



GUJARAT PETROSYNTHESE LIMITED

Reg. Off: No.24, II Main, Phase I, Doddanekkundi Industrial
Area, Mahadevapura Post, Bengaluru-560 048.
Ph: 91 – 80 – 28524133, 91-80-40943197
E-mail: info@gpl.in, Website: www.gpl.in
CIN No. L23209KA1977PLC043357



Date: September 06, 2022

To,
BSE Limited,
1st Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001

Scrip Code: 506858

Subject: Annual Report along with the Annual General Meeting (“AGM”) Notice of the Company for the Financial Year 2021-22 pursuant to Regulation 30 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (‘Listing Regulations’)

Dear Sir/Madam,

We wish to inform you that the Forty-Fifth (45th) Annual General Meeting of Gujarat Petrosynthese Limited (‘the Company’) will be held on Thursday, September 29, 2022 at 11:00 AM (IST) through Video Conferencing or Other Audio-Visual Means in accordance with the General Circular issued by the Ministry of Corporate Affairs dated 05th May, 2020, read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021, and Circular No. 02/2022 dated May 05, 2022 (collectively referred to as ‘MCA Circulars’) and Circular dated 12th May, 2020, 15th January 2021 and Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India (‘SEBI Circular’), AGM of the Company will be held without the physical presence of the Shareholders at a common venue and the venue of the meeting shall be deemed to be the registered office of the Company situated at No. 24, II Main, Phase I, Doddanekkundi Industrial Area, Mahadevapura Post, Bengaluru-560048.

In terms of the provisions of Regulation 30 and Regulation 34(1) of the Listing Regulations, the Annual Report of the Company along with the Notice of the 45th Annual General Meeting together with the explanatory statement and other Statutory Reports for the Financial Year 2021-22 is enclosed herewith.

Further, in accordance with the aforesaid MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Annual Report is being sent only by electronic mode to those Shareholders whose email addresses are registered with the Company/ Depository Participants. The Annual Report together with the Notice of the AGM is being dispatched to the Shareholders today, i.e., September 06, 2022. The said Annual Report is also available on the website of the Company, i.e., www.gpl.in.

Head Office: Ecstasy, 718, 7th Floor, City of Joy J.S.D Road, Mulund (West) Mumbai– 400080.
Phone: 022- 25600181 **Email:** - secretarial@gujaratpetrosynthese.com



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The Annual Report contains the information to be given and disclosures required to be made in terms of Regulation 34(2) and 34(3) of the SEBI Listing Regulations.

We request you to take the same on your records.

Thanking you,

For **Gujarat Petrosynthese Limited**

Urmi N. Prasad

Joint Managing Director

DIN: 00319482

Address: Ecstasy, 718, 7th Floor, City of Joy,
J.S.D Road, Mulund (West) Mumbai– 400080

Place: Mumbai

Date: September 06, 2022

GUJARAT PETROSYNTHESE LIMITED



**FORTY FIFTH ANNUAL REPORT
2021-22**

BOARD OF DIRECTORS	Mr. Raghu Venkataraman (DIN: 02012383)	Chairperson Independent Director
	Mr. Moreshwar Garde Digambar (DIN: 00689103)	Independent Director
	Mr. Rajesh Shirish Parikh (DIN: 08258755)	Independent Director
	Ms. Urmi Nuthakki Prasad (DIN: 00319482)	Joint Managing Director & CFO
	Ms. Charita Thakkar (DIN: 00321561)	Joint Managing Director

BANKERS	AXIS BANK LIMITED STATE BANK OF INDIA CANARA BANK BANK OF BARODA
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AUDITORS	M/S Dayal and Lohia Mumbai
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SECRETARIAL AUDITOR	J.J. Gandhi & Company Vadodara
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COMPANY SECRETARY & COMPLIANCE OFFICER	Mr. Divyaraj Chandwaskar w.e.f. August 12, 2022.
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REGD. OFFICE & WORKS	No. 24, II Main, Phase I, Doddanekkundi Industrial Area, Mahadevapura Post, Bengaluru - 560048 Ph No. 080-28524133 / 40943197 E-mail : info@gpl.in; secretarial @gujaratpetrosynthese.com
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CIN No.	L23209KA1977PLC043357
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The above disclosure has been given in accordance with Section 158 of Companies Act 2013, and reference of any of the above directors made in this document be read along with the above disclosure of their respective Director Identification Numbers

NOTICE

NOTICE is hereby given that the **Forty Fifth (45th)** Annual General Meeting (“**AGM**”) of the Members of Gujarat Petrosynthese Limited (“**the Company**”) will be held on Thursday, September 29, 2022 at 11.00 am through Video Conferencing (“**VC**”)/ Other Audio-Visual Means (“**OAVM**”) to transact the following business. The venue of the AGM shall be deemed to be the Registered Office of the Company at No. 24, II Main, Phase I, Doddanekkundi Industrial Area, Mahadevapura Post, Bengaluru-560048:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022, along with the Report of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022 along with the Report of the Auditors thereon.
3. To appoint a Director in place of Ms. Urmi N. Prasad (DIN: 00319482), who retires by rotation and being eligible, offers herself for re-appointment.
4. To consider and re-appoint the current auditors, M/s Dayal & Lohia, Chartered Accountants (Firm Registration Number: 102200W) as the statutory auditors of the Company, for a term of five (5) consecutive years with effect from the conclusion of this 45th AGM till the conclusion of 50th AGM to be held in the financial year 2027-28 and to authorize the Board of Directors to fix their remuneration:

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the “**Act**”) read with the Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (the “**Rules**”), including any amendments, statutory modification(s) and/or re-enactment thereof, for the time being in force and based on the recommendations of the Audit Committee and approval of the Board of Directors (the “**Board**”) of the Company and subject to necessary approval(s), if any, consent of the Members of the Company be and is hereby accorded to re-appoint M/s. Dayal and Lohia, Chartered Accountants (FRN.: 102200W), as Statutory Auditors of the Company for the second term of 5 (five) years to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 50th Annual General Meeting (AGM) of the Company at such remuneration plus out-of-pocket, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.

RESOLVED FURTHER THAT the Board of Directors, be and are, hereby authorised to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution, including seeking all necessary approvals to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard and to file necessary E-Forms with Registrar of Companies.”

Regd. Office:

24, II main, Phase I,
Doddanekkundi Industrial Area,
Mahadevapura Post,
Bengaluru- 560 048
CIN: L23209KA1977PLC043357
Website: www.gpl.in; Email: info@gpl.in
Tel: 080-28524133 / 40943197

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

(Ms. Urmi N. Prasad)
Joint Managing Director

DIN: 00319482

Date : 12th August, 2022

NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI (hereinafter collectively referred to as “the Circulars”). Accordingly, the 45th AGM of the Company will be held through VC / OAVM in compliance with the provisions of the Act and the Listing Regulations. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. Further, in accordance with SS-2 issued by ICSI read with Clarification / Guidance on applicability of Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) dated April 15, 2020, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (‘the Act’) relating to the Ordinary Business under Item No. 4, to be transacted at the Annual General Meeting (‘AGM’ / ‘Meeting’) is annexed hereto.
3. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
4. Institutional investors, who are members of the Company, are encouraged to attend the 45th AGM of the Company through VC/ OAVM mode and vote electronically. Corporate members are required to send a scanned copy (PDF/JPG Format) of the Board Resolution/ Power of Attorney authorizing its representatives to attend and vote at the AGM through VC / OAVM on its behalf pursuant to Section 113 of the Act. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to scrutinisers@mmjc.in with a copy marked to helpdesk.evoting@cdslindia.com
5. All the documents referred to in the accompanying notice and Explanatory Statement, shall be made available for inspection through electronic mode, basis the request being sent on secretarial@gujaratpetrosynthese.com
6. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.
7. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members are, therefore, requested to submit their PAN to their Depository Participant(s) with whom they are maintaining their Demat Accounts.
8. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act, shall be available for inspection upon login at CDSL e-voting system at www.evotingindia.com
9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.
10. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019. Further, the transmission and transposition of securities shall also be affected in dematerialised form only as per the SEBI Circular dated 24th January, 2022. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings into dematerialized form. Members can contact the Company or Company’s Registrar and Transfer Agent – Bigshare Services Private Limited for assistance in this regard.

11. To support the “Green Initiative”, Members who have not registered their email addresses are requested to register the same with the Company’s Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/ electronic mode, respectively.
12. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
13. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 8th April, 2020 and MCA Circular No. 17/2020 dated 13th April, 2020, MCA Circular No. 20/2020 dated 5th May, 2020, MCA Circular No. 2/2021 dated 13th January, 2021 and MCA Circular No. 2/2022 dated 5th May, 2022 and Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI (hereinafter collectively referred to as “the Circulars”).
14. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services India Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting’s agency. The facility of casting votes by a member using remote e-voting system as well as the e-voting system on the date of the AGM will be provided by CDSL.
15. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13 April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.gpl.in. The Notice can also be accessed from the websites of the Stock Exchange i.e., BSE Limited at www.bseindia and the AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
16. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members who would like to express their views during the AGM may send their questions and pre-register themselves as a speaker by sending their request from their registered e-mail address and send their queries in advance, mentioning their name, demat account number/folio number, e-mail ID, mobile number at secretarial@gujaratpetrosynthese.com. Questions/ queries and registration requests received from such members by the Company from September 22, 2022 (9:00 a.m. IST) to September 26, 2022 (5:00 p.m. IST), shall only be considered and responded during the AGM and those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
17.
 - I. The Company has appointed Mr. Makarand Joshi failing him Ms. Kumudini Bhalerao, Partner at Makarand M. Joshi & Co., Practicing Company Secretaries, to act as the Scrutiniser to scrutinise the remote e-voting process in a fair and transparent manner and Mr. Makarand Joshi has communicated his willingness to be appointed and be available for the purpose.
 - II. The Scrutiniser shall, immediately after the conclusion of the remote e-voting at the AGM, first count the votes cast through remote e-voting during the Meeting and thereafter unblock the votes cast through remote e-voting before the AGM in presence of at least two witnesses not in the employment of the Company, and make a consolidated Scrutiniser’s Report of the total votes cast in favour or against, if any, and submit the same to the Chairperson or a person authorised by him in writing who shall countersign the same.
 - III. The results on resolutions shall be declared within two working days of the conclusion of the Meeting of the Company and the resolutions will be deemed to be passed on the date of the Meeting, subject to receipt of the requisite number of votes in favour of the resolutions.
 - IV. The results declared along with the Scrutiniser’s Report will be made available on the website of the Company (www.gpl.in) and on Service Provider’s website (www.evotingindia.com) and the same shall be communicated to BSE Limited within two working days of the conclusion of the Meeting.

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING: -

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- i. The voting period begins on September 26, 2022 (09.00 a.m. IST) and ends on September 28, 2022 (05.00 p.m. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 22, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

iv. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.

Type of shareholders	Login Method
	<p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- v. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
 - 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your user ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

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

- vi. After entering these details appropriately, click on “**SUBMIT**” tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach “**Password Creation**” menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant “Gujarat Petrosynthese Limited” on which you choose to vote.
- x. On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “**YES/NO**” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**OK**”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.
- xiii. Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

xvii. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

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

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.



4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance till September 26, 2022 to the Company mentioning their name, demat account number/folio number, email id, mobile number at secretarial@gujaratpetrosynthese.com. These queries will be acknowledged by the company suitably by email and will be addressed in the AGM.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES/MOBILE NO. ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

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

ITEM NO. 4:

M/s. Dayal and Lohia, Chartered Accountants (Firm Registration Number -102200W) were appointed as Statutory Auditors of the Company at the 40th Annual General Meeting ('AGM') for a period of five (5) consecutive years, up to the conclusion of 45th AGM. M/s. Dayal and Lohia are eligible for re-appointment for a further period of 5 years. M/s. Dayal and Lohia have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder. Based on the recommendations of the Audit Committee and the Board of Directors at their meeting held on August 12, 2022, it is hereby proposed to re-appoint M/s. Dayal and Lohia, Chartered Accountants, having (Firm Registration Number - 102200W), as the Statutory Auditors of the Company for the second and final term of 5 (five) consecutive years, who shall hold office from the conclusion of this 45th AGM till the conclusion of the 50th AGM of the Company.

M/s. Dayal and Lohia has provided their consent for the re-appointment as the statutory auditors of the Company along with a confirmation that their appointment, if made, would be within the limits prescribed under the Act. They have also confirmed that they do not have any financial interest in or association with the Company which may lead to conflict of interest situations.

The remuneration proposed to be paid to the Statutory Auditors during their second and final term would be in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

The total audit fees including the limited review fees (plus out of pocket expenses and taxes) paid by the Company and its subsidiaries, on a consolidated basis to M/s. Dayal and Lohia for the financial year ended March 31, 2022 was Rs. 3,97,500/- and on standalone basis was Rs. 3,37,500/-

Disclosures as required under Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulation"), are given hereunder for information of the members.

Proposed fees payable to the Statutory Auditors	The proposed remuneration to be paid to M/s. Dayal and Lohia for audit services for the financial year ending March 31, 2023, is Rs. 3,97,500/- plus applicable taxes and out-of-pocket expenses. Further, the fees for the pending tenure of the statutory auditor may be mutually decided between the Board of Directors and the auditor.
Terms of appointment of the Statutory Auditors.	Pursuant to Section 139(8)(i) of the Act, M/s. Dayal and Lohia shall hold office for a period of five (5) consecutive years with effect from the conclusion of the ensuing AGM until the conclusion of the fiftieth AGM of the Company to be held in the financial year 2027-28.
Material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change.	Not applicable as there is no revision in the fees to be paid to the statutory auditors for FY 2022-23.
Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditors proposed to be appointed.	The Board and the Audit Committee considered various parameters while recommending the re-appointment of M/s. Dayal and Lohia as the Statutory Auditors of the Company including but not limited to their capability to serve the Company, existing experience in the Company's business verticals and segments, market standing of the firm, clientele, technical knowledge, and found M/s. Dayal and Lohia suited to continue to provide audit services to the Company.

Brief profile of M/s. Dayal and Lohia.

M/s. Dayal and Lohia, Chartered Accountants, is a Chartered Accountants firm established in the year 1983 having Mr. Chandrahas Dayal, Mr. Anil Lohia and Mr. Khushit Jain as partners and have an experience and expertise in the following areas of professional work:

- Statutory Audits of Corporates of diverse size and in different manufacturing and service areas including branch audits of nationalized banks, Insurance Companies, trusts, schools and clubs.
- Internal Audits of manufacturing companies, service companies, clubs, schools and institutions.
- Tax Audits and Tax advisory; preparation, submission, certification and representation in taxation matters including appellate work and tax planning.
- Audit and certification of Securities Transactions of large Corporates (At Hyderabad) for corporate governance assurance, overview of ERP systems.
- Investigations, Inspection and Due Diligence for mergers and acquisitions.
- Management consultancy, share valuation, joint ventures, Company formation, MIS, Business advisory and certification work.
- Studying existing process, setting up internal required controls and preparing Internal Control Manuals.
- Studying business transactions and process and based thereon preparing Impact Analysis of GST. Performing periodical compliances of Goods and Service Tax.
- Audit review required under GST.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 4 of the Notice.

The Board recommends Ordinary Resolution at Item No. 4 of the accompanying Notice for approval of the Members.

Regd. Office:

24, II main, Phase I,
Doddanekkundi Industrial Area,
Mahadevapura Post,
Bengaluru- 560 048
CIN: L23209KA1977PLC043357
Website: www.gpl.in; Email: info@gpl.in
Tel: 080-28524133 / 40943197

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

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

Date : 12th August, 2022

Annexure A

Details of Director seeking re-appointment at the Annual General Meeting pursuant to the provisions of (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ('SS-2'), issued by The Institute of Company Secretaries of India and are provided herein below:

Name of the Director	Ms. Urmi N. Prasad
Director Identification Number (DIN)	00319482
Category	Executive Director (Joint Managing Director)
Date of Birth	September 26, 1964
Age	57 Years
Nationality	Indian
Date of First Appointment on the Board	April 01, 1993
Relationship with Directors, Managers and KMPs	Ms. Urmi N. Prasad is a sister of Ms. Charita Thakkar, Joint Managing Director of the Company. Apart from the above, Ms. Urmi is not connected with any of the directors of the Company.
Qualification	B. Com. ACA, MBA (INSEAD France)
Expertise in specific functional area	Accounts, Finance, Business Administration and Strategic Planning
Details of Board Meetings attended by the Directors during the year	4 (Four)
Terms and Conditions of Appointment or re-appointment along with remuneration Remuneration last drawn	As per the Resolution at Item No. 3
Membership of Committees of Gujarat Petrosynthese Limited	Gujarat Petrosynthese Limited Stakeholder Relationship Committee- Member
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Gujarat Polybutenes Private Limited
Membership/Chairmanship of Committees across other Public Companies	-
Number of shares held in the Company	2,90,000 Equity Shares

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Website: www.gpl.in; Email: info@gpl.in
Tel: 080-28524133 / 40943197

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

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

Date : 12th August, 2022

BOARDS' REPORT

To
The Members,
Gujarat Petrosynthese Limited
Address: 24, II Main, Phase 1, Doddanekkundi Industrial Area,
Mahadevapura, Bengaluru - 560048

Your Directors have pleasure in presenting the 45th Annual Report of the Company together with the Audited Statement of Accounts for the Financial Year ended March 31, 2022.

1. FINANCIAL STATEMENTS & RESULTS:

a. FINANCIAL RESULTS:

The Company's performance during the year ended March 31, 2022 as compared to the previous financial year, is summarized below:

(Amt In '000')

Particulars	Standalone		Consolidated	
	For the year ended		For the year ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Revenue from Operations	3,00,193	1,93,439	3,00,193	193,439
Other Income	8,352	6,334	14,238	12,453
Total Income	3,08,545	1,99,773	3,14,431	2,05,892
Total Expenses	(2,94,167)	(2,05,979)	(2,94,556)	(207,018)
Profit/(Loss) before exceptional items & Tax	14,378	(6,205)	19,876	(1,126)
Profit on exceptional items	-	55,798	-	55,817
Profit/ (Loss) before tax	14,378	49,593	19,876	54,691
Less:				
1. Current Tax	326	3,497	347	3,497
2. Tax adjustment of earlier years (net)	-	-	(935)	631
3. Deferred Tax	10,251	(4,041)	10,697	(4,041)
Profit/(Loss) for the year	3,802	50,135	9,768	54,603
Other comprehensive income (OCI):				
Items that will not be reclassified to profit or loss:				
1. Re-measurement gains/(losses) on defined benefit plans				
2. Income tax effect on above	-	-	4,576	4,783
Total Other Comprehensive Income (OCI) for the year, net of tax expense	-	-	4,576	4,783
Total Comprehensive Income/ (Expense) for the year	-	-	14,344	59,386
Earnings per equity shares (Face Value of Rs.10/- each)				
Basic and Diluted earnings per share	0.64	8.40	2.40	9.95

APPROPRIATION

(Amt In '000')

Interim Dividend	NIL	NIL
Final Dividend	NIL	NIL
Tax on distribution of dividend	NIL	NIL
Transfer of General Reserve	NIL	NIL
Balance carried to Balance sheet	3802	50135

b. OPERATIONS:

The Company continues to be engaged in the activities pertaining to the Manufacture of polymer alloys and blends.

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

c. PERFORMANCE & FUTURE OUTLOOK:

The Company achieved its highest sales turnover of Rs 30.02 crores, a rise of 55.22% compared to Rs 19.34 crores in the previous year. This corresponded to an increase in 16% of sales volume to 1813 MTs

from 1563 MTs in 2020-2021. The Company's focus has always been on providing quality products at competitive prices as well as concentrating on developing import substitution products and specialty products to suit the needs of its customers.

During the financial year, a major customer of the Company which provided significant purchase orders of compounded polymer material internally changed its manufacturing process. This has resulted in the sale of our compounded polymer material to this customer being phased out in the coming months. The Company is already in the process of looking at various alternatives and engaging in other projects to cover this big impact on our sales.

d. SUBSIDIARY COMPANY, ASSOCIATES AND JOINT VENTURES:

During the financial year 2020-21, the Company had filed a Scheme of Merger between Gujarat Polybutenes Private Limited (GPPL) with the Company, which inter-alia aims at synergy in operations, greater financial strength and improvement in the position of the merged entity post completion. The Appointed Date for the Scheme is July 01, 2020.

The matter has been disposed off by the Honourable National Company Law Tribunal ('NCLT'), Mumbai bench on April 20, 2022 and the matter was heard on 3rd day of August, 2022 by the Honourable National Company Law Tribunal ('NCLT'), Bengaluru Bench and it has been reserved for the order.

Your Company has one wholly owned subsidiary, GPPL. The Company has formulated a policy for determining material subsidiary (ies) and such policy has been disclosed on the Company's website and its weblink is <https://www.gpl.in/>

Gujarat Polybutenes Private Limited (CIN: U24200MH2002PTC340316) was incorporated on 17/12/2002 to conduct the business of Manufacturing of the Poly iso butylenes.

Total Revenue booked for the Financial Year ended 31st March, 2022 was Rs. 58,87,000/- (including Rs. 58,87,000/- as other income). Profit after Tax was Rs. 60,84,000/- as compared to a profit of Rs. 44,64,000/- in the previous year.

Further, a statement containing the salient features of the financial statement of the Company's wholly owned subsidiary under the provisions of section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 has been annexed herewith in prescribed Form AOC – 1 and marked as Annexure-I.

Pursuant to the requirements of Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the details of Loans/ Advances made to and investments made in the subsidiary have been furnished in Notes forming part of the Accounts.

The audited accounts of the wholly owned subsidiary of the company are placed on the Company's website.

Further, the Company does not have any joint venture or associate companies during the year or at any time after the closure of the year and till the date of the report.

e. DIVIDEND:

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

f. UNPAID DIVIDEND & IEPF:

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF; established by the Government of India, after completion of seven years. Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

However, the transfer of unpaid dividend to Investor Education and Protection Fund (IEPF) is not applicable to the Company for FY 2021-22 and no amount is lying in Unpaid Dividend A/c of the Company.

g. TRANSFER TO RESERVES:

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

h. DEPOSITS:

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

i. CONSOLIDATED FINANCIAL STATEMENTS:

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

The Financial Statements as stated above are also available on the website of the Company and can be accessed at the Web-link <https://www.gpl.in>

j. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

In accordance with the requirements of the Companies Act, 2013 and Listing Regulations, 2015, your Company has a Policy on Related-Party Transactions which can be accessed through web link - <https://www.gpl.in/policy.php>

All related-party transactions are placed before the Audit Committee for review and approval. Prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are of a foreseen and repetitive nature. A statement giving details of all related-party transactions were placed before the Audit Committee for their noting/approval every quarter.

There were no materially significant transactions with related parties (i.e., transactions exceeding 10% of the annual consolidated turnover) that may have potential conflict with the interests of your Company at large entered into during the year as per the last audited financial statements. However, one of the transactions of the Company with its related party, Gujarat Polybutenes Private Limited, was not at arm’s length basis. Hence, the disclosure of such transaction entered into with the related party pursuant to the provisions of Section 188(1) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts), Rules 2014 is attached as Annexure-II to the Board Report in Form AOC-2.

