



ONE BKC, 13th Floor, 1302, B-Wing Plot No. C-66, G-Block, Bandra Kurla Complex, Bandra (E) Mumbai-400051
Tel.: 6693 0813 / 0830 • Email : lpkho@laffanspetrochemical.com

Date: 28-09-2020

Corporate Relations Department,
BSE Limited
PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

BSE Code No. 524522

Sub: Submission of Notice of 27th Annual General Meeting and Annual Report of Laffans Petrochemicals Limited for the Financial Year 2019-20 with Revised Book Closure Date.

Dear Sir,

With reference to above, please find enclosed herewith Notice of 27th Annual General Meeting of the Company and Annual Report of the Company with revised book closure date for the Financial Year 2019-20 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please take the above on your record and disseminate the same for the information of investors.

Thanking you,

Yours faithfully,

For Laffans Petrochemicals Limited.

**Sandeep Seth
Managing Director
(DIN: 00316075)**

Encl.: as above

27th

Annual Report



PETROCHEMICALS LIMITED

(AN ISO 9001:2000 COMPANY)

2019- 2020

BOARD OF DIRECTORS

Shri Sandeep Seth
 Shri Jaideep Seth
 Shri Rajesh Thadani
 Mrs. Anisha Seth
 Shri Deepak Jagannath Roy
 Shri Rudolph Victor Quadros

Managing Director
 Non-Executive Director
 Additional Executive Director
 Whole Time Director
 Independent Director
 Additional Independent Director

AUDITORS

Pushp K. Sahu & Co.

COMPANY SECRETARY

Mr. S. R. Narayanan

BANKERS

Indian Overseas Bank
 HDFC Bank Ltd

CORPORATE OFFICE

ONE BKC, 13th Floor, 1302, B-Wing,
 Plot No.C-66, G-Block, Bandra Kurla Complex,
 Bandra (E), Mumbai – 400051.

REGISTERED OFFICE

Shed No.C1B/316, GIDC Panoli,
 Tal Ankleshwar,
 Dist. Bharuch, Gujarat Pin.394116
 CIN No.: L99999GJ1992PLC018626

REGISTRARS & TRANSFER AGENTS

Big Share Services Pvt. Ltd
 Bharat Tin Works Building,
 1st Floor, Opp. Vasant Oasis,
 Next to Keys Hotel, Makwana Road,
 Andheri – East, Mumbai – 400059,
 Maharashtra, India.
 Board No : 022 – 62638200, Extn. 206
 Fax No : 022 – 62638299
 M : +91 7045454392
rajeshm@bigshareonline.com
www.bigshareonline.com

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NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the Members of **LAFFANS PETROCHEMICALS LIMITED** will be held on Monday, 28th September, 2020 at 11:15 A.M. at registered office of the Company situated at Shed No. C1B/316, GIDC Panoli, Ankleshwar, Bharuch 394116, Gujarat, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2020 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jaideep Seth (DIN: 03130620), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. **Appointment of Mr. Rudolph Victor Quadros (DIN: 08536580) as an Independent Director on the Board of the Company.**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, and subject to such other requisite approvals as may be required in this regard Shri Rudolph Victor Quadros (DIN: 08536580), who was appointed as an Additional Non Executive Independent Director pursuant to the provisions of Section 149 and 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Non- Executive Independent Director of the Company to hold office for 5 (five) consecutive years upto the conclusion of the 32nd Annual General Meeting (AGM) of the Company held in the Calendar Year 2025.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

4. **Re-appointment of Mr. Rajesh Udham Thadani (DIN: 00009889) as an Independent Director on the Board of the Company.**

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

“**RESOLVED THAT** pursuant to the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Sections 149, 150, 152, 197 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, the approval of the members/shareholders of the Company be and are hereby accorded for the Re-appointment of Shri Rajesh Udham Thadani (DIN : 00009889) as an ‘Independent Director’ (Non-Executive) on the Board of the Company for a period of five consecutive years from 14.11.2019 to 13.11.2024 as recommend/ approved by the Nomination & Remuneration Committee and Board of Directors in its meeting held on October 24, 2019.”

“**RESOLVED FURTHER THAT** pursuant to the provisions of sections 149, 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Rajesh Udham Thadani be paid such fees as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed by the Company from time to time.”

5. Appointment of Mrs. Anisha Seth (DIN: 06867960) as the Whole Time Director (Key Managerial Personnel) of the Company.

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

“**RESOLVED THAT** pursuant to the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Sections 117, 196, 197 and 203 read with Schedule V and Article of Association of the Company as amended from time to time and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modification or reenactment(s) thereof for the time being in force), the approval of the members/ shareholders of the Company be and is hereby accorded to approve the appointment of Mrs. Anisha Seth (DIN-06867960) as the Whole-time Director (designated as Executive Director) with powers of overall control of the Company’s management and affairs as provided in Articles of Association of the Company subject to directions, superintendence and Control of Board of Directors of the Company with effect from 28th August, 2020 for a period 5 (Five) years from 28th August, 2020 to 27th August, 2025 on salary and perquisites payable to her in accordance with Schedule V of the Companies Act, 2013 or any amendment, modification or reenactment thereof, as set out hereunder :

- (a) The aggregate of salary, perquisites and allowances of Mrs. Anisha Seth, the Whole time director of the Company in any one financial year shall not exceed overall limits as specified under Sections 196, 197 and other applicable provisions read with Schedule V of the Companies Act, 2013 (including applicable rules, if any) as amended from time to time.
- (b) In the event of the Company incurring a loss or having inadequate profits in any financial year, the remuneration, perquisites, benefits, allowances and amenities payable to Mrs. Anisha Seth shall be in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 as amended from time to time.
- (c) The Board (including any Board Committee exercising powers conferred by this resolution) be and is hereby authorized, in its absolute discretion and from time to time, to fix within the range of remuneration detailed in the explanatory statement, the salary and other allowances/ entitlements including bonus incentives if any of Mrs. Anisha Seth.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. Re-Appointment of Shri Sandeep Seth (DIN: 00316075) as the Managing Director (Key Managerial Personnel) of the Company.

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

“**RESOLVED THAT** pursuant to the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Sections 117, 196, 197 and 203 read with Schedule V and Article of Association of the Company as amended from time to time and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modification or reenactment (s) thereof for the time being in force), the approval of the members/shareholders of the Company be and are hereby accorded to approve the terms of re-appointment and remuneration of Shri Sandeep Seth (DIN: 00316075) as the Managing Director (Key Managerial Personnel) of the Company, for a period of five years from 01-04-2020 to 31-03-2025 as recommended/ approved by the Nomination & Remuneration Committee and Board of Directors in its meeting held on 13th of February, 2020, on the terms and conditions including remuneration as set out in explanatory statement annexed to the notice convening this meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be accepted to Shri Sandeep Seth, subject to the same not exceeding the limit specified under Schedule V to the Companies Act, 2013 or any statutory modifications or re-enactment thereof.

“**RESOLVED FURTHER THAT** all Acts done by managing Director, Mr. Sandeep Seth be and are hereby ratified, confirmed, approved and adopted from July 01, 2017 onwards.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By order of the Board of Directors
For Laffans Petrochemicals Limited**

**Sandeep Seth
Managing Director
(DIN: 00316075)**

**Place: Mumbai
Date: 28-08-2020**

Registered Office:

Shed No. C1B/316, GIDC Panoli,
Tal. Ankleshwar, Dist, Bharuch,
Gujarat 394116.
Email: lplho@laffanspetrochemical.com

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('the meeting') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting or upload it on the e-voting portal, authorizing their representative to attend and vote their behalf at the meeting.
3. The instrument appointing the proxy, duly completed, must be deposited at the Company's Registered Office not less than FORTY-EIGHT (48) HOURS before the commencement of the meeting. A proxy form for the AGM is enclosed.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members/proxies/authorised representatives should bring the duly filled attendance slip, enclosed herewith to attend the meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 ('the Act') and The Register of Contracts or Arrangements, in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members at the AGM.
7. The Register of Members and the Share Transfer Book shall be closed from Wednesday, 23rd September, 2020 to Monday, 28th September, 2020 (both day inclusive) for the purpose of the AGM.
8. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts.

Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to Company or Registrar and Transfer Agents (RTA).

9. Members are requested to address all correspondence relating to investor services to the Registrar and Share Transfer Agents, Big Share Services Pvt. Ltd, E Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Next to Keys Hotel, Makwana Road, Andheri – East, Mumbai – 400059.
10. With a view to using the natural resources responsibly, we request shareholders to update their email address, with their Depository Participants in case of demat holding and RTA in case of physical holding to enable the Company to send communications electronically.
11. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020 and due to the current Covid situation, the Annual Report for F.Y. 2019-20, the Notice of 27th AGM and instruction for e-voting along with the attendance slip and proxy form is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website and websites of the Stock Exchanges i.e. BSE Limited.
12. Relevant documents referred to in the accompanying Notice and the statements are open for inspection by the members at the registered office of the Company on all working days, except Saturday, during business hours up to the date of the meeting.
13. Additional information, pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard-2 in respect of the Directors seeking appointment / re-appointment at the AGM is furnished as annexure to the Corporate Governance Report.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company /RTA.
15. Members holding shares in single name and physical form may obtain Nomination Forms from the Company's Registrar and Transfer Agents. Members holding shares in electronic form may obtain the Nomination Forms from their respective Depository Participants.
16. The members holding shares in the same name or in the same order of names, under different folios, are requested to notify the relevant details of the said holdings to M/s Big Share Services Pvt. Ltd for consolidation of their shareholding in to a single folio.
17. In case of joint holder attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
18. Non-Resident Indian Members are requested to inform RTA, immediately of:
 - (a) Change in their residential status on return to India for permanent settlement.
 - (b) Particulars of their bank account maintained in India with complete name, branch account type, account number and address of the bank with pin code number, if not furnished earlier.
19. Information and other instructions relating to e-voting are as under
 - (a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
 - (b) The facility for voting through polling paper shall also be made available at the venue of the AGM. The members who are attending the meeting who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting.

- (c) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- (d) The Company has engaged the services of Central Depository Services Limited (CDSL) as the agency to provide e-voting facility.
- (e) The Board of Directors of the Company has appointed Mr. Jitendra Lekhwani, Practicing Company Secretary (Membership No. 25927 & COP 10709) as the Scrutinizer, for scrutinizing the e-voting and ballot voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- (f) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Saturday, 19th September, 2020.
- (g) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 19th September, 2020, only shall be entitled to avail the facility of remote e-voting / Poll.

The instructions for shareholders voting electronically are as under:

- I. The voting period begins on Friday, 25th September, 2020 at 9.00 a.m. and ends on Sunday 27th September, 2020 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 19th September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- III. The shareholders should log on to the e-voting website www.evotingindia.com.
- IV. Click on Shareholders tab. Now, select the “LAFFANS PETROCHEMICAL LIMITED” from the drop down menu and click on “SUBMIT”
- V. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- VI. Next enter the Image Verification as displayed and Click on Login.
- VII. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- VIII. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.

Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).
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- IX.** After entering these details appropriately, click on “SUBMIT” tab.
- X.** Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- XI.** For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XII.** Click on the EVSN for the relevant <**LAFFANS PETROCHEMICAL LIMITED**> on which you choose to vote.
- XIII.** On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- XIV.** Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- XV.** After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- XVI.** Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- XVII.** You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- XVIII.** If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XIX.** Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- XX. Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- XXI.** In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

20. A route map showing direction to reach the venue of 27th Annual general meeting is given at the end of the notice as per the requirement of the Secretarial Standard-2 on General meeting.
21. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.laffanspetrochemical.com and on the website of CDSL immediately after the declaration of result by the Chairman of the meeting or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange viz. Bombay Stock Exchange Limited (BSE Limited).

**By order of the Board of Directors
For Laffans Petrochemicals Limited**

**Sandeep Seth
Managing Director
(DIN: 00316075)**

**Place: Mumbai
Date: 28-08-2020**

Registered Office:

Shed No. C1B/316, GIDC Panoli,
Tal. Ankleshwar, Dist, Bharuch,
Gujarat 394116.
Email: lpkho@laffanspetrochemical.com

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

As required by Section 102(1) of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out the material facts relating to the Special Business mentioned under item Nos. 3, 4, 5 and 6 in the accompanying notice:

ITEM NO 3

Appointment of Mr. Rudolph Victor Quadros as Non-Executive Independent Director:

Board of directors of the Company in their meeting held on 24th October, 2019 has appointed Mr. Rudolph Victor Quadros as Additional Independent Director of the Company who holds office of the Director till the conclusion of next Annual General Meeting.

Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the members of the Company is required for regularization of Mr. Rudolph Victor Quadros as Non-Executive Independent Director of the Company.

Brief profile of Mr. Rudolph Victor Quadros is given below for reference of the member:

He has vast experience in the field of logistics. He provides his valuable inputs and guidance on various matters relating to the same.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Rudolph Victor Quadros is concerned or interested, financial or otherwise, in the resolution.

The Board recommends the resolution set forth in Item No 3 for the approval of the members.

ITEM NO 4

Shri Rajesh Udham Thadani is a Businessman and he is possessing rich and vast experience in field of Trade and Marketing.

Shri Rajesh Udham Thadani is a Non-Executive Independent director of the Company.

He has been on the Board of Laffans Petrochemicals Limited since November, 14, 2014.

In terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Sections 149, 150, 152, 197 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri Rajesh Udham Thadani being eligible and seeking re-appointment, is proposed to be re-appointed as an Independent director for a term of five consecutive years from 14-11-2019 to 13-11-2024 approved in the Board Meeting held on 24th of October, 2019.

In the opinion of the Board, Shri Rajesh Udham Thadani, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and rules made thereunder and he is independent of the management. A copy of draft letter for the re-appointment of Shri Rajesh Udham Thadani, as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members, at the company's Registered office during normal business hours on working day upto the date of AGM.

The Board considers that his continued association would be immense benefit to the company and it is desirable to continue to avail the services of Shri Rajesh Udham Thadani as an Independent Director.

