



# GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED

CIN : U24231GJ1989PTC012892 PAN : AAACG8908Q GSTIN : 24AAACG8908Q1Z4 [www.gujaratpolysol.com](http://www.gujaratpolysol.com)

## DIRECTORS' REPORT

To  
The Members  
**Gujarat Polysol Chemicals Private Limited**

Your Directors have pleasure in presenting their Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2021.

## FINANCIAL SUMMARY

(Amount in Rs.)

Particulars	2020-21	2019-20
<b>Total Revenue</b>	<b>380,43,16,663.00</b>	<b>396,26,68,894.00</b>
<b>Profit / (Loss) Before Tax</b>	<b>53,91,08,443.00</b>	<b>24,80,64,976.00</b>
Less: Tax Expenses		
Current Tax	13,02,50,616.00	5,46,36,726.00
Deferred Tax	63,93,366.00	15,51,793.00
Current Tax relating to prior years	26,167.00	7,58,674.00
<b>Profit/ (Loss) After Taxation</b>	<b>40,24,38,294.00</b>	<b>19,11,17,783.00</b>

## FINANCIAL HIGHLIGHTS AND OPERATION

The Key highlights pertaining to the business of the company for the year 2020-21 and period subsequent there to have been given hereunder:

- The Company has reported total revenue of Rs.380,43,16,663.00 in Financial Year 2020-21 compared to total revenue of Rs.396,26,68,894.00 in previous year thus there is a reduction of 4.00% in the Total Revenue of the Company as compared to previous Financial year.
- The Company witnessed Profit Before Tax at Rs. 53,91,08,443.00 in Financial Year 2020-21 as against Rs. 24,80,64,976.00 in the previous year thus there is an

-1-  
**ISO (9001/14001) CERTIFIED COMPANY**



increment of 117.33% in the Total Profit Before Tax of the Company as compared to previous Financial year.

### **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.

### **RESERVES**

Your Directors propose to carry Rs.40,24,38,294.00 being the profit for the current year to the Balance Sheet (Surplus) during the financial year ended March 31, 2021.

During the year under review, there was no amount transferred to any of the reserves by the Company.

### **CAPITAL STRUCTURE**

There is no change in the authorised share capital of the company during the year. The Authorized Share Capital and Paid Share Capital of the Company as on 31<sup>st</sup> March, 2021 is as given below:

The Authorised Share Capital of the Company is Rs. 8,25,00,000/- (Rupees Eight Crore Twenty Five lacs only) divided into 8,15,000 (Eight Lakhs Fifteen thousand) equity shares of Rs. 100/- each, 7,500 10% Non Cumulative Redeemable Preference Shares of Rs 100/- each and 2,500 Unclassified Shares of Rs 100/- each.

The Paid up share capital of the Company is Rs. 4,03,09,500/- (Rupees Four crore Three lacs Ninety thousand Five hundred only) divided into 4,03,095 (Four lacs Three thousand Ninety Five only) equity shares of Rs. 100/- each.

During the period under review, the Company has made an allotment of 1,39,195 Equity Shares of Rs 100.00 each at a premium of Rs 2150.50 per Share through Private Placement on 31<sup>st</sup> May, 2020. The above allotment is made for consideration otherwise than in cash to purchase the business of two partnership firms viz M/s Polysol Industries and M/s Urmi Polymer Industries on a going concern basis.



**A) Issue of equity shares with differential rights**

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

**B) Issue of sweat equity shares**

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

**C) Issue of employee stock options**

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

**D) 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.

**INDUSTRY SCENARIO AND STATE OF COMPANY'S AFFAIRS**

Your company is a private company engaged, inter-alia, in the manufacturing activity of agro chemicals, construction chemicals and leather chemicals and trading of Crude Palm Oil and Soyabean Oil. The Registered Office of the Company is situated in Vapi, Gujarat.

The Company has reported total revenue of Rs.380,43,16,663.00 in Financial Year 2020-21 compared to total revenue of Rs.396,26,68,894.00 in previous year thus there is a reduction of 4.00% in the Total Revenue of the Company as compared to previous Financial year.

The Profit After Tax of the Company for Financial Year 2020-21 is Rs. 40,24,38,294.00 as compared to previous year's Profit After Tax of Rs 19,11,17,783.00 thus there is an increment of 110.57% in the Total Profit After Tax of the Company as compared to previous Financial year..



## **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 AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

Material changes and commitments affecting the financial position of the company, occurred between the end of the financial year of the company to which the financial statements relate and the date of this report, are as given below:

1. In the Extraordinary General Meeting of the Company held on 15<sup>th</sup> April, 2021 at the registered office of the Company, the members of the Company has approved following business items:

- a) The Authorized Capital of the Company is 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.
- b) The Share Capital of the Company is sub divided from One Equity Share of Rs 100.00 each to 10 (Ten) Equity Shares having a face value of Rs 10/- each ("Sub-division").
- c) 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.



**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 AND KEY MANAGERIAL PERSONNEL**

**1. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL**

There is a change during the financial year in the composition of the Board of Directors and Key Managerial Personnel of the company as mentioned below:

- a) Mr Shaileshkumar Balvantrai Desai is appointed as a Managing Director of the Company in the Board Meeting held on 01<sup>st</sup> February, 2021 for the period of five years w.e.f. 01<sup>st</sup> February, 2021.
- b) Mr Umang Shailesh Desai is appointed as a Whole-Time Director of the Company in the Board Meeting held on 01<sup>st</sup> February, 2021 for the period of five years w.e.f. 01<sup>st</sup> February, 2021.
- c) Mr Dipakkumar Mohanlal Sanghani is appointed as a Chief Financial Officer and Company Secretary of the Company in the Board Meeting held on 01<sup>st</sup> February, 2021 w.e.f. 01<sup>st</sup> February, 2021.
- d) Mr Rajesh Shyambadan Singh is appointed as a Chief Executive Officer of the Company in the Board Meeting held on 01<sup>st</sup> February, 2021 w.e.f. 01<sup>st</sup> February, 2021.
- e) Mr Rajesh Shyambadan Singh has resigned as a Chief Executive Officer of the Company w.e.f. 05<sup>th</sup> February, 2021.

**2. DECLARATION BY THE INDEPEDNENT DIRECTORS**

The Company being a private company, the appointment of independent director is not mandatory.



### **MEETINGS OF THE BOARD OF DIRECTORS**

The Board of Directors of the Company met 19 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.

### **AUDIT COMMITTEE**

The Company being a Private Company, provisions of Section 177 of the Companies Act, 2013 were not applicable.

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

None of the employee of your company, who was employed throughout the financial year, was in receipt of remuneration in aggregate exceeding the limit specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

During the financial year under review, the Company has the following subsidiary company:

POLYSOL SPECIALTY CHEMICALS PRIVATE LIMITED (CIN: U24304GJ2020PTC114312) was incorporated on 03<sup>rd</sup> July, 2020 as a Wholly Owned Subsidiary of GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED (CIN: U24231GJ1989PTC012892), thereby GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED has become Holding Company of the POLYSOL SPECIALTY CHEMICALS PRIVATE LIMITED w.e.f. 03<sup>rd</sup> July, 2020.

The Company sold the said Equity Shares in POLYSOL SPECIALTY CHEMICALS PRIVATE LIMITED on 23<sup>rd</sup> January, 2021 thereby POLYSOL SPECIALTY CHEMICALS



PRIVATE LIMITED has ceased to be subsidiary Company of the Company w.e.f. 23<sup>rd</sup> January, 2021.

### **DEPOSITS**

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

(a) accepted during the year: NA

(b) remained unpaid or unclaimed as at the end of the year: NA

(c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-

(i) at the beginning of the year: NA

(ii) maximum during the year: NA

(iii) at the end of the year: NA

(d) The details of deposits which are not in compliance with the requirements of Chapter V of the Act: NA

### **AUDITORS**

#### **a) Statutory Auditor**

The Company in its Annual General Meeting (AGM) held on 30<sup>th</sup> September, 2017 appointed M/s J. V. VASANI & Co. (Firm Registration No 114283W), Chartered Accountants, Vapi, as Statutory Auditors of the Company to hold office for the period of 5 consecutive years from the conclusion of this AGM until the conclusion of the sixth consecutive AGM.



**b) 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) have carried out the cost audit for applicable products during the financial year 2020-21.

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 1,25,000.00 lakhs (Rupees One lakh Twenty Five thousand only).

**c) 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.

HRK CORPADVICE PRIVATE LIMITED was appointed as an Internal Auditor of the Company by the Board at its meeting 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.

**AUDITORS' REPORT**

There is no qualification, reservation or adverse remarks or disclaimer made by the auditors in their report.

**SECRETARIAL AUDIT REPORT**

The requirement of obtaining a Secretarial Audit Report from the practicing company secretary is not applicable to the Company.





## **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 2020-21 in Corporate Social Responsibility activities as mentioned under Schedule VII of the Companies Act 2013.

Annual report on CSR activities is enclosed as **Annexure "A"** to this report.

## **VIGIL MECHANISM**

The Company has established a vigil mechanism pursuant to the requirements of Section 177(9) of the Companies Act, 2013. No personnel have been denied access to the Director nominated by the Board of the Company 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 Vigil Mechanism Policy is hosted on the Company's website [www.gujaratpolysol.com](http://www.gujaratpolysol.com).

## **RISK MANAGEMENT POLICY**

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 Company being a Private Limited Company is not under the purview for constituting Risk management committee under the provisions of listing agreement.