Further, all related party transactions are mentioned in the notes to the accounts. The Directors draw attention of the members to the Notes to the financial statements which sets out the disclosure for related party transactions.

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

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

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

There were no additional Loans and Guarantees made by the Company under Section 186 of the Companies Act, 2013 during the period under review.

The details of the existing investments made by the Company under Section 186 of the Companies Act, 2013 are given in the Notes to the standalone financial statements for the financial year ended March 31, 2022.

m. DETAILS OF MATERIAL CHANGES FROM END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT:

There is no material change affecting the financial position of your Company which occurred between the end of the Financial Year to which the Financial Statements relate and the date of this Report.

n. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

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

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The appointment and remuneration of Directors are governed by the Policy devised by the Nomination and Remuneration Committee of your Company. The detailed Nomination and Remuneration Policy is contained in the Corporate Governance Section of the Annual Report.

Your Company's Board has 5 (Five) Directors comprising of 2 (Two) Managing Directors, and 3 (Three) Independent Directors. The complete list of Directors of the Company has been provided in the Report on Corporate Governance forming part of this Annual Report.

a. Board of Directors:

i. Appointment

No appointment of any director was made in the Company during the year under review.

ii. Re-appointment

- Based on the Recommendation of the Nomination & Remuneration Committee of the Company the Board of Directors of the Company at its Meeting held on August 12, 2021 had proposed re-appointment of Ms. Urmi N. Prasad (DIN: 00319482) as the Joint Managing Director of the Company for a further period of 5 years w.e.f. April 01, 2022 to March 31, 2027. The re-appointment of Ms. Urmi N. Prasad as the Joint Managing Director was approved by the Members at the Annual General Meeting of the Company held on September 17, 2021.
- Based on the Recommendation of the Nomination & Remuneration Committee of the Company the Board of Directors of the Company at its Meeting held on August 12, 2021 had proposed re-appointment Ms. Charita Thakkar (DIN: 00321561) as the Joint Managing Director of the Company for a further period of 5 years w.e.f. April 01, 2022 to March 31, 2027. The re-appointment of Ms. Charita Thakkar as the Joint Managing Director was approved by the Members at the Annual General Meeting of the Company held on September 17, 2021.

iii. Resignation / cessation

No resignation/cessation of any Director was made in the Company during the year under review.

iv. Retirement by rotation and subsequent re-appointment

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, none of the Independent Directors is liable to retire by rotation.

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

v. Key Managerial Personnel:

i. Appointment

No appointment of any KMP was made in the Company during the year under review.

However, Mr. Divyaraj Chandwaskar was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. August 12, 2022 by the Board of Directors at their meeting held on August 12, 2022.

ii. Resignation

Ms. Pratiksha Parmar, Company Secretary of the Company ceased to be the Company Secretary and Compliance Officer of the Company w.e.f. March 21, 2022 due to personal reasons.

vi. Declarations by Independent Directors:

All the Independent Directors have confirmed that they meet the criteria of independence as laid down under the Act and Listing Regulations. They have declared that they do not suffer from any disqualifications specified under the Act. In terms of Regulation 25 (8) of SEBI Listing Regulations they have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same. There has been no change in the circumstances affecting their status as Independent Directors of the Company. Also, all the Independent Directors are registered on the on-line database of Independent Directors by the Indian Institute of Corporate Affairs, Manesar ("IICA").

vii. Remuneration / Commission Drawn from Holding / Subsidiary Company:

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

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

a. Board Meetings:

The Board of Directors met Four (4) times during the financial year ended 31st March 2022 on 11th June, 2021, 12th August, 2021, 9th November, 2021, and 11th February, 2022 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

Name of Directors	Number of meetings that members were eligible to attend during financial year 2021-22	Board Meetings attended
Ms. Urmi Prasad	4	4
Ms. Charita Thakkar	4	4
Mr. V Raghu	4	4
Mr. Rajesh Parikh	4	4
Mr. M. D. Garde	4	4

Your Directors state that applicable Secretarial Standards ('SS'), i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs of India have been duly followed by the Company.

b. Audit Committee:

The details including the composition of the Audit Committee including attendance at the Meetings and Terms of Reference are included in the Corporate Governance Report, which forms part of the Annual Report.

c. Nomination and Remuneration Committee and Company's Policy on Nomination and Remuneration:

The details including the composition of the Nomination & Remuneration Committee including attendance at the Meetings, Terms of Reference and salient features of the Nomination and Remuneration policy are included in the Corporate Governance Report, which forms part of the Annual Report.

d. Stakeholders Relationship Committee:

The details including the composition of the Stakeholder Relationship Committee including attendance at the Meetings and Terms of Reference are included in the Corporate Governance Report, which forms part of the Annual Report.

e. Vigil Mechanism Policy for the Directors and Employees:

The Board of Directors of the Company has, pursuant to the provisions of Section 177(10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the listing Regulations, framed a “**Vigil Mechanism Policy**” for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

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

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

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

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

f. Risk Management Policy:

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

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

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

g. Corporate Social Responsibility Policy:

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

h. Annual Evaluation of Directors, Committee and Board:

Pursuant to the Section 134(3)(p) of the Companies Act, 2013 as amended from time to time and Regulations 17 and 25 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, The Board has carried out an annual performance evaluation of its own performance, and of the Directors individually, as well as the evaluation of all the committees i.e., Audit, Nomination and Remuneration and Stakeholders Relationship Committee.

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

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

4. AUDITORS AND REPORTS:

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

a. Observations Of Statutory Auditors on Accounts for The Year Ended March 31, 2022:

The observations / qualifications / disclaimers made by the Statutory Auditors in their report for the financial year ended March 31, 2022 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

b. Secretarial Audit Report for The Year Ended March 31, 2022:

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandate the Company to obtain Secretarial Audit Report from Practicing Company Secretary.

M/s. J.J. Gandhi & Associates, Practicing Company Secretaries had been appointed to issue the Secretarial Audit Report for the financial year 2021-22.

Secretarial Audit Report issued by M/s. J.J. Gandhi & Associates, Practicing Company Secretaries in Form MR-3 for the financial year 2021-22 is annexed hereto and marked as “**Annexure-III-A**”. The report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013 except as mentioned below:

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

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

The Board of Directors, has re-appointed M/s. J.J. Gandhi & Associates, Practicing Company Secretaries to conduct the Secretarial Audit for the Financial Year 2022-23 in accordance with Section 204 of the Companies Act, 2013.

Further, Gujarat Polybutenes Private Limited is a wholly owned material subsidiary company of the Company and as per Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), 2015, Secretarial Audit Report is required to be issued by the PCS of the Company. Hence, Secretarial Audit Report issued by M/s. J.J. Gandhi & Associates, Practicing Company Secretary is annexed hereto and marked as “**Annexure-III-B**”.

C. Statutory Auditors:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Dayal & Lohia, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 40th AGM held on September 22, 2017 for a term of five financial years and they continue to be the Statutory Auditors of the Company till the conclusion of the ensuing 45th AGM.

Further, it will be proposed to re-appoint M/s. Dayal and Lohia for the second term as the Statutory Auditor for the period of 5 Years from Conclusion of 45th AGM to Conclusion of 50th AGM of the Company subject to the consent of M/s. Dayal and Lohia, Chartered Accountants to act as the Auditors of the Company and the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

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

d. Internal Auditors:

The Company has adopted an internal control system, commensurate with its size. The Company had appointed M/s. Krishna & Vishwas LLP as the Internal Auditors of the Company for FY 2021-22 to complete the internal audit.

Further, the Board of Directors in their meeting held on May 30, 2022 has reappointed M/s Krishna & Vishwas LLP, as the Internal Auditor of the Company for the financial year 2022-23. The Company ensures compliance and controls so that the assets and business interests of your Company are adequately safe guarded.

e. Maintenance of Cost Records:

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

f. Reporting of Frauds by Statutory Auditors Under Section 143(12):

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

5. CORPORATE GOVERNANCE REPORT:

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance front forms part of this Annual Report.

6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to Regulation 34 read with Schedule V(B) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis report is annexed hereto and marked as “Annexure – V”.

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

The information required under section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in respect of employees of the Company is provided in “Annexure- VI”.

8. SECRETARIAL:**a. Share Capital:*****Authorised Share Capital***

The Authorised Share Capital of the Company is Rs. 8,00,00,000/- divided into 80,00,000 Equity Shares of Rs. 10/- each.

Issued, Subscribed and Paid-up Share capital

The issued, subscribed and paid-up Share Capital of the Company stood at Rs. 5,96,91,660/- as at March 31, 2022 comprising of 59,69,166 Equity Shares of Rs. 10 each fully paid-up. There was no change in Share Capital during the year under review.

b. Compliance with the provisions of Secretarial Standard 1 and Secretarial Standard 2:

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

c. ANNUAL RETURN:

As provided under Section 92(3) and 134(3)(a) of the Act, read with Rule 12 of Chapter VII Rules of the Companies (Management and Administration) Amendment Rules, 2020, the Annual Return of your Company in form MGT-7 for the Financial Year 2021-22, is hosted on the website of your Company and the web-link of the same is as mentioned below, i.e., <https://www.gpl.in/mgt-7.php>

9. OTHER DISCLOSURES:

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

a. Disclosure of Orders Passed by Regulators or Courts or Tribunal:

The Company has filed a merger application for the merger between Gujarat Petrosynthese Limited ('Transferee Company') and Gujarat Polybutenes Private Limited ('Transferor Company') with the Honourable National Company Law Tribunal ('NCLT'), Bengaluru bench and Mumbai bench, the status of which is as under:

Mumbai Bench:

The matter has been disposed of by the Honourable National Company Law Tribunal ('NCLT'), Mumbai bench on April 20, 2022.

Bengaluru Bench:

The matter was heard on 3rd day of August, 2022 by the Honourable National Company Law Tribunal ('NCLT'), Bengaluru Bench and it has been reserved for the order.

b. Director's Responsibility Statement:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134 (3)(c) of the Companies Act, 2013:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit/loss of the Company for that year;
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- f. the internal financial controls are followed by the Company and such internal financial controls are adequate and were operating effectively.

c. Disclosure Regarding Internal Complaints Committee:

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There has been no complaint received from any of the employees of the Company during the year under review.

d. Disclosure Under Section 43(a)(ii) of the Companies Act, 2013:

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

e. Disclosure Under Section 54(1)(d) Of the Companies Act, 2013:

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



f. Disclosure Under Section 62(1)(b) Of the Companies Act,2013:

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

g. Disclosure Under Section 67(3) Of the Companies Act,2013:

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

h. Certifications/Recertifications:

Your Company is certified for Standard ISO 9001:2015 & ISO 14001:2015.

i. No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable;

j. The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

k. Acknowledgements and Appreciation:

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

For and on behalf of the Board
Gujarat Petrosynthese Limited

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

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

Date: 12th August, 2022

Annexure I

Form AOC - I

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

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES

PART "A" : Subsidiaries

(Amt. in '000)

S.No.	Particulars	Particulars
1.	Name of the subsidiary/Joint Venture/Associate Companies	Gujarat Polybutenes Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 st March, 2022
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	Amount in "Rupees"
4.	Share capital	44,900
5.	Reserves and surplus	1,95,516/-
6.	Total Assets	2,40,650/-
7.	Total Liabilities	234
8.	Investments	1,41,637/-
9.	Turnover	-
10.	Profit before taxation	5,498/-
11.	Provision for taxation	-
12.	Profit after taxation	6,084/-
13.	Proposed Dividend	-
14.	% of shareholding	99.99%

Notes :

- Names of subsidiaries which are yet to commence operations: **NIL**
- Names of subsidiaries which have been liquidated or sold during the year: **NIL**

PART "B" : Associates and Joint Ventures

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

For and on behalf of the Board
Gujarat Petrosynthese Limited

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

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

Date : 12th August, 2022

Annexure II

Form AOC - 2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto. (Amt. in '000)

1. Details of contracts or arrangements or transactions not at arm's length basis

Particulars	Particulars
(a) Name(s) of the related party and nature of relationship	Gujarat Polybutenes Private Limited Wholly owned subsidiary company ('WOS')
(b) Nature of contracts/ arrangements/ transactions	Use of office premise taken on lease by the Company
(c) Duration of the contracts / arrangements/ transactions	For a period of one year from 01 st April, 2021 to 31 st March, 2022
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Use of office premises taken on lease by the Company
(e) Justification for entering into such contracts or arrangements or transactions	Sharing of premises by the Company with its WOS assists in ease of business. It leads to cost effectiveness due to which the WOS can focus on expenses for improvement in quality of the products manufactured.
(f) Date(s) of approval by the Board	February 12, 2021
(g) Amount paid as advances, if any	Nil
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	-

2. Details of material contracts or arrangement or transactions at arm's length basis.

Particulars	Particulars	Particulars	Particulars	Particulars	Particulars
(a) Name(s) of the related party and nature of relationship					
(b) Nature of contracts/ arrangements/ transactions					
(c) Duration of the contracts / arrangements/ transactions					
(d) Salient terms of the contracts or arrangements or transactions including the value, if any					
(e) Date(s) of approval by the Board, if any					
(f) Amount paid as advances, if any					

Regd. Office:

24, II main, Phase I,
Doddanekkundi Industrial Area,
Mahadevapura Post,
Bengaluru- 560 048
CIN: L23209KA1977PLC043357
Website: www.gpl.in; Email: info@gpl.in
Tel: 080-28524133 / 40943197

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

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

Date : 12th August, 2022

Annexure III - A

SECRETARIAL AUDIT REPORT

(For the Financial year ended on 31st March, 2022)

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

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

Dear Sirs,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by Gujarat Petrosynthese Ltd. having CIN L23209KA1977PLC043357 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2022, according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings. - As reported to us there were no FDI, ODI and ECB transactions in the Company during the financial year under review.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
 - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not Applicable as the Company did not issue any security during the financial year under review.
 - D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. - Not Applicable as the Company has not granted any options to its employees during the financial year under review.
 - E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. - Not Applicable as the Company neither issued nor listed any debt securities during the financial year under review.
 - F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 - Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent.
 - G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. - Not Applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.



Gujarat Petrosynthese Limited

- H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. - Not Applicable as the Company did not buy back any security during the financial year under review.
6. Considering representation of management and products, process and location of the Company, following laws are applicable specifically to the Company. Having regard to the compliance system prevailing in the Company and on examination of the relevant records on test check basis, we further report that the Company has complied with the following laws;
1. The Environment (Protection) Act, 1986;
 2. The Air (Prevention and Control of Pollution) Act, 1981;
 3. The Water (Prevention and Control of Pollution) Act, 1974.

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

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

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

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

We further report that;

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

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

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

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

We further report that approval of Merger of Gujarat Polybutenes Private Limited (CIN- U24200MH2002PTC340316) a wholly owned subsidiary of the company with the Company is pending for approval with the National Company Law Tribunal (NCLT), Mumbai and Bengaluru Bench. The appointed date of the merger is 1st July, 2020.

**for J. J. Gandhi & Co.
Practising Company Secretaries**

**(J. J. Gandhi)
Proprietor
FCS No. 3519 and CP No. 2515
UDIN number F003519D000780603**

Place : Vadodara
Date : 24th June, 2022

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

ANNEXURE TO SECRETARIAL AUDIT REPORT

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

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. The Compliance of applicable financial laws like direct and indirect laws have not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and Other designated professionals.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.7

**for J. J. Gandhi & Co.
Practising Company Secretaries**

**(J. J. Gandhi)
Proprietor
FCS No. 3519 and CP No. 2515
UDIN number F003519D000780603**

Place : Vadodara
Date : 24th June, 2022

Annexure III - B

SECRETARIAL AUDIT REPORT

(For the Financial year ended on 31st March, 2021)

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

To,
The Members,
Gujarat Polybutenes Private Limited,
Ecstasy, 718, 7th Floor,
City of Joy, J.S.D. Road, Mulund West,
Mumbai - 400080.

Dear sir

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by Gujarat Polybutenes Private Limited having CIN U24200MH2002PTC340316 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2022, according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings. - As reported to us there were no FDI, ODI and ECB transactions in the Company during the financial year under review.
5. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company as the Company is unlisted Public Company.

Further, it is noted that the Company has not conducted any business during the financial year 2021-22.

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

- (i) The Mandatory Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company as the Company is unlisted Public Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above.

We further report that;

The Board of Directors of the Company is duly constituted with Non-Executive Directors and Nominee Directors. During the period under review, there were no changes in the composition of the Board of Directors.

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



Gujarat Petrosynthese Limited

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the Company has not conducted any business in the financial year under review.

We further report that approval of Merger of the Company with its 100% holding Company Gujarat Petrosynthese Limited (CIN L23209KA1977PLC043357) is pending for approval with the National Company Law Tribunal (NCLT), Mumbai and Bengaluru Bench. The appointed date of the merger is 1st July, 2020.

**for J. J. Gandhi & Co.
Practising Company Secretaries**

**(J. J. Gandhi)
Proprietor**

**FCS No. 3519 and CP No. 2515
UDIN number F003519D000526800**

Place : Vadodara
Date : 24th June, 2022

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

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Gujarat Polybutenes Private Limited,
Ecstasy, 718, 7th Floor,
City of Joy, J.S.D. Road, Mulund West,
Mumbai - 400080.

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

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

**for J. J. Gandhi & Co.
Practising Company Secretaries**

**(J. J. Gandhi)
Proprietor**

**FCS No. 3519 and CP No. 2515
UDIN number F003519D000780603**

Place : Vadodara
Date : 24th June, 2022

ANNEXURE IV

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

(A) Conservation of energy:

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

B. TECHNOLOGY ABSORPTION

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

C. FOREIGN EXCHANGE EARNING AND OUTGO :

	April 01, 2021 to March 31, 2022 [Current F.Y.] Amount in Rs.	April 01, 2020 to March 31, 2021 [Previous F.Y.] Amount in Rs.
Actual Foreign Exchange earnings	Nil	Nil
Actual Foreign Exchange outgo	Nil	Nil

For and on behalf of the Board Directors

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

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

Date : 12th August, 2022

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

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

Opportunities & Threats

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

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

Segment/ Product Wise Performance

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

Your company has been showing a continuous and steady growth in Turnover over the past few years from 1113 MT in the year 2015 -2016 to 1727 MTs in 2019-2020. However, during the year 2020-2021, the Company was shut down from March 24, 2020 to May 4th 2020 during the first quarter due the covid 19 lockdown and sold only 88 MTS. The year ended with a sale of 1563 MTs. During the year 2021-22, the Company has achieved the highest turnover of 1813 MTs. In the last financial year, the Company has developed 11 new customers and 84 new products.

Market and Outlook

The Company is developing import substitution and specialty products to suit the needs of its customers which has helped in increasing the customer base. The Company is targeting a better product mix, operational efficiency and stringent control on the cost in order to increase productivity and operating margins. Continuous efforts are being made for efficient energy and raw material consumption. During the financial year, a major customer of the Company which provided significant purchase orders of compounded polymer material internally changed its manufacturing process. This has resulted in the sale of our compounded polymer material to this customer being phased out in the coming months. The Company is already in the process of looking at various alternatives and engaging in other projects to cover the loss in sales.

Risks and Concerns

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

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

Internal Control Systems and their Adequacy

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

Discussion on Financial Performance with respect to operational performance

The total revenue from the operations for the year ended March 31, 2022 amounts to Rs. 30.02 Crores as against Rs. 19.34 Crores in the previous financial year. The Company is taking efforts to reduce consumption, energy cost and wastage & get higher yield to achieve maximum profits.

Human Resources

Human Resources are always the most important and valuable asset to the Company. The Company has 30 permanent employees as on March 31, 2022 at factory and office level. Your company believes in investing in people to develop and expand their capability. The Company has been able to create a favorable work environment that motivates performance and customer focus. The Human Resource Department had arranged a number of training programs on Safety and Emergency preparedness and Awareness and Environmental policy training.

Key Financial Ratios

Particulars of Ratio	31.03.2022	31.03.2021
Debtors Turnover	36.70	39.64
Inventory Turnover	10.21	14.55
Interest Coverage Ratio	-	-
Current Ratio	6.00	7.25
Debt Equity Ratio	-	-
Operating Profit Margin (%)	2.01	(6.48)
Net Profit Margin (%)	1.27	(2.93)

Return on Net Worth

The return on net worth has decreased to 13.84% as against 18.5 % in the previous year due to exceptional gain by the Company last year.

Cautionary Statement

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

For and on behalf of the Board of Directors

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

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

Date : 12th August, 2022

ANNEXURE VI

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

1. The percentage increase in remuneration of the Executive Directors, Chief Financial Officer and Company Secretary during the Financial Year 2021-2022, the ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year and the comparison of remuneration of each Key Managerial personnel (KMP) against the performance of the Company is as under:

Sr. No.	Name	Designation	% increase in the remuneration for Financial Year 21-2022	Ratio of remuneration of Director to median remuneration of employees
1.	Ms. Urmi Nuthakki Prasad	Joint Managing Director and Chief Financial Officer	No increase	7.31:1
2.	Ms. Charita Thakkar	Joint Managing Director	No increase	6.73:1
3.	Ms. Pratiksha Parmar	Company Secretary	No increase	0.72:1

2. The median remuneration of employees during the Financial Year 2021-22 was Rs. 3,81,885/-
3. The percentage increase in the median remuneration of employees during the financial year 2021-22 was 7.36%.
4. There were 31 Permanent Employees on the rolls of the Company as on March 31, 2022.
5. During the financial year 2021-22, there was no change in the managerial remuneration w.r.t the managerial personnel as compared to remuneration paid in previous year (2020-21).
6. During the financial year 2021-22, an average percentile increases of 6-7% in the salaries of employees (other than the managerial personnel) as compared to the previous financial year managerial remuneration.
7. It is hereby affirmed that the remuneration is paid as per the remuneration policy of the company.
8. **List of top 10 employees in terms of remuneration drawn.**

Sr. No.	Name of the Employee	Designation	Remuneration (in Rs.)	Nature of Employment	Date of commencement of employment	Age of employee	Last employment held by such employee	Qualification	If the employee is a relative of Director or Manager
1	Mr. Pradeep Kumar T.K	General Manager	15,38,601.00	Permanent	17-04-1996	53	Leela Computer	BSC+ PGDCA centre	NO
2	Ms. Hema.K	Manager Accounts	11,94,684.00	Permanent	06-11-2000	48	Bhandari Spinning Mills Ltd	B.COM	NO
3	Mr. Sunil Kumar S M	Manager Operations	10,44,787.00	Permanent	06-02-2017	39	Lumax Auto Technology	DME + BE	NO
4	Mr. A P Govindaraju	Asst Manager Maintainance	7,86,411.00	Permanent	19-08-2013	51	Quad Tooling Technologies Pvt Ltd	I.T.I. Electrical	NO
5	Mr.Udaya G	Asst Manager Production	7,70,909.00	Permanent	18-04-2005	46	San Motors	Diploma in Polymer Technology	NO
6	Ms. Mohini A Rajput	Accountant	5,71,200.00	Permanent	01-04-2007	48	Bright Star Componnets Pvt Ltd	B.COM	NO
7	Ms. Kanchana G	Accountant	5,19,688.00	Permanent	02-11-2001	40	NA	B.COM	NO
8	Mr. C.S. Chidananda Murthy	Accountant	4,70,267.00	Permanent	22-10-2018	48	Rama & Co	B.COM	NO
9	Mr. Borendra Parida	Shift Supervisor	4,60,083.00	Permanent	01-12-1997	43	Periwal Plastics Pvt Ltd	7th Std	NO
10	Mr. Bharat Singh H	Shift Supervisor	4,20,161.00	Permanent	01-06-2005	46	NA	PUC	NO

For and on behalf of the Board of Directors

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

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

Date : 12th August, 2022

REPORT ON CORPORATE GOVERNANCE

1. The Company's Philosophy on Corporate Governance:

Gujarat Petrosynthese Limited (hereinafter referred to as '**GPL**' or '**Company**'), believes that Corporate Governance is an essential element of business, which helps the Company to fulfil its responsibilities to all its stakeholders. Gujarat Petrosynthese Limited is committed to adopting best global practices in Governance and Disclosure. GPL believes that highest standards of Corporate Governance are essential to enhance long term value of the Company for its stakeholders and practices the same at all levels of the organization. Ethical business conduct, integrity and commitment to values, which enhance and retain stakeholders' trust, are the traits of your Company's Corporate Governance. Good Governance practices stem from the culture and mindset of the organization.

