	0.82
Deferred Tax	0.01	-0.04	0.01	-0.04
Total Tax expense	1.20	0.78	1.20	0.78
<b>Profit for the Period</b>	<b>3.37</b>	<b>2.11</b>	<b>3.37</b>	<b>2.11</b>
<b>Earnings Per Share (EPS)</b>				
<b>Basic</b>	<b>3.07</b>	<b>2.01</b>	<b>3.21</b>	<b>2.03</b>
<b>Diluted</b>	<b>3.07</b>	<b>2.01</b>	<b>3.21</b>	<b>2.03</b>



## **2. OPERATIONS**

On consolidated basis, revenue from operations for FY 2018-19 was Rs. 40.42 Crores. The Profit before tax of the Company for the financial year 2018-19 stood at Rs. 4.59 Crores making Net Profit after Tax for the financial year 2018-19 of Rs. 3.37 Crores.

On Standalone basis, revenue from operations for FY 2018-19 was Rs. 40.42 Crores. The Profit before tax of the Company for the financial year 2018-19 stood at Rs. 4.59 Crores making Net Profit after Tax for the financial year 2018-19 of Rs. 3.37 Crores.

## **3. CHANGE IN NATURE OF BUSINESS, IF ANY**

During the Financial Year 2018-19. Our Company got listed on SME Platform of BSE Limited.

## **4. ANNUAL RETURN**

The extract of the Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form No. MGT - 9 has been placed at the Company's website under Section Investors.

## **5. BOARD MEETINGS AND ATTENDANCE**

The Directors of the Company met at regular intervals at least once in a quarter with the gap between two meetings not exceeding 120 days to take a view of the Company's policies and strategies apart from the Board Matters.

During the year under the review, the Board of Directors met 10 (Ten) times viz 7<sup>th</sup> April, 2018 , 17<sup>th</sup> April, 2018, 30<sup>th</sup> April, 2018, 30<sup>th</sup> May, 2018, 25<sup>th</sup> July, 2018, 17<sup>th</sup> August, 2018, 30<sup>th</sup> September, 2018, 14<sup>th</sup> November, 2018, 1<sup>st</sup> December, 2018 and 15<sup>th</sup> March, 2018.

## **6. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134 (3)(c) and Section 134(5) of the Companies Act, 2013, to the best of their knowledge and belief the Board of Directors hereby submit that:

- a. In the preparation of the Annual Accounts, for the year ended on March 31, 2019 the applicable accounting standards have been followed and there are no material departure from the same,

- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year and of the profit of the company for the financial year ended on March 31, 2019,
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
- d. The directors had prepared the Annual Accounts on a going concern basis,
- e. The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **7. COMMENT ON AUDITORS' REPORT**

There were no qualifications, reservations, adverse remarks or disclaimer made by the Auditors in their report on the financial statement of the Company for the financial year ended on March 31, 2019. Furthermore, there were no frauds reported by the Auditors of the Company pursuant to Companies Act, 2013 and the rules made there-under. Maintenance of cost records as specified under Companies Act, 2013 is not applicable to the Company.

#### **8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The details of loans, investment, guarantees and securities covered under the provisions of section 186 of the Companies Act, 2013 are provided in the financial statement.

#### **9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All transactions to be entered by the Company with related parties will be in the ordinary course of business and on an arm's length basis. However, the Company has not entered into any related party transaction, as provided in Section 188 of the Companies Act, 2013, with the related party. Hence, Disclosure as required under Section 188 of the Companies Act, 2013 is not applicable to the Company.

## **10. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has its Internal Financial Control systems commensurate with operations of the Company. The management regularly monitors the safeguarding of its assets, prevention and detection of frauds and errors, and the accuracy and completeness of the accounting records including timely preparation of reliable financial information.

The Head of Internal Audit together with External Audit consults and reviews the effectiveness and efficiency of these systems and procedures to ensure that all assets are protected against loss and that the financial and operational information is accurate and complete in all respects.

## **11. Reserves & Surplus**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Amount (in Rs.)</b>
1.	Balance at the beginning of the year	17,468,086
2.	Current Year's Profit	3,51,87,711
3.	Amount of Securities Premium and other Reserves	40,800,000
<b>Total</b>		

## **12. DIVIDEND**

To conserve resources for future prospect and growth of the Company, your Directors regret to declare Dividend for the Financial Year 2018-19 (Previous year - Nil).

## **13. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATES AND THE DATE OF THE REPORT**

There are no material changes and commitments, affecting the financial position of the Company which has occurred in the financial year 2018-19

## **14. TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund ("IEPF"). During the year under review, there was no unpaid or unclaimed dividend in the "Unpaid Dividend Account" lying for a period of seven years from the date of transfer of such unpaid dividend to the said account. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund.

## **15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details of conservation of energy, technology absorption etc. as required to be given under section 134(3)(m) of the Companies Act 2013 read with the Companies (Accounts) Rules, 2014, is not given as the Company has not taken any major step to conserve the energy etc. Further, there was no foreign exchange earnings and outgo during the financial year 2018-19 (Previous Year – Nil).

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

The Company has in place, a mechanism to identify, assess, monitor and mitigate various risks towards the key business objectives of the Company. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

## **17. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Directors and Key Managerial Personnel of the Company are summarized below:

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>DIN</b>
1.	Mr. Rameshbhai Patel	Managing Director	01718102
2.	Mr. Kirti Saghvi*	Independent Director	08122735
3.	Mr. Subhash Chaturvedi@	Independent Director	01663471
4.	Ms. Ashaben Patel	Non-Executive Director	01310745
5.	Mr. Narayansigh Chauhan**	Independent Director	07424417
6.	Mr. Jignasha Patel	Non-Executive Director	06963053
7.	Ms. Dhruqa Thakkar#	Company Secretary	-
7.	Ms. Priya Singh\$	Company Secretary	-
8.	Mr. Debshankar Das@	CFO	-

\*Mr. Kirti Sanghvi was appointed as Independent Director w.e.f. 30-04-2019 and he has resigned from the office of Directorship w.e.f. 05-09-2019

@Mr. Subhash Chaturvedi was appointed as Independent Director and Mr. Debsankar Das was appointed as CFO w.e.f. 30-04-2019\*\*Mr. Narayansigh Chauhan was appointed as Independent Director w.e.f. 3rd September, 2019.

# Ms. Dhruqa Thakkar was appointed as Company Secretary w.e.f. 30-04-2018 and resigned on 30-09-2018

\$ Ms. Priya Singh was appointed as Company Secretary w.e.f. 01-12-2018

As per Companies Act, 2013 the Independent Directors are not liable to retire by rotation.

## **18. DECLARATION BY INDEPENDENT DIRECTORS**

Mr. Kirti Sanghvi and Mr. Subhash Chaturvedi, Independent Directors of the Company have confirmed to the Board that they meet the criteria of Independence as specified under Section 149 (6) of the Companies Act, 2013 and they qualify to be Independent Directors. They have also confirmed that they meet the requirements of Independent Director as mentioned under Regulation 16 (1) (b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The confirmations were noted by the Board.

## **19. CORPORATE GOVERNANCE**

Since the Company has listed its specified securities on the SME Exchange therefore by virtue of Regulation 15 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the Company. Hence Corporate Governance does not form part of this Board's Report.

## **20. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company has an Associate Company i.e. Deep Additives Private Limited.

## **21. DEPOSITS**

As per Section 73 of the Companies Act, 2013 the Company has neither accepted nor renewed any deposits during the financial year. Hence the Company has not defaulted in repayment of deposits or payment of interest during the financial year.

## **22. FORMAL ANNUAL EVALUATION PROCESS BY BOARD**

Pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder, the Board has carried the evaluation of its own performance, performance of Individual Directors, Board Committees, including the Chairman of the Board on the basis of attendance, contribution towards development of the Business and various other criteria as recommended by the Nomination and Remuneration Committee of the Company. The evaluation of the working of the Board, its committees, experience and expertise, performance of specific duties and obligations etc. were carried out. The Directors expressed their satisfaction with the evaluation process and outcome.

In a separate meeting of Independent Directors the performances of Executive and Non-Executive Directors were evaluated in terms of their contribution towards the growth and development of the Company. The achievements of the targeted goals and the achievements of the Expansion plans were too observed and evaluated, the outcome of which was satisfactory for all the Directors of the Company.

### **23. STATUTORY AUDITOR**

M/s. H K Shah & Co, Chartered Accountants, Ahmedabad, Chartered Accountants, Ahmedabad (Firm's Registration No. 109583W), were appointed as the Statutory Auditors of the Company for a period of 5 (five) years. The Auditor's report for the financial year ended March 31, 2019 has been issued with an unmodified opinion, by the Statutory Auditors.

### **24. SECRETARIAL AUDITOR**

The Board appointed Mr. Jitendra Parmar, Practicing Company Secretaries, Ahmedabad to conduct Secretarial Audit for the Financial Year 2018-19. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2019 is annexed herewith marked as Annexure-1 to this Report.

### **25. DISCLOSURES**

#### **A. Composition of Audit Committee:**

During the year under review, meetings of members of the Audit committee as tabulated below, was held on 30<sup>th</sup> May, 2018 , 25<sup>th</sup> July, 2018, 14<sup>th</sup> November, 2018, 15<sup>th</sup> March, 2019, and the attendance records of the members of the Committee are as follows:

<b>Name</b>	<b>Status</b>	<b>No. of the Committee Meeting entitled</b>	<b>No. of Committee Meeting attended</b>
<b>1. Mr. Kirti Saghvi</b>	Chairman	4	4
<b>2. Mr. Rameshbhai Patel</b>	Member	4	4
<b>3. Mr. Subhash Chaturvedi</b>	Member	3	3

(The details of Committee members are as on the closure of Financial year i.e. 31<sup>st</sup> March, 2019)

During the year all the recommendations made by the Audit Committee were accepted by the Board.

Composition of Nomination and Remuneration Committee:

During the year under review, meetings of the members of the Nomination and Remuneration committee, as tabulated below, was held on 30<sup>th</sup> May, 2018, 25<sup>th</sup> July, 2018, 1<sup>st</sup> December, 2018 , 15<sup>th</sup> March, 2019 and the attendance records of the members of the Committee are as follows:

<b>Name</b>	<b>Status</b>	<b>No. of the Committee Meeting entitled</b>	<b>No. of Committee Meeting attended</b>
1. Mr. Jignesh Rameshbhai Patel	Chairman	4	4
2. Mr. Kirti Saghvi	Member	4	4
3. Mr. Subhash Chaturvedi	Member	3	3

(The details of Committee members are as on the closure of financial year i.e. 31<sup>st</sup> March, 2019)

B. Composition of Stakeholders' Relationship Committee:

During the year under review, meetings of members of Stakeholders' Relationship committee as tabulated below, was held on 30<sup>th</sup> May, 2018 , 25<sup>th</sup> July, 2018, 14<sup>th</sup> November, 2018, 15<sup>th</sup> March, 2019 and the attendance records of the members of the Committee are as follows:

<b>Name</b>	<b>Status</b>	<b>No. of the Committee Meeting entitled</b>	<b>No. of Committee Meeting attended</b>
1. . Mr. Kirti Saghvi	Chairman	4	4
2. Ms. Ashaben Patel	Member	4	4
3. Mr. Subhash Chaturvedi	Member	3	3

(The details of Committee members are as on the closure of Financial year i.e. 31<sup>st</sup> March, 2019)

## **26. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has always been committed to provide a safe and conducive work environment to its employees. Your Directors further state that during the year under review there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as confirmed by the Internal Complaints Committee as constituted by the Company.

## **27. MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis Report as required under Regulation 34 and Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report, and provides the Company's current working and future outlook as per Annexure -2.

## **28. ACKNOWLEDGEMENTS**

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory Bodies, Stakeholders including Financial Institutions, Suppliers, Customers and other business associates who have extended their valuable sustained support and encouragement during the year under review.

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for the commitment displayed by all executives, officers and staff at all levels of the Company. We look forward for the continued support of every stakeholder in the future.

### **Registered Office:**

Block No 727 B/H Bhavi Industries  
Rakanpur (Santej), Kalol District,  
Gandhinagar – 382 721.

**Place:** Ahmedabad

**Date:** 3<sup>rd</sup> September, 2019

**By the Order of the Board  
Deep Polymers Limited**

**Sd/-**

**Rameshbhai Patel  
Managing Director  
DIN: 01718102**



**SECRETARIAL AUDIT REPORT**

**Form No. MR-3**

For the financial year ended March 31, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**DEEP POLYMERS LIMITED**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DEEP POLYMERS LIMITED** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that, in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019, generally 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.

I have examined the books, papers, minutes' books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made there under as applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under ;
- iv. Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made there under to the extent of Foreign Direct Investment;
- v. 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations")

vi. Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Companies Act, 2013, Rules made thereunder, Regulations, guidelines etc. and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 mentioned above except;

And other generally applicable laws to the company are mentioned in **Annexure A**. I have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances of the said laws.

During the Period under review, provisions of the following Acts, Rules, Regulations, and Standards are not applicable to the Company,

- i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- ii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - the Company is not registered as Registrar to an Issue & Share Transfer Agent. However, the Company has appointed Satellite Corporate Services Private Limited as Registrar & Share Transfer Agent as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- iv. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- v. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- vi. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vii. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment and External Commercial Borrowings.

**I further report that -**

The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director.

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

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

**I further report that -**

There were no special / specific event occurred during the period under review has been duly complied.

**Place : Ahmedabad**

**Signature:**

**Date : 03-09-2019**

**Name of Practicing Company Secretary: Jitendra Parmar**

**ACS No. : 41977**

**C P No. : 15863**

**Note:** This Report is to be read with my letter of above date which is annexed as **Annexure B** and forms an integral part of this report.