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



The particulars of Loans, guarantees or investments made under Section 186 are furnished hereunder:

**Details of Loans:**

SL No	Date of making loan	Details of Borrower	Amount	Purpose for which the loan is to be utilized by the recipient	Time period for which it is given	Date of BR	Date of SR (if reqd)	Rate of Interest	Security
<b>NA</b>									

**Details of Investments:-**

The Company has made investment in the Equity Shares of POLYSOL SPECIALTY CHEMICALS PRIVATE LIMITED (CIN: U24304GJ2020PTC114312) during the Financial Year 2020-21. The details of the said investment are given in the notes to the Financial Statements of the Company.

**Details of Guarantee / Security Provided:**

SL No	Date of providing security/guarantee	Details of recipient	Amount	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Date of BR	Date of SR (if any)	Commission
<b>NA</b>							

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH THE RELATED PARTIES**

Your Company has entered into transactions with the related parties and the details of the same have been given in Note No: 2.12 attached to the Audited Financial



Statements. The Company has not entered into material Related Party Transactions during the year hence, the details in form AOC-2 are not required to be given.

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

The Company's internal financial control systems 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**

The Company is pleased to report that during the year under reporting, the industrial relations were cordial.

### **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-

(i) the steps taken or impact on conservation of energy: NA

(ii) the steps taken by the company for utilising alternate sources of energy: NA

(iii) the capital investment on energy conservation equipments: NA

(B) Technology absorption-

(i) the efforts made towards technology absorption: NA



(ii) the benefits derived like product improvement, cost reduction, product development or import substitution: NA

(iii) the Company has not imported technology from abroad

(iv) the expenditure incurred on Research and Development: NA

#### **FOREIGN EXCHANGE EARNINGS & OUTGO**

Foreign Exchange outgo : Rs.93,68,43,457/-

Foreign Exchange Earnings during the year : Rs.4,92,88,464/-

#### **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 31.03.2021;

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.

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

There was no case filled during the year, under the sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Further Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and made the necessary policies for safe and secure environment for women employee.

**INTERNAL COMPLAINTS COMMITTEE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has complied with the provisions relating to the Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There was no case filed or registered with the Committee during the year, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Further Company ensures that there is a healthy and safe environment for every women employee at the workplace.

**MAINTENANCE OF COST RECORDS**

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained by the Company.

**SECRETARIAL STANDARDS**

Pursuant to clause 9 of the revised Secretarial Standard – 1, your company has complied with applicable secretarial standards issued by the Institute of Company Secretaries of India, during the financial year under review.



## **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, is available on the website of the Company at [www.gujaratpolysol.com](http://www.gujaratpolysol.com). The requirement of uploading of copy of annual return as of 31<sup>st</sup> March, 2021 on the website of the Company will be completed after Annual General Meeting.

## **ACKNOWLEDGEMENT**

Your Directors' wishes to place on record its sincere thanks to all the Customers, Suppliers, Bankers and Central and State 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.

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



Place: Vapi

Date: 16/08/2021

Name : Shaileshkumar Balvantraai Desai  
Designation : Chairman And Managing Director  
DIN : 00266938

## Annexure A

### Annual Report on Corporate Social Responsibilities (CSR) Activities for the financial year ended March 31, 2021

#### 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.

#### 2. Composition of the CSR Committee:

Sr. No	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR committee held during the year	Number of meetings of CSR committee attended during the year
1.	Mr Shaileshkumar Balvantrai Desai	Managing Director	4	4
2.	Mr Umang Shailesh Desai	Whole-Time Director	4	4
3.	Mrs Nilima Shailesh Desai	Director	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: [www.gujaratpolysol.com](http://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 18,57,81,915.00**

**7. (a) Two percent of average net profit of the company as per section 135(5):  
Rs 37,15,638.30**

**(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) Total CSR obligation for the financial year (7a+7b-7c): Rs 37,15,638.30**

**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.37,24,250.00	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 Registration number
Not Applicable										



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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (In Rs.)	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
1.	PM CARES Fund	Contribution to the fund set up by the Central Government	No	Project is implemented Pan-India		1,01,000.00	No	PM CARES Fund	NA
2.	ROTARY FOUNDATION (INDIA)	Promoting Health Care and Promoting Education	No	Project is implemented Pan-India		6,41,250.00	No	ROTARY FOUNDATION (INDIA)	NA
3.	SHREYASH MEDICARE	Promoting Health Care	Yes	Gujarat	Valsad	2,51,000.00	No	SHREYASH MEDICARE	NA
4.	SAVLI TALUKA RIFLE ASSOCIATION	Training to promote Sports	No	Gujarat	Vadodara	20,00,000.00	No	SAVLI TALUKA RIFLE ASSOCIATION	NA



5.	ROTARY SHAIKSHANIK AND TABIBI SEVA SAHAYAK MANDAL	Promoting Health Care	Yes	Gujarat	Valsad	1,50,000.00	No	ROTARY SHAIKSHANIK AND TABIBI SEVA SAHAYAK MANDAL	NA
6.	ROTARY CHARITABLE TRUST VAPI	Promoting Health Care	Yes	Gujarat	Valsad	5,31,000.00	No	ROTARY CHARITABLE TRUST VAPI	NA
7.	TINKU MEMORIAL TRUST	Animal Welfare	Yes	Gujarat	Valsad	50,000.00	No	TINKU MEMORIAL TRUST	NA
<b>TOTAL</b>						<b>37,24,250.00</b>			

(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 37,24,250.00

(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)	37,15,638.30
(ii)	Total amount spent for the Financial Year	37,24,250.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	8,611.69
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	8,611.69

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

**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**



\_\_\_\_\_  
**Chairman & Managing Director**

**STATUTORY AUDIT REPORT**  
**OF**  
**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**For The Year Ending**  
**On 31st March 2021**

**CA**

**J. V. VASANI & CO.**

**Chartered Accountants**

**Addresses**

**(H.O):** "3rd Floor, Azad Complex , Near Ayush Hospital Beside Civil  
Court NH48, Vapi-396195

**Email ID :** [vapi@jvvco.in](mailto:vapi@jvvco.in)

**(Br.): Valsad:** 2 Floor, Sai Baba Apartment, Opp. Head Post Office,  
Valsad- 396001 **Email:** [valsad@jvvco.in](mailto:valsad@jvvco.in)

॥ अक्षयं ते भविष्यति ॥



॥ अक्षयं ते भविष्यति ॥



# **J. V. VASANI & Co.**

Chartered Accountants

## **Independent Auditor's Report**

**To the Members of GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**

### **Report on the Financial Statements**

1. We have audited the accompanying financial statements of **GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

2. The Company's Board of Directors is responsible for matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable.

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





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

The Board of Directors are responsible for overseeing the Company's financial reporting process

### **Auditor's Responsibility**

1. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
3. We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate financial controls system over financial reporting and the operating



effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## **Opinion**

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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March, 2021, and its profit (financial performance) and its cash flow for the year ended on that date.

## **Basis of 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 Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.



## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i) The Company have one pending litigation which may impact its financial position related to excises and GST Matter and same is also mentioned in the note 26.1 of Contingent Liabilities of the Balance sheet as on 31<sup>st</sup> March, 2021.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- h) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For J. V. Vasani & Co.**  
**Chartered Accountants**  
**F.R.N : 114283W**



**(Jignesh V. Vasani)**

**Partner**

**M.No. 047954**

**UDIN: 21047954AAAAFP8509**

**Date: 16.08.2021**

**Place: VAPI**

## **Annexure - A**

### **To the Independent Auditor's Report**

(Referred to in paragraph 8 (f) under 'Report on Other Legal and Regulatory Requirements' 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 PRIVATE LIMITED**, as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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



## **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the internal auditor in terms of his report, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



## **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately

and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## **Opinion**

On Audit 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,



2021, 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 of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For J. V. Vasani & Co.**

**Chartered Accountants**

**FRN : 114283W**



**(Jignesh V. Vasani)**

**Partner**

**M. No. 047954**

**UDIN: 21047954AAAAFP8509**

**Date: 16.08.2021**

**Place: VAPI**





## Annexure B

### Companies auditor report order (CARO) rules, 2016

#### To the Independent Auditor's Report

(Referred to in paragraph 10 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) **FIXED ASSETS:**

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) With respect to immovable properties of acquired land and buildings that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/transfer deed/conveyance deed/court orders approving schemes of arrangements/amalgamations provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.

(j) **INVENTORY:**

- d) The company is maintaining proper records of inventory. As per information and explanation given to us, no material discrepancies were noticed on physical verification.



e) Physical verification of inventory has been conducted at reasonable intervals by the management;

f) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(k) **LOAN GIVEN BY COMPANY:**

The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

(l) **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 on which provisions of section 185 are applicable and the company has complied with the provisions of Section 186 of the Companies Act.

(m) **DEPOSITS:**

According to the information and explanation given to us, the company has not accepted any deposit and hence reporting under paragraph 3(v) of the order is not applicable.

(n) **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.



(o) **STATUTORY DUES:**

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

- (a) The Company has been regular in depositing undisputed statutory dues, Income-tax, and other material statutory dues applicable to it with the appropriate authorities. There is no undisputed statutory dues outstanding for more than 6 months.
- (b) The company do not have any statutory dues for which disputes are going on as on 31st March, 2021.

(p) **REPAYMENT OF LOAN:**

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 to bank. the company has not borrowed any moneys by issuing of debentures.

(q) **UTILIZATION OF IPO AND FURTHER PUBLIC OFFER:**

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 raise any money by way of initial public offer or further public offer (including debt instruments).

(r) **REPORTING OF FRAUD:**

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



(s) **APPROVAL OF MANAGERIAL REMMUNERATION:**

The company is a private limited company. Accordingly, the clause (xi) of paragraph 3 of the order relating to the payment of provision of managerial remuneration in accordance with the requisite approvals mandated by the provisions of 197 read with Schedule V to the Act is not applicable to the company.

