GUJARAT POLYSOL CHEMICALS LIMITED

33rd ANNUAL REPORT

Financial Year 2021-22

CORPORATE INFORMATION

Board of Directors:

Chairman & Managing Director
Shaileshkumar Balvantrai Desai

Executive Directors
Umang Shailesh Desai
Bhavisha Shaileshbhai Desai

Independent Directors
Jagdish Lalbhai Shah
Vijay Gopi Kishan Agarwal
Sandhya Mahesh Borase

Statutory Auditor
M/s. J. V Vasani & Co.

Cost Auditor
M/s. P. K. Chatterjee & Associates

Internal Auditor
M/s. HRK CorpAdvice Private Limited

Key Managerial Personnel:

Chief Executive Officer (CEO)
Rajesh Shyambadan Singh

Chief Operating Officer (COO)
Khushru Dali Petigara
(w.e.f 17.02.2022)

Chief Financial Officer ,Company Secretary & Compliance Officer
Dipakkumar Mohanlal Sanghani

Secretarial Auditor
CS Nitesh Parasmal Shah

Bankers of the Company
HDFC Bank Limited
Axis Bank Limited

Corporate Office:

Gujarat Polysol Chemicals Limited
C-5/101/4, Polysol Building, 2nd Floor, Near Supreme Hotel, G.I.D.C. Char Rasta, N.H. 48, Vapi, Gujarat - 396 195, India.
Tel: +91 99251 00331

Registrar & Share Transfer Agent

Link Intime India Private Limited
C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 089, India
Tel: +91 22 4918 6200

Registered Office:

Gujarat Polysol Chemicals Limited
(CIN :U24231GJ1989PLC012892)
Plot No. 1734, Third Phase, GIDC, Vapi, Dist. Valsad, Vapi, Gujarat- 396195, India
Email: compliance@gujaratpolysol.com, Tel: +91 99251 00334
Website: www.gujaratpolysol.com

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NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Section 101 of the Companies Act, 2013)

NOTICE IS HEREBY GIVEN THAT ANNUAL GENERAL MEETING OF MEMBERS OF THE GUJARAT POLYSOL CHEMICALS LIMITED WILL BE HELD AT A SHORTER NOTICE ON WEDNESDAY, AUGUST 17, 2022 AT 11 A.M. AT REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT NO. 1734, THIRD PHASE, GIDC, VAPI, DIST. VALSAD, VAPI, GUJARAT- 396195 INDIA.

ORDINARY BUSINESS

1. **TO CONSIDER, APPROVE AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY TOGETHER WITH THE SCHEDULES AND NOTES ATTACHED THERETO FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022 ALONG WITH THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON.**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** the Audited Balance Sheet as at March 31, 2022 and Profit & Loss Account and Cash Flow Statement for the year ended on that date together with the schedules and notes attached thereto, along with the Reports of Board of Directors and the Auditors thereon be and are hereby considered, approved and adopted."

2. **TO APPOINT A DIRECTOR IN PLACE OF MR. SHAILESHKUMAR BALVANTRAI DESAI (DIN: 00266938), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT Mr. Shaileshkumar Balvantrai Desai (DIN: 00266938)**, Chairman & Managing Director of the Company, who retires by rotation at this Annual General Meeting in accordance with section 152 of the Companies Act, 2013 and being eligible for re-appointment, be and is hereby re-reappointed as Director of the Company, liable to retire by rotation."

3. **TO APPOINT STATUTORY AUDITOR AND FIX THEIR REMUNERATION IN PLACE OF THE OUTGOING AUDITOR.**

"**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof), **M/s. Akkad Mehta & Co LLP,** Chartered Accountants (Firm Registration No./Mem No. 100259W/W100384 and peer Review Certificate No.

012328), having their Office at 302, Navkar Plaza, Bajaj Road, Vile Parle (West), Mumbai - 400056, India be and is hereby appointed as Statutory Auditor of the Company to hold office for a term of 5 (five) years from the conclusion of this Annual General Meeting (AGM) till the conclusion of AGM held for the Financial year ending 31st March 2027. (i.e., for FY 2022-23 to 2026-27), in place of the outgoing Auditor, M/s. J.V. Vasani & Co, Chartered Accountants at a remuneration of **Rs. 6,00,000/- (Rupees Six Lakhs Only) p. a** excluding out of pocket expenses plus applicable taxes or such other remuneration as recommended by the Audit Committee and approved by Board of Directors from time to time.".

SPECIAL BUSINESS

4. TO RATIFY THE REMUNERATION OF COST AUDITORS FOR FY 2022-23.

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provision of Section 148(3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditors) Rules, 2014 and other applicable provision of the Companies Act 2013 read with rules made thereunder including statutory modification or re- enactments thereof from time to time, the Company hereby ratifies the remuneration of **Rs. 1,50,000/- (Rs. One Lakh Fifty Thousand only) p.a** excluding out of pocket expenses plus applicable taxes payable to **M/S P. K. Chatterjee & Associates**, Cost Accountants (Firm's Registration No. 101833) who have been appointed by the Board of Directors as the Cost Auditor of the Company, to conduct the cost audit of Company for the F.Y. 2022-23."

By Order of the Board of Directors
For Gujarat Polysol Chemicals Limited

Gujarat Polysol Chemicals Limited
VAPI

Dipakkumar Mohanlal Sanghani
Chief Financial Officer &
Company Secretary

Date: 29.07.2022
Place: Vapi

Registered Office:
Plot No. 1734, Third Phase, GIDC, Vapi,
Dist. Valsad, Vapi, GJ 396195 IN
CIN: U24231GJ1989PLC012892
Website: www.gujaratpolysol.com
E-mail: compliance@gujaratpolysol.com
Tel: +91 9925100331

NOTES:

1. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Meeting is annexed.

2. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and, on a poll, to vote instead of himself and the Proxy need not be a member of the company.

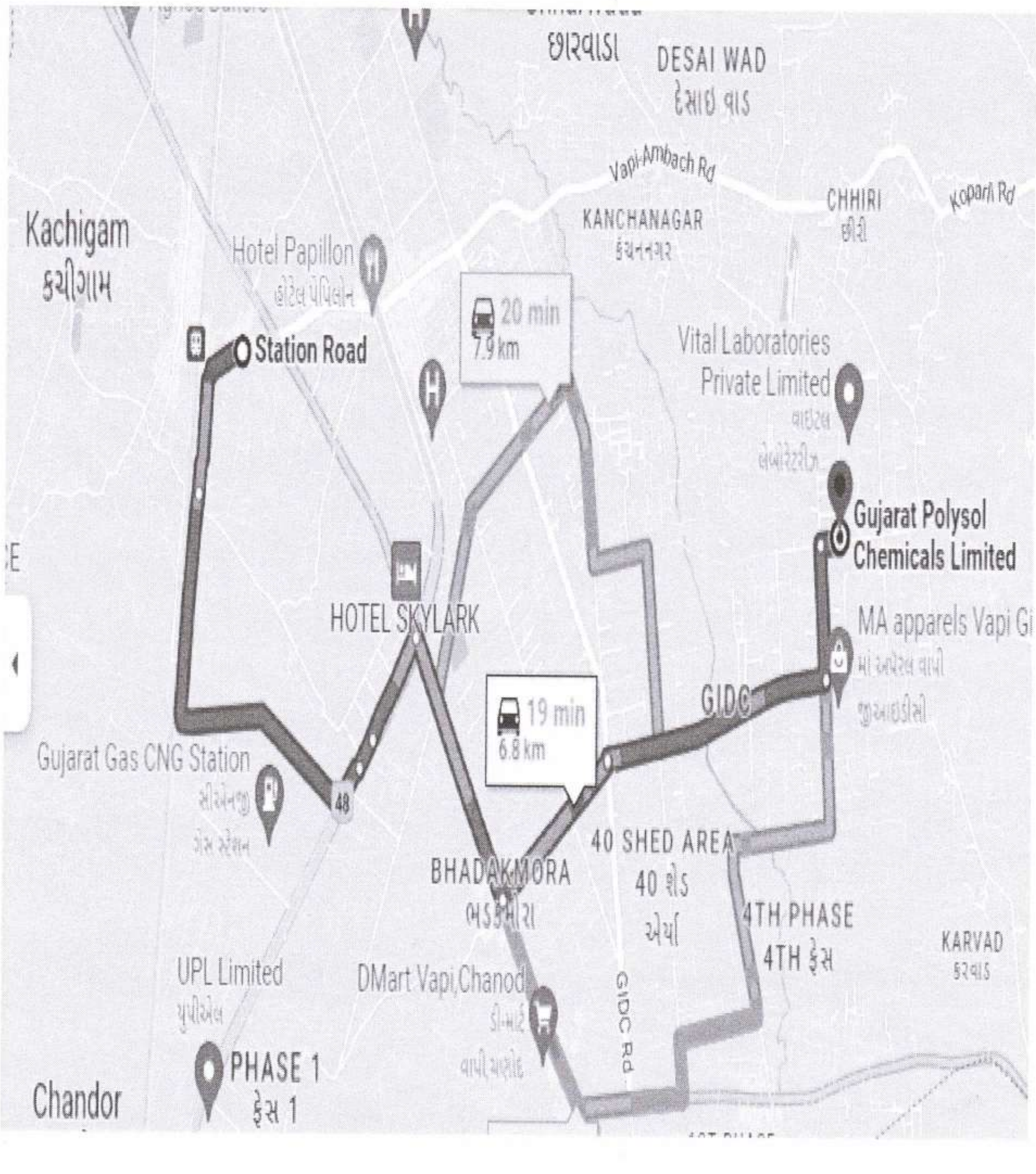
3. Proxies, in order to be effective, must be received in the enclosed Proxy Form at the Registered Office of the company not less than forty-eight hours before the time fixed for the Meeting.

4. A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A Member holding more than ten percent of total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

5. A Corporate Member intending to send its authorised representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting.

6. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the company on all working days of the company between 11:00 a.m. and 1:00 p.m. upto the date of the Meeting and at the venue of the Meeting for the duration of the Meeting.

Route Map of the AGM



EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act 2013, the following Explanatory statement sets out all material facts relating to the business mentioned in the notice.

Special Business: Item No. 4

As per the provision of. Section 148 of the Companies Act, 2013 and as per Companies (Audit & Auditors) Rules, 2014, the proposal for Appointment of Cost Auditor was considered by the Board in its meeting held on **July 29, 2022** and approved the proposal to appoint M/s. P. K. Chatterjee & Associates, Cost Accountants (Firm Registration No. 101833), as Cost Auditor of the Company for the F.Y. 2022-2023 at the remuneration of Rs. 1,50,000/- (Rupees One lakh Fifty Thousand only). excluding out of pocket expenses plus applicable taxes. The resolution is being placed before the Members of the Company for the approval and ratification of the remuneration payable to the Cost Auditor.

None of the Directors, relative of Directors or Key Managerial Personnel of the Company are in any way concerned or interested in the resolution proposed under item no. 4.

By Order of the Board of Directors
For Gujarat Polysol Chemicals Limited

Gujarat Polysol Chemicals Ltd. VAPI

Dipakkumar Mohanlal Sanghani
Chief Financial Officer &
Company Secretary

Date: 29.07.2022
Place: Vapi

Registered Office:
Plot No. 1734, Third Phase, GIDC, Vapi,
Dist. Valsad, Vapi, GJ 396195 IN
CIN: U24231GJ1989PLC012892
Website: www.gujaratpolysol.com
E-mail: gujaratpolysol@gmail.com
Tel: +91 9925100331

DIRECTOR'S REPORT

To
The Members of
Gujarat Polysol Chemicals Limited,

Your directors take pleasure in presenting their 33rd Annual Report on the business and operations of the company together with the Audited financial statements for the Financial Year ended 31st March, 2022.

FINANCIAL SUMMARY

(Rs. in Million.)

Particulars	31st March, 2022	31st March, 2021
Revenue from operations	4,347.61	3,796.06
Other income	17.08	8.26
Total income	**4,364.69**	**3,804.32**
Total expenses	3,836.70	3,261.49
Profit before tax	**527.99**	**542.82**
Tax expense:		
(a) Current tax	128.07	135.34
(b) Deferred tax	13.22	6.52
Profit for the Year from Continuing Operations	**386.70**	**400.96**
Profit from Discontinued operations (after tax)	8.77	-
Profit for the period	**395.47**	**400.96**
Other comprehensive income	-1.61	-0.61
Total Comprehensive Income for the Year	**393.86**	**400.35**
Earnings per equity share		
Basic	19.62	21.11
Diluted	19.63	19.90

BUSINESS OPERATIONS AND STATE OF AFFAIRS OF THE COMPANY: -

Total income of the Company for the FY-2021-22 is 4364.69 million as compared to the 3804.32 million in previous year depicting an increase in total income by 14.73% year on year basis.

Profit before tax of the Company for the FY-2021-22 is 527.99 million as against 542.82 million in the previous year depicting a decline by 2.73%.

Profit for the period of the Company stood at 395.47 million as against 400.96 million in the previous year depicting a slightly decline of 1.37%.

DIVIDEND

With a view to provide a cushion for any financial contingencies in future and to strengthen the financial position of the Company, your directors have decided not to recommend any dividend for the period under review.

TRANSFER TO RESERVES:

The Board of Directors has decided to retain the entire amount of profits for FY 2021-22 in the profit and loss account.

CAPITAL STRUCTURE

a) Authorised Capital

Following change took place in the authorized share capital of the company during the year under review.

i. Existing Authorized Share Capital of Rs. 8,25,00,000/- (Rupees Eight crore Twenty-Five lacs only) of the Company consisting of 8,15,000 (Eight lacs Fifteen thousand) Equity Shares of Rs. 100/- each, 7,500 (Seven thousand Five hundred) 10% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each and 2,500 (Two thousand Five hundred) Unclassified Shares of Rs 100/- each reclassified as Authorized Share Capital of Rs. 8,25,00,000/- (Rupees Eight crore Twenty-Five lacs only) divided into 8,25,000 (Eight lacs Twenty-Five thousand) Equity Shares of Rs. 100/- each wide ordinary resolution passed at the Extra Ordinary general Meeting held on April 15, 2021.

ii. Authorized Equity Share Capital of the Company having a face value of Rs 100/- each is sub-divided into face value of Rs 10/- each resulting in Authorised Share Capital of the Company as Rs. 8,25,00,000/- (Rupees Eight Crore Twenty-Five lacs only) divided into 82,50,000 (Eighty-Two lacs Fifty thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each.

iii. Authorized share capital of the company increased from Rs 8,25,00,000/- (Rupees Eight crore Twenty-Five lacs only) divided into 82,50,000 (Eighty-Two lacs Fifty thousand) equity shares of Rs 10/- (Ten) only to Rs 35,00,00,000/- (Rupees Thirty-Five crore only) divided into 3,50,00,000 (Three crore Fifty lacs Only) equity shares of Rs 10/- (Rupees Ten) only each ranking pari-passu with the existing shares in all respects.

b) <u>Paid-up Share Capital</u>

Following change took place in the paid-up share capital of the company during the year under review.

During the period under review, the Company has made bonus issue of Equity Shares in the ratio of 4:1 (i.e 4 (Four) Bonus equity Share of Rs. 10/- each for every 1 (One) fully paid-up Equity Shares of Rs. 10/- each held) by capitalization of its Capital Redemption Reserve account and Securities Premium Account of the Company. The Bonus Equity Shares were allotted on 04th September, 2021.

As a result, 1,61,23,800 Equity Shares of face value Rs. 10/- each issued as a bonus share to the existing equity shareholders resulting in total Paid up share capital of the Company to Rs. 20,15,47,500/- (Rupees Twenty Crore Fifteen Lacs Forty-Seven Thousand Five hundred only) divided into 2,01,54,750(Two Crore One Lakh Fifty-Four Thousand Seven Hundred Fifty only) equity shares of Rs. 10/- each.

c) Issue of equity shares with differential rights

The Company has not issued shares with differential rights during the year.

d) Issue of sweat equity shares

The Company has not issued Sweat Equity Shares during the year.

e) Issue of employee stock options

The Company has not issued Employee Stock Options during the year.

f) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

The Company has not made any provisions of money for purchase of its own shares by employees or by trustees for the benefit of employees.

DEMATERIALISATION OF THE EQUITY SHARES OF THE COMPANY

Your Company's equity shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited.

Company has appointed M/s. Link Intime India Private Limited as registrar and share transfer agent of the company.

As of March 31, 2022, 100 % of the equity shares of your Company were held in demat form.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the Company during the year.

MATERIAL CHANGES AND COMMITMENTS DURING AND AFTER THE END OF THE FINANCIAL YEAR: -

Following material changes took place in your company during the financial year.

1. Conversion of the Company from Private Limited to Public Limited i.e. 'Gujarat Polysol Chemicals Private Limited' to 'Gujarat Polysol Chemicals Limited'.

2. Started Process for the Listing of the Company on the Stock Exchange and floating of an Initial Public Offer (IPO) of the Company and filled the Draft Red Hearing Prospectus (DRHP) of the Company with Securities and Exchange Board of India (SEBI) on March 24, 2022.

Following changes have occurred between the end of the financial year to which the financial statements relate and the date of this Report which is having direct impact on financial position of the Company.

3. Shaileshkumar Balvantrai Desai, the Promoter, Chairman and Managing Director, has entered into a Deed of assignment dated April 19, 2022 with the Company wherein he has assigned the rights of exclusive use of the office premises on the 3rd Floor admeasuring 1,026.03 sq. of the building known as Express House situated at Vapi notified Industrial Estate, GIDC, Vapi, Gujarat to the Company for a total consideration of ₹38.65 million.

Following changes have occurred between the end of the financial year to which the financial statements relate and the date of this Report which is not having direct impact on financial position of the Company but are material developments for the company.

4. Company received In-principal approval for its proposed initial public offering from the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) wide their approval letter dated April 21, 2022 and April 22, 2022 respectively.

5. Company received final observation letter/approval for its proposed initial public offering from the Securities and Exchange Board of India (SEBI) wide their letter dated July 18, 2022.

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

No significant and material orders were passed by the regulators or courts or tribunals which affect the going concern status and future operation of the Company.

DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED

During the year and up to the date of this report following changes took place in the Compositions of the Board of Directors and Key managerial Personnel of your Company;

NO.	NAME	DESIGNATION	DATE	REASON
1.	Rajesh Shyambadan Singh	Chief Executive Officer	01-04-2021	Appointment as Chief Executive Officer
2.	Nilima Shailesh Desai	Director	21-07-2021	Resignation as Director
3.	Bhavisha Shaileshbhai Desai	Additional director	13-09-2021	Appointment as Additional Director
4.	Bhavisha Shaileshbhai Desai	Whole-time director	21-09-2021	Change in Designation from Additional Director to Wholetime Director
5.	Vijay Gopi Kishan Agarwal	Independent Director	21-09-2021	Appointed as Independent Directors
6.	Sandhya Mahesh Borase	Independent Director	21-09-2021	Appointed as Independent Directors
7.	Jagdish Lalbhai Shah	Independent Director	18-10-2021	Appointed as Independent Directors
8.	Khushru Dali Petigara	Chief Operating Officer (COO)	17-02-2022	Appointment as Chief Operating Officer (COO)
9.	Bhavisha Shaileshbhai Desai	Whole-time director	16-02-2022	Regularized as a Director

DECLARATION BY INDEPENDENT DIRECTORS: -

The terms and conditions of appointment of Independent Directors are in accordance with the provisions of the Companies Act, 2013 ("Act") read with Schedule IV to the Act.

Your Company has received annual declarations from all the Independent Directors of the Company under sub - section (7) of section 149 confirming that they meet with the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 there has been no change in the circumstances which may affect their status as Independent Director during the year.