**List of major Specific Acts applicable to the Company**

1. The Indian Contract Act, 1872
2. Negotiable Instrument Act,1881
3. Sales of Goods Act,1930
4. Arbitration & Conciliation Act,1996
5. Indian Stamp Act, 1958 (as applicable to the State of Gujarat)
6. Registration Act, 1908

To,  
The Members,  
**DEEP POLYMERS LIMITED**

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis, on the records and documents provided by the Management of the Company, to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.
5. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place : Ahmedabad**

**Signature:**

**Date : 03-09-2019**

**Name of Practicing Company Secretary: Jitendra Parmar**

**ACS No: 41977**

**C P No : 15863**

## **Annexure-2**

### **Management Discussion and Analysis**

#### **A. Industry structure and developments**

Deep Polymer Ltd is engaged in manufacturing of Antifab Filler Master Batches. Changing economic and business conditions, technological innovation and technology adoption are making the markets more competitive. The customer focus has shifted to cost saving and alternate solution. Axel always provides the optimum solution to its customer. These are challenging times across the world. Almost every business every individual is being impacted in these times and your Company is no exception to it. This is the time for us to show what we are made up of. We must work harder and smarter, delight our customers now more than ever. The true spirit is founded on our enthusiasm, on our constant will to renew, on our willingness to assume responsibility and to ensure that we succeed. Your company backed by a list of Multinational and Indian Corporate Giants and remarkable processing talents was able to face those challenges by bolstering talent and cost-effective plans across the company.

#### **B. Opportunities and Threats**

Compared to the Global crisis, the effect on India was less pronounced. The main factor is the domestic consumption in India is sufficiently large. Sustained domestic growth will bring improvement in all facets of life. World markets continued to remain in the slump but do recognise the competitiveness of Indian products and services. This will in turn accelerate the pace of the domestic markets too in future. The Company has launched its own Brand of Polymer Compounds. The market penetration is extremely good and the response received from the new customers was welcome. However, with our presence in the Compounding Industry for nearly 2 decades, made things fall into place with lesser difficulties. The existing expanded scale of our operations, future developments, low overheads, and qualities of products matching with International Standards are our inherent strengths. This in turn continues to give us unparalleled platform to be more competitive. We are focused to deliver superior values to customers, ensuring International qualities for all the products and services.

#### **C. Segment-wise or product-wise performance**

The Company is operating in only one segment. Therefore there is no requirement of Segment wise reporting.

#### **D. Outlook**

Deep Polymer Ltd is engaged in manufacturing of Antifab Filler Master Batches Since 2004. It has witnessed phenomenal growth since its inception. Today, the company has production level of filler Masterbatches 25000 MT / Annum. Over the years it has carved a space in the competitive marketplace. This is a culmination of continuous improvement in quality, innovation and customer focus. The company is led by entrepreneur Rameshbhai Patel. He leads a team of dedicated professionals who have expertise and experience in the industry

#### **E. Risks and concerns**

Polymer Industry has a certain specific set of risk characteristics, which needs to be carefully evaluated and mitigated. In order to effectively manage the same, the Company has evolved proactive Risk Management System, which is adhered to. The risk management covers the entire process from capital investment, competitors' activities, new entrants etc. Continual reforms and emphasis on technological developments shall reduce the exposure to risk.

#### **F. Internal control systems and their adequacy**

The Company has adequate internal financial control systems that commensurate with the size and nature of its business. Management has overall responsibility for the Company's control systems to safeguard assets and to ensure reliability of financial records. The Company has due policies and procedures to ensure effective control of its business, including adherence to Company's policies, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of financial information. The Company has a detailed budgetary control system and the actual performance is reviewed periodically and decisions are taken accordingly. Internal audit program covers all areas of activities and periodical reports are submitted to the management and a quarterly internal audit report is placed before the Audit Committee for its review and the Internal Auditor will also be present. Audit Committee reviews all financial statements and ensures adequacy of control systems. The Company has a well-defined organization structure, authority levels and internal rules and guidelines for conducting business transactions.

#### **G. Discussion on financial performance with respect to operational performance**

The financial performance of the Company for the financial year 2018-19 is described in the report of Board of Directors' of the Company.

#### **H. Material developments in Human Resources / Industrial Relations front including number of people employed**

The cordial employer - employee relationship also continued during the year under the review. The company has continued to give special attention to human resources.

**Registered Office:**

Block No 727 B/H Bhavi Industries  
Rakanpur (Santej), Kalol District,  
Gandhinagar – 382 721.

**Place:** Ahmedabad

**Date:** 3<sup>rd</sup> September, 2019

**By the Order of the Board  
Deep Polymers Limited**

**Sd/-**

**Rameshbhai Patel  
Managing Director**

**DIN: 01718102**

## INDEPENDENT AUDITOR'S REPORT

**To the Members of Deep Polymers Limited (previously known as Deep Polymers Private Limited)**

### **Report on Audit of Financial Statements**

#### **Opinion**

We have audited the financial statements of **Deep Polymers Limited** (previously known as Deep Polymers Private Limited) (herein after referred to as “the Company”) which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss 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 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, 2019, and its profit/loss and its 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. 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 Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the financial year ended March 31, 2019. 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. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Financial Statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Financial Statements.



<b>Key Audit Matter</b>	<b>How our Audit addressed the key Audit Matter</b>
<p><b>i) Revenue recognition</b></p> <p>Revenue recognition policy of the Company is stated at point No. H of Note No.1</p> <p>Recognition of revenue from the transactions as on cut off date can directly affect the value of the sales disclosed and in turn the profit disclosed by the company and therefore has been considered as a Key Audit Matter.</p>	<p>We have verified more than 60% of transactions and all the transactions as on Cut off date.</p> <p>Further, we have also checked adequacy and effectiveness of Internal Control on the Revenue Booking system of the company.</p>
<p><b>ii) Valuation of Inventory</b></p> <p>Accounting Policy for Inventory valuation is stated at point No. F of Note No.1</p> <p>Finished goods are valued at Lower of Cost or Net Realizable Value. Considering that there is always volatility in the selling price of finished goods, which is dependent upon various market conditions, determination of net realizable value of finished goods involves significant management judgment and therefore has been considered as a Key Audit Matter.</p>	<p>Obtained an understanding of the determination of the net realizable value of finished goods and tested the reasonableness of the significant judgements applied by the management.</p> <p>Evaluated the design of internal controls relating to the valuation of finished goods and also tested the operating effectiveness of the aforesaid controls.</p> <p>Compared the actual realization after the year end / latest realization to assess the reasonableness of the net realisable value that was estimated and considered by the management.</p> <p>Compared the cost of the finished goods with the estimated net realisable value and checked if the finished goods were recorded at net realisable value where the cost was higher than the net realisable value.</p> <p>Assessed the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework</p>

### **Information Other Than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. 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 in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

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, 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.

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

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

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

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

- 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.

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' 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, based on our audit we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- 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 Statement of Cash Flow 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 prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.

e) on the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

(f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017;

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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The company has disclosed the impact of pending litigations on its financial position in its financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amount which were required to be transferred, to the Investor Education and Protection Fund by the Company

For H K Shah & Co,  
Chartered Accountants  
(Firm's Registration No. 109583W)

Malav Desai  
Partner  
(Membership No. 135524)  
Ahmedabad  
Date: 30<sup>th</sup> May 2019

## **ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Deep Polymers Limited of even date)

### **i. IN RESPECT OF COMPANY'S FIXED ASSETS:**

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.

### **ii. IN RESPECT OF COMPANY'S INVENTORIES:**

(a) As explained to us, the physical verification of the inventory has been conducted by the management at reasonable intervals during the year

(b) In our opinion and according to the information and explanations given to us the procedures of the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business

(c) The Company has generally maintained proper records of inventory. As explained to us there was no material discrepancies noticed on physical verification of inventory as compared to book records

iii. The company has not granted any Loans, Secured or Unsecured, to Companies, Firms, Limited Liability Partnerships or Other Parties covered in the Register maintained under Section 189 of the Companies Act, 2013

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2019 on account of dispute are given below:

<b>Nature of the statute</b>	<b>Nature of Dues</b>	<b>Forum where dispute is pending</b>	<b>Period to which the amount relates</b>	<b>Amount Rs. Crore</b>
The Income Tax Act, 1961	Income Tax	Appellate Tribunal	A.Y. 2011-12	1.21

viii. 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. Company only enjoys Cash Credit Limit from the HDFC and Interest on the same is paid on time.

ix According to the information and explanations given to us, the Company has raised funds by way of initial public offer and same have been applied for the purpose for which it was raised.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For H K Shah & Co,  
Chartered Accountants  
(Firm's Registration No. 109583W)

Malav Desai  
Partner  
(Membership No. 135524)  
Ahmedabad  
Date: 30<sup>th</sup> May 2019

## **Note 1 : Significant Accounting Policies & Notes Forming Part of Accounts as on March 31<sup>st</sup> 2019**

### **1. Corporate Information:**

Deep Polymers Limited (“Deep” or the “Company”) is converted into public company from private limited company on April 6, 2018 and is domiciled and headquartered in India and incorporated under Companies Act, 1956. The registered office of the company is located at Block No. 727 B/h, Bhavi Industries Rakanpur (Santej), Tal kalol, Dis Gandhinagar. The company is engaged into the Manufacturing of antifab filler master batches which is used along with the master batches to provide different variations of the quality.

### **2. Summary of significant accounting policies:**

#### **A. Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management’s best knowledge of current Events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### **B. Tangible and Intangible Assets**

All tangible and intangible Assets are valued at cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

#### **C. Depreciation of tangible and intangible assets**

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written down value (WDV) Method on all Assets. Depreciation is provided based on Useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

During the preceding years, the Company was providing depreciation on written down value basis at the rate prescribed in Schedule XIV of the Companies Act, 1956.

#### **D. Borrowing Cost**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangements of borrowings.

Borrowing cost directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

#### **E. Government Grants**

The State Government and Central Government grants relating to the fixed assets are shown as deduction from the gross value of the Fixed Assets.

#### **F. Inventories**

The stock of raw materials is valued at cost. Work In Progress at estimated cost and finished goods is valued at lower of cost or net realizable value. Cost comprises expenditure incurred in



the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate related overheads.

#### **G. Investments**

Long term investments are carried at cost less provision for diminution, other than temporary, in value of such investments. Current investments are carried individually, at the lower of cost and fair value. Costs of investments include acquisition charges such as brokerage, fees and duties.

#### **H. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

##### **Sale of Goods**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods. The company collects excise taxes, sales taxes, Goods & Service Tax (GST) and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

##### **Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

#### **I. Retirement and other employee benefits**

Retirement benefit in the form of Provident fund is a defined contribution scheme. These contributions are charged to Profit and Loss statement. Leave encashment is charged to Profit and Loss account in the year in which it is paid.

Till FY 16-17, gratuity was charged to statement of profit and loss on actual payment basis. However in FY 17-18 charge of gratuity for the respective years has been made based on the actuarial valuation reports to comply with Accounting Standard - 15 "Employee Benefits".

#### **J. Lease accounting**

##### **Operating Lease**

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals on assets taken on operating lease are recognized as an expense in the statement of profit and loss. Initial direct cost in respect of the lease acquired is expensed out in the year in which such costs are incurred.

#### **K. Foreign currency transaction and balances Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

**L. Conversion**

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date to comply with the requirements of Accounting standard - 11 "The Effects of Changes in Foreign Exchange Rates."

**M. Exchange differences**

All exchange differences are recognized as income or as expenses in the period in which they arise.

**N. Income Tax**

Tax expenses comprise current tax and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

**O. Deferred Income Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities 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 (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

**P. Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or 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.

**Q. Provisions**

A provision is recognized when the company has a present obligation as a result of past event. It is possible that an outflow of resources embodying benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**R. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or nonoccurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but disclosed its existence in the financial statements.

**S. Segment Reporting**

The Company's main activity is manufacturing of Antifab Filler which constitutes a single reportable segment in the context of Accounting Standard – 17 “Segment Reporting” issued by the Institute of Chartered Accountants of India.

**Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)**  
(CIN : U25209GJ2005PLC046757)

**BALANCE SHEET AS ON 31ST MARCH, 2019**

			Amount in Rs.	
Particulars	Note No.	As at 31st March 2019	As at 31st March 2018	
<b>I. EQUITY AND LIABILITIES</b>				
<b><u>(1) Shareholders' Funds</u></b>				
(a) Share Capital	2	11,87,16,000	10,51,16,000	
(b) Reserves and Surplus	3	12,13,78,145	4,98,68,981	
(c) Money Received against share Warrants		-	-	
		24,00,94,145	15,49,84,981	
<b><u>(2) Share Application money Pending Allotment</u></b>				
		-	-	
<b><u>(3) Non-Current Liabilities</u></b>				
(a) Long-Term Borrowings	4	2,30,24,845	4,14,65,399	
(b) Deferred Tax Liabilities (Net)	5	21,047	(1,27,549)	
(c) Other Long Term Liabilities		-	-	
(c) Long Term Provisions	6	(5,74,366)	(5,45,239)	
		2,24,71,526	4,07,92,611	
<b><u>(4) Current Liabilities</u></b>				
(a) Short-Term Borrowings	7	2,83,02,561	6,17,96,387	
(b) Trade Payables	8	1,52,68,538	2,85,43,324	
(c) Other Current Liabilities	9	65,295	13,71,357	
(d) Short-Term Provisions	10	31,04,886	28,14,334	
		4,67,41,280	9,45,25,402	
<b>Total Equity &amp; Liabilities :</b>		<b>30,93,06,951</b>	<b>29,03,02,994</b>	
<b>II. ASSETS</b>				
<b><u>(1) Non-Current Assets</u></b>				
(a) Fixed Assets	11	2,98,89,692	3,66,11,703	
(i) Tangible Assets		-	-	
(ii) Intangible Assets		-	-	
(iii) Capital Work in Progress		-	-	
(b) Non Current Investments	12	9,95,000	1,56,73,841	
(c) Long term loans and advances	13	52,44,895	37,17,895	
		<b>3,61,29,587</b>	<b>5,60,03,439</b>	
<b><u>(2) Current Assets</u></b>				
(a) Current investments		-	-	
(b) Inventories	14	4,97,27,208	2,31,06,704	
(c) Trade receivables	15	20,29,84,961	20,39,08,460	
(d) Cash and bank balances	16	39,37,156	34,87,466	
(e) Short-term loans and advances	17	1,65,28,039	37,96,925	
		<b>27,31,77,364</b>	<b>23,42,99,555</b>	
<b>Total Assets :</b>		<b>30,93,06,951</b>	<b>29,03,02,994</b>	

**The accompanying notes are integral part of these financial statements 1 to 30**

Refer our annexed report of the even date

For, Deep Polymers Ltd

For, H K Shah & Co  
*Chartered Accountants*  
FRN : 10958300

**Director**                      **Director**  
**Ashaben R Patel**            **Rameshbhai B Patel**  
**DIN :01310745**              **DIN : 01718102**

**CA. Malav Desai**  
**Partner**  
**M.No. 135524**

Date : 30-05-2019  
Place : Ahmedabad

Date : 30-05-2019  
Place : Ahmedabad

Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)  
(CIN : U25209GJ2005PLC046757)  
Notes to the Financial Statements for the year ended 31st March 2019

**2 Share Capital**

Sr. No	Particulars	As at March 2019	As at 31st March 2018
1	<b><u>AUTHORIZED SHARE CAPITAL</u></b>		
	12050000 Equity Shares of Rs.10/- each (Previous Year 1300000 Equity Shares of Rs.10/- each)	12,05,00,000	12,05,00,000
	<b>Total</b>	<b>12,05,00,000</b>	<b>12,05,00,000</b>
2	<b><u>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</u></b>		
	118716000 Equity Shares of Rs.10/- each (Previous Year 105116000 Equity Shares of Rs.10/- each)	11,87,16,000	10,51,16,000
	<b>Total</b>	<b>11,87,16,000</b>	<b>10,51,16,000</b>

The company has issued Bonus Shares of Rs.10 each in the ratio of 1:10 in FY 17-18, out of Securities premium of Rs.716.44 Lacs and Surplus in Profit & Loss Account of Rs.239.16 Lacs.