(t) **NIDHI COMPANY:**

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

(u) **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 accounting standards.

(v) **PRIVATE PLACEMENT OR PREFERENTIAL ISSUES:**

During the year the Company has made preferential allotment or private placement of 1,39,195 having face value of Rs.100 each at premium of Rs.2150.50 per shares on fully paid up basis and the company has complied with the provisions of section 42 and 62 of the Companies Act, 2013

(w) **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.



(x) **REGISTER UNDER RBI ACT:**

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

**For J. V. Vasani & Co.  
Chartered Accountants  
F.R.N : 114283W**



**(Jignesh V. Vasani)**



**Partner**

**M. No. 047954**

**UDIN: 21047954AAAAFP8509**

**Date: 16.08.2021**

**Place: VAPI**

**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**

**Balance Sheet As At 31st March 2021**

**CIN No. U24231GJ1989PTC012892**

Particulars		Note No.	As at 31 March, 2021	As at 31 March, 2020
			Amount in Rupees	Amount in Rupees
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	<u>3</u>	4,03,09,500	2,63,90,000
	(b) Surplus	<u>4</u>	1,44,62,15,450	74,95,05,882
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	<u>5</u>	39,31,33,166	28,47,34,684
	(b) Deferred tax liabilities (net)	<u>6</u>	3,55,86,722	2,91,93,355
<b>3</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	<u>7</u>	31,04,45,323	22,90,63,636
	(b) Trade payables	<u>8</u>	88,69,51,662	79,75,88,306
	(c) Other current liabilities	<u>9</u>	9,31,83,630	22,64,19,063
	(d) Short-term provisions	<u>10</u>	13,02,50,616	5,46,36,726
	<b>TOTAL</b>		<b>3,33,60,76,067</b>	<b>2,39,75,31,653</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	<u>11</u>		
	(i) Tangible assets		77,15,84,967	63,23,31,670
	(ii) Intangible assets		5,59,99,217	-
	(b) Non-current investments	<u>12</u>	2,025	2,025
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	<u>13</u>	40,51,17,585	32,10,41,529
	(b) Trade receivables	<u>14</u>	1,67,94,12,131	1,19,03,59,828
	(c) Cash and cash equivalents	<u>15</u>	4,89,79,544	4,59,07,540
	(d) Short-term loans and advances	<u>16</u>	37,38,89,996	20,41,74,208
	(e) Other current assets	<u>17</u>	10,90,602	37,14,853
	<b>TOTAL</b>		<b>3,33,60,76,067</b>	<b>2,39,75,31,653</b>

In terms of our report attached

**For J V Vasani & Co.**

Chartered Accountants

(Firm's Registration No.114283W)

*J. Vasani*

(Jignesh V. Vasani)

Partner

M.No. 047954

UDIN: 21047954AAAAFP8509



Place : Vapi

Date :16-08-2021

For and on behalf of the Board of Directors

**Gujarat Polysol Chemicals Private Limited**

*U. Desai*

**Umang Desai**

Director

DIN No.05161181

*S. Sanghani*

**Dipak Sanghani**

CFO & CS



*S. Desai*

**Shailesh Desai**

Director

DIN No.00266938

*R. Singh*

**Rajesh Singh**

CEO

Place : Vapi

Date :16-08-2021

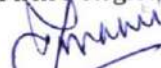
Place : Vapi

Date :16-08-2021

**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**Statement of Profit and Loss for the year ended 31st March 2021**  
**CIN No. U24231GJ1989PTC012892**

Particulars	Note No.	For the year ended 31 March , 2021	For the year ended 31 March, 2020
		Amount in Rs.	Amount in Rs.
<b>A CONTINUING OPERATIONS</b>			
<b>1</b> Revenue from operations (gross)	<u>18</u>	4,37,90,38,608	4,50,09,53,434
Less: GST on Sales		58,47,86,777	55,49,73,582
Revenue from operations (net)		3,79,42,51,832	3,94,59,79,852
<b>2</b> Other income	<u>19</u>	1,00,64,831	1,66,89,042
<b>3 Total revenue (1+2)</b>		<b>3,80,43,16,663</b>	<b>3,96,26,68,894</b>
<b>4 Expenses</b>			
(a) Cost of materials consumed	<u>20</u>	2,78,88,29,629	3,27,14,75,995
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	<u>21</u>	(1,40,88,257)	(7,46,323)
(c) Power and fuel Consumed		11,30,77,725	10,71,97,611
(d) Employee benefits expense	<u>22</u>	7,13,79,275	5,27,16,396
(e) Finance costs	<u>23</u>	7,73,69,447	6,53,63,906
(f) Depreciation and amortisation expense		3,40,93,692	1,98,12,661
(g) Other expenses	<u>24</u>	19,45,46,710	19,87,83,673
<b>Total expenses</b>		<b>3,26,52,08,220</b>	<b>3,71,46,03,919</b>
<b>5 Profit / (Loss) before tax (3-4)</b>		<b>53,91,08,443</b>	<b>24,80,64,975</b>
<b>6 Tax expense:</b>			
(a) Current tax expense for current year		13,02,50,616	5,46,36,726
(b) (Less): MAT credit (where applicable)		-	-
(c) Current tax expense relating to prior years		26,167	7,58,674
(d) Net current tax expense		13,02,76,783	5,53,95,400
(e) Deferred tax		63,93,366	15,51,793
		<b>13,66,70,149</b>	<b>5,69,47,193</b>
<b>7 Profit / (Loss) for the year (5-6)</b>		<b>40,24,38,294</b>	<b>19,11,17,782</b>
<b>8 Earnings per share (of Rs. 100/- each):</b>			
(a) Basic	<u>25</u>	<b>1,059.34</b>	<b>724.21</b>
<b>See accompanying notes forming part of the financial</b>			

In terms of our report attached  
**For J V Vasani & Co.**  
Chartered Accountants  
(Firm's Registration No.114283W)

  
**(Jignesh V. Vasani)**  
**Partner**  
M.No. 047954  
UDIN : 21047954AAAAFP8509  
Place : Vapi  
Date :16-08-2021



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

  
**Umang Desai**  
**Director**  
DIN No.05163181  
  
**Dipak Sanghani**  
**CFO & CS**



  
**Shailesh Desai**  
**Director**  
DIN No.00266938  
  
**Rajesh Singh**  
**CEO**

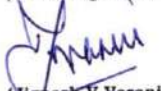
Place : Vapi  
Date :16-08-2021

Place : Vapi  
Date :16-08-2021

**CASH FLOW STATEMENT FOR COMPANIES OTHER THAN FINANCE COMPANIES**  
**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**Cash Flow Statement For The Year Ended 31st March, 2021**  
**CIN No. U24231GJ1989PTC012892**

Particulars	For the year ended 31 March, 2021		For the year ended 31 March, 2020	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax	53,91,08,443		24,80,64,976	
<b>Adjustments for:</b>				
Depreciation and amortisation	3,40,93,692		1,98,12,661	
Short Term Capital Gain-MF-Debt	-		(41,177)	
Finance costs	7,73,69,447		6,53,63,906	
Interest income	(38,01,807)		(29,72,438)	
Balance Written Back	(15,48,521)		-	
Balance Written Off	11,02,390		-	
Dividend income	-		(252)	
Net unrealised exchange (gain) / loss	(28,83,336)		3,14,19,491	
		64,34,40,308		36,16,47,167
Operating profit / (loss) before working capital changes				
<b>Changes in working capital:</b>				
<b>Adjustments for (increase) / decrease in operating assets:</b>				
Inventories	(8,40,76,056)		(9,27,54,976)	
Trade receivables	(48,90,52,316)		(13,99,95,003)	
Short-term loans and advances	4,82,84,376		27,87,68,937	
Other current assets	26,24,251		(21,60,997)	
<b>Adjustments for increase / (decrease) in operating liabilities:</b>				
Trade payables	8,93,63,356		3,17,17,454	
Other current liabilities	7,12,78,529		(13,16,35,963)	
Short-term borrowings	9,57,82,417		(94,87,120)	
		(26,57,95,443)		(6,55,47,669)
Cash generated from operations		37,76,44,865		29,60,99,498
Net income tax (paid) / refunds		(12,75,10,035)		(5,58,48,751)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>25,01,34,829</b>		<b>24,02,50,747</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	(16,03,21,839)		(11,95,31,663)	
Purchase of investment	5,00,000		(2,80,00,000)	
Sale of investment	(5,00,000)		2,80,41,177	
Interest received	38,01,807		29,72,438	
Dividend received	-		252	
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(15,65,20,031)</b>		<b>(11,65,17,796)</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from issue of equity shares	-		-	
Proceeds from Premium on issue of equity shares	-		-	
Proceeds from Long-term borrowings	(1,60,56,681)		(3,08,23,015)	
Finance cost	(7,73,69,447)		(6,53,63,906)	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(9,34,26,128)</b>		<b>(9,61,86,921)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>1,88,669</b>		<b>2,75,46,029</b>
Cash and cash equivalents at the beginning of the year		4,59,07,540		4,97,81,004
Effect of exchange differences on restatement of foreign		28,83,336		(3,14,19,491)
<b>Cash and cash equivalents at the end of the year</b>		<b>4,89,79,544</b>		<b>4,59,07,541</b>
<b>Cash and cash equivalents at the end of the year *</b>				
* Comprises:				
(a) Cash on hand		9,84,088		5,65,807
(c) Balances with banks				
(i) In current accounts		79,42,698		3,71,838
(d) Fixed Deposits		4,00,52,759		4,49,69,895
		<b>4,89,79,544</b>		<b>4,59,07,541</b>

In terms of our report attached  
**For J V Vasani & Co.**  
Chartered Accountants  
(Firm's Registration No.114283W)