CODE OF CONDUCT

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of The SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), , the Company has devised a Policy for Directors; appointment and remuneration including criteria for determining qualifications, performance evaluation and other matters of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of both non-executive directors and executive directors and the policy for Nomination and Remuneration is available on the website of the company at. https://www.gujaratpolysol.com/corporate-policy.html

The Board has carried out the annual performance evaluation of its own performance as well as the evaluation of the working of its committees. The Board of Directors expresses its satisfaction with the evaluation process.

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and specified employees in the course of day-to-day business operations of the company. Such code of conduct has also been placed on the Company's website. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance on the expected behavior from an employee in a given situation and the reporting structure.

MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met **14 (Fourteen)** times during the year in respect of which proper notices were given and the proceedings were properly recorded, signed and maintained in the Minutes book kept by the Company for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

GENERAL MEETING:

The (Previous) Annual General Meeting (AGM) of the Company was held on 31st August, 2021.

5 (Five) Extra Ordinary General Meeting (EGM) of the Company held during the year under review on the following dates.

No.	Date of Meeting
1.	15-04-2021
2.	20-08-2021
3.	21-09-2021
4.	18-10-2021
5.	16-02-2022

COMMITTEES OF THE BOARD AND ITS MEETING: -

1. Audit Committee (AC).

The Audit Committee's composition meets with the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations and other applicable provisions. The Members of the Audit Committee possesses financial / accounting expertise / exposure. The Audit Committee comprised of 3 (Three) members as on financial year end. The Company Secretary is the Secretary and Compliance officer of the committee. The detail of the composition of the Audit Committee is as follows:

Name of the Member	Category of Director	Designation in Committee
Sandhya Mahesh Borase	Independent Director	Chairperson
Vijay Gopi Kishan Agarwal	Independent Director	Member
Shaileshkumar Balvantrai Desai	Executive Director	Member

The Committee met **2 (Two)** times during the year in respect of which proper notices were given and the proceedings were properly recorded, signed and maintained in the Minutes book kept by the Company for the purpose.

2. Nomination & Remuneration Committee (NRC).

The Nomination and Remuneration Committee's Composition meets with the requirement of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations and other applicable provisions. The Members of the Nomination Committee possesses sound knowledge / expertise / exposure. The Committee comprised of 3 members as on financial year end. The Company Secretary is the secretary and compliance officer of the committee. The detail of the composition of the Nomination & Remuneration Committee is as follows:

Name of the Member	Category of Director	Designation in Committee
Sandhya Mahesh Borase	Independent Director	Chairperson
Vijay Gopi Kishan Agarwal	Independent Director	Member
Jagdish Lalbhai Shah	Independent Director	Member

The Committee met **3 (Three)** times during the year in respect of which proper notices were given and the proceedings were properly recorded, signed and maintained in the Minutes book kept by the Company for the purpose.

3. Stakeholders Relationship Committee (SRC).

The stakeholders Relationship Committee meets with the requirement of the section 178 of the Companies act 2013, Regulation 20 of SEBI Listing Regulation and other applicable provisions. The Stakeholders Relationship Committee is mainly responsible to review all grievances connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints. The Committee comprised of 3 (Three) members as on financial year end. The Company Secretary is the secretary and compliance officer of the committee. The detail of the composition of the said committee is as follows:

Name of the Member	Category of Director	Designation in Committee
Jagdish Lalbhai Shah	Independent Director	Chairman
Shaileshkumar Balvantrai Desai	Executive Director	Member
Umang Shailesh Desai	Executive Director	Member

No Committee meeting held during the year under review.

4. Corporate Social Responsibility Committee (CSR).

The Corporate Social Responsibility Committee meets with the requirement of the Section 135 and Schedule VII of the Companies Act 2013.The Committee comprised of 3 (Three) members as on financial year end. The company secretary is the secretary and compliance officer of the committee. The detail of the composition of the said committee is as follows:

Name of the Member	Category of Director	Designation in Committee
Shaileshkumar Balvantrai Desai	Executive Director	Chairman
Jagdish Lalbhai Shah	Independent Director	Member
Umang Shailesh Desai	Executive Director	Member

The Committee met **2 (Two)** times during the year in respect of which proper notices were given and the proceedings were properly recorded, signed and maintained in the Minutes book kept by the Company for the purpose.

5. Risk Management Committee (RMC).

The Risk Management Committee meets with the requirement of the Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**SEBI Listing Regulations**). The Committee comprised of 3 (Three) members as on financial year end. The company secretary is the secretary and compliance officer of the committee. The detail of the composition of the said committee is as follows.

Name of the Member	Category of Director/Employee	Designation in Committee
Shaileshkumar Balvantrai Desai	Executive Director	Chairman
Jagdish Lalbhai Shah	Independent Director	Member
Umang Shailesh Desai	Executive Director	Member
Rajesh Shyambadan Singh	Chief Executive Officer	Member
Uzair Zahidbhai Shaikh	President-Operation	Member

No Committee meeting held during the year under review.

Further Pursuant to section 134(3)(n) of the Companies Act, 2013, the Company has developed and implemented Risk Management Policy to identify the elements of risk that may threaten the existence of the Company and measures to be taken to mitigate the said risk elements.

The Risk Management Policy is hosted on the Company's website atwww.gujaratpolysol.com.

MEETINGS OF INDEPENDENT DIRECTORS

All the Independent Directors of the Company are appointed during the financial year under review, Independent directors discussed and reviewed the performance of non-independent Directors and the Board as a whole, performance of the Chairperson of the company, taking into account the views of executive Directors and non-executive Directors, assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties and expressed their satisfaction on the same.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES: -

Key Managerial Personnel (KMP)

The following persons are designated as the Key Managerial Personnel of the Company pursuant to sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as on date of the financial year end:

Sr. No.	Name	Designation
1.	Shaileshkumar Balvantrai Desai	Chairman & Managing Director
2.	Umang Shailesh Desai	Whole time Director
3.	Bhavisha Shaileshbhai Desai	Whole time Director
4.	Rajesh Shyambadan Singh	Chief Executive Officer (CEO)
5.	Dipakkumar Mohanlal Sanghani	Chief Financial Officer & Company Secretary
6.	Khushru Dali Petigara	Chief Operating Officer (COO)

DISCLOSURE OF REMUNERATION OF EMPLOYEES COVERED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

Name and details of the top ten employees in terms of remuneration as required under Rule 5(2) is provided under **Annexure-A** to this Report.

NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES AND ASSOCIATE COMPANIES

The company does not have any subsidiary/joint venture/Associate Company as on the year ended 31st March, 2022.

DEPOSITS

Company has not accepted any public deposit within the Meaning of section 73, of Companies Act, 2013 read with the companies (Acceptance & Deposits) Rules, 2014 and there is no outstanding deposit due for re-payment.

AUDITORS' AND AUDITORS' REPORT: -

Statutory Auditor

M/s J. V. VASANI & Co. (Firm Registration No 114283W), Chartered Accountants, Vapi, were appointed as Statutory Auditors of the Company in Annual General Meeting (AGM) held on 30th September, 2017 for a term of 5 (five) consecutive years, up to the sixth Annual General Meeting from the date of appointment.

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report for the financial year ended March 31, 2022. Pursuant to provisions of section 143 (12) of the Companies Act 2013, the Statutory Auditors have not reported any incident of fraud to the Audit Committee during the year under review.

The Board has duly reviewed the Statutory Auditors' Report on the Accounts. The observations and comments, appearing in the Auditors' Report are self-explanatory and do not call for any further explanation / clarification by the Board of Directors as provided under section 134 of the Act

The term of M/s. J. V. Vasani & Co, is getting completed on the ensuing Annual General Meeting (AGM) of the Company and are not eligible for reappointment as a Statutory Auditor of the Company.

The Company proposed the Appointment of the M/s. Akkad Mehta & Co LLP, Chartered Accountants (Firm Registration No./Mem No. 100259W/W100384 and peer Review Certificate No. 012328), having their Office at 302, Navkar Plaza, Bajaj Road, Vile Parle (West), Mumbai - 400056, India, as a Statutory Auditor of the Company in the ensuing AGM of the Company.

The Company has received written consent cum eligibility letter along with certificate from Auditor under the provisions of the Companies Act, 2013, to the effect that their Appointment as a Statutory Auditor is within the prescribed limits and are not disqualified for appointment as an Auditor and further, they are independent of management.

Cost Auditor

The Company has maintained cost records for its products as specified by the Central Government under sub-section (1) of Section 148 of the Act. M/s P.K. Chatterjee & Associates, Cost Accountants (Firm Registration No. 101833) was appointed to carry out the cost audit for applicable products for the financial year 2021-22.

The Board of Directors of the Company has re-appointed M/s P. K. Chatterjee & Associates, Cost Accountants (Firm Registration No. 101833) as a Cost Auditor of the Company for the financial year 2022-23 and the remuneration proposed to be paid to the Cost Auditor, subject to ratification by the members of the Company at the ensuing AGM, would not exceed Rs 1,50,000/- (Rupees One Lakh Fifty Thousand only).

Internal Auditor

The Company has robust internal audit system for assessment of audit findings and its mitigation. The Internal Audit function covers all the stores, inventory audit, stock takes, audit for project related accounts, corporate accounts etc.

M/s. HRK CorpAdvice Private Limitedwas appointed as an Internal Auditor of the Company for the financial year 2021-22 by the Board and the Internal Auditor directly reports to the Board of Directors for functional matters.

The Board of Directors reviews internal audit report and controls at its meetings. Company's internal controls are commensurate with the size and operations of the business. Continuous internal monitoring mechanism ensures timely identification and redressal of issues.

Secretarial Auditor

As per the provisions of Section 204 of The Companies Act 2013 read with applicable rules, Till the end of the financial year 2020-21 secretarial audit was not applicable to the company, but during the financial year 2021-22, our company converted from private limited to the public limited, The Secretarial Audit Report provisions become applicable to the Company.

The Board of Directors of the Company has appointed Mr. Nitesh Parasmal Shah, Practicing Company Secretary, Ahmedabad as the Secretarial Auditor of the Company for the financial year 2021-22.

There are no qualifications, reservations or adverse remarks made by the Secretarial Auditors in their report for the financial year ended March 31, 2022.

Secretarial Audit Report for the year is attached as **Annexure-B** to this report.

DETAILS OF REVISION OF FINANCIAL STATEMENT OR ANNUAL REPORT:

No revision of the Financial Statements or Annual Report has been made during Financial Year ending March 31, 2022 neither in any of the preceding three Financial Years.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

Section 124 and 125 of the Companies Act, 2013 requires dividends that are not encashed/claimed by the shareholders for a period of seven consecutive years, to be transferred to the Investor Education and Protection Fund (IEPF).

During the year under consideration, no amount was due for transfer to IEPF in accordance with Section 125 of the Companies Act, 2013.

There are no instances of Declaration of the Dividend in past by the company and accordingly the disclosure pertaining to the details of unclaimed dividend along with their due dates for transfer to IEPF are not applicable.

CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of Section 135 of the Companies Act, 2013, read with rules framed there under, the Company falls under the criteria mentioned under section 135(1) of the Companies Act, 2013 for Corporate Social Responsibility. The Company has formed CSR Committee as required under Section 135(1) of the Companies Act, 2013. The Company has incurred expenditure during 2021-22 in Corporate Social Responsibility activities as mentioned under Schedule VII of the Companies Act 2013.

Annual report on CSR activities is enclosed as **Annexure-C** to this report.

The CSR Committee confirms that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has established a Whistle Blower Policy/ Vigil Mechanism Pursuant to the Provisions of the Companies Act, 2013 and SEBI (LODR) Regulations and SEBI (PIT) Regulation 2015.). No personnel have been denied access to the Audit Committee for the said purpose to report genuine concerns.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Whistle Blower Policy/ Vigil Mechanism is hosted on the Company's website at. www.gujaratpolysol.com.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security are provided in Notes to the Financial Statements if any.

No loan taken by the Company during the year from Directors and their relatives and no outstanding balances as on the Balance Sheet date for the same.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH THE RELATED PARTIES

Your Company has entered into certain transactions with the related parties and the details of the same have been given in Note No: 48 attached to the Audited Financial Statements. The Company has entered into material Related Party Transactions during the year hence, details of the same is given in form AOC-2 and attached herewith as **Annexure-D** to this report.

The Board of Directors approved a policy on related party transactions which is available on the Company's website at the web link: https://www.gujaratpolysol.com/corporate-policy.html

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal financial control systems with reference to the Financial Statements are adequate and commensurate with the nature and size of the Company and it ensures:

- timely and accurate financial reporting in accordance with applicable accounting standards.
- optimum utilization, efficient monitoring, timely maintenance and safety of its assets.
- compliance with applicable laws, regulations and management policies.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Continuous effort is put in to improve the working environment with a focus on employee well-being and capability building enabling them to perform their best for the Company. We develop global platform for leaders at regular intervals as part of our commitment to engage and retain talent. We provide robust leadership development efforts to home employee skills and help keep the Company ahead of the curve. People are our real strength and therefore while pursuing best-in-class performance; the Company is significantly increasing its investment in its employees with training and development.

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR.

The Board of Directors are collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows a defined criterion for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. Board of directors is of opinion that Independent Directors appointed during the financial year possess a requisite qualification, experience and expertise (including the proficiency) which will help in the development of the Company.

DIRECTOR LIABLE TO RETIRE BY ROTATION

According to provision of Section 152(6) of the Companies Act, 2013 and as per terms framed under the Articles of Association, Mr. Shaileshkumar Balvantrai Desai, Chairman & Managing Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting. and being eligible, offer themselves for reappointment. The Board of Directors on the recommendation of Nomination and Remuneration Committee has recommended his re-appointment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provisions of Section 134 read with the Companies (Accounts) Rules, 2014 regarding conservation of energy, and technology absorption apply to the Company are given below:

A. Conservation of energy-

a. the steps taken or impact on conservation of energy: N.A

b. the steps taken by the company for utilising alternate sources of energy: N.A

c. the capital investment on energy conservation equipments: N.A

B. Technology absorption-

a. the efforts made towards technology absorption: N.A

b. the benefits derived like product improvement, cost reduction, product development or import substitution: NA

c. the Company has not imported technology from abroad

d. the expenditure incurred on Research and Development: NA

C. Foreign Exchange Earnings & Outgo: -

a. Foreign Exchange outgo (CIF Import): **1654.98 million**

b. Foreign Exchange Earnings during the year (FOB Export): **82.80 million**

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, it is hereby confirmed:

a. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit or loss of the Company for the period ended 31.03.2022;

c. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d. that the Directors had prepared the annual accounts on a going concern basis and

e. that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE: -

The Company has zero tolerance for sexual harassment at the workplace and has adopted a policy on prevention prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules there under for the prevention and redressal of complaints of sexual harassment at the workplace.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed of during the year:

a) Number of complaints pending at the beginning of the year: -**NIL**
b) Number of complaints received during the year: - **NIL**
c) Number of complaints disposed of during the year: - **NIL**
d) Number of cases pending at the end of the year: -**NIL**

CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC).

No any application filed for corporate insolvency resolution process, by any financial or operational creditor against the Company or by the company itself under the Insolvency and Bankruptcy Code, 2016 (IBC) before the National Company Law Tribunal (NCLT).

SECRETARIAL STANDARDS

The applicable Secretarial Standards relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.

MAINTENANCE OF COST RECORDS

The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and the said cost records are made and maintained.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statement is not applicable to the Company.

ANNUAL RETURN

The Annual Return of the Company in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, will be made available on the website of the Company at www.gujaratpolysol.com.

ACKNOWLEDGEMENT

Your directors' wishes to place on record its sincere thanks to all the Customers, Suppliers, Employees and Government Authorities for extending support to your Company. The Board also places on record its sincere appreciation of the contribution made by all the stakeholders for placing their faith and trust on the Board.

Place: Vapi
Date: 29.07.2022

By Order of the Board of Directors
For Gujarat Polysol Chemicals Limited

Gujarat Polysol Chemicals Limited VAPI

Shaileshkumar Balvantrai Desai
Chairman And Managing Director
DIN: 00266938

ANNEXURE-A

DISCLOSURE OF REMUNERATION OF EMPLOYEES COVERED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

No.	Names of the employees	Designation of the employee;	Remuneration received (Rs in Lakhs)	Nature of employment, whether contractual or otherwise	Qualifications and experience	Date of commencement of employment;	The age of such employee;	Last employment	Percentage of equity shares held	Relation with director or manager of the company and if so, name of such director or manager:
1	Rajesh Shyambadan Singh	Chief Executive Officer (CEO)	137.81	Regular	Ph.D. in Chemistry	01-12-2014	53 Years	South India Cashew Corporation	NIL	N. A
2	Shaileshkumar Balvantrai Desai	Chairman & Managing Director	60.00	Regular	B. Com	18-10-1989	70 Years	N. A	66.88	Father of Umang Desai and Bhavisha Desai
3	Uzair Zahidbhai Shaikh	President - Operations	53.99	Regular	BSC	01-10-2006	48 Year	Jaysynth Dyestuff (India) Ltd	NIL	N. A
4	Zubair Shaikh	President - Technical	37.81	Regular	PhD (Chemistry), MSC	01-04-2020	40 Year	Otsuka Chemicals (India) Pvt Ltd.	NIL	N. A

5	Umang Shailesh Desai	Wholetime Director	36.00	Regular	B. Com	01-01-2012	39 Years	N. A	16.51	Son of Shailesh Desai and Brother of Bhavisha Desai
6	Rakesh Sharma	President- Sales	25.45	Regular	B. Com	27-12-2011	41 Year	Team Ferro Alloys Pvt. Ltd	NIL	N. A
7	Bhavisha Desai	Wholetime Director	20.70	Regular	BDS	13-09-2021	32 Years	N. A	4.96	Daughter of Shailesh Desai and Sister of Umang Desai
8	Dipakkumar Mohanlal Sanghani	Chief Financial Officer, Company Secretary & Complaince Officer	18.08	Regular	CMA, CS, CA Inter, B.Com.	01-02-2021	34 Year	Proprietor of DM Sanghani & Co., Cost Accountant	NIL	N. A
9	Sanket Goradia	Deputy General Manager-Sales	14.84	Regular	B. Com	03-12-2016	32 Year	BMV Overseas Pvt. Ltd.	NIL	N. A
10	Vinod Sharma	Chief Human Resources Officer	12.93	Regular	B.COM, PDGIRPM & MSW	02-01-2020	53 Year	Siyaram Silk Mills Ltd	NIL	N. A

Gujarat Polysol Chemicals Limited VAPI

Gujarat Polysol Chemicals Limited VAPI

Nitesh P. Shah
A.C.S.
COMPANY SECRETARY
C-604, SHASHWAT SKYZ, NEAR AMBALAL PARK,
MAHAVIR NAGAR, SABARMATI, AHMEDABAD-380005.
(M) 09429213780 E-mail : niteshshah16@gmail.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 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 POLYSOL CHEMICALS LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GUJARAT POLYSOL CHEMICALS LIMITED (hereinafter referred to as "the company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by GUJARAT POLYSOL CHEMICALS LIMITED ("the Company") for the financial year ended on 31st March, 2022 according to the provisions of:

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CP No.13222
COMPANY SECRETARIES

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not Applicable**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable**
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable**
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable**
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable** and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**
- The Boilers Act, 1923

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Mem. No. ACS 35681
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COMPANY SECRETARIES

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

I 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 period 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 and detailed notes on agenda were sent at least seven days in advance except in the case of six Board Meetings viz 21/08/2021, 16/09/2021, 21/09/2021, 26/09/2021, 14/02/2022 and 24/03/2022 which were called and held by giving shorter notice, 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I 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.