The Company's core philosophy on the code of Corporate Governance is to ensure:

- Fair and transparent business practices;
- Accountability for performance;
- Compliance of applicable statute;
- Transparent and timely disclosure of financial and management information;
- Effective management control and monitoring of executive performance by the Board; and
- Adequate representation of Promoter, Executive and Independent Directors on the Board.

Your Company is in compliance with the Corporate Governance requirements as enshrined in the Companies Act, 2013 (the "Act") read with the Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other applicable laws.

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") is given below:

2. Board of Directors:

a. Board Structure

The Company's Board of Directors comprises of both Independent and Non-Independent Directors. The number of Independent Directors comprises of more than 50% of the total strength of the Board. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations as well as the provisions of the Act.

The management of the Company is entrusted in the hands of the Key Management Personnel of the Company who function under the supervision and control of the Board which is headed by the Independent Chairperson and Joint Managing Directors. The Board reviews and approves strategy and oversees the actions and results of management to ensure that the long-term objectives of enhancing stakeholders' value are met.

Ms. Charita Thakkar and Ms. Urmi N. Prasad are the Joint Managing Directors and promoters of the Company and are related to each other. None of the other Directors are related to each other, apart from the stated above.

Mr. Rajesh Shirish Parikh, Mr. Raghu Venkataraman, Mr. Moreshwar Digambar Garde are the Non-executive Independent Directors.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the SEBI Listing Regulations, all the Independent Directors have confirmed that they meet the criteria of independence as laid down under the Act and the Listing Regulations and they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. None of the Independent Directors have any other material pecuniary relationship or transaction with the Company, its Promoters, or Directors, or Senior Management which, in their judgment, would affect their independence. Further, the Independent Directors have also registered their names in the Data bank maintained by the Indian Institute of Corporate Affairs as mandated in the Companies (Appointment and Qualification of Directors), Rules, 2014 as amended. They have also given the on-line self-assessment proficiency test and cleared the same within the timelines as prescribed by MCA, to whomever it was applicable. Further, based on the declarations received from the Independent Directors, in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the management.

No Independent Director has resigned from the Directorship of the Company before the expiry of their term of appointment during the Financial Year ended March 31, 2022.

The Board has an unfettered and complete access to any information within your Company. Members of the Board have complete freedom to express their views on agenda items and can discuss any matter at the Meeting with the permission of the Chairperson.

At the 43rd AGM of the Company held on September 29, 2020, in terms of Regulation 17(1A), the Company has taken members approval by passing a special resolution for continuation of directorship of Mr. Moreshwar Digambar Garde and Mr. Raghu Ventakaraman as the Non-executive Independent Directors of the Company till the expiry of their existing term even after having completed 75 years of age.

Your Company has formulated and adopted the Nomination and Remuneration Policy to ensure that the composition of the Board is optimum, balanced and diverse to benefit the Company from fresh perspectives, new ideas and broad experience.

The Nomination and Remuneration Policy covers the following aspects:

1. Appointment and removal of Directors, Key Managerial Personnel and employees in Senior Management;
2. Remuneration to the Directors, Key Managerial Personnel and employees in Senior Management;
3. Familiarization Programme for Independent Directors;
4. Board Diversity; and
5. Formulation of criteria for evaluation of individual Directors, Chairperson of the Board, the Board as a whole and the Committees of the Board.

The Nomination and Remuneration Policy of the Company can be accessed at: <https://gpl.in/policy.php>

Details of the Director seeking re-appointment at the Annual General Meeting have been mentioned in the Notice of the Annual General Meeting.

Composition of Board of Directors as on March 31, 2022:

Name	Category of Director	No of Shares held as on 31-03-2022	Other Board/Committee Memberships				Attendance at last AGM held on September 17, 2021
			Directorships*		Committee Members**	Committee Chair persons***	
			No. of companies	Name of listed entities where the person is a director and the category of directorship			
Mr. Raghu Venkataraman (DIN: 02012383)	Chairperson, Non-Executive Independent Director	-	2	Gujarat Petrosynthese Ltd Independent Director	3	0	Yes
Mr. Moreshwar Garde(DIN: 00689103)	Non-Executive Independent Director	-	2	Gujarat Petrosynthese Ltd Independent Director	3	2	No
Mr. Rajesh Parikh (DIN: 08258755)	Non-Executive Independent Director	142	1	Gujarat Petrosynthese Ltd Independent Director	3	1	Yes
Ms. Charita Thakkar (DIN: 00321561)	Executive Joint Managing Director	6,05,272	2	Gujarat Petrosynthese Ltd Joint Managing Director	0	0	Yes
Ms. Urmi N. Prasad(DIN: 00319482)	Executive Joint Managing Director	2,90,000	3	Gujarat Petrosynthese Ltd Joint Managing Director	1	0	Yes

* Excludes Directorships held in Private Limited Companies, Foreign Companies and Section 8 companies (having charitable objects etc.) and includes directorship in Gujarat Petrosynthese Limited.

**** In accordance with Regulation 26(1) of the Listing Regulations, Chairpersonships / Memberships of only Audit Committee and Stakeholder Relationship Committee of all Public Limited Companies, whether listed or not, has been considered including that of Gujarat Petrosynthese Limited.**

As per Regulation 17A of the Listing Regulations, all Directors meet the criteria of maximum number of Directorships. Further, the Managing Director of the Company does not serve as an Independent Director in any other listed entity.

The Non- Executive Directors of the Company do not hold any convertible instruments.

b. Other directorship positions held in listed entities including this listed entity by Directors and the category

Sr. No.	Name of Director	Names of listed entities in which Directorship held	Category of Directorship
1.	Urmi N. Prasad	Gujarat Petrosynthese Limited	Joint Managing Director
2.	Charita Thakkar	Gujarat Petrosynthese Limited	Joint Managing Director
3.	Rajesh Parikh	Gujarat Petrosynthese Limited	Independent Director
4.	Raghu Ventakaraman	Gujarat Petrosynthese Limited	Independent Director
5.	Moreshwar Digambar Garde	Gujarat Petrosynthese Limited	Independent Director

During the year under review, four (4) meetings of the Board and attendance at last AGM held on September 17, 2021 were held through Video Conferencing on the following dates:

Sr. No.	Date of Meeting	Urmi N. Prasad	Charita Thakkar	Rajesh Parikh	Raghu Ventakaraman	Moreshwar Digambar Garde	Board Strength	No. of Directors present
1.	June 11, 2021	✓	✓	✓	✓	✓	5	5
2.	August 12, 2021	✓	✓	✓	✓	✓	5	5
3.	November 09, 2021	✓	✓	✓	✓	✓	5	5
4.	February 11, 2022	✓	✓	✓	✓	✓	5	5
5.	Attendance at last AGM held on September 17, 2021	✓	✓	✓	✓	-	5	4

The maximum gap between two Board Meetings held during the year was not more than 120 days.

All the Board Meetings in FY 2021-22 were held through Video Conferencing/Other Audio-Visual means as per the Ministry of Corporate Affairs notification dated June 15, 2021 for omitting the Rule 4 of Companies (Meeting of Board and its Power) Rules, 2014 which allows companies to transact all the agenda including the restricted agenda through Video Conferencing permanently. The agenda along with the notes and required documents were sent at least seven days before the date of the Board Meeting(s) to the Directors through electronic mode in compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Forty Fourth (44th) Annual General Meeting was held on September 17, 2021.

Pursuant to requirements of Regulation 26 of the Listing Regulations, none of the Company's Directors is a member of more than 10 committees or Chairperson of more than 5 committees across all the Public Companies in which he/she is a Director.

c. Major functions of the Board

The Company has clearly defined the roles, functions, responsibility, and accountability of the Board of Directors. In addition to its primary role of monitoring corporate performance, the major functions of the Board comprise:

- Approving corporate philosophy;
- Formulating strategic and business plan;
- Reviewing and approving financial plans and budgets;
- Monitoring corporate performance against strategic and business plans;
- Review of Business risk issues;
- Ensuring ethical behaviour and compliance with laws and regulations;
- Reviewing and approving borrowing limits.

The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, the performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the stakeholders' value.

d. Familiarization Programme

Pursuant to Regulation 25(7) of the Listing Regulations your Company has formulated and adopted the Familiarization Programme for the Independent Directors to enable them to understand the business of the Company and pursuant to Regulation 46 of the Listing Regulations, the said Programme is also available on the website of the Company at <https://gpl.in/policy.php>.

e. Key Skills, Expertise and Competencies of the Board:

The Board comprises qualified Members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees. These Directors are nominated based on well-defined selection criteria.

The Nomination and Remuneration Committee considers, inter alia, key skills, qualifications, expertise and competencies, whilst recommending to the Board, the candidature for appointment of Director. The Board of Directors have, based on the recommendations of the NRC, identified the following core key skills/expertise/ competencies of Directors as required in the context of business of the Company for its effective functioning which are currently possessed by the Board Members of the Company and mapped against each of the Directors:

The absence of a mark against a Board Member's name does not necessarily mean the Director does not possess the corresponding skill, expertise or competence.

f. Independent Directors' Meeting

During the year under review, the Independent Directors met on February 11, 2022, inter alia to discuss and Review Performance of:

- I. Non-Independent Directors,
- II. the Board as a whole,
- III. Chairperson of the Company and
- IV. assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties

All the three Independent Directors were present at the meeting. Pursuant to the requirements of the Listing Regulations and Schedule IV of the Companies Act, 2013 on Code of Conduct of the Independent Directors, the Independent Directors had reviewed and evaluated the performance of Non-Independent Directors and the Board as a whole and the same was found satisfactory. Further, pursuant to the Companies (Appointment and Qualification of Directors), Rules, 2014 as amended, the Independent Directors have also furnished a declaration to the effect that they have included their names in the Database maintained by the Indian Institute of Corporate Affairs.

3. Audit Committee:

The total strength of the Audit Committee is three (3) out of which, all the members fall under the Independent Category. The norms require 2/3rd of the members to be Independent Directors. The regulations require 2/3rd of the members to be Independent Directors and the Company has complied with the same.

The composition of the Audit Committee and the details of meetings attended by the Members during the year are given below:

Name of Members	Category	No. of Meetings attended during the financial year 2021-22 out of total 4 committee meetings held during the year
Mr. Moreshwar Garde, Chairman	Independent Director	4
Mr. Raghu Venkataraman	Independent Director	4
Mr. Rajesh Parikh	Independent Director	4

During the year four (4) Audit Committee Meetings were held, the dates of which are as follows:

June 11, 2021, August 12, 2021, November 09, 2021 and February 11, 2022.

The requisite quorum was present in all the meetings.

Audit Committee Meetings are also attended by the Joint Managing Directors, Chief Financial Officer, Company Secretary and Statutory Auditor.

The Company Secretary acts as the Secretary of the Audit Committee.

The Board of Directors has appointed **M/s. Krishna & Vishwas LLP** as Internal Auditors to conduct the internal audit of various areas of operations and records of the Company. The periodical reports of the said internal auditors were regularly placed before the Audit Committee along with the comments of the management on the action taken to correct any observed deficiencies on the working of the various departments.

The Audit Committee acts as a link between the statutory & internal auditors and the Board of Directors. It assists the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. All the Members on the Committee, including the Chairperson are Independent Directors. The Committee is governed by a Charter that is in line with the regulatory requirements mandated by the Act and Listing Regulations.

The Audit Committee also receives the report on compliance under the Code of Conduct for Prohibition of Insider Trading Regulations, 2015. Further Compliance Reports under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Whistle Blower Policy are also placed before the Committee.

The scope of the activities of the Audit Committee is as set out in Regulation 18 of the SEBI (LODR) Regulations read with Section 177 of the Companies Act, 2013 and SEBI (Prohibition of Insider Trading) Regulations, 2015 and the amendments made thereto.

The terms of reference of the Audit Committee are broadly as follows:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Reviewing with the management quarterly, half-yearly, nine-months and annual financial statements, standalone as well as consolidated, before submission to the Board for approval;
- Reviewing the Management Discussion and Analysis of the financial condition and results of operations;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;

- e) Engaging consultants who can analyze / review the internal practices and give a report thereon to the audit committee from time to time in respect of the Company's Financial Reporting and controls thereto;
- f) Recommending the appointment, remuneration and terms of appointment of auditors of the company;
- g) Recommending the appointment and remuneration of the Secretarial Auditor.
- h) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- i) Reviewing the adequacy of internal audit function and discussing with the internal auditors on the significant findings and further course adopted;
- j) Examination of the financial statement and the auditors' report thereon;
- k) Approval or any subsequent modification of transactions of the Company with related parties;
- l) Scrutiny of inter-corporate loans and investments;
- m) Valuation of undertakings or assets of the company, wherever it is necessary;
- n) Evaluation of internal financial controls and risk management systems;
- o) Reviewing the Internal Control over Financial Reporting;
- p) Reviewing the functioning of the Whistle blower mechanism;
- q) Monitoring the end use of funds raised through public offers and related matters;
- r) Reviewing compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the amendments made thereto from time to time, at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively;
- s) Reviewing the annual declaration made by the Promoters and Promoter group companies regarding encumbrance, whether directly or indirectly, on shares of the Company pursuant to the provisions of SEBI (Substantial Acquisition of Shares and Takeover), Regulations, 2011, as amended.

The Audit Committee also assures the Board about the adequate internal control procedures and financial disclosures commensurate with the size of the Company and in conformity with the requirements of the Listing Regulations.

4. Stakeholders Relationship Committee

The Company has constituted the Stakeholders Relationship Committee ('SRC') in accordance with the provisions of the Act and the Listing Regulations.

The total strength of the SRC is four (4) members, out of which majority of the members are Non-Executive Independent Directors of the Company.

During the year under review, Mr. Moreswar Garde was appointed as a member in the SRC w.e.f. February 11, 2022.

The terms of reference of the Stakeholders Relationship Committee, as approved by the Board and amended from time to time, includes the following:

- a. Considering and resolving the grievances of security holders of the Company including Investors' complaints;
- b. Approval of transfer or transmission of shares, debentures or any other securities;
- c. Review of measures taken for effective exercise of voting rights by shareholders;
- d. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- e. Carrying out any other function contained in the Listing Agreement/Listing Regulations, as amended from time to time;

- f. Performance of such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time;
- g. Effective implementation of whistle blower mechanism offered to all the Stake holders to report any concerns about illegal or unethical practices;
- h. Redressal of complaints regarding the non-receipt of declared dividends, balance sheets of the Company, etc;
- i. Issuance of duplicate certificates and new certificates on split/consolidation/renewal etc.

Communications sent to shareholders

Your Company had sent the following communications to its shareholders:

Month	Purpose	No. of shareholders
January 2022	Communication to single account holders holding shares in physical form regarding furnishing of PAN, KYC details and Nomination in reference to SEBI Circular dated November 3, 2021	7155

The Composition of the Committee as on March 31, 2022 is as follows:

Name of Members	Category	No. of Meetings attended during the financial year 2021-22 out of total 4 committee meetings held during the year
Mr. Rajesh. S. Parikh, Chairperson	Non-Executive Independent Director	4
Ms. Urmi N. Prasad, Member	Joint Managing Director	4
Mr. Raghu Venkatraman, Member	Independent Director	4
*Mr. Moreshwar Garde, Member	Independent Director	0

* Appointed as a member w.e.f. February 11, 2022.

During the year, four Meetings of the Stakeholder Relationship Committee were held, the dates of which are as follows:

June 11, 2021, August 12, 2021, November 09, 2021 and February 11, 2022.

The Committee reviews the complaints received by the Company from its investors and the action taken by the management to sort out these complaints.

As reported in the Corporate Governance Report of the previous Financial Year, the Company has no pending complaints during the year under review.

The Company received **Nil complaints** from shareholders in Financial Year 2021-22.

The Company Secretary acts as the Secretary of the Committee.

5. Nomination & Remuneration Committee
A. Composition and Scope

The Committee is responsible for formulating evaluation policies and reviewing all major aspects of Company's HR processes relating to hiring, training, talent management, succession planning and compensation structure of the Directors and KMPs. The Committee also anchored the performance evaluation of the Individual Directors.

In view of the amended provisions of Section 178 of the Act, the performance of Board, its committees and each Director (excluding the director being evaluated) has been evaluated by the Board on the basis

of engagement, leadership, analysis, decision making, communication, governance, interest of stakeholders etc.

The total strength of the NRC is three (3) members, out of which all the members are Non-Executive Independent Directors of the Company. The regulations require at least 50% of the members to be Independent Directors and the Company has complied with the same.

The constitution of the Nomination & Remuneration Committee is as follows:

Name of Members during the Year	Category	No. of meetings attended
Mr. Moreshwar Garde, Chairperson	Independent Director	2
Mr. Rajesh Parikh, Member	Independent Director	2
Mr. Raghu Venkataraman, Member	Independent Director	2

The Company Secretary acts as the Secretary to the committee.

During the year, two (2) NRC Meetings were held, August 12, 2021 and February 11, 2022.

The scope of the activities of the NRC is as set out in Regulation 19 of the Listing Regulations read with Section 178 of the Act as amended from time to time. They are as follows:

- a. To formulate the criteria for determining qualifications, positive attributes and independence of a director;
- b. To formulate criteria for evaluation of Independent Directors and the Board;
- c. To determine the composition of the Board based on the need and requirements of the Company from time to time;
- d. To Identify persons who are qualified to become Directors and who may be appointed in senior management and recommend to the Board their appointment and removal;
- e. To recommend to the Board the appointment and removal of Directors and Senior Management;
- f. To Recommend to the Board a policy in relation to the remuneration for the Directors, Key Managerial Personnel and other employees;
- g. To Carry out evaluation of performance of each Director;
- h. To devise a policy on Board diversity, composition, size;
- i. Succession planning for replacing Key Executives and overseeing;
- j. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- k. To carry out any other function contained in the Listing Agreement/Listing Regulations, as amended from time to time and
- l. Perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time.

B. Performance Evaluation Criteria for Independent Directors

Performance Evaluation Criteria for Directors including Independent Directors is explained under Board Evaluation section of the Board Report.

The Criteria for performance evaluation for Independent Directors includes:

- a) Attends meetings regularly.
- b) Understands business and the regulatory, competitive and social environment in which the Company operates.
- c) Understands strategic issues and challenges confronting the Company.

- d) Demonstrates a solid understanding of his /her responsibility as a Director including his /her statutory and fiduciary roles and acts appropriately in his /her governance role.
- e) Attends meetings well prepared to evaluate and/or add value to Agenda items presented to the Board.
- f) Brings useful outside information and perspective to Board deliberations.
- g) Contributes meaningfully to Board discussions, makes useful suggestions, provides strategic insight and directions.
- h) Demonstrates an ability to identify the cost benefits and implications of Board decisions.
- i) Demonstrates a strong understanding of financial statements, ratios and/or indices of performance and can see the issues behind the numbers.
- j) Appropriately questions data and information presented to the Board for its deliberations.
- k) Listens effectively to the ideas of others and view-points and encourages participation/contribution from other Directors.
- l) Works effectively with fellow Directors to build consensus and manages conflict constructively.
- m) Awareness about the developments regarding corporate governance.

C. Remuneration of Directors

The annual remuneration package of Ms. Urmi N. Prasad and Ms. Charita Thakkar, Joint Managing Directors comprises a fixed salary component including a basket of allowances/reimbursements as approved by the Nomination and Remuneration Committee and the Board of Directors, from time to time.

The details of the remuneration of Directors during financial year 2021-22 are given below:

Name of Director allowances	Salary and	Variable Pay	Perquisites	ESOP Fees	Sitting Commission	Total
Ms. Urmi N. Prasad, Joint Managing Director	2375000		251781			26,26,781
Ms. Charita Thakkar, Joint Managing Director	2375000		6890			23,81,890

Notes:

- a. Notice period is six months;
- b. There is no Variable Pay. All components are fixed;
- c. The Company does not have any Employee Stock Option Scheme for grant of stock options to the Directors of the Company.
 - a) Further there were no pecuniary relationships or transactions with any Non-Executive Director of the Company.
 - b) Non-Executive Directors are paid Sitting Fees and Commission.
 - c) The Company does not make any payment to Non-Executive Directors other than sitting fees, duly approved by the Board, for attending meetings of the Board/ Committees.

Commission / Sitting Fees to Non-Executive Directors for the financial year 2021-22 for attending Board and Committee Meetings.

The Company does not have any Employee Stock Option Scheme for grant of stock options to the Directors of the Company. The Company does not make any payment to Non-Executive Directors other than sitting fees, duly approved by the Board, for attending meetings of the Board/ Committees.

Apart from the above, the Company does not have any other Committees for which the details are required to be given.

6. General Body Meetings

Given below are the details of Annual General Meetings for the previous three financial years:

Year	Date and time of the Annual General Meeting.	Location	Number and Nature of Special Resolutions passed, if any*
2018-19	42 nd Annual General Meeting Wednesday, August 14, 2019 at 03.00 P.M.	II main, Doddanekkundi Industrial Area, Bengaluru-560048	A) Re-appointment of Ms. Urmi N. Prasad as Joint Managing Director of the Company; B) Re-appointment of Ms. Charita Thakkar as Joint Managing Director of the Company; C) Continuation of Directorship of Mr. R.M.Thakkar (00248949) as a Chairperson & non-executive Director.
2019-20	43 rd Annual General Meeting Tuesday, September 29, 2020 at 12.30 P.M.	II main, Doddanekkundi Industrial Area, Bengaluru-560048 (Deemed place of Annual General meeting)	A) To consider the continuation of Directorship of Mr. Moreshwar Digambar Garde, Independent Director of the Company, who will attain the age of Seventy-five (75) in this Financial Year; B) To consider the continuation of Directorship of Mr. Raghu Ventakaraman, Independent Director of the Company, who will attain the age of Seventy-five (75) in September, 2021
2020-21	44 th Annual General Meeting Friday, September 17, 2021 at 11.00 A.M.	II main, Doddanekkundi Industrial Area, Bengaluru-560048 (Deemed place of Annual General meeting)	A) Re-appointment of Ms. Charita Thakkar (DIN: 00321561) as the Joint Managing Director of the Company.