**2.1 The reconciliation of the number of shares outstanding as at March 31, 2019 and March 31, 2018 is set out below :**

Equity Shares	As at 31st March 2019		As at 31st March 2018	
	No of shares	Amount	No of shares	Amount
Shares outstanding at the beginning of the year	1,05,11,600	10,51,16,000	9,55,600	95,56,000
Add: Issue by IPO	13,60,000	1,36,00,000	-	-
Add: Bonus Shares issued during the year	-	-	95,56,000	9,55,60,000
Less: Buy Back/ Forfeited Shares	-	-	-	-
Shares outstanding at the end of the year	1,18,71,600	11,87,16,000	1,05,11,600	10,51,16,000

**2.2 The details of shareholder holding more than 5% shares is set out below :**

Name of the shareholder	As at 31st March 2019		As at 31st March 2018	
	No of Shares	% of holding	No of Shares	% of holding
1 Ramesh Bhimjibhai Patel	24,50,000	20.64%	33,00,000	31.39%
2 Ashaben Rameshbhai Patel	7,26,000	6.12%	12,76,000	12.14%
3 Ramesh Bhimjibhai Patel HUF	5,02,000	4.23%	9,02,000	8.58%
4 NNM Securities	14,94,000	12.58%	-	-
5 Deep Additive Pvt. Ltd.	26,16,000	22.04%	28,16,000	26.79%
6 Jignasha Patel	6,18,600	5.21%	10,18,600	9.69%
7 Himani Patel	7,75,000	6.53%	8,25,000	7.85%
<b>Total</b>	<b>91,81,600</b>	<b>77.34%</b>	<b>1,01,37,600</b>	<b>96.44%</b>

**2.3 Rights, Preferences and restrictions attached to equity shares**

The company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and shares in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on showoff hands) are in proportion to its share of the paid-up equity capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares

On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

**3 Reserves & Surplus**

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
1	<b>SURPLUS IN STATEMENT OF PROFIT AND LOSS</b>				
	Balance as per last Financial year	1,48,68,981		2,42,20,161	
	Add : Profit for the year	3,37,45,498		2,10,82,199	
	Less : Prior period Adjustment	-		65,17,379	
	Less : Issue of Bonus shares	-		2,39,16,000	
			4,86,14,479		1,48,68,981
2	<b>Shares Forfeited Account</b>				
	Opening Balance	3,50,00,000		3,50,00,000	
	Add : Addition during Year	-		-	
	Less : Utilised during Year	-		-	
	Closing Balance	3,50,00,000	3,50,00,000	3,50,00,000	3,50,00,000
3	<b>Securities premium</b>				
	Opening Balance	-		-	
	Add : Addition during Year	4,08,00,000		-	
	Less : Utilised during Year *	30,36,334		-	
	Closing Balance	3,77,63,666	3,77,63,666	-	-
	<b>Total</b>		<b>12,13,78,145</b>		<b>4,98,68,981</b>

\* Securities Premium raised during the year is utilised for share Issuance Expenses

**Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)**  
**(CIN : U25209GJ2005PLC046757)**  
**Notes to the Financial Statements for the year ended 31st March 2019**

**4 Long Term Borrowings**

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
1	<b>Term loans</b>				
	<b>Unsecured</b>				
	(i) Inter corporate Deposit	25,00,000		85,00,000	
	(ii) From Directors	1,47,71,045		2,31,02,399	
	(iii) Relatives of Directors & Shareholders	57,53,800		98,63,000	
			2,30,24,845		4,14,65,399
	<b>Total</b>		<b>2,30,24,845</b>		<b>4,14,65,399</b>

**Principal Terms & Conditions of Unsecured Loans**

As per Management's explanation, the above unsecured loans taken from Directors/Promoters/Promoter Group/Associates/Relatives of Directors/Group Companies/other entities are interest free and all are taken without any precondition attached towards repayment.

**5 Deferred Tax Liability (Net)**

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
1	<b>DEFERRED TAX LIABILITIES :</b>				
	- Related to Fixed Assets	-		-	
	Due to Depreciation	21,047			
	- Related to Others	-		-	
	<b>TOTAL ( A )</b>		21,047		-
	<b>Less :</b>				
2	<b>DEFERRED TAX ASSETS :</b>				
	- Related to Fixed Assets	-		1,24,062	
	- Related to Others (Provision for Gratuity)	-		3,487	
	<b>TOTAL ( B )</b>		-		1,27,549
	<b>Total ( A - B )</b>		<b>21,047</b>		<b>(1,27,549)</b>

**6 Long Term Provisions**

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
	<b>Provision for Employee Benefits</b>				
	(b) Provision for gratuity	(5,74,366)		(5,45,239)	
	<b>Total</b>		<b>(5,74,366)</b>		<b>(5,45,239)</b>

**Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)**  
(CIN : U25209GJ2005PLC046757)  
Notes to the Financial Statements for the year ended 31st March 2019

**7 Short Term Borrowings**

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
(1)	<b>Loan repayable on demand</b>				
	(a) Secured				
	(i) From banks	2,83,02,561		6,17,96,387	
	(ii) From Other Parties	-	2,83,02,561	-	6,17,96,387
	<b>Total</b>		<b>2,83,02,561</b>		<b>6,17,96,387</b>

Name of Lender	Prime Securities Offered	Nature of Facility	Limits (Rs. Lacs)	ROI/Commission	Re-payment Schedule
HDFC Bank	All present & Future stocks and book debts & Plant and Machinery	Cash Credit	400	MCLR + 2.55%	On Demand

**\* Collateral Security Details**

Block No. 727 & 719 Village Rakanpur, Santej, Tal. Kalol, Dist. Gandhinagar  
K - 304 Dev Castle, Opp. Govinwadi, Jaymala Cross Road, Maninagar, Ahmedabad  
P - 303 Dev Castle, Opp. Govinwadi, Jaymala Cross Road, Maninagar, Ahmedabad

**8 Trade Payables**

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
1	For Goods	1,37,08,679		2,28,85,188	
2	Micro Small & Medium Enterprises	6,41,165		39,75,000	
3	For Expenses	9,18,694	1,52,68,538	16,83,136	2,85,43,324
	<b>Total</b>		<b>1,52,68,538</b>		<b>2,85,43,324</b>

Amount due to Micro, Small and Medium Enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006, had been identified by the company as on March 31, 2018 & March 31, 2019 on the basis of the status of creditors as to Micro, Small & Medium Enterprises as on that date.

**9 Other Current Liabilities**

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
1	Creditors for Capital Goods	-		4,13,000	
2	Advance from Customers	13,072		2,35,712	
3	Statutory Dues Payable	4,403		5,60,069	
4	TDS & Other Taxes Payable	47,820	65,295	1,62,576	13,71,357
	<b>Total</b>		<b>65,295</b>		<b>13,71,357</b>

**10 Short Term Provisions**

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
	Provision for Expenses	59,000		5,63,996	
	Provision for Income Tax (Net of Advance Tax)	23,75,000		16,03,454	
	Provision for employee benefits.	6,70,886		6,46,884	
			31,04,886		28,14,334
	<b>Total</b>		<b>31,04,886</b>		<b>28,14,334</b>

**Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)**  
(CIN : U25209GJ2005PLC046757)

Notes to the Financial Statements for the year ended 31st March 2019

**11. Fixed Assets**

**TANGIBLE ASSETS :**

SR.	NAME OF ASSET	Gross Block			Depreciation				Net Block		
		At Cost 01.04.2018	Additional (w/of)	Cost as at 31.03.2019	As at 01.04.2018	Adjustment	for the year	Deduction	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
<b>I</b>	<b><u>Tangible Assets</u></b>										
1	Airconditioner	5,05,899	-	5,05,899	4,17,501	-	39,848	-	4,57,349	48,550	88,398
2	Computer	2,46,098	-	2,46,098	2,39,592	-	4,122	-	2,43,714	2,384	6,506
3	Cycle	6,411	-	6,411	6,059	-	352	-	6,411	-	352
4	Dead Stock	41,405	-	41,405	41,244	-	161	-	41,405	-	161
5	Trucks	25,50,641	26,579	25,77,220	21,68,838	-	2,38,097	8,15,334	15,91,601	9,85,619	3,81,803
6	Ele. Installation	24,71,736	-	24,71,736	23,16,973	-	57,446	-	23,74,419	97,317	1,54,763
7	Fan	23,850	-	23,850	20,038	-	1,204	-	21,242	2,608	3,812
8	Flat (Res)	4,40,000	-	4,40,000	1,64,744	-	14,567	-	1,79,311	2,60,689	2,75,256
9	Furniture	28,27,341	-	28,27,341	17,43,330	-	2,89,775	-	20,33,105	7,94,236	10,84,011
10	Mobile	39,697	-	39,697	35,078	-	2,090	-	37,168	2,529	4,619
11	Plant and Machinery	2,40,12,226	(11,21,844)	2,28,90,382	1,69,24,702	-	15,10,173	-	1,84,34,875	44,55,507	70,87,524
12	Plot at Rakanpur	1,21,470	-	1,21,470	-	-	-	-	-	1,21,470	1,21,470
13	Shed & Building	53,22,373	-	53,22,373	28,52,271	-	2,60,113	-	31,12,384	22,09,989	24,70,102
14	Storage Plastic Tank	2,59,558	-	2,59,558	2,27,713	-	12,113	-	2,39,826	19,732	31,845
15	Water Filter	1,05,352	-	1,05,352	83,669	-	6,772	-	90,441	14,911	21,683
16	Wagon R Car	3,82,611	(3,82,611)	-	3,81,851	-	124	3,81,975	0	(0)	760
17	Car- Drive VXI	-	5,04,217	5,04,217	-	-	63,418	-	63,418	4,40,799	-
18	weighting Machine	24,361	-	24,361	22,615	-	787	-	23,402	959	1,746
19	Windmill	5,98,24,263	(11,10,939)	5,87,13,324	3,49,47,371	-	33,33,560	-	3,82,80,931	2,04,32,393	2,48,76,892
	<b>TOTAL</b>	<b>9,92,05,292</b>	<b>(20,84,598)</b>	<b>9,71,20,694</b>	<b>6,25,93,589</b>	<b>-</b>	<b>58,34,722</b>		<b>6,72,31,002</b>	<b>2,98,89,692</b>	<b>3,66,11,703</b>
	<b>(Previous Year)</b>	<b>9,88,04,607</b>	<b>4,00,685</b>	<b>9,92,05,292</b>	<b>5,27,02,175</b>	<b>31,04,960</b>	<b>67,86,454</b>		<b>6,25,93,589</b>	<b>3,66,11,703</b>	<b>4,61,02,432</b>



**Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)**  
(CIN : U25209GJ2005PLC046757)  
**Notes to the Financial Statements for the year ended 31st March 2019**

**12 Non Current Investments**

Sr. No.	Particulars	As at 31st March 2019		As at 31st March 2018	
(1)	<b>Other Investments (Unquoted)</b>				
	*(a) Investment in property	-		1,46,78,841	
	(b) Investment in Equity Instruments	9,90,000		9,90,000	
	(c) NSC	5,000	9,95,000	5,000	1,56,73,841
	<b>Total</b>		<b>9,95,000</b>		<b>1,56,73,841</b>

\*The company had purchased rights of development of plot at Gujarat Industrial Development Corporation (GIDC) – Ankleshwar (Gujarat) in the year 2012-13. And the same right is sold in FY 2018-19.