I further report that during the audit period the Company has following specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above:-

1. Mr. RAJESH SHYAMBADAN SINGH (PAN: AKYPS3146D) was appointed as Chief Executive Officer of the Company w.e.f. 01st April, 2021.

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2. The Authorized Share Capital of the Company was reclassified from Rs. 8,25,00,000/- (Rupees Eight crore Twenty Five lacs only) of the Company consisting of 8,15,000 (Eight lacs Fifteen thousand) Equity Shares of Rs. 100/- each, 7,500 (Seven thousand Five hundred) 10% Non Cumulative Redeemable Preference Shares of Rs. 100/- each and 2,500 (Two thousand Five hundred) Unclassified Shares of Rs 100/- each to Rs. 8,25,00,000/- (Rupees Eight crore Twenty Five lacs only) divided into 8,25,000 (Eight lacs Twenty Five thousand) Equity Shares of Rs. 100/- each in the Extraordinary General Meeting of the Company held on 15th April, 2021.
3. The Share Capital of the Company have been sub divided from the each of the Equity Share of the Company having a face value of Rs 100/- each in the Equity Share Capital of the Company into 10 (Ten) Equity Shares having a face value of Rs 10/- each ("Sub-division") in the Extraordinary General Meeting of the Company held on 15th April, 2021.
4. The Authorized Share Capital of the Company is increased from Rs 8,25,00,000.00 (Rupees Eight crore Twenty Five lacs only) divided into 82,50,000 (Eighty Two lacs Fifty thousand) equity shares of Rs 10/- (Rupees Ten only) to Rs 35,00,00,000.00 (Rupees Thirty Five crore only) divided into 3,50,00,000 (Three crore Fifty lacs) equity shares of Rs 10/- (Rupees Ten only) each ranking *pari-passu* with the existing shares in all respects in the Extraordinary General Meeting of the Company held on 15th April, 2021.
5. Mrs NILIMA SHAILESH DESAI (DIN: 05161183) has resigned as a Director of the Company w.e.f. 21st July, 2021.
6. The Company has issued 1,61,23,800 Bonus Equity Shares of Rs 10.00 (Rupees Ten only) each in the proportion of 4 bonus Equity Shares of Rs 10.00 each for every 1 bonus Equity Shares of Rs 10.00 held by the Members of the Company and the said Equity Shares were allotted on 04th September, 2021.
7. Ms BHAVISHA SHAILESHBHAI DESAI (DIN: 08780032) has been appointed as an Additional Director of the Company w.e.f. 13th September, 2021.
8. Ms BHAVISHA SHAILESHBHAI DESAI (DIN: 08780032) has been appointed as a Whole-Time Director of the Company for a period of five years w.e.f. 21st September, 2021 subject to approval of members of the Company in the General Meeting for regularization of her as a Director.
9. The approval of members of the Company was received in the Extraordinary General Meeting of the Company held on 21st September, 2021 to convert the Company into Public Company limited by Shares.

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10. The approval of members of the Company was received adoption of new Set of Articles of Association in the Extraordinary General Meeting of the Company held on 21st September, 2021.

11. Ms SANDHYA MAHESH BORSE (DIN: 08874647) was appointed as an Independent Director of the Company in the Extraordinary General Meeting of the Company held on 21st September, 2021 for the term of five years w.e.f. 21st September, 2021.

12. Mr VIJAY GOPI KISHAN AGARWAL (DIN: 00058548) was appointed as an Independent Director of the Company in the Extraordinary General Meeting of the Company held on 21st September, 2021 for the term of five years w.e.f. 21st September, 2021.

13. The appointment of Mr SHAILESHKUMAR BALVANTRAI DESAI was ratified as a Managing Director of the Company for the term of Five years in the Extraordinary General Meeting of the Company held on 21st September, 2021.

14. The appointment of Mr UMANG SHAILESH DESAI was ratified as a Whole-Time Director of the Company for the term of Five years in the Extraordinary General Meeting of the Company held on 21st September, 2021.

15. Mr JAGDISH LALBHAI SHAH (DIN: 00045662) was appointed as an Independent Director of the Company in the Extraordinary General Meeting of the Company held on 18th October, 2021 for the term of five years w.e.f. 18th October, 2021.

16. Approval of Members of the Company was obtained to borrow in excess of limits under Section 180(1)(c) of the Companies Act, 2013 in the Extraordinary General Meeting of the Company held on 18th October, 2021.

17. Approval of Members of the Company was obtained to sell, lease or otherwise dispose of the undertaking of the Company under Section 180(1)(a) of the Companies Act, 2013 in the Extraordinary General Meeting of the Company held on 18th October, 2021.

18. Approval of Members of the Company was obtained to make loan, investment, give guarantee or provide security in excess of the limits under Section 186 of the Companies Act, 2013 in the Extraordinary General Meeting of the Company held on 18th October, 2021.

19. Approval of the members of the Company is obtained to raise capital by issue of further shares through Initial Public Offer and offer for sale by the existing shareholders of the Company.

20. Ms BHAVISHA SHAILESHBHAI DESAI (DIN: 08780032) was regularized as a Director of the Company in the Extraordinary General Meeting of the Company held on 16th

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February, 2022.

21. The Company has approved the Draft red Herring Prospectus in the Board Meeting held on 24th March, 2022 and the same was filed with Securities Exchange Board of India (SEBI) on the same day.

Date: 25th July, 2022	Signature	:
Place: Ahmedabad	Nitesh P. Shah	
	Company Secretary	
	ACS No	: A35681
	C P No.	: 13222
	PR	: 746/2020
	UDIN	: A035681D000681251

NITESH P. SHAH • Mem. No. ACS 35681 CP No.13222 • COMPANY SECRETARIES

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

'ANNEXURE A'

To,
The Members,
GUJARAT POLYSOL CHEMICALS LIMITED
PLOT NO 1734, THIRD PHASE, G.I.D.C, VAPI-396195

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. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, I 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. My 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.

NITESH P. SHAH
Mem. No. ACS 35681
CP No.13222
COMPANY SECRETARIES

Date: 25th July, 2022
Place: Ahmedabad

Signature : ....
Nitesh P. Shah
Company Secretary
ACS No : A35681
C P No. : 13222
PR : 746/2020

ANNEXURE -C

Annual Report on Corporate Social Responsibilities (CSR) Activities for the financial year ended March 31, 2022

1. Brief outline on CSR Policy of the Company:

As per CSR Policy, the Company contributes in the activities covered in Schedule VII to the Companies Act, 2013, as amended from time to time. The Company has formed a CSR policy in compliance with the provisions of the Companies Act, 2013. Detailed CSR Policy of the Company is uploaded on the website of the Company.

2. Composition of the CSR Committee as on End of Financial Year:

Sr. No	Name of Member	Designation in Committee	Number of meetings held during the year	Number of meetings attended during the year
1.	Shaileshkumar Balvantrai Desai	Chairperson	2	2
2.	Umang Shailesh Desai (w.e.f 14.02.2022)	Member	2	2
3.	Jagdish Lalbhai Shah (w.e.f 19.10.2021)	Member	2	N. A
4.	Sandhya Mahesh Borase (Up to 19.10.2021)	Member	2	N. A
5.	Bhavisha Shaileshbhai Desai (21.09.21 to 14.02.2022)	Member	2	N. A

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

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

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

Sl. No.	Financial year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
Not Applicable			

6. Average net profit of the company as per section 135(5): **Rs 32,35,50,429/-**

7. Particulars of CSR:

a) Two percent of average net profit of the company as per section 135(5): **Rs 64,71,009/-**

b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

c) Amount required to be set off for the financial year, if any: **Nil**

d) (d) Total CSR obligation for the financial year (7a+7b-7c): **Rs.64,71,009/-**

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

Total Amount Spent for the Financial Year. (In Rs.)	Amount Unspent (In Rs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer
Rs. 67,28,512	0.00	0.00	0.00	0.00	0.00

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
Not Applicable												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (In Rs.)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
1.	Savli Taluka Rifle Association	Training to promote Sports	No	Gujarat	Vadodara	5,00,000	No	Savli Taluka Rifle Association	CSR00005679

2.	Ashadham Seva Mandal	Promoting education	Yes	Gujarat	Valsad	50,00,000	No	Ashadham Seva Mandal, Vapi	CSR00024417
3.	Apprentices Training over and above the Statutory requirements.	Skill and Training	Yes	Gujarat	Valsad	12,28,512	Yes	Direct by Company	NA
TOTAL						**67,28,512**			

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs 67,28,512/-**

(g) Excess amount for set off, if any:

Sl. No	**Particular**	**Amount (In Rs)**
(i)	Two percent of average net profit of the company as per section 135(5)	64,71,009
(ii)	Total amount spent for the Financial Year	67,28,512
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,57,503
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	8,611
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,66,114

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
Not Applicable							

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

(1) Sl. No.	(2) Project ID.	(3) Name of the Project.	(4) Financial Year in which the project was commenced.	(5) Project duration.	(6) Total amount allocated for the project (in Rs.).	(7) Amount spent on the project in the reporting Financial Year (in Rs).	(8) Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	(9) Status of the project - Completed /Ongoing.
Not Applicable								

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable**

(asset-wise details).

a. Date of creation or acquisition of the capital asset(s). –

b. Amount of CSR spent for creation or acquisition of capital asset. –

c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. –

d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). –

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

Chairperson of CSR Committee
Shaileshkumar Balvantrai Desai

Chairman & Managing Director
Shaileshkumar Balvantrai Desai

ANNEXURE-D

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the 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.

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

Sr. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/ arrangements/ transaction	
c)	Duration of the contracts/ arrangements/ transactions	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
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.

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/Arrangements / transactions:	Duration of the contracts/ arrangements / transactions:	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1.	Shaileshkumar Balvantrai Desai (Promoter, Chairman & Managing Director of the Company)	Agreement to Purchase of the property from Related Party.	Not Applicable	Rs. 3.86 Crore	16-08-2021	Rs. 25.00 Lakh
2.	Shaileshkumar Balvantrai Desai (Promoter, Chairman & Managing Director of the Company)	Agreement to Sale the property to the Related Party.	Not Applicable	Rs. 20.06 Crore	16-08-2021	Rs. 50.00 Lakh
3.	M/s. Bhavisha Industries (Proprietorship firm of Whole time Director of the Company)	Memorandum of understanding to Purchase of the property from the firm.	Not Applicable	Rs. 19.74 Crore	16-08-2021	Rs. 45.00 Lakh

Gujarat Polysol Chemicals Limited VAPI

Place: Vapi
Date: 29.07.2022

Shaileshkumar Balvantrai Desai
Chairman & Managing Director
DIN: '00266938

GUJARAT POLYSOL
CHEMICALS LIMITED
CIN: U24231GJ1989PLC012892

STATUTORY AUDIT REPORT

OF

GUJARAT POLYSOL CHEMICALS LIMITED

FOR THE

FINANCIAL YEAR 2021-22

BY

J. V. VASANI & CO.
CHARTEREDACCOUNTANTS

Head Office:

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Contents

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J. V. VASANI & Co.
Chartered Accountants
॥ अक्षयं ते भविष्यति ॥

Independent Auditor's Report

To the Members of
Gujarat Polysol Chemicals Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Gujarat Polysol Chemicals Ltd ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total income, its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Financial statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key audit matters

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the financial statements of the current period. This matter was addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on this matter. We have determined the matter described as follows to be the key audit matter to be communicated in our report.

Key audit matter	Auditor's response
Discontinued Operations and Asset held for sale in relation to transfer of Lease hold Land and Building and Purchase of assets from related Party:	Our audit procedures included but not limited to: Obtained an understanding and assessed the effectiveness of process followed by the management in assessing the appropriateness of the Company's accounting policies in relation to discontinued operations and in relation to Purchase of Assets. Evaluated the basis of the management's

J. V. VASANI & CO. CHARTERED ACCOUNTANTS M. No. 047954

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Branches 2nd Floor, Sai Baba Appartment, Opp. Head Post Office, Valsad 396 001. valsad@jvvco.in 02632-242671

	assessment of treating the Land and Building and identified assets as Discontinued operations in accordance with the applicable accounting standards Performed procedures on the disclosures relating to discontinued operations and purchase of assets from related party made in the financial statements for assessing the compliance with disclosure requirements.

Emphasis of matter

a. We draw attention to Note no. 53of the financial statement which describes management's assessment of the impact of the COVID-19 pandemic on the operations and financial results of the Company.

Our opinion is not modified in these matters.

Information other than the financial statements and Auditor's Report thereon

The Company's board of directors is responsible for the other information. The "Other Information" comprises of the Report ofthe Board of Directors, Management Discussions and Analysis, Corporate Governance, but does not includefinancial 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 or 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 Board of Directors of the Company 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, including other comprehensive income, cash flows and changes in equity 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 the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial statements

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

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

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

Auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they can 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:

a. 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.

b. Obtain an understanding of internal financial control 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.

c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.

d. Conclude on the appropriateness of use of the going concern basis of accounting by the Management and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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.

e. 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.

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f. Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial statements.

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

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

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

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 must not be communicated in our report because the adverse consequences of doing so will 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 attached **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit we report that:

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

b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.

c. Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Cash Flows and Statement of changes in equity dealt with by this Report are in agreement with the books of accounts.

d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the Directors as on March 31, 2022, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2022, from being appointed as a Director in terms of Section 164(2) of the Act.

J. V. VASANI & CO. CHARTERED ACCOUNTANTS M. No. 047954

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".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended.in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financialposition in its financial statements. Refer Note 47 to the financial statement.

   ii. The Company did not have any long-termcontracts including derivative contractsfor which there were any materialforeseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in note to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The Management has represented that, to the best of its knowledge and belief, as disclosed in note to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (c) Based on the audit procedures performed that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) of Rule 11(e) contain any material mis-statement.

J. V. VASANI & CO. M. No. 047954 CHARTERED ACCOUNTANTS

v. The Company has not declared or paid dividend during the year.

For J. V. Vasani& Co.
Chartered Accountant
ICAI Firm Registration Number: 114283W

Jignesh V. Vasani
Partner
Membership Number: 047954
UDIN: 22047954ANVOPD3696

Place:Vapi
Date: July 29, 2022

Annexure A

Companies Auditor's Report Order (CARO) rules, 2020

ANNEXURE(A) REFERRED TO IN PARAGRAPH 1 OF INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF GUJARAT POLYSOL CHEMICALS LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31st MARCH, 2022.

In terms of Companies (Auditor's Report) Order 2020, issued by the Central Government of India, in terms of section 143(11) of The Companies Act, 2013, we further report, on the matters specified in paragraph 3 and 4 of the said Order, that:-

1) **FIXED ASSET:**

   (i) (a)The company ismaintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.

   (b) The company is maintaining proper records showing full particulars of intangible assets.

   (ii)The Property, Plant & Equipment have been physically verified by the management at reasonable intervals.

   (iii) The title deeds of immovable properties shown in the financial statements are held in the name of the company.

   (iv) The company has not revalued its Property, Plant & Equipment or Intangibleassets or both during the year.

   (v)No proceedings have been initiated against the company for holding benamiproperty under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder and the details have been appropriately disclosed in the financial statements.

2) **INVENTORY:**

   (i) Physical verification of inventory has beenconducted at reasonable intervals bymanagement. In our opinion, the coverage and procedure by the management is appropriate. The aggregate of discrepancies of 10% or more in each class of inventory noticed have been properly dealt with in the books of account.

   (ii) The quarterly returns/statements filed by the company with banks/financial institutions are in agreement with the books of the company.

3) **LOAN GIVEN BY COMPANY:**

   The company has not made investments, provided any guarantee or security granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, LLPs, or any other parties.

4) **LOAN TO DIRECTOR AND INVESTMENT BY THE COMPANY:**

   In our opinion and according to the information and explanations given to us, the Company has not advanced any loan and not madeLoan and investmenton which provisions of Section 185 &186 of the Companies Actare applicable.

J. V. VASANI & CO. M. No. 047954 CHARTERED ACCOUNTANTS

5) **DEPOSITS:**

According to the information and explanation given to us, the company has not accepted any deposit in terms of Section 73 to 76 or any other relevant provisions of the Companies Act,2013and hence reporting under paragraph 3(v) of the order is not applicable.

6) **COST RECORDS:**

The company is required to maintain cost records as prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of specified products of the Company and the company has complied with the provisions the Companies Act, 2013.

7) **STATUTORY DUES:**

(i) The Company has been regular in depositing undisputed statutory dues Goods and Service tax, Provident Fund, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess Income-tax, and other material statutory dues applicable to it with the appropriate authorities. There are no undisputed statutory dues.

(ii)There were no undisputed amounts payable in respect of Goods and Service tax Provident Fund Income-tax Sales Tax Service Tax duty of Custom duty ofExcise Value Added Tax Cess and other material statutory dues in arrears as at March,31 2022 for a period of more than six months from the date they became payable.

According to records of the company, there are no statutory dues which havenot been deposited on account of any dispute except the following:

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending	Amount paid under Protest (Rs.)
Central Excise Act, 1944	The issue pertains to Valuation	1,42,99,944	F.Y.2015-16 to F.Y. 2017-18	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad	4,76,670
Income Tax Act 1961	TDS demands	22,57,150	F.Y.2007-08, TO 2011-12	TDS Ward,Valsad	-
Income Tax Act 1961	Disallowance u/s. 36(1)(va) on account of contribution of employee's provident fund	1,21,580	F.Y.2017-18	Commissioner of Income Tax (Appeals) National Faceless Appeal Centre	-

J. V. VASANI & CO. M. No. 047954 CHARTERED ACCOUNTANTS

** During the year under consideration Search u/s 132 under Income tax Act, 1962 was conducted from November 18, 2021 to November 21, 2021 on the Company, its related parties and on Directors. No declaration has been given in such Search conducted.

8) **DECALARATION OF INCOME:**

There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;

9) **REPAYMENT OF LOAN:**

(i) According to information and explanations given to us and records of the company examined by us, the company has not defaulted in repayment of dues any financial institution or bank or debenture holders.

(ii) The company has notbeen declared as a willful defaulter by any bank orfinancial institution or other lender.

(iii) The term loans have been utilized for the purposes for which they were obtained.

(iv) The funds raised on short term basis have not been utilized for long term purposes.

(v) The Company has not taken any funds from any entity or person on accountof or to meet the obligations of its subsidiaries, associates or joint ventures.

(v) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

10) **UTILIZATION OF INITIAL PUBLIC OFFER (IPO) AND FURTHER PUBLIC OFFER (FPO):**

(i) In our opinion and according to information and explanations given to us, the term loans have been applied by the company for the purposes for which the same were obtained. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

During the year under consideration company has filed Draft Red Hearing Prospectus (DRHP) with Securities and Exchange Board of India (SEBI), National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and also obtained the in principle approval and observation letter for the same as on date and has planning of listing of share in the stock exchange in future.

(ii) The Company has not made any preferential allotmentor private placement of shares/fully or partially oroptionally convertible debentures during the yearunder consideration.

11) **REPORTING OF FRAUD:**

(i) Based upon the audit procedures performed and information and explanationsgiven to us by the management, we report that no fraud by the company or on the company by its officers/employeeshave not been noticed or reported during the course of our audit.

(ii) During the year No any report under sub-Section (12) of Section 143 of the Companies Act hasbeen filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.

(iii) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

J. V. VASANI & CO. M. No. 047954 CHARTERED ACCOUNTANTS

12) NIDHI COMPANY:

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

13) RELATED PARTY TRANSACTIONS:

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

14) INTERNAL AUDIT SYSTEM:

(i) During the year under consideration and as per the information and explanations the company hasmaintained the proper an internal audit system commensurate with the size and nature of its business.