*The Company has also passed the ordinary resolutions as required under the Act and according to the requirements, over and above the special resolutions quoted above.

No business was required to be transacted through Postal Ballot at the above meetings or during the year FY 2021- 22 and none is required to be transacted through postal ballot at the ensuing 45th Annual General Meeting. Since no Postal Ballot was conducted in the Financial Year under review, the procedure of the same is also not mentioned in the Annual Report.

7. Means of communication

The Board takes on record the audited / unaudited yearly/ quarterly financial results prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS Rules) in the format prescribed under Regulation 33 of the Listing Regulations read with Circular Ref No. CIR/CFD/FAC/62/2016 dated July 05, 2016 issued by SEBI within prescribed time limit from the closure of the quarter / year and announces the results to all the stock exchanges where the shares of the Company are listed. The Company has been publishing the results in the format as prescribed by SEBI in the Financial Express (English) and Prajavani (Kannada) within 48 hours of the conclusion of the meeting of the Board in which they are approved.

- i. The quarterly, half-yearly and annual results of the Company are submitted to the Statutory Auditors of the Company for a limited review and the report of the Auditors is also filed with the stock exchange after it is approved by the Board of Directors.
- ii. The quarterly results are not sent to each shareholder as shareholders are intimated through press.

- iii. The Company's website www.gpl.in provides information about the Company to its existing and prospective stakeholders. The quarterly results are displayed on the Company's website along with other relevant information.
- iv. The Company has created a separate e-mail address viz. secretarial@gujaratpetrosynthese.com to receive complaints and grievances of the investors.

8. General Shareholder Information

I. 45th Annual General Meeting:

Day and Date	:	Thursday, September 29, 2022
Time	:	11.00 A.M.
Venue	:	II Main, Phase I, Doddanekkundi Industrial Area, Bengaluru-560048 (Deemed Place of Venue)

The Company is conducting the Annual General Meeting (AGM) through VC/OVAM pursuant to the MCA Circulars dated May 5, 2020, January 13, 2021 and May 05, 2022.

II. Financial Year of the Company

The financial year covers the period April 1, 2021 to March 31, 2022. Financial reporting for FY 2022-23 (Indicative)

Quarter ending on June 2022:	Within 45 days from end of the quarter
Half year ending on September 2022:	Within 45 days from end of the quarter
Quarter ending on December 2022:	Within 45 days from end of the quarter
Year ending on March 2023:	Within 60 days from end of the quarter
Annual General Meeting (2022-23):	On or before September 30, 2023

III. Dividend Payment Date:

No dividend on Equity Shares is proposed to be declared at the forthcoming Annual General Meeting.

IV. Listing of Equity Shares on Stock Exchanges and Stock Code

Equity shares of the Company are listed on:

Name of the Stock Exchange	Stock Code
BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001	506858

The Company has paid the Listing Fees to BSE Limited for FY 2020-2021 and 2021-2022.

Corporate Identification Number - L23209KA1977PLC043357

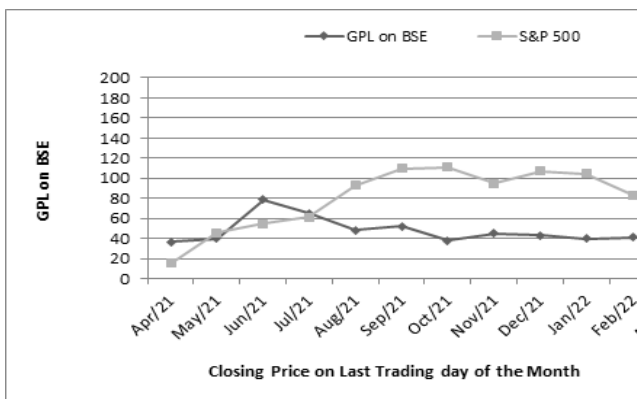
V. Stock market data:

The monthly high / low quotation of shares traded on the BSE Limited is as follows:

(Figures in Rs.)

Bombay Stock Exchange Ltd. (BSE)		
Month	High	Low
April, 2021	38.25	33.25
May, 2021	41.55	36.90
June, 2021	78.85	36.75
July, 2021	82.00	53.50
August, 2021	64.70	46.55
September 2021	52.00	43.10
October, 2021	51.85	38.00
November, 2021	50.00	36.50
December, 2021	51.50	41.95
January, 2022	46.45	39.00
February, 2022	47.25	38.00
March, 2022	45.10	38.50

VI. STOCK PERFORMANCE VS S&P BSE 500



VII. Registrar and Share Transfer Agents (RTA):

The Company has appointed Bigshare Services Pvt.Ltd (SEBI Registration Number INR000001385) as RTA of the Company.

Address for Investor correspondence

Bigshare Services Pvt. Ltd

Office No S6-2, 6th Floor,
Pinnacle Business Park,
Next to Ahura Centre, Mahakali
Caves Road, Andheri (East) Mumbai - 400093, India
Telephone No.: 022 - 6263 8236
Email: investor@bigshareonline.com

Shareholders are requested to quote their Folio No./DP ID & Client ID, E-mail address, if any, telephone number and full address while corresponding with the Company and its RTA.

VIII. Share Transfer system:

In terms of Regulation 40(1) of SEBI (LODR) Regulations, as amended, securities can be transferred only in dematerialised form w.e.f. 1st April, 2019, except in case of request received for transmission or transposition of securities. Hence, the Company has stopped accepting the share transfers in physical mode w.e.f. from the above-mentioned date.

Share transfers and related operations for the Company are processed by the Company's RTA viz., Bigshare Services Pvt. Ltd, Share transfer is normally affected within the maximum period of 15 days from the date of receipt, if all the required documentation is submitted.

Pursuant to SEBI circular dated 25th January, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

The shares of the Company can be transferred / traded only in dematerialised form. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. During the year, the Company obtained, on half-yearly basis, a certificate from a Company Secretary in Practice, certifying that all certificates for transfer, transmission, subdivision, consolidation, renewal, exchange and deletion of names, were issued as required under Regulation 40(9) of the SEBI(LODR) Regulations, 2015. These certificates were duly filed with the Stock Exchanges.

IX. Name, designation and address of the Compliance Officer :

Mr. Divyaraj Chandwaskar
Compliance Officer
44-C, Rajendra Nagar, Indore - 452012

X. Distribution of shareholding:**a. Distribution of shareholding by Size as on March 31, 2022:**

Sl.No	Shareholding of Nominal Value	No. of share holders	% of Shareholders	No. of shares held	% of shareholding
1	1 - 500	18,094	96.6147	14,15,919	23.7205
2	501 - 1000	419	2.2373	2,95,549	4.9513
3	1001 - 2000	143	0.7636	2,01,671	3.3785
4	2001 - 3000	26	0.1388	62,859	1.0531
5	3001 - 4000	19	0.1015	62,376	1.0450
6	4001 - 5000	7	0.0374	31,242	0.5234
7	5001 - 10000	9	0.0481	58,998	0.9884
8	100001 & ABOVE	11	0.0587	38,40,552	64.3398
	Total:	18,728	100.00	59,69,166	100.00

B. CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH, 2022

Sr.No.	Category	No. of Shares of Rs 10 each	% of Shareholding
1	Promoter & Promoter Group	29,68,576	49.73
2	Financial Institutions	259	0.0043
3	Bodies Corporate	34,653	0.5805
4	Foreign Institutional Investors	60,000	1.0052
5	Insurance Companies	7,74,433	12.9739
6	Clearing Members	200	0.0034
7	Mutual Funds	11,146	0.1867
8	Non-Resident Indians	3,93,300	6.5889
9	Public	17,05,589	28.5733
10	Trusts	308	0.0052
11	Other Directors	702	0.0118
12	State Government	20,000	0.3351
	TOTAL	59,69,166	100

XI. BREAK-UP OF SHARES IN PHYSICAL AND DEMAT FORM AS ON 31ST MARCH, 2022

Description	No. of Shareholders	Shares	% to Equity
Physical	16,491	17,88,288	29.95
NSDL	1,287	35,25,149	59.06
CDSL	950	6,55,729	10.99
TOTAL	18,728	5969166	100

XII. Outstanding ADRs/GDRs/Warrants or any Convertible instruments, conversion date and likely impact on equity.

The Company has not issued any ADRs/GDRs/Warrants or any Convertible instruments.

XIII. Commodity Price Risk or Foreign Exchange Risk and Hedging activities:

During the year Company has not entered into any transaction that may have foreign exchange risk.

XIV. Plant location:

Bengaluru: No. 24, II Main, Phase-I, Doddanekkundi Industrial Area, Mahadevapura Post Bengaluru, Karnataka-560 048, India

XV. Credit Rating

Since the Company does not have any debt instruments nor has any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad, no credit rating was obtained.

XVI. None of the securities are suspended from trading.

XVII. Address for Correspondence:

Bengaluru:

No. 24, II Main, Phase-I,
Doddanekkundi Industrial Area,
Mahadevapura Post
Bengaluru, Karnataka - 560 048.

Mumbai:

Ecstasy, 718,7th Floor,
City of Joy, J S D Road, Mulund West,
Mumbai - 400080.

9. Others:

A. Disclosure on materially significant related party transactions that may have potential conflict with the interest of the Company at large:

The Company does not have any related party transaction, which may have potential conflict with the larger interests of the Company. The disclosures of transactions with the related parties entered by the Company in the normal course of business are given in the Notes to Financial Statements.

B. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital markets, during the last three years:

A Statement on Compliance with all Laws and Regulations certified by the Managing Director and Company Secretary are placed at the meetings of the Board of Directors for their review.

There were no instances of non-compliance of any matter related to the capital markets during the last three years and the Company has complied with the requirements of regulatory authorities on capital markets.

C. Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Act and Regulation 22 of the Listing Regulations, the Company has formulated a Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Chairperson of the Audit Committee. The Whistle Blower Policy is displayed on the Company's website <https://www.gpl.in/policy.php>

No employee and or other person has been denied access to the Chairperson of the Audit Committee or Managing Director.

The Chairperson of the Audit Committee or Managing Director had not received any complaint during the Financial Year ended March 31, 2022.

D. Details of compliance with mandatory requirements:

All the mandatory requirements of Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations have been complied with by the Company.

E. Policy on Subsidiary Companies:

The Company has adopted the policy of subsidiary companies with specific reference to materially listed and unlisted subsidiary companies and the policy to be followed in such eventualities. As a matter of information, as on date, the only wholly owned subsidiary company viz. Gujarat Polybutenes Private Limited is falling under the category of Materially Unlisted Subsidiary Company in terms of the definition under Regulation 24 of the Listing Regulations. The Policy for determining the material subsidiaries is available at <https://www.gpl.in/policy.php>

F. Policy on Related Party Transactions:

In terms of Section 188 of the Companies Act, 2013 read with the Regulation 23 of Listing Regulations, the Company had formulated a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions. During the year under review, the said Policy was amended to reflect the latest amendments in the Companies Act, 2013 and the rules made thereunder.

The Policy is intended to ensure that there is proper approval and reporting of transactions between the Company and its related parties. The Policy, after carrying out the necessary modifications in line with the amendments made from time to time, is placed on the website of the Company viz., <https://www.gpl.in/policy.php>.

G. Details of Utilization of funds:

During the year under review, the Company has not raised any funds through preferential allotment or Qualified Institutional Placement as specified under Regulation 32 (7A) of SEBI (LODR) Regulations.

H. UNCLAIMED SHARES

Disclosure in Respect of Equity Shares Transferred in the 'Gujarat Petrosynthese Limited Unclaimed Suspense Account' is as under:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2021	NIL	NIL
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	NIL	NIL
Number of shareholders to whom shares were transferred from suspense account during the year	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2022	NIL	NIL

I. Certificate from a Practicing Company Secretary on disqualification of Directors:

The Company has obtained a Certificate from J.J. Gandhi & Co., Practicing Company Secretaries to the effect that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority.

J. Recommendations of the Committees:

During the year under review, there have been no instances whereby the Board of Directors of the Company has not accepted the recommendations made by the Audit Committee / Nominations and Remuneration Committee / Corporate Social Responsibility Committee on any matter which is mandatorily required.

K. Fees paid to the Statutory Auditors:

Total fees incurred by the Company including its subsidiaries, on a consolidated basis to the Statutory Auditors and all entities in their network / firm / network entity of which they are a part, is Rs. 380,000 (Three Lakh Eighty Thousand Only)

L. Loans And Advances In The Nature Of Loans To Firms/Companies In Which Directors Are Interested

No Loans and advances in the nature of loans to firms/companies in which Directors are interested were given during the financial year.

M. COMPLIANCE WITH NON-MANDATORY PROVISIONS

The status concerning compliance by your Company with discretionary requirements as listed out in Part E of Schedule II of Listing Regulations is as under:

- The position of the Chairperson of the Board of Directors and that of the Managing Director and the Chief Executive Officer are separate.
- The audit report on the Company's Financial Statements for the year ended 31st March, 2022 is unmodified.
- The Internal Auditors report directly to the Audit Committee.
- Your Company follows a robust process of communicating with the shareholders which have been elaborated in the Report under the heading "Means of Communication".



Gujarat Petrosynthese Limited

N. Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:

The disclosures for the Financial Year 2021-22 are as under: -

A	Number of complaints filed during the Financial Year	Nil
B	Number of complaints disposed of during the Financial Year	Nil
C	Number of complaints pending as on the end of the Financial Year	Nil

10. Discretionary Disclosures:

The status concerning compliance by your Company with discretionary requirements as listed out in Part E of Schedule II of SEBI Listing Regulations is as under:

a. Shareholders' Rights:

As the quarterly and half yearly, financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the shareholders.

b. Audit Qualifications

The Company's financial statements for the financial year 2021-22 do not contain any audit qualification.

c. Separate posts of Chairperson and CEO:

The Company presently is having a separate post of the Chairperson and the Managing Director.

d. Reporting of Internal Auditor

The Internal Auditors of the Company make presentation to the Audit Committee on their reports as per the approved audit programmes by the Audit Committee at the beginning of the year on a quarterly basis.

e. The Board

A non-executive chairperson may be entitled to maintain a chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his duties.

f. Chief Executive Officer & Chief Financial Officer Certification

The Chief Executive Officer and Chief Financial Officer of the Company give annual certificate on financial reports and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations and the said certificate is contained in this Annual report

The Chief Executive Officer and Chief Financial Officer also jointly issue a quarterly compliance certificate on financial results and place the same before the Board in terms of Regulation 33(2) of the Listing regulations.

For and on behalf of the Board of Directors

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

Date : 12th August, 2022

Declaration on adherence to the Code of Conduct

To,

The Members of Gujarat Petrosynthese Ltd.

I, Urmi Prasad, Joint Managing Director & CFO of the company hereby declare that the Directors and Senior Managerial Personnel of the Company have affirmed in writing, their compliance with the Company's Code of Conduct for the Board of Directors and Senior Management Personnel, during the year ended March 31, 2022

For and on behalf of the Board of Directors

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

Date : 12th August, 2022



Certificate on Corporate Governance

To,
The Members,
Gujarat Petrosynthese Limited
24, II main,
Doddanekkundi Industrial Area, Phase I,
Mahadevpura, Bangalore 560048

We have examined the compliance of the conditions of Corporate Governance by Gujarat Petrosynthese Limited having CIN L23209KA1977PLC043357 (hereinafter referred to as the Company), for the financial year ended 31st March, 2022 as prescribed in Regulations 17 to 27, clauses (b) to (j) of Regulation 46(2) and Para C, D and E of Schedule V to the Securities and exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as the Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to review of the procedures and the implementation process adopted by the Company for ensuring compliance of the conditions of Corporate Governance. This Certificate is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations and information given to us, and the representation made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**for J. J. Gandhi & Co.
Practising Company Secretaries**

**(J. J. Gandhi)
Proprietor**

**FCS No. 3519 and CP No. 2515
UDIN number F003519D000780603**

Place : Vadodara
Date : 12th August, 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
Gujarat Petrosynthese Limited
24, II main,
Doddanekkundi Industrial Area, Phase I,
Mahadevpura,
Bangalore 560048

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gujarat Petrosynthese Limited, having CIN L23209KA1977PLC043357 and having Registered Office at 24, II main, Doddanekkundi Industrial Area, Phase I, Mahadevpura, Bangalore 560048 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of appointment in Company
1.	Ms Urmi Nuthakki Prasad	00319482	01/04/1993
2.	Ms. Charita Thakkar	00321561	28/09/1990
3.	Mr. Moreshwar Garde Digambar	00689103	31/10/2007
4.	Mr. Raghu Venkataraman	02012383	25/05/2013
5.	Mr. Rajesh Shirish Parikh	08258755	19/10/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

for J. J. Gandhi & Co.
Practising Company Secretaries

(J. J. Gandhi)
Proprietor
FCS No. 3519 and CP No. 2515
UDIN number F003519D000780603

Place : Vadodara
Date : 24th June, 2022

INDEPENDENT AUDITORS' REPORTS

To the Members of Gujarat Petrosynthese Limited Report on the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of **Gujarat Petrosynthese Limited** ("the Company"), which comprise of the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2022;
- (b) in the case of the Statement of Profit and Loss (including Other Comprehensive Income), of the Profit for the year ended on that date;
- (c) in the case of the Statement of Changes in Equity, of the changes in equity for the year ended on that date; and
- (d) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

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

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

Key Audit Matter

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

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

Key Audit Matters	Auditor's Response
Review of the value of stock-in-trade & investments held by the Company as on 31st March 2022	<p>Principal Audit Procedures</p> <p>The assessment of various procedures adopted by the management which includes</p> <ol style="list-style-type: none"> i) Ascertaining the value of investments and stock-in-trade held as at 31st March, 2022. ii) Verification of amount invested, current value of investments, regularity of receipt of income on those investments and its fair classification and presentation in the audited financial statements. iii) Assessing the appropriateness of value of stock-in-trade disclosed in the financial statements.

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises of the information included in the Management Discussion and Analysis, Board's Report including Annexures to the said Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a

material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position in 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 dues which were required to be transferred to Investor Education and Protection Fund by the Company.

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

Place : Mumbai
Date : 30.5.2022
UDIN : 22031626AJVRUC8017

(Anil Lohia)
Partner
Membership No: 031626

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

Statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, to the extent applicable.

- i)
 - a) The Company, on the basis of available information, is in the process of completing and reconciling its records showing full particulars including quantitative details and situations of Property Plant and Equipment;
 - b) The Management of the Company has physically verified the Property Plant and Equipment in accordance with its policy of physical verification at reasonable intervals. The discrepancies, if any noticed during such verification have been suitably adjusted in the books of account. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets;
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company;
 - d) According to information and explanations given to us and on the basis of examination of the records of the Company, none of its Property, Plant and Equipment or intangible assets or both are revalued during the year.
 - e) On the basis of available information, the Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- ii)
 - a) According to the information and explanations given to us, the inventories have been physically verified at reasonable intervals by the management during the year and no material discrepancies have been noticed. In our opinion and according to the information and explanations given to us, the procedures followed by the management for physical verification of inventory are reasonable and adequate in relation to the size of the Company and the nature of the business.

- b) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of Rupees five crore, in the aggregate, from banks on the basis of security of current assets and hence this clause is not applicable.
- iii) a) A During the year the Company has not granted any loans and advances to subsidiaries, joint ventures and associates. Accordingly, paragraph 3(iii)(a)(A) of the order is not applicable.
B During the year the Company has not granted any loans and advances any other parties. Accordingly, paragraph 3(iii)(a)(B) of the order is not applicable.
- b) Since during the year the Company has not granted any Loans or advances or made any investments or provided guarantee or security, paragraph 3(iii) (b), (c), (d), (e) and (f) of the order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, during the year the Company has not granted any loans. With respect to investments made during the year the Company has complied with the provisions of section 185 and 186 of the Act. The Company has not given any guarantee or security.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi) Since the turnover from all business activities in the preceding financial year does not exceed the prescribed limit for maintenance of cost records pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 148(1) of the Act, paragraph 3(vi) of the Order is not applicable.
- vii) a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March, 2022 for a period of more than six months from the date it became payable.
b) According to the records of the Company and information and explanations given to us and the records of the Company examined by us, there are no pending dues to be deposited of income tax, sales tax or service tax or duty of customs or duty of excise or value added tax on account of any disputes.
- viii) On the basis of our examination of the books and according to the information and explanations given to us, there is no transaction which is not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) a) On the basis of our examination of the books and according to the information and explanations given to us, no amount has been borrowed from financial institutions, banks, Government or debenture holders. Accordingly, paragraph 3(ix) of the order is not applicable.
- x) a) In our opinion and on the basis of information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
b) In our opinion and on the basis of information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xii) In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to information and explanations given to us and based on our examination of the records of the company, transactions with related parties are in accordance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in Financial Statements as required by applicable Ind AS.
- xiv) a) According to information and explanations given to us and based on our examination of the records of the Company, it has an internal audit system commensurate with the size and nature of its business.
b) The reports of the Internal Auditors for the period under audit were considered by us.
- xv) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45- IA of Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

- xvii) The Company has not incurred any cash loss in the financial year and in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the date of balance sheet, as and when they fall due, within a period of one year from the balance sheet date.
- xx) According to the information and explanations given to us and based on our examination of the records of the Company, provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company.
- xxi) There are no qualifications or adverse remarks by the respective auditors of in the Companies (Auditor's Report) Order, 2020 of the companies included in the consolidated financial statements. Accordingly, paragraph 3(xxii) of the Order is not applicable.