Accordingly, the Board recommends the resolution to appoint Shri Rajesh Udham Thadani as an Independent Director for the approval of members.

Except Shri Rajesh Udham Thadani, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.8. This Explanatory Statement may also be regarded as a disclosure under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Shri Rajesh Udham Thadani does not hold any shares in the Company.

This explanation, together with the accompanied notice is and should be treated as an abstract under Section 189 and 190 of the Companies Act, 2013 and rules made there under, in respect of the re-appointment of Shri Rajesh Udham Thadani, as an Independent Director.

The Board recommends the resolution set forth in Item No 4 for the approval of the members.

ITEM NO 5

At the meeting held on 24th October, 2019 Board of Directors of the Company had, based on the recommendation of Nomination and Remuneration Committee approved appointment of Mrs. Anisha Seth as an Additional Director of the Company.

Pursuant to Section 161(1) of the Companies Act, 2013 Mrs. Anisha Seth holds office till the date of this Annual General Meeting and appropriate notice has been received from a member proposing appointment of Mrs. Anisha Seth as Director of the Company.

Requisite consent has been received from Mrs. Anisha Seth pursuant to provisions of Section 152 of the Companies Act, 2013.

Further in the board meeting held on 28th of August, 2020, subject to the approval of members, the board had approved the appointment of Mrs. Anisha Seth as Whole Time Director of the Company on such terms and remuneration as prescribed under Section 197 read with Schedule V of the Companies Act, 2013. The said remuneration was based on the recommendations of the Remuneration Committee.

Tenure:

The appointment of Mrs. Anisha Seth as the Whole Time Director shall be valid for a period of 5 years.

Remuneration, benefits and perquisites:

- I. Salary:** Rs. 70,000/- (Rupees Seventy Thousand Only) per month. Salary will be subject to the deduction of Income tax at the applicable rates, under the Income Tax Act, 1961.

II. Perquisites:

a) Housing:

- (i) The expenditure of the Company of hiring unfurnished accommodation for the appointee subject to ceiling 50 % of salary.
- (ii) In case the accommodation is owned by the Company, 10 % salary of the appointee shall be deducted by the Company.
- (iii) In case no accommodation is provided by the Company, the appointee shall be entitled to House Rent Allowance subject to the ceiling laid down in point no (i).
- (iv) The expenditure incurred by the Company on gas, electricity, water and furnishings provided to him will be valued as per Income Tax Rules, 1962, subject to a ceiling of 10% of the salary.

b) Medical Reimbursement:

Reimbursement of medical expenses actually incurred for self and family, subject to the ceiling of one month's salary in a year with a right to carry forward.

c) Leave and Leave Travel Concession:

Leave Travel Concession for self and family, subject to the ceiling of one month's salary.

d) Club Fees:

He shall be entitled to the reimbursement of fees of any two clubs in India. This will not include admission and life, membership fee.

e) Personal Accident Insurance:

The Company shall pay an annual premium of a sum not exceeding Rs. 50,000/- towards personal accident insurance policy of Shri Sandeep Seth.

f) Car & Telephone:

- (i) Free use of the Company's car for the Company's business.
- (ii) Personal long distance call on telephone and use of car for private purpose shall be billed by the Company to the Chairman and Managing Director.

III. Limits on Remuneration:

The remuneration as specified in clauses above shall be subject to the overall limits as specified under Sections 196, 197 and other applicable provisions read with Schedule V of the Companies Act, 2013.

IV. Minimum Remuneration:

In the event of the Company incurring a loss or having inadequate profits in any financial year, the remuneration, perquisites, benefits, allowances and amenities payable to Shri Anisha Seth shall be in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 as amended from time to time.

V. Sitting Fees:

She shall not be paid sitting fees for attending the meetings of the Board of Directors of the Company.

This Explanatory Statement may also be regarded as a disclosure under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Except Mrs. Anisha Seth, being an appointee and Shri Sandeep Seth, Managing Director, being her relative, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

Mrs. Anisha Seth is holding 107058 Equity shares consisting 1.34 % of the paid up capital of the Company.

The resolution seeks approval of members as a Special Resolution for the appointment of Mrs. Anisha Seth as the Whole Time Director (Key Managerial Personnel) of the Company.

ITEM NO 6

Shri Sandeep Seth is a Promoter, Director of the Company and associated as the Managing Director since 27th November, 1992. In his able leadership the performance of the Company has been satisfactory. The Board of Director of the Company at its meeting held on 13-02-2020 and on the recommendation of the Nomination and Remuneration Committee in its meeting held on 13-02-2020, for re-appointment of Shri Sandeep Seth as Chairman and Managing Director (KMP) of the Company subject to the approval of members/shareholders of the Company in Annual General Meeting to be held on Monday, 28th day of September, 2020 as a Special Resolution for a period of five years from April 1, 2020 to March 31, 2025 at the remuneration, in accordance with norms laid down in Schedule V and other applicable provisions of Companies act, 2013 and rules made thereunder. The information in respect of terms of remuneration & perquisites is given below:

Remuneration, benefits and perquisites:

I. Salary: Rs. 3,50,000/- (Rupees Three Lakh Fifty Thousand Only) per month. Salary will be subject to the deduction of Income tax at the applicable rates, under the Income Tax Act, 1961.

II. Perquisites:

a) Housing:

- (i) The expenditure of the Company of hiring unfurnished accommodation for the appointee subject to ceiling 50 % of salary.
- (ii) In case the accommodation is owned by the Company, 10 % salary of the appointee shall be deducted by the Company.
- (iii) In case no accommodation is provided by the Company, the appointee shall be entitled to House Rent Allowance subject to the ceiling laid down in point no (i).
- (iv) The expenditure incurred by the Company on gas, electricity, water and furnishings provided to him will be valued as per Income Tax Rules, 1962, subject to a ceiling of 10% of the salary.

b) Medical Reimbursement:

Reimbursement of medical expenses actually incurred for self and family, subject to the ceiling of one month's salary in a year with a right to carry forward.

c) Leave and Leave Travel Concession:

Leave Travel Concession for self and family, subject to the ceiling of one month's salary.

d) Club Fees:

He shall be entitled to the reimbursement of fees of any two clubs in India. This will not include admission and life, membership fee.

e) Personal Accident Insurance:

The Company shall pay an annual premium of a sum not exceeding Rs. 50,000/- towards personal accident insurance policy of Shri Sandeep Seth.

f) Car & Telephone:

- (i) Free use of the Company's car for the Company's business.
- (ii) Personal long distance call on telephone and use of car for private purpose shall be billed by the Company to the Chairman and Managing Director.

III. Limits on Remuneration:

The remuneration as specified in clauses above shall be subject to the overall limits as specified under Sections 196, 197 and other applicable provisions read with Schedule V of the Companies Act, 2013.

IV. Minimum Remuneration:

In the event of the Company incurring a loss or having inadequate profits in any financial year, the remuneration, perquisites, benefits, allowances and amenities payable to Shri Sandeep Seth shall be in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 as amended from time to time.

V. Sitting Fees:

He shall not be paid sitting fees for attending the meetings of the Board of Directors of the Company.

This Explanatory Statement may also be regarded as a disclosure under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Shri Sandeep Seth is holding 43,30,092 Equity shares consisting 54.12 % of the paid up capital of the Company.

Except Mr. Sandeep Seth, being an appointee, Mrs. Anisha Seth, Whole Time Director and Mr. Jaideep Seth being the Non-Executive Director of the Company, being his relative, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out.

This explanation, together with the accompanied notice is and should be treated as an abstract under Section 189 and 190 of the Companies Act, 2013 and rules made there under, in respect of the re-appointment of Shri Sandeep Seth, as the Managing Director.

The resolution seeks approval of members as a Special Resolution for the re-appointment of Shri Sandeep Seth as the Chairman and Managing Director (Key Managerial Personnel) of the Company with effect from April 1, 2020 to March 31, 2025, pursuant to the provisions of Section 117, 196 and 197 and 203 read with Schedule V other applicable provision of the Companies Act, 2013 and the rules made there under.

**By order of the Board of Directors
For Laffans Petrochemicals Limited**

**Sandeep Seth
Managing Director
(DIN: 00316075)**

Place: Mumbai

Date: 28-08-2020

Registered Office:

Shed No. C1B/316, GIDC Panoli,

Tal. Ankleshwar, Dist, Bharuch,

Gujarat 394116.

Email: lplho@laffanspetrochemical.com

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT:

Name of the Director	Mr. Jaideep Seth	Mr. Rudolph Quadros	Mr. Rajesh Thadani
Date of first appointment	08-06-2012	24-10-2019	14-11-2014
Expertise in specific functional areas	Providing valuable inputs and guidance on various matters relating to strategic planning and performance, marketing expansion, new business decision of the Company.	General Management	Businessman and he is possessing rich and vast experience in field of Trade and Marketing.
Qualifications	Matriculate	HSC	Mcom, MBA
Key terms and conditions of appointment/ reappointment	As per the terms of appointment	As per the terms of appointment	As per the terms of appointment
Number of Equity shares held in Company	5	Nil	Nil
List of other Directorship held In (other listed Companies)	Nil	Nil	Nil
Chairmanships / memberships of committees of director in others listed companies	Nil	Nil	Nil

Name of the Director	Mr. Sandeep Seth	Mr. Anisha Seth
Date of first appointment	27-11-1992	24-10-2019
Expertise in specific functional areas	Corporate Management	General Management
Qualifications	MBA	MED
Key terms and conditions of appointment/ reappointment	As per the terms of appointment	As per the terms of appointment
Number of Equity shares held in Company	4331090	102869
List of other Directorship held In (other listed Companies)	Nil	Nil
Chairmanships / memberships of committees of director in others listed companies	Nil	Nil

Director's Report

Dear Members,

The Directors present the 27th Annual Report of the Company along with the audited financial statements for the financial year (FY) ended on **March 31, 2020**.

FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

The financial performance of the Company for the year ended March 31, 2020 is summarized below:

(Amount in Rs.)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
Total Revenue	10,16,97,911	5,33,45,756
Total Exp.	14,12,16,334	6,42,89,208
Profit before exceptional items & tax	(3,95,18,423)	(1,09,43,452)
Current Tax for the year & Prior Year	37,47,450	-
Deferred Tax Liability	36,64,481	24,08,442
Profit after taxation	(3,96,01,392)	(85,35,010)

Financial Statement:

As per Regulation 33 of the Securities board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (herein after referred to as "Listing Regulation") and applicable provisions of the Companies Act, 2013 read with the rules thereunder, the Financial Statements of the Company for F.Y. 2019-20. The Financial Statements for the year 2019-20 have been prepared in compliance with the new set of Indian Accounting standards (IND AS) and the comparatives for the corresponding previous financial year 2017-18 have also been prepared in compliance with the new set of Indian Accounting standards (IND AS). The Ministry of Corporate Affairs (MCA), vide its notification in the official gazette dated 16th February, 2015, has made applicable the India Accounting Standard ('IND AS') to certain classes of Companies. For the Company, Ind AS was applicable from 1st April, 2017 with a transaction dated of 1st April, 2016. The Financial results have been prepared in accordance with the recognition and measurement principles laid down under Ind AS, as presented under Section 133 of Companies Act, 2013 ("the Act") read with the relevant rules issued there under and the relevant accounting principles generally accepted in India as applicable.

Operating & Financial Performance & Internal Control:

Your company has generated gross revenue of Rs. 10,16,97,911 as compared to Rs. 5,33,45,756 for previous year. The income by way of trading during the year amounted to Rs. 12,18,35,809 compared to Rs. 377,27,845 in the previous year. Income from services amounted to Rs. Nil compared to Rs. Nil in the previous year. The company has started imports of chemicals from China and is seeking opportunities towards indenting and trading of chemicals based on its past experience.

The Company has in place an established internal control system designed to ensure proper recording of financial and operational information and compliance with various internal controls and other regulatory and statutory compliances. Code of Internal controls which require that the Director review the effectiveness of internal controls and compliances controls, financial and operational risks, risk assessment and management systems and related party transactions, have been complied with.

Company's Policies on Remuneration, Whistle Blower and also Code of Conduct applicable to Directors and Employees of the Company has been complied with. These Policies and Code of Conduct are available on the Company's website www.laffanspetrochemical.com

There is no change in the nature of the business of the Company. There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future. There were no material changes and commitment affecting the financial position between March 31, 2020 and date of this Report of Directors.

Subsidiaries, Joint Venture or Associates Companies during the Year:

You Company has neither any Subsidiary nor Joint Venture nor Associates Company. During the year under review, none of the Companies have become or ceased to be Company's Subsidiaries, Joint ventures or Association Companies.

Deposits:

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2020. There were no unclaimed or unpaid deposits as on March 31, 2020.

Transfer to Reserve:

The Company has not transferred any amount to reserves.

Dividend:

To conserve resources which would assist in future growth of the Company, no dividend is recommended by the Board for the financial year ended March 31, 2020.

Significance and Material Order Passed By the Regulators or Courts or Tribunals.

There were no significance and material orders passed by regulators or courts or tribunals impacting the going concern status and company operations in future. There were no material changes and commitments affecting the financial position of the company occurring between March 31, 2020 and the date of this Report of the Directors.

Directors and Key Managerial Personnel Retirement by Rotation:

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Jaideep Seth (DIN: 03130620) is due to retire by rotation at the 27th Annual General Meeting and being eligible, offer himself for re- appointment.

Brief profile of the proposed appointee together with other disclosures in terms of Regulation 36 (3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are mentioned in the Notice which is part of this Annual Report.