(ii) We have considered the internal audit reports for the year under audit and till date in determining the nature timing and extent of our audit procedures.

15) NON CASH TRANSACTION:

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

16) REGISTER UNDER RBI ACT:

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

17) CASH LOSS:

In our opinion and according to the information, explanations and previous financial statement given to us the company hasnot incurredany cash losses in the current Financial Year and immediately preceding Financial Year.

18) RESIGNATION OF STATUTORY AUDITOR:

As per the Information and documentation produced before us during the year under consideration there has notbeen any resignation of the statutory auditors during the year.

19) FINANCIAL RATIOS:

On the basis of the financial ratios ageing and expected dates of realization of financial assets and payment of financial liabilities other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not 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. We however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

J. V. VASANI & CO. M. No. 047954 CHARTERED ACCOUNTANTS

20) CORPORATE SOCIAL REPONSIBILITY:

The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account incompliance with the provision of sub- section (6) of Section 135 of the said Act. Accordingly reporting under Clause 3(xx) of the Order is not applicable for the year.

21) QUALIFICATION AND ADVERSE REMARKS:

As per our opinion explanation and information given to us there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For J. V. Vasani& Co.
Chartered Accountants
ICAI Firm Registration Number: 114283W

(Jignesh V. Vasani)
Partner
M. No. 047954
UDIN: 22047954ANVOPD3696
Date: July 29, 2022
Place: VAPI

J. V. VASANI & CO. CHARTERED ACCOUNTANTS M. No. 047954

<u>Annexure B</u>

TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in para 2(f) under 'Report on other legal and regulatory requirements' section of our report of even date.

Report on the internal financial controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the Act)

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

Management's responsibility for internal financial controls

The Management of the Company 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 (the Guidance Note) 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 policies of the Company, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's responsibility

Our responsibility is to express an opinion on the internal financial controls of the Company over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of internal financial controls over financial reporting

The internal financial control over financial reporting of a company is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with the Generally Accepted Accounting Principles. Internal financial control over financial reporting of a Company includes those policies and procedures that i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with the 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 iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the assets of the Company that can have a material effect on the Standalone Financial Statement

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, to the best of our information and according to the explanations given to us, 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 financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For J. V. Vasani& Co.
Chartered Accountant
ICAI Firm Registration Number: 114283W

J. V. VASANI & CO. M. No. 047954 CHARTERED ACCOUNTANTS

Jignesh V. Vasani
Partner
Membership Number: 047954
UDIN:22047954ANVOPD3696

Place: Vapi
Date: July 29, 2022

GUJARAT POLYSOL CHEMICALS LIMITED
(Formerly known as GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED) (CIN :U24231GJ1989PLC012892)
Balance Sheet as at 31st March,2022

(₹ in million)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	5	782.89	587.82	469.61
(b) Investment Property	6	-	174.70	177.00
(c) Other Intangible assets	7	1.66	1.27	-
(d) Financial Assets	8			
(i) Investments		0.00	0.00	0.00
(iii) Other Financial Assets		18.45	15.98	13.41
(e) Other non-current assets	9	45.33	10.57	3.88
Total non-current assets		848.33	790.34	663.90
(2) Current Assets				
(a) Inventories	10	471.16	405.12	328.85
(b) Financial Assets				
(i) Trade receivables	11	1,524.84	1,679.41	1,479.06
(ii) Cash and cash equivalents	12	62.30	8.93	13.48
(iii) Other bank balances	13	58.62	40.05	58.71
(iv) Loans	14	5.13	2.56	6.27
(v) Other Financial Assets	15	21.67	11.30	10.80
(c) Current Tax Assets (Net)	16	-	-	12.14
(d) Other current assets	17	413.11	207.08	92.21
Total current assets		2,556.84	2,354.46	2,001.53
Assets classified as held for sale	18	173.55	-	-
Total assets		3,578.72	3,144.79	2,665.43
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	19	201.55	40.31	26.39
(b) Other Equity	20	1,610.87	1,381.29	909.49
Total equity		1,812.42	1,421.60	935.88
Liabilities				
(1) Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	419.11	377.94	340.27
(b) Provisions	22	0.23	0.23	0.32
(c) Deferred tax liabilities (Net)	23	47.71	35.21	28.89
Total non-current liabilities		467.06	413.38	369.48
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	24	511.41	393.47	354.17
(ii) Trade payables	25			
(A) due to micro enterprises and small enterprises				
(B) due to other than micro enterprises and small enterprises		723.93	886.95	899.06
(iii) Other financial liabilities	26	14.39	8.94	91.67
(b) Other current liabilities	27	39.97	16.41	14.29
(c) Provisions	28	3.16	1.27	0.87
(d) Current Tax Liabilities (Net)	29	6.38	2.77	-
Total Current Liabilities		1,299.24	1,309.81	1,360.07
Total Equity and Liabilities		3,578.72	3,144.79	2,665.43
The Accompaning Notes 1-60 form an integral part of these Financial Statements	1-60			

As per our report of even date attached

For J. V. Vasani & Co.
Chartered Accountants
FRN NO : 114283W

J. V. VASANI & CO. CHARTERED ACCOUNTANTS M. No. 047954

Jignesh Vasani
Partner
Membership No.: 047954
Place: Vapi
Date: 29-07-2022

UDIN : 22047954ANVOPD3696

For and on behalf of the Board of Directors of
Gujarat Polysol Chemicals Limited

Shailesh Desai
Managing Director
DIN: 00266938
Place: Vapi
Date: 29-07-2022

Umang Desai
Whole Time Director
DIN: 05161181
Place: Vapi
Date: 29-07-2022

GUJARAT POLYSOL CHEM. VAPI

Rajesh Singh
Chief Executive Officer

Place: Vapi
Date: 29-07-2022

Dipak Sanghani
CFO & Company Secretary
Membership No: 50568
Place: Vapi
Date: 29-07-2022

GUJARAT POLYSOL CHEMICALS LIMITED

(Formerly known as GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED) (CIN :U24231GJ1989PLC012892)

Statement of Profit and Loss for the year ended 31st March,2022

(₹ in million)

	Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021*
I	Revenue from operations	30	4,347.61	3,796.06
II	Other income	31	17.08	8.26
III	**Total income (I+II)**		**4,364.69**	**3,804.32**
IV	**EXPENSES**			
	Cost of materials consumed	32	3,001.01	2,233.19
	Purchase of Stock in trade	33	217.31	555.64
	Changes in Inventories of finished goods, Stock- in- trade and work-in-progress	34	(41.33)	(14.09)
	Employee benefits expense	35	133.06	70.88
	Finance costs	36	79.40	77.37
	Depreciation and amortisation expense	37	39.59	30.88
	Other expenses	38	407.66	307.62
	Total expenses (IV)		**3,836.70**	**3,261.49**
V	**Profit before tax (III-IV)**		**527.99**	**542.82**
VI	**Tax expense:**	39		
			128.07	135.34
			13.22	6.52
VII	**Profit for the Year from Continuing Operations (V-VI)**		**386.70**	**400.96**
VIII	Profit from discontinued operations	40	11.72	-
IX	Tax expense of discontinued operations		2.95	-
X	**Profit from Discontinued Operations (after tax)(VIII-IX)**		**8.77**	-
XI	**Profit After Tax (VII+X)**		**395.47**	**400.96**
XII	**Other comprehensive income**	41		
	A (i) Items that will not be reclassified to profit or loss		(2.16)	(0.81)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.54	0.20
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XIII	**Total Comprehensive Income for the Year (XI+XII)**		**393.86**	**400.35**
XIV	**Earnings per equity share Face Value Rs. 10 Fully Paid Up**	42		
	Basic in Rs.		19.62	21.11
	Diluted in Rs		19.62	19.89
	Significant Accounting Policies	1		

The Accompaning Notes 1-60 form an integral part of these Financial Statements

* Restated as per Ind AS on adoption of Ind AS

As per our report of even date attached

For J. V. Vasani & Co.
Chartered Accountants
FRN NO : 114283W

J. V. VASANI & CO. CHARTERED ACCOUNTANTS M. No. 047954

Jignesh Vasani
Partner
Membership No.: 047954
Place: Vapi
Date: 29-07-2022

UDIN : 22047954ANVOPD3696

For and on behalf of the Board of Directors of Gujarat Polysol Chemicals Limited

Shailesh Desai
Managing Director
DIN: 00266938
Place: Vapi
Date: 29-07-2022

Umang Desai
Whole Time Director
DIN: 05161181
Place: Vapi
Date: 29-07-2022

GUJARAT POLYSOL CHEMICALS VAPI

Rajesh Singh
Chief Executive Officer

Place: Vapi
Date: 29-07-2022

Dipak Sanghani
CFO & Company Secretary
Membership No: 50568
Place: Vapi
Date: 29-07-2022

GUJARAT POLYSOL CHEMICALS LIMITED

(Formerly known as GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED) (CIN :U24231GJ1989PLC012892)

Statement of Cash Flows for the year ended 31st March, 2022

(₹ in million)

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021*
[A]	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax from continuing operations	**527.99**	**542.82**
	Adjustments to reconcile profit before tax to net cash flows:		
	Profit from discontinued operations	11.72	-
	Non-Cash Items	44.28	31.84
	Non Operating Items	67.72	73.57
	Remeasurement of Defined Benefit Plan	(2.16)	(0.81)
	Operating Profit/(Loss) before changes in Working Capital	**649.55**	**647.42**
	Working capital adjustments:		
	(Increase)/ Decrease in Non Current / Current Assets:		
	Inventories	(66.04)	(76.27)
	Trade receivables	149.45	(200.35)
	Other financials assets	(15.45)	1.03
	Other non financial assets	(204.29)	(114.87)
	Increase / (Decrease) in Non Current / Current Liabilities:		
	Trade Payables	(163.02)	(12.11)
	Other Financial Liabilities	5.45	(31.10)
	Other Non Financial Liabilities & Provisions	25.45	2.42
		381.09	**216.17**
	Cash Flow from operations after changes in Working Capital		
	Income tax (paid)/ Refund	(124.11)	(120.44)
	Net cash flows from operating activities (A)	**256.98**	**95.73**
[B]	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of property, plant and equipment (including CWIP)	(275.98)	(156.45)
	Sale/Adjustment of Property, plant and equipment	12.61	0.74
	Interest received (finance income)	2.28	3.77
	Bank Balances not considered as Cash and Cash Equivalents	(22.24)	18.66
	Net cash flows used in investing activities (B)	**(283.33)**	**(133.28)**
[C]	CASH FLOW FROM FINANCING ACTIVITIES		
	Impact due to business combination	-	85.37
	Proceeds / (Repayment) from borrowing (net)	159.12	76.97
	Interest & financial charges	(79.40)	(129.34)
	Net cash flows from/(used in) financing activities (C)	**79.72**	**33.00**
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**53.37**	(4.56)
	Cash and cash equivalents at the beginning of the year	**8.93**	**13.48**
	Cash and cash equivalents at year end	**62.30**	**8.93**
Notes:			
1	**Cash & Bank Balances consists of the following:**		
	Cash & Cash Equivalents		
	a. Balances with Banks	61.26	7.94
	b. Cash on hand	1.04	0.99
	Closing Cash & Cash Equivalents	**62.30**	**8.93**
2	The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Indian Accounting Standards (Ind AS) - 7 "Statement of Cash Flows"		

The Accompaning Notes 1-60 form an integral part of these Financial Statements

* Restated as per Ind AS on adoption of Ind AS

As per our report of even date attached
For J. V. Vasani & Co.
Chartered Accountants
FRN NO : 114283W

J. V. VASANI & CO. CHARTERED ACCOUNTANTS M. No. 047954

Jignesh Vasani
Partner
Membership No.: 047954
Place: Vapi
Date: 29-07-2022

UDIN : 22047954ANVOPD3696

For and on behalf of the Board of Directors of
Gujarat Polysol Chemicals Limited

GUJARAT POLYSOL CHEMICALS LTD. VAPI

Shailesh Desai	**Umang Desai**
Managing Director	**Whole Time Director**
DIN: 00266938	**DIN: 05161181**
Place: Vapi	**Place: Vapi**
Date: 29-07-2022	**Date: 29-07-2022**
Rajesh Singh	**Dipak Sanghani**
Chief Executive Officer	**CFO & Company Secretary**
	Membership No: 50568
Place: Vapi	**Place: Vapi**
Date: 29-07-2022	**Date: 29-07-2022**

GUJARAT POLYSOL CHEMICALS LIMITED

Statement of Changes in Equity for the year ended 31st March, 2022

A. Equity Share Capital

(₹ in million)

Particulars	Equity Share Capital
Balance as at 1st April, 2018	26.19
Additions/deletions	-
Balance as at 1st April, 2019	26.19
Issue of Equity Shares	0.20
Balance as at 1st April, 2020	26.39
Issue of Equity Shares pursuant to Private Placement (Refer Note: 51)	13.92
Balance as at 1st April, 2021	40.31
Issue of Bonus shares	161.24
Balance as at 31st March, 2022	201.55

B. Other Equity

(₹ in million)

Particulars	Reserve & Surplus								Total Other Equity
	Capital reserve - Common Control	Securities Premium Account	Retained Earnings	Revaluation Reserve	Capital Redemption Reserve	Cash subsidy	Share application pending allotment	General Reserve	
Balance as at 1st April, 2018	(339.87)	184.16	264.76	174.76	1.50	0.58	313.26	28.78	627.93
Movement during the year:									
Profit for the year		-	128.00	-	-				128.00
Additions / (deductions)	(48.21)					(0.58)		-	(48.79)
Remeasurement benefit of defined benefit plans			(0.11)						(0.11)
Balance as at 31st March, 2019	(388.08)	184.16	393.87	174.76	1.50	-	313.26	28.78	707.03
Balance as at 1st April, 2019	(388.08)	184.16	393.87	174.76	1.50	-	313.26	28.78	708.25
Movement during the year:									
Profit for the year	-	3.48	200.80	-	-	-	-	-	204.28
Additions / (deductions)	(3.39)	-	-	-	-	-	-	-	(3.39)
Remeasurement benefit of defined benefit plans	-	-	0.34	-	-	-	-	-	0.34
Balance as at 1st April, 2020	(391.46)	187.64	595.01	174.76	1.50	-	313.26	28.78	909.49
Balance as at 1st April, 2020	(391.46)	187.64	595.01	174.76	1.50	-	313.26	28.78	909.49
Movement during the year:	-	-	-	-	-	-	-	-	
Profit for the year	-	299.34	400.96	-	-	-	-	-	700.30
Additions / (deductions)	85.37	-	-	-	-	-	(313.26)	-	(227.89)
Remeasurement benefit of defined benefit plans	-	-	(0.60)	-	-	-	-	-	(0.60)
Balance as at 31st March, 2021	(306.10)	486.98	995.36	174.76	1.50	-	-	28.78	1,381.29
Balance as at 1st April, 2021	(306.10)	486.98	995.36	174.76	1.50	-	-	28.78	1,381.29
Movement during the year:	-	-	-	-	-	-	-	-	
Profit for the year	-	-	395.47	-	-	-	-	-	395.47
Utilised for issue of Bonus shares	-	(159.74)	-	-	(1.50)	-	-	-	(161.24)
Remeasurement benefit of defined benefit plans	-	-	(1.61)	-	-	-	-	-	(1.61)
Difference of Employee Benefit paid and booked	-	-	(3.04)	-	-	-	-	-	(3.04)
Balance as at 31st March, 2022	(306.10)	327.24	1,386.18	174.76	-	-	-	28.78	1,610.87

The Accompaning Notes 1-60 form an integral part of these Financial Statements

As per our report of even date attached

For J. V. Vasani & Co.
Chartered Accountants
FRN NO : 114283W

Jignesh Vasani
Partner
Membership No.: 047954
Place: Vapi
Date: 29-07-2022

UDIN : 22047954ANVOPD3696

J. V. VASANI & CO. M. No. 047954 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Gujarat Polysol Chemicals Limited

Shailesh Desai
Managing Director
DIN: 00266938
Place: Vapi
Date: 29-07-2022

Umang Desai
Whole Time Director
DIN: 05161181
Place: Vapi
Date: 29-07-2022

GUJARAT POLYSOL VAPI

Rajesh Singh
Chief Executive Officer
Place: Vapi
Date: 29-07-2022

Dipak Sanghani
CFO & Company Secretary
Membership No: 50568
Place: Vapi
Date: 29-07-2022

GUJARAT POLYSOL CHEMICALS LIMITED
(Formerly known as GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED)
(CIN: U24231GJ1989PLC012892)

1. Corporate Information

Gujarat Polysol Chemicals Limited (the Company) is a Large enterprise and located in notified industrial estate, GIDC Vapi, District Valsad, Gujarat, India doing manufacturing activity of agro chemicals, construction chemicals & leather chemicals etc. and two other manufacturing units at Sarigam, District Valsad, Gujarat & Dadra, Union Territories of Daman and Diu & Dadra Nagar Haveli.

The Financial Statements have been authorized for issue in accordance with a resolution passed in Board Meeting held on 29th July 2022.

2 Statement of Compliance

The financial statements have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable to the financial statements.

3 Basis of Preparation of Accounts

The financial statements have been prepared on accrual basis and under historical cost basis, except for the following assets and liabilities which have been measured at fair value
Certain financial assets (except trade receivables and contract assets which are measured at transaction cost) and liabilities (including derivative) are measured at fair value.
Defined benefits obligations at present value.

4 Significant Accounting Policies.

First Time Adopter (FTA)

The Company adopted IND AS for the first time during the financial year 31st March, 2022. Date of transition is 1st April, 2020. The Company has restated the financials of financial year 2020-21.

a. Functional Currency.

The financial statements are presented in INR which is also the Company's functional currency and all values are rounded to the nearest million (INR 000,000), except when otherwise indicated.

b. Significant accounting estimates, assumptions and judgments

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

J. V. VASANI & CO. CHARTERED ACCOUNTANTS M. No. 047954

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

Defined benefit plans (gratuity benefits)

A liability in respect of defined benefit plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments which arise from the fund at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service. Refer note 44 for details of the key assumptions used in determining the accounting for these plans

Useful economic lives of Property, plant and equipment

Property, plant and equipment as disclosed are depreciated over their useful economic lives. Management reviews the useful economic lives at least once a year and any changes could affect the depreciation rates prospectively and hence the asset carrying value.

Intangible assets

Intangible development costs are capitalised as and when technical and commercial feasibility of the asset is demonstrated, and future economic benefits are probable. The costs which can be capitalised include laboratory testing expenses that are directly attributable to development of the asset. Research costs are expensed as incurred. Intangible assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. for the estimated useful life of Intangible assets. The carrying value of Intangible assets has been disclosed in note 7.

Impairment of non- financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from

J. V. VASANI & CO. CHARTERED ACCOUNTANTS M. No. 047954

other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are Corroborated by valuation multiples, quoted share price for publicly traded subsidiaries or other available fair value indicators.

Summary of Significant accounting policies

a. Business Combination

Business Combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. Business Combination involving entities or businesses under common control shall be accounted for using the pooling of interest method based on the predecessor values retrospectively for all periods presented.

The pooling of interest method is considered to involve the following:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonies accounting policies and tax adjustments if any.

(iii) The components of other equity of the acquired companies are added to the same components within other equity except that any share capital and investments in the books of the acquiring entity is cancelled and the differences, if any, is adjusted in the opening retained earnings.