**13 Long Term Loans and Advances**

Sr. No.	Particulars	As at 31st March 2019		As at 31st March 2018	
	<u>Unsecured, Considered Good unless otherwise stated :</u>				
1	<b>Capital Advances</b>				
	Security Deposits	52,44,895	52,44,895	37,17,895	37,17,895
	<b>Total</b>		<b>52,44,895</b>		<b>37,17,895</b>

**14 Inventories**

Sr. No.	Particulars	As at 31st March 2019		As at 31st March 2018	
	(At lower of cost or Net Realisable Value)				
1	Raw Material	3,58,67,687		1,88,29,773	
2	Finished Goods	1,38,59,521	4,97,27,208	42,76,931	2,31,06,704
	<b>Total</b>		<b>4,97,27,208</b>		<b>2,31,06,704</b>

**15 Trade Receivables**

Sr. No.	Particulars	As at 31st March 2019		As at 31st March 2018	
(1)	<b>Outstanding for more than six months</b>				
	(a) Secured, considered good	-		-	
	(b) Unsecured, considered good	4,71,60,923		4,33,44,828	
	(c) Others considered doubtful	-		-	
	Less : (d) Allowance for bad and doubtful Debts	-		-	
			4,71,60,923		4,33,44,828
(2)	<b>Outstanding for less than six months</b>				
	(a) Secured, considered good	-		-	
	(b) Unsecured, considered good	15,58,24,038		16,05,63,632	
	(c) Others considered doubtful	-		-	
	Less : (d) Allowance for bad and doubtful Debts	-		-	
			15,58,24,038		16,05,63,632
	<b>Total</b>		<b>20,29,84,961</b>		<b>20,39,08,460</b>

Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)

(CIN : U25209GJ2005PLC046757)

Notes to the Financial Statements for the year ended 31st March 2019

16 Cash & Bank balances

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
1	<b>Cash &amp; Cash Equivalent</b>				
	(a) Balances with Schedule Banks	36,31,944		33,19,360	
	(b) Cash on Hand	3,05,211		1,68,106	
	<b>Sub Total</b>		39,37,156		34,87,466
	<b>Total</b>	-	<b>39,37,156</b>	-	<b>34,87,466</b>

17 Short Terms Loans and Advances

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
	<b>Others :</b>				
	Prepaid Exp.	2,31,826		2,66,615	
	Receivables from Creditors	4,27,688		-	
	Advance Recoverable in cash or in kind or for value to be received.	92,70,000		-	
	Advance Capital Expenses	-		18,66,250	
	Advances for purchase	-		1,26,980	
	Lease Rent	14,56,180		15,37,080	
	Balance with Revenue Authority :			-	
	GST	51,31,207		-	
	TCS	11,138			
			1,65,28,039		37,96,925
	<b>Total</b>		<b>1,65,28,039</b>		<b>37,96,925</b>

<b>Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)</b>				
<b>(CIN : U25209GJ2005PLC046757)</b>				
<b>STATEMENT OF PROFIT &amp; LOSS FOR THE PERIOD OF 01/04/2018 TO 31/03/2019</b>				
				<b>Amount in Rs.</b>
<b>Sr. No</b>	<b>Particulars</b>	<b>Note No</b>	<b>2018-19</b>	<b>2017-18</b>
	<b>Revenue :</b>			
<b>I</b>	Revenue from operations	18	40,42,05,166	39,79,00,622
	Less: Central Excise duty		-	-
	Revenue from operations (Net)		40,42,05,166	39,79,00,622
<b>II</b>	Other Income	19	2,10,60,086	1,31,07,968
<b>III</b>	<b>Total Revenue (I +II)</b>		<b>42,52,65,252</b>	<b>41,10,08,590</b>
	<b>Expenses:</b>			
	Cost of materials consumed	20	32,23,59,239	30,80,45,298
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	(95,82,590)	92,14,490
	Employee Benefits Expense	22	88,32,003	85,52,221
	Finance Costs	23	44,23,201	56,63,616
	Depreciation and Amortization Expense	11	58,34,722	67,86,454
	Other Expenses	24	4,75,35,056	4,38,54,148
	<b>Total Expenses (IV)</b>		<b>37,94,01,631</b>	<b>38,21,16,227</b>
<b>V</b>	Profit before tax (III - IV)		<b>4,58,63,621</b>	<b>2,88,92,363</b>
	<b>Tax expense :</b>			
<b>VI</b>	(1) Current tax		1,18,75,000	82,07,028
	(2) Deferred tax		1,48,596	(3,96,864)
	(3) Last Year Short Provision of Tax		94,527	-
<b>VII</b>	Profit/(Loss) for the period (V - VI)		<b>3,37,45,498</b>	<b>2,10,82,199</b>
<b>VIII</b>	Earnings per Equity Share: (Face Value of Rs.10/- each )			
	(1) Basic and Diluted	25	3.07	2.01
	(2) Basic and Diluted Assuming Bonus from the earliest Period		3.07	2.01
	<b>Summary of Significant Accounting Policy</b>	1		

The accompanying notes are integral part of these financial statements 1 to 30

Refer our annexed report of the even date

For, Deep Polymers Ltd

For, H K Shah & Co  
Chartered Accountants

Director  
Ashaben R Patel  
DIN :01310745

Director  
Rameshbhai B Patel  
DIN : 01718102

CA. Malav Desai  
Partner  
FRN : 10958300  
M.No. 135524

Date : 30-05-2019  
Place : Ahmedabad

Date : 30-05-2019  
Place : Ahmedabad

Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)  
(CIN : U25209GJ2005PLC046757)  
Notes to the Financial Statements for the year ended 31st March 2019

**18 Revenue from Operations**

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
1	<b>Revenue from Operations</b>				
	Sale of Products Local	25,07,55,766		25,51,42,622	
	Sale of Products Export	15,34,49,400		14,27,58,000	
			40,42,05,166		39,79,00,622
	<b>Total</b>		<b>40,42,05,166</b>		<b>39,79,00,622</b>

**19 Other Income**

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
1	Discount Received	49,76,515		22,07,758	
2	Rate Difference gain	72,377		43,43,855	
3	Foreign Exchange rate diff	74,63,610		63,41,355	
4	Interest Income	-		2,15,000	
5	MEIS Benefit Advance License	60,42,949		-	
6	Custom Refund	64,938		-	
7	Profit on sale of Car	2,06,741		-	
8	Excess credit Generation	22,03,829		-	
9	Actuarial Gain	29,127		-	
			2,10,60,086		1,31,07,968
	<b>Total</b>		<b>2,10,60,086</b>		<b>1,31,07,968</b>

**20 Cost of Materials Consumed**

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
1	Opening Stock	1,88,29,773		5,35,05,258	
	Add : Purchases	33,93,97,153		27,33,69,813	
	= Sub Total		35,82,26,926		32,68,75,071
	Less: Closing Stock	3,58,67,687		1,88,29,773	
	<b>Total</b>		<b>32,23,59,239</b>		<b>30,80,45,298</b>

**21 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade**

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
	(As taken, Valued and Certified by Management)				
1	<b>Finished Goods:</b>				
	Opening Stock	42,76,931		1,34,91,421	
	Less : Closing Stock	1,38,59,521		42,76,931	
			(95,82,590)		92,14,490
	<b>Total</b>		<b>(95,82,590)</b>		<b>92,14,490</b>

**22 Employee Benefits Expense**

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
1	Salaries, Wages and Bonus	86,00,464		74,44,817	
2	Director's Remuneration	1,00,000		7,92,000	
3	Gratuity Expenses	5,217		17,958	
4	Contribution to Provident Fund / ESIC /	1,06,844		1,24,173	
5	Staff Welfare Expenses	19,478		1,73,273	
			88,32,003		85,52,221
	<b>Total</b>		<b>88,32,003</b>		<b>85,52,221</b>

**23 Finance Costs**

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
1	Bank Charges	8,77,529		2,38,384	
2	Bank Processing Charges	-		3,50,152	
3	BANK COMMISSOPN EXP(IPO)	1,997		-	
4	Bank Interest	35,40,726		49,55,982	
5	BANK L/C CHARGES.	2,950		-	
6	Buyers Credit Interest	-		1,19,097	
			44,23,201		56,63,616
	<b>Total</b>		<b>44,23,201</b>		<b>56,63,616</b>

Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)  
(CIN : U25209GJ2005PLC046757)

Notes to the Financial Statements for the year ended 31st March 2019

24 Other Expenses

Sr. No	Particulars	As at	
		31st March 2019	31st March 2018
	<b>Administrative Expenses</b>		
	Audit Fees	35,400	35,400
	Advertisement Expenses	1,45,442	-
	Actuary Valuation Report Charges	30,000	-
	Conveyance Exp.	8,214	14,191
	Consulting Expense	4,55,373	2,64,800
	Conference Charges	92,160	-
	Bad debt Expenses	-	3,86,049
	Cirtification charges	34,220	1,350
	Computer Expenses	-	28,000
	Comission Exp	3,85,450	10,28,648
	Demat Charges	1,40,000	-
	Diesel & Petrol Exp	7,05,010	7,27,431
	Foreign Travling Exps	8,70,850	7,81,263
	Fright Exps.	18,53,390	13,85,536
	Insurance Exps	2,64,760	3,69,222
	Interest on Income tax	4,35,869	3,79,265
	Income Tax Paid	12,41,000	-
	Kasar Vatav	57,758	-
	Legal & Professional Charges	85,600	24,000
	Loading & unloading Charges	9,18,165	10,62,558
	LOSS ON SALES OF DAHEJ PLOT	1,35,381	-
	Discount	-	9,476
	Membership Fees	8,400	37,494
	Medical Exp	-	409
	Office Expenses	30,176	50,245
	O & M charges	15,51,008	13,15,170
	Professional Tax	2,500	2,500
	Pollution Control Charges	24	-
	Postage & Courier Exps	2,22,543	1,85,225
	Printing & Stationery Exps	27,233	10,982
	Quantity Discount	-	7,68,175
	Stamp Duty paid on MCA	13,99,040	-
	Sales Discount	1,35,696	-
	SLDC Charges	16,695	11,156
	Scheduling (windpower) Exps	11,100	12,343
	Sales Tax Expenses	67,885	-
	Trade Commission on Export	4,00,862	-
	Tea & Milk Exp.	74,526	-
	Telephone Exps	2,128	3,487
	Vehicle Maintenance & Toll Taxes	5,07,094	4,00,936
	Travelling & Conveyance Exp.	8,008	25,993
	Water Bill Exp.	23,120	22,420
		1,23,82,078	93,43,723
	<b>Rates, Rents &amp; Taxes</b>		
	Vat Credit Disallowed	-	1,666
	Interest on late payment of (PT,Sales tax,Service	-	2,355
	Excise Rebate Claim Duty	-	-
	Panchayat Tax	-	2,835
	CST Paid	-	3,15,630
		-	3,22,486
	<b>Repairs &amp; Maintenance Exps</b>		
	Machinery Repairs	14,05,608	10,89,240
	Building Repairs	23,000	-
	Other Repair (Electricity)	-	-
	Vehicle Exps.	-	1,80,227
		14,28,608	12,69,467
	<b>Manufacturing Expenses</b>		
	Custom clearance & shipping charges	1,13,62,684	2,35,35,089
	Clearing & Forwarding charges	12,08,727	13,19,424
	Discount Paid	-	1,75,791
	Electric Bill Exps	-	43,843
	Export & Import Charges	1,48,27,162	2,63,910
	Factory Exps	1,39,305	1,48,033
	Freight & forwarding charges	11,41,802	15,90,595
	Loading & unloading Charges	-	7,016
	Service Tax Paid	-	22,456
	Power & Fuel Charges	29,04,193	38,47,136
	Wind Mill Land Sublease Right Charges	80,900	80,900
	Open Access charges	19,50,357	17,69,932
	Misc exp	1,09,240	1,14,347
		3,37,24,370	3,29,18,472
	<b>Total</b>	<b>4,75,35,056</b>	<b>4,38,54,148</b>

25 Earning Per Share

Sr. No	Particulars	As at		
		31st March 2019	31st March 2018	
1	Profit attributable to the Equity Shareholders	A	3,37,45,498	2,10,82,199
2	Basic / Weighted average number of Equity Shares outstanding during the period	B	1,09,74,378	1,05,11,600
3	Nominal value of Equity Shares (Rs.)		10	10
4	Basic/Diluted Earnings per Share (Rs.)	A / B	<b>3.07</b>	<b>2.01</b>
5	Basic / Weighted average number of Equity Shares outstanding during the period assuming bonus from earliest period	C	1,09,74,378	1,05,11,600
6	Nominal value of Equity Shares (Rs.)		10	10
7	Basic/Diluted Earnings per Share assuming bonus from earliest period (Rs.)	D	<b>3.07</b>	<b>2.01</b>

**Note 26 –Details of Contingent Liabilities****(Rs. In Lacs)**

<b>Particulars</b>	<b>2018-19</b>	<b>2017 – 18</b>
TDS Defaults	0.01	0.01
Demand under Income Tax Act	121.33	5.54
<b>Total</b>	<b>121.34</b>	<b>5.55</b>

\*As informed to us there was no Letter Of credit outstanding as on March 31, 2018 & March 31, 2019. Hence, the same is not shown as contingent liability.