  
**(Jignesh V. Vasani)**  
**Partner**  
M.No. 047954  
UDIN : 21047954AAAAFP8509



Place : Vapi  
Date :16-08-2021


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

  
**Umang Desai**  
**Director**  
DIN No.05161181

  
**Dipak Sanghani**  
**CFO & CS**



  
**Shailesh Desai**  
**Director**  
DIN No.00266938

  
**Rajesh Singh**  
**CEO**

Place : Vapi  
Date :16-08-2021

Place : Vapi  
Date :16-08-2021



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**Notes forming part of the financial statements**  
**CIN No. U24231GJ1989PTC012892**

**Note 3 Share capital**

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
(a) Authorised Equity shares of Rs. 100 each	8,15,000	8,15,00,000	8,15,000	8,15,00,000
7,500 10% Non Cumulative Redeemable Preference Shares of INR 100/- each	7,500	7,50,000	7,500	7,50,000
2,500 Unclassified Shares of INR 100/- each	2,500	2,50,000	2,500	2,50,000
<b>Total Authorised Capital</b>	<b>8,25,000</b>	<b>8,25,00,000</b>	<b>8,25,000</b>	<b>8,25,00,000</b>
(b) Issued, Subscribed and fully paid up Equity shares of Rs. 100 each	4,03,095	4,03,09,500	2,63,900	2,63,90,000
<b>Total Issued, Subscribed and fully paid up</b>	<b>4,03,095</b>	<b>4,03,09,500</b>	<b>2,63,900</b>	<b>2,63,90,000</b>

**a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
(a) Equity Shares At the beginning of the period	2,63,900	2,63,90,000	2,63,900	2,63,90,000
Issued during the year	1,39,195	1,39,19,500	-	-
Outstanding at the end of the period	4,03,095	4,03,09,500	2,63,900	2,63,90,000

**b) Terms/ Rights attached to equity shares**

The Company has one class of equity shares having a par value of Rs 100 per share. Each Holder of equity share is entitled to 1 vote per share. In the event of share will be entitled to receive remaining assets of the company, after distribution of all preferential Liquidation of the company, the holders of equity amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Details of shares held by each shareholder holding more than 5% shares:**

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Amount	% holding	Amount	% holding
Shaileshkumar Desai	2,89,69,100	71.87	1,80,14,400	68.26
Polysol Financial Services LLP	25,00,000	6.20	25,00,000	9.47
Umang Desai	66,53,400	16.51	46,07,800	17.46
Nilima Desai	20,86,500	5.18	11,67,300	4.42



d) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	No of Share	Amount	No of Share	Amount
<b>A. Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash.</b>			-	-
1. Shaliesh Desai	1,09,547	24,65,35,524		
2. Umang Desai	20,456	4,60,36,228		
3. Nilima Desai	9,192	2,06,86,596		
<b>B. Aggregate number and class of shares allotted as fully paid-up by way of bonus shares.</b>	-	-	-	-
<b>C. Aggregate number and class of shares bought back.</b>	-	-	-	-
<b>Total</b>	<b>1,39,195</b>	<b>31,32,58,348</b>	-	-



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**Notes forming part of the financial statements**  
**CIN No. U24231GJ1989PTC012892**

**Note 4 Surplus**

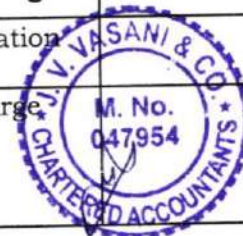
Particulars	As at 31 March, 2021	As at 31 March, 2020
	Amount in Rs.	Amount in Rs.
(a) Securities premium		
Opening balance	18,58,63,000	18,58,63,000
Add : Premium on shares issued during the year	29,93,38,848	-
Less : Utilised during the year for:	-	-
Closing balance	<b>48,52,01,848</b>	<b>18,58,63,000</b>
(b) General reserve		
Opening balance	38,40,717	38,40,717
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	<b>38,40,717</b>	<b>38,40,717</b>
(c) Capital Redemption Reserve		
Opening balance	15,00,000	15,00,000
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Less: Utilised / transferred during the year for:	-	-
Closing balance	<b>15,00,000</b>	<b>15,00,000</b>
(d) Surplus in Statement of Profit and Loss		
Opening balance	55,83,02,165	36,71,84,382
Less: Transferred of Income tax - PSI & UPI	50,67,575	-
Add: Profit / (Loss) for the year	40,24,38,294	19,11,17,783
Closing balance	<b>95,56,72,884</b>	<b>55,83,02,165</b>
<b>Total</b>	<b>1,44,62,15,450</b>	<b>74,95,05,882</b>

**Note 5 Long-term borrowings**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Amount in Rs.	Amount in Rs.
<b>a) Business loan</b> (refer note 5.1)		
<b>From banks</b>		
Secured	8,82,29,211	6,35,89,173
<b>From Others</b>		
Secured	29,42,13,053	20,68,35,132
<b>b) Vehicle Loan</b> (refer note 5.1)		
From banks		
Secured	1,06,90,902	1,43,10,379
<b>Total</b>	<b>39,31,33,166</b>	<b>28,47,34,684</b>

**SECURITY:**

Facility	Details of Security	Type of Charge.	Value
CC, LC, BC, BG, CEL, SLC, TL etc.	Hypothecation of all the chargeable current assets	Hypothecation First	208.45
	First Charge Over the entire present & future fixed assets of the company by way of Equitable Mortgage. (i.e. Land, Building, Plants & Machineries, etc.)	First Charge	82.76



<b>Notes 5.1:</b>		
<b>Particulars</b>	<b>Description</b>	<b>Security</b>
1. Business loan	Business loan of Rs. Nil(33,41,076) taken from HDFC bank limited and Repayable in 60 monthly instalments of Rs.4,42,639 per months	Respective of plant & machinery
2. Business loan	Business loan of Rs.79,70,669(88,24,001) taken from Aditya Birla Finance Limited and Repayable in 120 monthly instalments.	Personal Property of Director
3. Business loan	Business loan of Rs.3,73,62,500(4,13,62,500) taken from Aditya Birla Finance Limited and Repayable in 120 monthly instalments.	Personal Property of Director
4. Vehicle Loan	Vehicle loan of Rs.2,05,410(4,90,551) taken from HDFC Bank Ltd and Repayable in 60 monthly instalments of Rs.26,586 per months	Respective vehicle
5. Business loan	Business loan of Rs.11,75,83,321(13,45,83,325) taken from Aditya Bilra Finance Limited and Repayable in 120 monthly instalments	Against Property of Company
6. Business loan	Business loan of Rs.1,06,39,168(1,58,61,972) taken from HDFC Bank Ltd and Repayable in 61 monthly instalments of Rs.5,44,439 per months	Respective plant & machinery
7. Business loan	Business loan of Rs.4,38,50,638(4,52,39,818) taken from HDFC Ltd and Repayable in 240 monthly instalments of Rs.3,86,793 per months	Against Guest House
8. Business loan	Business loan of Rs. Nil (1,57,50,000) taken from YES Bank Ltd and Repayable in 60 monthly instalments of Rs.3,75,000 per months	Respective plant & machinery
9. Business loan	Business loan of Rs. Nil(4,78,00,998) taken from YES Bank Ltd and Repayable in 60 monthly instalments of Rs.9,95,854 per months	Respective plant & machinery
10. Business loan	Business loan of Rs. Nil(97,48,750) taken from YES Bank Ltd and Repayable in 60 monthly insttaments of Rs.1,62,479 per months	Respective plant & machinery
11. Vehicle Loan	Vehicle loan of Rs.17,04,820(22,30,666) taken from HDFC Bank Ltd and Repayable in 60 monthly instalments of Rs.58,274 per months	Respective vehicle
12. Vehicle Loan	Vehicle loan of Rs.64,55,667(77,93,460) taken from HDFC Bank Ltd and Repayable in 60 monthly instalments of Rs.1,61,510 per months	Respective vehicle
13. Vehicle Loan	Vehicle loan of Rs.58,67,308(70,83,171) taken from HDFC Bank Ltd and Repayable in 60 monthly instalments of Rs.1,46,791 per months	Respective vehicle
14. Business loan	Business loan of Rs.19,37,261(-) taken from Aditya Birla Finance Limited and Repayable at any time.	Personal Property of Director
15. Business loan	Business loan of Rs.3,79,584(-) taken from Aditya Birla Finance Limited and Repayable at any time.	Personal Property of Director
16. Business loan	Business loan of Rs.17,79,299(-) taken from Aditya Birla Finance Limited and Repayable at any time.	Personal Property of Director



17. Business loan	Business loan of Rs.53,65,886(-) taken from Aditya Birla Finance Limited and Repayable at any time.	Against Property of Company
18. Business loan	Business loan of Rs.34,16,258(-) taken from Aditya Birla Finance Limited and Repayable at any time.	Personal Property of Director
19. Business loan	Business loan of Rs.7,94,16,000(-) taken from Aditya Birla Finance Limited and Repayable in 120 monthly instalments.	Personal Property of Director
20. Business loan	Business loan of Rs.4,50,39,162(-) taken from Aditya Birla Finance Limited and Repayable in 120 monthly instalments.	Personal Property of Director
21. Working Capital Term Loan	ECGL Loan of Rs.5,15,00,000(-) taken from Axis Bank Limited and Repayable in 48 monthly instalments after 12 month moratorium period	Property As per Sanction letter dated 31-12-2020
22. Business loan	Business loan of Rs.6,52,16,663(-) taken from Axis Bank Limited and Repayable in 120 monthly instalments.	Respective plant & machinery

Business loan amounting to Rs.6,42,84,284(5,01,38,386) and Vehicle loan amounting to Rs.35,42,303(32,87,470) been repayable in one year and has been classified under Short term borrowing as per Note 9 Maturities of Long-term borrowings

Note: Figures in bracket relates to the previous year

#### Note 6 Deferred tax liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Amount in Rupees	Amount in Rupees
<b>Tax effect of items constituting deferred tax liability</b>	2,91,93,356	2,76,41,562
On difference between book balance and tax balance of	63,93,366	15,51,793
Tax effect of items constituting deferred tax liability	3,55,86,722	2,91,93,355
<b>Net deferred tax liability</b>	<b>3,55,86,722</b>	<b>2,91,93,355</b>

#### Note 7 Short-term borrowings

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Amount in Rupees	Amount in Rupees
a) Loans repayable on demand (Secured)		
Cash Credit , WCDL & bills discount From banks	18,44,12,951	17,76,23,780
	18,44,12,951	17,76,23,780
b) Inter- Corporate Deposits repayable on demand (unsecured) From Corporates*	1,41,00,000	1,41,00,000
C) Buyer Credit	11,19,32,372	3,73,39,856
<b>Total</b>	<b>31,04,45,323</b>	<b>22,90,63,636</b>

\*Note : The above loans do not hold any fixed repayment schedule, hence the same is considered as short term.