(iv) The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

b. Current Vs. Non-Current classification:

The Company presents assets and liabilities in the statement of Assets and Liabilities based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period A liability is treated as current when it is:
- Expected to be settled in normal operating cycle
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

J. V. VASANI & CO.
M. No. 047954
CHARTERED ACCOUNTANTS

All other assets and liabilities are classified as non-current assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c. Revenue recognition

Revenue from contract with customer is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

1) Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on dispatch/ delivery of the goods or terms as agreed with the customer. The normal credit term is 30 to 180 days from the date of dispatch. The company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any

(i)Variable consideration

If the consideration in a contract includes a variable amount, the company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at the time of completion of performance obligation and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with cash discount in accordance with the company policy. The cash discount component gives rise to variable consideration.

(ii)Volume rebates

The Company provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract.

(iii)Contract assets

A contract asset is the right to consideration in exchange for goods transferred to the customer. If the Company performs its obligation by transferring goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(a) Trade receivables A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the

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consideration is due). Refer to accounting policies of financial assets in (Financial instruments – initial recognition and subsequent measurement.

2) **Interest Income**

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

3) **Export Incentives**

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same and is included in revenue in the statement of profit and loss due to its operating nature.

4) **Dividend**

Dividend income is recognised when the right to receive the same is established, which is generally when shareholders approve the dividend.

5) **Insurance Claims**

Claims receivable on account of insurance are accounted for to the extent the Company is virtually certain of their ultimate collection

6) **Rental income**

Rental income arising from operating leases is accounted on the basis of lease terms and is included in other income in the statement of profit and loss.

d. Foreign Currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency. Transactions and Balances Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition.

However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of

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the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit or loss are also recognised in OCI or profit or loss, respectively).

e. Fair Value Measurement

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participants that would use the asset in its highest and best use.

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 under, 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.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The management comprises of the Managing Director, Chief Executive Officer (CEO) and Chief Finance Officer (CFO).

External valuers are involved for valuation of significant assets. Involvement of external valuers is decided upon annually by the board of directors after discussion with and approval by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The

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management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions.
- Quantitative disclosures of fair value measurement hierarchy.
- Investment in equity shares.
- Financial instruments (including those carried at amortised cost).

f. Property, Plant and Equipment

Property, plant and equipment (PPE) and capital work in progress is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date. Items of stores and spares that meet the definition of Property, Plant and equipment are capitalised at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as prescribed under Part C of Schedule II of the Companies Act 2013 except for assets where management believes and based on independent technical evaluation, assets estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Leasehold land is amortized over the lease period on a straight line basis.

The residual values are not more than 5% of the original cost of the item of Property, Plant and Equipment. The residual values, useful lives and methods of depreciation of property, plant and

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equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The depreciation rates charged are over following estimated useful lives

Assets	Estimate Useful life
Right to use – Lease hold land	99 years
Right to use – building	9 years
Building	30 years
Plant & Machinery	15 years
Storage tank	20 years
Furniture and fixtures	22 years
Vehicles	10 years
Computers	8 years
Other Equipments	3 years

g. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Cost include acquisition and other incidental cost related to acquiring the intangible asset. Research costs are expensed as incurred. Intangible development costs are capitalised as and when technical and commercial feasibility of the asset is demonstrated and approved by authorities, future economic benefits are probable. The costs which can be capitalised include laboratory testing expenses that are directly attributable to development of the asset for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized. Research and development costs Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortization expense is recognised in the statement of profit and

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loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

A summary of the policies applied to the Company's intangible assets is as follows:

Assets	Amortization Method	Amortization period
Software licenses	On Straight Line basis	5 years
Product licenses	On Straight Line basis	5- 25 years
Usage rights	On Straight Line basis	5 years

Intangible assets under development Expenditure incurred on acquisition /development of intangible assets which are not ready for their intended use at balance sheet date are disclosed under intangible assets under development.

h. Investment in Subsidiaries, Jointly Controlled Entities and Associates

Investment in subsidiaries, jointly controlled entities and associates are measured at cost less impairment as per Ind AS 27- 'Separate Financial Statements'.

Impairment of investments: The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the statement of profit and loss. When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in statement of profit or loss.

i. Impairment of Non – Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's 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. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

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Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus

j. Financial Instrument

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. (A) Financial Asset Initial Recognition and Measurement At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Debt instruments at amortized cost

A 'debt instrument' is measured at its amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) 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 on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instrument at Fair Value through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is classified at FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at Fair Value through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has designated certain debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTOCI. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable.
If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.
Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when: The rights to receive cash flows from the asset have expired, or The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

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a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 (referred to as 'contractual revenue receivables' in these financial statements)

The company follows 'simplified approach' for recognition of impairment loss allowance on:
- Trade receivables and
- Other 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 ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

(B) Financial Liabilities Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings. Subsequent measurement of financial liabilities. The measurement of financial liabilities depends on their classification, as described below

Financial liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the

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near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Loan and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Trade and other payables

These amounts represent liability for good and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Derivatives and hedging activities

The Company uses derivative financial instruments, such as forward currency contracts, full currency swaps and interest rate swaps contracts to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognised in the statement of profit or loss.

Off-Setting Financial Instrument

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

k. Inventories

Stores and spares, packing materials and raw materials are valued at lower of cost or net realisable value and for this purpose, cost is determined on moving weighted average basis. However, the

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aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost. Semi-finished products, finished products and byproducts are valued at lower of cost or net realisable value and for this purpose, cost is determined on standard cost basis which approximates the actual cost. Variances, exclusive of abnormally low volume and operating performance, are adjusted to inventory. Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

l. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

m. Retirement and other Employee benefits

Provident Fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the statement of profit and loss in the year when employee rendered related services.

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post-employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The Company has other long-term employee benefits in the nature of leave encashment. The liability in respect of leave encashment is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The aforesaid leave encashment is funded with an insurance Company in the form of a qualifying insurance policy.

Re-measurements, comprising of actuarial gains and losses, the effect of asset ceiling, excluding amounts included in the net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Liabilities for wages, salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are to be settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

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n. Accounting for taxes on income

Income taxes Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets 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 deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

o. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pretax 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.

p. Contingent Liabilities

Provisions are not recognised for future operating losses. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed 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 is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

q. Leases

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether

(i) the contract involves the use of identified asset;
(ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and
(iii) The Company has right to direct the use of the asset.

Where the Company is the lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial

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direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments have been classified as financing activities in Statement of Cash Flow.

The Company has elected not to recognise right of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

r. Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

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s. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

t. Dividend

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

u. Segment Reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment. Segment Policies: The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

v. New Standards, Interpretations and amendments adopted by the company

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended March 31, 2021, except for the adoption of new standards effective or amendments to the existing Indian Accounting Standards (Ind AS) as of April 01, 2021. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The Company applies, for the first time, following new interpretations and amendments w.e.f., April 01, 2021 and do not have material impact on the financial statements of the Company.

a) Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116;
b) Amendment conceptual framework for financial reporting under Ind AS issued by ICAI;
c) Amendments to Ind AS 103: Business combination;
d) Amendments to Ind AS 116: Covid-19-Related Rent Concessions;
e) Amendments to Ind AS 105, Ind AS 16 and Ind AS 28;

** End of accounting policies **

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5 PROPERTY, PLANT AND EQUIPMENT

(₹ in million)

Particulars / Assets	Land		Factory Building	Office Building	Computers	Furniture & Fixtures	Office Equipment	Plant and Machinery	Laboratory Equipment	Vehicles	Other Electronic Equipments	Total
	Free Hold land	Right of use assets										
GROSS BLOCK												
As at 1st April, 2020	**0.68**	**19.20**	**40.43**	**62.66**	**2.49**	**2.02**	**2.94**	**382.87**	**2.85**	**33.17**	**6.34**	**555.65**
Additions	-	0.61	0.36	-	0.83	1.23	0.10	142.98	0.08	0.18	2.08	**148.43**
Deduction/Adjustments	-	-	-	-	-	-	-	-	-	2.35	-	**2.35**
As at 31st March, 2021	**0.68**	**19.81**	**40.78**	**62.66**	**3.32**	**3.25**	**3.05**	**525.85**	**2.93**	**31.00**	**8.42**	**701.73**
Additions	-	**35.12**	**15.98**	-	**1.60**	**2.89**	**0.45**	**172.17**	**0.56**	**4.19**	**7.54**	**240.51**
Deduction/Adjustments	-	-	**0.90**	-	-	-	-	**5.16**	-	**0.32**	-	**6.39**
As at 31st March 2022	**0.68**	**54.93**	**55.87**	**62.66**	**4.92**	**6.13**	**3.50**	**692.85**	**3.48**	**34.86**	**15.96**	**935.85**
ACCUMULATED DEPRECIATION												
As at 1st April, 2020	-	**1.94**	**10.56**	**5.95**	**2.16**	**0.62**	**2.43**	**53.63**	**0.97**	**5.56**	**2.24**	**86.05**
Charge for the year	-	**0.23**	1.14	1.98	0.20	0.22	0.17	20.18	0.20	3.60	0.58	**28.51**
Deduction/Adjustments	-	-	-	-	-	-	-	-	-	0.65	-	**0.65**
As at 31st March, 2021	-	**2.17**	**11.70**	**7.94**	**2.36**	**0.84**	**2.60**	**73.81**	**1.17**	**8.51**	**2.82**	**113.91**
Charge for the year	-	**0.69**	1.12	1.98	0.76	0.35	0.21	28.65	0.21	4.07	1.22	**39.26**
Deduction/Adjustments	-	-	0.02	-	-	-	-	0.19	-	-	-	**0.21**
As at 31st March 2022	-	**2.86**	**12.80**	**9.92**	**3.12**	**1.19**	**2.81**	**102.27**	**1.38**	**12.58**	**4.04**	**152.96**
Net Block												
As at 1st April, 2020	0.68	17.27	29.87	56.70	0.33	1.39	0.51	329.24	1.88	27.62	4.11	469.61
As at 31st March, 2021	0.68	17.64	29.09	54.72	0.96	2.40	0.45	452.04	1.76	22.49	5.60	587.82
As at 31st March 2022	**0.68**	**52.07**	**43.07**	**52.74**	**1.80**	**4.94**	**0.69**	**590.58**	**2.11**	**22.28**	**11.92**	**782.89**

Notes:

1) The Company has elected Ind AS 101 exemption to continue with the carrying value for all of its Property, Plant and Equipment as its deemed cost as at the date of transition as per Para D7AA of Ind AS 101

2) The aggregate depreciation charge for the year has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

3) The Company has not revalued any of its property plant and equipment during the current year as well as during the previous year.

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6 INVESTMENT PROPERTY

Gross Block (₹ in million)

Particulars	Land	Total
As at 1st April, 2020	**181.68**	**181.68**
Additions/deductions	-	-
Closing balance as at 31 March, 2021	**181.68**	**181.68**
Less : Classified as Non-Current Assets Held For Sale.	**(181.68)**	**(181.68)**
Closing balance as at 31st March 2022	-	-

Depreciation and impairment (₹ in million)

Particulars	Land	Total
As at 1st April, 2020	4.68	4.68
Charge for the year	2.30	2.30
Closing balance as at 31 March, 2021	**6.98**	**6.98**
Charge for the year	**2.31**	**2.31**
Less : Classified as Non-Current Assets Held For Sale.	**(9.29)**	**(9.29)**
Closing balance as at 31st March 2022	-	-

Net Block (₹ in million)

Particulars	Land	Total
As at 1st April, 2020	177.00	177.00
As at 31st March, 2021	174.70	174.70
As at 31st March 2022	-	-

The Company has elected to continue with the carrying value of all its Investment Properties recognized as of the transition date measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

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Information regarding income and expenditure of Investment property (₹ in Million)

Particulars	For the year ended 31st March, 2022
Rental Income	-
Direct operating Expenses (including R & M) that generate rental income	-
Direct operating Expenses (including R & M) that did not generate rental income	-
Profit from Investment Properties before Depreciation	**-**
Less: Depreciation	-
Profit from Investment Properties	**-**
Particulars	**For the year ended 31st March, 2020**
Rental Income	12.99
Direct operating Expenses (including R & M) that generate rental income	0.34
Direct operating Expenses (including R & M) that did not generate rental income	-
Profit from Investment Properties before Depreciation	**12.66**
Less: Depreciation	2.30
Profit from Investment Properties	**10.36**

The Company's Investment Properties consists of land. The Fair value of land was determined using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data. The Fair value measurements is categorized in level 2 or level 3 of Fair value hierarchy as appropriate.

Fair Value of the Investment Property	₹ in Million
As at 31st March 2022	200.69
As at 31st March 2021	190.66

₹ in Million

Particulars	For the year ended 31st March, 2022
Within one year	-
Later than one year but less than five years	-
Later than five years	-
Particulars	**For the year ended 31st March, 2021**
Within one year	13.61
Later than one year but less than five years	-
Later than five years	-

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7 INTANGIBLE ASSETS

(₹ in million)

Particulars /Assets	Computer Software	Total
GROSS BLOCK		
As at 1st April, 2020	-	-
Additions	**1.33**	**1.33**
	-	-
Deduction/Adjustments	-	-
As at 31st March, 2021	**1.33**	**1.33**
Additions	0.71	0.71
	-	-
Deduction/Adjustments	-	-
As at 31st March ,2022	**2.05**	**2.05**
ACCUMULATED AMORTIZATION		
As at 1st April, 2020	-	-
Charge for the year	0.07	0.07
Deduction/Adjustments		-
As at 31st March, 2021	**0.07**	**0.07**
Charge for the year	0.32	**0.32**
Deduction/Adjustments	-	-
As at 31st March 2022	**0.39**	**0.39**
Net Block		
As at 1st April, 2020	-	-
As at 31st March, 2021	1.27	1.27
As at 31st March 2022	**1.66**	**1.66**

1. The Company has elected to continue with the carrying value of its intangible assets recognised as of transition date measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

2. The aggregate amortisation charge for the year has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

3) The Company has not revalued any of its Intangible Assets during the current year as well as during the previous year.

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8 Investments

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Unquoted			
Investments in Equity Instruments - Whether measured at FVTPL			
S.B.P.P. Co-op. Bank Ltd.			
81 Equity Shares of ₹ 25/- each	0.002	0.002	0.002
Total	0.002	0.002	0.002
Aggregate carrying value of unquoted investments	0.002	0.002	0.002
Aggregate market value of quoted investments	0.002	0.002	0.002

8 Other Financial Assets

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Security Deposits	18.45	15.98	13.41
Total	18.45	15.98	13.41

9 Other Non Current Assets

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
(Unsecured, Considered Good unless Otherwise Stated)			
Capital advances	45.32	10.56	3.87
Balance with government authorities	0.01	0.01	0.01
Total	45.33	10.57	3.88

10 Inventories

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Raw Material	292.96	262.17	198.74
Work in Progress	170.26	109.62	74.08
Finished goods	2.16	21.46	45.34
Packing Material	5.79	11.87	10.69
Total	471.16	405.12	328.85

1.Invetories are offered as security to avail of the overdraft facilities from banks.

11 Trade Receivables

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Unsecured, Considered good			
Due from related Parties* (refer note 48)		-	
Others- Due within 6 months			
Undisputed	1,403.44	1,561.45	1,438.36
Disputed			6.58
Due for more than 6 months	121.40	117.96	34.11
Total	1,524.84	1,679.41	1,479.06

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* Trade receivables includes:

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Due by firm in which Directors are Partners	-	0.01	19.50

Outstanding for following periods from due date of payment:

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Less than 6 months	1,403.44	1,561.45	1,444.95
6 months to 1 year	31.03	74.94	7.04
1 to 2 years	62.23	15.52	6.06
2 to 3 years	10.88	9.29	5.49
More than 3 years	17.26	18.21	15.51
Total	**1,524.84**	**1,679.41**	**1,478.49**

12 **Cash and Cash Equivalents**

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Balances with banks in			
current accounts	1.23	7.94	12.55
Other Bank Deposits for original maturity Less than 3 months	60.03	-	-
Cash on hand	1.04	0.99	0.93
Total	**62.30**	**8.93**	**13.48**

13 **Other Bank balances**

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Other Bank Deposits for original maturity more than 3 months upto 12 months (refer note 16.1)	-	-	-
Unclaimed dividend accounts			
Bank Deposits (refer note below)	58.62	40.05	58.71
Total	**58.62**	**40.05**	**58.71**

Deposit are kept with bank as a margin money against Letter of credit /Buyer Credit facility utilised.

14 **Loans**

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
(Unsecured, Considered Good unless Otherwise Stated)			
a. Loans to Employees			
- Secured, Considered Good			
(a) Loans Receivables considered good - Secured	**5.13**	2.56	6.27
ECL to be provided			
Total	**5.13**	**2.56**	**6.27**

1. Loans to employees are secured by way of hypothecation of house/ four wheeler/ two wheeler for which the loans have been given.

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15 Financial Assets - Others

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Interest Accrued on deposits and loans	0.35	0.38	-
		-	-
Other receivables	21.33	10.92	10.80
Total	**21.67**	**11.30**	**10.80**

16 Current Tax Assets (net)

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Current Tax Assets			
Advance Tax Paid (Net of provision for tax)	-	-	66.77
	-	-	-
Current Tax Liabilities	-	-	-
Provision for Income Tax (Net of advance Tax)	-	-	54.64
Total	-	-	**12.14**

17 Other Current Assets

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Unsecured, considered good			
Balance with Government Authorities	29.94	34.87	43.38
Prepaid Expenses	18.36	4.38	2.21
Advances to vendors	364.81	167.84	46.63
		-	-
Total	**413.11**	**207.08**	**92.21**

18 Assets classified as held for sale

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Land and Building (Investment property)	173.55	-	-
Total	**173.55**	-	-

The resolution was passed and approved by the Board of Directors on August 16, 2021, for selling the investment property.

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19 Equity Share Capital (₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Authorised			
3,50,00,000 Equity shares as on 31st March 2022 of face Value Rs 10/- per share, 815,000 equity shares as on 31st March 2021 having FV of Rs 100/- each and on 1.4.2020	350.00	81.5	81.5
Nil 10% Non Cumulative Redeemable Preference Shares as on 31st March 2022, 7,500 10% Non Cumulative Redeemable Preference Shares as on 31st March 2021 having FV of 100/- each and on 01.04.2020	-	0.75	0.75
Nil Unclassified Shares as on 31st March, 2022 and 2,500 Unclassified Shares as on 31st March 2021 of Rs. 100/- each and as on 01.04.2020	-	0	0
Total	**350.00**	**82.25**	**82.25**
Issued, Subscribed and Fully Paid Up			
2,01,54,750 as on 31st March 2022 Equity Shares of Face Value of Rs.10/- per share, 4,03,095, Equity Shares as on 31st March 2021 having FV of Rs. 100/- each fully paid up and 2,63,900 Equity Share as on 01.04.2020 having FV of Rs. 100/- each fully paid up	201.55	40.31	26.39
Total	**201.55**	**40.31**	**26.39**

1. Reconciliation of number of equity shares outstanding at the beginning and at the end of reporting period is as under:

Particulars	No. of Shares	Share Capital (₹ in million)
As at 1st April,2019	0.26	26.19
Additions/(Reductions)	0.00	0.20
As at 31st March,2020	0.26	26.39
As at 1st April,2020	0.26	26.39
Shares issued pursuant to Business transfer*	0.14	0.00
As at 31st March,2021	0.40	40.31
As at 1st April,2021	**0.40**	**40.31**
Effect of sub-division	4.03	40.31
Issue of bonus shares	16.12	161.24
As at 31st March,2022	**20.15**	**201.55**

2. Details of Shareholder holding more than 5 percent share in Company: (₹ in million)

Particulars		No. of shares	% Holding
Shailesh Desai			
	As at March 31 2022	13.48	**66.88%**
	As at March 31 2021	0.29	71.87%
	As at March 31 2020	0.18	68.26%
Umang Desai			
	As at March 31 2022	**3.33**	**16.51%**
	As at March 31 2021	0.07	16.51%
	As at March 31 2020	0.05	17.46%
Nilima Desai			
	As at March 31 2022	1.04	**5.18%**
	As at March 31 2021	0.02	5.18%
	As at March 31 2020	0.01	4.42%
Polysol Financial Services LLP			
	As at March 31 2022	1.25	**6.20%**
	As at March 31 2021	0.03	6.20%
	As at March 31 2020	0.03	9.47%

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3.Shares held by the promoters at the end of the year ended March 31,2022

Sr. no	Promoter name	No.of shares	% of total shares	% change during the year
1	Shailesh Desai	1,34,79,550	66.88%	4.99%
2	Umang Desai	33,26,700	16.51%	0.00%

Shares held by the promoters at the end of the year ended March 31,2021

Sr. no	Promoter name	No.of shares	% of total shares	% change during the year
1	Shailesh Desai	2,89,691	71.87	3.61%
2	Umang Desai	66,534	16.51	-0.95%

4. Right, Preferences and restrictions attached to Equity Shares

For all matters submitted to vote in a shareholders meeting of the Company every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each share held. Any dividend declared by the Company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

5. 139,195 equity shares of ₹ 100/- each fully paid up, were issued pursuant to the Business transfer agreement of Urmi Polymer Industries and Polysol Industries with the company in 2020-2021 and these shares were issued without payment being received in cash.