**Note : 27 Related Party Transaction**

<b>Sr. No.</b>	<b>Name of the related parties with whom transactions were carried out during the years and description of relationship</b>	
1.	Holding Company	NIL
2.	Subsidiary Company	NIL
3.	Associate Company	Deep Additives Private Limited
4.	Key Managerial Person	Ramesh Patel Ashaben Patel Jignesha Patel
5.	Relative of Key Management Persons	Himani Patel
6.	Enterprises Owned or controlled by Key Management personnel and/or their relatives	Deep Masterbatche Limited Ramesh Patel – HUF Deep Plast Industries

**List of Transactions is disclosed on the next page:**

Sr. No.	Particular	March 31, 2019	March 31, 2018
<b>Key Management Personnel</b>			
<b>1</b>	<b><u>Ramesh Patel</u></b>		
	Op Bal.	185.74	80.05
	Transfer of F.A	0.00	0.00
	Loan taken from Director	0.00	125.68
	Amount Repaid/ abjusted	80.05	20.00
	<b>Cl Bal.</b>	<b>105.68</b>	<b>185.74</b>
	<b>Salary to Director</b>	<b>0.00</b>	<b>3.96</b>
<b>2</b>	<b><u>Asha Patel</u></b>		
	Op Bal.	45.28	3.26
	Loan taken from Director	0.00	42.02
	Amount Repaid/ abjusted	3.26	0.00
	<b>Cl Bal.</b>	<b>42.03</b>	<b>45.28</b>
	<b>Salary to Director</b>	<b>0.00</b>	<b>3.26</b>
<b>Company/entity owned or significantly influenced by directors/KMP</b>			
<b>1</b>	<b><u>Deep Additives Private Limited</u></b>		
	Op. Bal. of Trade Receivable	3.38	2.61
	Sales	90.54	56.19
	Recovery	91.62	54.98
	Purchase	2.30	1.04

	Payment	-	0.50
	Rate Diff.	-	0.10
	Clbal of trade receivable	0.00	3.38
	Op. Bal. of Receivable	0.00	0.00
	Receipt	0.00	0.00
	Payment	0.00	0.00
	Commission receivable	0.00	0.00
	amount Repaid/Adjusted	17.70	0.00
	Closing Bal. of Receivable	17.70	0.00
	Op Bal of Share Investment	9.90	9.90
	Purchase	0.00	0.00
	Sale	0.00	0.00
	Op Bal of Share Investment	9.90	9.90
<b>2</b>	<b><u>Deep Masterbatch Limited</u></b>		
	Op Bal.	0.00	0.00
	Receipt	9.25	32.00
	Sales	3.36	0.00
	Payment	9.25	32.00
	<b>Closing Balance</b>	<b>3.36</b>	<b>0.00</b>
<b>3</b>	<b><u>Ramesh Patel-HUF</u></b>		
	Op Bal.	98.63	140.00



	Receipt	0.00	0.00
	Payment	41.09	41.37
	<b>Closing Balance</b>	<b>57.54</b>	<b>98.63</b>
<b>4</b>	<b><u>Deep Plast Industries</u></b>		
	Op balance of Trade receivable	-19.11	-35.16
	Sales	325.03	54.09
	Recovery	247.01	54.09
	Purchase	163.99	22.96
	Payment	163.99	22.96
	Receipt	0.00	242.07
	Payment	292.38	258.12
	MEIS Benefits Transferred	60.43	0.00
	Hapag – Lloyd India Adjustment	1.85	0.00
	Expenses Paid on behalf of Deep Polymers	14.63	0.00
	<b>Closing Balance</b>	<b>398.94</b>	<b>-19.11</b>

**Note 28 – The Company has determined the liability for Employee Benefits in accordance with the revised Accounting Standard 15 on “Employee Benefits.”**

**(Rs. in INR)**

The company has a defined benefit gratuity plan. The following table summaries the components of net benefit expense recognized in the profit and losses and the funded status and amount recognized in the statements of assets and liabilities for the plan.

Particulars	As on	As on
	31-Mar-19	31-Mar-18
<b>Change in the Present Value of Projected Benefit Obligation</b>		
Present Value of Benefit Obligation at the Beginning of the Period	559532	494267
Interest Cost	43084	38059
Current Service Cost	78808	83100
Actuarial (Gains)/Losses on Obligations		
Due to Change in Financial Assumptions	(152655)	22345
Actuarial (Gains)/Losses on Obligations Due to Experience	-	33549
Present Value of Benefit Obligation at the End of the Period	528769	559532
<b>Expenses Recognized in the Statement of Profit or Loss for Current Period</b>		
Current Service Cost	78808	83100
Net Interest Cost	43084	38059
Actuarial (Gains)/Losses	(152655)	55894
Expenses Recognized in the Statement of Profit or Loss	(30763)	<b>-5756</b>
<b>Amount recognized in Balance Sheet</b>		
Present value of Benefit Obligation as at balance sheet date	528769	559532
Fair Value of Plan Assets as at balance sheet date	-	1104771
<b>Net Liability/ (Asset) recognized in Balance Sheet</b>	<b>528769</b>	<b>-545239</b>

<b>Assumptions (Closing Period)</b>		
Expected Return on Plan Assets	NA	NA
Rate of Discounting	7.70%	7.70%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	5% at younger ages and reducing to 1% at older ages according to graduated scale	
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	

**Note 29 – Leases****(Rs. In Lacs)**

In accordance with the Accounting Standard 19 on 'Leases' issued by the Institute of Chartered Accountants of India, the following disclosure in respect of Operating Lease is made:

(a) The company has entered into the operating lease for the period of 25 years for the land at Jamnagar to install the windmill through Suzlon Energy Limited. Total of Rs.20.23 Lacs was paid in June 2012 which is to be amortised in the period of 25 years.

<b>Particulars</b>	<b>2018-19</b>	<b>2017 –18</b>
In less than a year	0.81	0.81
In 1 year to 5 Years	4.04	4.04
In greater than 5 years	9.71	10.52
<b>Total</b>	<b>14.56</b>	<b>15.37</b>

**Note 30.**Previous periods/year's figures have been re grouped/ classified wherever necessary to correspond with the current period classification / disclosure.

## INDEPENDENT AUDITOR'S REPORT

**To the Members of Deep Polymers Limited (previously known as Deep Polymers Private Limited)**

### **Report on Audit of Consolidated Financial Statements**

#### **Opinion**

We have audited the consolidated financial statements of **Deep Polymers Limited** (previously known as Deep Polymers Private Limited) (herein after referred to as “the Parent Company”) and its associate company Deep Additives Private Limited (the Parent Company and its associate together referred to as “the Group”), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss 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 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, 2019, and its profit/loss and its cash flows for the year ended on that date.

#### **Other Matters**

The financial statements of the associated Company for the year ended March 31, 2019 were audited by another auditor who expressed unmodified opinion on those statements on May 28, 2019.

#### **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 ethical requirements that are relevant to our audit of the consolidated 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 Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of

the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements. Auditor of the Associate company has not disclosed any Key Audit Matter in their report.

<b>Key Audit Matter</b>	<b>How our Audit addressed the key Audit Matter</b>
<p><b>i) Revenue recognition</b></p> <p>Revenue recognition policy of the Company is stated at point No. I of Note No.1</p> <p>Recognition of revenue from the transactions as on cut off date can directly affect the value of the sales disclosed and in turn the profit disclosed by the company and therefore has been considered as a Key Audit Matter.</p>	<p>Obtained the understanding of determination of Cut off date and verified all the transactions as on Cut off date.</p> <p>Evaluated the design of internal controls relating to the valuation of finished goods and also tested the operating effectiveness of the aforesaid controls.</p>
<p><b>ii) Valuation of Inventory</b></p> <p>Accounting Policy for Inventory valuation is stated at point No. G of Note No.1</p> <p>Finished goods are valued at Lower of Cost or Net Realizable Value. Considering that there is always volatility in the selling price of finished goods, which is dependent upon various market conditions, determination of net realizable value of finished goods involves significant management judgment and therefore has been considered as a Key Audit Matter.</p>	<p>Obtained an understanding of the determination of the net realizable value of finished goods and tested the reasonableness of the significant judgements applied by the management.</p> <p>Evaluated the design of internal controls relating to the valuation of finished goods and also tested the operating effectiveness of the aforesaid controls.</p> <p>Compared the actual realization after the year end / latest realization to assess the reasonableness of the net realisable value that was estimated and considered by the management.</p> <p>Compared the cost of the finished goods with the estimated net realisable value and checked if the finished goods were recorded at net realisable value where the cost was higher than the net realisable value.</p> <p>Assessed the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework</p>

### **Information Other Than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. 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 in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

### **Responsibilities of Management and Those Charged with Governance for 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 consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014, as amended.

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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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.

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 consolidated 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 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.

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.

## **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, based on our audit we report that:

a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.

e) on the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

(f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017;

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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The company has disclosed the impact of pending litigations on its financial position in its financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amount which were required to be transferred, to the Investor Education and Protection Fund by the Company

For H K Shah & Co,  
Chartered Accountants  
(Firm's Registration No. 109583W)

Malav Desai  
Partner  
(Membership No. 135524)  
Ahmedabad  
Date: 30<sup>th</sup> May 2019

## **ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Deep Polymers Limited of even date)

### **i. IN RESPECT OF COMPANY'S FIXED ASSETS:**

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.

### **ii. IN RESPECT OF COMPANY'S INVENTORIES:**

(a) As explained to us, the physical verification of the inventory has been conducted by the management at reasonable intervals during the year

(b) In our opinion and according to the information and explanations given to us the procedures of the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business

(c) The Company has generally maintained proper records of inventory. As explained to us there was no material discrepancies noticed on physical verification of inventory as compared to book records

iii. The company has not granted any Loans, Secured or Unsecured, to Companies, Firms, Limited Liability Partnerships or Other Parties covered in the Register maintained under Section 189 of the Companies Act, 2013

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2019 on account of dispute are given below:

<b>Nature of the statute</b>	<b>Nature of Dues</b>	<b>Forum where dispute is pending</b>	<b>Period to which the amount relates</b>	<b>Amount Rs. Crore</b>
The Income Tax Act, 1961	Income Tax	Appellate Tribunal	A.Y. 2011-12	1.21

viii. 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. Company only enjoys Cash Credit Limit from the HDFC and Interest on the same is paid on time.

ix According to the information and explanations given to us, the Company has raised funds by way of initial public offer and same have been applied for the purpose for which it was raised.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For H K Shah & Co,  
Chartered Accountants  
(Firm's Registration No. 109583W)

Malav Desai  
Partner  
(Membership No. 135524)  
Ahmedabad  
Date: 30<sup>th</sup> May 2019

**Note 1 : Significant Accounting Policies & Notes Forming Part of Accounts as on March 31<sup>st</sup> 2019**

**1. Corporate Information:**

Deep Polymers Limited (“Deep” or the “Company”) is converted into public company from private limited company on April 6, 2018 and is domiciled and headquartered in India and incorporated under Companies Act, 1956. The registered office of the company is located at Block No. 727 B/h, Bhavi Industries Rakanpur (Santej), Tal kalol, Dis Gandhinagar. The company is engaged into the Manufacturing of antifab filler master batches which is used along with the master batches to provide different variations of the quality.e

The consolidated Financial Statements cover Deep Polymers Limited (the “Parent Company”), and its associate company as given below:

Name of Associate	Country	Date of Acquisition	Proportion of Ownership Interest	
			March 31, 2019	March 31, 2018
Deep Additives Private Limited	India	April 1, 2010	33.79%	33.79%

**2. Summary of significant accounting policies:**

**A. Principles of Consolidation**

The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the Company and its associate company have been consolidated on the basis of Equity Method as per Accounting Standard – 23 ‘Accounting for Investments in Associates in Consolidated Financial Statements’.
- ii) The excess of the cost to the parent of its investments in a associate company over the parent’s portion of equity at the date, on which investment in the associate is made, is recognized as ‘Goodwill (on consolidation)’. When the cost to the parent of its investments in a associate company is less than the parent’s portion of equity of the associate company at the date on which investment in associate company is made, the difference is treated as ‘Capital Reserve (On consolidation)’ in the consolidated financial statements.
- iii) Unrealised profits and losses resulting from transactions between the investor and the associate should be eliminated to the extent of the investor’s interest in the associate.

**B. Use of Estimates**

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management’s best knowledge of current Events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### **C. Tangible and Intangible Assets**

All tangible and intangible Assets are valued at cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

### **D. Depreciation of tangible and intangible assets**

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written down value (WDV) Method on all Assets. Depreciation is provided based on Useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

During the preceding years, the Company was providing depreciation on written down value basis at the rate prescribed in Schedule XIV of the Companies Act, 1956.

### **E. Borrowing Cost**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangements of borrowings.

Borrowing cost directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

### **F. Government Grants**

The State Government and Central Government grants relating to the fixed assets are shown as deduction from the gross value of the Fixed Assets.

### **G. Inventories**

The stock of raw materials is valued at cost. Work In Progress at estimated cost and finished goods is valued at lower of cost or net realizable value. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate related overheads.

### **H. Investments**

Long term investments are carried at cost less provision for diminution, other than temporary, in value of such investments. Current investments are carried individually, at the lower of cost and fair value. Costs of investments include acquisition charges such as brokerage, fees and duties.

### **I. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

#### **Sale of Goods**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods. The company collects excise taxes, sales taxes, Goods & Service Tax (GST) and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

**Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

**J. Retirement and other employee benefits**

Retirement benefit in the form of Provident fund is a defined contribution scheme. These contributions are charged to Profit and Loss statement. Leave encashment is charged to Profit and Loss account in the year in which it is paid.

Till FY 16-17, gratuity was charged to statement of profit and loss on actual payment basis. However in FY 17-18 charge of gratuity for the respective years has been made based on the actuarial valuation reports to comply with Accounting Standard - 15 “Employee Benefits”.

**K. Lease accounting****Operating Lease**

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals on assets taken on operating lease are recognized as an expense in the statement of profit and loss. Initial direct cost in respect of the lease acquired is expensed out in the year in which such costs are incurred.

**L. Foreign currency transaction and balances Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

**M. Conversion**

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date to comply with the requirements of Accounting standard - 11 “The Effects of Changes in Foreign Exchange Rates.”

**N. Exchange differences**

All exchange differences are recognized as income or as expenses in the period in which they arise.

**O. Income Tax**

Tax expenses comprise current tax and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

**P. Deferred Income Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

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 (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

**Q. Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or 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.

**R. Provisions**

A provision is recognized when the company has a present obligation as a result of past event. It is possible that an outflow of resources embodying benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**S. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or nonoccurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but disclosed its existence in the consolidated financial statements.