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

Place : Mumbai
Date : 30.5.2022
UDIN : 22031626AJVRUC8017

(Anil Lohia)
Partner
Membership No: 031626

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

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

We have audited the internal financial controls over financial reporting of Gujarat Petrosynthese Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

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

(Anil Lohia)
Partner
Membership No: 031626

Place : Mumbai
Date : 30.5.2022
UDIN : 22031626AJVRUC8017

BALANCE SHEET AS AT 31st MARCH, 2022

(₹ in thousands)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
A ASSETS			
I Non-Current Assets			
Property, plant and equipment	3	19,999	20,035
Right to Use Assets	3	796	-
Financial Assets:			
Investments	4	72,872	62,499
Other	5	72,462	63,189
Total Non-Current Assets		166,129	145,723
II Current Assets			
Inventories	6	9,845	6,945
Financial Assets:			
Investments	4	70,271	90,013
Loans	7	-	10
Trade receivables	8	36,367	24,007
Cash and cash equivalents	9	11,486	9,885
Other financial assets	10	3,839	3,013
Other current assets	11	1,146	1,629
Total Current Assets		132,953	135,501
TOTAL ASSETS		299,082	281,225
B EQUITY AND LIABILITIES			
I Equity			
Equity share capital	12	59,692	59,692
Other equity	13	215,108	211,306
Shareholder's fund		274,799	270,998
Liabilities			
II Non Current Liabilities			
Financial Liabilities :			
Lease Liabilities	3	337	-
Deffered Tax Liabilities (Net)	14	1,784	(8,466)
Total Non Current Liabilities		2,121	(8,466)
III Current Liabilities			
Financial Liabilities :			
Trade payables	15	16,961	15,316
Lease Liabilities	3	511	-
Other financial liabilities	16	2,356	1,849
Short Term Provisions	17	1,500	1,200
Other current liabilities	18	835	328
Total Current Liabilities		22,162	18,693
Total Liabilities		24,283	10,227
TOTAL EQUITY AND LIABILITIES		299,082	281,225
Significant accounting policies	1 to 2		
The accompanying notes form an integral part of the Financial Statements	3 to 33		

As per our report of even date

For and on behalf the Board of Directors

For Dayal and LohiaChartered Accountants
Firm Regn. No. 102200W**Urmi N. Prasad**
Jt. Managing Director & CFO
DIN : 00319482
Place : Hyderabad**Ms. Charita Thakkar**
Jt. Managing Director
DIN: 00321561
Place : San Francisco**Anil Lohia**(Partner)
Membership No. 31626PLACE : Mumbai
DATE : 30-5-2022

DATE : 30-5-2022

DATE : 30-5-2022

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

(₹ in thousands)

Particulars	Note No.	For the year ended As on 31.03.2022	For the year ended As on 31.03.2021
INCOME			
I Revenue from operations	19	300,193	193,439
II Other income	20	8,352	6,334
III Total income (I+II)		308,545	199,773
IV EXPENSES			
Cost of Materials Consumed	21	242,606	158,152
Changes in Inventories of Finished & WIP Products	22	-256	1,556
Employee benefits expense	23	28,828	26,213
Finance costs	24	90	-
Depreciation	3	2,158	1,775
Other expenses	25	20,741	18,283
Total expenses (IV)		294,167	205,979
V Profit/(loss) before exceptional item and tax (III-IV)		14,378	(6,205)
VI Exceptional Items	26	-	55,798
VII Profit/(loss) before tax (V-VI)		14,378	49,593
VIII Tax Expense:			
(1) Current tax		326	3,497
(2) Deferred tax		10,251	(4,041)
IX Profit/(loss) for the year (VII-VIII)		3,802	50,135
X OTHER COMPREHENSIVE INCOME/(EXPENSE)- (OCI):			
Items that will not be reclassified to profit or loss			
1. Re-measurement gains / (losses) on defined benefit plans		-	-
2. Income tax effect on above		-	-
Total other comprehensive income (OCI) for the year, net of tax expense		-	-
TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR (IX+X)		3,802	50,135
Earnings per equity shares (Face Value of Rs.10/- each)			
Basic and Diluted earnings per share	27	0.64	8.40
Significant accounting policies	1 to 2		
The accompanying notes form an integral part of the Financial Statements	3 to 33		

As per our report of even date

For and on behalf the Board of Directors

For Dayal and LohiaChartered Accountants
Firm Regn. No. 102200W**Urmi N. Prasad**
Jt. Managing Director & CFO
DIN : 00319482
Place : Hyderabad**Ms. Charita Thakkar**
Jt. Managing Director
DIN: 00321561
Place : San Francisco**Anil Lohia**(Partner)
Membership No. 31626PLACE : Mumbai
DATE : 30-5-2022

DATE : 30-5-2022

DATE : 30-5-2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Rs. In Thousands

Particulars	As at 31st March, 2022		As at 31st March, 2021	
(A) CASH FLOW FROM OPERATING ACTIVITIES:				
Profit/(Loss) before tax		14,378		49,593
Adjustments for :				
Add:				
Provision for Doubtful Debt	471		-	
Depreciation	1,657	2,128	1,775	1,775
Less:				
Profit/Loss on sale of Investment	(298)		(112)	
Excess Provision written back	(77)			
Fair Value measurement of Investment	(2,605)		(1,585)	
Interest Income	(5,304)	(8,284)	(4,307)	(6,004)
Operating profit before working capital changes		8,222		45,364
Adjustments for :				
Decrease / (Increase) of Financial Assets (Non Current)	(9,273)		(8,120)	
Decrease / (Increase) of Inventories	(2,900)		1,536	
Decrease / (Increase) of Loans (Current)	10		-	
Decrease / (Increase) of Trade Receivables	(12,831)		(5,989)	
Decrease / (Increase) of Financial Assets (Current)	(808)		428	
Decrease / (Increase) of Other Assets	482		-	
(Decrease) / Increase of Trade Payables	1,645		4,571	
(Decrease) / Increase of Financial Liabilities (Current)	584		(842)	
(Decrease) / Increase of Lease Liabilities	52		-	
(Decrease) / Increase of Short Term Provisions	300		-	
(Decrease) / Increase of Other current liabilities	506		880	
		(22,233)		(7,536)
Cash Generated from Operations		(14,012)		37,829
Income Tax Paid (Net of refund received)		(344)		(3,597)
Net cash from Operating Activities	(A)	(14,356)		34,232
(B) CASH FLOW FROM INVESTING ACTIVITIES:				
Purchases of fixed assets	(1,621)		(376)	
Sale of Fixed Asset	-		19,467	
Sale of Mutual Funds	22,347		-	
Purchase of Mutual Fund	(355)		(71,188)	
Sale of Investment	397		20,405	
Investment in REC Bonds	-		(5,000)	
Investment in Canara Bonds	(10,117)		-	
Investment in Fixed deposits	-		(1,324)	
Interest Income	5,304	15,955	4,307	(33,709)
Net cash used in Investing activities	(B)	15,955		(33,709)
(C) CASH FLOW FROM FINANCING ACTIVITIES:				
Borrowings		-		-
Net cash from Financing Activities	(C)	-		-
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		1,599		522
CASH & CASH EQUIVALENTS AS AT Opening Balance		9,886		9,364
CASH & CASH EQUIVALENTS AS AT CLOSING Balance		11,486		9,886
Significant accounting policies	1 to 3			
The accompanying notes form an integral part of the Financial Statements	3 to 33			

As per our report of even date

For and on behalf the Board of Directors

For Dayal and LohiaChartered Accountants
Firm Regn. No. 102200W**Urmi N. Prasad**
Jt. Managing Director & CFO
DIN : 00319482
Place : Hyderabad**Ms. Charita Thakkar**
Jt. Managing Director
DIN : 00321561
Place : San Francisco**Anil Lohia**(Partner)
Membership No. 31626PLACE : Mumbai
DATE : 30-5-2022

DATE : 30-5-2022

DATE : 30-5-2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

₹ in thousands)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
EQUITY SHARE CAPITAL			
Balance at the beginning of the year		59,692	59,692
Changes in equity share capital during the year		-	-
Balance at the end of the year		<u>59,692</u>	<u>59,692</u>

OTHER EQUITY

Particulars	Reserves and Surplus				Total other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
Balance as at 1 April 2020	1,750	20,000	135,446	3,974	161,170
Profit/(loss) for the year				50,135	50,135
Other comprehensive income/(expense)				-	-
Total comprehensive income/(expense)	-	-	-	50,135	50,135
Balance as at 31 March 2021	1,750	20,000	135,446	54,110	211,306
Profit/(loss) for the year				3,802	3,802
Other comprehensive income/(loss)				-	-
Total comprehensive income/(expense)	-	-	-	3,802	3,802
Balance as at 31 March 2022	1,750	20,000	135,446	57,912	215,108

CAPITAL RESERVE

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

SECURITIES PREMIUM

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

GENERAL RESERVE

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

Significant Accounting Policies - Note 1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

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

Anil Lohia
(Partner)
Membership No. 31626

PLACE : Mumbai
DATE : 30-5-2022

For and on behalf the Board of Directors

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

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

DATE : 30-5-2022

DATE : 30-5-2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022**CORPORATE INFORMATION**

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

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

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

The financial statements are presented in Indian Rupees ("INR"), and all values are rounded off to the nearest thousands, except when otherwise indicated.

(ii) Fair value measurement

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

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

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

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

(iii) Revenue Recognition:

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

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

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

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

Dividend income is accounted when right to receive is established.

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

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment includes purchase price, including freight, duties, taxes and expenses incidental to acquisition and installation. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant

and equipment. Property, plant and equipment are derecognized from financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence.

Subsequent expenditures:

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

Depreciation:

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

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

(v) Impairment of Non-Financial Assets:

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

(vi) Assets taken on Lease:**Recognition & Measurement:**

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

Presentation:

Lease liability and ROU asset shall be separately presented in the Balance Sheet and lease payments shall be classified as financing cash flows.

(vii) Financial Instruments:

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

Financial Assets

Initial recognition and measurement

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

Subsequent measurement

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

i) Financial assets at amortised cost

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

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

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

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

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

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

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

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

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

iv) Equity instruments

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

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

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

Impairment of financial assets

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

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

De-recognition

A financial asset is derecognized when:

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

Financial Liabilities

● **Initial recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All Financial Liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

● **Subsequent measurement**

Financial liabilities are subsequently carried at amortised cost using the effective interest rate (EIR) method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to short maturity of these instruments. Amortised cost is calculated by taking into account any discount or premium on acquisition and transaction costs. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

● **Derecognition**

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

● **Offsetting financial instruments**

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

(viii) Inventories:

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

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

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

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

Consumables are charged to revenue in the year of purchase.

(ix) Taxes:

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

i. Current Tax

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

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

ii. Deferred Tax

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

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

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

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

(x) **Employee benefits:**

Short term employee benefits:

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

Defined contribution plans:

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

If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund

Defined benefit plans:

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

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

Long Term Compensated Absences

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

(xi) **Finance Costs:**

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

(xii) Cash and Cash Equivalents:

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

(xiii) Provisions & Contingent Liabilities:

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for Decommissioning Liability:

The Company records a provision for decommissioning costs towards site restoration activity. Decommissioning costs are provided at the present value of future expenditure using a current pre-tax rate expected to be incurred to fulfil decommissioning obligations and are recognised as part of the cost of the underlying assets. Any change in the present value of the expenditure, other than unwinding of discount on the provision, is reflected as adjustment to the provision and the corresponding asset. The change in the provision due to the unwinding of discount is recognised in the Statement of Profit and Loss.

Disclosure:

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

(xiv) Earnings per share

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

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

Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

(xv) Dividend

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

(xvi) Foreign Exchange Transactions

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

2. USE OF ESTIMATES AND JUDGEMENTS

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

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

i. Recognition and measurement of defined benefit obligations

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

ii. Fair value measurement of financial instruments

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

iii. Deferred taxes

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

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross Block				Depreciation				Net Block	
	As at 01-04-2021	Additions	Deductions	For the year ended 31-03-2022	As at 01-04-2021	For the year ended 31-03-2022	Deductions	For the year ended 31-03-2022	As at 31-03-2022	As at 31-03-2021
Leasehold Land	-	-	-	-	-	-	-	-	-	-
Freehold Land	4,419	-	-	4,419	-	-	-	-	4,419	4,419
Factory Buildings	9,884	-	-	9,884	7,207	313	-	7,520	2,364	2,677
Laboratory Equipment	2,303	-	-	2,303	2,303	-	-	2,303	-	-
Vehicle	9,511	-	-	9,511	6,954	405	-	7,359	2,152	2,557
Office Equipment	2,770	83	-	2,853	2,485	111	-	2,597	256	285
Furniture & Fixtures	2,322	-	-	2,322	2,104	17	-	2,120	202	218
Computer	2,093	41	-	2,133	1,951	39	-	1,991	143	141
Mobile	369	-	-	369	363	1	-	364	4	5
Plant & Machinery	48,049	1,498	-	49,547	38,318	911	-	39,229	10,318	9,732
Electrical Installation	2,422	-	-	2,422	2,422	-121	-	2,301	121	-
Jigs and Moulds	403	-	-	403	403	-20	-	383	20	-
Total	84,545	1,621	-	86,166	64,510	1,657	-	66,167	19,999	20,035
Rights of Use Assets	-	1,298	-	1,298	-	502	-	502	796	-

Particulars	As at 31-03-2022	As at 31-03-2021
Current	511	-
Non Current	337	-
	847	-

Particulars	Gross Block				Depreciation				Net Block	
	As at 01-04-2020	Additions	Deductions	For the year ended 31-03-2021	As at 01-04-2020	For the year ended 31-03-2021	Deductions	For the year ended 31-03-2021	As at 31-03-2021	As at 31-03-2020
Leasehold Land	15,527	-	15,527	-	-	-	-	-	-	15,527
Freehold Land	4,419	-	-	4,419	-	-	-	-	4,419	4,419
Factory Buildings	13,824	-	3,940	9,884	9,642	329	2,765	7,207	2,677	4,182
Laboratory Equipment	2,303	-	-	2,303	2,303	-	-	2,303	0	0
Vehicle	9,511	-	-	9,511	6,458	496	-	6,954	2,557	3,052
Office Equipment	2,693	77	-	2,770	2,403	83	-	2,485	285	291
Furniture & Fixtures	2,322	-	-	2,322	2,101	3	-	2,104	218	222
Computer	1,988	105	-	2,093	1,924	28	-	1,951	141	64
Mobile	369	-	-	369	361	2	-	363	5	8
Plant & Machinery	47,855	194	-	48,049	37,484	834	-	38,318	9,732	10,372
Electrical Installation	2,422	-	-	2,422	2,422	-	-	2,422	-	-
Jigs and Moulds	403	-	-	403	403	-	-	403	-	-
Total	103,636	376	19,467	84,545	65,501	1,775	2,765	64,510	20,035	38,135

Less : Classified under held for sale (Leasehold land and Part of Factory Buildings)
Fixed Assets Block

16,700
20,035

21,435

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

4. NON-CURRENT INVESTMENTS

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

(₹ in thousands)

Sr. No.	Particulars	Subsidiary	Face Value fully Paid	No. of Shares / Bonds		Value ('000)	
				31.03.2022	31.03.2021	31.03.2022	31.03.2021
I	Investments in Equity Instruments						
	Unquoted						
	Investments valued at Cost						
	Gujarat Polybutenes Pvt. Ltd	Subsidiary	10	4,489,999	4,489,999	57,400	57,400
	GPL Finance and Investment Ltd	Others	10	-	9,940	-	99
II	Investment in Debentures or Bonds						
	Investments valued at Amortized Cost						
	Canara Bonds (Quoted)	Others	1,00,00,000	1	-	10,472	-
	Rural Electrification Corporation Bonds (Un Quoted)	Others	10,000	500	500	5,000	5,000
	Total Current Investments					72,872	62,499
III	Investments in Mutual Funds						
	Quoted						
	Investments valued at Fair Value through Profit and Loss						
	SBI Liquid Fund	Others		21,225	28,102	70,271	90,013
	Total Current Investments					70,271	90,013

Particulars	31.03.2022	31.03.2021
Aggregate market value of quoted investments		
Non-Current	15,472	5,000
Current	70,271	90,013
Aggregate carrying value of unquoted investments		
Non-Current	57,400	57,499

(₹ in thousands)

Particulars	As at 31st March, 2022	As at 31st March, 2021
5 Other Financial Assets (NON-CURRENT) (Unsecured, considered good)		
Interest Accrued but not due	5,572	2,922
Bank Deposits with more than 12 months maturity	40,397	33,728
Deposit with others	25,000	25,000
Security Deposits	1,493	1,539
	72,462	63,189
6 Inventories		
Raw Materials and Consumables*	7,783	5,139
Finished Goods and Work in Progress*	2,062	1,806
*(Mode of Valuation is specified in Note 1 (viii) of Significant Accounting Policies)	9,845	6,945

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in thousands)

Particulars	As at 31st March, As at 31st March, 2022 2021	
7 Loans (Current) (Unsecured, considered good)		
Loans to Employees	-	10
	<u>-</u>	<u>10</u>
8 Trade Receivables		
Unsecured and considered good		
Trade Receivables for more than six months	-	471
Trade Receivable for less than six months	36,367	23,535
	<u>36,367</u>	<u>24,007</u>
Unsecured and considered doubtful		
Trade Receivables for more than six months	471	-
Less: Provision for doubtful debts	-471	-
	<u>36,367</u>	<u>24,007</u>

8.1 Trade Receivable Ageing schedule

As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) Undisputed Trade receivables- considered good	36,367	0	0	0	0	36,367
(ii) Undisputed Trade Receivables- Credit impaired	0	0	0	411	60	471

As at March 31, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) Undisputed Trade receivables- considered good	23,535	0	411	60	0	24,007

(₹ in thousands)

Particulars	As at 31st March, As at 31st March, 2022 2021	
9 Cash and Cash Equivalents		
Cash in Hand	29	76
Balance in bank	11,456	9,810
	<u>11,486</u>	<u>9,885</u>
10 Other Financial Asset (Current)		
Other Receivables	772	190
Advance Income Tax (net of provisions)	2,638	2,620
Interest Accrued but not due - Current	429	203
	<u>3,839</u>	<u>3,013</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	As at 31st March, 2022	As at 31st March, 2021
11 Other Assets (Current)		
Prepaid Expenses	484	424
Advance to Vendors	271	365
Indirect Taxes Credit Recoverable	391	839
	1,146	1,629

Particulars	31.03.2022	31.03.2021
12. EQUITY SHARE CAPITAL		
AUTHORISED		
80,00,000 (31 March 2021 - 80,00,000) Equity Shares of ₹10/- each	80,000	80,000
	80,000	80,000
ISSUED, SUBSCRIBED AND PAID UP		
59,69,166 (31 March 2021 - 59,69,166) Equity shares Of ₹10/- each	59,692	59,692
Total issued, subscribed and fully paid up share capital	59,692	59,692

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

Particulars	31.03.2022		31.03.2021	
	Equity Shares		Equity Shares	
	Number	Value ('000)	Number	Value ('000)
Shares outstanding at the beginning of the year	59,69,166	59,692	59,69,166	59,692
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	59,69,166	59,692	59,69,166	59,692

b. Terms/rights attached to the equity shares

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

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

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

Name of Shareholder	31.03.2022		31.03.2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Yashashree Commercial Services Private Ltd	800,000	13.40%	800,000	13.40%
Charita Thakkar	605,272	10.14%	605,272	10.14%
Life Insurance Corporation Of India	533,765	8.94%	538,498	9.02%
Multichem Private Limited	476,419	7.98%	471,272	7.90%
Rajender Prasad Nuthhaki	437,030	7.32%	319,564	5.35%
Ursula Rameshchandra Thakkar	352,906	5.91%	352,906	5.91%
Urmi N Prasad	290,000	4.86%	407,466	6.83%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022
d. Equity Shares held by promoters at the end of the year - FY 2021-22

Promoter name	No. of shares	% of total shares	% Change during the year
Urmi N Prasad	290,000	4.86%	-1.97%
Charita Thakkar	605,272	10.14%	0.00%
Anantha Lakshmi N	4,638	0.08%	0.00%
Rajender Prasad Nuthhaki	437,030	7.32%	1.97%
Adhik Narayan Shirodkar	2,116	0.04%	0.00%
Smita Prakash Mayenkar	195	0.00%	0.00%
Ursula Thakkar	352,906	5.91%	0.00%
Multichem Pvt Ltd	476,419	7.98%	0.09%
Yashashree Commercial Services Pvt Ltd	800,000	13.40%	0.00%

e. Equity Shares held by promoters at the end of the year - FY 2020-21

Promoter name	No. of shares	% of total shares	% Change during the year
Urmi N Prasad	407,466	6.83%	2.01%
Charita Thakkar	605,272	10.14%	2.01%
Anantha Lakshmi N	4,638	0.08%	0.00%
Rajender Prasad Nuthhaki	319,564	5.35%	0.00%
Adhik Narayan Shirodkar	2,116	0.04%	0.00%
Smita Prakash Mayenkar	195	0.00%	0.00%
Ursula Thakkar	352,906	5.91%	0.00%
Multichem Pvt Ltd	471,272	7.90%	0.10%
Yashashree Commercial Services Pvt Ltd	800,000	13.40%	0.00%

Particulars	31.03.2022	31.03.2021
13. OTHER EQUITY		
CAPITAL RESERVE		
Opening balance	1,750	1,750
Addition during the year	-	-
Closing balance	1,750	1,750
SECURITIES PREMIUM ACCOUNT		
Opening balance	20,000	20,000
Addition/(utilisation) during the year	-	-
Closing balance	20,000	20,000
GENERAL RESERVE		
Opening balance	135,446	135,446
Addition/(utilisation) during the year	-	-
Closing balance	135,446	135,446
RETAINED EARNINGS		
Opening balance	54,110	3,974
Profit / (Loss) for the year	3,802	50,135
Closing balance	57,912	54,110
Total other equity	215,108	211,306

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022
CAPITAL RESERVE

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

SECURITIES PREMIUM RESERVE

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

GENERAL RESERVE

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

14. Deferred Tax Liabilities (Net)

Deferred Tax Liabilities :		
On Property Plant and Equipment	2,361	-2,669
On Fair Value of Investments	702	-76
On ROU Asset and Lease Liabilities	24	-
Deferred Tax Asset :		
On Provision	-	75
On Carried forward losses	-1,302	-5,797
	1,784	-8,466

(₹ in thousands)

a) Movement in deferred tax balances
Movement in deferred tax during the year ended March 31, 2022

	Opening balance as at 01.04.2021	Recognized in Profit and Loss	Closing balance as at 31.03.22
Property, plant and equipment	-2,669	5,030	2,361
Unused tax credit/losses	-5,797	4,494	-1,302
Provision	75	-75	-
On Fair Value of Investments	-76	778	702
On ROU Asset and Lease Liabilities	-	24	24
Net deferred tax liability (net)	-8,466	10,251	1,784

(₹ in thousands)

Movement in deferred tax during the year ended March 31, 2021

	Opening balance as at 01.04.2020	Recognized in Profit and Loss	Closing balance as at 31.03.21
Property, plant and equipment	1,447	-4,116	-2,669
Unused tax credit/losses	-5,797	-	-5,797
Provision	-	75	75
On Fair Value of Investments	-76	-	-76
Net deferred tax liability (net)	-4,426	-4,041	-8,466

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	As at 31st March, 2022	As at 31st March, 2021			
15. Trade payables					
Trade Payables to Micro Small Medium Enterprise	1,164	970			
Trade Payables to Others	15,797	14,345			
	16,961	15,316			
15.1 Trade Receivable Ageing schedule					
As at March 31, 2022					
Particulars	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	Total
(i) MSME	1,164	0	0	0	1,164
(ii) Others	15,797	0	0	0	15,797
As at March 31, 2021					
Particulars	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	Total
(i) MSME	970	0	0	0	970
(ii) Others	14,345	0	0	0	14,345
Particulars	As at 31st March, 2022	As at 31st March, 2021			
16 Other financial liabilities (Current)					
Other Payables	2,356	1,849			
	2,356	1,849			
17 Provisions (Short Term)					
Provision for Employee Benefits :					
Provision for Exgratia	1,500	1,200			
	1,500	1,200			
18 Other current liabilities					
Advance from Customers	21	9			
Statutory Dues Payable	813	319			
	835	328			