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**Notes forming part of the financial statements**  
**CIN No. U24231GJ1989PTC012892**

**Note 8 Trade payables**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Amount in Rs.	Amount in Rs.
(A) total outstanding dues of micro enterprises and small enterprises:(refer note 8.1 for details of dues to micro and small enterprises) and	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	88,69,51,662	79,75,88,306
<b>Total</b>	<b>88,69,51,662</b>	<b>79,75,88,306</b>

**NOTE- 8.1**

**Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the company and the required disclosures are given below:**

Particulars+A7	As at 31 March, 2021	As at 31 March, 2020
	Amount in Rs.	Amount in Rs.
a) Principal amount remaining unpaid as at period / year end	-	-
b) Interest due thereon as at period / year end	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 9 Other current liabilities**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Amount in Rs.	Amount in Rs.
Current Maturities of long term borrowings (refer note 5.1)	6,78,26,587	5,34,25,856
Advance received from customers	1,20,17,192	16,37,37,339
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes,GST etc.)	43,39,720	36,72,173
(ii) Others Current liabilities & provisions	90,00,131	55,83,695
<b>Total</b>	<b>9,31,83,630</b>	<b>22,64,19,063</b>

**Note 10 Short term Provisions**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Amount in Rs.	Amount in Rs.
<b>Provision - Others</b>		
Provision for Taxation (A.Y. 2021-22)	13,02,50,616	-
Provision for Taxation (A.Y. 2020-21)	-	5,46,36,726
<b>Total</b>	<b>13,02,50,616</b>	<b>5,46,36,726</b>



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
Notes forming part of the financial statements  
CIN No. U24231GJ1989PTC012892

**Note 11 Property, Plant and Equipment**

Descripti on of Assets	Leasehold Land	Freehold Land	Goodwill	Building	Building	Plant & Machinery	Other Equipment (Off Plant & Machinery)	Laboratory Equipment	Computers	Computers Software	Furniture & Fixure	Office Equipments	Other Electronic Equipments	Vehicles	Total	Previous Year
Useful life of Asset			10	30	60	20	15	10	3	5	10	5	10	8		
	<b>Gross Block</b>															
As at 31 March 2020	19,60,42,475	-	-	3,83,32,727	6,26,56,614	35,21,24,250	2,03,80,655	28,40,328	22,32,844	-	19,84,297	27,71,340	54,33,360	2,64,57,212	<b>71,12,56,102</b>	59,17,24,439
Addition during the year	54,43,449	6,80,000	6,04,77,369	20,46,953	-	15,06,58,131	-	83,104	9,89,543	13,34,815	12,56,076	2,35,575	28,12,991	50,27,719	<b>23,10,45,725</b>	11,95,31,663
Deletions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	16,99,519	<b>16,99,519</b>	-
As at 31 March, 2021	20,14,85,924	6,80,000	6,04,77,369	4,03,79,680	6,26,56,614	50,27,82,380	2,03,80,655	29,23,432	32,22,387	13,34,815	32,40,373	30,06,915	82,46,351	2,97,85,412	<b>94,06,02,307</b>	71,12,56,102
	<b>Depreciation</b>															
As at 31 March 2020	82,225	-	-	1,01,54,572	59,52,378	4,28,22,299	81,23,956	9,62,554	20,64,290	-	6,17,302	23,88,440	20,63,457	36,92,958	<b>7,89,24,432</b>	5,91,11,771
Addition during the year	-	-	57,45,350	11,40,050	19,84,126	1,93,77,233	8,02,691	2,00,937	2,01,421	67,617	2,19,883	1,68,320	5,84,963	36,01,102	<b>3,40,93,692</b>	1,98,12,661
Deletions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 March, 2021	82,225	-	57,45,350	1,12,94,622	79,36,504	6,21,99,532	89,26,647	11,63,491	22,65,711	67,617	8,37,185	25,56,760	26,48,420	72,94,060	<b>11,30,18,123</b>	7,89,24,432
	<b>Net Block</b>															
As at 31 March, 2021	20,14,03,699	6,80,000	5,47,32,019	2,90,85,058	5,47,20,110	44,05,82,849	1,14,54,008	17,59,941	9,56,676	12,67,198	24,03,188	4,50,155	55,97,931	2,24,91,353	<b>82,75,84,184</b>	63,23,31,670
As at 31 March 2020	19,59,60,250	-	-	2,81,78,155	5,67,04,236	30,93,01,950	1,22,56,699	18,77,774	1,68,554	-	13,66,995	3,82,900	33,69,903	2,27,64,254	<b>63,23,31,670</b>	



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**Notes forming part of the financial statements**  
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**Note 12 Non-current investments**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Amount in Rs.	Amount in Rs.
Investments (At cost): A.Non Trade		
(i) SBPP Co- operative Limited	2,025	2,025
<b>Total</b>	<b>2,025</b>	<b>2,025</b>

**Note 13 Inventories**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Amount in Rs.	Amount in Rs.
(a) Raw materials	26,21,67,090	19,33,60,426
(b) Work-in-progress	10,96,19,983	7,28,40,814
(c) Finished goods (other than those acquired for trading)	2,14,62,721	4,41,53,632
(d) Others - Packing Material	1,18,67,792	1,06,86,658
<b>Total</b>	<b>40,51,17,585</b>	<b>32,10,41,529</b>

**Note 14 Trade receivables**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Amount in Rs.	Amount in Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment (refer note 14.1 & 14.2 below) Unsecured, considered good	11,79,60,460	2,76,76,859
Other Trade receivables Unsecured, considered good	1,56,14,51,670	1,16,26,82,969
<b>Total</b>	<b>1,67,94,12,131</b>	<b>1,19,03,59,828</b>

Note: 14.1(Debt due from:)	As at 31 March, 2021	As at 31 March, 2020
	Amount in Rs.	Amount in Rs.
Firms in which any director is a partner (give details per firm)		
Apurva International	8,078	1,95,00,000
<b>Total</b>	<b>8,078</b>	<b>1,95,00,000</b>

**Note 14.2**

As per revised schedule III separate disclosure of Trade receivables outstanding for a period exceeding six months from the date they were due for payment. However It is not possible to define credit period for each and every debtor separately hence trade receivable out standing for more than six months is considered from bill date.





**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**Notes forming part of the financial statements**  
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**Note 15 Cash and cash equivalents**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Amount in Rs.	Amount in Rs.
(a) Cash on hand	9,84,088	5,65,807
(b) Balances with banks		
(i) In current accounts	79,42,698	3,71,838
- Balances held as margin money or security against borrowings, guarantees and other commitments	4,00,52,759	4,49,69,895
<b>Total</b>	<b>4,89,79,544</b>	<b>4,59,07,540</b>

**Note 16 Short-term loans and advances**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Amount in Rs.	Amount in Rs.
(a) Security deposits		
Unsecured, considered good	1,59,86,570	93,58,010
(b) Loans and advances to employees		
Unsecured, considered good	25,64,557	19,39,140
(c) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium etc.)	43,76,238	20,14,842
(d) Balances with government authorities		
Unsecured, considered good		
(i) GST credit receivable	57,13,420	73,89,401
(ii) VAT credit receivable	-	9,70,160
(iii) GST refund receivable	32,38,646	3,78,669
(iv) Custom Duty paid in advance	69,13,667	58,33,296
(v) Duty Draw Back & (MEIS) Receivable	16,85,809	17,64,484
(vi) Incentive to Industries of GST Receivable	1,56,82,205	2,23,23,000
(e) Others Loan & Advances		
Advance Income Tax	12,74,83,868	5,58,48,751
Advance Excise & GST Deposit	5,44,434	-
Advances To Related Parties	1,07,76,353	
Advances To Others	8,29,795	79,840
(f) Advance to Suppliers		
Advances To Related Parties	1,51,49,988	8,90,36,914
Advances To Others	16,29,44,446	72,37,701
<b>Total</b>	<b>37,38,89,996</b>	<b>20,41,74,208</b>

**Note 17 Other current assets**

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Amount in Rs.	Amount in Rs.
(a) Others		
(i) DEPB Licences	10,90,602	37,14,853
<b>Total</b>	<b>10,90,602</b>	<b>37,14,853</b>



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**Notes forming part of the financial statements**  
**CIN No. U24231GJ1989PTC012892**

**Note 18 Revenue from operations**

	Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
		Amount in Rs.	Amount in Rs.
(a)	Sale of products & Services (Refer Note 18.1 to 18.3 below)	4,37,90,38,608	4,50,09,53,434
(b)	Less: GST on Sales	58,47,86,777	55,49,73,582
	<b>Total</b>	<b>3,79,42,51,832</b>	<b>3,94,59,79,852</b>

