



## GUJARAT PETROSYNTHESE LIMITED

**Reg. Off:** No.24, II Main, I Phase, Doddanekkundi  
Industrial Area, Mahadevapura Post, Bengaluru-560 048.  
Ph: 91 – 80 - 28524133  
E-mail : [info@gpl.in](mailto:info@gpl.in), Website: [www.gpl.in](http://www.gpl.in)  
CIN No. L23209KA1977PLC043357



**Date:** August 23, 2023

To,  
**BSE Limited,**  
1<sup>st</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai-400001

**Scrip Code: 506858**

**Subject: Annual Report along with the Annual General Meeting (“AGM”) Notice of the Company for the Financial Year 2022-23 pursuant to Regulation 30 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“Listing Regulations”)**

Dear Sir/Madam,

We are pleased to inform that, the 46<sup>th</sup> Annual General Meeting (“AGM”) of Gujarat Petrosynthese Limited (“**the Company**”) will be held on **Friday, September 15, 2023 at 11:00 A.M. (IST)** through VC/OAVM and the venue of the AGM shall be deemed to be the Registered Office of the Company at No. 24, II Main, I Phase, Doddanekkundi Industrial Area, Mahadevapura Post, Bengaluru-560048. The meeting is in compliance with all the applicable provisions of the Companies Act, 2013 and the rules made thereunder, Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2021 and General Circular 2/2022 dated May 5, 2022 followed by Circular No. 10/2022 and 11/2022 dated December 28, 2022 (collectively referred to as “**MCA Circulars**”) and Securities and Exchange Board of India (“SEBI”) vide its Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 followed by Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (collectively referred to as “**SEBI Circulars**”) to transact the businesses that will be set forth in the Notice convening the AGM.

In terms of the provisions of Regulation 30 and Regulation 34(1) of the Listing Regulations, the Annual Report of the Company along with the Notice of the 46<sup>th</sup> AGM together with the explanatory statement and other Statutory Reports for the Financial Year 2022-23 is enclosed herewith.

Further, in accordance with the aforesaid MCA and SEBI Circulars, the Notice of the AGM along with the Annual Report is being sent only by electronic mode to those Shareholders whose email addresses are registered with the Company/ Depository Participants. The Annual Report together with the Notice of the AGM is being dispatched to the Shareholders today, i.e., August 23, 2023.



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CIN No. L23209KA1977PLC043357



In terms of Regulation 46 of the Listing Regulations, the said Annual Report is also available on the website of the Company, i.e., [www.gpl.in](http://www.gpl.in).

Further, in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI Listing Regulations, the Company is providing the facility to its Members to exercise their right to vote by electronic means on any or all of the businesses specified in the Notice convening the 46th AGM of the Company, through remote e-Voting services of Central Depository Services Limited (“CDSL”) as well as e-Voting during the AGM. The e-Voting instructions and the process to join meeting through VC/ OAVM is set out in the AGM Notice.

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

We request you to take the same on your records.

Thanking you,

For **Gujarat Petrosynthese Limited**

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**Urmi N. Prasad**

**Joint Managing Director**

**DIN:** 00319482

**Address:** 8-2-417/301, Mount Kailash,  
Road No. 4, Banjara Hills, Hyderabad-50003

**Place:** Hyderabad

**Date:** August 23, 2023

# **GUJARAT PETROSYNTHESE LIMITED**



**FORTY SIXTH ANNUAL REPORT  
2022-23**



<b>BOARD OF DIRECTORS</b>	Mr. Raghu Venkataraman (DIN: 02012383)	Chairperson Independent Director
	Mr. Moreshwar Digambar Garde(DIN: 00689103)	Independent Director
	Mr. Rajesh Shirish Parikh (DIN: 08258755)	Independent Director
	Ms. Urmi Nuthakki Prasad (DIN: 00319482)	Joint Managing Director & CFO
	Ms. Charita Thakkar (DIN: 00321561)	Joint Managing Director
	Mr. Phiroz Munshi (DIN :10256513)	Additional Non-Executive Independent Director
	Mr. Nuthakki Rajender Prasad (DIN : 00145659)	Additional Non-Executive Non-Independent Director