Appointment and Resignation of Director and Key Managerial Personnel:

- i) Resignation of Mr. Avinash Gupta (DIN: 01407807), Non-Executive Director of the Company with effect from 12th of April, 2019.
- ii) Resignation of Mrs. Anisha Seth (DIN: 06867960) as a Whole Time Director of the Company with effect from 24th September, 2019.
- iii) Appointment of Mrs. Anisha Seth Anisha Seth (DIN: 06867960) as Additional Executive Director of the Company with effect from 24th October, 2019.
- iv) Appointment of Mr. Rudolph Quadros (DIN: 08536580) as Independent Director of the Company with effect from 24th October, 2019.
- v) Re-appointment of Mr. Rajesh Udham Thadani (DIN: 00009889) as an Independent Director of the Company for a period of 5 years with effect from 14th of November 2019.
- vi) Re-appointment of Mr. Sandeep Seth (DIN: 00316075) as Managing Director of the Company for a period of 5 years with effect from 1st of April, 2020.

Number of meeting of the Board:

During the financial year 6 (Six) Board Meetings and 5 (five) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Directors' Responsibility Statement:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Sections 134(3) (c) read section 134(5) of the Companies Act:

- (i) In the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (ii) 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 as at March 31, 2020 and of the profit and loss of the company for that period;
- (iii) 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;
- (iv) The directors had prepared the annual accounts on a going concern basis; and
- (v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) 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.

Statement on declaration given by independent directors under sub-section (6) of section 149:

The Company has received the declaration from each Independent Directors that they meet the criteria of independence laid down under Section 149(6) of Companies Act, 2013, under Regulation 16(b) of SEBI (LODR) Regulations, 2015.

Particulars of loans, guarantees or investments under section 186:

The Company has not made any loans or given Guarantees or provided security to any person and has not made any investment that attracts the provisions of Section 186 of the Companies Act, 2013 during the Financial Statements.

Nomination & Remuneration Policy:

The Board has framed a policy on the recommendation of the Nomination & Remuneration Committee, which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection, appointment and remuneration of Board Members/ Key Managerial Personnel and other employees. Is annexed herewith as "**Annexure A**".

Related Party Transactions:

There were no contracts or arrangements entered into by the company during the year, which attracts the provision of Section 188 of the Companies Act, 2013. All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Thus such transaction does not require the approval of shareholders. All Related Party Transactions are placed before the Audit Committee for approval.

There are no materially significant related party transactions made by the Company with promoters, directors, KMP or other designated persons which may have a potential conflict with the interest of the Company.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.laffanspetrochemical.com.

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "**Annexure B**".

Risk management policy and its implementation:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

Internal Control System:

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors.

Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and Individual Directors:

The formal annual evaluation has been done by the board of its own performance and that of its committee and individual directors on the basis of evaluation criteria specified in the Nomination and Remuneration policy of the Company. A member of the Board/committee did not participate in the discussion of his/her evaluation.

Remuneration of Directors, Key Managerial Personnel and particulars of employees:

The remuneration paid to the Directors is in accordance with the Nomination and remuneration policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the listing Regulation (Including any statutory modification(s) or re-enactments(s) thereof for time being in Force).

The information required pursuant to Section 197 of the Companies Act, 2013 read rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, The prescribed particulars of employees required under section 134(3)(q) read rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, in respect of employees of the Company is not provided, as there are no employees drawing remuneration exceeding the limits prescribed under aforesaid rules.

The information required pursuant to Section 197 read with Rule 5 (1) (i) of The Companies (Appointment and Remuneration) Rules, 2014 in respect of ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year, will be made available for inspection at its registered office of the Company during the working hours for a period of twenty one days before the date of annual general meeting of the company pursuant to Section 136 of the Companies Act, 2013 and members, if any interested in obtaining the details thereof, shall make specific request to the Company Secretary and Compliance officer of the Company in this regard.

Auditors:

At the Annual General Meeting held on 28th September, 2018 M/s. Pushp K. Sahu & Co., Chartered Accountant, Statutory Auditors of the Company having registration number (FRN No. 128013W) were appointed as statutory auditors of the Company for a term of 5 (five) years from the conclusion of the 25th AGM (subject to ratification of such appointment by the Members at every AGM, if required) till the conclusion of the 30th AGM at such remuneration as may be determined by the Board of Directors and the said Auditors from time to time. The Company has received a certificate from the statutory auditors to the effect that their re-appointment, if made, would be within the limits prescribed.

The said Auditors have confirmed their eligibility for appointment in terms of Section 139 of the Act.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Pushp. K. Sahu & Co, Statutory Auditors, in their report.

Internal Auditors:

Independent Practicing Chartered Accountants were appointed as an Internal Auditor for Financial Year 2019-20, they performed the duties of internal auditors of the Company as prescribed under the Act and their report is reviewed by the audit committee from time to time.

Secretarial Auditors and Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Board has appointed M/s. Jitendra Lekhwani., Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2019-20. The Secretarial Audit Report for the financial year ended March 31, 2020 is annexed herewith marked as 'Annexure C' to this Report.

There is no qualification, reservations or adverse remarks made by Secretarial Auditors in the Audit Report.

Cost Auditor:

According to information and explanation given to us, the maintenance of cost records has not been prescribed by the Central Government sub section (1) of section 148 of the Companies Act 2013.

Reporting of Frauds by Auditor:

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which needs to be mentioned in the Board's Report.

Obligation of Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

In order to prevent sexual harassment of women at work place the Company has adopted a policy for prevention of Sexual Harassment of Women at workplace under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and during the year Company has not received any complaint of such harassment.

Insider Trading:

In compliance with the SEBI regulation on prevention of Insider Trading, your Company has framed a comprehensive code which lays down guidelines and advises the Directors and employees of the Company on procedures to be followed and disclosures to be made, while dealing in securities of the Company. During the year under review, the Company adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive information and the Code of Conduct for Prohibition of Insider Trading in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Extract of the Annual Return in form MGT-9:

The details forming part of the extract of the Annual Return in form MGT 9 is uploaded on the website of the Company www.laffanspetrochemical.com.

Note: As per MCA Notification dated 28th August, 2020 a company shall not be required to attach the extract of the annual return with the Board's report in Form No. MGT.9, in case the web link of such annual return has been disclosed in the Board's report in accordance with sub-section (3) of section 92 of the Companies Act, 2013.

Transfer of Amounts to Investor Education and Protection Fund:

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore; there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

Board Evaluation:

During the Year, Evaluation cycle was completed which included the Evaluation of the Board as a whole, Board Committees and Directors. The exercise was done in the Independent Directors meeting and Nomination and Remuneration Committee meeting of the Company. The Evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment.

Corporate Social Responsibility (CSR):

Your Company does not fall in the criteria mentioned under Section 135 of the Companies Act, 2013, for applicability of the provisions of Corporate Social Responsibility. Hence, your Company is not required to constitute CSR Committee and to comply with other provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Research & Development:

As Company is not into manufacturing activity, there was no Research and Development activity carried out by the Company during the financial year under review.

Website of the Company:

The Company maintains a website www.laffanspetrochemical.com where detailed information of the company and its products are provided.

Code of Conduct:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on the Company's website www.laffanspetrochemical.com. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

Vigil mechanism/whistle Blower Policy:

The Company has established a vigil mechanism/Whistle Blower Policy for Directors and employees to report their genuine concerns, details of which have been given in the Corporate Governance Report annexed to this Report.

Following details are also available on the website of the Companies on www.laffanspetrochemical.com

1. The details of such familiarization programmes.
2. The policy on Related Party Transactions
3. Code of conduct for Board of Directors and Employees
4. Code of internal procedure and conduct under insider trading regulation.
5. Policy on Board Diversity
6. Nomination & Remuneration Policy etc.

Management Discussion and Analysis Report:

Management's discussion and analysis Report is annexed herewith as "**Annexure D**".

Report on Corporate Governance

A separate report on Corporate Governance is attached to this report along with Statutory Auditor's certificate on its compliance in "**Annexure E**"

Secretarial Standards:

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

Disclosure with Respect to Demat Suspense Account / Unclaimed Suspense Account

The Company reports that no shares issued pursuant to Public Issue remains unclaimed hence the Clause of Disclosure with respect to Demat Suspense Account / Unclaimed Suspense Account is not applicable.

Dematerialization:

Your Company has tied up with Central Depository Services (India) Ltd. (CDSL) to enable the shareholders to trade and hold share in an electronic/dematerialized form. The shareholders' are advised to take benefit of dematerialization.

Risk Management:

All material Risks faced by the Company are identified and assessed. For each of the risks identified, corresponding controls are assessed and policies and procedures are put in place for monitoring, mitigating and reporting risk on a periodic basis.

Acknowledgments:

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to the Government of India, Governments of Gujarat & Maharashtra, Authorities and the Bankers to the Company for their valuable support and look forward to their continued co-operation in the years to come. Your Directors also acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

For and on behalf of the Board of Directors

Place: Mumbai
Dated: 28th August, 2020

Sandeep Seth
(Managing Director)
DIN: 00316075

Anisha Seth
(Director)
DIN: 06867960

ANNEXURE – A

NOMINATION AND REMUNERATION POLICY

1. INTRODUCTION:

This policy has been formulated by the Committee and approved by the Board of Directors.

2. OBJECTIVE OF THE COMMITTEE:

The Committee shall:

- a. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- b. Formulation of criteria for evaluation of Independent Director and the Board
- c. Devising a policy on Board diversity.
- d. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- e. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

3. DEFINITIONS:

- 3.1 Board means Board of Directors of the Company.
- 3.2 Director means Directors of the Company.
- 3.2 Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- 3.4 Company means Laffans Petrochemicals Limited.
- 3.5 Independent Director means Independent Director as provided under clause 49 of the Listing Agreement and/or under the Companies Act, 2013.
- 3.6 Key Managerial Personnel means Key Managerial Personnel as defined Section 2(51) of the Companies Act, 2013.
- 3.7 Senior Management The expression “senior management” means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

4. GENERAL APPOINTMENT CRITERIA:

- 4.1 The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- 4.2 The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.
- 4.3 The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.

5. ADDITIONAL CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS:

The appointment of Independent director shall be governed as per the provisions of clause 49 of the Listing Agreement (as amended from time to time) and the Companies Act, 2013.

6. TERM / TENURE:

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under as amended from time to time, and as per listing agreement.

7. REMOVAL:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

8. CRITERIA FOR EVALUATION OF INDEPENDENT DIRECTOR AND THE BOARD:

Following are the Criteria for evaluation of performance of Independent Directors and the Board:

8.1 Executive Directors:

The Executive Directors shall be evaluated on the basis of targets / Criteria given to executive Directors by the Board from time to time.

The Independent Directors shall take the views of the executive director(s) and non-executive director(s) to review the performance of the Chairman of the Company.

8.2 Non-Executive Director:

The Non-Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- a. act objectively and constructively while exercising their duties;
- b. exercise their responsibilities in a bona fide manner in the interest of the company;
- c. devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- d. do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- e. refrain from any action that would lead to loss of his independence
- f. inform the Board immediately when they lose their independence,
- g. assist the Company in implementing the best corporate governance practices.
- h. strive to attend all meetings of the Board of Directors and the Committees;
- i. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- j. strive to attend the general meetings of the Company
- k. keep themselves well informed about the Company and the external environment in which it operates;
- l. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.
- m. Abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.
- n. Provide various directions in the best interest of the Company on key issues.

Apart for aforesaid criteria, the Non-Executive Directors (including Independent Directors) shall be evaluated on any other criteria as the Board/Committee/Independent Directors as they deemed proper from time to time.

8.3 Board (including Various Committees):

The Board (including various committees) shall be evaluated on the basis of the following criteria i.e. whether:

- a. the Board Ensure the integrity of financial information and robustness of financial and other controls.
- b. the Board oversees the management of risk and review the effectiveness of risk management process.
- c. the Board of directors works as a team.
- d. the Board is robust in taking and sticking to decisions.
- e. the Board as a whole up to date with latest developments in the regulatory environment and the market.

- f. sufficient Board and committee meetings, of appropriate length, being held to enable proper consideration of issues.
- g. the relationships and communications with shareholders are well managed.
- h. the relationships and communications within the board constructive.
- i. all directors allowed or encouraged to participate fully in board discussions.
- j. the Board take the Initiative to maintain moral value of the Company.
- k. the Board contribute to enhance overall brand image of the Company.

Apart from aforesaid criteria, the Board (including Committees) shall be evaluated on any other criteria as the Board/Committee/Independent Directors as they deemed proper from time to time.

9. POLICY ON BOARD DIVERSITY:

The appointment of director(s) on the Board should be based on merit that complements and expands the skills, experience and expertise of the Board as a whole, taking into account gender, age, professional experience and qualifications, educational background, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board.

The Nomination & Remuneration Committee is (among other things) responsible for: reviewing the structure, size and composition of the Board and the appointment of new directors of the Company from time to time to ensure that it has a balanced composition of skills, experience and expertise appropriate to the requirements of the businesses of the Company, with due regard to the benefits of diversity on the Board.

10. REMUNERATION:

10.1 The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval.

The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

10.2 Director/ Managing Director

Besides the above Criteria, the Remuneration/ compensation/ commission etc. to be paid to Director/ Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

10.3 Non executive Independent Directors

The Non- Executive Independent Director may receive remuneration by way of sitting fees as decided by the Board from time to time for attending meetings of Board or Committee thereof; Provided that the amount of such fees shall not exceed the ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

10.4 KMPs / Senior Management Personnel etc.

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

10.5 Other employees:

Without prejudice to what is stated in para 10.1 to 10.4, the remuneration to be paid to the other employees shall be decided by the management of the Company based on the experience, qualification, expertise of the employees or any other criteria as may be decided by the Management.

11. SUCCESSION PLANNING:

The Nomination & Remuneration Committee shall work with the Board on the Leadership succession plan, and shall also prepare contingency plan for succession in case of any exigencies.