Note	Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
		Amount in Rs.	Amount in Rs.
<b>18.1</b>	Sale of products comprises <u>Manufactured goods</u>		
	PEG Based Polycarboxylate Eather Liquid & Powder	1,19,39,65,753	1,13,93,68,578
	Napthalene Based Dispersing Agent Liquid & Powder	71,39,25,130	74,06,76,626
	Phenol Based Dispersing Agent Liquid & Powder	24,68,19,834	24,70,87,522
	Aluminium Sulphate	15,55,17,623	-
	Others	90,77,25,386	98,37,09,939
	<b>Total - Sale of manufactured goods</b>	<b>3,21,79,53,726</b>	<b>3,11,08,42,665</b>
<b>18.2</b>	Sale of Services comprises <u>Rent Income</u>		
	Rent Income	1,37,97,196	1,31,92,187
	<b>Total - Sale of Services</b>	<b>1,37,97,196</b>	<b>1,31,92,187</b>
<b>18.3</b>	<u>Traded goods</u> Crude Palm Oil, Soyabeen Oil & N Butyl Acrylate in Bulk		
		56,25,00,910	82,19,45,000
	<b>Total - Sale of traded goods</b>	<b>56,25,00,910</b>	<b>82,19,45,000</b>
	<b>Total - Sale of products &amp; Services</b>	<b>3,79,42,51,832</b>	<b>3,94,59,79,852</b>



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**

Notes forming part of the financial statements

CIN No. U24231GJ1989PTC012892

**Note 19 Other Income**

	Particulars	For the year ended 31 March , 2021	For the year ended 31 March, 2020
		Amount in Rs.	Amount in Rs.
(a)	Other operating income (net of expenses directly attributable to such income) (Refer Note 19.1 below)	53,50,329	29,72,690
(b)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note 19.2 below)	47,14,503	1,37,16,352
	<b>Total</b>	<b>1,00,64,831</b>	<b>1,66,89,042</b>

Note	Particulars	For the year ended 31 March , 2021	For the year ended 31 March, 2020
		Amount in Rs.	Amount in Rs.
<b>19.1</b>			
(a)	Interest income (Refer Note 19.1(a) below)	38,01,807	29,72,438
(b)	Dividend income	-	252
(c)	Balance Written Back	15,48,521	-
	<b>Total</b>	<b>53,50,329</b>	<b>29,72,690</b>

Note	Particulars	For the year ended 31 March , 2021	For the year ended 31 March, 2020
		Amount in Rs.	Amount in Rs.
<b>19.1(a)</b>			
	<b>Interest income comprises:</b>		
(a)	Interest from banks on deposits	29,81,027	27,44,024
(b)	Interest on Security Deposit - DGVCL	4,13,511	2,10,554
(c)	Interest on income tax refund	2,34,240	17,860
(d)	Interest on VAT/CST Refund	1,63,358	-
(c)	Interest on Fixed Deposit(Gujarat Gas)	9671	-
	<b>Total</b>	<b>38,01,807</b>	<b>29,72,438</b>

Note	Particulars	For the year ended 31 March , 2021	For the year ended 31 March, 2020
		Amount in Rs.	Amount in Rs.
<b>19.2</b>			
(a)	Duty Drawback & (MEIS) Received	18,09,417	21,94,550
(b)	Incentive to Industrials under GST scheme	-	1,11,61,500
(c)	Insurance Claim Received	-	3,14,645
(d)	Mis.Income	21,750	4,480
(e)	Short Term Capital Gain-MF-Debt	-	41,177
(f)	Net Gain on foreign currency transactions and translation (other than considered as finance cost)	28,83,336	-
	<b>Total</b>	<b>47,14,503</b>	<b>1,37,16,352</b>



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**

Notes forming part of the financial statements

CIN No. U24231GJ1989PTC012892

**Note 20 Cost of Material Consumed**

**(a) Cost of Raw Materials Consumed**

Particulars	For the year ended 31 March , 2021	For the year ended 31 March, 2020
	Amount in Rs.	Amount in Rs.
Opening stock	20,40,47,084	11,20,38,430
Add: Purchase	2,30,31,80,492	2,54,49,97,342
	<b>2,50,72,27,576</b>	<b>2,65,70,35,772</b>
Less: Closing stock	27,40,34,882	20,40,47,084
<b>Cost of material consumed</b>	<b>2,23,31,92,694</b>	<b>2,45,29,88,688</b>
Material consumed comprises:		
VPEG-2400 & SPEG 2400	75,40,82,770	70,74,57,026
Naphthalene Flakes & Molten	29,02,76,530	27,12,15,555
Phenol	19,26,87,208	37,33,82,132
Acrylic Acid	10,37,86,011	9,92,85,516
Alumina Hydrate	8,45,11,513	-
Acid Slurry 96%	7,67,78,270	6,85,43,506
Formaldehyde	8,34,48,456	6,80,87,741
Caustic Soda Lye	6,54,85,309	10,47,32,815
Sodium Ligno Sulphonate	4,43,22,719	5,49,69,819
Sodium Gluconate	7,54,41,475	8,44,94,180
2 Hydroxy Ethyl Acrylate	5,90,29,355	3,16,23,353
Others	40,33,43,078	58,91,97,045
<b>Total (a)</b>	<b>2,23,31,92,694</b>	<b>2,45,29,88,688</b>

**Note 20 (b) Purchase of traded goods**

Particulars	For the year ended 31 March , 2021	For the year ended 31 March, 2020
	Amount in Rs.	Amount in Rs.
Crude Palm Oil, Soyabean Oil & N Butyl Acrylate	55,56,36,935	81,84,87,307
<b>Total (b)</b>	<b>55,56,36,935</b>	<b>81,84,87,307</b>
<b>Total ( a + b)</b>	<b>2,78,88,29,629</b>	<b>3,27,14,75,995</b>



**Note 21 Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	For the year ended 31 March , 2021	For the year ended 31 March, 2020
	Amount in Rs.	Amount in Rs.
<u>Inventories at the end of the year:</u>		
Finished goods	2,14,62,721	4,41,53,632
Work-in-progress	10,96,19,983	7,28,40,814
	13,10,82,703	11,69,94,446
<u>Inventories at the beginning of the year:</u>		
Finished goods	4,41,53,632	2,85,68,739
Work-in-progress	7,28,40,814	8,76,79,383
	11,69,94,446	11,62,48,123
<b>Net (increase) / decrease</b>	<b>(1,40,88,257)</b>	<b>(7,46,323)</b>



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**Notes forming part of the financial statements**  
**CIN No. U24231GJ1989PTC012892**

**Note 22 Employee benefits expense**

Particulars	For the year ended 31 March , 2021	For the year ended 31 March, 2020
	Amount in Rs.	Amount in Rs.
Salaries and wages	5,68,69,308	4,15,66,974
Director Remuneration	88,00,000	84,00,000
Contributions to provident and other funds	24,58,213	16,63,599
Gratuity Insurance paid	17,38,184	2,37,458
Staff welfare expenses	15,13,570	8,48,365
<b>Total</b>	<b>7,13,79,275</b>	<b>5,27,16,396</b>

**Note 23 Finance costs**

Particulars	For the year ended 31 March , 2021	For the year ended 31 March, 2020
	Amount in Rs.	Amount in Rs.
<b>(a) Bank Charges</b>		
-Others Charges	98,58,868	91,09,672
<b>(b) Interest expense on:</b>		
-Cash Credit Interest	1,40,03,529	1,01,82,102
-Buyers Credit Interest	28,46,767	19,22,166
- Interest on Bill Discounting	40,53,682	76,15,350
-Interest - Others	41,739	6,870
-Interest on Vehicle Loans	14,49,338	3,81,318
-Interest on Term Loans	4,51,15,525	3,61,46,428
<b>Total</b>	<b>7,73,69,447</b>	<b>6,53,63,906</b>



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**Notes forming part of the financial statements**  
**CIN No. U24231GJ1989PTC012892**

**Note 24 Other expenses**

Particulars	For the year ended 31 March , 2021	For the year ended 31 March, 2020
	Amount in Rs.	Amount in Rs.
Balance Written Off	11,02,390	10,67,351
Business Promotion Expenses	11,08,711	23,49,462
Commission on Sales	41,57,374	40,42,767
Commission on Purchase	1,04,886	-
Computer Expenses	7,89,800	3,78,833
Consumption of stores and spare parts	21,13,952	19,30,391
CSR Expenses	37,24,250	24,77,250
Donation	51,000	-
Drainage Charges	45,644	48,656
Effluent Treatment Charges	11,94,423	17,67,569
Freight & Forwarding, packing Expenses	8,49,10,292	7,20,36,517
Clearing & Forwarding Expenses	27,76,396	24,74,877
General Office expenses	2,60,439	2,09,991
Insurance Expenses	38,88,056	22,58,828
Laboratory Expenses	12,29,320	8,55,586
Loading & unloading Charges	31,85,121	4,39,819
Legal and Professional	1,75,79,853	1,53,35,396
Loss on Sale of Car	9,55,519	-
Membership & Subscription	21,360	62,295
Miscellaneous expenses	4,227	2,632
Net loss on foreign currency transactions and translation (other than considered as finance cost)	-	3,14,19,491
Notified Area Charges	12,24,090	16,60,072
Payments to auditors (Refer Note 24.1 below)	4,75,000	1,50,000
Postage and Courier Expenses	4,10,690	3,72,446
Printing and stationery	9,97,413	7,86,129
Rates and taxes	28,86,785	29,09,512
Rent Expenses	1,80,13,482	1,78,75,118
Repairs & Service Charges	70,36,393	42,34,753
Repairs and maintenance - Machinery	2,47,48,892	2,26,86,118
Repairs and maintenance - Building & Others	74,54,447	40,26,797
Security Charges	-	7,26,587
Telephone Expenses	1,07,305	1,31,258
Travelling and conveyance	73,140	23,08,477
Vehicle Expenses	12,80,054	12,41,058
Water Charges	6,36,005	5,17,637
<b>Total</b>	<b>19,45,46,710</b>	<b>19,87,83,673</b>