<b>BANKERS</b>	AXIS BANK LIMITED STATE BANK OF INDIA CANARA BANK BANK OF BARODA
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<b>AUDITORS</b>	M/S Dayal and Lohia Mumbai
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<b>SECRETARIAL AUDITOR</b>	J.J. Gandhi & Company Vadodara
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<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>	Mr Sagar Pahariya w.e.f. November 14, 2022
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<b>REGD. OFFICE &amp; WORKS</b>	No. 24, II Main, I Phase, Doddanekkundi Industrial Area, Mahadevapura Post, Bengaluru - 560048 Ph No. 080-28524133 E-mail : info@gpl.in; secretarial@gujaratpetrosynthese.com
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<b>CIN No.</b>	L23209KA1977PLC043357
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The above disclosure has been given in accordance with Section 158 of Companies Act 2013, and reference of any of the above directors made in this document be read along with the above disclosure of their respective Director Identification Numbers

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**NOTICE**

**NOTICE** is hereby given that the **Forty Sixth (46<sup>th</sup>)** Annual General Meeting (“**AGM**”) of the Members of Gujarat Petrosynthese Limited (“**the Company**”) will be held on Friday, September 15, 2023 at 11:00 A.M. through Video Conferencing (“**VC**”)/ Other Audio-Visual Means (“**OAVM**”). The venue of the AGM shall be deemed to be the Registered Office of the Company at No. 24, II Main, I Phase, Doddanekkundi Industrial Area, Mahadevapura Post, Bengaluru-560048 and the proceedings of the AGM shall be deemed to be made thereat, to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023, along with the Report of the Board of Directors and Auditors thereon.
2. To appoint Ms. Charita Thakkar as a Director, liable to retire by rotation.

**SPECIAL BUSINESS:**

3. To consider and appoint Mr. Phiroz Munshi, (DIN: 10256513) as the Independent Director on the Board of Directors of the Company.

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

**“RESOLVED THAT** pursuant to provisions of Section 149, 150, 152, 161(1), Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Regulation 25(2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Mr. Phiroz Munshi (DIN: 10256513) who has been appointed by the Board of Directors as an Additional Director in the capacity of Non-executive, Independent Director on the Board of the Company w.e.f. August 09, 2023 pursuant to Section 161(1) of the Act and as Independent Director, who is eligible for appointment under relevant provisions of the Act, and in respect of whom the Company has received a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and regulation 16(1)(b) of the Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, be and is hereby appointed as Non-executive Director in terms of Act and as an Independent Director not being liable to retire by rotation and who shall hold office for a period of 5 (Five) consecutive years from August 09, 2023 to August 08, 2028.

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

4. To consider and appoint Mr. Nuthakki Rajender Prasad (DIN:00145659) as Non-Executive Non-Independent Director on the Board of Directors of the Company.

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

**“RESOLVED THAT** in accordance with the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Articles of Association of the Company and the recommendation of the Nomination and Remuneration Committee, Mr. Nuthakki Rajender Prasad (DIN:00145659), who was appointed as an Additional Non-Executive Non-Independent Director of the Company with effect from August 09, 2023 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 (1) of the Act from a

member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company liable to retire by rotation and who shall hold office for a period of 5 (Five) consecutive years from August 09, 2023 to August 08, 2028.