ANNEXURE – B

Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors

(A) Conservation of energy- Not Applicable

(B) Technology absorption- Not Applicable

(C) Foreign exchange earnings and Outgo-

The Company's main line of business is import. The Company has achieved Export Turnover of Rs. Nil during the year under report 2019-20

Sr. No.	Particulars	2019-20	2018-19
1	Foreign Exchange Earned	-	-
	Export of Goods of F.O.B basis	-	-
2	Outgo of Foreign Exchange		
	i) Raw Materials	-	-
	ii) Consumable Store	-	-
-	iii) Capital Goods	-	-
	iv) Foreign Travels	-	-
	v) Others	-	-
	vi) Dividend	-	-

ANNEXURE –C
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE PERIOD 01-04-2019 TO 31-03-2020

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

To,
 The Members,
Laffans Petrochemicals limited
 Shed no.C1b/316 Gidc Panoli, Ankleshwar,
 Gujarat - 394116

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices **LAFFANS PETROCHEMICALS LIMITED (CIN: L99999GJ1992PLC018626)** hereinafter called (the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **LAFFANS PETROCHEMICALS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering **1st April, 2019 to 31st March, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **LAFFANS PETROCHEMICALS LIMITED** (“the Company”) for the audit period **1st April, 2019 to 31st March, 2020** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act,1999 and the Rules and Regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (**Not Applicable during Audit Period**)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- (**Not applicable during the audit period**)
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- (**Not applicable during the Audit Period**)
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- (**Not applicable during the Audit Period**)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- (**Not applicable as the Company has not bought back any of its securities during the Audit Period**)
 - f. The securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the companies act and dealing with client. (**Not applicable as the Company is not registered as Registrars to an Issue and Share Transfer Agents**)

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **(Not applicable as the Company has not bought back any of its securities during the Audit Period)**
- h. Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2009- **(Not applicable as the Company has not bought back any of its securities during the Audit Period)**

(vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the management has complied with the following laws specifically applicable to the Company:

1. The manufacture, Storage and Import of Hazardous Chemicals Rules, 1989
2. The Water (Prevention and Control of Pollution) Act, 1974.
3. The Environment (Protection) (Second Amendment) Rules, 1992
4. The legal Metrology Act, 2009
5. The Petroleum Act, 1934
6. The factories Act, 1948

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with BSE Limited & Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective from December 1, 2015)

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

We further report that:

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

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

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the Minutes of the meetings of the Board of directors or Committee of the Board as the case may be.

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

We further report that during the audit period, the company had no specific events or actions which might have a bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except following:

1. Resignation of Mr. Avinash Gupta (DIN: 01407807), Non-Executive Director of the Company with effect from 12th of April, 2019.
2. Resignation of Mrs. Anisha Seth (DIN: 06867960) as a Whole Time Director of the Company with effect from 24th September, 2019.
3. Appointment of Mrs. Anisha Seth (DIN: 06867960) as Additional Executive Director of the Company with effect from 24th October, 2019.
4. Appointment of Mr. Rudolph Quadros (DIN: 08536580) as Independent Director of the Company with effect from 24th October, 2019.

5. Re-appointment of Mr. Rajesh Udham Thadani (DIN: 00009889) as an Independent Director of the Company for a period of 5 years with effect from 14th of November 2019.
6. Re-appointment of Mr. Sandeep Seth (DIN: 00316075) as Managing Director of the Company for a period of 5 years with effect from 1st of April, 2020.

**For Jitendra Lekhwani,
(Company Secretaries)**

Sd/-

**Jitendra Lekhwani
(Proprietor)**

C.P. No. 10709/ACS No. 25927

UDIN: A025927B000617672

**Place: Mumbai
Date: 26.08.2020**

**To,
The Members,
Laffans Petrochemicals limited**
Shed no.C1b/316 Gidc Panoli, Ankleshwar,
Gujarat - 394116.

Our report is to be read along with this letter.

1. The maintenance of secretarial record is the responsibility of the management of the company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.
3. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
6. Due to Coronavirus outbreak and lockdown in the country, audit for fourth quarter of financial year 2019-20 (for quarter ended 31st March, 2020) was done online and the secretarial documents were not physically verified.
7. The compliance of the provision of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
8. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For Jitendra Lekhwani,
(Company Secretaries)**

Sd/-

**Jitendra Lekhwani
(Proprietor)**

C.P. No. 10709/ACS No. 25927

UDIN: A025927B000617672

**Place: Mumbai
Date: 26.08.2020**

ANNEXURE-D

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW:

Company is operating in the business of trading in specialty chemicals on whole sale basis through various distributors of the Company.

During the year under review, the Company has put a focus on trading in various chemicals product and is striving to gain market share in a very competitive market.

FINANCIAL PERFORMANCE OF THE COMPANY:**• Share Capital:**

The issued and paid-up share capital of the Company is Rs. 80,000,000/- consisting of 80 lacs Equity shares of Rs.10/- each as on 31st March, 2020.

• Reserves and Surplus:

As on 31st March, 2020 the reserves and surplus are Rs. 48,64,25,473/-.

• Secured Loans:

There are no secured loans outstanding as on 31st March, 2020.

Results of Operation:

Total income of the Company during the F.Y. 2019-20 was Rs. 10,16,97,911/- reflecting an increase of Rs. 4,83,52,155/- over previous year. Loss for the year Rs. 3,96,01,392/- as against the loss of Rs. 85,35,010/- for the previous year.

Industry Structure & Development:

Specialty chemicals.

Internal Control System:

Company has adequate internal control procedures commensurate with the size of the Company and nature of its Business for the purchase of raw materials and fixed assets and for the sale of goods.

Human Resources:

The Company has good relation with its employees.

Risks Factor:

The Company is mainly dependent on imports from Gulf Countries. As the transit times often goes beyond 30 days the market price may fluctuate by the time the goods arrive for sale. The last year has seen many such fluctuation resulting in the company doing limited imports of chemical. The Company there for restrains from any long term contracts.

Opportunity

The company is not dependent on any one product type and is constantly seeking never products based on local demand. The Company as identified several Chinese firm to represent them in India through exclusive agency. The Indian Chemical market continues to grow and cheaper imports allows opportunities in this area. Further increasing demand of specially chemicals, favourable Govt. policy, GST regime, would be beneficial for the business of the company in the upcoming years. Future Prospects/Outlook:

Your Company is continuously working on strengthening the business. Your Company has been successfully executing major orders from prestigious customers and it has been enjoying the confidence of all customers across the country with repeat orders. Your Company has embarked on improving margins in all products by reducing the various costs. The results of these initiatives are expected to improve the overall profitability of the Company further during the current year.

ANNEXURE-E

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended **March 31, 2020**, in accordance with Regulation 34 (3) and read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulation/LODR Regulation").

1. Company's Philosophy On Corporate Governance:

Corporate Governance broadly refers to a set of rules and practices designed to govern the behavior of corporate enterprises. The Company's philosophy on Corporate Governance envisages accountability, responsibility and transparency in the conduct of the Company's business and its affairs vis-à-vis its employees, shareholders, bankers, lenders, government, suppliers, dealers etc. and accordingly lays great emphasis on regulatory compliances. The Company firmly believes that Corporate Governance is a powerful tool to sub serve the long term growth of the Company and continues to give high priority to the principles and practices of good Corporate Governance and has accordingly benchmarked its practices with the existing guidelines of corporate governance as laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and applicable provisions of the Companies Act, 2013 (the Act), a report on Corporate Governance is detailed below:

2. Governance Structure:

• Board of Directors:

2.1. Composition and Category of Directors

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Directors who represents a good professionalism.

As on March 31, 2020, Laffans Board comprised of 6 (Six) Directors, viz., the Chairman & Managing Director and 1 (One) Non-Executive –Non-Independent Directors, 1 (One) Additional Executive Director, 2 (Three) Non-Executive - Independent Director and 1 (One) Additional Independent Director.

The Board's Composition is in accordance with the requirements of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition of Board of Directors as on March 31, 2020.

Name of Director	Category
Mr. Sandeep Seth	Executive- Managing Director
Mrs. Anisha Seth*	Additional Executive Director
Mr. Jaideep Seth	Non-Executive Director
Mr. Rajesh Thadani	Independent-Non-Executive Director
Mr. Deepak Jagannath Roy	Independent Non-Executive Director
Mr. Rudolph Victor Quadros*	Additional Independent Director

*Mrs. Anisha Seth was appointed as Additional Whole Time Director with effect from 24th of October, 2019.

*Mr. Rudolph Victor Quadros was appointed as Additional Independent Director with effect from 24th of October, 2019.

2.2. Directorship and Committee Membership in other Companies:

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Regulation 26(1) of Listing Regulation with Stock Exchange) across all the Companies in India in which he is a Director.

Independent Directors do not serve in more than 7 Listed Companies. None of the Independent Directors are Whole Time Directors in any Listed so the limitation mentioned in Regulation 25 (1) of the Listing Regulation with the Stock Exchange is not applicable.

Directorships and membership of Committees in other companies held by Directors as on March 31, 2020 are given below:

Name of Director	*Number of Directorship(s) held in other Indian public limited Companies	**Committees Positions	
		Committee Chairmanship	Committee Membership
Mr. Sandeep Seth	0	Nil	Nil
Mrs. Anisha Seth*	0	Nil	Nil
Mr. Jaideep Seth	0	Nil	Nil
Mr. Deepak Jagannath Roy	0	Nil	Nil
Mr. Rajesh Thadani	0	Nil	Nil
Mr. Rudolph Victor Quadros*	0	Nil	Nil

*Mrs. Anisha Seth was appointed as Additional Whole Time Director with effect from 24th of October, 2019.

*Mr. Rudolph Victor Quadros was appointed as Additional Independent Director with effect from 24th of October, 2019.

*Directorships do not include directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

**Chairmanship/ Membership of committees of Board of Directors include only Audit and Stakeholder Relations Committees of other Public Limited Companies.

2.3. Appointment /Re-appointment of Directors:

- i) Resignation of Mr. Avinash Gupta (DIN: 01407807), Non-Executive Director of the Company with effect from 12th of April, 2019.
- ii) Resignation of Mrs. Anisha Seth (DIN: 06867960) as a Whole Time Director of the Company with effect from 24th September, 2019.
- iii) Appointment of Mrs. Anisha Seth Anisha Seth (DIN: 06867960) as Additional Executive Director of the Company with effect from 24th October, 2019.
- iv) Appointment of Mr. Rudolph Quadros (DIN: 08536580) as Independent Director of the Company with effect from 24th October, 2019.
- v) Re-appointment of Mr. Rajesh Udham Thadani (DIN: 00009889) as an Independent Director of the Company for a period of 5 years with effect from 14th of November 2019.
- vi) Re-appointment of Mr. Sandeep Seth (DIN: 00316075) as Managing Director of the Company for a period of 5 years with effect from 1st of April, 2020.

2.4. Information Supplied to the Board:

The Board of the Director of the Company is presented with relevant information in advance on various matters related to working of the Company, especially those which requires deliberation. In addition to items which requires approval of the Board or it's noting, the information is provided on various items. The information supplied by management to the Board of the Company is in accordance with various Regulations of SEBI (LODR) Regulations, 2015.

2.5. Orderly Succession to Board and Senior Management:

The Board of Director of the Company satisfies itself about the plans in place for orderly succession for appointment to the Board and to Senior Management.

2.6. Review of Legal Compliance reports:

During the year, the Board periodically reviewed compliances reports with respect to the various laws applicable to the Company, as prepared and placed before it by the management.

2.7. Maximum tenure of Independent Directors:

The maximum tenure of Independent Directors is in accordance with the Companies Act, 2013. The terms and conditions of appointment of independent Directors are placed on the Company's websites.

2.8. Formal letter of Appointment to Independent Directors:

The Company has issued formal letter to each Independent Directors in the manners as provided in the Companies Act, 2013. The terms and conditions of appointment of Independent Directors are placed on Company's websites www.laffanspetrochemical.com

2.9. Re-appointment of Directors (liable to retire by rotation):

Shri Sandeep Seth (DIN 00316075), retires by rotation and being eligible offer himself for re appointment. His brief resume is as under:

Name of the Director	Shri Jaideep Seth
Designation	Non-Executive Director
Date of Appointment	08/06/2012
Expertise in specific functional areas	Providing valuable inputs and guidance on various matters relating to strategic planning and performance, marketing expansion, new business decision of the Company.
List of other Directorship held In (other listed Companies)	NIL
Chairmanships / memberships of committees of director in others listed companies	NIL

2.10. Re-appointment of Independent Director:

Name of the Director	Shri Rajesh Thadani
Designation	Independent Director
Date of Appointment	14-11-2014
Expertise in specific functional areas	Businessman and he is possessing rich and vast experience in field of Trade and Marketing.
List of other Directorship held In (other listed Companies)	Nil
Chairmanships / memberships of committees of director in others listed companies	Nil

2.11. Appointment/Re-appointment of Key Managerial Personnel:

Name of the Director	Shri Sandeep Seth
Designation	Managing Director
Date of Appointment	27-11-1992
Expertise in specific functional areas	Providing valuable inputs and guidance on various matters relating to strategic planning and performance, marketing expansion, new business decision of the Company.
List of other Directorship held In (other listed Companies)	Nil
Chairmanships / memberships of committees of director in others listed companies	Nil

Name of the Director	Shri Anisha Seth
Designation	Whole Time Director
Date of Appointment	28-08-2020
Expertise in specific functional areas	Providing valuable inputs and guidance on various matters relating to strategic planning and performance, marketing expansion, new business decision of the Company.
List of other Directorship held In (other listed Companies)	Nil
Chairmanships / memberships of committees of director in others listed companies	Nil

2.12. Board Meetings Held:

Six Board Meetings were held during the financial year ended on 31st March, 2020. These meetings were held on 30th May, 2019, 13th August 2019, 5th September 2019, 24th October 2019, 14th November 2019, 13th February 2020.

2.13. Attendance of each director at the Board meetings held during the financial year ended 31st March, 2020 and the last AGM held on September 30, 2019:

Director	No. of Board meetings held	No. of Board meetings attended	Last AGM Yes/No
Mr. Sandeep Seth	6	6	Yes
Mrs. Anisha Seth	6	5	No
Mr. Jaideep Seth	6	6	Yes
Mr. Deepak Jagannath Roy	6	6	Yes
Mr. Rajesh Thadani	6	6	Yes
Mr. Rudolph Victor Quadros	6	3	No

3. INDEPENDENT DIRECTORS MEETING

As required under Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Independent Directors meeting was held on February 13, 2020, inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
4. **Familiarization Programme for Independent Directors:** If any person joins the Board of the Company as an Independent Director, the company conducts the seminars/power point presentations at regular intervals so that the new Independent Director gets acquainted with the nature of the Company. The new person will come to know about various roles, duties, rights and responsibilities that has to be performed during the course of time.