6. The Company has subdivided Equity Shares from the Face Value of ₹100 to ₹10 per Share from April 15, 2021. Accordingly the shares are subdivided with effect from that date.

7. The Company has allotted 1,61,23,800 number of fully paid Bonus shares on 04/09/2021 in the ratio of four equity share of ₹10 each fully paid up for every 1 existing equity shares of ₹10 each fully paid up.

20 Other Equity

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Securities Premium	327.24	486.98	187.64
Capital Redemption Reserve	-	1.50	1.50
General Reserve	28.78	28.78	28.78
Revaluation Reserve (Done in FY 2017-18)	174.76	174.76	174.76
Share application pending allotment pursuant to Business Transfer	-	-	313.26
Capital Reserve -Common Control	-306.10	-306.10	-391.46
Retained Earnings	1,386.18	995.36	595.01
Total	**1,610.87**	**1,381.29**	**909.49**

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20.1 Particulars relating to Other Equity

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Securities Premium (Refer Note No.2)			
Balance at the beginning of the year	486.98	187.64	184.16
Addition/(Deduction) during the year	(159.74)	299.34	3.48
Balance at the end of the year	**327.24**	**486.98**	**187.64**
General Reserve (Refer Note No.3)			
Balance at the beginning of the year	28.78	28.78	28.78
Addition/(Deduction) during the year		-	-
Balance at the end of the year	**28.78**	**28.78**	**28.78**
Capital Redemption Reserve			
Balance at the beginning of the year	1.50	1.50	1.50
Addition/(Deduction) during the year	(1.50)	-	-
Balance at the end of the year	-	**1.50**	**1.50**
Cash subsidy			
Balance at the beginning of the year	-	-	-
Addition/(Deduction) during the year	-	-	-
Balance at the end of the year	-	-	
Share application pending allotment pursuant to Business Transfer			
Balance at the beginning of the year	-	313.26	313.26
Addition/(Deduction) during the year	-	(313.26)	-
Balance at the end of the year	-	-	**313.26**
Capital Reserve			
Balance at the beginning of the year	(306.10)	(391.46)	(388.08)
Addition/(Deduction) during the year	-	85.37	(3.39)
Balance at the end of the year	**(306.10)**	**(306.10)**	**(391.46)**
Revaluation Reserve			
Balance at beginning of year	174.76	174.76	174.76
Balance at end of year	**174.76**	**174.76**	**174.76**
Retained Earnings			
Balance at the beginning of the year	995.36	595.01	393.87
Profit after tax for the year	395.47	400.96	200.80
Add: Other comprehensive income arising from re-measurement of defined benefit obligation, net of income tax	(1.61)	-0.60	0.34
Add: Difference of Employee Benefit paid and booked	(3.04)		
Balance at the end of the year	**1,386.18**	**995.36**	**595.01**
Total	**1,610.87**	**1,381.29**	**909.49**

20.2 Securities Premium is used to record the premium on issue of equity shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

20.3 The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve is not reclassified subsequently to the Statement of Profit and Loss.

20.4 Capital Reserve is on account of Business Combination

20.5 Revaluation reserve is a non-cash reserve created to reflect the true value of the asset when the market value of the certain category of asset is more or less than the value of such asset at which it is recorded in the books of account.

20.6 Share application money pending allotment is with respect shares to be issued under business combination

21 Borrowings - Non-Current

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Secured			
Term Loans	-	-	-
From Banks	250.36	172.75	154.83
From Others	281.47	288.21	309.22
Unsecured	-	-	-
less: Current maturities of Long term borrowings	(112.72)	(83.02)	(123.78)
Total	**419.11**	**377.94**	**340.27**

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21.1 Secured by hpothecation of inventory, book-debts and other receivable and charge on company's movable nad imovable properties.

The Carrying amount of assets hypothecated /mortgaged as security for borrowing limits are:

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
1. Inventories	471.16	405.12	328.85
2. Trade Receviables	1,524.84	1,679.41	1,479.06
3. Property Plant and Equipment	782.89	587.82	469.61
Total	**2,778.89**	**2,672.35**	**2,277.52**

21.2 Short term Lease

(₹ in million)

March 31,2022	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Short term Secured borrowings	379.37	117.94	-	497.31
Short term unsecured borrowings	14.10	-	-	14.10
Total libiliaties from Financing activities	393.47	117.94	-	511.41
March 31,2021	**Opening Balance**	**Cash Flows**	**Non Cash Changes**	**Closing Balance**
Short term Secured borrowings	340.07	39.30	-	379.37
Short term unsecured borrowings	14.10	-	-	14.10
Total libiliaties from Financing activities	354.17	39.30	-	393.47

22 Provisions

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Provision for Employee benefits			
Gratuity		-	0.15
Unavailed Leave and compensated absences	0.23	0.23	0.18
Provision for Others (Note No. 27.2)			
Provision for Product warranties			
Provision for Liquadated losses			
Provision for decommissioning			
Income tax payable (net)			
Total	**0.23**	**0.23**	**0.32**

23 Deferred tax Liabilities (net)

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Deferred Tax Liabilities	48.87	35.58	29.19
Deferred Tax Assets	1.16	0.38	0.30
Total	**47.71**	**35.21**	**28.89**

For the year 2021-22

(₹ in million)

Particulars	Opening Balance	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax liability on account of:				
Property, Plant & Equipment, Intangible assets	35.58	13.29		48.87
Total Deferred Tax Liabilities	**35.58**	**13.29**	-	**48.87**
Deferred tax asset on account of:				
Expenses allowed under tax on payment basis	0.38	0.07	0.72	1.16
Total Deferred Tax Assets	**0.38**	**0.07**	**0.72**	**1.16**
Net Deferred Tax	**35.21**	**13.22**	**(0.72)**	**47.71**

For the year 2020-21

(₹ in million)

Particulars	Opening Balance	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax liability on account of:				
Property, Plant & Equipment, Intangible assets	29.19	6.39		**35.58**
Total Deferred Tax Liabilities	**29.19**	**6.39**	-	**35.58**
Deferred tax asset on account of:				
Expenses allowed under tax on payment basis	0.30	(0.13)	0.20	**0.38**
Total Deferred Tax Assets	**0.30**	**(0.13)**	**0.20**	**0.38**
Net Deferred Tax	**28.89**	**6.52**	**(0.20)**	**35.21**

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24 Borrowings -Current

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Secured			
Loans repayable on demand			
Working Capital Loans	200.03	184.41	178.95
Buyers Credit	184.56	111.93	37.34
Unsecured	-	-	-
From Others	14.10	14.10	14.10
Current maturities of long-term debt	112.72	83.02	123.78
Total	**511.41**	**393.47**	**354.17**

Secured Loans comprise of cash credit & short term loans from banks which are further secured by pledge of 1,50,000 equity shares of Rs. 10/- each held by a director (1 share in Shailesh Desai and other in the name of GPCL)

Secured by hpothecation of inventory, book-debts and other receivable and charge on company's movable nad imovable propoerties.

25 Trade Payables

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Micro, Small and Medium Enterprises		-	-
Others	723.93	886.95	899.06
Total	**723.93**	**886.95**	**899.06**

Outstanding for following periods from due date of payment:

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Less than 1 year	723.93	886.95	899.06
1 to 2 years	-	-	-
2 to 3 years	-	-	-
More than 3 years	-	-	-
Total	**723.93**	**886.95**	**899.06**

1. Payment towards trade payables is made as per the terms and conditions of the contract / purchase orders. The average credit period is 30 - 90 days.

2. The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below:

Trade Payables -Total outstanding dues of Micro & Small Enterprises*	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	-	-	-
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
Interest accrued and remaining unpaid as at of end of each accounting year	-	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-	-

***Based on the confirmation from Vendors.**

26 Other Financial Liabilities

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Interest Payable on Loan	0.59	-	-
Expenses payable	10.76	5.85	88.55
Deposits taken	3.04	3.10	3.12
Total	**14.39**	**8.94**	**91.67**

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27 Other Current Liabilities

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Advance from Customers	8.57	12.02	10.12
Liability for Statutory Payments	26.40	4.40	4.18
Other Payable	5.00	-	-
Total	**39.97**	**16.41**	**14.29**

28 Provisions

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Provision for Employee benefits			
Gratuity	0.98	1.25	0.86
Unavailed Leave and compensated absences	2.18	0.02	0.01
Total	**3.16**	**1.27**	**0.87**

29 Current Tax Liabilities (Net)

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Current Tax Liability			
Income Tax Payable	131.02	130.25	-
Current Tax Assets		-	
Tax Refund Receivable	(124.64)	(127.48)	-
Total	**6.38**	**2.77**	**-**

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30 Revenue from Operations

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Sale of Products		
Manufactured goods	4,082.74	3,212.30
Traded goods		
Trading of Chemicals	252.17	-
Edible Oil in Bulk	-	562.50
Sale of Services		
Jobwork Charges Received	2.63	5.66
Rent Income	-	13.80
Other Operating Revenues		
Scrap Sales	9.05	-
Export Incentives	1.03	1.81
Total	**4,347.61**	**3,796.06**

a) Revenue disaggregation based on customer type

i) Revenue disaggregation by geographical type is as follows:

Revenue Type	2021-22	2020-21
Domestic		
Sale of Goods	4,248.71	3,717.20
Sale of Services	2.63	19.45
Sub-total	**4,251.34**	**3,736.66**
Exports		
Sale of Goods	96.27	59.40
Sale of Services	-	-
Sub-total	**96.27**	**59.40**
Total	4,347.61	3,796.06

b) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	2021-22	2020-21
Revenue as per contracted price	4,365.04	3,813.92
Adjustments		
Sales return	13.23	15.92
Cash and other discount	4.20	1.94
Total revenue from contract with customers	**4,347.61**	**3,796.06**

c) Contract assets and contract liabilities

The Company has recognised the following revenue-related contract assets and liabilities.		
Particulars	**31st March 2022**	**31st March 2021**
Contract Assets - unbilled revenue	-	-
Advance from customers	8.57	12.02

d) Information about major customers

For information about major customer refert note (Related to segment reporting)

e) Performance obligation Information about the Company's performance obligations are summarised below

The performance obligation is satisfied upon dispatch of goods from the company's premises / delivery of goods to the customer in accordance with the term

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31 Other Income

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest income on financial assets carried at amortised cost		
Interest on deposit with bank	1.86	2.96
Others	0.39	0.84
Net gain on foreign currency transactions and translation	-	2.88
Scarp sale of Plant & Machinery	13.00	-
Sundry balance written back	1.74	1.55
Other Income	0.03	0.02
Short Term Gain on Sale of Vehicle	0.08	-
Total	**17.08**	**8.26**

32 Cost of materials consumed

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Consumption of Raw Materials	3,001.01	2,233.19
Total	**3,001.01**	**2,233.19**

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Raw materials consumed (including packing materials)		
Opening Stock	274.03	211.85
Add : Purchases (Net)	3,025.72	2,295.37
Less : Closing Stock	298.75	274.03
Total	**3,001.01**	**2,233.19**

33 Purchase of Stock in Trade

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Purchase of stock in trade	-	-
Trading of Chemicals	217.31	
Edible Oil in Bulk	-	555.64
Total	**217.31**	**555.64**

34 Changes In Inventories

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening stock:		
Work-in-progress	109.62	72.84
Finished goods	21.46	44.15
Total (A)	**131.08**	116.99
Closing stock:		
Work-in-progress	170.26	109.62
Finished goods	2.16	21.46
Total (B)	**172.41**	131.08
Total(A-B)	**(41.33)**	**(14.09)**

35 Employee Benefits Expense

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries, Wages and Bonus (Refer note 48)	124.84	66.90
Contribution to Provident and Other Funds	5.33	2.46
Staff welfare expenses	2.89	1.51
Total	**133.06**	**70.88**

36 Finance Costs

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on:		
Borrowings from banks	63.13	60.57
Others	6.62	6.94
Loan processing fees and bank charges	9.65	9.86
Total	**79.40**	**77.37**

37 Depreciation and amortisation expense

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation on Property Plant & Equipment (Refer note 4)	39.26	28.51
Depreciation on Investment Property (Refer note 5)	-	2.30
Amortisation of Intangible assets (Refer note 6)	0.32	0.07
Total	**39.59**	**30.88**

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38 Other Expenses

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Consumption of stores & spares parts	3.63	2.11
Laboratory Expenses	0.87	1.23
Effluent Treatment Charges	0.95	1.19
Notified Area Charges	0.75	1.22
Power and fuel	158.77	113.08
Loading & Unloading & Weighting charges	6.74	3.19
Water Charges	1.06	0.64
Security Charges	1.90	-
Exchange fluctuation (net)	2.10	-
Insurance	5.96	3.89
Legal expenses	10.28	17.58
Loss on sale of property, plant and equipment - Net	4.69	0.96
General Office Expenses	0.90	0.26
Payment to Auditors	0.48	0.48
Rent, Rates & stamp duty,Taxes	26.98	20.90
Travelling and conveyance	2.12	1.35
Repairs		
- Buildings	1.31	1.35
- Machinery	20.53	24.75
- Others	13.95	13.14
Professional Tax	0.00	0.00
Advertising/Sales promotion	0.70	1.11
Commission on Purchase	0.02	0.10
Commission to selling agents	6.73	4.16
Doubtful and bad debts	5.12	1.10
Clearing & Forwaring Expenses	6.19	2.78
Miscellaneous expenses (as per 39.1)	10.67	6.15
Freight & Forwarding,packing Expenses	114.27	84.91
Total	**407.66**	**307.62**

39.1. Miscellaneous expenses

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Printing and stationery	1.79	1.00
Membership & Subscription	0.07	0.02
Drainage Charges	0.08	0.05
Miscellaneous expenses	0.00	0.00
Postage, telephone etc.	0.80	0.52
Charity & Donation / CSR Expenses	6.73	3.78
Computer Expenses	1.19	0.79
	10.67	**6.15**

(i) Payment to auditors has been classified below (Excluding Taxes):

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a) Auditor,	0.20	0.20
(b) For taxation matters,	0.15	0.15
(c) For company law matters,	-	-
(d) For other services,	0.13	0.13
(e) For reimbursement of expenses	-	-
Total	**0.48**	**0.48**

(ii) Expenditure towards Corporate Social Responsibility (CSR) activities:

Gross amount of CSR expenditure required to be spent and actually spent are as follows:

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Gross amount required to be spent by the Company during the year	6.47	3.72
CSR Spent	**6.73**	**3.72**

Details of CSR expenditure are as follows:

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(i) Construction/acquisition of any asset		
Paid in cash	-	2.00
Yet to be paid in cash	-	-
(ii) For purpose other than (i) above	6.73	1.72
Total	6.73	3.72

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(₹ in million)

Name of Project	Item of activities as per Schedule	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Ashadham Seva Mandal	Promoting Education	5.00	
Apprentices Training Over and Above the statutory requirements	Skill and Training	1.23	
PM CARES Fund	Contribution to the fund set up by the Central Government	-	0.10
ROTARY FOUNDATION (INDIA)	Promoting Health Care and Promoting Education	-	0.64
SHREYASH MEDICARE	Promoting Health Care	-	0.25
SAVLI TALUKA RIFLE ASSOCIATION	Training to promote Sports	0.50	2.00
ROTARY SHAIKSHANIK AND TABIBI SEVA SAHAYAK MANDAL	Promoting Health Care	-	0.15
ROTARY CHARITABLE TRUST VAPI	Promoting Health Care	-	0.53
TINKU MEMORIAL TRUST	Animal Welfare	-	0.05
Total CSR		**6.73**	**3.72**

39 Tax Expense

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current tax in relation to:		
Current years	128.07	135.34
Deferred Tax		
In respect of current year	13.22	6.52
Total income tax expense recognised in the current year	**141.29**	**141.86**

The major components of income tax expenses for the year ended March 31, 2022 and March 31, 2021 are:

a) Income ax expenses recognised in the Statement of Profit and Loss

(₹ in million)

Particulars	2021-22		2020-21	
i) **Current tax**				
Current tax for the year	131.02		135.34	
Adjustments for current tax of prior periods	-	131.02	-	135.34
ii) Deferred tax				
(Decrease) / Increase in deferred tax liabilities	13.22		6.52	
(Decrease) / Increase in deferred tax assets	-	13.22	-	6.52
Total tax expense		**144.24**		**141.86**

b) Income ax expenses recognised in the Other Comprehensive Income

(₹ in million)

Particulars	31.03.2022	31.03.2021
i) Current tax	0.54	0.20
ii) Deferred tax		
Remeasurement gain | (loss) on defined benefit plans	-	-
Total	**0.54**	**0.20**

c) The reconciliation between the Statutory income tax rate applicable to the Company and the effective income tax rate of the Company

Particulars	2021-22	2020-21
a) Statutory income tax rate	25.17%	25.17%
b) Differences due to		
i) Losses		
ii) Non-deductible expenses	0.00%	0.00%
iii) Others	0.00%	0.00%
Effective income tax rate	**0.00%**	**0.00%**

d) No aggregate amounts of current and deferred tax have arisen in the reporting periods which have been recognised in equity and not in Statement of Profit and Loss or other comprehensive income

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e) Current tax assets (net)

(₹ in million)

Particulars	2021-22	2020-21
Opening balance	-	-12.14
Add/(Less): Tax paid in advance, net of provisions during the year	-	12.14
Closing balance	-	0.00

f) Deferred tax liabilities (Net)

(₹ in million)

Particulars	As at 31st March, 2022	Recognised in		As at 31st March, 2021
		Profit & Loss	OCI | Equity	
Deferred tax liability on account of				
Property, plant and equipment	48.88	13.29	-	35.59
Total deferred tax liabilities	**48.88**	**13.29**	-	**35.59**
Deferred tax assets on account of				
Expenses allowed under tax on payment basis	1.16	0.07	0.72	0.38
Total deferred tax assets	**1.16**	**0.07**	**0.72**	**0.38**
Net deferred tax liabilities	**47.71**	**13.36**	**0.72**	**35.21**

Particulars	As at 31st March, 2021	Recognised in		As at 31st March, 2020
		Profit & Loss	OCI | Equity	
Deferred tax liability on account of				
Property, plant and equipment	35.59	6.39	-	29.19
Total deferred tax liabilities	**35.59**	**6.39**	-	**29.19**
Deferred tax assets on account of				
Expenses allowed under tax on payment basis	0.38	(0.13)	0.20	0.30
Total deferred tax assets	**0.38**	**(0.13)**	**0.20**	**0.30**
Net deferred tax liabilities	**35.21**	**6.27**	**0.20**	**29.49**