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

**Regd. Office:**

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

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

**(Ms. Urmi N. Prasad)**  
**Joint Managing Director**

DIN: 00319482

Date : 9<sup>th</sup> August, 2023

**NOTES:**

1. Pursuant to Ministry of Corporate Affairs (“MCA”) has vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2021 and General Circular 2/2022 dated May 5, 2022 followed by Circular No. 10/2022 and 11/2022 dated December 28, 2022 (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 followed by Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (collectively referred to as “SEBI Circulars”) and all other relevant circulars issued from time to time, permitted the holding of AGM through VC/ OAVM, without physical presence of the Members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/ OAVM without the physical presence of the Members. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (‘the Act’) relating to the Special Business under Item No. 3 and Item No. 4, to be transacted at the Annual General Meeting (‘AGM’ / ‘Meeting’) is annexed hereto.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional investors, who are members of the Company, are encouraged to attend the 46<sup>th</sup> AGM of the Company through VC/ OAVM mode and vote electronically. Corporate members are required to send a scanned copy (PDF/JPG Format) of the Board Resolution/ Power of Attorney authorizing its representatives to attend and vote at the AGM through VC / OAVM on its behalf pursuant to Section 113 of the Act. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to [jigandhics@gmail.com](mailto:jigandhics@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
5. All the documents referred to in the accompanying notice and Explanatory Statement, shall be made available for inspection through electronic mode, basis the request being sent on [secretarial@gujaratpetrosynthese.com](mailto:secretarial@gujaratpetrosynthese.com)
6. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.



7. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members are, therefore, requested to submit their PAN to their Depository Participant(s) with whom they are maintaining their Demat Accounts.
8. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act, shall be available for inspection upon login at CDSL e-voting system at [www.evotingindia.com](http://www.evotingindia.com)
9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.
10. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
11. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by CDSL. Gujarat Petrosynthese Limited.
12. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13 April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.gpl.in](http://www.gpl.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia](http://www.bseindia) and the AGM Notice is also available on the website of CSDL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).
13. Since the AGM will be held through VC/ OAVM, the Route Map is not annexed with this Notice.
14. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members who would like to express their views during the AGM may send their questions and pre-register themselves as a speaker by sending their request from their registered e-mail address/ send their queries in advance, mentioning their name, demat account number/folio number, e-mail ID, mobile number at [secretarial@gujaratpetrosynthese.com](mailto:secretarial@gujaratpetrosynthese.com). Questions/ queries/ registration requests received by the Company till September 12, 2023 (5:00 p.m. IST), shall only be considered and responded during the AGM and only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.a
15. I. The Company has appointed appoint Mr. J.J. Gandhi (CP No.: 2515), designated partner of J.J. Gandhi & Co., Practicing Company Secretaries, to act as the Scrutiniser to scrutinise the remote e-voting process in a fair and transparent manner and Mr. J.J. Gandhi has communicated his willingness to be appointed and be available for the purpose.  
II. The Scrutiniser shall, immediately after the conclusion of the remote e-voting at the AGM, first count the votes cast through remote e-voting during the Meeting and thereafter unblock the votes cast through remote e-voting before the AGM in presence of at least two witnesses not in the employment of the Company, and make a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, and submit the same to the Chairperson or a person authorised by him in writing who shall countersign the same.

- III. The results on resolutions shall be declared not later than 48 hours from the conclusion of the Meeting of the Company and the resolutions will be deemed to be passed on the date of the Meeting, subject to receipt of the requisite number of votes in favour of the resolutions.
- IV. The results declared along with the Scrutiniser's Report will be made available on the website of the Company ([www.gpl.in](http://www.gpl.in)) and on Service Provider's website ([www.evotingindia.com](http://www.evotingindia.com)) and the same shall be communicated to BSE Limited within 48 hours from the conclusion of the Meeting.

#### INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING: -

- i. The voting period begins on Tuesday, September 12, 2023, (9:00 a.m. IST) and ends on Thursday, September 14, 2023 (5:00 p.m. IST). During this period, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e., Friday, September 08, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<p>a. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>b. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>c. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p>



Type of shareholders	Login Method
	<p>d) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p><b>I n d i v i d u a l</b> Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

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

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

	<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
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"> <li>• 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.</li> </ul>

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

- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant Gujarat Petrosynthese Limited on which you choose to vote.
- x. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification
- xvii. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [secretarial@gujaratpetrosynthee.com](mailto:secretarial@gujaratpetrosynthee.com) (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). Questions/ queries/ registration requests received by the Company till September 12, 2023 (5:00 p.m. IST), shall only be considered and responded during the AGM. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (secretarial@gujaratpetrosynthese.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

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

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

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

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

**ITEM NO. 3:**

Mr. Phiroz Munshi (DIN: 10256513) was appointed as an Additional Non-Executive Independent Director of the Company by the Board of Directors vide Board Resolution dated August 09, 2023 for a term of 5 (Five) years with effect from August 09, 2023 to August 08, 2028 pursuant to the provisions of Section 161(1), Regulation 17 (1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013 and the Articles of Association and is eligible for appointment subject to the approval of the shareholders through a special resolution.