4. Audit Committee

4.1. Terms of reference:

The terms of reference for Audit Committee has been specified in Part C of Schedule II under Regulation 18(3) of Listing Obligation and Disclosure Requirements (LODR), Regulation, 2015 with Stock Exchange where the information will be reviewed by the Audit Committee.

4.2. Composition of the Audit Committee:

The Company has constituted a qualified Audit Committee as required under section 177 of the Companies Act, 2013. The Audit Committee comprises of three directors as members. All the members are well versed with finance, accounts, corporate laws and general business practices. Mr. Rajesh Thadani appointed, Chairman of the Committee is an Independent Director and has financial and accountancy expertise.

Name of the Member	Category	Designation
Mr. Rajesh Thadani	Independent Director	Chairman
Mr. Jaideep Seth	Non-Executive Director	Member
Mr. Deepak Roy	Independent Director	Member

4.3. Audit Committee meetings:

During the year under the review, the Committee met five times, i.e. on May 30, 2019; August 13, 2019; October 24, 2019, November 11, 2019 and February 13, 2020.

Attendance at the meetings of the Audit Committee:

Name of the Member	Designation	No. of meetings during the year	
		Held	Attended
Mr. Rajesh Thadani	Member	5	5
Mr. Jaideep Seth	Member	5	5
Mr. Deepak Roy	Member	5	5

5. Nomination & Remuneration Committee**5.1. Term of Reference:**

The broad terms of reference of the Nomination and Remuneration Committee are:

- To formulate the criteria for determining qualifications, positive attributes and independence for appointment of a Director and recommend to the Board, policies relating to the remuneration of the Directors, key managerial personnel and other employees;
- To formulate the criteria for evaluation of all the Directors on the Board;
- To devise a policy on Board diversity; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The **Nomination and Remuneration Policy** devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 has been published as an Annexure to the Directors Report. Further, the details of remuneration paid to all the Directors and the other disclosures required to be made under the Listing Agreement.

5.2. Composition of Nomination and Remuneration Committee:

The Company has constituted a Nomination and Remuneration Committee as required under Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (LODR) Regulation, 2015 with Stock Exchange.

The Nomination and Remuneration Committee now comprises of three directors as members. Mr. Rajesh Thadani, Chairman of the Committee is an Independent Director.

Name of the Member	Category	Designation
Mr. Rajesh Thadani	Independent Director	Chairman
Mr. Jaideep Seth	Non-Executive Director	Member
Mr. Deepak Roy	Independent Director	Member

5.3. Nomination and Remuneration Committee Meetings:

During the year under the review, the Committee met four times, i.e. on May 30, 2019; October 24, 2019 ; November 14, 2019 and February 13, 2020.

Attendance at the meetings of the Nomination & Remuneration Committee:

Name of the Member	Status	No. of meetings during the year	
		Held	Attended
Mr. Rajesh Thadani	Member	4	4
Mr. Jaideep Seth	Member	4	4
Mr. Deepak Roy	Member	4	4

5.4. Details of Remuneration Paid to the Directors in 2019-20:**Remuneration paid to Executive Directors:****(Amt. in Rs.)**

Name	Salary	Bonus	Other perks	Commission	Total
Mr. Sandeep Seth	42,00,000	Nil	Nil	Nil	42,00,000
Mrs. Anisha Seth	8,40,000	Nil	Nil	Nil	8,40,000

Remuneration paid to Non-Executive Directors:**(Amt. in Rs.)**

Name	Salary	Sitting Fees	No. of Shares held
Mr. Jaideep Seth	5,04,000	Nil	5
Mr. Rudolph Victor Quadros	1,80,000	Nil	Nil

6. Share Transfer Committee/Stakeholder Relationship Committee

The Stakeholder Relationship Committee has been constituted under the Chairmanship of Mr. Jaideep Seth with Mr. Sandeep Seth as the other member to facilitate speedy disposal of requests pertaining to transfer, transmission of shares in physical form, issue of duplicate share certificates, to consider and review shareholders'/investors' grievances and complaints and to ensure that all shareholders'/investors' grievance and correspondence are attended to expeditiously and satisfactorily unless constrained by incomplete documentation and/ or legal impediments.

Shareholder/ Investor Service:

Shareholder/ Investor Service is handled by the Managing Director who provides timely services. The Company received Nil complaints during the year and there was no case/ complaint unresolved at the end of the year.

Name & Designation of the Compliance Officer:

Mr. S R Narayanan Company Secretary and Compliance Officer.

7. Corporate Social Responsibility (CSR) Committee

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

8. General Body Meetings**8.1. Particulars of last three Annual General Meetings and the Special Resolutions passed thereat:**

Financial Year	Date & Time	Location	Special Resolution passed
2016-2017	September 29, 2017 at 11.00 a.m.	Shalimar Hotel, Ankleshwar, Dist. Bharuch, Gujarat	No special resolution passed
2017-2018	September 28, 2018 at 12.30 p.m.	Shed No. C1B/316, GIDC Panoli Ankleshwar, Dist. Bharuch, Gujarat	No special resolution passed
2018-19	September 30, 2019 at 11.15 am	Shed No. C1B/316, GIDC Panoli Ankleshwar, Dist. Bharuch, Gujarat	No special resolution passed

8.2. Special Resolution passed through Postal Ballot:

There was no resolution passed through Postal Ballot during F.Y. 2019-20.

9. Disclosures

9.1. All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulation, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

Details of non-compliance/ penalties/ strictures imposed on the Company by the Statutory Authorities:

The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India and other statutory authorities on all matters relating to capital markets during the last three years and no penalties or strictures have been imposed on the Company by any Stock Exchange, Securities and Exchange Board of India or other statutory authorities.

9.2. Whistle Blower Policy affirmation that no person has been denied access to Audit Committee:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the revised clause 49 of the Listing Agreement, the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company at www.laffanspetrochemical.com

9.3. Details of Compliance with mandatory requirement:

The Company has fully complied with the mandatory requirement of Clause 49 of the Listing Agreement entered into with the Stock Exchange and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The non-mandatory requirements contained in Annexure XIII to Clause 49 of the Listing Agreement with the Stock Exchanges have not been adopted.

9.4. Subsidiaries/Material Subsidiaries:

The Company does not have any subsidiary company under section 2(87) of the Companies Act, 2013 and is not applicable to the Company as per the provisions of Listing Regulation.

9.5. CEO & MD / CFO Certification:

The Managing Director and CFO have issued certificate pursuant to the provisions of Listing Agreement and SEBI (LODR) Regulation, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

9.6. Means Of Communication:

The quarterly and annual financial results are sent to the Stock Exchanges immediately after they are approved and taken on record by the Board of Directors. These financial results are normally published in the "Free Press Journal" and "Navshakti" and are also made available on the website of the Company, 'www.laffanspetrochemical.com'. Annual Reports are dispatched to all the shareholders. No presentation was made to the institutional investors or analysts during the year.

9.7. Compliance Certificate:

Compliance Certificate for Corporate Governance from Statutory Auditor (Practicing Chartered Accountant) of the Company is given “Annexure-I” to this report.

9.8. Code of Conduct:

The Board of Directors has laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company to ensure adherence to a high ethical professional conduct by them in the discharge of their duties. The Code of Conduct has also been posted onto the website of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31.03.2020. Declaration on affirmation of Code of Conduct is forming part of this Report.

9.9. General Information for Shareholders:

1. Registered office	Shed No. C1B/316, GIDC Panoli, Ankleshwar, Bharuch, Gujarat 394116.
2. Annual General Meeting Day, Date, Time & Venue	27 th Annual General Meeting. Monday, September 28, 2020 at 11.15 A.M. at the Registered office of the Company Situated at Shed No. C1B/316, GIDC Panoli, Ankleshwar, Bharuch. Gujarat 394116.
3. Financial Year	April 1, 2019 to March 31, 2020
4. Financial Calendar (tentative)	June 30, 2019- Second week of August, 2019 September 30, 2019- Second week of November, 2019 December 31, 2019-Second week of February, 2020 March 31, 2020-Third Week of July, 2020. Dividend Payment Date Not Applicable
5. Date of Book closure	Wednesday, 23 September 2020 to Monday, 28 September, 2020 (both days inclusive).
6. Listing on Stock Exchanges	The shares of the Company are listed on BSE Limited (BSE), Vadodara Stock Exchange Limited (VSEL), Delhi Stock Exchange (DSE)
7. Stock Code/ ID	BSE: 524522/ LAFFANSQ VSEL: 288 DSE: 6832 DSE: 6832
8. Registrars and Transfer Agents	The Company has appointed Big Share Services Pvt. Ltd. of Mumbai as the Registrars and Share Transfer Agents for any assistance regarding share transfers, transmissions, change of address, duplicate/missing share certificate and other relevant matters. Please write to the Registrars and Transfer Agents, at the address given below: Big Share Services Pvt. Ltd. E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai – 400072. Tel: 28470652/28475207
	Big Share Services Pvt. Ltd. Bharat Tin Works Building 1st Floor Opp. Vasant Oasis Next to Keys Hotel Makwana Road Andheri – East Mumbai – 400059 Maharashtra India. Board No : 022 – 62638200 Extn. 206 Fax No : 022 – 62638299 M : +91 7045454392

9.	Share Transfer System	The equity shares of the Company are primarily dealt with in electronic form in the depository system with no involvement of the Company. There are negligible or no transfers made in physical form. As regards transfer of shares held in physical form the transfer documents can be lodged with Registrars and Transfer Agents at the above mentioned address.
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10. Stock Market Data

MONTH	Market Price Per Share (Rs.) (BSE)	
	Highest	Lowest
April, 2019	23.20	20.00
May, 2019	21.60	17.00
June, 2019	19.40	13.00
July, 2019	15.20	12.46
August, 2019	13.59	10.00
September, 2019	12.72	10.00
October, 2019	12.20	10.11
November, 2019	14.63	9.00
December, 2019	14.49	11.16
January, 2020	16.90	12.90
February, 2020	13.89	12.34
March, 2020	9.95	9.50

11. Distribution of Shareholding as on March 31, 2020

Shareholding of Nominal	No. of shareholders*	% of Total b	Share Amount	% of Total
1 – 500	3177	81.1702	752517	9.4065
501 – 1000	416	10.6285	349709	4.3714
1001 – 2000	135	3.4492	215673	2.6959
2001 – 3000	45	1.1479	119700	1.4962
3001 – 4000	23	0.5876	84642	1.058
4001 – 5000	35	0.8942	166483	2.081
5001 – 10000	39	0.9964	281142	3.5143
Above 100001	44	1.1242	6030134	75.3767
Total	3914	100	80000000	100

Note: Each folio of shareholder is considered separately for counting No. of Shareholders, in case of multiple folio of individual shareholder.

12. Dematerialization of Shares and Liquidity as on March 31, 2020

Category	No. of Shares held	No of Shareholders	% of Total Shareholding
Shares held in Demat Form	72,64,740	2,225	90.81
Shares held in Physical Form	7,35,260	1,660	9.19
TOTAL	80,00,000	3,885	100.00

13. Investor Correspondence

For any queries, investors are requested to get in touch with the Company's Registrar and Transfer Agents:

Big Share Services Pvt. Ltd.

Bharat Tin Works Building | 1st Floor | Opp. Vasant Oasis | Next to Keys Hotel

Makwana Road | Andheri – East | Mumbai – 400059 | Maharashtra | India.

Board No : 022 – 62638200 Extn. 206 Fax No : 022 – 62638299 |

Mob : +91 7045454392

14. Compliance Certificate by the Auditors

Certificate from the Auditors of the Company, M/s. Pushp K. Sahu & Co., Chartered Accountants confirming compliance with the conditions of Corporate Governance as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is forming part of the Annual Report.

Declaration

I hereby confirm that the Company has obtained from all the members of the Board and senior management personnel, affirmation that they have complied with the Code of Conduct for directors and senior managerial personnel in respect of the financial year ended March 31, 2020.

Place: Mumbai
Date: 28th August, 2020

Sd/-
Sandeep Seth
Managing Director

CERTIFICATE FROM CFO /MD

- A. We have reviewed financial statements and the cash flow statement for the quarter and year ended March 31, 2020 and that to the best of their knowledge and belief:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violate of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
- 1) significant changes in internal control over financial reporting during the year;
 - 2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Place: Mumbai
Date: 28th August, 2020

Sd/-
Sandeep Seth
Managing Director

Sd/-
M. B. Kotian
Chief Financial Officer

Annexure-I**Auditors' Certificate regarding compliance of conditions of****Corporate Governance**

To,
The Members of
Laffans Petrochemicals Ltd.

We have examined the compliance of conditions of corporate governance of **Laffans Petrochemicals Ltd.** for the period ended March 31, 2020 as stipulated in Chapter IV SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligation and disclosure Requirement) Regulations, 2015.