**T. Segment Reporting**

The Company's main activity is manufacturing of Antifab Filler which constitutes a single reportable segment in the context of Accounting Standard – 17 “Segment Reporting” issued by the Institute of Chartered Accountants of India



**Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)**  
(CIN : U25209GJ2005PLC046757)  
**BALANCE SHEET AS ON 31ST MARCH, 2019**

<b>Amount in Rs.</b>			
<b>Particulars</b>	<b>Note No.</b>	<b>As at 31st March 2019</b>	<b>As at 31st March 2018</b>
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	11,87,16,000	10,51,16,000
(b) Reserves and Surplus	3	14,69,78,966	7,40,27,588
(c) Money Received against share Warrants		-	-
		26,56,94,966	17,91,43,588
<b>(2) Share Application money Pending Allotment</b>		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	4	2,30,24,845	4,14,65,399
(b) Deferred Tax Liabilities (Net)	5	21,047	(1,27,549)
(c) Other Long Term Liabilities		-	-
(c) Long Term Provisions	6	(5,74,366)	(5,45,239)
		2,24,71,526	4,07,92,611
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings	7	2,83,02,561	6,17,96,387
(b) Trade Payables	8	1,52,68,538	2,85,43,324
(c) Other Current Liabilities	9	65,295	13,71,357
(d) Short-Term Provisions	10	31,04,886	28,14,334
		4,67,41,280	9,45,25,402
<b>Total Equity &amp; Liabilities :</b>		<b>33,49,07,772</b>	<b>31,44,61,601</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets	11	2,98,89,692	3,66,11,703
(i) Tangible Assets		-	-
(ii) Intangible Assets		-	-
(iii) Capital Work in Progress		-	-
(b) Investments in associate	12	2,65,90,821	2,51,48,607
(c) Non Current Investments	13	5,000	1,46,83,841
(d) Long term loans and advances	14	52,44,895	37,17,895
		<b>6,17,30,408</b>	<b>8,01,62,046</b>
<b>(2) Current Assets</b>			
(a) Current investments		-	-
(b) Inventories	15	4,97,27,208	2,31,06,704
(c) Trade receivables	16	20,29,84,961	20,39,08,460
(d) Cash and bank balances	17	39,37,156	34,87,466
(e) Short-term loans and advances	18	1,65,28,039	37,96,925
		<b>27,31,77,364</b>	<b>23,42,99,555</b>
<b>Total Assets :</b>		<b>33,49,07,772</b>	<b>31,44,61,601</b>

The accompanying notes are integral part of these financial statements 1 to 31

Refer our annexed report of the even date

For, Deep Polymers Ltd

For, H K Shah & Co  
Chartered Accountants  
FRN : 10958300

Director                      Director  
Ashaben R Patel      Rameshbhai B Patel  
DIN : 01310745      DIN : 01718102

CA. Malav Desai  
Partner  
M.No. 135524

Date : 30-05-2019  
Place : Ahmedabad

Date : 30-05-2019  
Place : Ahmedabad

**Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)**  
(CIN : U25209GJ2005PLC046757)  
Notes to the Financial Statements for the year ended 31st March 2019

**2 Share Capital**

Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
1	<b>AUTHORIZED SHARE CAPITAL</b>		
	1205000 Equity Shares of Rs.10/- each (Previous Year 1300000 Equity Shares of Rs.10/- each)	12,05,00,000	12,05,00,000
	<b>Total</b>	<b>12,05,00,000</b>	<b>12,05,00,000</b>
2	<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>		
	118716000 Equity Shares of Rs.10/- each (Previous Year 10511600 Equity Shares of Rs.10/- each)	11,87,16,000	10,51,16,000
	<b>Total</b>	<b>11,87,16,000</b>	<b>10,51,16,000</b>

The company has issued Bonus Shares of Rs.10 each in the ratio of 1:10 in FY 17-18, out of Securities premium of Rs.716.44 Lacs and Surplus in Profit & Loss Account of Rs.239.16 Lacs.

**2.1 The reconciliation of the number of shares outstanding as at March 31,2019 and March 31, 2018 is set out below :**

Equity Shares	As at 31st March 2019		As at 31st March 2018	
	No of shares	Amount	No of shares	Amount
Shares outstanding at the beginning of the year	1,05,11,600	10,51,16,000	9,55,600	95,56,000
Add: Issue by IPO	13,60,000	1,36,00,000	-	-
Add: Bonus Shares issued during the year	-	-	95,56,000	9,55,60,000
Less: Buy Back/ Forfeited Shares	-	-	-	-
Shares outstanding at the end of the year	1,18,71,600	11,87,16,000	1,05,11,600	10,51,16,000

**2.2 The details of shareholder holding more than 5% shares is set out below :**

Name of the shareholder	As at 31st March 2019		As at 31st March 2018	
	No of Shares	% of holding	No of Shares	% of holding
1 Ramesh Bhimjibhai Patel	24,50,000	20.64%	33,00,000	31.39%
2 Ashaben Rameshbhai Patel	7,26,000	6.12%	12,76,000	12.14%
3 Ramesh Bhimjibhai Patel HUF	5,02,000	4.23%	9,02,000	8.58%
4 NNM Securities	14,94,000	12.58%	-	-
5 Deep Additive Pvt. Ltd.	26,16,000	22.04%	28,16,000	26.79%
6 Jignesh Patel	6,18,600	5.21%	10,18,600	9.69%
7 Himani Patel	7,75,000	6.53%	8,25,000	7.85%
<b>Total</b>	<b>91,81,600</b>	<b>77.34%</b>	<b>1,01,37,600</b>	<b>96.44%</b>

**2.3 Rights, Preferences and restrictions attached to equity shares**

The company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and shares in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on showoff hands) are in proportion to its share of the paid-up equity capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares

On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

**3 Reserves & Surplus**

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
1	<b>SURPLUS IN STATEMENT OF PROFIT AND LOSS</b>				
	Balance as per last Financial year	1,74,68,086		2,65,90,618	
	Add : Profit for the year	3,51,87,711		2,13,10,847	
	Less : Prior period Adjustment	-		65,17,379	
	Less : Issue of Bonus shares	-		2,39,16,000	
			5,26,55,798		1,74,68,086
2	<b>Shares Forfeited Account</b>				
	Opening Balance	3,83,79,000		3,50,00,000	
	Add : Addition during Year	-		-	
	Less : Utilised during Year	-		-	
	Add : Share in Forfeited account of Associate	33,79,000		33,79,000	
	Closing Balance	3,83,79,000	3,83,79,000	3,83,79,000	3,83,79,000
3	<b>Securities premium</b>				
	Opening Balance	-		-	
	Add : Addition during Year	4,08,00,000		-	
	Less : Utilised during Year *	30,36,334		-	
	Closing Balance	3,77,63,666	3,77,63,666	-	-
4	<b>Capital Reserve on Consolidation</b>		1,81,80,502		1,81,80,502
	<b>Total</b>		<b>14,69,78,966</b>		<b>7,40,27,588</b>

\* Securities Premium raised during the year is utilised for Share Issue Expenses

Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)  
(CIN : U25209GJ2005PLC046757)  
Notes to the Financial Statements for the year ended 31st March 2019

**4 Long Term Borrowings**

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
1	<b>Term loans</b>				
	<b>Unsecured</b>				
	(i) Inter corporate Deposit	25,00,000		85,00,000	
	(ii) From Directors	1,47,71,045		2,31,02,399	
	(iii) Relatives of Directors & Shareholders	57,53,800	2,30,24,845	98,63,000	4,14,65,399
	<b>Total</b>		<b>2,30,24,845</b>		<b>4,14,65,399</b>

**Principal Terms & Conditions of Unsecured Loans**

As per Management's explanation, the above unsecured loans taken from Directors/Promoters/Promoter Group/Associates/Relatives of Directors/Group Companies/other entities are interest free and all are taken without any precondition attached towards repayment.

**5 Deferred Tax Liability (Net)**

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
1	<b>DEFERRED TAX LIABILITIES :</b>				
	- Related to Fixed Assets	-		-	
	Due to Depreciation	21,047			
	- Related to Others	-		-	
	<b>TOTAL ( A )</b>		21,047		-
	<b>Less :</b>				
2	<b>DEFERRED TAX ASSETS :</b>				
	- Related to Fixed Assets	-		1,24,062	
	- Related to Others (Provision for Gratuity)	-		3,487	
	<b>TOTAL ( B )</b>		-		1,27,549
	<b>Total ( A - B )</b>		<b>21,047</b>		<b>(1,27,549)</b>

**6 Long Term Provisions**

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
	<b>Provision for Employee Benefits</b>				
	(b) Provision for gratuity	(5,74,366)		(5,45,239)	
	<b>Total</b>		<b>(5,74,366)</b>		<b>(5,45,239)</b>

**Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)**  
(CIN : U25209GJ2005PLC046757)  
Notes to the Financial Statements for the year ended 31st March 2019

**7 Short Term Borrowings**

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
(1)	<b>Loan repayable on demand</b>				
	(a) Secured				
	(i) From banks	2,83,02,561		6,17,96,387	
	(ii) From Other Parties	-	2,83,02,561	-	6,17,96,387
	<b>Total</b>		<b>2,83,02,561</b>		<b>6,17,96,387</b>

Name of Lender	Prime Securities Offered	Nature of Facility	Limits (Rs. Laacs)	ROI/Commission	Re-payment Schedule
HDFC Bank	All present & Future stocks and book debts & Plant and Machinery	Cash Credit	400	MCLR + 2.55%	On Demand

**\* Collateral Security Details**

Block No. 727 & 719 Village Rakanpur, Santej, Tal. Kalol, Dist. Gandhinagar  
K - 304 Dev Castle, Opp. Govinwadi, Jaymala Cross Road, Maninagar, Ahmedabad  
P - 303 Dev Castle, Opp. Govinwadi, Jaymala Cross Road, Maninagar, Ahmedabad

**8 Trade Payables**

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
1	For Goods	1,37,08,679		2,28,85,188	
2	Micro Small & Medium Enterprises	6,41,165		39,75,000	
3	For Expenses	9,18,694	1,52,68,538	16,83,136	2,85,43,324
	<b>Total</b>		<b>1,52,68,538</b>		<b>2,85,43,324</b>

Amount due to Micro, Small and Medium Enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006, had been identified by the company as on March 31, 2018 & March 31, 2019 on the basis of the status of creditors as to Micro, Small & Medium Enterprises as on that date.

**9 Other Current Liabilities**

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
1	Creditors for Capital Goods	-		4,13,000	
2	Advance from Customers	13,072		2,35,712	
3	Statutory Dues Payable	4,403		5,60,069	
4	TDS & Other Taxes Payable	47,820	65,295	1,62,576	13,71,357
	<b>Total</b>		<b>65,295</b>		<b>13,71,357</b>

**10 Short Term Provisions**

Sr. No	Particulars	As at		As at	
		31st March 2019		31st March 2018	
	Provision for Expenses	59,000		5,63,996	
	Provision for Income Tax (Net of Advance Tax)	23,75,000		16,03,454	
	Provision for employee benefits.	6,70,886	31,04,886	6,46,884	28,14,334
	<b>Total</b>		<b>31,04,886</b>		<b>28,14,334</b>

**Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)**  
(CIN : U25209GJ2005PLC046757)

Notes to the Financial Statements for the year ended 31st March 2019

**11. Fixed Assets**

**TANGIBLE ASSETS :**

SR.	NAME OF ASSET	Gross Block			Depreciation				Net Block		
		At Cost 01.04.2018	Additional (w/of)	Cost as at 31.03.2019	As at 01.04.2018	Adjustment	for the year	Deduction	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
<b>I</b>	<b><u>Tangible Assets</u></b>										
1	Airconditioner	5,05,899	-	5,05,899	4,17,501	-	39,848	-	4,57,349	48,550	88,398
2	Computer	2,46,098	-	2,46,098	2,39,592	-	4,122	-	2,43,714	2,384	6,506
3	Cycle	6,411	-	6,411	6,059	-	352	-	6,411	-	352
4	Dead Stock	41,405	-	41,405	41,244	-	161	-	41,405	-	161
5	Trucks	25,50,641	26,579	25,77,220	21,68,838	-	2,38,097	8,15,334	15,91,601	9,85,619	3,81,803
6	Ele. Installation	24,71,736	-	24,71,736	23,16,973	-	57,446	-	23,74,419	97,317	1,54,763
7	Fan	23,850	-	23,850	20,038	-	1,204	-	21,242	2,608	3,812
8	Flat (Res)	4,40,000	-	4,40,000	1,64,744	-	14,567	-	1,79,311	2,60,689	2,75,256
9	Furniture	28,27,341	-	28,27,341	17,43,330	-	2,89,775	-	20,33,105	7,94,236	10,84,011
10	Mobile	39,697	-	39,697	35,078	-	2,090	-	37,168	2,529	4,619
11	Plant and Machinery	2,40,12,226	(11,21,844)	2,28,90,382	1,69,24,702	-	15,10,173	-	1,84,34,875	44,55,507	70,87,524
12	Plot at Rakanpur	1,21,470	-	1,21,470	-	-	-	-	-	1,21,470	1,21,470
13	Shed & Building	53,22,373	-	53,22,373	28,52,271	-	2,60,113	-	31,12,384	22,09,989	24,70,102
14	Storage Plastic Tank	2,59,558	-	2,59,558	2,27,713	-	12,113	-	2,39,826	19,732	31,845
15	Water Filter	1,05,352	-	1,05,352	83,669	-	6,772	-	90,441	14,911	21,683
16	Wegon R Car	3,82,611	(3,82,611)	-	3,81,851	-	124	3,81,975	0	(0)	760
17	Car- Drive VXI	-	5,04,217	5,04,217	-	-	63,418	-	63,418	4,40,799	-
18	weighting Machine	24,361	-	24,361	22,615	-	787	-	23,402	959	1,746
19	Windmill	5,98,24,263	(11,10,939)	5,87,13,324	3,49,47,371	-	33,33,560	-	3,82,80,931	2,04,32,393	2,48,76,892
	<b>TOTAL</b>	<b>9,92,05,292</b>	<b>(20,84,598)</b>	<b>9,71,20,694</b>	<b>6,25,93,589</b>	<b>-</b>	<b>58,34,722</b>		<b>6,72,31,002</b>	<b>2,98,89,692</b>	<b>3,66,11,703</b>
	<b>(Previous Year)</b>	<b>9,88,04,607</b>	<b>4,00,685</b>	<b>9,92,05,292</b>	<b>5,27,02,175</b>	<b>31,04,960</b>	<b>67,86,454</b>		<b>6,25,93,589</b>	<b>3,66,11,703</b>	<b>4,61,02,432</b>

Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)

(CIN : U25209GJ2005PLC046757)

Notes to the Financial Statements for the year ended 31st March 2019

12 Investment in Associate

Sr. No.	Particulars	As at 31st March 2018		As at 31st March 2017	
(1)	<b>Deep Additives Private Limited</b>				
	(a) Cost of Investment 99000 equity shares of Rs.10 (Including Rs.181.81 Lacs of Capital Reserve on Consolidation)	1,91,70,502		1,91,70,502	
	(b) Share in Post acquisition reserve (Share Forfeited Account)	33,79,000		33,79,000	
	(c) Share of Post acquisition profit (Net of losses)	40,41,319		25,99,105	
	<b>Total</b>		<b>2,65,90,821</b>		<b>2,51,48,607</b>

13 Non Current Investments

Sr. No.	Particulars	As at 31st March 2019		As at 31st March 2018	
(1)	<b>Other Investments (Unquoted)</b>				
	* (a) Investment in property	-		1,46,78,841	
	(c) NSC	5,000	5,000	5,000	1,46,83,841
	<b>Total</b>		<b>5,000</b>		<b>1,46,83,841</b>

\*The company had purchased rights of development of plot at Gujarat Industrial Development Corporation (GIDC) – Ankleshwar (Gujarat) in the year 2012-13. And the same right is sold in FY 2018-19.