The Company has received the following from Phiroz Munshi:

- a. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (“the Appointment Rules”);
- b. Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act;
- c. A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the LODR Regulations;
- d. Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018, that he has not been debarred from holding office of a director by virtue of any order passed by SEBI or any other such authority;
- e. Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company;
- f. A declaration that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.

The Company has received a notice in writing under Section 160 of the Act from a Member of the Company proposing Mr. Phiroz Munshi (DIN: 10256513), as a candidate for the office of a Director.

The Nomination and Remuneration Committee (“NRC”) had previously finalized the desired attributes for the selection of the independent director(s). Based on those attributes, the NRC recommended the candidature of Phiroz Munshi. In the opinion of the Board, Mr. Munshi fulfils the conditions for independence specified in the Act, the Rules made thereunder, the LODR Regulations and such other laws / regulations for the time being in force, to the extent applicable to the Company. The Board noted that Mr. Munshi’s skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for appointment as an Independent Director.

A brief profile of Mr. Phiroz Munshi (DIN: 10256513) is as follows:

Mr. Phiroz Munshi is an M Com and has over 50 years of business experience in the fields of banking, metal and petrochemical industries. He has also been associated with GPL having held various posts at the subsidiary - Gujarat Polybutene Pvt Ltd(GPPL) including the post of President of GPPL. He has expertise in finance, operations, general management, human resource management and industrial relations.

A copy of the draft letter for the appointment of Phiroz Munshi as an Independent Director setting out the terms and conditions is available for electronic inspection by the members during normal business hours on working days up to September 14, 2023.

The resolution seeks the approval of members for the appointment of Mr. Phiroz Munshi as an Independent Director of the Company for a term of 5 (Five) years effective August 09, 2023 to August 08, 2028 (both days inclusive) pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof and he shall not be liable to retire by rotation.

In compliance with Section 149 read with Schedule IV to the Act and Regulation 25 of the LODR Regulations, the approval of the Members is sought for the appointment of Phiroz Munshi as an Independent Director of the Company, as a special resolution.



## Gujarat Petrosynthese Limited

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No director, KMP or their relatives except Mr. Phiroz Munshi, to whom the resolution relates, is interested in or concerned, financially or otherwise, in passing the proposed resolution set out in item no. 3.

The Board recommends the special resolution as set out in Item no. 3 of this notice for the approval of members.

### ITEM NO. 04:

Mr. Nuthakki Rajender Prasad (DIN: 00145659) was appointed as an Additional Non-Executive Non-Independent Director of the Company by the Board of Directors vide Board Resolution dated August 09, 2023 pursuant to the provisions of Section 161(1), Regulation 17 (1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association and is eligible for appointment subject to the approval of the shareholders through an ordinary resolution.

The Company has received the following from the Director:

- Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (“the Appointment Rules”);
- Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act;
- Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018, that he has not been debarred from holding office of a director by virtue of any order passed by SEBI or any other such authority.

A brief profile of Mr. Nuthakki Rajender Prasad (DIN: 00145659) is as follows: Mr Nuthakki Rajender Prasad, MSc - Chemical Engineering, USA is an entrepreneur and promoter. He has wide knowledge and expertise in the magnesium, industrial gases and electrodes industry. He has over 30 years’ experience in business process/ operations, general management and administration, negotiation and strategic planning.

A copy of the draft letter for the appointment of Nuthakki Rajender Prasad as an Non Executive Non Independent Director setting out the terms and conditions is available for electronic inspection by the members during normal business hours on working days up to September 14, 2023.

The resolution seeks the approval of members for the appointment of Nuthakki Rajender Prasad as an Non Executive Non Independent Director of the Company for a term of 5 (Five) years effective August 09, 2023 to August 08, 2028 (both days inclusive) pursuant to Section 152, 161 and other applicable provisions of the Act and the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof) and he shall not be liable to retire by rotation.