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

For PUSHP K. SAHU & CO.
(Chartered Accountants)

Place: Mumbai
Date: 28th August, 2020

Name of Partner
(Partner)

INDEPENDENT AUDITOR'S REPORT

To the Members of LAFFANS PETROCHEMICALS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **LAFFANS PETROCHEMICALS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Evaluation of uncertain tax Positions The Company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes.	Principal Audit Procedures: Obtained details of tax assessment and demands for the year ended March 31, 2020 from management. We involved our experts to verify the management underlying assumptions in estimating the tax provision and the possible outcome of the disputes.
2	Recoverability of Direct / Indirect Tax receivables As at March 31, 2020 Other Current Assets in respect of Income tax and GST Inputs recoverable amount to Rs. 54.67 Lakh and Rs.33.52 Lakh respectively.	Principal Audit Procedures:- We have involved our experts to review the nature of the amount recoverable, the sustainability and likelihood of recoverability upon final resolutions.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) 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 the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

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

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

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

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

For **Pushp K. Sahu & Co.**

Chartered Accountants

Firm Registration No. 128013W

Pushp Kant Sahu

Proprietor

Membership No. 112502

Place: Mumbai

Date: 20th July 2020

UDIN No.: 20112502AAAAAD3606

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Laffans Petrochemicals Limited of even date)

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

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

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorities 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 the 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 the changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Pushp K. Sahu & Co.**

Chartered Accountants

Firm Registration No. 128013W

Pushp Kant Sahu

Proprietor

Membership No. 112502

Place: Mumbai

Date: 20th July 2020

UDIN No.: 20112502AAAAAD3606

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Laffans Petrochemicals Limited of even date)

- i) In respect of the Company’s fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us in our opinion and according to the information and explanations given to us, the title deeds of the immovable properties of the company are held in the name of the company.
- ii) In respect of its Inventories, there is no closing stock on the reporting date. Also the Company has done all high sea sales transaction during the year and hence physical verification of goods could not be performed. Stating all the facts this clause does not apply to the company.
- iii) According to the information and explanations given to us, the Company has not granted loan to any party covered in register u/s. 2(76) hence, clause iii (a), (b) and (c) are not applicable.
- iv) In respect of loans investments and guarantees, in our opinion and according to the information and explanations given to us, provisions of Section 185 and 186 had been complied with.
- v) In our opinion and according to the information and explanation given to us, the company has not accepted deposits from the public as per section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- vi) According to information and explanation given to us, the maintenance of cost records has not been prescribed by the Central Government sub section (1) of section 148 of the Companies Act 2013.
- vii) According to the information and explanations given to us in respect of statutory and other dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears except for Profession Tax of employee of Rs. 32,150 and company of Rs.2500 as at March 31, 2020 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2020 on account of dispute are given below:

Nature of the Statute	Nature of dues	Forum where Dispute is pending	Period to which the Amount Relates	Amount ₹
The Income Tax Act, 1961	Income Tax	Appeal is pending	AY 2017-18	43,42,296
The Sales Tax Act	Sales tax	Appeal is pending	FY 2008-09	97,33,201

- viii) The Company has taken Cash Credit limit from bank but has not issued any debentures. The Company has not defaulted in repayment of borrowing from bank.

- ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the period.
- xi) In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the companies Act.
- xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 and the relevant details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non- cash transactions with directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Pushp K. Sahu & Co.**
Chartered Accountants
Firm Registration No. 128013W

Pushp Kant Sahu
Proprietor
Membership No. 112502
Place: Mumbai
Date: 20th July 2020
UDIN No.: 20112502AAAAAD3606

BALANCE SHEET AS AT 31ST MARCH, 2020

(All amounts in Indian Rupees unless otherwise stated)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2	7,77,77,262	8,01,77,409
(b) Deferred tax assets (net)	4	81,66,498	45,02,017
(c) Financial Assets			
(i) Investment	3	42,71,67,233	44,22,35,474
(d) Income Tax Assets (net)	5	54,67,414	3,02,02,590
(e) Other non-current assets	6	4,34,71,641	4,34,71,641
Total non current assets		56,20,50,048	60,05,89,131
(2) Current Assets			
(a) Inventories		-	89,92,782
(b) Financial Assets			
(i) Trade receivables	7	2,85,57,740	23,78,292
(ii) Cash and cash equivalents	8	32,06,181	29,48,640
(c) Other current assets	9	1,34,06,111	54,16,815
Total current assets		4,51,70,032	1,97,36,529
Total Assets		60,72,20,080	62,03,25,660
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	10	8,00,00,000	8,00,00,000
(b) Other Equity	11	48,64,25,473	52,60,43,178
Total equity		56,64,25,473	60,60,43,178
LIABILITIES			
(2) Non current liabilities			
(a) Employee benefit obligations	12	2,97,084	2,75,334
(b) Other non current liabilities	13	46,622	46,622
Total non current liabilities		3,43,706	3,21,956
(3) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	-	37,172
(ii) Trade payables	15	2,88,36,662	19,73,912
(b) Other current liabilities	16	1,16,14,239	1,19,49,442
Total Current liabilities		4,04,50,901	1,39,60,526
Total liabilities		4,07,94,607	1,42,82,482
TOTAL EQUITY AND LIABILITIES		60,72,20,080	62,03,25,660
Summary of significant accounting policies	1		

As per our report of even date

For Pushp K. Sahu & Co.

Chartered Accountants

Firm Regn No. 128013W**Pushp Kant Sahu**

Proprietor

M.No.112502

Place:- Mumbai

Date:-20/07/2020

For and on behalf of the Board of Directors of

Laffans Petrochemicals Limited**Sandeep Seth**

Director

DIN No. 00316075

Place : Mumbai

Date:- 20/07/2020

Rudolph Quadros

Director

DIN No. 08536580

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

(All amounts in Indian Rupees unless otherwise stated)

Particulars	Notes	March 31, 2020	March 31, 2019
Revenue			
I. Revenue from Operations	17	12,18,35,809	3,77,27,845
II. Other income	18	(2,01,37,898)	1,56,17,911
III. Total Income (I+II)		10,16,97,911	5,33,45,756
IV. Expenses			
Cost of Traded Goods	19	11,63,66,950	3,63,42,668
Employee benefits expense	20	73,86,970	68,28,582
Finance costs	21	7,35,802	6,70,617
Depreciation and amortization expense	2	37,01,624	34,46,786
Other expenses	22	1,30,24,988	1,70,00,555
Total Expenses (IV)		14,12,16,334	6,42,89,208
V. Profit/(loss) before Exceptional Items and Tax (III-IV)		(3,95,18,423)	(1,09,43,452)
VI. Exceptional Items		-	-
VII. Profit/(loss) before Tax (V-VI)		(3,95,18,423)	(1,09,43,452)
VIII. Tax expense:			
1. Less:- Current Tax		-	-
2. Less:- Tax on previous years		37,47,450	-
3. Add:- Deferred Tax		36,64,481	24,08,442
IX. Profit/(Loss) for the period from continuing operations (VII-VIII)		(3,96,01,392)	(85,35,010)
X. Profit/(Loss) for the period from discontinued operations		-	-
XI. Tax expense of discontinued operations		-	-
XII. Profit/(Loss) from Discontinued operations after tax (X-XI)		-	-
XIII. Profit/(Loss) for the period (IX+XII)		(3,96,01,392)	(85,35,010)
XIV. Other comprehensive income			
A (I) Items that will not be reclassified to profit or loss			
i) Post employment benefit obligation		21,750	17,423
ii) Fair Valuation Gain on investments			-
(II) Income tax related to items that will not be reclassified to profit or loss		(5,437)	(4,486)
B (i) Items that will be reclassified to profit or loss			-
(ii) Income tax related to items that will be reclassified to profit or loss			-
Other comprehensive income for the year, net of tax		16,313	12,937
XV. Total comprehensive income for the period (XIII+XIV)		(3,96,17,705)	(85,47,947)
XVI. Earnings per equity share (for continuing operations)			
1. Basic		(4.95)	(1.07)
2. Diluted		(4.95)	(1.07)

As per our report of even date
For Pushp K. Sahu & Co.
Chartered Accountants
Firm Regn No. 128013W

For and on behalf of the Board of Directors of
Laffans Petrochemicals Limited

Pushp Kant Sahu
Proprietor
M.No.112502

Sandeep Seth
Director
DIN No. 00316075

Rudolph Quadros
Director
DIN No. 08536580

Place:- Mumbai
Date:-20/07/2020

Place : Mumbai
Date:- 20/07/2020

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

(All amounts in Indian Rupees unless otherwise stated)

Particulars		31-Mar-20	31-Mar-19
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Tax as per statement of Profit & Loss	(3,95,18,423)	(1,09,43,452)
	Adjustemnt for:		
	Depreciation & amortization expenses	37,01,624	34,46,786
	Dividend classified as investing cash flow	(27,91,612)	(19,95,150)
	Gratuity Expenses	21,750	17,423
	Interest income classified as investing cash flow	(1,23,075)	(12,67,717)
	Fair Valuation Gain/Loss	4,14,52,601	(86,11,748)
	Loss on sale of Investment/ commodity derivatives	(54,67,353)	(29,44,456)
	Sundry balance written back	(4,32,999)	(7,98,840)
	Taxes paid	(1,81,71,717)	(70,91,629)
	Finance cost	7,35,802	6,70,617
	Operting Profit before Working Capital Changes	1,89,25,021	(1,85,74,714)
	Adjustemnt for:	(2,05,93,402)	(2,95,18,166)
	Increase/(Decrease) in trade payables	2,68,62,750	(49,69,251)
	Increase/(Decrease) in other current liabilities	(4,45,942)	13,85,589
	Decrease/(Increase) in trade receivables	(2,61,79,448)	67,09,080
	Decrease/(Increase) in investments	1,50,68,240	8,56,44,432
	Decrease/(Increase) in other non current assets	-	13,92,423
	Decrease/(Increase) in other current assets	(79,89,296)	1,32,79,364
	Decrease/(Increase) in stock	89,92,782	(89,92,782)
	Net Cash flow from Operating activities after tax	1,63,09,086	9,44,48,855
		(42,84,316)	6,49,30,689
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Payment from property, plant & equipment	24,00,147	(6,25,09,756)
	Dividend	27,91,612	19,95,150
	Interest received	1,23,075	12,67,717
	Net Cash flow from investing activity	53,14,834	(5,92,46,889)
C	CASH FLOW FROM FINANCING ACTIVITY		
	Proceeds from Borrowing	(37,173)	(44,63,937)
	Interest paid	(7,35,804)	(6,70,617)
	Net Cash flow from financing activity	(7,72,977)	(51,34,554)
	Net increase in cash & cash equivalent	2,57,541	5,49,246
	Cash & cash equivalent - Opening	29,48,640	23,99,394
	Cash & cash equivalent - Closing	32,06,181	29,48,640

As per our report of even date

For Pushp K. Sahu & Co.

Chartered Accountants

Firm Regn No. 128013W**Pushp Kant Sahu**

Proprietor

M.No.112502

Place:- Mumbai

Date:-20/07/2020

For and on behalf of the Board of Directors of

Laffans Petrochemicals Limited**Sandeep Seth**

Director

DIN No. 00316075

Place : Mumbai

Date:- 20/07/2020

Rudolph Quadros

Director

DIN No. 08536580

STATEMENT OF CHANGES IN EQUITY

(All amounts in Indian Rupees unless otherwise stated)

A:- EQUITY SHARE CAPITAL

Balance at the beginning of the reporting period i.e 1st April,2018	Changes in equity share capital during the year 2018-19	Balance at the end of the reporting period i.e 31st March,2019	Changes in equity share capital during the year 2019-20	Balance at the end of the reporting period i.e 31st March,2020
8,00,00,000	-	8,00,00,000	-	8,00,00,000

B:- OTHER EQUITY

Particulars	Reserve and Surplus				Total
	Securities Premium Reserve	General Reserve	Retained Earning	Other Comprehensive Income	
As on 31 March 2019					
Balance at the beginning of the reporting period i.e 1st April,2018	-	6,06,00,000	47,39,91,125	-	53,45,91,125
Total Comprehensive Income for the year	-		(12,937)		(12,937)
Transfer to/(from) retained earnings	-	-	(85,35,010)	-	(85,35,010)
Balance at the end of the reporting period i.e 31st March,2019	-	6,06,00,000	46,54,43,178	-	60,60,43,178
As on 31 March 2020					
Balance at the beginning of the reporting period i.e 1st April,2019	-	6,06,00,000	46,54,43,178	-	60,60,43,178
Total Comprehensive Income for the year	-		(16,313)		(16,313)
Transfer to/(from) retained earnings	-		(3,96,01,392)		(3,96,01,392)
Balance at the end of the reporting period i.e 31st March,2020	-	6,06,00,000	42,58,25,473	-	56,64,25,473

As per our report of even date
For Pushp K. Sahu & Co.
Chartered Accountants
Firm Regn No. 128013W

Pushp Kant Sahu
Proprietor
M.No.112502

Place:- Mumbai
Date:-20/07/2020

For and on behalf of the Board of Directors of
Laffans Petrochemicals Limited

Sandeep Seth
Director
DIN No. 00316075

Place : Mumbai
Date:- 20/07/2020

Rudolph Quadros
Director
DIN No. 08536580

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

(All amounts in Indian Rupees unless otherwise stated)

Note 1**A Company Background**

Laffans Petrochemicals Limited is a listed Company. It was engaged in manufacturing of petrochemicals products. In the year 2011, the company had sold its manufacturing unit and thereafter engaged in the business of trading in chemicals and API and in commodities arbitrage.

B Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

B.1 Basis of preparation and presentation**(i) Statement of compliance with Ind AS**

The company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 issued by Ministry of Corporate Affairs in respect of sections 133. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. The financials for the year ended March 31, 2018 of the company are the first financial statements prepared in compliance with Ind AS. The date of transition to Ind AS is April 1, 2016. The financial statements upto the year ended March 31, 2017, were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("I-GAAP") and other relevant provisions of the Act.

(ii) Basis of accounting

The Company maintains accounts on accrual basis following the historical cost convention, except for

- certain financial instruments that are measured at fair value in accordance with Ind AS;
- certain items of property, plant and equipment that were revalued in earlier years in accordance with the

I-GAAP principles. The carrying value of all the items of property, plant and equipment and investment property as on date of transition is considered as the deemed cost.

(iii) Use of Estimates

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the accounting policies.