40 Profit from discontinued Operations

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Gross Income Rent	**14.49**	-
Municiple Taxes ,water charges and driange charges	0.47	-
Depreciation of Investment property	2.31	-
Total	**11.72**	-

41 Other Comprehensive Income

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
A - Items that will not be reclassified to Profit & Loss		
Re-measurements of the defined benefit plans	(2.16)	(0.81)
Income tax related to above	0.54	0.20
	(1.61)	**(0.60)**
Total	**(1.61)**	**(0.60)**

42 Earnings Per Share To be updated

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profits available to equity shareholders (in millions)	395.47	400.96
Weighted Average Number of Equity Shares		
Basic	2,01,54,750	1,89,94,792
Diluted	2,01,54,750	2,01,54,750
Earnings Per Equity Share having face value of Rs 10 each fully paid up		
Basic In Rupees	19.62	21.11
Diluted In Rupees	19.62	19.89

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43 Financial Ratios

Ratios/Measure	Formulas	March 31, 2022	March 31, 2021	Variation	Reason for variance above 25%
a) Current ratio	Current assets / current liabilities	1.97	1.80	9.48%	Below threshold limit
b) Debt equity ratio	Debt / total shareholders' equity	0.51	0.54	-5.38%	Below threshold limit
c) Debt service coverage ratio	EBIT / Finance Cost Plus Principle	3.12	3.82	-18.27%	Below threshold limit
d) Return on equity %	PAT / total equity	21.82%	28.20%	-22.64%	Below threshold limit
e) Trade receivables turnover ratio	Revenue from operations / average trade receivables	2.71	2.40	12.89%	Below threshold limit
f) Trade payables turnover ratio	Adjusted expenses / average trade payables	4.03	3.19	26.12%	On account of higher purchase in the current year as compared to the previous year due to higher sales thereby.
g) Net capital turnover ratio	Revenue from operations / average working capital	3.78	4.50	-16.12%	Below threshold limit
h) Net profit %	Net profit / revenue from operation	9.10%	10.56%	-13.88%	Below threshold limit
i) EBITDA %	EBITDA / revenue from operation	14.63%	16.90%	-13.40%	Below threshold limit
j) Return on capital employed %	EBIT / Capital employed	21.84%	27.90%	-21.73%	Below threshold limit
k) Inventory turnover ratio	Cost of goods sold / avearage inventory	7.25	7.56	-4.10%	Below threshold limit

Notes:-
EBIT - PAT+ Finance Cost + Taxes -Other Income
EBITDA - PAT+ Finance Cost + Taxes + Depreciation and Amortisation-Other Income
PAT - Profit after taxes divided by revenue from operation
Capital employed refers to Total Shareholder's Equity , Non Current Borrowing and Short Term Borrowing

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44 Employee Benefits

(a) Defined Contribution Plans:

Contributions to defined contribution plan are recognised as expenses when contributions become due.

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by the Company at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

The major defined contribution plans operated by the Company are as below:

(i) Provident fund and Pension:

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the provident fund set up as an irrevocable trust by the Company, post contribution of amount specified under the law to Employee Provident Fund Organisation on account of employee pension scheme.

The total expenses recognised in the Statement of Profit and Loss during the year are as under: (₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's contribution to Provident and other Funds	5.33	2.46
Total	**5.33**	**2.46**

(b) Defined Benefit Plan:

(i) Gratuity:

The Company has defined benefit plans that provide gratuity benefit. It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age. The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at September 30, 2021 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. Each year, the Company reviews the level of funding in gratuity fund. The Company decides its contribution based on the results of its annual review.

This plan typically expose the Company to actuarial risks such as: investment risk, Liquidity Risk, Market risk and Legislative risk.

(I) Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter valuation period .

(II) Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

(III) Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

(IV) Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Amounts recognized in the Financial Information in respect of defined benefit plan are as follows: (₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended 31st March, 2021
Service Cost:		
Current Service Cost	1.40	1.10
Net interest expense/ (income)	0.04	0.04
Components of defined benefit costs recognised in Employee Benefit Expenses	**1.44**	**1.14**
Re-measurement on the net defined benefit liability:		
Actuarial (gains)/losses arising from changes in financial assumptions	-0.44	0.19
Actuarial (gains)/losses arising from experience adjustments	2.46	0.60
Return on Plan Assets excluding amount included in net interest cost	0.14	0.02
Components of Re-measurement	**2.16**	**0.81**
Total	**3.60**	**1.95**

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The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows :

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Present Value of funded defined benefit obligation	9.26	5.81
Fair value of plan assets	(8.28)	(4.56)
Net liability arising from defined benefit obligation	**0.98**	**1.25**

Movements in the present value of the defined benefit obligation are as follows:

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening defined obligation	5.81	**4.20**
Current service cost	1.40	1.10
Interest cost	0.36	0.28
Re-measurement (gains)/losses :		-
Actuarial (gains)/ losses arising from changes in financial assumptions	(0.44)	0.19
Actuarial (gains)/ losses arising from experience adjustments	2.46	0.60
Benefits paid	(0.33)	(0.56)
Closing defined benefit obligation	**9.26**	**5.81**

Movements in the fair value of plan assets are as follows:

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening value of plan assets	4.56	3.20
Interest income	0.32	0.24
Return on plan assets excluding amounts included in interest income	(0.14)	(0.02)
Contributions by employer	3.87	1.71
Benefits paid	(0.33)	(0.56)
Closing defined benefit obligation	**8.28**	**4.56**

Classification of Non-Current and Current Liability:

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current liability	-	-
Current liability	0.98	1.25
Total	**0.98**	**1.25**

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The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Mortality		
Withdrawal Rates	**10.00% p.a at younger ages reducing to 2.00% p.a% at older ages**	**10.00% p.a at younger ages reducing to 2.00% p.a% at older ages**
Discount Rate (%)	6.95% p.a.	6.45% p.a.
Salary escalation rate (%)	7.00% p.a.	7.00% p.a.
Rate of Return on Plan Assets (%)	6.95% p.a.	6.45% p.a.

The fair value of the plan assets at the end of the reporting period for each category are as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Managed by insurer (Life Insurance Corporation of India)	100%	100%

Fair value of Investment in Insurance Company is taken as book value on reporting date.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and withdrawal rates. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in million)

Significant actuarial assumptions	As at 31st March, 2022	As at 31st March, 2021
Discount Rate		
Up by 0.5%	8.85	5.54
Down by 0.5%	9.70	6.09
Salary increase		-
Up by 0.5%	9.70	6.09
Down by 0.5%	8.85	5.54
Withdrawal Rate		-
Up by 0.5%	9.23	5.78
Down by 0.5%	9.28	5.83

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The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Sensitivity due to mortality are not material & hence impact of change not calculated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Maturity Profile of Defined Benefit Obligations:

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Less Than One Year	0.42	0.44
One to Three Years	1.20	1.11
Four to Five Years	0.81	0.71
More than Five Years	5.73	3.33
Total	**8.16**	**5.59**

(c) Other long term employee benefit plans

Leave encashment

Amount of ₹ 1.44 million is recognised as expenses and included in note no.36 "Employee benefit expense".

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45 Lease - ROU Invesetment Property- reclassified as Non-current Assets Held For sale(Note 18)

The Company has entered into agreements for leasing lease hold lands on lease. On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the short-term lease exemption to leases with lease term that ends within 12 months at the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.
5. The accounting for operating leases with a remaining lease term of less than 12 months as at transition date as short-term leases.

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under previous GAAP. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate.

Amount Recognized in Statement of Profit and Loss & Carrying Amount of Asset:

(₹ in million)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation recognised in the Statement of profit and loss	**0.69**	0.23
Expenses relating to short-term leases (less than 12 months)	**22.74**	18.01
Total cash outflow for leases	**22.74**	18.01
Additions to ROU Assets during the year	**35.12**	0.61
Net Carrying Amount of ROU at the end of the year	**52.08**	17.64

The details of Right of Use Asset included in Property, Plant and Equipment (Note no. 4) held as lessee by class of underlying asset is presented below:

(₹ in million)

Leasehold Land	As at 31st March, 2022	As at 31st March, 2021
Opening Balance	17.64	17.27
Additions During the year	35.12	0.61
Depreciation Recognized During the year	0.69	0.23
Net Carrying value	**52.08**	17.64

The table below provides details regarding amounts recognised in the Statement of Profit and Loss:

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Expenses relating to short-term leases and/or leases of low-value items	22.74	18.01
Depreciation expense	0.69	0.23
Total	**23.43**	18.25

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46 Segment Information

The Company is engaged in the manufacturing activity of agro chemicals, construction chemicals & leather chemicals etc. The Board of Directors being the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. All operating segments operating results are reviewed regularly by CODM to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risks and returns hence, CODM reviews them as one component. Further, the economic environment in which the Company operates is significantly similar and not subject to materially different risk and rewards. The revenues, total expenses and net profit as per the Statement of profit and loss represents the revenue, total expenses and net profit of the sole reportable segment.

A Geographical information

The geographical information analyses the Company's revenue by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customer and segment assets which have been based on the

Revenue from operations

(₹ in million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from external customers		
India	4,164.40	3,152.89
Rest of the world	170.51	621.90
Total	**4,334.91**	**3,774.80**

46 Information about major customer.

Details of transactions of more than Rs 10 Crore

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Customer 1	517.15	337.55
Customer 2	411.76	230.17
Total	**928.91**	**567.72**

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47 Commitments and Contingent Liabilities

(₹ in million)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020
i) Capital Commitments			
Estimated amounts of contracts remaining to executed on capital account and not provided for	-	-	-
ii) Contingent liabilities			
Guarantee Deposits with Banks	11.01	3.21	3.21
Letter of Credit not accepted till date	125.44	72.64	117.77
Income Tax Matters	2.38	2.85	0.00
Excise & GST Matters	14.30	14.30	0.00
Total	**153.13**	**93.00**	**120.98**

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48 Related Party Disclosures

Details of related parties

Description of relationship	Names of related parties
I. Key Management Personnels	
Shailesh Desai	Chairman & Managing Director
Umang Desai	Whole Time Director
Nilima Desai	Director (up to 21-07-2021)
Bhavisha Desai	Whole Time Director (with effect from 13-09-2021) & Additional Director (upto 13-09-2021)
Vijay Agarwal	Independent Director (with effect from 21-09-2021)
Sandhya Borase	Independent Director (with effect from 21-09-2021)
Jagdish Lalbhai Shah	Independent Director (with effect from 18-10-2021)
Rajesh Singh	Chief Executive Officer (with effect from 01-04-2021)
Dipakkumar Sanghani	Chief Finance Officer and Company Secretary
Khushru Petigara	Chief Operating Officer (with effect from 17-02-2022)
II. Key Management Personnel or their relatives having significant influence over the entity:	
Apurva International (Managing Director's Partnership firm)	
Polysol Financial services LLP (Managing Director's LLP)	
Sarigram Industrial Products (Managing Director 's Brother Shirish Desai's Partnership firm)	
Bhavisha Industries (Whole Time director's Propritery Business)	
Polysol Specialty Chemicals Private Limited (Managing Director's company)	
Apurva Chemicals Private Limited (Erstwhile Apurva Chemicals, Partnership Firm converted to Private Limited from February 20 , 2020 (Managing Director's brother Sanay Desai's company)	
III. Entity is a post employment benefit plan for the benefit of employees of the Company:	
Gujarat Polysol Chemicals Private Limited -EGG Scheme	
IV. Relatives of Key Management Personnel :	
Shirish Desai (Brother of Managing Director)	
Sanjay Desai (Brother of Managing Director)	

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V. Trusts
Rotary Shaikshanik and Tabibi Seva Sahayak
VI. KMP is KMP in another entity:
Menumate India Private Limited Shailesh Desai HUF

Transactions during the year: (₹ in million)

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
1	**Purchase**			
	Apurva International - Relationship	-	138.82	102.65
	Total	**-**	**138.82**	**102.65**
2	**Sales Relationship in all**			
	Apurva Chemicals Pvt Ltd	5.02	48.61	50.98
	Apurva International	-	-	186.68
	Bhavisha Industries	-	-	1.60
	Menumate India Private Limited	-	-	14.85
	Sarigram Industrial Products	-	0.03	-
	Total	**5.02**	**48.64**	**254.10**
3	**Rent Income - Rlation ship in all**			
	Apurva International	3.40	3.22	3.07
	Total	**3.40**	**3.22**	**3.07**
4	**Expenses**			
	Jobwork Charges Paid			
	Bhavisha Industries	37.06	15.68	13.68
	Total	**37.06**	**15.68**	**13.68**
	Salary Expenses			
	Bhavisha Desai	0.17	0.36	0.36
	Khushru Petigara	0.86	-	-
	Nilima Desai	1.20	-	-
	Rajesh Singh	13.78	0.19	-
	Dipakkumar Sanghani	1.81	0.23	-
	Total	**17.82**	**0.78**	**0.36**

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	Gratuity Insurance Contribution			
	Gujarat Polysol Chemicals Private Limited -EGG Scheme	3.94	1.74	-
	Total	**3.94**	**1.74**	**-**
	Warehouse rent			
	Bhavisha Desai	16.30	16.30	16.30
	Total	**16.30**	**16.30**	**16.30**
	Donation			
	Rotary Shaikshanik and Tabibi Seva Sahayak	-	0.15	-
	Total	-	0.15	-
	Director Remuneration			
	Shailesh Desai	6.00	5.00	21.12
	Umang Desai	3.60	2.60	8.68
	Nilima Desai	0.37	1.20	1.20
	Bhavisha Desai	1.90	-	-
	Total	**11.87**	**8.80**	**31.00**
	Director Sitting Fee Expenses			
	Jagdish Lalbhai Shah	0.12	-	-
	Vijay Gopi Kishan Agarwal	0.15	-	-
	Sandhya Mahesh Borase	0.15	-	-
	Total	**0.42**	**-**	**-**
5	**Purchase/Sale of Property, Plant & Equipment**			
	Bhavisha Desai	-	-	20.42
	Total	**-**	**-**	**20.42**
6	**Interest on Unsecured Loan**			
	Bhavisha Desai	-	-	-
	Umang Desai	-	-	0.12
	Total	**-**	**-**	-
7	**Interest Paid**			
	Shaileshkumar Desai	-	-	21.22
	Umang Desai	-	-	0.47
	Nilima Desai	-	-	0.46
	Shailesh Desai-HUF	-	-	-
	Total	**-**	**-**	**22.15**

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8				
	Investment in wholly Owned Subsidiary			
	Polysol Specialty Chemicals Private Limited	-	0.50	-
	Total	-	**0.50**	-
9	**Sale of Investment in wholly owned Subsidiary**			
	Polysol Specialty Chemicals Private Limited	-	0.50	-
	Total	-	**0.50**	-

Outsatnding Balances as at :

(₹ in million)

	Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020
1	**Advance to supplier**			
	Bhavisha Industries	31.48	15.15	18.74
	Apurva International	313.63	-	-
	Sarigam Industrial Products	0.31	0.31	0.31
	Bhavisha Industries - Against MOU	4.50	-	-
	Bhavisha Desai-Security Deposits Given	3.91	-	-
	Shaileshkumar Desai - Against Agreement	38.27	-	-
	Total	**392.10**	**15.46**	**19.05**
2	**Loan Given:**			
	Shirish Desai	10.37	10.37	10.37
	Sanjay Desai	-	0.10	0.10
	Total	**10.37**	**10.47**	**10.47**
3	**Receivables:**			
	Apurva Chemicals Pvt Ltd	-	28.31	16.49
	Apurva International	-	0.01	50.57
	Total	-	**28.32**	**67.06**
4	**Advances from Customers**			
	Shaileshkumar Desai - Against Agreement	5.00	-	-
	Apurva International	-	2.60	-
	Total	**5.00**	**2.60**	-
5	**Payables:**			
	Apurva International	-	8.91	2.31
	Apurva International-Security deposit Taken	0.64	-	-
	Total	**0.64**	-	-
6	**Expenses Payable**			

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Director Remuneration Payable			
Shaileshkumar Desai	0.53	1.01	-
Umang Desai	0.21	0.45	-
Nilima Desai	-	0.29	-
Bhavisha Desai	0.51	-	-
Total	**1.25**	**1.75**	**-**
Salary Payable			
Khushru Petigara	0.60	-	-
Nilima Desai	0.09	-	-
Rajesh Singh	0.80	-	-
Dipakkumar Sanghani	0.11	0.12	-
Total	**1.60**	**0.12**	**-**

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49 Capital management

The Company's policy is to maintain stable ring strong capital base structure with a focus on total equity so as to maintain investor, creditor and market confidence and to sustain future development and growth of the business. The Company monitor's the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value and safeguard its ability to continue as a going concern.

The Company monitors capital using a ratio of 'adjusted net debt' to equity' . For the purpose of Company's capital management, adjusted net debt is defined as Long -term borrowings plus short-term borrowings less cash and cash equivalent and current investments and total equity includes issued capital and all other equity reserves.

The Company's adjusted net debt equity ratio were as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020
Short term borrowings	511.41	393.47	354.17
Long term borrowings	419.11	377.94	340.27
Less : cash and cash equivalent	62.30	8.93	13.48
Adjusted net debt	868.23	762.48	680.95
Total equity	1,812.42	1,421.60	935.88
Net Debt to Total Equity Ratio	**0.48**	**0.54**	**0.73**

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50 Financial Risk Management

The Company's activities expose to a variety of financial risks: credit risk, liquidity risk and market risk.

Risk management

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and responsibilities.

(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. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represents the maximum credit exposure.

Trade and other receivables:

The maximum exposure to credit risk at the reporting date is primarily from trade receivables. However, the management also considers the factors that may influence the credit risk of its customer base. Customers of the Company are spread across diverse industries and geographical areas. The Company limits its exposure to credit risk from trade receivables by establishing a maximum credit period and takes appropriate measures to mitigate the risk of financial loss from defaults. Recurring credit evaluation of credit worthiness is performed based on the financial condition of respective customer. The Company has assessed and evaluated the expected credit loss for the year to be ₹ Nil .

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as they become due. 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 conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the management in accordance with practice and limits set by the Company.

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In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Financing arrangement:

The Company maintains the following line of credit:

(i) Cash credit for banks from carry interest rate of 8.20% per annum, computed on a monthly basis on actual amount utilized, and are repayable on demand. These are secured by pari passu charge on movable and immovable property of the Company.

(ii) The Company has availed bill discounting facility (with recourse) from banks which carries interest between (31 March, 2021 8.50% to 8.65% per annum; 31 March 2020: 8.65% to 9.65%; 31 March 2019: 9.50% to 9.65%) and is payable within 45 days from the date of discounting of bills.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2021, 31 March 2020 and 31 March 2019 (Proforma). The amounts are gross and undiscounted contractual cash flow includes contractual interest payment and excludes netting arrangements:

(₹ in million)

As at 31st March 2022	Contractual cash flows			
Particulars	**Carrying Amount**	**Total**	**0-1 year**	**More than 1 year**
Borrowings	**930.52**	**930.52**	**511.41**	**419.11**
Lease liabilities	-		-	-
Trade payables	**723.93**	**723.93**	**723.93**	-
Other financial liabilities	**14.39**	**14.39**	**14.39**	-

(₹ in million)

As at 31st March 2021	Contractual cash flows			
Particulars	**Carrying Amount**	**Total**	**0-1 year**	**More than 1 year**
Borrowings	771.41	771.41	393.47	377.94
Lease liabilities				
Trade payables	886.95	886.95	886.95	-
Other financial liabilities	8.94	8.94	8.94	-

(₹ in million)

As at 31st March 2020	Contractual cash flows			
Particulars	**Carrying Amount**	**Total**	**0-1 year**	**More than 1 year**
Borrowings	694.44	694.44	354.17	340.27
Lease liabilities				
Trade payables	899.06	899.06	899.06	-
Other financial liabilities	91.67	91.67	91.67	-

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(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and equity price risk as discussed below:

A) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the respective functional currency of the Company. The functional currency of the Company is primarily INR. The currencies in which these transactions are primarily denominated are USD, EUR, JPY etc.