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
19 Revenue from operations		
Sale of Goods	295,517	190,683
Sale of Services	4,676	2,756
	300,193	193,439
20 Other income		
Interest income on financial assets:		
Interest Received from Banks	3,712	4,153
Interest Received from Others	1,592	154
Interest on Income Tax Refund	46	-
Dividend Income	-	-
Profit on Sale of Fixed Assets	-	-
Profit on Sale of Investment	298	112
Fair Value measurement of Investments	2,605	1,585
Specimen Testing Charges	22	18
Excess Provision written back	77	-
Miscellaneous Income	-	313
	8,352	6,334
21 Cost of Materials Consumed		
Opening Stock of Raw Materials	5,139	5,119
Purchase of Raw Materials	245,251	158,172
Less : Closing Stock of Raw Materials	7,783	5,139
	242,606	158,152
22 Changes in Inventories of Finished & WIP Products		
Opening Stock of Finished Goods and Working in Progress	1,806	3,362
Less: Closing Stock of Finished Goods and Work in Progress	2,062	1,806
	-256	1,556
23 Employee benefits expense		
Salaries and Wages	25,029	23,000
Contribution to provident and other funds	1,193	1,150
Gratuity Expenses	386	264
Ex gratia expenses	1,541	1,200
Leave Encashment Expenses	322	296
Staff welfare expenses	358	304
	28,828	26,213
24 Finance Costs		
Finance Cost	90	-
	90	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
25 Other Expenses		
Bank Charges	16	14
Computer Expenses	117	132
Director's Sitting Fees	420	380
Discount and Rebate Given	-	-
Demat Charges	-	4
Donations	-	1
Auditor's Remuneration		
Audit Fees	200	155
Tax Audit Fees	63	25
Other services	160	30
Exchange Rate Difference	-	-
Fees and Subscription Expenses	464	642
Foreign Travelling Expenses	-	-
Freight Inward Expenses	1,348	1,116
Freight Outward Expenses	741	597
General Expenses	1,233	1,471
Insurance Expenses	565	525
Legal and Professional Fees	2,957	3,149
Meeting Expense	-	12
Postage & Courier Expenses	164	80
Power and Fuel Expenses	6,915	5,837
Printing and Stationery Expenses	183	136
Provision for Doubtful Debts	471	-
Rates & Taxes	167	383
Rental Expenses	26	750
Repair & Maintenance - Building	9	-
Repair & Maintenance - Other	486	293
Repair & Maintenance - Plant and Machinery	2,023	806
Security Expenses	762	734
Sundry Balances Written Off	-	2
Telephone Expense & Mobile Expense	186	229
Travelling and Conveyance Expenses	138	81
Vehicle Maintenance Expenses	926	699
	20,741	18,283
26 Exception Items		
Profit on sale of Assets	-	55,798
	-	55,798
** Exceptional items in FY 20-21 pertains to sale of Marol property		

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022
27 EARNINGS PER SHARE

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

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Profit after Tax (In '000)	3,802	50,135
2. Weighted average number of shares outstanding during the year	5,969,166	5,969,166
3. Face value of shares	10	10
4. Basic / Diluted EPS	0.64	8.40

28. FINANCIAL INSTRUMENTS-FAIR VALUE AND RISK MANAGEMENT
a) Accounting classification

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

Particulars	31.03.2022				31.03.2021			
	At cost	FVTOCL	FVTPL	Amortised cost	At cost	FVTOCL	FVTPL	Amortised cost
Financial Assets								
Investments in subsidiary	57,400	-	-	-	57,400	-	-	-
Investments in other equity	-	-	-	-	-	-	-	99
Investments in Bonds	-	-	-	15,472	-	-	-	5,000
Investments in Mutual Funds	-	-	70,271	-	-	-	90,013	-
Loans	-	-	-	-	-	-	-	10
Trade receivable	-	-	-	36,367	-	-	-	24,007
Cash and cash equivalents	-	-	-	11,486	-	-	-	9,885
Other financial assets	-	-	-	76,301	-	-	-	66,203
	57,400	-	70,271	139,625	57,400	-	90,013	105,204
Financial Liabilities								
Lease Liabilities	-	-	-	847	-	-	-	-
Trade payables	-	-	-	16,961	-	-	-	15,316
Other financial liabilities	-	-	-	2,356	-	-	-	1,849
	-	-	-	20,164	-	-	-	17,165

b) Fair value hierarchy and Method of valuation

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

	31st March, 2022			31st March, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments in Mutual Funds	70,271	-	-	90,013	-	-

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

c) Risk management framework

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

d) Financial Risk Management

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

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

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

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

Trade receivables

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

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

Other Financial Assets

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

ii) Liquidity Risk

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

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022
Exposure to liquidity risk

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

INR ('000)

	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
March 31, 2022						
Financial liabilities						
Trade payables	16,961	16,961	16,961			
Lease Liabilities	847	847	337	511		
Other Financial Liabilities	2,356	2,356	2,356			
	20,164	20,164	19,654	511	-	-
	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
March 31, 2021						
Financial liabilities						
Trade payables	15,316	15,316	15,316			
Other Financial Liabilities	1,849	1,849	1,849			
	17,165	17,165	17,165	-	-	-

iii) Market Risk

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

Currency risk

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

Interest rate risk

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

Commodity price risk

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

29. CAPITAL MANAGEMENT

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

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

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

	March 31, 2022	April 01, 2021
Borrowing	-	-
Cash & cash equivalents	11,486	9,885
Net Debt (restricted to zero, if cash and cash equivalents are greater than borrowings)	11,486	9,885
Total equity	274,799	270,998
Debt/Equity ratio	0.00%	0.00%

30 EMPLOYEE BENEFITS
I) Defined Contribution Plans

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

II) Defined Benefit Plans
GRATUITY

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

Membership Data:	Plan A		Plan B	
	2021-22	2020-21	2021-22	2020-21
Number of Members	18	19	6	7
Average Age	44.56	43.84	48.83	49.14
Average Monthly Salary	19,496	17,791	51,728	45,706
Average Past Service	15.06	13.79	12.83	12.00

Actuarial Assumptions:	Plan A		Plan B	
	2021-22	2020-21	2021-22	2020-21
Mortality Rate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate
Withdrawal Rate	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age
Discount Rate	7% p.a	7.5% p.a	7% p.a	7.5% p.a
Salary Escalation	6%	6%	6%	6%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Results of Valuation:	Plan A		Plan B	
	2021-22	2020-21	2021-22	2020-21
Present Value of Past Service Benefit	3,117	2,715	2,250	2,174
Current Service Cost	170	173	30	35
PV of Defined Benefit Obligation	3,287	2,888	2,280	2,209
Fund Value	3,287	2,888	2,280	2,209

Amount Recognized in Balance Sheet:	Plan A		Plan B	
	2021-22	2020-21	2021-22	2020-21
Present value of defined benefit obligation at end of the year	3,287	2,888	2,280	2,209
Fair value of plan assets at end of the year	3,287	2,888	2,280	2,209
Net liability / (asset) recognized in the Balance Sheet	-	-	-	-

Expenses recognised in statement of Profit and Loss:

	Plan A	
	2021-22	2020-21
Grauity Expense recognised (including Provision)	386	264

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

31. Related party disclosure

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

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(ii) Transactions with related parties

Type of related party	Description of the nature of transactions	Volume of Transactions during 2021-22	Volume of Transactions during 2020-21	Balance as on 31.03.2022 Receivable/ (Payable)	Balance as on 31.03.2021 Receivable/ (Payable)
		(Rs.in "000")	(Rs.in "000")	(Rs.in "000")	(Rs.in "000")
(a) Subsidiary (i) Gujarat Polybutenes Private Limited	Expense reimbursement	36	177	-	-
(b) Key management personnel and their relatives	Director's Remuneration and Mrs. Urmi N. Prasad Mrs. Charita Thakkar	2,804 2,559	2,586 2,382	-275 -365	-77 -137
(c) Non Executive/ Independent Directors	Sitting fees Mr. Rajesh Parikh Mr. M.D Garde Mr. V. Raghu	150 120 150	135 110 135	- - -	- - -

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

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

33 Analytical Ratios

	Ratio Analysis (Formula used for computing ratio)	As at March 31, 2022	As at March 31, 2021	% Variance	Reason for Variance
i	Current Ratio - In times (Current Assets / Current Liabilities)	6.00	7.25	17.24%	-
ii	Return on Equity Ratio - In % (Net profit after taxes- Preference dividend / Average Shareholder's Equity)	1.38	18.50	92.52%	Last year there was an exceptional item and hence had a higher net profit as compared to current year.
iii	Inventory Turnover Ratio - In Days (Average Inventory)	10.21	14.55	29.86%	Due to change in levels of (Sales / operations Inventory Turnover ratio is changed.
iv	Trade Receivable turnover Ratio - In Days (Net credit sale / Average accounts receivable)	36.70	39.64	7.41%	-
v	Trade Payable turnover Ratio - In Days (Net credit purchase / Average trade payable)	24.02	29.65	18.99%	-
vi	Net Capital turnover Ratio - In times (Net Sales / Average working capital)	2.71	1.66	-63.61%	Due to change in levels of operations Net Capital Turnover ratio is changed.
vii	Net Profit Ratio - In % (Net Profit (before Exceptional item) / Net Sales)	1.27	(2.93)	143.26%	Sales has been increased by 55%, resulting in higher contribution and hence, higher net profit ratio

INDEPENDENT AUDITORS REPORT TO THE MEMBERS

To the Members of Gujarat Polybutenes Pvt. Ltd.

Report on the Financial Statements:

Opinion

We have audited the Financial Statements of **Gujarat Polybutenes Private Limited** (“the Company”), which comprise of the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2022;
- (b) in the case of the Statement of Profit and Loss (including Other Comprehensive Income), of the Profit for the year ended on that date;
- (c) in the case of the Statement of Changes in Equity, of the changes in equity for the year ended on that date; and
- (d) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Emphasis of Matters:

We draw attention to the Note 20 Relating to uncertainty of outcome of the Appeals filed with Income Tax.

Our opinion is not modified in respect of these matters

Key Audit Matter

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

Key Audit Matters	Auditor’s Response
Review of the investments held by the Company as on 31st March 2022.	<p>Principal Audit Procedures</p> <p>The assessment of various procedures adopted by the management which includes</p> <ul style="list-style-type: none"> i) Ascertaining the value of investments as at 31st March, 2022. ii) Verification of amount invested, current value of investments, regularity of receipt of income on those investments and it’s fair classification and presentation in the audited financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises of the information included in the Management Discussion and Analysis, Draft Board's Report including Annexures to the said Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in Note 20 to the 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 dues which were required to be transferred to Investor Education and Protection Fund by the Company.

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

(Anil Lohia)
Partner
Membership No: 031626

Place : Mumbai
Date : 30.05.2022

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

ANNEXURE – 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF Gujarat Polybutenes Private Limited

Statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, to the extent applicable.

- i) a) The Company, on the basis of available information, has maintained proper records showing full particulars including quantitative details and situations of Property Plant and Equipment;
- b) The Management of the Company has physically verified the Property Plant and Equipment in accordance with its policy of physical verification at reasonable intervals. The discrepancies, if any noticed during such verification have been suitably adjusted in the books of account. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets;
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no immovable properties with the Company hence question of holding the title deeds in its own name does not arise.;
- d) According to information and explanations given to us and on the basis of examination of the records of the Company, none of its Property, Plant and Equipment or intangible assets or both are revalued during the year.
- e) On the basis of available information, the Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- ii) a) According to the information and explanations given to us and on the basis of examination of the records of the Company, it does not have any inventory, accordingly paragraph 3(ii)(a) of the Order is not applicable.
- b) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of Rupees five crore, in the aggregate, from banks on the basis of security of current assets and hence this clause is not applicable.
- iii) a) A During the year the Company has not granted any loans and advances to subsidiaries, joint ventures and associates. Accordingly, paragraph 3(iii)(a)(A) of the order is not applicable.
- B The company has not given loans and advances to unrelated parties during the year. Accordingly, paragraph 3(iii)(a)(B) of the order is not applicable.
- b) Since during the year the Company has not granted any Loans or advances or made any investments or provided guarantee or security, paragraph 3(iii) (b), (c), (d), (e) and (f) of the order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, during the year the Company has not granted any loans. With respect to investments made during the year the Company has complied with the provisions of section 185 and 186 of the Act. The Company has not given any guarantee or security.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi) According to the information and explanation given to us, the Central government has not prescribed the maintenance of cost records by the Company under sec 148(1) of the Companies Act, 2013.
- vii) a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March, 2022 for a period of more than six months from the date it became payable.
- b) According to the records of the Company and information and explanations given to us and the records of the Company examined by us, there are no pending dues to be deposited of sales tax or service tax or duty of customs or duty of excise or value added tax on account of any disputes, except following :

Sl. No.	Name of the Statute	Nature of dues	Amount INR in thousand	Period to which the amount relates	Forum where dispute is pending
1.	Income Tax Act 1961	Penalty	1,942	F.Y. 2014-15	CIT(A)-16, Mumbai



Gujarat Polybutenes Private Limited

- viii) On the basis of our examination of the books and according to the information and explanations given to us, there is no transaction which is not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) On the basis of our examination of the books and according to the information and explanations given to us, no amount has been borrowed from financial institutions, banks, Government or debenture holders. Accordingly, paragraph 3(ix) of the order is not applicable.
- x) a) In our opinion and on the basis of information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- b) In our opinion and on the basis of information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xii) In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to information and explanations given to us and based on our examination of the records of the company, transactions with related parties are in accordance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in Financial Statements as required by applicable Ind AS.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company is not required to conduct Internal Audit as per Section 138 of the Companies Act, 2013, hence paragraph 3(xiv)(a) and 3(xiv)(b) of the Order is not applicable. Accordingly paragraph 3(xiv) of the Order is not applicable.
- xv) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45- IA of Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.
- xvii) The Company has not incurred any cash loss in the financial year and in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the date of balance sheet, as and when they fall due, within a period of one year from the balance sheet date.
- xx) According to the information and explanations given to us and based on our examination of the records of the Company, provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company.
- xxi) According to the information and explanations given to us, the Company was not required to prepare Consolidated Financial Statements, hence paragraph 3(xxi) of the Order is not applicable.

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

(Anil Lohia)
Partner
Membership No: 031626

Place : Mumbai
Date : 30.05.2022



Gujarat Polybutenes Private Limited

ANNEXURE – ‘B’ TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF Gujarat Polybutenes Private Limited

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

We have audited the internal financial controls over financial reporting of Gujarat Polybutenes Private Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

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

(Anil Lohia)
Partner
Membership No: 031626

Place : Mumbai
Date : 30.05.2022

BALANCE SHEET AS ON 31ST MARCH, 2022

(in "000")

Particulars	Note No	As at 31.03.2022	As at 31.03.2021
A) ASSETS :			
I Non Current Assets			
Property, Plant & Equipments	2	266	266
<u>Financial Assets</u>			
Investments	3	141,637	135,943
Others	4	94,524	89,405
Deferred Tax Asset	5	-	328
Total Non Current Assets		236,427	225,942
II Current Assets			
<u>Financial Assets</u>			
Cash & Cash equivalents	6	494	622
Other Financial Assets	7	2,906	2,644
Other Current Assets	8	823	795
Total Current Assets		4,223	4,061
Total Assets		240,650	230,003
B EQUITY AND LIABILITIES			
I Equity			
Equity Share Capital	9	44,900	44,900
Other Equity	10	195,516	184,855
Total Equity		240,416	229,755
II Liabilities			
Current Liabilities			
<u>Financial Liabilities</u>			
Trade Payables	11	169	171
Other Financial Liabilities	12	45	56
Other Current Liabilities	13	20	21
Total Current Liabilities		234	248
Total Equity & Liabilities		240,650	230,003
Significant accounting policies	1		
The accompanying notes form an integral part of the Financial Statements	2-22		

As per our report of even date

For and on behalf the Board of Directors

For Dayal and LohiaChartered Accountants
Firm Regn. No. 102200W**Anil Lohia**(Partner)
Membership No. 31626PLACE : Mumbai
DATE : 30.5.2022**Charita Thakkar**Director
DIN No. 00321561Place : San Francisco
Date : 30.5.2022**Urmi. N. Prasad**Director
DIN No. 00319482Place : Hyderabad
Date : 30.5.2022

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-3-2022

(in "000")

Particulars	Note No.	Year Ended 31.03.2022	Year Ended 31.03.2021
I Other income	14	5,887	6,118
II Total income		5,887	6,118
EXPENSES			
Employee benefits expense	15	-	36
Other expenses	16	389	1,006
III Total Expenses		389	1,042
IV Profit/(loss) before exceptional item and tax (II-III)		5,498	5,076
V Exceptional Items			19
VI Profit/(loss) before tax (IV-V)		5,498	5,095
VII Tax Expense:			
(1) Current tax		21	-
(2) Deferred Tax		328	-
(3) Earlier Year Tax Expenses		-935	631
VIII Profit/(loss) for the year (VI-VII)		6,084	4,464
IX OTHER COMPREHENSIVE INCOME/(EXPENSE)- (OCI):			-
a) Items that will not be classified to Profit or Loss		4,576	4,783
X TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR (VIII+IX)		10,660	9,247
Earning per equity share	17		
(a) Basic		1.36	0.99
(b) Diluted		1.36	0.99
Significant accounting policies	1		
The accompanying notes form an integral part of the Financial Statements	2-22		

As per our report of even date

For Dayal and Lohia

Chartered Accountants

Firm Regn. No. 102200W

For and on behalf the Board of Directors

Anil Lohia

(Partner)

Membership No. 31626

PLACE : Mumbai

DATE : 30.5.2022

Charita Thakkar

Director

DIN No. 00321561

Place : San Francisco

Date : 30.5.2022

Urmi. N. Prasad

Director

DIN No. 00319482

Place : Hyderabad

Date : 30.5.2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2022

(INR ('000))

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
(A) CASH FLOW FROM OPERATING ACTIVITIES:				
Profit/(Loss) before tax		5,498		5,095
Adjustments for :				
Less:				
Dividend Income	-20		-36	
Sundry Balance written off	189		-	
Excess Provision written back	0		-631	
Interest Income	-5,768	-5,599	-6,077	-6,744
Operating profit before working capital changes		-101		-1,649
Adjustments for :				
Decrease / (Increase) of other current Assets	-28		2,448	
Decrease / (Increase) of Financial Assets	-5,173		-1,746	
Increase /(Decrease) of Current Liabilities	-11		-13	
Increase /(Decrease) of Other Financial Liabilities	-2		-21	
Increase /(Decrease) of Trade Payables	-1		-6	
		-5,215		662
Cash Generated from Operations		-5,316		-987
Income Tax Paid (Net of refund received)		520		0
Net cash from Operating Activities		-4,796		-987
(B) CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Mutual Fund	-1,100		-5,205	
Interest Income	5,768		6,077	
Net cash used in Investing activities		4,668		872
(C) CASH FLOW FROM FINANCING ACTIVITIES:				
Repayment of Borrowings		-		-
Net cash from Financing Activities		-		-
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		-128		-115
CASH & CASH EQUIVALENTS at the beginning of the period		622		737
CASH & CASH EQUIVALENTS at the closing of the period		494		622
Significant accounting policies	1			
The accompanying notes form an integral part of the Financial Statements	2-22			

As per our report of even date

For and on behalf the Board of Directors

For Dayal and LohiaChartered Accountants
Firm Regn. No. 102200W**Anil Lohia**(Partner)
Membership No. 31626PLACE : Mumbai
DATE : 30.5.2022**Charita Thakkar**Director
DIN No. 00321561Place : San Francisco
Date : 30.5.2022**Urmi. N. Prasad**Director
DIN No. 00319482Place : Hyderabad
Date : 30.5.2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	31.03.2022	31.03.2021
A) Equity share capital		
Opening Balance	44,900	44,900
Changes in equity share capital during the year	-	-
Closing Balance	44,900	44,900
B) Other Equity		
1) Share Premium		
Opening Balance	12,500	12,500
Additions during the year	-	-
Closing Balance	12,500	12,500
2) Retained Earnings		
Opening Balance	161,972	157,508
Additions profit/ (loss) during the year	6,085	4,464
Closing Balance	168,057	161,972
3) FVOCI		
Opening Balance	10,383	5,600
Additions profit/ (loss) during the year	4,576	4,783
Closing Balance	14,959	10,383
Total Equity	240,416	229,755
Significant accounting policies	1	
The accompanying notes form an integral part of the Financial Statements	2-22	

As per our report of even date

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

For and on behalf the Board of Directors

Anil Lohia
(Partner)
Membership No. 31626

PLACE : Mumbai
DATE : 30.5.2022

Charita Thakkar
Director
DIN No. 00321561

Place : San Francisco
Date : 30.5.2022

Urmi. N. Prasad
Director
DIN No. 00319482

Place : Hyderabad
Date : 30.5.2022

NOTE '1'- SIGNIFICANT ACCOUNTING POLICIES**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022****CORPORATE INFORMATION**

Gujarat Polybutenes Private Limited (Company) is a 100% subsidiary of Gujarat Petrosyntheses Ltd. public limited company incorporated and domicile in India and is listed on BSE Ltd. The registered office address and principal place of business are disclosed in the introduction to the Annual Report.

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

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

The financial statements are presented in Indian Rupees ("INR"), and all values are rounded off to the nearest thousands, except when otherwise indicated.

(ii) Fair value measurement

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

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

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

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

(iii) Revenue Recognition:

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

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

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

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

Dividend income is accounted when right to receive is established.

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

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any. The cost of property, plant and equipment includes purchase price, including freight, duties, taxes and expenses incidental to acquisition and installation. If significant parts of an item of property, plant and

equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Property, plant and equipment are derecognized from financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or losses arising from disposal of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence.

Subsequent expenditures:

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

Depreciation:

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

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

Assets class	Depreciation
Furniture & Fixtures	8 Years
Office equipments	5 Years
Computer	5 Years

(v) Impairment of Non-Financial Assets:

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

(vi) Assets taken on Lease:

Recognition & Measurement:

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

Presentation:

Lease liability and ROU asset shall be separately presented in the Balance Sheet and lease payments shall be classified as financing cash flows.

(vii) Financial Instruments:

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

Financial Assets

Initial recognition and measurement

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

Subsequent measurement

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

i) Financial assets at amortised cost

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

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

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

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

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

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

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

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

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

iv) Equity instruments

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

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

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

Impairment of financial assets

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

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

De-recognition

A financial asset is derecognized when:

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

Financial Liabilities

- **Initial recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All Financial Liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

- **Subsequent measurement**

Financial liabilities are subsequently carried at amortised cost using the effective interest rate (EIR) method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to short maturity of these instruments. Amortised cost is calculated by taking into account any discount or premium on acquisition and transaction costs. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

- **Derecognition**

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

- **Offsetting financial instruments**

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

(viii) Inventories:

Raw Materials and consumables are valued at cost on First in First out (FIFO) basis or net realizable value whichever is lower. Raw material and consumables are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes the fair value of

consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

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

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

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

Consumables are charged to revenue in the year of purchase.

(ix) Taxes:

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

i. Current Tax

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

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

ii. Deferred Tax

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

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

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

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

(x) Employee benefits:

Short term employee benefits:

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

Defined contribution plans:

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

If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution

already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund

Defined benefit plans:

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

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

Long Term Compensated Absences

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

(xi) Finance Costs:

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

(xii) Cash and Cash Equivalents:

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

(xiii) Provisions & Contingent Liabilities:

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for Decommissioning Liability:

The Company records a provision for decommissioning costs towards site restoration activity. Decommissioning costs are provided at the present value of future expenditure using a current pre-tax rate expected to be incurred to fulfil decommissioning obligations and are recognised as part of the cost of the underlying assets. Any change in the present value of the expenditure, other than unwinding of discount on the provision, is reflected as adjustment to the provision and the corresponding asset. The change in the provision due to the unwinding of discount is recognised in the Statement of Profit and Loss.