This note provides an overview of the areas that involved a high degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

(iv) Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable
- Estimation of defined benefit obligation
- Recognition of revenue

B.2 Summary of significant Accounting Policies**a Property, plant and equipment**

All items of property, plant and equipment are stated at cost (i.e. cost of acquisition or construction) less accumulated depreciation/accumulated impairment. Such cost includes purchase price, including import

duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

Depreciation and Amortisation:

Depreciation on Property, Plant and Equipment is provided using the Straight Line Method based on the estimated useful lives of the assets and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013.

Impairment

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised in the Statement of Profit and Loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the fixed asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on Written Down Value basis over its remaining useful life.

b Revenue Recognition

- I. The revenue is recognized as per contract note of sale of Arbitrage, in case of sale of services on completion of Job and in case of trading, on raising of invoice and transfer of material to the party.
- II. Other income is recognized on accrual basis
- III. Dividend is recognized when the right to receive payment is established by the Balance sheet date.

c Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through Profit or loss), and
- those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Profit or Loss A/c.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity Instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss.

(iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of financial assets

A financial asset is derecognised only when:

- The company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

(v) Income recognition

Dividend

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

d Transactions in Foreign Currency

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

e Trade receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

f Employee Benefits

(a) Short-term obligations

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

(b) Post-employment obligations

i. Defined benefit plans

- Gratuity scheme

Gratuity is accounted on estimate basis and charged to Profit and Loss account on accrual basis. However as per Ind AS-19 Gratuity has been provided on actuarial valuation, which is not followed in accordance with Ind AS-19 "Employee Benefit"

g Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction (in accordance with the Income Tax Act, 1961) adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unabsorbed depreciation (as per taxation laws) only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred income tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The Company has thus disclosed the Income Tax Assets/ Liabilities on a net basis as the same is settled within the same tax jurisdiction, which is in line with Ind AS 12.

h Provision and Contingencies

The Company creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

i Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

j Cash and Cash Equivalents

Cash and cash equivalents include cash and cheques in hand, bank balance.

k Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

l Offsetting financial instruments

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

m Contingent Liability

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

- i) Sales Tax Liability of Rs. 97,33,201 for the year 2008-09 (P.Y. Rs.97,33,201) against which appeal is pending.
- ii) Income Tax Liability for A.Y 2017-18 Rs 43,42,296/- against which Appeal is pending.

n Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to nearest lakhs as per the requirement of schedule III unless otherwise stated.

As per our report of even date
For Pushp K. Sahu & Co.
 Chartered Accountants
Firm Regn No. 128013W

Pushp Kant Sahu
 Proprietor
 M.No.112502

Place:- Mumbai
 Date:-20/07/2020

For and on behalf of the Board of Directors of
Laffans Petrochemicals Limited

Sandeep Seth
 Director
 DIN No. 00316075

Rudolph Quadros
 Director
 DIN No. 08536580

Place : Mumbai
 Date:- 20/07/2020

Note 2: Property, plant and equipment

Sr	DESCRIPTION	Deemed Cost										Net Block			
		As at 01-04-2018	Additions/ Deductions/ Written off	As at 31-03-2019	Additions/ Deductions/ Written off	As at 31-03-2020	Upto 31/3/2018	During the FY 2018-19	Adjustments	Upto 31-03-2019	During the FY 2019-20	Adjustments	Upto 31-03-2020	As at 31-03-2020	As at 31-03-2019
A	Building:														
	Building:	88,46,000	5,85,87,441	6,74,33,441	-	6,74,33,441	9,51,000	11,82,771	-	21,33,771	11,82,771	-	33,16,542	6,41,16,899	6,52,99,670
B	Furniture & Fixtures:														
	Furniture & Fixtures:	25,11,878	41,28,884	66,40,762	9,41,520	75,82,282	2,77,795	4,26,467	-	7,04,262	6,78,019	-	13,82,281	62,00,001	59,36,500
C	Vehicles:														
	Motor Car	72,95,197	18,87,019	91,82,216	-	91,82,216	13,79,148	12,64,009	-	26,43,157	12,31,839	-	38,74,996	53,07,220	65,39,059
D	Office Equipments:														
	Office Equipments	16,61,559	11,47,105	28,08,664	1,29,006	29,37,670	4,47,353	4,80,072	-	9,27,425	4,69,976	-	13,97,401	15,40,269	18,81,239
	Electrical Installation	3,77,331	1,96,345	5,73,676	-	5,73,676	82,840	45,126	-	1,27,966	60,072	-	1,88,038	3,85,638	4,45,710
F	Computer :														
	Computer	2,82,803	9,748	2,92,551	2,30,951	5,23,502	1,68,979	48,341	-	2,17,320	78,947	-	2,96,267	2,27,235	75,231
	Total	2,09,74,768	6,59,56,543	8,69,31,311	13,01,477	8,82,32,788	33,07,115	34,46,786	-	67,53,901	37,01,624	-	1,04,55,525	7,77,77,262	8,01,77,409

Note 3 : Financial Assets- Investments

	31-Mar-2020		31-Mar-2019	
	Quantity	Amount	Quantity	Amount
(a) Investment in Equity Shares (Quoted and Trade)				
Equity Shares	-	4,71,98,409	-	6,30,03,050
(b) Others (Unquoted and Non Trade)				
Birla SL Frontline Equity Fund REG (D)	1,77,596	32,03,824	1,66,749	44,30,532
HDFC Midcap Oppor Fund (D)	2,59,957	46,00,725	2,36,546	67,33,761
Kotak Med Term Fund Direct	13,67,189	2,34,98,424	13,67,189	2,18,56,567
Reliance Home Finance Ltd	-	-	60	2,94,01,514
Franklin India Low Duration Fund	-	-	7,17,710	1,56,03,020
Axis New Oppoertunities AIF -9049897774	51	87,13,696	50	48,66,291
Oldbridge Vantage AIF -OVF -294	3,38,861	59,37,242	3,38,861	94,58,482
SBI Active Select Fund -901789891	1	69,93,758	1	86,04,601
L & T Short Term Income Fund	5,44,455	1,14,24,021	5,44,455	1,09,02,760
Kotak Select Focus Fun - Ask	1,47,782	42,84,786	1,47,782	55,74,182
Kotak Tresury Ad. Fund Reg. Plan Dial. Div	17,428	5,72,596	1,39,848	42,72,747
Most Focused Multicap 35 Fund	2,19,249	37,77,839	2,19,249	49,92,100
Sbi Premier Liquid Fund	17	17,337	32	16,617
Franklin India Feeder Franklin Us Opp G	92,415	29,42,915	92,415	27,97,528
Franklin India Smaller Com Fund Grow	-	-	41,071	22,60,387
Hdfc Credit Risk Debt Fund Reg G	3,74,534	62,34,531	3,74,534	57,13,554
Mirae Asset India Equity Fund (Alpha)	-	-	53,080	27,16,198
Motilal Oswal Multi Cap 35 Fund	-	-	92,855	24,12,122
Axis Banking and Psu Debt Fund Growth	20,968	4,00,76,915	20,968	3,66,31,164
Axis Focused 25 Fund Dr Plan Growth	3,75,919	96,04,722	1,86,654	54,55,904
Icici Prudential Bluechip Fund Direct Plan	1,26,824	42,87,918	1,26,824	56,58,885
Icici Prudential Liquid Fund Growth	13,349	39,04,528	13,349	36,76,510
IDFC Banking and PSU Debt Fund Reg. Plan Gr	13,07,762	2,32,03,756	13,07,762	2,10,19,008
Kotak Liquid Scheme Reg. Plan Growth	1,895	75,82,015	2,473	93,30,076
Kotak Money Market Scheme Reg. Plan Growth	1,468	48,44,229	1,468	45,14,459
Motilal Oswal Multi Cap 35 Direct Fund	2,03,736	42,00,192	2,03,736	55,50,205

	31-Mar-2020		31-Mar-2019	
	Quantity	Amount	Quantity	Amount
IDFC Banking and PSU Debt Direct	12,37,080	2,22,23,033	12,37,080	2,00,73,483
Kotak Standard Multicap Fund D	2,73,106	50,42,904	2,73,106	69,58,743
Mirae Asset Cash Management Fund Collection Ac	1,676	18,03,021	9,691	1,04,29,855
Mirae Asset India Equity Fund (Ask)	30,229	8,37,067	30,229	10,90,838
Hdfc Ultra Short Term Fund Direct G	87,83,036	9,88,83,805	95,44,679	9,99,74,782
Motilal Oswal Multi Cap 35 Direct D	2,66,214	44,21,827	2,66,214	62,55,549
Aditya Birla Sunlif Saving Fund	20,711	82,33,152	-	-
Edelweiss Greater China Equity Offshore Fund G	76,057	25,49,665	-	-
Franklin India Smaller Companies Fund (D)	96,704	13,75,438	-	-
ICICI Prudential Saving Fund	21,702	84,06,176	-	-
Mirae Asset Large Cap Fund Reg (D)	1,60,814	20,43,942	-	-
Motilal Oswal Multicap 35 Reg (D)	1,05,394	18,09,428	-	-
SBI Focused Equity Fund	36,056	46,10,514	-	-
HDFC Liquid Fund Direct Plan Dly Dividend Reinvest	17,487	1,78,34,028	-	-
ICICI Home Finance Company Ltd	20	1,04,63,000	-	-
Axis Focused 25 Fund Collection a/c	58,230	14,87,772	-	-
Franklin Templeton Mutual Fund High Value a/c	77,735	26,55,314	-	-
Mirae Asset Large Cap Direct G	34,113	14,14,068	-	-
HDFC Index Fund Nifty Direct G	49,956	39,68,701	-	-
Total Non Current Investment	1,69,37,774	42,71,67,233	38,78,533	44,22,35,474

Note 4: Deferred tax assets / (liability) (Net)

	31-Mar-2020	31-Mar-2019
Deferred tax assets		
The balance comprises temporary differences attributable to:		
Employee Benefits	77,242	71,587
Statutory Payments	25,30,632	25,30,632
MAT Credit entitlement	44,12,831	81,60,281
Fair Valuation of Investment	40,97,689	-
Total	1,11,18,394	1,07,62,500
Deferred tax liability		
Set off of deferred tax liabilities pursuant to set off provisions		
The balance comprises temporary differences attributable to:		
Depreciation on fixed asset	29,51,896	17,77,684
Fair Valuation of Investment	-	44,82,799
Total	29,51,896	62,60,483
Deferred tax assets / (liability) (Net)	81,66,498	45,02,017

Note 5: Income Tax Assets (net)

	31-Mar-2020	31-Mar-2019
Income Tax advances (net off provision for tax)	54,67,414	3,02,02,590
Total Income Tax Assets	54,67,414	3,02,02,590

Note 6: Other non-current assets

	31-Mar-2020	31-Mar-2019
a) Advances recoverable in cash or kind for value to be received	4,34,71,641	4,34,71,641
Total Other non-current assets	4,34,71,641	4,34,71,641

Note 7: Trade receivables

	31-Mar-2020	31-Mar-2019
Unsecured, Considered Good		
Trade Receivable	2,85,57,740	23,78,292
Receivable from related parties	-	-
Less: Allowance from doubtful debts	-	-
Total Trade receivables	2,85,57,740	23,78,292

Note 8: Cash and Cash Equivalents

	31-Mar-2020	31-Mar-2019
Cash on hand	5,26,903	7,20,381
Balance with Banks		
- In Current Account	26,79,278	22,28,259
Total Cash and Cash Equivalents (free balances)	32,06,181	29,48,640

Note 9: Other Current Assets

	31-Mar-2020	31-Mar-2019
Balances with Government Treasury (Tax recoverable)	33,52,091	26,95,305
Others	1,00,54,020	27,21,510
Total Other Current Assets	1,34,06,111	54,16,815

Note 10: Share Capital

	31-Mar-2020	31-Mar-2019
Authorised:		
11,000,000 Equity Shares (March 31,2019: 11,000,000) of Rs. 10/- each	11,00,00,000	11,00,00,000
Total Authorised Share Capital	11,00,00,000	11,00,00,000
Issued ,Subscribed And Paid Up:		
8,000,000 Equity Shares (March 31,2019: 8,000,000;) of Rs. 10/- each fully paid up	8,00,00,000	8,00,00,000
Total Issued Share Capital	8,00,00,000	8,00,00,000
A. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period		
At the beginning of the period	8,00,00,000	8,00,00,000
Issued during the period	-	-
Outstanding at the end of the period	8,00,00,000	8,00,00,000

B. Terms and rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

C. Shareholder holding more than 5% of equity shares in the Company*

Name of shareholder	31-Mar-2020		31-Mar-2019	
	Number of equity share	% of holding	Number of equity share	% of holding
Directors: Sandeep Seth	43,31,095	54.14%	43,09,471	53.87%

* As per the records of the Company, including its register of members

Note 11: Other Equity

Retained Earnings	31-Mar-2020	31-Mar-2019
AS Per Last Balance Sheet	46,54,43,178	47,39,91,125
ADD : Profit for the year	(3,96,01,392)	(85,35,010)
Items of other comprehensive income recognised directly in retained earnings:-		
Post employment benefit obligation	(21,750)	(17,423)
Tax effect on post employment benefit obligation	5,437	4,486
Closing Balance of Retained earnings	42,58,25,473	46,54,43,178
General Reserve	6,06,00,000	6,06,00,000
Closing Balance of General Reserve	6,06,00,000	6,06,00,000
Closing Balance of Other Equity	48,64,25,473	52,60,43,178

Note 12: Employee Benefit Obligations

	31-Mar-2020	31-Mar-2019
Gratuity (Ref "Note" below)	2,97,084	2,75,334
Total Employee Benefit Obligations	2,97,084	2,75,334

Gratuity has been provided on estimated basis which is not in accordance with Ind AS-19 "Employee Benefit"

Note 13: Non Current Liabilities

	31-Mar-2020	31-Mar-2019
Deposit from security	46,622	46,622
Total of non current liabilities	46,622	46,622

CURRENT LIABILITIES:**Note 14 : Borrowings**

	31-Mar-2020	31-Mar-2019
a) Bank Overdraft	-	37,172
Total of Trade Payables	-	37,172