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**Notes forming part of the financial statements**  
**CIN No. U24231GJ1989PTC012892**

**Note 24.1**

Particulars	For the year ended 31 March , 2021	For the year ended 31 March, 2020
	Amount in Rs.	Amount in Rs.
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	2,00,000	90,000
For taxation matters	1,50,000	45,000
For Others Matters	1,25,000	15,000
<b>Total</b>	<b>4,75,000</b>	<b>1,50,000</b>

**Note 25 Earning per Share**

Particulars	For the year ended 31 March , 2021	For the year ended 31 March, 2020
	Amount in Rs.	Amount in Rs.
Net Profit as per Profit and Loss Account (Rs.) After Tax	40,24,38,294	19,11,17,782
Weighted average number of Equity Shares for basic earning per share (Nos.)	3,79,896	2,63,900
Nominal value of equity shares (Rs.)	100	100
<b>Earnings Per Share - Basic</b>	<b>1,059.34</b>	<b>724.21</b>





**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**Notes forming part of the financial statements**  
**CIN No. U24231GJ1989PTC012892**

**Note 26 Additional information to the financial statements**

**26.1 Contingent liabilities and commitments**

Particulars	For the year ended 31 March , 2021	For the year ended 31 March, 2020
	Amount in Rs.	Amount in Rs.
<b>Contingent liabilities and commitments (to the extent not provided for)</b>		
(a) Guarantees	32,10,000	32,10,000
(b) Letter of Credit not accepted till date	7,26,39,655	11,77,66,171
(c) Income Tax Matters	28,53,754	-
(d) Excise & GST Matters	1,42,99,944	-
<b>Total</b>	<b>9,30,03,353</b>	<b>12,09,76,171</b>

**26.2 Details on unhedged foreign currency exposures**

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Receivable/ (Payable & advances)	Receivable/ (Payable) in Foreign currency	Receivable/ (Payable) in Foreign currency
	For the year ended 31 March , 2021	For the year ended 31 March, 2020
Supplier	(48,83,23,943)	(35,28,10,047)
Bank Balance in US Dollar	65,74,081	-
Advances	-	-
Customers	2,20,16,417	70,83,763
<b>Total</b>	<b>(45,97,33,445)</b>	<b>(34,57,26,284)</b>

**26.3 Value of imports calculated on CIF basis**

Particulars	For the year ended 31 March , 2021	For the year ended 31 March, 2020
	Amount in Rupees	Amount in Rupees
Raw Materials	1,13,75,39,994	1,30,04,15,066
Import of Services	-	54,795
<b>Total</b>	<b>1,13,75,39,994</b>	<b>1,30,04,69,861</b>

**26.4 Earnings in foreign exchange**

Particulars	For the year ended 31 March , 2021	For the year ended 31 March, 2020
	Amount in Rupees	Amount in Rupees
Export of goods calculated on FOB basis	5,89,76,209	5,21,53,718
<b>Total</b>	<b>5,89,76,209</b>	<b>5,21,53,718</b>



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**Notes forming part of the financial statements**  
**CIN No. U24231GJ1989PTC012892**

**Note 2.12 Related party transactions**

Note 2.12.1	Details of related parties Description of relationship	Names of related parties
	Key Management Personnel (KMP)	1.Mr.Shaileshkumar Desai -Chairman & MD, w.e.f. 01-02-2021 2.Mr.Umang Desai - Whole Time Director, w.e.f. 01-02-2021 3.Mrs.Nilima Desai - Director 4.Mr.Rajesh Singh -CEO ,w.e.f. 01-02-2021 to 05-02-2021 5.Mr.Dipakkumar Sanghani -CFO & CS , w.e.f. 01-02-2021
	Other related Parties	1.Apurva Chemicals 2.Apurva International 3.Polysol Industries 4.Urmi Polymer Industries 5.Polysol Financial services LLP 6.Menuamate India Pvt.Ltd. 7.Abhideep Chemicals Pvt.Ltd. 8.Bhavisha Industries 9.Ms.Bhavisha Desai 10.Arma Tela Opus Private Limited 11.Polysol Specailty Chemicals Pvt.Ltd. 12.Apurva Chemicals Pvt.Ltd. 13.Gujarat Polysol Chemicals Pvt.Ltd. -EGG Scheme 14.Sarigam Industrial Products 15.Rotary Shaikshanik and Tabibi Seva Sahayak Mandal 16.Mr.Shirish Desai 17.Mr.Sanjay Desai

Note 2.12.2	Details of related party transactions during the year ended 31 March, 2021 and balances outstanding as at 31 March, 2021:			
		KMP	Wholly Owned Subsidiary	Other related Parties
	<b>Purchase of goods</b>			
	Polysol Industries			-
				(13,85,16,843)
	Urmi Polymer Industries			-
				(5,78,15,000)
	Apurva International			13,88,20,000
				(8,81,25,000)
	<b>Purchase of Business On going Concern Basis</b>			
	Polysol Industries			14,24,44,403
				-
	Urmi Polymer Industries			17,08,12,978
				-
	<b>Purchase of Plant &amp; Machinery</b>			
	Bhavisha Industries			-
				(2,04,15,006)
	<b>Job Work Charges Paid</b>			
	Polysol Industries			-
				(3,83,500)
	Urmi Polymer Industries			-
				(5,35,63,798)
	Bhavisha Industries			1,56,83,360
				(1,36,81,678)



<b>Sale of goods</b>			
Apurva Chemicals			1,45,97,836 (5,09,75,296)
Apurva Chemicals Pvt.Ltd.			3,40,09,073 -
Sarigam Industrial Products			30,780 -
Polysol Industries			- (4,32,03,390)
Urmi Polymer Industries			- (20,56,58,100)
Apurva International			- (14,60,75,000)
MenuMate India Pvt.Ltd.			- (1,48,50,000)
Bhavisha Industries			- (15,96,806)
<b>Rent Income</b>			
Apurva International			32,23,079 (30,73,033)
<b>Rent Expenses</b>			
Ms.Bhavisha Desai			1,62,98,160 (1,62,98,160)
<b>Gratuity Insurance Contribution</b>			
Gujarat Polysol Chemicals Pvt.Ltd. -EGG Scheme			17,38,184 -
<b>Rotary Shaikshank and Tabibi Seva Sahayak</b>			
CSR Expenses/Contribution			1,50,000 -
<b>Director Remuneration</b>			
Mr.Shailesh Desai	50,00,000 (48,00,000)		
Mr.Umang Desai	26,00,000 (24,00,000)		
Mrs.Nilima Desai	12,00,000 (12,00,000)		
<b>Salary Expenses</b>			
Ms.Bhavisha Desai			3,60,000 (3,60,000)
Mr.Dipakkumar Sanghani	2,31,460 -		
Mr.Rajesh Singh	1,85,714 -		
<b>Investment in wholly owned Subsidiary</b>			
Polysol Specailty Chemicals Pvt.Ltd.		5,00,000	
<b>Sale of Investment in wholly owned Subsidiary</b>			
Polysol Specailty Chemicals Pvt.Ltd.		5,00,000	



Note	Advance Received Against Sales				
2.12.3	Director	Opening balance	Amount Received During the Year	Amount given During the Year	Closing balance
	Polysol Industries	10,06,52,573 (3,63,25,000)	- (10,07,21,787)	10,06,52,573 (3,63,94,215)	- (10,06,52,573)
	Apurva International	- (1,79,90,000)	26,00,000 (1,62,50,000)	- (3,42,40,000)	26,00,000 -
	Menumate India Pvt.ltd.	- (82,50,000)	- -	- (82,50,000)	- -
	Urmi Polysol Industries	6,04,69,440 (5,14,38,000)	- (9,06,94,440)	6,04,69,440 (8,16,63,000)	- (6,04,69,440)
<b>Advance given against purchase</b>					
	Other related Parties	Opening balance	Amount Given During the Year	Amount Received During the Year	Closing balance
	Polysol Industries	46,84,548 (2,45,00,000)	- (46,84,548)	46,84,548 (2,45,00,000)	- (46,84,548)
	Apurva International	- (2,26,00,000)	- (2,77,87,000)	- (5,03,87,000)	- -
	Bhavisha Industries	1,87,43,047 -	37,50,012 (1,99,38,813)	73,43,071 (11,95,766)	1,51,49,988 (1,87,43,047)
	Urmi Polysol Industries	6,56,09,320 (8,52,90,000)	- (7,58,47,000)	6,56,09,320 (9,55,27,680)	- (6,56,09,320)



Note 2.12.4	Balances outstanding at the end of the year	Wholly Owned Subsidiary	KMP	Other related Parties
	<b>Expenses Payable</b>			
	<b>Director Remuneration Payable</b>			
	Mr. Shaileshkumar Desai		10.12.400	
	Mr. Umang Desai		4.49.600	
	Mrs. Nilima Desai		2.85.400	
	<b>Salary Payable</b>			
	Mr. Dipakkumar Sanghani		1.15.730	
	<b>Trade Payable</b>			
	Apurva International			89,12,397 (23,08,000)
	<b>Trade Receivable</b>			
	Apurva Chemicals			- (1,64,92,543)
	Apurva Chemicals Pvt.Ltd.			2,83,19,357 -
	Apurva International			8,078 (1,95,00,000)
	<b>Advance Received against Material</b>			
	Polysol Industries			- (10,06,52,573)
	Urmi Polysol Industries			- (6,04,69,440)
	Apurva International			26,00,000 -
	<b>Advance given against Material</b>			
	Polysol Industries			- (46,84,548)
	Bhavisha Industries/Bhavisha Desai			1,51,49,988 (1,87,43,047)
	Sarigam Industrial Products (Opening Balance Transfer from Polysol Industries on account of Business Purchase)			3,05,229 -
	Mr. Shirish Desai  (Openign Balance Transfer from Urmi Polymer Industries & Polysol Industries on account of Business Purchase)			1,03,71,250 -
	Mr. Sanjay Desai (Openign Balance Transfer from Polysol Industries on account of Business Purchase)			99,874 -
	Urmi Polysol Industries			- (6,56,09,320)
	<b>Note: 1 Figures in bracket relates to the previous year</b>			
	<b>Note: 2 Figures Mentioned above related to Expenses and Income are inclusive of GST.</b>			



**Note Corporate Social Responsibility**

**2.12.5**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects.

If, a CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

a) Gross amount required to be spent by the Company during the year is Rs.37,19,569/-.

b) Amount Spent during the year on.