No director, KMP or their relatives except Ms. Urmi N Prasad, Director of the Company and Nuthakki Rajender Prasad, to whom the resolution relates, are interested in or concerned, financially or otherwise, in passing the proposed resolution set out in item no. 4.

The Board recommends the ordinary resolution as set out in Item no. 4 of this notice for the approval of members.

### Regd. Office:

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

Date : 9<sup>th</sup> August, 2023

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

(Ms. Urmi N. Prasad)  
Joint Managing Director

DIN: 00319482

## Annexure A

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

<b>Name of the Director</b>	Ms. Charita Thakkar	Mr. Phiroz Munshi	Mr. Nuthakki Rajender Prasad
<b>Director Identification Number (DIN)</b>	00321561	10256513	00145659
<b>Category</b>	Executive Director (Joint Managing Director)	Non-Executive Independent Director	Non-Executive Non-Independent Director
<b>Date of Birth</b>	November 01, 1960	February 13, 1950	December 28, 1964
<b>Age</b>	62 Years	73 Years	58 Years
<b>Nationality</b>	United States	Indian	Indian
<b>Date of First Appointment on the Board</b>	September 28, 1990	August 09, 2023	August 09, 2023
<b>Relationship with Directors, Managers and KMPs</b>	Ms. Charita Thakkar is sister of Ms. Urmi Prasad Joint Managing Director of the Company. Apart from the above, Ms. Charita Thakkar is not connected with any of the directors of the Company.	NA	Mr. Nuthakki Rajender Prasad is husband of Ms. Urmi Prasad, Joint Managing Director of the Company. He is brother-in-law of Ms. Charita Thakkar, Joint Managing Director of the Company. Apart from the above, Mr. Nuthakki Rajender Prasad is not connected with any of the directors of the Company.
<b>Qualification</b>	MBA (TCU) MMS(Stanford)	M Com	MSc – Chemical Engineering (USA)
<b>Expertise in specific functional area</b>	Finance, operations, general management, exposure to international business negotiation and strategic planning	Knowledge of banking, petrochemical and metal industries. Expertise in , Human resource management, industrial relations, finance, operations, general management ,	Experience in the magnesium, industrial gases and electrodes industry. Expertise in business process/operations, general management and administration, negotiation and strategic planning
<b>Details of Board Meetings attended by the Directors during the year</b>	4 (Four)	0 (Zero)	0 (Zero)
<b>Terms and Conditions of Appointment or re-appointment along with remuneration Remuneration last drawn</b>	As per the Resolution at Item No. 2	As per the Resolution at Item No. 3	As per the Resolution at Item No. 04
<b>Membership of Committees of Gujarat Petrosynthese Limited</b>	-	-	-
<b>List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)</b>	-	-	2
<b>Membership/Chairmanship of Committees across other Public Companies</b>	-	-	2
<b>Number of shares held in the Company</b>	6,05,272 Equity Shares	NIL	4,37,030 Equity Shares

**Regd. Office:**  
24, II main, I Phase,  
Doddanekkundi Industrial Area,  
Mahadevapura Post,  
Bengaluru- 560 048  
CIN: L23209KA1977PLC043357  
Website: [www.gpl.in](http://www.gpl.in); Email: [info@gpl.in](mailto:info@gpl.in)  
Tel: 080-28524133

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

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

Date : 9<sup>th</sup> August, 2023

## BOARDS' REPORT

To

The Members,

Gujarat Petrosynthese Limited

Address: 24, II Main, Phase 1, Doddanekkundi Industrial Area,  
Mahadevapura, Bengaluru - 560048

Your Directors have pleasure in presenting the 46th Annual Report of the Company together with the Audited Statement of Accounts for the Financial Year ended March 31, 2023.