14 Long Term Loans and Advances

Sr. No.	Particulars	As at 31st March 2019		As at 31st March 2018	
	<b>Unsecured, Considered Good unless otherwise stated :</b>				
1	<b>Capital Advances</b>				
	Security Deposits	52,44,895	52,44,895	37,17,895	37,17,895
	<b>Total</b>		<b>52,44,895</b>		<b>37,17,895</b>

15 Inventories

Sr. No.	Particulars	As at 31st March 2019		As at 31st March 2018	
	(At lower of cost or Net Realisable Value)				
1	Raw Material	3,58,67,687		1,88,29,773	
2	Finished Goods	1,38,59,521	4,97,27,208	42,76,931	2,31,06,704
	<b>Total</b>		<b>4,97,27,208</b>		<b>2,31,06,704</b>

16 Trade Receivables

Sr. No.	Particulars	As at 31st March 2019		As at 31st March 2018	
(1)	<b>Outstanding for more than six months</b>				
	(a) Secured, considered good	-		-	
	(b) Unsecured, considered good	4,71,60,923		4,33,44,828	
	(c) Others considered doubtful	-		-	
	Less : (d) Allowance for bad and doubtful Debts	-		-	
			4,71,60,923		4,33,44,828
(2)	<b>Outstanding for less than six months</b>				
	(a) Secured, considered good	-		-	
	(b) Unsecured, considered good	15,58,24,038		16,05,63,632	
	(c) Others considered doubtful	-		-	
	Less : (d) Allowance for bad and doubtful Debts	-		-	
			15,58,24,038		16,05,63,632
	<b>Total</b>		<b>20,29,84,961</b>		<b>20,39,08,460</b>

Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)

(CIN : U25209GJ2005PLC046757)

Notes to the Financial Statements for the year ended 31st March 2019

17 Cash & Bank balances

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
1	<b>Cash &amp; Cash Equivalent</b>				
	(a) Balances with Schedule Banks	36,31,944		33,19,360	
	(b) Cash on Hand	3,05,211		1,68,106	
	<b>Sub Total</b>		39,37,156		34,87,466
	<b>Total</b>	-	<b>39,37,156</b>	-	<b>34,87,466</b>

18 Short Terms Loans and Advances

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
	<b>Others :</b>				
	Prepaid Exp.	2,31,826		2,66,615	
	Receivables from Creditors	4,27,688		-	
	Advance Recoverable in cash or in kind or for value to be received.	92,70,000		-	
	Advance Capital Expenses	-		18,66,250	
	Advances for purchase	-		1,26,980	
	Lease Rent	14,56,180		15,37,080	
	Balance with Revenue Authority :			-	
	GST	51,31,207		-	
	TCS	11,138			
			1,65,28,039		37,96,925
	<b>Total</b>		<b>1,65,28,039</b>		<b>37,96,925</b>

Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.) (CIN : U25209GJ2005PLC046757) STATEMENT OF PROFIT & LOSS FOR THE PERIOD OF 01/04/2018 TO 31/03/2019				
				Amount in Rs.
Sr. No	Particulars	Note No	2018-19	2017-18
	<b>Revenue :</b>			
I	Revenue from operations	19	40,42,05,166	39,79,00,622
	Less: Central Excise duty		-	-
	Revenue from operations (Net)		40,42,05,166	39,79,00,622
II	Other Income	20	2,10,60,086	1,31,07,968
III	<b>Total Revenue (I +II)</b>		<b>42,52,65,252</b>	<b>41,10,08,590</b>
	<b>Expenses:</b>			
	Cost of materials consumed	21	32,23,59,239	30,80,45,298
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	(95,82,590)	92,14,490
	Employee Benefits Expense	23	88,32,003	85,52,221
	Finance Costs	24	44,23,201	56,63,616
	Depreciation and Amortization Expense	11	58,34,722	67,86,454
	Other Expenses	25	4,75,35,056	4,38,54,148
	<b>Total Expenses (IV)</b>		<b>37,94,01,631</b>	<b>38,21,16,227</b>
V	Profit before tax (III - IV)		<b>4,58,63,621</b>	<b>2,88,92,363</b>
	<b>Tax expense :</b>			
VI	(1) Current tax		1,18,75,000	82,07,028
	(2) Deferred tax		1,48,596	(3,96,864)
	(3) Last Year Short Provision of Tax		94,527	-
VII	Profit/(Loss) for the period (V - VI)		<b>3,37,45,498</b>	<b>2,10,82,199</b>
VIII	Share of Profit/(Loss) of Associate		14,42,214	2,28,648
IX	Profit/(Loss) for the period after share of Profit/(Loss) of Associate (VII + VIII)		<b>3,51,87,711</b>	<b>2,13,10,847</b>
X	Earnings per Equity Share: (Face Value of Rs.10/- each )			
	(1) Basic and Diluted	26	3.21	2.03
	(2) Basic and Diluted Assuming Bonus from the earliest Period		3.21	2.03
	<b>Summary of Significant Accounting Policy</b>	1		

The accompanying notes are integral part of these financial statements 1 to 31

Refer our annexed report of the even date

For, Deep Polymers Ltd

For, H K Shah & Co  
Chartered Accountants

Director                      Director  
Ashaben R Patel          Rameshbhai B Patel  
DIN : 01310745          DIN : 01718102

CA. Malav Desai  
Partner  
FRN : 10958300  
M.No. 135524

Date : 30-05-2019  
Place : Ahmedabad

Date : 30-05-2019  
Place : Ahmedabad



Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)  
(CIN : U25209GJ2005PLC046757)  
Notes to the Financial Statements for the year ended 31st March 2019

**19 Revenue from Operations**

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
1	<b>Revenue from Operations</b>				
	Sale of Products Local	25,07,55,766		25,51,42,622	
	Sale of Products Export	15,34,49,400		14,27,58,000	
			40,42,05,166		39,79,00,622
	<b>Total</b>		<b>40,42,05,166</b>		<b>39,79,00,622</b>

**20 Other Income**

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
1	Discount Received	49,76,515		22,07,758	
2	Rate Difference gain	72,377		43,43,855	
3	Foreign Exchange rate diff	74,63,610		63,41,355	
4	Interest Income	-		2,15,000	
5	MEIS Benefit Advance License	60,42,949		-	
6	Custom Refund	64,938		-	
7	Profit on sale of Car	2,06,741		-	
8	Excess credit Generation	22,03,829		-	
9	Actuarial Gain	29,127		-	
			2,10,60,086		1,31,07,968
	<b>Total</b>		<b>2,10,60,086</b>		<b>1,31,07,968</b>

**21 Cost of Materials Consumed**

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
1	Opening Stock	1,88,29,773		5,35,05,258	
	Add : Purchases	33,93,97,153		27,33,69,813	
	= Sub Total		35,82,26,926		32,68,75,071
	Less: Closing Stock	3,58,67,687		1,88,29,773	
	<b>Total</b>		<b>32,23,59,239</b>		<b>30,80,45,298</b>

**22 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade**

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
	(As taken, Valued and Certified by Management)				
1	<b>Finished Goods:</b>				
	Opening Stock	42,76,931		1,34,91,421	
	Less : Closing Stock	1,38,59,521		42,76,931	
			(95,82,590)		92,14,490
	<b>Total</b>		<b>(95,82,590)</b>		<b>92,14,490</b>

**23 Employee Benefits Expense**

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
1	Salaries, Wages and Bonus	86,00,464		74,44,817	
2	Director's Remuneration	1,00,000		7,92,000	
3	Gratuity Expenses	5,217		17,958	
4	Contribution to Provident Fund / ESIC /	1,06,844		1,24,173	
5	Staff Welfare Expenses	19,478		1,73,273	
			88,32,003		85,52,221
	<b>Total</b>		<b>88,32,003</b>		<b>85,52,221</b>

**24 Finance Costs**

Sr. No	Particulars	As at 31st March 2019		As at 31st March 2018	
1	Bank Charges	8,77,529		2,38,384	
2	Bank Processing Charges	-		3,50,152	
3	BANK COMMISSOPN EXP(IPO)	1,997		-	
4	Bank Interest	35,40,726		49,55,982	
5	BANK L/C CHARGES.	2,950		-	
6	Buyers Credit Interest	-		1,19,097	
			44,23,201		56,63,616
	<b>Total</b>		<b>44,23,201</b>		<b>56,63,616</b>

**Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)**  
(CIN : U25209GJ2005PLC046757)  
Notes to the Financial Statements for the year ended 31st March 2019

**25 Other Expenses**

Sr. No	Particulars	As at	
		31st March 2019	31st March 2018
	<b>Administrative Expenses</b>		
	Audit Fees	35,400	35,400
	Advertisement Expenses	1,45,442	-
	Actuary Valuation Report Charges	30,000	-
	Conveyance Exp.	8,214	14,191
	Consulting Expense	4,55,373	2,64,800
	Conference Charges	92,160	-
	Bad debt Expenses	-	3,86,049
	Cirtification charges	34,220	1,350
	Computer Expenses	-	28,000
	Commission Exp	3,85,450	10,28,648
	Demat Charges	1,40,000	-
	Diesel & Petrol Exp	7,05,010	7,27,431
	Foreign Travling Exps	8,70,850	7,81,263
	Fright Exps.	18,53,390	13,85,536
	Insurance Exps	2,64,760	3,69,222
	Interest on Income tax	4,35,869	3,79,265
	Income Tax Paid	12,41,000	-
	Kasar Vatav	57,758	-
	Legal & Professional Charges	85,600	24,000
	Loading & unloading Charges	9,18,165	10,62,558
	LOSS ON SALES OF DAHEJ PLOT	1,35,381	-
	Discount	-	9,476
	Membership Fees	8,400	37,494
	Medical Exp	-	409
	Office Expenses	30,176	50,245
	O & M charges	15,51,008	13,15,170
	Professional Tax	2,500	2,500
	Pollution Control Charges	24	-
	Postage & Courier Exps	2,22,543	1,85,225
	Printing & Stationery Exps	27,233	10,982
	Quantity Discount	-	7,68,175
	Stamp Duty paid on MCA	13,99,040	-
	Sales Discount	1,35,696	-
	SLDC Charges	16,695	11,156
	Scheduling (windpower) Exps	11,100	12,343
	Sales Tax Expenses	67,885	-
	Trade Commission on Export	4,00,862	-
	Tea & Milk Exp.	74,526	-
	Telephone Exps	2,128	3,487
	Vehicle Maintenance & Toll Taxes	5,07,094	4,00,936
	Travelling & Conveyance Exp.	8,008	25,993
	Water Bill Exp.	23,120	22,420
		1,23,82,078	93,43,723
	<b>Rates, Rents &amp; Taxes</b>		
	Vat Credit Disallowed	-	1,666
	Interest on late payment of (PT,Sales tax,Service	-	2,355
	Excise Rebate Claim Duty	-	-
	Panchayat Tax	-	2,835
	CST Paid	-	3,15,630
		-	3,22,486
	<b>Repairs &amp; Maintainance Exps</b>		
	Machinery Repairs	14,05,608	10,89,240
	Building Repairs	23,000	-
	Other Repair (Electricity)	-	-
	Vehicle Exps.	-	-
		14,28,608	1,80,227
	<b>Manufacturing Expenses</b>		
	Custom clearance & shipping charges	1,13,62,684	2,35,35,089
	Clearing & Forwarding charges	12,08,727	13,19,424
	Discount Paid	-	1,75,791
	Electric Bill Exps	-	43,843
	Export & Import Charges	1,48,27,162	2,63,910
	Factory Exps	1,39,305	1,48,033
	Freight & forwarding charges	11,41,802	15,90,595
	Loading & unloading Charges	-	7,016
	Service Tax Paid	-	22,456
	Power & Fuel Charges	29,04,193	38,47,136
	Wind Mill Land Sublease Right Charges	80,900	80,900
	Open Access charges	19,50,357	17,69,932
	Misc exp	1,09,240	1,14,347
		3,37,24,370	3,29,18,472
	<b>Total</b>	<b>4,75,35,056</b>	<b>4,38,54,148</b>

Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)  
(CIN : U25209GJ2005PLC046757)  
Notes to the Financial Statements for the year ended 31st March 2019