Disclosure:

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

(xiv) Earnings per share

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

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

Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

(xv) Dividend

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

(xvi) Foreign Exchange Transactions

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

(xvii) USE OF ESTIMATES AND JUDGEMENTS

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

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

i. Recognition and measurement of defined benefit obligations

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

ii. Fair value measurement of financial instruments

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

iii. Deferred taxes

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

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2022

NOTE -'2' : Property, Plant & Equipment (Figures in ₹)

Particulars	Gross Block		*Depreciation		Net Block	
	As at 01-04-2021	Deductions For the 31-03-2022	As at 01-04-2021	Additions Deletions	As at 31-03-2022	As at 31-03-2021
Office Equipment	3,721	-	3,531	-	189	189
Furniture & Fixtures	1,073	-	1,036	-	37	37
Computer	969	-	929	-	40	40
Total	5,762	-	5,496	-	266	266

Particulars	Gross Block		*Depreciation		Net Block	
	As at 01-04-2020	Deductions For the 31-03-2021	As at 01-04-2020	Additions Deletions	As at 31-03-2021	As at 31-03-2020
Office Equipment	3,720	-	3,531	-	189	189
Furniture & Fixtures	1,073	-	1,036	-	37	37
Computer	969	-	929	-	40	40
Total	5,762	-	5,496	-	266	266

*The assets are not depreciated in view of non use of other fixed assets.

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2022

(3) NON-CURRENT INVESTMENTS

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

Sr. No.	Particulars	Nature	Face valuefully paid	No. of Shares / Bonds		INR ('000)	
				31.03.2022	31.03.2021	31.03.2022	31.03.2021
I	Investments in Mutual Funds Quoted Investments valued at Fair Value through Other Comprehensive Income Bank of Baroda Pioneer Advantage Plan A (Growth)	Others	-	-	723.00	-	1,125.00
	Baroda Treasury Adv Fund - Segregated Portfolio	Others		723.00	-	-	-
	Baroda BNP Paribas Medium Duration Fund	Others		75,550.00	-	1,161.37	-
	ICICI Mutual Fund	Others		5,464.00	5,239.00	547.10	529.00
	SBI Liquid Fund	Others		42,265.00	42,081.00	139,928.72	134,289.00
				124,002.00	48,043.00	141,637.19	135,943.00

	31.03.2022	31.03.2021
Aggregate market value of quoted investments		
Non-Current	141,637.19	135,943.00

(in "000")

	31.03.2022	31.03.2021
4 OTHER FINANCIAL ASSETS (NON CURRENT)		
Bank Deposits with more than 12 months maturity	32,236	32,236
Interest Receivables	10,116	4,926
Deposit with GEB / MGVCL	2,172	2,172
Deposit with GIDC	-	71
Deposits with Others	50,000	50,000
TOTAL	94,524	89,405
5 DEFERRED TAX ASSET		
Deffered Tax Asset (Net)		
Deferred Tax Liabilities :		
On Property Plant and Equipment	-67	-
On Fair Value of Investments	-3,423	-
Deferred Tax Asset :		
On Carried forward losses	29,044	328
TOTAL	25,554	328

In view of absence of virtual certainty of future taxable profits, deferred tax assets are not recognised.

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2022

6 CASH & CASH EQUIVALENTS :

(in "000")

	31.03.2022	31.03.2021
Cash on Hand	8	13
Balance with banks	486	609
TOTAL	494	622

7 OTHER FINANCIAL ASSETS

(in "000")

	31.03.2022	31.03.2021
Other Receivables	-	135
Advance Income Tax (net of provisions)	2,906	2,509
TOTAL	2,906	2,644

8 OTHER FINANCIAL ASSETS

	31.03.2022	31.03.2021
Balances with Govt Authorities	823	795
TOTAL	823	795

9 EQUITY SHARE CAPITAL

(in "000")

SHARE HOLDER'S FUNDS	As on 31-03-2021	As on 31-03-2020
Equity Share Capital		
<u>Authorised</u>		
6000000 (31st March 2020- 600000) Equity Shares of Rs.10/- each	60,000	60,000
4000000 shares 5% non cummulative redeemable preference share of Rs. 10/- each	40,000	40,000
	100,000	100,000
Equity shares Issued, Subscribed & Paid up		
44,90,000 (31st March 2020- 4490000) Equity Shares of Rs.10/-each fully paid	44,900	44,900
Total issued, subscribed and fully paid up share capital	44,900	44,900

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2022
a. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	31.03.2022 Equity Shares		31.03.2021 Equity Shares	
	Number	Value ('000)	Number	Value ('000)
Shares outstanding at the beginning of the year	4490000	44,900	4490000	44,900
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4490000	44,900	4490000	44,900

b. Terms/rights attached to the equity shares

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

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

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

Name of Shareholder	31.03.2022		31.03.2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Gujarat Petrosynthese Limited (GPL) - Holding Company	4,490,000	100	4,490,000	100

*One share held by Urmi Prasad as nominee of GPL.

10. OTHER EQUITY

	31.03.2022	31.03.2021
SECURITIES PREMIUM ACCOUNT		
Opening balance	12,500	12,500
Addition/(utilisation) during the year	-	
Closing balance	12,500	12,500
RETAINED EARNINGS		
Opening balance	161,972	157,508
Profit / (Loss) for the year	6,085	4,464
Closing balance	168,057	161,972
FVOCI		
Opening balance	10,383	5,600
Additions during the year	4,576	4,783
Closing balance	14,959	10,383
Total other equity	195,516	184,855

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2022
11 TRADE PAYABLES :

	31.03.2022	31.03.2021
Accounts payable	169	171
TOTAL	169	171

11 A TRADE PAYABLES :
FY 2021-22

Trade Payables Ageing schedule: (Amount in Rs. '000)					
Outstanding for following periods from due date of payment					
Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	-	169	-	-	169

FY 2020-21

Trade Payables Ageing schedule: (Amount in Rs. '000)					
Outstanding for following periods from due date of payment					
Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	-	171	-	-	171

12 OTHER FINANCIAL LIABILITIES :

	31.03.2022	31.03.2021
Other Payables	45	56
TOTAL	45	56

13 OTHER CURRENT LIABILITIES :

(in "000")

	31.03.2022	31.03.2021
Security deposits payable	-	17
TDS payable	-	4
Statutory Dues Payable	20	-
TOTAL	20	21

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2022**14 OTHER INCOME**

	31.03.2022	31.03.2021
Interest Income	5,768	6,077
Interest on Income Tax Refund	83	-
Dividend on Mutual Fund	20	36
Misc. Income	16	-
Profit on Investment Redeemed	-	5
TOTAL	5,887	6,118

15 EMPLOYEE BENEFITS EXPENSES

	31.03.2022	31.03.2021
Salary & Wages	-	36
TOTAL	-	36

16 OTHER EXPENSES

(in "000")

Particulars	31.03.2022	31.03.2021
Bank Charges	1	14
Advertisement	20	-
Computer Expenses	3	3
Conveyance Expenses	-	44
Legal and Professional Charges	94	525
Office Expenses	1	2
Postage & Courier	-	1
Printing & Stationery	-	8
Retainership Fees	-	108
Sundry Balances W/off	189	188
Auditor's Remuneration	-	-
Statutory Audit	50	50
Fees & Subscription	23	16
Board Meeting Expense	-	3
Miscellaneous Expenses	-	39
ROC Expenses	8	4
Penalty-VAT & TDS	-	1
TOTAL	389	1,006

17 EARNINGS PER SHARE

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

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

Particulars	31.03.2022	31.03.2021
1. Profit after Tax (In '000)	6,084	4,464
2. Weighted average number of shares outstanding during the year	4,490	4,490
3. Face value of shares	10	10
4. Basic / Diluted EPS	1.36	0.99

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2022
18. FINANCIAL INSTRUMENTS-FAIR VALUE AND RISK MANAGEMENT
a) Accounting classification

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

Particulars	31.03.2022				31.03.2021			
	At cost	FVTOCI	FVTPL	Amortised cost	At cost	FVTOCI	FVTPL	Amortised cost
Financial Assets								
Investments in Mutual Funds		141,637	-			135,943	-	
Cash and cash equivalents				494				622
Other financial assets				97,430				92,049
	-	141,637	-	97924	-	135,943	-	92,671

Financial Liabilities	31.03.2022				31.03.2021			
	At cost	FVTOCI	FVTPL	Amortised cost	At cost	FVTOCI	FVTPL	Amortised cost
Trade payables	-	-	-	169	-	-	-	171
Other financial liabilities	-	-	-	45	-	-	-	56
	-	-	-	214	-	-	-	227

b) Fair value hierarchy and Method of valuation

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

INR ('000)\

	31.03.2022			31.03.2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments in Mutual Funds	141,637	-	-	135,943	-	-

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

c) Risk management framework

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

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2022

d) Financial risk management:

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

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

i) Credit Risk:

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

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

Trade receivables

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

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

Other Financial Assets

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

ii) Liquidity Risk

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

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

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2022
Exposure to liquidity risk
(Figures in '000)

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

March 31, 2022	Carrying Amt.	Contractual cash flows				
		Total	With in 1 year	1-2 years	2-5 years	More than 5 years
Financial liabilities						
Trade payables	169	169	169			
Other Financial Liabilities	45	45	45			
	214	214	214	-	-	-

March 31, 2021	Carrying Amt.	Contractual cash flows				
		Total	With in 1 year	1-2 years	2-5 years	More than 5 years
Financial liabilities						
Trade payables	171	171	171			
Other Financial Liabilities	56	56	56			
	227	227	227	-	-	-

iii) Market Risk:

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

Currency risk

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

Interest rate risk

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

Commodity price risk

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

19. CAPITAL MANAGEMENT

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

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

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2022

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

Particulars	March, 2022	March, 2021
Cash & cash equivalents	494	622
Net Debt (restricted to zero, if cash and cash equivalents are greater than borrowings)	-	-
Total equity	240,416	229,775
Debt/Equity ratio	0.00%	0.00%

20. Contingent Liabilities

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

21. Related party disclosure

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

(a) Gujarat Petrosynthese Ltd	Holding Company
(b) Key management personnel and their relatives	Ms. Urmi N. Prasad - Director
	Ms. Charita Thakkar - Director

(ii) **Transactions with related parties**

Type of related party	Description of the nature transactions	Volume of transactions 2021-22	Volume of Transactions during 2020-21	Balance as Transactions on 31.03.22 Receivable/ (Payable)	Balance as on 31.03.21 Receivable/ (Payable)
A) Transactions with Holding Company 1.Gujarat Petrosynthese Ltd	Reimbursement of expenses	36.19	177.40	0	0
		36.19	177.40	0.00	0.00

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

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

To
The Members of
Gujarat Petrosynthese Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Gujarat Petrosynthese Limited** ('the Company') and its subsidiary (collectively referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including total Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

- a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at March 31, 2022;
- b) in the case of the Consolidated Statement of Profit and Loss, of the consolidated profit for the year ended on that date; and
- c) in the case of the Consolidated Statement of Changes in Equity, of the changes in equity for the year ended on that date; and
- d) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. 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.

Key Audit Matters	Auditor's Response
Review of the value of stock-in-trade & investments held by the Group as on 31 st March 2022.	<p>Principal Audit Procedures</p> <p>The assessment of various procedures adopted by the management which includes</p> <ol style="list-style-type: none"> i) Ascertaining the value of investments and stock-in-trade held as at 31st March, 2022. ii) Verification of amount invested, current value of investments, regularity of receipt of income on those investments and it's fair classification and presentation in the audited consolidated financial statements. iii) Assessing the appropriateness of value of stock-in-trade disclosed in the consolidated financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

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

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

Auditor's Responsibility for the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the companies Act, 2013, according to the information and explanations given to us, and based on the CARO reports issued for Subsidiary Company included in the consolidated financial statements of the Group to which reporting under CARO is applicable, we report that there is no qualification or adverse remark in the reports of the subsidiary company.
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books and the reports of the other auditors;
 - c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015;



- e. On the basis of written representations received from the directors of the Group as on 31st March, 2022 taken on record by the Board of Directors of the Group, none of the directors of the Group is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and operating effectiveness of such controls, refer to our separate report in “Annexure A”; and
- g. with respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements does not have any pending litigations which will impact on the consolidated financial position of the Group;
 - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
 - iii) There was no amount due to be transferred to the Investor Education and Protection Fund by the Group.

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

(Anil Lohia)
Partner
Membership No:031626

Place : Mumbai
Date : 30.5.2022
UDIN : 22031626AJVRUC8017

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

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

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31st March 2022, we have audited the internal financial controls over financial reporting of **Gujarat Petrosynthese Limited** (“the Company”) and its Subsidiary Company (collectively referred to as “the Group”), which are Companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

(1) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors of the Group; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company and its Subsidiary Company, which are Companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

(Anil Lohia)
Partner
Membership No:031626

Place : Mumbai
Date : 30.5.2022
UDIN : 22031626AJVRUC8017

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2022

(₹ in thousands)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
A ASSETS			
I Non-Current Assets			
Property, plant and equipment	3	20,265	20,301
Right to Use Assets	3	796	-
<u>Financial Assets:</u>			
Investments	4	157,109	141,042
Other	5	166,986	152,594
Total Non-Current Assets		345,156	313,937
II Current Assets			
Inventories	6	9,845	6,945
<u>Financial Assets:</u>			
Investments	4	70,271	90,013
Loans	7	-	10
Trade receivables	8	36,367	24,007
Cash and cash equivalents	9	11,980	10,507
Other financial assets	10	6,744	5,658
Other current assets	11	1,969	2,423
Total Current Assets		137,176	139,563
TOTAL ASSETS		482,332	453,500
B EQUITY AND LIABILITIES			
I Equity			
Equity share capital	12	59,692	59,692
Other equity	13	398,005	383,661
Shareholder's fund		457,697	443,353
Liabilities			
II Non Current Liabilities			
<u>Financial Liabilities :</u>			
Lease Liabilities	3	337	-
Deffered Tax Liabilities (Net)	14	1,903	(8,794)
Total Non Current Liabilities		2,240	(8,794)
III Current Liabilities			
<u>Financial Liabilities :</u>			
Trade payables	15	17,130	15,486
Lease Liabilities	3	511	-
Other financial liabilities	16	2,401	1,922
Short Term Provisions	17	1,500	1,200
Other current liabilities	18	854	332
Total Current Liabilities		22,395	18,940
Total Liabilities		24,635	10,146
TOTAL EQUITY AND LIABILITIES		482,332	453,499
Significant accounting policies	1 to 2		
The accompanying notes form an integral part of the Financial Statements	3 to 34		

As per our report of even date

For and on behalf the Board of Directors

For Dayal and LohiaChartered Accountants
Firm Regn. No. 102200W

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

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

Anil Lohia(Partner)
Membership No. 31626PLACE : Mumbai
DATE : 30-5-2022

DATE : 30-5-2022

DATE : 30-5-2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022
(₹ in thousands)

Particulars	Note No.	For the year ended As on 31.03.2022	For the year ended As on 31.03.2021
INCOME			
I Revenue from operations	19	300,193	193,439
II Other income	20	14,238	12,453
III Total income (I+II)		314,431	205,892
IV EXPENSES			
Cost of Materials Consumed	21	242,606	158,152
Changes in Inventories of Finished & WIP Products	22	-256	1,556
Employee benefits expense	23	28,828	26,249
Finance costs	24	90	-
Depreciation	3	2,158	1,775
Other expenses	25	21,129	19,286
Total expenses (IV)		294,556	207,018
V Profit/(loss) before exceptional item and tax (III-IV)		19,876	(1,126)
VI Exceptional Items	26	-	55,817
VII Profit/(loss) before tax (V-VI)		19,876	54,691
VIII Tax Expense:			
(1) Current tax		347	3,497
(2) Deferred tax		10,697	(4,041)
(3) Earlier year taxes		(935)	631
IX Profit/(loss) for the year (VII-VIII)		9,768	54,603
X OTHER COMPREHENSIVE INCOME/(EXPENSE)- (OCI):			
1. Items that will not be reclassified to profit or loss		4,576	4,783
2. Income tax effect on above		-	-
Total other comprehensive income (OCI) for the year, net of tax expense		4,576	4,783
TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR (IX+X)		14,344	59,386
Earnings per equity shares (Face Value of Rs.10/- each)			
Basic and Diluted earnings per share	27	2.40	9.95
Significant accounting policies	1 to 2		
The accompanying notes form an integral part of the Financial Statements	3 to 34		

As per our report of even date

For and on behalf the Board of Directors

For Dayal and LohiaChartered Accountants
Firm Regn. No. 102200W
Urmi N. Prasad
 Jt. Managing Director & CFO
 DIN : 00319482
 Place : Hyderabad

Ms. Charita Thakkar
 Jt. Managing Director
 DIN: 00321561
 Place : San Francisco
Anil Lohia(Partner)
Membership No. 31626PLACE : Mumbai
DATE : 30-5-2022

DATE : 30-5-2022

DATE : 30-5-2022

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Rs. In Thousands

Particulars	As at 31st March, 2022	As at 31st March, 2021
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/(Loss) before tax	19,876	54,691
Adjustments for :		
Add:		
Depreciation	1,657	1,775
Provision for Doubtful Debt	471	-
Interest Expense	-	1,775
Less:		
Profit/Loss on sale of Investment	(298)	(117)
Profit/Loss on sale of Assets	-	-
Notional Income	-	-
Excess Provision written back	(77)	(631)
Dividend Income	(20)	(36)
Fair Value measurement of Investment	(2,605)	(1,585)
Interest Income	(11,072)	(10,384)
Operating profit before working capital changes	7,932	43,712
Adjustments for :		
Decrease / (Increase) of Financial Assets (Non Current)	(14,392)	(7807)
Decrease / (Increase) of Inventories	(2,900)	-
Decrease / (Increase) of Loans (Current)	10	1,536
Decrease / (Increase) of Trade Receivables	(12,831)	(5,989)
Decrease / (Increase) of Financial Assets (Current)	(673)	(2,129)
Decrease / (Increase) of Other Assets	454	2,877
(Decrease) / Increase of Trade Payables	1,643	4,565
(Decrease) / Increase of Lease Liabilities	52	-
(Decrease) / Increase of Financial Liabilities (Current)	556	(824)
(Decrease) / Increase of Short Term Provisions	300	899
(Decrease) / Increase of Other current liabilities	522	(32)
	(27,260)	(6,904)
Cash Generated from Operations	(19,328)	36,809
Income Tax Paid (Net of refund received)	178	(3,602)
Net cash from Operating Activities	(19,150)	33,207
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchases of fixed assets	(1,621)	(376)
Sale of Fixed Asset	-	19,467
Redemption of Preference shares of Gujarat Polybutenes Private Limited	-	-
Dividend Income	-	36
Sale of Investment of Subsidiary	-	-
Sale of Mutual Funds	22,347	-
Purchase of Mutual Fund	(1,455)	(76,393)
Sale of Investment	397	20,405
Investment in REC Bonds	-	(5,000)
Investment in Canara Bonds	(10,117)	-
Investment in Fixed deposits	-	(1,324)
Interest Income	11,072	10,384
Net cash used in Investing activities	20,623	(32,801)
(C) CASH FLOW FROM FINANCING ACTIVITIES:		
Short Term Borrowings	-	-
Interest Paid on borrowings	-	-
Net cash from Financing Activities	-	-
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	1,473	406
CASH & CASH EQUIVALENTS AS AT Opening Balance	10,507	10,101
CASH & CASH EQUIVALENTS AS AT CLOSING Balance	11,980	10,507
Significant accounting policies	1 to 2	
The accompanying notes form an integral part of the Financial Statements	3 to 34	

As per our report of even date

For Dayal and LohiaChartered Accountants
Firm Regn. No. 102200W**Anil Lohia**(Partner)
Membership No. 31626PLACE : Mumbai
DATE : 30-5-2022

For and on behalf the Board of Directors

Urmi N. Prasad
Jt. Managing Director & CFO
DIN : 00319482
Place : Hyderabad**Ms. Charita Thakkar**
Jt. Managing Director
DIN: 00321561
Place : San Francisco

DATE : 30-5-2022

DATE : 30-5-2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

(` in thousands)

Particulars	As at 31st March, 2022	As at 31st March, 2021
EQUITY SHARE CAPITAL		
Balance at the beginning of the year	59,692	59,692
Changes in equity share capital during the year	-	-
Balance at the end of the year	<u>59,692</u>	<u>59,692</u>

OTHER EQUITY

Particulars	Reserves and Surplus					Total other Equity
	Capital Reserve	Securities Premium	General Reserve	OCI	Retained Earnings	
Balance as at 1 April 2020	1,750	20,000	135,446	5,600	161,480	324,276
Profit/(loss) for the year					54,603	54,603
Other comprehensive income/(expense)				4,783	-	4,783
Total comprehensive income/(expense)	-	-		4,783	54,603	59,386
Balance as at 31 March 2021	1,750	20,000	135,446	10,383	216,082	383,661
Profit/(loss) for the year					9,768	9,768
Other comprehensive income/(loss)				4,576	-	4,576
Total comprehensive income/(expense)	-	-		4,576	9,768	14,344
Balance as at 31 March 2022	1,750	20,000	135,446	14,959	225,850	398,005

CAPITAL RESERVE

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

SECURITIES PREMIUM RESERVE

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

GENERAL RESERVE

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

Significant Accounting Policies - Note 1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

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

Anil Lohia
(Partner)
Membership No. 31626

PLACE : Mumbai
DATE : 30-5-2022

For and on behalf the Board of Directors

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

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

DATE : 30-5-2022

DATE : 30-5-2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**CORPORATE INFORMATION**

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

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

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

The financial statements are presented in Indian Rupees (“INR”), and all values are rounded off to the nearest thousands, except when otherwise indicated.

(ii) Principles of consolidation:

The Consolidated Financial Statement comprises of the Company and its subsidiary.

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

(iii) Fair value measurement:

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

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

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

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

(iv) Revenue Recognition:

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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

Dividend income is accounted when right to receive is established.

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

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

Subsequent expenditures:

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

Depreciation:

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

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

(vi) Impairment of Non-Financial Assets:

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

(vii) Assets taken on Lease:**Recognition & Measurement:**

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

Presentation:

Lease liability and ROU asset shall be separately presented in the Balance Sheet and lease payments shall be classified as financing cash flows.

(viii) Financial Instruments:

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

Financial Assets**Initial recognition and measurement**

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

Subsequent measurement

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

a) Financial assets at amortised cost

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

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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

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

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

d) Equity instruments

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

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

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

Impairment of financial assets

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

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

De-recognition

A financial asset is derecognized when:

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

Financial Liabilities**• Initial recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All Financial Liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

• Subsequent measurement

Financial liabilities are subsequently carried measured at amortised cost using the effective interest rate (EIR) method. For trade and other payables maturing within operating cycle, the carrying amounts approximate the fair value due to short maturity of these instruments. Amortised cost is calculated by taking into account any discount or premium on acquisition

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

and transaction costs. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

- **Derecognition**

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

- **Offsetting financial instruments**

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

(ix) Inventories:

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

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

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

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

Consumables are charged to revenue in the year of purchase.