<b>Particular</b>	<b>In Cash/ Bank</b>	<b>Yet to be Paid in Cash/Bank</b>	<b>Total</b>
1. Construction / Acquisition of any asset	20,00,000	-	20,00,000
2. On Purpose Other than (1) above	17,24,250	-	17,24,250
<b>Total</b>	<b>37,24,250</b>	-	<b>37,24,250</b>



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**

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**1. COMPANY OVERVIEW**

M/s. Gujarat Polysol Chemicals Private Limited is a Large enterprise and located in notified industrial estate, GIDC Vapi, District Valsad, Gujarat, INDIA having total plot area is 9696 sq. mt. doing manufacturing activity of agro chemicals, construction chemicals & leather chemicals etc.& two other manufacturing unit at Sarigam, District Valsad, Gujarat & Dadra ,UT of DD & DNH.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**2.1 BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the company have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, under the historical cost convention on the accrual basis. GAAP comprises of mandatory accounting standards as prescribed under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format as prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 on "Cash Flow Statements" as specified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**

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The accounting policies adopted in the preparation of financial statements are consistent with those of previous years unless otherwise specified herein below.

**2.2 Accounting Assumptions**

The financial statements have been prepared under historical cost convention on an accrual basis and in accordance with the generally accepted accounting principles and the applicable accounting standards as notified under Companies (Accounting Standard) Rules, 2006, and referred to in Section 211(3C) of the Companies Act, 1956, unless otherwise specifically stated

**2.3 Use of Estimates**

The Preparation of Financial Statement Requires the Management to Make Estimates and Assumptions that Affects the Reported Balances of Assets, Liabilities, And Disclosure of Contingent Liabilities as on the Reported Date, and Expenses and Incomes during the Reported Period. Examples include provisions for doubtful debts, provision for employee benefits, provision for taxation, useful lives of depreciable assets, provision for impairment, provision for contingencies, provision for warranties / discounts etc. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Such Differences of Estimated Amount as Compared to the Actual Amount Get Quantified in the Period in which the same is settled.

**2.4 Property Plant and Equipment and Capital work in progress**

Property Plant and Equipment are Stated At Cost Which includes Prices and Any Directly Attributable Cost of Bringing the Assets to Its Working Condition for the Intended Use as Reduced by Any Part of the Cost Reimbursed by Government or Otherwise by Way of Any Concession, Credits, Cenvat Reduction In Price, Discount Etc. or Otherwise, At the Time of Purchase or Otherwise Subsequently Less Accumulated Depreciation.





**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**

---

The cost and the accumulated depreciation for fixed assets sold, retired or otherwise disposed off are removed from the stated values and the resulting gains and losses are recognised in the Statement of Profit and Loss.

Asset under installation or under construction as at Balance sheet date are shown as Capital Work in Progress (CWIP).

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortisation and impairment. However, there are no intangible assets recognised during the year under consideration.

## **2.5 Revenue Recognition**

- A) Revenue from Sale of Goods is Recognised net of returns and discounts When the Risks and Rewards of Ownership are transferred to the Buyer.
- B) Sales are recorded excluding taxes on which credit is available.
- C) Interest Income Is Recognised on a Time Proportion Basis, Taking Into Account the Amount Outstanding and the Rate Applicable.

## **2.6 Provisions/Contingencies**

A Provision is Recognised When the Company has a Present Legal or Constructive Obligation as a Result of Past Event and it is Probable that an Outflow of Resources Will Be Required to Settle the Obligation, in Respect of Which Reliable Estimate can be Made. Provisions are Not Discounted to Its Present Value and are Determined Based on Best Estimate Required to Settle the Obligation at the Balance Sheet Date.

No Provision has Been Made for Liabilities which are Contingent in Nature but If Material; these are disclosed by Way of Note.



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**

---

**2.7 Depreciation**

The company provides depreciation based on remaining useful life of assets as per Schedule II to the Companies Act 2013. Depreciation on tangible assets & has been provided on written Down Value Method & Depreciation on Intangible assets has been provided on SLM Method on useful life prescribed in Schedule II of the Companies Act, 2013, except in respect of Leasehold Land, which are amortised over the lease period. Depreciation/ Amortisation are charged on pro-rata basis for the assets purchased/sold during the year.

Type of Assets	Useful life
Factory Building	30 Years
Plant & Equipment	20 Years
Computer	3 Years
Furniture & fixture	10 Years
Electric Installation	10 Years
Office equipment	15 Years
Goodwill	10 Years
Vehicle	8 Years
Laboratory Equipment	10 Years
Residential Building	60 Years

**2.8 Valuation of Inventories**

Raw Materials, are Valued at Cost Price which includes all charges in bringing the goods to the production process, includes octroi and other levies.

Work-In-Process Is Valued At Cost of Material.

Finished Goods is valued at cost or Market value whichever is lower.

**2.9 Accounting for Amalgamation**

During the year under consideration following two firms have been taken over by the assessee company u/s 47(xiii) of the Income Tax Act 1961

Urmi Polysol Industries engaged in Jobwork and Trading of Sizing Agent and Dispersing Agent and Trading of any other Item w.e.f 01.04.2020.



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
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B) Polysol Industries engaged in manufacturing and trading of Chemicals w.e.f 01.04.2020.

**2.10 Employee Benefits**

Employee Benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefit.

- A) Employer's Contribution to Employee Provident Fund and superannuation fund are Charged to Statement of Profit & Loss during the Year as they fall due base on the amount of contribution required to be made.
- B) For Defined benefit plans in the form of gratuity Leave Encashment and post-employment medical benefits which can be carried forward, the cost of providing such benefits is not determined by the company.

**2.11 Foreign currency Transactions: -**

Transactions arising in foreign currencies during the year are converted at the rates closely approximating the rates ruling on the transaction dates. Liabilities and receivables in foreign currency are restated at the year-end exchange rates. All exchange rate differences arising from conversion in terms of the above are included in the statement of profit and loss.

**2.12 Investments:**

Long Term Investments (excluding investment properties) are carried individually at cost less provision for diminution, other than temporary in the value of such investments.



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**2.13 Taxes on Income**

Current income tax expense comprises of taxes on income from operations in India. Income tax payable in India is determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961. A provision is made for income tax annually, based on tax liability computed, after considering tax allowances and exemptions. Tax expense for a year comprises of current tax and deferred tax.

MAT credit Minimum Alternate Tax (MAT) credit is not applicable to the company as company has opt out of u/s 115BAA of the Income Tax Act, 1961.

Deferred Tax Is Recognised, Subject to the Consideration of Prudence, on Timing Difference Being the Difference between Taxable Incomes and Accounting Income that Originate in One Period and is Capable of Reversal in One or More Subsequent Period.

Deferred Tax Assets are Recognised Only When There Is Virtual Certainty That Sufficient Future Taxable Income Will Be Available Against Which Such Deferred Tax Assets Can Be Realised.



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**2.14 Deferred Tax Calculation as at the year ending March 31, 2021**

(Amount in Rs.)

Opening Deferred Tax Asset/ (Liability) as on 01.04.2020			(2,91,93,355)
	DTA/DTL originating during the year :		
( a )	<b>Due to difference in depreciation</b>		
	Closing Value As per Companies Act	62,55,00,484	
	WDV As per Income Tax Act	48,41,15,021	
		(14,13,85,463)	
	Deferred Tax Liability	(3,55,86,721)	
			(63,93,366)
Closing Deferred Tax Asset/ (Liability) as on 31.03.2021			(3,55,86,721)

**2.15 Borrowing Cost :**

- A) Borrowing Costs Incurred on Working Capital Is Charged Off to Profit & Loss Account,
- B) Borrowing Costs on Term Loans that are Attributable to Tangible Fixed Assets are capitalised till the Date of Substantial Completion of the Activities Necessary to Prepare the Relevant Assets for Its Intended Use.



**GUJARAT POLYSOL CHEMICALS PRIVATE LIMITED**  
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**2.16 Earnings Per Share (EPS)**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of any extra ordinary items, if any).

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.**

In terms of our report attached  
For J V Vasani & Co.

Chartered Accountants

(Firm's Registration No.114283W



(Jignesh V.Vasani)

Partner

M.No. 047954

UDIN: 21047954AAAAFP8509

Place : Vapi

Date :16-08-2021



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



Umang Desai

Director

DIN No.05161181



Dipak Sanghani

CFO & CS



Shailesh Desai

Director

DIN No.00266938



Rajesh Singh

CEO

Place : Vapi

Date :16-08-2021

Place : Vapi

Date :16-08-2021