26 Earning Per Share

Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
1	Profit attributable to the Equity Shareholders	A 3,51,87,711	2,13,10,847
2	Basic / Weighted average number of Equity Shares outstanding during the period	B 1,09,74,378	1,05,11,600
3	Nominal value of Equity Shares (Rs.)	10	10
4	Basic/Diluted Earnings per Share (Rs.)	A / B <b>3.21</b>	<b>2.03</b>
5	Basic / Weighted average number of Equity Shares outstanding during the period assuming bonus from earliest period	C 1,09,74,378	1,05,11,600
6	Nominal value of Equity Shares (Rs.)	10	10
7	Basic/Diluted Earnings per Share assuming bonus from earliest period (Rs.)	D <b>3.21</b>	<b>2.03</b>

**Deep Polymers Limited (Previously known as Deep Polymers Pvt. Ltd.)**  
(CIN : U25209GJ2005PLC046757)  
**STATEMENT OF CASH FLOWS FOR THE PERIOD OF 01/04/2019 TO 31/03/2018**

Particulars	Amount in Rs.	
	2018-19	2017-18
<b>Cash Flow from Operating Activities:</b>		
Net Profit before tax as per Profit And Loss A/c	4,58,63,621	2,88,92,363
<b>Adjustments for:</b>		
Depreciation & Amortisation Expense	58,34,722	67,86,454
Loss on Sale of Investment	1,35,381	-
Profit on Sale of Car	2,06,741	-
Interest Income	-	2,15,000
Finance Cost	44,23,201	56,63,616
Adjustment for General Reserve	-	(65,17,379)
<b>Operating Profit Before Working Capital Changes</b>	<b>5,60,50,184</b>	<b>3,46,10,054</b>
Adjusted for (Increase)/ Decrease in:		
(Increase) /Decrease in Trade Receivables	9,23,499	(5,20,76,295)
(Increase) /Decrease in Loans & Advances	(1,27,31,114)	1,68,99,905
(Increase) /Decrease in Inventories	(2,66,20,504)	4,38,89,978
Increase /(Decrease) in Trade Payables	(1,32,74,786)	(3,10,81,226)
Increase/ (Decrease) in Other Current Liabilities	(13,06,062)	5,32,961
Increase/ (Decrease) Short Term Provision	(4,80,994)	5,77,863
<b>Cash Generated From Operations</b>	<b>25,60,222</b>	<b>1,33,53,240</b>
Appropriation of Profit		
Income Tax Paid (Including TDS)	1,10,26,442	78,10,097
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>(84,66,220)</b>	<b>55,43,143</b>
<b>Cash Flow From Investing Activities:</b>		
Net (Purchases)/Sales of Fixed Assets (including capital work in progress)	(16,04,417)	(8,50,000)
Subsidy Income Received	24,97,783	4,49,315
Interest Received	-	2,15,000
Net (Increase)/Decrease in Long Term Loans & Advances	(15,27,000)	
Proceeds From Sale or Purchase OF Investments net of Expenses	1,45,43,460	
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>1,39,09,826</b>	<b>(1,85,685)</b>
<b>Cash Flow from Financing Activities:</b>		
Proceeds From issue of Share Capital	5,44,00,000	-
Securities Premium Utilised for IPO Expenses	(30,36,334)	-
Net Increase/(Decrease) in Long Term Borrowings	(1,84,40,554)	54,10,797
Net Increase/(Decrease) in Short Term Borrowings	(3,34,93,826)	(24,66,465)
Net Increase/(Decrease) in Other Long Term Liabilities	-	-
Interest and Financial Charges Paid	(44,23,201)	(56,63,616)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>(49,93,915)</b>	<b>(27,19,284)</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	4,49,690	26,38,174
Cash & Cash Equivalents As At Beginning of the Year	34,87,466	8,49,292
<b>Cash &amp; Cash Equivalents As At End of the Year</b>	<b>39,37,156</b>	<b>34,87,466</b>

Refer our annexed report of the even date

For, Deep Polymers Ltd

For, H K Shah & Co  
Chartered Accountants  
FRN : 143554W

Director                      Director  
Ashaben R Patel          Rameshbhai B Patel  
DIN :01310745          DIN : 01718102

CA. Malav Desai  
Partner  
M.No. 167833

Date : 30-05-2019  
Place : Ahmedabad

Date : 30-05-2019  
Place : Ahmedabad

**Note 27 –Details of Contingent Liabilities****(Rs. In Lacs)**

<b>Particulars</b>	<b>2018-19</b>	<b>2017 – 18</b>
TDS Defaults	0.01	0.01
Demand under Income Tax Act	121.33	5.54
<b>Total</b>	<b>121.34</b>	<b>5.55</b>

\*As informed to us there was no Letter Of credit outstanding as on March 31, 2018 & March 31, 2019. Hence, the same is not shown as contingent liability.

**Note : 28 Related Party Transaction**

<b>Sr. No.</b>	<b>Name of the related parties with whom transactions were carried out during the years and description of relationship</b>	
1.	Holding Company	NIL
2.	Subsidiary Company	NIL
3.	Associate Company	Deep Additives Private Limited
4.	Key Managerial Person	Ramesh Patel Ashaben Patel Jignesha Patel
5.	Relative of Key Management Persons	Himani Patel
6.	Enterprises Owned or controlled by Key Management personnel and/or their relatives	Deep Masterbatche Limited Ramesh Patel – HUF Deep Plast Industries

**List of Transactions is disclosed on the next page:**

Sr. No.	Particular	March 31, 2019	March 31, 2018
<b>Key Management Personnel</b>			
<b>1</b>	<b><u>Ramesh Patel</u></b>		
	Op Bal.	185.74	80.05
	Transfer of F.A	0.00	0.00
	Loan taken from Director	0.00	125.68
	Amount Repaid/ abjusted	80.05	20.00
	<b>Cl Bal.</b>	<b>105.68</b>	<b>185.74</b>
	<b>Salary to Director</b>	<b>0.00</b>	<b>3.96</b>
<b>2</b>	<b><u>Asha Patel</u></b>		
	Op Bal.	45.28	3.26
	Loan taken from Director	0.00	42.02
	Amount Repaid/ abjusted	3.26	0.00
	<b>Cl Bal.</b>	<b>42.03</b>	<b>45.28</b>
	<b>Salary to Director</b>	<b>0.00</b>	<b>3.26</b>
<b>Company/entity owned or significantly influenced by directors/KMP</b>			
<b>1</b>	<b><u>Deep Additives Private Limited</u></b>		
	Op. Bal. of Trade Receivable	3.38	2.61
	Sales	90.54	56.19
	Recovery	91.62	54.98
	Purchase	2.30	1.04

	Payment	-	0.50
	Rate Diff.	-	0.10
	Clbal of trade receivable	0.00	3.38
	Op. Bal. of Receivable	0.00	0.00
	Receipt	0.00	0.00
	Payment	0.00	0.00
	Commission receivable	0.00	0.00
	amount Repaid/Adjusted	17.70	0.00
	Closing Bal. of Receivable	17.70	0.00
	Op Bal of Share Investment	9.90	9.90
	Purchase	0.00	0.00
	Sale	0.00	0.00
	Op Bal of Share Investment	9.90	9.90
<b>2</b>	<b><u>Deep Masterbatch Limited</u></b>		
	Op Bal.	0.00	0.00
	Receipt	9.25	32.00
	Sales	3.36	0.00
	Payment	9.25	32.00
	<b>Closing Balance</b>	<b>3.36</b>	<b>0.00</b>
<b>3</b>	<b><u>Ramesh Patel-HUF</u></b>		
	Op Bal.	98.63	140.00

	Receipt	0.00	0.00
	Payment	41.09	41.37
	<b>Closing Balance</b>	<b>57.54</b>	<b>98.63</b>
<b>4</b>	<b><u>Deep Plast Industries</u></b>		
	Op balance of Trade receivable	-19.11	-35.16
	Sales	325.03	54.09
	Recovery	247.01	54.09
	Purchase	163.99	22.96
	Payment	163.99	22.96
	Receipt	0.00	242.07
	Payment	292.38	258.12
	MEIS Benefits Transferred	60.43	0.00
	Hapag – Lloyd India Adjustment	1.85	0.00
	Expenses Paid on behalf of Deep Polymers	14.63	0.00
	<b>Closing Balance</b>	<b>398.94</b>	<b>-19.11</b>



**Note 29 – The Company has determined the liability for Employee Benefits in accordance with the revised Accounting Standard 15 on “Employee Benefits.”**

**(Rs. in INR)**

The company has a defined benefit gratuity plan. The following table summaries the components of net benefit expense recognized in the profit and losses and the funded status and amount recognized in the statements of assets and liabilities for the plan.

Particulars	As on	As on
	31-Mar-19	31-Mar-18
<b>Change in the Present Value of Projected Benefit Obligation</b>		
Present Value of Benefit Obligation at the Beginning of the Period	559532	494267
Interest Cost	43084	38059
Current Service Cost	78808	83100
Actuarial (Gains)/Losses on Obligations		
Due to Change in Financial Assumptions	(152655)	22345
Actuarial (Gains)/Losses on Obligations Due to Experience	-	33549
Present Value of Benefit Obligation at the End of the Period	528769	559532
<b>Expenses Recognized in the Statement of Profit or Loss for Current Period</b>		
Current Service Cost	78808	83100
Net Interest Cost	43084	38059
Actuarial (Gains)/Losses	(152655)	55894
Expenses Recognized in the Statement of Profit or Loss	(30763)	-5756
<b>Amount recognized in Balance Sheet</b>		
Present value of Benefit Obligation as at balance sheet date	528769	559532
Fair Value of Plan Assets as at balance sheet date	-	1104771
<b>Net Liability/ (Asset) recognized in Balance Sheet</b>	<b>528769</b>	<b>-545239</b>

<b>Assumptions (Closing Period)</b>		
Expected Return on Plan Assets	NA	NA
Rate of Discounting	7.70%	7.70%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	5% at younger ages and reducing to 1% at older ages according to graduated scale	
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	

**Note 30 – Leases****(Rs. In Lacs)**

In accordance with the Accounting Standard 19 on 'Leases' issued by the Institute of Chartered Accountants of India, the following disclosure in respect of Operating Lease is made:

(a) The company has entered into the operating lease for the period of 25 years for the land at Jamnagar to install the windmill through Suzlon Energy Limited. Total of Rs.20.23 Lacs was paid in June 2012 which is to be amortised in the period of 25 years.

<b>Particulars</b>	<b>2018-19</b>	<b>2017 –18</b>
In less than a year	0.81	0.81
In 1 year to 5 Years	4.04	4.04
In greater than 5 years	9.71	10.52
<b>Total</b>	<b>14.56</b>	<b>15.37</b>

**Note 31.**Previous periods/year's figures have been re grouped/ classified wherever necessary to correspond with the current period classification / disclosure.

# DEEP POLYMERS LIMITED

CIN: L52100GJ1993PLC018943

Address: Block No 727 B/h Bhavi Industries Rakanpur (Santej) Tal Kalol Dist  
Gandhinagar – 382 721

E-mail: [cs.deeppolymers@gmail.com](mailto:cs.deeppolymers@gmail.com) Website: [www.deeppolymer.in](http://www.deeppolymer.in)

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## ATTENDANCE SLIP

Regd. Folio No./DP Id No./Client Id No.*	
No. of Shares held	
Name and Address of the First Shareholder (IN BLOCK LETTERS)	
Name of the Joint holder (if any)	

\*Applicable for investor holding shares in electronic form.

I/we hereby record my/our presence at the 14<sup>th</sup> Annual General Meeting of the Members of Deep Polymers Limited will be held on Monday, 30<sup>th</sup> September, 2019 at 3:00 P.M. at the Registered Office of the Company situated at Block No 727 B/H Bhavi Industries Rakanpur (Santej), Kalol District, Gandhinagar- 382 721

\_\_\_\_\_  
**Member's/Proxy's Name in Block Letters**

\_\_\_\_\_  
**Member's/Proxy's Signature**

### Notes:

1. A Member/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the Meeting and handover at the entrance duly signed.
2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.

# DEEP POLYMERS LIMITED

CIN: L52100GJ1993PLC018943

Address: Block No 727 B/h Bhavi Industries Rakanpur (Santej) Tal Kalol Dist  
Gandhinagar – 382 721

E-mail: [cs.deeppolymers@gmail.com](mailto:cs.deeppolymers@gmail.com) Website: [www.deeppolymer.in](http://www.deeppolymer.in)

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## PROXY FORM

(Form No. MGT-11 - Pursuant to section 105(6) of the Companies Act, 2013 and  
rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s)	
Registered Address	
E-mail Id	
Folio No/Client Id	

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

1. Name:

\_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him

2. Name:

\_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him

3. Name:

\_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 14<sup>th</sup> Annual General Meeting of the Members of Deep Polymers Limited will be held on Monday, 19<sup>th</sup> September, 2019 at 3:00 P.M. at the Registered Office of the Company situated at 308, Shital Varsha Arcade, Opp. Girish Cold Drinks, C. G. Road, Navrangpura, Ahmedabad – 380 009 any adjournment thereof in respect of such resolutions as are indicated below:

### Ordinary Business:

1. To consider and adopt the standalone audited financial statement of the Company for the financial year ended on 31<sup>st</sup> March, 2019 and statement of Profit and Loss account together with the notes & schedules forming part thereof and Cash Flow Statement for the financial year ended on that date, and the reports of the Board of Directors ("The Board") and Auditor thereon.
2. To appoint a director in place of Ms. Ashaben Patel (DIN: 01310745), who retires by rotation and being eligible, offers herself for re-appointment.
3. Appointment of Statutory Auditor and to fix their remuneration

### Special Business:

4. Appointment of Mr. Narayansinh Chauhan as an Independent Director of the Company

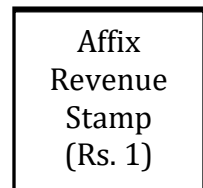
Signed this.....day of.....2019

\_\_\_\_\_

Signature of shareholder

\_\_\_\_\_

Signature of Proxy holder(s)



**Note:** This form of proxy in order to be effective should be duly completed, signed, stamped and be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the 14<sup>th</sup> Annual General Meeting.