(x) Taxes:

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

i. **Current Tax**

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

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

ii. **Deferred Tax**

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

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

those deductible temporary differences can be utilised. The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

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

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

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

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

Defined contribution plans:

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

If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund

Defined benefit plans:

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

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

Long Term Compensated Absences

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

(xii) Borrowing Finance Costs:

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(xiii) Cash and Cash Equivalents:

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

(xiv) Provisions & Contingent Liabilities:

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for Decommissioning Liability:

The Company records a provision for decommissioning costs towards site restoration activity. Decommissioning costs are provided at the present value of future expenditure using a current pre-tax rate expected to be incurred to fulfil decommissioning obligations and are recognised as part of the cost of the underlying assets. Any change in the present value of the expenditure, other than unwinding of discount on the provision, is reflected as adjustment to the provision and the corresponding asset. The change in the provision due to the unwinding of discount is recognised in the Statement of Profit and Loss.

Disclosure:

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

(xv) Earnings per share:

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

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

Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

(xvi) Dividend:

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

(xvii) Foreign Exchange Transactions:

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022**2. USE OF ESTIMATES AND JUDGEMENTS**

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

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

(i) Recognition and measurement of defined benefit obligations:

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

(ii) Fair value measurement of financial instruments:

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

(iii) Deferred taxes:

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross Block			Depreciation			Net Block	
	As at 01-04-2021	For the year ended 31-03-2022	As at 01-04-2021	For the year ended 31-03-2022	Deductions	For the year ended 31-03-2022	As at 31-03-2022	As at 31-03-2021
	Additions	Deductions						
Leasehold Land	-	-	-	-	-	-	-	-
Freehold Land	4,419	4,419	-	-	-	-	4,419	4,419
Factory Buildings	9,884	9,884	7,207	313	-	7,520	2,364	2,677
Laboratory Equipment	2,303	2,303	2,303	-	-	2,303	-	-
Vehicle	9,511	9,511	6,954	405	-	7,359	2,152	2,557
Office Equipment	6,491	6,574	6,016	111	-	6,127	446	475
Furniture & Fixtures	3,395	3,395	3,140	17	-	3,157	238	255
Computer	3,061	41	2,881	39	-	2,920	182	181
Mobile	369	369	363	1	-	364	4	5
Plant & Machinery	48,049	49,547	38,318	911	-	39,229	10,318	9,732
Electrical Installation	2,422	2,422	2,422	-121	-	2,301	121	-
Jigs and Moulds	403	403	403	-20	-	383	20	-
Total	90,307	91,928	70,007	1,657	-	71,663	20,265	20,301
Rights of Use Assets	-	1,298	-	502	-	502	796	-

Lease Liabilities:

Particulars	As at 31-03-2022	As at 31-03-2021
Current	511	-
Non Current	337	-
	847	-

(₹ in thousands)

Particulars	Gross Block			Depreciation			Net Block	
	As at 01-04-2020	For the year ended 31-03-2021	As at 01-04-2020	For the year ended 31-03-2021	Deductions	For the year ended 31-03-2021	As at 31-03-2021	As at 31-03-2020
	Additions	Deductions						
Leasehold Land	15,527	15,527	-	-	-	-	-	15,527
Freehold Land	4,419	4,419	-	-	-	-	4,419	4,419
Factory Buildings	13,824	9,884	9,642	329	-	7,207	2,677	4,182
Laboratory Equipment	2,303	2,303	2,303	-	-	2,303	0	0
Vehicle	9,511	9,511	6,458	496	-	6,954	2,557	3,052
Office Equipment	6,414	6,491	5,933	83	-	6,016	475	480
Furniture & Fixtures	3,395	3,395	3,137	3	-	3,140	255	-
Computer	2,956	3,061	2,853	28	-	2,881	181	103
Mobile	369	369	361	2	-	363	5	8
Plant & Machinery	47,855	48,049	37,484	834	-	38,318	9,732	10,372
Electrical Installation	2,422	2,422	2,422	-	-	2,422	-	-
Jigs and Moulds	403	403	403	-	-	403	-	-
Total	109,398	90,307	70,997	1,775	2,765	70,007	20,301	38,401
Less : Classified under held for sale (Leasehold land and Part of Factory Buildings) Fixed Assets Block								
								16,700
								21,701

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

4 Non-Current Investments

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

Sr. No.	Particulars	Subsidiary	Face Value fully Paid	No. of Shares / Bonds		Value (INR 000)	
				31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
I	Investments in Equity Instruments						
	Unquoted						
	Investments valued at Cost						
	GPL Finance and Investment Ltd	Others	10	-	9,940	-	99
II	Investment in Debentures or Bonds						
	Investments valued at Amortized Cost						
	Canara Bonds (Quoted)	Others	1,00,00,000	1	-	10,472	-
	Rural Electrification Corporation Bonds (Unquoted)	Others	10,000	500	500	5,000	5,000
III	Investments in Mutual Funds						
	Quoted						
	Investments valued at Fair Value through OCI						
	Bank of Baroda Pioneer Advantage Plan A (Growth)	Others		-	723	-	1,125
	Baroda Treasury Adv Fund- Segregated Portfolio	Others		723	-	-	-
	Baroda BNP Paribas Medium Duration Fund	Others		75,550	-	1,161	-
	ICICI Mutual Fund	Others		5,464	5,239	547	529
	SBI Liquid Fund	Others		42,265	42,081	139,929	134,289
	Total Non Current Investments					157,109	141,042
III	Investments in Mutual Funds						
	Quoted						
	Investments valued at Fair Value through Profit and Loss						
	SBI Liquid Fund	Others		21,225	28,102	70,271	90,013
	Total Current Investments					70,271	90,013

	31.03.2022	31.03.2021
Aggregate market value of quoted investments		
Current	70,271	90,013
Non-Current	157,109	140,943
Aggregate carrying value of unquoted investments		
Non-Current	-	99

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	As at 31st March, 2022	As at 31st March, 2021
5 Other Financial Assets (NON-CURRENT) (Unsecured, considered good)		
Interest Accured but not due	15,689	7,848
Bank Deposits with more than 12 months maturity	72,633	65,965
Deposit with others	75,000	75,000
Security Deposits	3,664	3,782
	166,986	152,594
6 Inventories		
Raw Materials and Consumables*	7,783	5,139
Finished Goods and Work in Progress*	2,062	1,806
* (Mode of Valuation is specified in Note 1 (viii) of Significant Accounting Policies)	9,845	6,945
7 Loans (Current) (Unsecured, considered good)		
Loans to Employees	-	10
	-	10
8 Trade Receivables		
Unsecures and considered good		
Trade Receivables for more than six months	-	471
Trade Receivable for less than six months	36,367	23,535
	36,367	24,007
Unsecures and considered doubtful		
Trade Receivables for more than six months	471	-
Less: Provision for doubtful debts	-471	-
	36,367	24,007

8.1 Trade Receivable Ageing schedule

As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) Undisputed Trade receivables-considered good	36,367	0	0	0	0	36,367
(ii) Undisputed Trade Receivables-Credit impaired	0	0	0	411	60	471

As at March 31, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) Undisputed Trade receivables-considered good	23,535	0	411	60	0	24,007

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	As at 31st March, 2022	As at 31st March, 2021
9 CASH AND CASH EQUIVALENTS		
Cash in Hand	38	88
Balance in bank	11,942	10,419
	11,980	10,507
10 OTHER FINANCIAL ASSET (CURRENT)		
Other Receivables	772	325
Advance Income Tax (net of provisions)	5,543	5,130
Interest Accrued but not due - Current	429	203
	6,744	5,658
11 OTHER ASSETS (CURRENT)		
Prepaid Expenses	484	424
Advance to Vendors	271	365
Balances with Government Authorities	823	795
Indirect Taxes Credit Recoverable	391	839
	1,969	2,423
12. EQUITY SHARE CAPITAL		
AUTHORISED		
80,00,000 (31 March 2021 - 80,00,000)		
Equity Shares of '10/- each	80,000	80,000
	80,000	80,000
ISSUED, SUBSCRIBED AND PAID UP		
59,69,166 (31 March 2021- 59,69,166)		
Equity shares Of 10/- each	59,692	59,692
Total issued, subscribed and fully paid up share capital	59,692	59,692

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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

Particulars	31.03.2022		31.03.2021	
	Equity Shares		Equity Shares	
	Number	Value ('000)	Number	Value ('000)
Shares outstanding at the beginning of the year	59,69,166	59,692	59,69,166	59,692
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	59,69,166	59,692	59,69,166	59,692

b. Terms/rights attached to the equity shares

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

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

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

Name of Shareholder	31.03.2022		31.03.2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Yashashree Commercial Services Private Ltd	800,000	13.40%	800,000	13.40%
Charita Thakkar	605,272	10.14%	605,272	10.14%
Life Insurance Corporation Of India	533,765	8.94%	538,498	9.02%
Multichem Private Limited	476,419	7.98%	471,272	7.90%
Rajender Prasad Nuthhaki	437,030	7.32%	319,564	5.35%
Ursula Rameshchandra Thakkar	352,906	5.91%	352,906	5.91%
Urmi N Prasad	290,000	4.86%	407,466	6.83%

d. Equity Shares held by promoters at the end of the year - FY 2021-22

Promoter name	No. of shares	% of total shares	% Change during the year
Urmi N Prasad	290,000	4.86%	-1.97%
Charita Thakkar	605,272	10.14%	0.00%
Anantha Lakshmi N	4,638	0.08%	0.00%
Rajender Prasad Nuthhaki	437,030	7.32%	1.97%
Adhik Narayan Shirodkar	2,116	0.04%	0.00%
Smita Prakash Mayenkar	195	0.00%	0.00%
Ursula Thakkar	352,906	5.91%	0.00%
Multichem Pvt Ltd	476,419	7.98%	0.09%
Yashashree Commercial Services Pvt Ltd	800,000	13.40%	0.00%

e. Equity Shares held by promoters at the end of the year - FY 2020-21

Promoter name	No. of shares	% of total shares	% Change during the year
Urmi N Prasad	407,466	6.83%	2.01%
Charita Thakkar	605,272	10.14%	2.01%
Anantha Lakshmi N	4,638	0.08%	0.00%
Rajender Prasad Nuthhaki	319,564	5.35%	0.00%
Adhik Narayan Shirodkar	2,116	0.04%	0.00%
Smita Prakash Mayenkar	195	0.00%	0.00%
Ursula Thakkar	352,906	5.91%	0.00%
Multichem Pvt Ltd	471,272	7.90%	0.10%
Yashashree Commercial Services Pvt Ltd	800,000	13.40%	0.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	31.03.2022	31.03.2021
13. OTHER EQUITY		
CAPITAL RESERVE		
Opening balance	1,750	1,750
Addition during the year	-	-
Closing balance	<u>1,750</u>	<u>1,750</u>
SECURITIES PREMIUM ACCOUNT		
Opening balance	20,000	20,000
Addition/(utilisation) during the year	-	-
Closing balance	<u>20,000</u>	<u>20,000</u>
GENERAL RESERVE		
Opening balance	135,446	135,446
Addition/(utilisation) during the year	-	-
Closing balance	<u>135,446</u>	<u>135,446</u>
OCI		
Opening balance	10,383	5,600
Addition/(utilisation) during the year	4,576	4,783
Closing balance	<u>14,959</u>	<u>10,383</u>
RETAINED EARNINGS		
Opening balance	216,082	161,480
Profit / (Loss) for the year	9,768	54,603
Closing balance	<u>225,850</u>	<u>216,082</u>
Total other equity	<u>398,005</u>	<u>383,661</u>

CAPITAL RESERVE

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

SECURITIES PREMIUM RESERVE

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

GENERAL RESERVE

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	As at 31st March, 2022	As at 31st March, 2021
14. Deferred Tax Liabilities (Net)		
Deferred Tax Liabilities :		
On Property Plant and Equipment	2,361	-2,669
On Fair Value of Investments	702	-76
On ROU Asset and Lease Liabilities	24	-
Deferred Tax Asset :		
On Provision	-	75
On Carried forward losses	-1,184	-5,797
	1,903	-8,466

(₹ in thousands)

a) Movement in deferred tax balances

Movement in deferred tax during the year ended March 31, 2022

	Opening balance as at 01.04.2021	Recognized in Profit and Loss	Closing balance as at 31.03.22
Property, plant and equipment	-2,669	5,030	2,361
Unused tax credit/losses	-5,797	4,613	-1,184
Provision	75	-75	-
On Fair Value of Investments	-76	778	702
On ROU Asset and Lease Liabilities	-	24	24
Net deferred tax liability (net)	-8,466	10,369	1,903

(₹ in thousands)

Movement in deferred tax during the year ended March 31, 2021

	Opening balance as at 01.04.2020	Recognized in Profit and Loss	Closing balance as at 31.03.21
Property, plant and equipment	1,447	-4,116	-2,669
Unused tax credit/losses	-5,797	-	-5,797
Provision	-	75	75
On Fair Value of Investments	-76	-	-76
Net deferred tax liability (net)	-4,426	-4,041	-8,466

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	As at 31st March, 2022	As at 31st March, 2021
15. Trade payables		
Trade Payables to Micro Small Medium Enterprise	1,164	970
Trade Payables to Others	15,966	14,516
	17,130	15,486

15.1 Trade Receivable Ageing schedule**As at March 31, 2022**

Particulars	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	Total
(i) MSME	1,164	0	0	0	1,164
(ii) Others	15,797	169	0	0	15,966

As at March 31, 2021

Particulars	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	Total
(i) MSME	970	0	0	0	970
(ii) Others	14,345	171	0	0	14,516

Particulars	As at 31st March, 2022	As at 31st March, 2021
16 Other financial liabilities (Current)		
Other Payables	2,401	1,922
	2,401	1,922
17 Provisions (Short Term)		
Provision for Employee Benefits :		
Provision for Exgratia	1,500	1,200
	1,500	1,200
18 Other current liabilities		
Advance from Customers	21	9
Statutory Dues Payable	833	323
	854	332

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
19 Revenue from operations		
Sale of Goods	295,517	190,683
Sale of Services	4,676	2,756
	300,193	193,439

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
20 Other income		
Interest income on financial assets:		
Interest Received from Banks	9,480	10,230
Interest Received from Others	1,592	154
Interest on Income Tax Refund	129	-
Dividend Income	20	36
Profit on Sale of Investment	298	117
Fair Value measurement of Investments	2,605	1,585
Sundry Balances Written Back	0	-
Specimen Testing Charges	22	18
Excess Provision written back	77	-
Miscellaneous Income	16	313
	14,238	12,453
21 Cost of Materials Consumed		
Opening Stock of Raw Materials	5,139	5,119
Purchase of Raw Materials	245,251	158,172
Less : Closing Stock of Raw Materials	7,783	5,139
	242,606	158,152
22 Changes in Inventories of Finished & WIP Products		
Opening Stock of Finished Goods and Working in Progress	1,806	3,362
Less: Closing Stock of Finished Goods and Work in Progress	2,062	1,806
	-256	1,556
23 Employee benefits expense		
Salaries and Wages	25,029	23,036
Contribution to provident and other funds	1,193	1,150
Gratuity Expenses	386	264
Ex gratia expenses	1,541	1,200
Leave Encashment Expenses	322	296
Staff welfare expenses	358	304
	28,828	26,249
24 Finance Costs		
Finance Cost	90	-
	90	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
25 Other Expenses		
Bank Charges	17	28
Computer Expenses	120	135
Director's Sitting Fees	420	380
Advertisement	20	-
Demat Charges	-	4
Donations	-	1
<u>Auditor's Remuneration</u>	-	-
Audit Fees	250	170
Tax Audit Fees	63	50
Other services	160	40
Fees and Subscription Expenses	487	657
Freight Inward Expenses	1,348	1,116
Freight Outward Expenses	741	597
General Expenses	1,235	1,511
Insurance Expenses	565	525
Legal and Professional Fees	3,051	3,783
Meeting Expense	-	14
Postage & Courier Expenses	164	81
Power and Fuel Expenses	6,915	5,837
Printing and Stationery Expenses	183	144
Provision for Doubtful Debts	471	-
Rates & Taxes	175	387
Rental Expenses	26	750
Repair & Maintenance - Building	9	-
Repair & Maintenance - Other	486	293
Repair & Maintenance - Plant and Machinery	2,023	806
Security Expenses	762	734
Sundry Balances Written Off	189	190
Telephone Expense & Mobile Expense	186	229
Travelling and Conveyance Expenses	138	125
Vehicle Maintenance Expenses	926	699
	21,129	19,286
** Exceptional items in FY 20-21 pertains to sale of Marol property		
26 Exception Items		
Profit on sale of Assets	-	55,817
	-	55,817
** Exceptional items in FY 20-21 pertains to sale of Marol property		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

27 EARNINGS PER SHARE

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

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Profit after Tax (In '000)	14,344	59,386
2. Weighted average number of shares outstanding during the year	5,969,166	5,969,166
3. Face value of shares	10	10
4. Basic / Diluted EPS	2.40	9.95

28. FINANCIAL INSTRUMENTS-FAIR VALUE AND RISK MANAGEMENT

a) Accounting classification

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

Particulars	31.03.2022				31.03.2021			
	At cost	FVTOCL	FVTPL	Amortised cost	At cost	FVTOCL	FVTPL	Amortised cost
Financial Assets								
Investments in other equity	-	-	-	-	-	-	-	99
Investments in Bonds	-	-	-	15,472	-	-	-	5,000
Investments in Mutual Funds	-	141,637	70,271	-	-	135,943	90,013	-
Loans	-	-	-	-	-	-	-	10
Trade receivable	-	-	-	36,367	-	-	-	24,007
Cash and cash equivalents	-	-	-	11,980	-	-	-	10,507
Other financial assets	-	-	-	173,730	-	-	-	158,252
	-	141,637	70,271	237,549	-	135,943	90,013	197,875
Financial Liabilities								
Lease Liabilities	-	-	-	847	-	-	-	-
Trade payables	-	-	-	17,130	-	-	-	15,486
Other financial liabilities	-	-	-	2,401	-	-	-	1,922
	-	-	-	20,378	-	-	-	17,408

b) Fair value hierarchy and Method of valuation

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

	31st March, 2022			31st March, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments in Mutual Funds	211,908	-	-	225,956	-	-

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

c) Risk management framework

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

d) Financial Risk Management

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

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

i) Credit Risk

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

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

Trade receivables

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

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

Other Financial Assets

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

ii) Liquidity Risk

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022
Exposure to liquidity risk

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

INR ('000)

	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
March 31, 2022						
Financial liabilities						
Borrowings	-	-	-	-	-	-
Lease Liabilities	847	847	337	511	-	-
Trade payables	17,130	17,130	17,130	-	-	-
Other Financial Liabilities	2,401	2,401	2,401	-	-	-
	20,378	20,378	19,867	511	-	-
	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
March 31, 2021						
Financial liabilities						
Trade payables	15,486	15,486	15,486			
Other Financial Liabilities	1,922	1,922	1,922			
	17,408	17,408	17,408	-	-	-

iii) Market Risk

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

Currency risk

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

Interest rate risk

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

Commodity price risk

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

29 CAPITAL MANAGEMENT

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

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

	March 31, 2022	April 01, 2021
Borrowing	-	-
Cash & cash equivalents	11,980	10,507
Net Debt (restricted to zero, if cash and cash equivalents are greater than borrowings)	(11,980)	(10,507)
Total equity	457,697	443,353
Debt/Equity ratio	0.00%	0.00%

30 EMPLOYEE BENEFITS
I) Defined Contribution Plans

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

II) Defined Benefit Plans
GRATUITY

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

Membership Data:	Plan A		Plan B	
	2021-22	2020-21	2021-22	2020-21
Number of Members	18	19	6	7
Average Age	44.56	43.84	48.83	49.14
Average Monthly Salary	19,496	17,791	51,728	45,706
Average Past Service	15.06	13.79	12.83	12.00

Actuarial Assumptions:	Plan A		Plan B	
	2021-22	2020-21	2021-22	2020-21
Mortality Rate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate
Withdrawal Rate	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age
Discount Rate	7% p.a	7.5% p.a	7% p.a	7.5% p.a
Salary Escalation	6%	6%	6%	6%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Results of Valuation:	Plan A		Plan B	
	2021-22	2020-21	2021-22	2020-21
Present Value of Past Service Benefit	3,117	2,715	2,250	2,174
Current Service Cost	170	173	30	35
PV of Defined Benefit Obligation	3,287	2,888	2,280	2,209
Fund Value	3,287	2,888	2,280	2,209

Amount Recognized in Balance Sheet:	Plan A		Plan B	
	2021-22	2020-21	2021-22	2020-21
Present value of defined benefit obligation at end of the year	3,287	2,888	2,280	2,209
Fair value of plan assets at end of the year	3,287	2,888	2,280	2,209
Net liability / (asset) recognized in the Balance Sheet	-	-	-	-

Expenses recognised in statement of Profit and Loss:

	Plan A	
	2021-22	2020-21
Grauity Expense recognised (including Provision)	386	264

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

31. Related party disclosure

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022
(ii) Transactions with related parties

Type of related party	Description of the nature of transactions	Volume of Transactions during 2021-22 (Rs.in "000")	Volume of Transactions during 2020-21 (Rs.in "000")	Balance as on 31.03.2022 Receivable/ (Payable) (Rs.in "000")	Balance as on 31.03.2021 Receivable/ (Payable) (Rs.in "000")
(a) Key management personnel and their relatives	Director's Remuneration and Mrs. Urmi N. Prasad Mrs. Charita Thakkar	2,804 2,559	2,586 2,382	-275 -365	-77 -137
(b) Non Executive/ Independent Directors	Sitting fees Mr. Rajesh Parikh Mr. M.D Garde Mr. V. Raghu	150 120 150	135 110 135	- - -	- - -

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

32 Contingent Liabilities

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

34. Analytical Ratios

	Ratio Analysis (Formula used for computing ratio)	As at March 31, 2022	As at March 31, 2021	% Variance	Reason for Variance
i	Current Ratio - In times (Current Assets / Current Liabilities)	6.13	7.37	16.87%	-
ii	Return on Equity Ratio - In % (Net profit after taxes-Preference dividend item and hence had a higher net / Average Shareholder's Equity)	2.13	12.32	82.67%	Last year there was an exceptional item and hence had a higher net profit as compared to current year.
iii	Inventory Turnover Ratio - In Days (Sales / Average Inventory)	10.21	14.55	29.86%	Due to change in levels of operations Inventory Turnover ratio is changed.
iv	Trade Receivable turnover Ratio - In Days (Net credit sale / Average accounts receivable)	36.70	39.64	7.41%	-
v	Trade Payable turnover Ratio - In Days (Net credit purchase / Average trade payable)	24.27	30.05	19.23%	-
vi	Net Capital turnover Ratio - In times (Net Sales / Average working capital)	2.62	1.60	-63.09%	Due to change in levels of operations Net Capital Turnover ratio is changed.
vii	Net Profit Ratio - In % (Net Profit (before Exceptional item) / Net Sales)	3.25	(0.63)	618.35%	Sales has been increased by 55%, resulting in higher contribution and hence, higher net profit ratio





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