Note 15 : Trade Payables

	31-Mar-2020	31-Mar-2019
a) For Materials	2,84,24,741	-
b) For Fixed Assets	-	6,35,098
c) For Expenses	4,11,921	13,38,814
Total of Trade Payables	2,88,36,662	19,73,912

Note 16: Other Current Liabilities

	31-Mar-2020	31-Mar-2019
a) Statutory dues payable	1,11,30,789	1,08,52,877
b) Others	4,83,450	10,96,565
Total Other Current Liabilities	1,16,14,239	1,19,49,442

Note 17: Revenue from operations

	31-Mar-2020	31-Mar-2019
Sale of Goods	12,18,35,809	3,77,27,845
Total Other Income	12,18,35,809	3,77,27,845

Note 18: Other Income

	31-Mar-2020	31-Mar-2019
Interest Income	1,23,075	12,67,717
Dividend Income	27,91,612	19,95,150
Profit on sale of Investments	54,67,353	29,44,456
Fair Valuation gain on investments	(4,14,52,601)	86,11,748
Interest on Income Tax Refund	1,45,07,236	-
Loss on Trading of Commodity Derivatives	(20,07,575)	-
Other Income	4,33,002	7,98,840
Total Other Income	(2,01,37,898)	1,56,17,911

Note 19: Cost of Trading Goods

	31-Mar-2020	31-Mar-2019
Opening Stock	89,92,782	-
Purchase of Trading Goods	10,73,74,168	4,53,35,450
	11,63,66,950	4,53,35,450
Less:- Closing stock	-	89,92,782
Total Cost of Traded Goods	11,63,66,950	3,63,42,668

Note 20: Employee Benefit Expenses

	31-Mar-2020	31-Mar-2019
Staff Salary, Bonus & Incentives	72,73,118	66,61,686
Staff Welfare Expenses	1,13,852	1,66,896
Total Employee Benefit Expenses	73,86,970	68,28,582

Gratuity has been provided on estimated basis which is not in accordance with Ind AS-19 "Employee Benefit"

Note 21: Finance Cost

	31-Mar-2020	31-Mar-2019
Interest and other finance Expenses	3,44,020	2,86,388
Bank Charges	3,91,782	3,84,229
Finance costs expensed in profit or loss	7,35,802	6,70,617

Note 22: Other Expenses

	31-Mar-2020	31-Mar-2019
Security Charges	-	1,10,000
Advertisement Expenses	1,37,047	1,79,258
Rates & Taxes	3,10,564	3,04,436
Rent	2,24,000	7,47,000
General Expenses	5,90,087	7,49,752
Telephone and Other Communication Expenses	1,75,991	1,14,857
Motor car Expenses	5,24,328	7,27,850
Repairs & Maintenance Others	8,33,015	47,66,501
Festival Expenses	12,500	12,000
Travelling Expenses	30,42,674	19,31,597
Electricity Expenses	4,70,961	4,86,748
Entertainment Expenses	3,45,241	6,26,561
Printing & Stationery	1,72,323	2,90,658
Conveyance Expenses	1,34,081	1,31,756
Auditor's Remuneration	2,50,000	2,50,000
Custodial and Other Charges	44,768	15,047
Commission Charges	32,404	2,00,000
Foreign Currency Rate Difference	30,84,855	9,40,088
GST and STT Paid	-	20,674
Insurance Expenses	51,630	2,53,838
Legal & Professional Expenses	24,57,855	41,41,934
Sundry Balance W/off	1,30,664	-
Total Other Expenses	1,30,24,988	1,70,00,555

Note 22.1: Payment to Auditors

	31-Mar-2020	31-Mar-2019
Statutory Audit Fees	2,50,000	2,50,000
Total Payments to Auditors	2,50,000	2,50,000

Note 23: Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 is provided as under for the year 2019-20

The company has not received any information from its suppliers regarding registration under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, the information required to be given in accordance with section 22 of the said Act, is not ascertained.

Note 24: Earnings Per Share

Particulars	31-Mar-2020	31-Mar-2019
a) Basic and diluted earnings per share in rupees (face vale - Rs. 10 per share)	(4.95)	(1.07)
b) Profit after tax as per Statement of Profit and Loss	(3,96,17,705)	(85,47,947)
c) Weighted average number of equity shares outstanding	80,00,000	80,00,000

Note 25: Information on related party transactions as required by Ind AS 24 - 'Related Party Disclosure' for the year ended 31st March, 2018.

I. List of Related Parties

Key Management Personnel:

- i) Mr. Sandeep Seth
- ii) Mr. Jaideep Seth
- iii) Mrs. Anisha Seth
- iv) Mr. Rudolph Victor Quadros (Appointed on 24.10.2019)
- v) Mr. Mahalinga Booba Kotian

II. Details of related party transactions during the year ended 31st March, 2020:

Particulars	31-Mar-2020	31-Mar-2019
i) Rent Paid		
Mr. Jaideep Seth	-	6,72,000
ii) Remuneration to Key Management Personnel		
Mr. Sandeep Seth	42,00,000	38,67,500
Mrs. Anisha Seth	8,40,000	8,40,000
Mr. Jaideep Seth	5,04,000	-
Mr. Rudolph Victor Quadros	1,80,000	-
Mr. Mahalinga Booba Kotian	2,28,000	2,28,000

Note 26:

While the company has made a significant increase in revenues, the reason for loss has been attributed to a misrepresentation made by Kotak Mahindra bank towards a structure note where it concealed all risk factors thereby resulting in an erosion of over Rs 3 crores for the company. The company filed a complaint with SEBI who have stated that the subject matter relates to RBI. The company also filed a criminal complaint with the Mumbai Police where various employees of Kotak Wealth had been summoned. The Bank has also tried to raise objections on a case filed with Consumer court which is underway.

As per our report of even date
For Pushp K. Sahu & Co.
 Chartered Accountants
Firm Regn No. 128013W

Pushp Kant Sahu
 Proprietor
 M.No.112502

Place:- Mumbai
 Date:-20/07/2020

For and on behalf of the Board of Directors of
Laffans Petrochemicals Limited

Sandeep Seth
 Director
 DIN No. 00316075

Place : Mumbai
 Date:- 20/07/2020

Rudolph Quadros
 Director
 DIN No. 08536580

LAFFANS PETROCHEMICALS LIMITED

CIN: L99999GJ1992PLC018626

Registered office: Shed No.C1B/316, GIDC Panoli, Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116.

Corporate Office: ONE BKC, 13th Floor, 1302, B-Wing, Plot No.C-66, G-Block,

Bandra Kurla Complex, Bandra (E), Mumbai – 400051.

[E-Mail: lplho@laffanspetrochemical.com] [Website: www.laffanspetrochemical.com] [Tel no: 022-66930813\66930830]

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Folio No./Client ID :

I hereby record my presence at the 27th Annual General Meeting to be held at Shed No.C1B/316, GIDC Panoli, Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116 on Monday, September 28, 2020 at 11.15 a.m.

Member's/Proxy's Full Name

Member's/Proxy's Signature

Form No. MGT-11

LAFFANS PETROCHEMICALS LIMITED

CIN: L99999GJ1992PLC018626

Registered office: Shed No.C1B/316, GIDC Panoli, Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116.

Corporate Office: ONE BKC, 13th Floor, 1302, B-Wing, Plot No.C-66, G-Block,

Bandra Kurla Complex, Bandra (E), Mumbai – 400051.

[E-Mail: lplho@laffanspetrochemical.com] [Website: www.laffanspetrochemical.com] [Tel no: 022-66930813\66930830]

PROXY FORM

Name of the Member (s):	Folio No./Client Id:
Registered Address:	DP ID:
E-mail Id:	

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

- Name : Address :
E-mail Id : Signature : or failing him
- Name : Address :
E-mail Id : Signature : or failing him
- Name : Address :
E-mail Id : Signature : or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the company, to be held Shed No.C1B/316, GIDC Panoli, Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116 on September 28, 2020 at 11.15 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

No.		For	Against
1.	To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2020 together with the Reports of the Board of Directors and Auditors thereon.		
2.	Re-appointment of Mr. Jaideep Seth (DIN: 03130620) who retires by rotation.		
3.	Appointment of Mr. Rudolph Victor Quadros (DIN: 08536580) as an Independent Director on the Board of the Company.		
4.	Re-appointment of Mr. Rajesh Udham Thadani (DIN: 00009889) as an Independent Director on the Board of the Company.		
5.	Appointment of Mrs. Anisha Seth (DIN: 00316075) as the Whole Time Director (Key Managerial Personnel) of the Company.		
6.	Re-Appointment of Shri Sandeep Seth (DIN: 00316075) as the Managing Director (Key Managerial Personnel) of the Company.		

Signed this day of, 2020

Signature of Shareholder :

Signature of Proxy holder(s) :

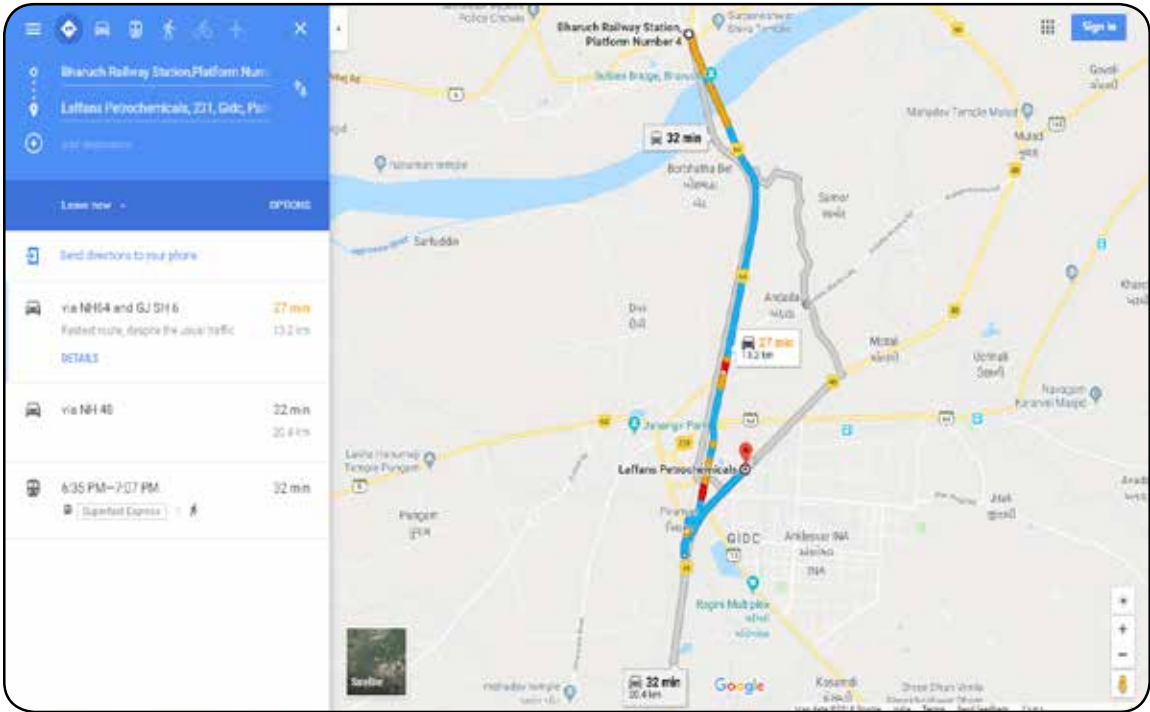
Affix
1 Rupee
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

A proxy need not be a member of the Company.

ROUTE MAP OF THE VENUE OF THE AGM,

Shed No. C1B/316, GIDC Panoli,
Ankleshwar, Bharuch - 394116, Gujarat



Form NO. MGT-12

Polling Paper

[Pursuant to Section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company : **LAFFANS PETROCHEMICALS LIMITED**

Registered office: Shed No.C1B/316, GIDC Panoli, Tal. Ankleshwar, Dist, Bharuch, Gujarat- 394116.

Corporate Office: ONE BKC, 13th Floor, 1302, B-Wing, Plot No.C-66, G-Block, Bandra Kurla Complex, Bandra(E), Mumbai – 400051.

CIN:L99999GJ1992PLC018626

[Website: www.laffanspetrochemical.com] [Tel no: 022-66930813\66930830]

BALLOT PAPER

Sl. No.	Particulars	Details
1	Name of the First Named Shareholder (in block letters)	
2	Postal address	
3	Registered Folio No./*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4	Class of Share	Equity Share

I hereby exercise my vote in respect of Resolution(s) enumerated below by recording my assent or dissent to the said Resolution in the 27th Annual General Meeting of the Company held on Monday, 28th September, 2020 at 11.15 a.m. at Laffans Petrochemicals Limited Shed No. C1B/316, GIDC Panoli, Ankleshwar, Bharuch 394116, Gujarat in the following manner:

Sl. No.	Item No.	No. of Shares held by me	I assent to the Resolution	I dissent to the Resolution
1	To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2020 together with the Reports of the Board of Directors and Auditors thereon. (as an Ordinary Resolution)			
2	To appoint a Director in place of Mr. Jaideep Seth (DIN: 03130620), who retires by rotation and being eligible, offers himself for re-appointment.			
3	Appointment of Mr. Rudolph Victor Quadros (DIN: 08536580) as an Independent Director on the Board of the Company.			
4	Re-appointment of Mr. Rajesh Udham Thadani (DIN: 00009889) as an Independent Director on the Board of the Company.			
5	Appointment of Mrs. Anisha Seth (DIN: 06867960) as the Whole Time Director (Key Managerial Personnel) of the Company.			
6	Re-Appointment of Shri Sandeep Seth (DIN: 00316075) as the Managing Director (Key Managerial Personnel) of the Company.			

Place: Ankleshwar, Bharuch

Date: 28th September, 2020

(Signature of the Shareholder)



PETROCHEMICALS LIMITED

ONE BKC, 13th Floor, 1302, B-Wing,
Plot No.C-66, G-Block, Bandra Kurla Complex,
Bandra (E), Mumbai – 400051