**1. FINANCIAL STATEMENTS & RESULTS:****a. FINANCIAL RESULTS:**

The Company's performance during the year ended March 31, 2023 as compared to the previous financial year, is summarized below:

(Amt In '000')

Particulars	Consolidated	
	For the year ended	
	March 31, 2023	March 31, 2022
Revenue from Operations	1,95,515	3,00,193
Other Income	25,413	18814
<b>Total Income</b>	<b>2,20,929</b>	<b>319007</b>
<b>Total Expenses</b>	<b>(2,00,002)</b>	<b>(2,94,555)</b>
<b>Profit/(Loss) before extraordinary items &amp; Tax</b>	<b>20,927</b>	<b>24452</b>
<b>Profit on extraordinary items</b>	<b>1,242</b>	<b>-</b>
<b>Profit/ (Loss) before tax</b>	<b>19,685</b>	<b>24452</b>
<b>Less:</b>		
1. Current Tax	4,278	480
2. Tax adjustment of earlier years (net)	(33)	(935)
3. Deferred Tax	1,586	5533
<b>Profit/(Loss) for the year</b>	<b>13,854</b>	<b>19375</b>
<b>Other comprehensive income (OCI):</b>		
<b>Items that will not be reclassified to profit or loss:</b>		
1. Re-measurement gains/(losses) on defined benefit plans		
2. Income tax effect on above	-	-
<b>Total Other Comprehensive Income (OCI) for the year, net of tax expense</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income/ (Expense) for the year</b>	<b>-</b>	<b>-</b>
<b>Earnings per equity shares (Face Value of Rs.10/- each)</b>		
<b>Basic and Diluted earnings per share</b>	<b>2.32</b>	<b>3.25</b>

**APPROPRIATION**

(Amt In '000')

Interim Dividend	NIL	NIL
Final Dividend	NIL	NIL
Tax on distribution of dividend	NIL	NIL
Transfer of General Reserve	NIL	NIL
Balance carried to Balance sheet	<b>13,854</b>	<b>19,375</b>

**b. OPERATIONS:**

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

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

**c. PERFORMANCE & FUTURE OUTLOOK:**

The current year witnessed a fall in sales from 1813 MT in 2021-22 to 941 MT in 2022-23 with the revenue from sales decreasing from 30.01 crore rupees to 19.55 crore rupees. This was due to a major customer



phasing out our product by internally changing their manufacturing process. However, the company is continuing its efforts to cover this huge impact on its sales by engaging in varied projects with different customers. One of the major thrusts has been in the automobile field in supplying product to the e vehicles sector as well as to the safety equipment industry. Besides this, the company is continuing to offer a variety of products in the electrical and consumer product sectors. The company has ended the year with a profit after tax of Rupees 1.38 crores compared to Rupees 1.93 crores the previous year. The company is investing in modernizing its plant and equipment which will help in developing newer products for its clients.

**d. SUBSIDIARY COMPANY, ASSOCIATES AND JOINT VENTURES:**

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

The merger was approved by the Honourable National Company Law Tribunal ('NCLT'), Mumbai bench on April 20, 2022 and the, Bengaluru Bench on September 29, 2022.

All the necessary filings of the e-forms, Stock Exchange Intimations have been given by the Company in timely manner.

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

**e. DIVIDEND:**

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

**f. UNPAID DIVIDEND & IEPF:**

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF; established by the Government of India, after completion of seven years.

Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

However, the transfer of unpaid dividend to Investor Education and Protection Fund (IEPF) is not applicable to the Company for FY 2022-23 and no amount is lying in Unpaid Dividend A/c of the Company.

**g. TRANSFER TO RESERVES:**

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

**h. DEPOSITS:**

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

**i. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:**

In accordance with the requirements of the Companies Act, 2013 and Listing Regulations, 2015, your Company has a Policy on Related-Party Transactions which can be accessed through web link - <https://gpl.in/admin/uploads/Related%20Party%20Transaction%20Policy.pdf>

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

There were no materially significant transactions with related parties (i.e., transactions exceeding 10% of the annual consolidated turnover) that may have potential conflict with the interests of your Company at large entered into during the year as per the last audited financial statements.

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

None of the Directors and the KMPs has any pecuniary relationships or transactions vis-à-vis the Company.

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

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

**k. PARTICULARS OF INVESTMENTS, LOANS, GUARANTEES AND SECURITIES:**

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

The details of the existing investments made by the Company under Section 186 of the Companies Act, 2013 are given in the Notes to the standalone financial statements for the financial year ended March 31, 2023.