Management monitors the movement in foreign currency and the Company's exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Company decides to exchange its foreign currency.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to management is as follows:

(₹ in million)

Particulars	Trade receivables	Trade payables	Total
As at 31st March 2022			
Amount in foreign currency (USD)	0.26	6.86	7.12
Amount in ₹	19.60	520.31	539.91
As at 31st March, 2021			
Amount in foreign currency (USD)	0.30	5.94	6.24
Amount in ₹	22.02	450.68	472.70
As at 31st March, 2020	0.00	0.00	0.00
Amount in foreign currency (USD)	0.09	4.18	4.28
Amount in ₹	7.08	497.97	505.05

B) 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 the risk of changes in market interest rates relates primarily to the companies's borrowings with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, being a 0.2% increase or decrease in interest rate, with all other variables held constant, of the company's Profit before tax due to the impact on floating rate borrowings.

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Particular	As at 31st March 2022	As at 31st March, 2021
Effect on Profit before tax		
Decrease by 0.2%	0.90	0.87
Increase By 0.2%	-0.90	-0.87

Other financial assets and liabilities of the Group are either non-interest bearing or fixed interest bearing instruments, the company's net exposure to interest risk on such instruments is negligible.

The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the company's borrowings while assuming all other variables to be constant.

Based on the movements in the interest rates historically and the prevailing market conditions as at the reporting date, the company's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

c) Equity Price risk

There is no Equity Price risk in the company

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Financial instruments - fair values and risk management

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities including their level of fair value hierarchy:

Fair value hierarchy

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

The following table shows the carrying amounts of financial assets and financial liabilities as at 31st March , 2022:

Particulars	Carrying Amount	Fair Value			Total
	31-Mar-22	Level 1	Level 2	Level 3	
Financial assets measured at FVTPL					
S.B.P.P. Co-op. Bank Ltd.					
81 Equity Shares of ₹ 25/- each	0.00			0.00	0.00
Total financial assets	0.00	-	-	0.00	0.00

(₹ in million)

Particulars	Carrying Amount	Fair Value			Total
	31-Mar-22	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans	5.13			5.13	5.13
Total financial assets	5.13	-	-	5.13	5.13
Financial liabilities measured at amortised cost					
Current borrowings	511.41			511.41	511.41
Trade payables	723.93			723.93	723.93
Other financial liabilities	14.39			14.39	14.39
Total financial liabilities	1,249.73	-	-	1,249.73	1,249.73

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The following table shows the carrying amounts of financial assets and financial liabilities as at 31 March 2021:

(₹ in million)

Particulars	Carrying Amount	Fair Value			Total
	31-Mar-21	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans	2.56			2.56	2.56
Total financial assets	2.56	-	-	2.56	2.56
Financial liabilities measured at amortised cost					
Lease liabilities					
Current borrowings	393.47			393.47	393.47
Trade payables	886.95			886.95	886.95
Other financial liabilities	8.94			8.94	8.94
Total financial liabilities	1,289.36	-	-	1,289.36	1,289.36

The following table shows the carrying amounts of financial assets and financial liabilities as at 31 March 2020:

(₹ in million)

Particulars	Carrying Amount	Fair Value			Total
	31-Mar-20	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans	6.27			6.27	6.27
Total financial assets	6.27	-	-	6.27	6.27
Financial liabilities measured at amortised cost					
Current borrowings	354.17			354.17	354.17
Trade payables	899.06			899.06	899.06
Other financial liabilities	91.67			91.67	91.67
Total financial liabilities	1,344.90	-	-	1,344.90	1,344.90

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. This includes investment in mutual funds. The fair values of investments in units of mutual fund are based on the Net Asset Value (NAV) as per the fund statement.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.Investments in mutual funds carried at fair value are generally based on the Net Asset Value (NAV) as per the fund statement.

Financial assets:

Fair value of all the above financial assets are measured at balance sheet date value, as most of them are settled within a short period and so their fair value are assumed to be almost equal to the balance sheet date value.

Financial liabilities:

Borrowing: It includes cash credit and bill discounting facilities (short term borrowings). Short term borrowings are classified and subsequently measured in the financial statements at amortised cost. Considering that the interest rate on short term borrowings is reset on a periodic basis, the carrying amount of the short term borrowings would be a reasonable approximation of its fair value.

Trade payables and other financial liabilities: Fair values of trade payables and other financials liabilities are measured at balance sheet date value,as most of them are satisfied within a short period and so their fair values are assumed almost equal to balance sheet date values.

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M. No. 047954

51 Business Combination

I. Business Purchase of Partnership Firms- Polysol Industries & Urmi Polymer Industries:

The Company had entered into a Business Transfer Agreements ('Agreement') dated May 29, 2020 and acquired the businesses of Polysol Industries and Urmi Polymer Industries (Collectively known as 'Transferors'), both being Partnership Firms, effective April 1, 2020 ('Acquisition date'). Urmi Polymer Industries was earlier acting as Job-worker of the Company. Polysol Indstries was engaged in the trading of Edible oil and manufacturing of ferric and non-ferric Alum. Both businesses were transferred to gain the synergies of businesses.

Pursuant to this Agreement, the Company has agreed to make the payment of Purchase consideration amounting to ₹142.44 Million and ₹170.81 Million to Polysol Industries and Urmi Polymer Industries respectively, through the mode by issuing Equity Shares of the Company.

The Transferors were Partnership Firms and Shareholders of the Company were Partners of the firm. Since the Company and Firms have in turn been controlled by Common parent Mr. Shailesh Desai, the transaction has been accounted for in accordance with the Appendix C to Ind AS 103 "Common Control Business Combination", which requires retroactive accounting of the merger from the date common control was established. Accordingly, financial information as on April 1, 2018, being the earliest period presented in the restated financial statement of the Company and all periods, thereafter, have been restated to give effect of the merger.

The accounting effects arising out of business transferror are explained below:

(a) Equity shares amounting to ₹13.92 Million required to be issued to Partners and Share Premium amounting to ₹299.34 Million, has been accounted for as an item of equity on April 1, 2018, as equity shares proposed to be issued.

(b) The carrying value of the assets, liabilities and reserves as appearing in their respective financial statements of Firms have been recognised in the financial statements of the Company.

(c) The net effects of ₹ 130.57 Million arising out of the above adjustments have been recognised as a capital reserve on April 1, 2018.

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II. **Amalgmation of wholly owned subsidiary- Triwal Board Private Limited:**

The Scheme of Arrangement ("Scheme") for amalgmation of Triwal Board Private Limited ("Transferor") with the Company with effect from January 1, 2018, ("the appointed date") has been approved by the Regional Director, North West Region ("RD, NWR") (Central Government), Ahmedabad Bench vide Order dated August 28, 2018.

Since the merger was accouted under Pooling of Interest method as presribed under AS-14 Accounting for Amalgmation, difference between purchase consideration and share capital was adjusted with reserves of the transferee. However,he merger has been accounted as prescribed under Appendix C of Indian Accounting Standard (Ind AS) 103 – Business Combinations. this arrangement has been accounted under "common control" and the said Ind AS requires that the figures of the transferor company be incorporated in the comparative statements for the previous Financial Years 2017-18 (for the period prior to the Appointed Date).

The following accounting treatment, inter-alia, has been given effect to the Scheme:

(a) As per Ind AS 103, all assets, liabilities, income and expenditure of transferor have been recorded in the books at their respective carrying amounts after eliminating intra group balances and transactions. Necessary adjustments have been made to ensure proper allocation of common assets and liabilities. The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves is preserved and is appearing in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. Thus, all reserves which were adjusted under AS 14- accounting of Pooling of Interest method, are again aggregated with the reserves of transferee so as to maintain the identity of reserves of Transferor Company. As a result of preserving the identity, reserves which are available for distribution as dividend before the business combination would also be available for distribution as dividend after the business combination.

(b) Since, the transferor company was the wholly owned subsidiary of transferee company, investment in the books of transferee is cancelled with the share capital of transferor and the difference between investment in books of transferee and share capital of transferor is shown as Capital Reserve on Business Combination in the Other Equity.

(c) The net effects of ₹ 209.30 Million arising out of the above adjustments have been recognised as a capital reserve on April 1, 2018.

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52 First Time Adoption of Ind AS- Reconciliation

The Financial Statements of the Company as at March 31, 2022 has been prepared under Indian Accounting Standards (Ind AS') notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

These Ind AS financial statements, for the year ended March 31, 2022, are the first financial statements prepared in accordance with Ind AS. For years up to and including the year ended March 31, 2021, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014 ("IGAAP" or "Previous GAAP").

The Company has followed the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. April 01, 2020. Accordingly, suitable restatement adjustments (both re-measurements and reclassifications) in the accounting heads are made to the Ind AS Financial Statements as of and for the years ended March 31, 2021 and April 1, 2020 following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions) consistent with that used at the date of transition to Ind AS (i.e. 1 April 2020).

I Optional exemptions availed and mandatory exceptions

The accounting policies have been applied in preparing the Restated financial information. Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A Optional exemptions availed:

(i) Property, plant and equipment and intangible assets:

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statement as at the date of transition to Ind AS, measured as per previous GAAP and used that as its deemed cost as at the date of transition after making necessary adjustment for decommissioning liabilities. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value as at transition date April 01, 2020.
The Company has elected to measure intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

(ii) Business Combination

As per Ind AS, at the date of transition an entity may elect not to restate business combination that occurred before the date of transition. If the

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entity restate any business combination that occurred before the date of transition, then it restates all later business combinations. The Company has elected to apply Ind AS 103, Business Combinations retrospectively to past business combinations that occurred before the Ind AS transition date of 01 April 2020.

(iii) **Leases - Right-of-use Asset and Lease Liability**

The Company has adopted Ind AS 116 by applying exemption provided under Ind AS 101. Following approach is followed on transition date (April 01, 2020) when applying Ind AS 116 initially:

i) lease liability is recognised, for leases which were previously classified as operating leases, by measuring the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

ii) a right of use assets is recognised at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Statement of assets and liabilities immediately before the date of initial application.

The Company also applied the available practical expedients wherein it:

a) used a single discount rate to a portfolio of leases with reasonably similar characteristics;

b) applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application; and

c) excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(iv) **Fair value measurement of financial assets or financial liabilities at initial recognition**

Ind AS 101 provides the option to apply the requirements in paragraph B5.1.2A (b) of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS. The Company has elected to apply the Ind AS 109 prospectively to financial assets and financial liabilities after its transition date.

B Ind AS mandatory exceptions

(i) **De-recognition of financial assets and liabilities**

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

(ii) **Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

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(iii) Estimates

On assessment of the estimates made under the previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below:

II Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

(i) **Reconciliation of total equity between previous GAAP and Ind AS**

Particulars	Notes to first time adoption	As at March 31, 2021	As at March 31, 2020
Total Equity (shareholders funds) as per previous GAAP		1,486.52	1,089.15
Adjustments:			
Actuarial valuation impact on employee benefits	(i)	1.50	1.20
Lease Amortisation	(ii)	9.07	6.53
Tax impact		15.83	15.90
Others		(0.73)	(0.73)
Reversal of internally generated goodwill	(iii)	54.73	60.48
Impact of Business Combination		(15.48)	69.89
Total Adjustments		**64.92**	**153.28**
Total Equity as per Restated Ind AS		**1,421.60**	**935.88**

(ii) **Reconciliation of total comprehensive income between previous GAAP and Ind AS**

Particulars	Notes to first time adoption	For the year ended March 31, 2021
Profit After Tax as per previous GAAP		**402.44**
Actuarial valuation impact on employee benefits	(i)	(0.50)
Lease Amortisation	(ii)	2.53
Reversal of goodwill amortisation	(iii)	(5.75)
Tax impact		5.19
Net profit under Ind AS		**400.96**
Less: Other Comprehensive Income(Net of Tax)		0.60
Total Comprehensive Income for the Year		**400.36**

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(iii) **Impact of Ind AS adoption on the Restated Summary Statement of Cash Flows**

There were no material differences between the restated summary statement of cash flow and cash flow statement under previous GAAP.

III Notes to First Time Adoption:

(i) Actuarial valuation impact on employee benefits

Upto the year ended March 31, 2021 the Company did not make provision for gratuity and leave encashment in accordance with the requirement of applicable accounting standard. Accordingly, provision for gratuity and leave encashment has been restated by the Company for the year ended March 31, 2021 in accordance with Ind AS 19. Further, provision for gratuity and leave encashment upto year ended 31 March 2020 which were not booked earlier as per applicable accounting standard, is debited/credited to retained earning as at April 01, 2020.

Under the previous GAAP, the remeasurements of the defined benefit plans were forming part of the profit or loss for the year. Under Ind AS, these remeasurements of the defined benefit plans i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss.

(ii) Leases

Under previous GAAP, lessee classified a lease as an operating or a finance lease based on whether or not the lease transferred substantially all risk and rewards incident to the ownership of an asset. Operating lease were expensed in the Statement of Profit and Loss. Under Ind AS 116, all arrangement that fall under the definition of lease except those for which short-term lease exemption or low value exemption is applied, the Company has recognised a right-of-use assets and a lease liability on the lease commencement date. Right-of-use assets is amortised over the lease term on a straight line basis and lease liability is measured at amortised cost at the present value of future lease payments.

Under previous GAAP, the Company had not amortised leasehold land. In accordance Ind AS 116, the Company has identified leasehold land to be Right of Use (ROU) asset and hence applied Ind AS 116 retrospectively to give the impact of amortisation. As a consequence, the depreciation in the Statement of Profit and Loss for the year ended March 31, 2022 and March 31, 2021 has increased and there is corresponding decrease in the value of ROU Assets.

(iii) Intangible Assets

Company has recongised an internally generated goodwill of ₹ 6.05 Million during the year ending March 31, 2020 ,which is not allowed to be recongised under IND AS 38 "Intangible Assets" and has amortized the same for an amount of ₹ 5.75 Million during the year 2020-21. So net block of internally generated goodwill of ₹ 5.47 Million is reversed in Financial information.

(iv) Equity Shares pending allotment pursuant to Scheme

As per Appendix C of Ind AS 103, Business Combination, impact of Common Control is to be given since the beginning of the period. Hence, the Company has recognised purchase consideration as at its transition date and difference between purchase consideration and share capital of transferor is adjusted in Capital Reserve.

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(v) Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences.

(vi) Other Comprehensive Income:

Under Indian GAAP, the Group has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

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53 Impact and future uncertainties relating to Global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of the Restated financial information including there coverability of carrying amounts of financial and non financial assets. Further the impact assessment does not indicate any adverse impact on the ability of theCompany to continue as a going concern. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of the Restated financial information, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of the assets will be recovered. The impact of COVID-19 on the Group's Restated financial information may differ from that estimated as at the date of approval of these Restated financial information.

54 From the Financial Year 2019-20 and for subsequent period, the Company has after evaluation, decided to adopt the option permitted under section 115BAA of Income Tax Act, 1961 (as introduced by the Taxation Laws (Amendment) Ordinance 2019) of the lower effective corporate tax rate of 25.17% (including surcharge and cess) instead of the earlier rate of 29.12 and 34.60% (including surcharge and cess). Accordingly, the Company has recognized the Provision for Income Tax for the financial vear ended 31st March 2021 and subseauant period based on the rates prescribed in the aforesaid section.

55 Following the break out of a fire in one of factory premises situated at SRV.NO.260/7/1/3/4, Demani Road, Dadra & Nagar Haveli and Daman and Diu on May 14, 2021, the Company suffered loss of Plant & Machinery, Building and stock having their Gross Cost in the books amounting to ₹ 3.83 Million, ₹0.86 Million and ₹7.32 Million respectively. The Company is in the process of claiming reimbursement of these costs from its insurance arrangements. It is as yet too early tc quantifv the total reimbursement to be paid to the Companv.

56 The quarterly returns/statements filed by the company with banks/financial institutions are in agreement with the books of the company.

57 The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of financial statement to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of July 29,2022 there were no material subsequent events to be recognised or reportted that are not already disclosed.

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M. No. 047954

58 The Financial Statements have been approved by the Board of Directors of the Company on 29th July,2022

59 Previous period figures have been regrouped / restated to give effect of scheme of arrangement wherever necessary to make them comparable with those of the current year.

For J. V. Vasani & Co.
Chartered Accountants
FRN NO : 114283W

Jignesh Vasani
Partner
Membership No.: 047954
Place: Vapi
Date: 29-07-2022

UDIN : 22047954ANVOPD3696

For and on behalf of the Board of Directors of
Gujarat Polysol Chemicals Limited

Shailesh Desai	Umang Desai
Managing Director	Whole Time Director
DIN: 00266938	DIN: 05161181
Place: Vapi	Place: Vapi
Date: 29-07-2022	Date: 29-07-2022
Rajesh Singh	Dipak Sanghani
Chief Executive Officer	CFO & Company Secretary
	Membership No: 50568
Place: Vapi	Place: Vapi
Date: 29-07-2022	Date: 29-07-2022

60 Other regulatory information

a Title deeds of all the Immovable Properties are in name of the Company.

b The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible

c The Company has not made any Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any othe are:
(a) repayable on demand or
(b) without specifying any terms or period of repayment

d Capital-Work-in Progress (CWIP) / Intangible assets under development (ITAUD)

There is no CWIP or ITAUD, hence no ageing schedule and other relevant details concerning completion or overdue.

e No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

f The Company has borrowings from banks or financial institutions on the basis of security of current assets

g The Company has not been declared Wilful Defaulter,hence the requirments of this Para is not applicable to the Company.

h The Company has no relationship with any struck-off Comppany\companies

i All the charges or the satisfaction of the charges have been registered with the registrar of companies within the stipulated time limit.

j The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act

k The Company has not advanced any loan to subsidiary.

l The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

J. V. VASANI & CO. * CHARTERED ACCOUNTANTS *
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m The Company has not traded or invested in crypto currency or virtual currency during the financial year

n The Company has not made any application scheme of Arrangements.

o The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise), hence the disclosure requirements of this para is not applicable to the company

p Utilisation of Borrowed funds and share premium:

(A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or

(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise).

q Loans Disclosures pursuant to the Regulation 34(3) read with para A of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 186 (4) of the Companies Act, 2013

r The Company has no undisclosed income and related assets.

s The Company is covered under Section 135 of the Companies Act. Refer Note 39.1(ii) for detailed description.

For J. V. Vasani & Co.
Chartered Accountants
FRN NO.: 114283W

Jignesh Vasani
Partner
Membership No.: 047954
Place: Vapi
Date: 29-07-2022

UDIN : 22047954ANVOPD3696

J. V. VASANI & CO. M. No. 047954 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Gujarat Polysol Chemicals Limited

Shailesh Desai
Managing Director
DIN: 00266938
Place: Vapi
Date: 29-07-2022

Umang Desai
Whole Time Director
DIN: 05161181
Place: Vapi
Date: 29-07-2022

GUJARAT POLYSOL CHEMICALS LTD. VAPI

Rajesh Singh
Chief Executive Officer

Place: Vapi
Date: 29-07-2022

Dipak Sanghani
CFO & Company Secretary
Membership No: 50568
Place: Vapi
Date: 29-07-2022