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

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

**m. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:**

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

**2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

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

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

**a. Board of Directors:**

**i. Appointment**

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

**ii. Re-appointment**

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

### iii. Resignation / cessation

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

### iv. Retirement by rotation and subsequent re-appointment

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

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Ms. Charita Thakkar(DIN: 00321561), is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers herself for re-appointment. The said Director is not disqualified from being re-appointed as a Director of a Company.

### v. Key Managerial Personnel:

#### i. Appointment

Mr. Sagar Pahariya was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. November 14, 2022 by the Board of Directors at their meeting held on November 14, 2022.

#### ii. Resignation

Mr. Divyaraj Chandwaskar, Company Secretary of the Company ceased to be the Company Secretary of the Company w.e.f. November 07, 2022 due to personal reasons.

### vi. Declarations by Independent Directors:

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

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

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

## 3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

### a. Board Meetings:

The Board of Directors met Four (4) times during the financial year ended 31<sup>st</sup> March 2023 on 30<sup>th</sup> May, 2022, 12<sup>th</sup> August, 2022, 14<sup>th</sup> November, 2022, and 10<sup>th</sup> February, 2023 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

Name of Directors	Number of meetings that members were eligible to attend during financial year 2022-23	Board Meetings attended
Ms. Urmi Prasad	4	4
Ms. Charita Thakkar	4	4
Mr. V Raghu	4	4
Mr. Rajesh Parikh	4	4
Mr. M. D. Garde	4	4

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

**a. Audit Committee:**

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

**b. Nomination and Remuneration Committee:**

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

**c. Stakeholders Relationship Committee:**

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

**d. Vigil Mechanism Policy for the Directors and Employees:**

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

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

<https://www.gpl.in/admin/uploads/Vigil%20Mechanism%20Policy.pdf>

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

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

**e. Risk Management Policy:**

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

**f. Corporate Social Responsibility Policy:**

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

**g. Annual Evaluation of Directors, Committee and Board:**

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

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

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

#### 4. AUDITORS AND REPORTS:

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

##### a. Observations Of Statutory Auditors on Accounts for The Year Ended March 31, 2023:

The observations / qualifications / disclaimers made by the Statutory Auditors in their report for the financial year ended March 31, 2023 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

##### b. Secretarial Audit Report for The Year Ended March 31, 2023:

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

M/s. J.J. Gandhi & Associates, Practicing Company Secretaries had been appointed to issue the Secretarial Audit Report for the financial year 2022-23.

Secretarial Audit Report issued by M/s. J.J. Gandhi & Associates, Practicing Company Secretaries in Form MR-3 for the financial year 2022-23 is annexed hereto and marked as “**Annexure-I**”. The report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Board of Directors, has re-appointed M/s. J.J. Gandhi & Associates, Practicing Company Secretaries to conduct the Secretarial Audit for the Financial Year 2023-24 in accordance with Section 204 of the Companies Act, 2013.

##### c. Statutory Auditors:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Dayal & Lohia, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 45<sup>th</sup> AGM held on September 29, 2022 for a term of five financial years and they continue to be the Statutory Auditors of the Company till the conclusion of the ensuing 50<sup>th</sup> AGM.

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

##### d. Internal Auditors:

The Company has adopted an internal control system, commensurate with its size. The Company had appointed M/s. Krishna & Vishwas LLP as the Internal Auditors of the Company for FY 2022-23 to complete the internal audit.

Further, the Board of Directors in their meeting held on August 09, 2023 has reappointed M/s Krishna & Vishwas LLP, as the Internal Auditor of the Company for the financial year 2023-24. The Company ensures compliance and controls so that the assets and business interests of your Company are adequately safe guarded.

**e. Maintenance of Cost Records:**

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

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

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

**5. CORPORATE GOVERNANCE REPORT:**

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

**6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

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

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

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

**8. SECRETARIAL:**

**a. Share Capital:**

***Authorised Share Capital***

The Authorised Share Capital of the Company is Rs. 18,00,00,000/- divided into 1,40,00,000 Equity Shares of Rs.10/- each and 40,00,000 5% Non-Cumulative Redeemable Preference Shares of Rs. 10/- each.

***Issued, Subscribed and Paid-up Share capital***

The issued, subscribed and paid-up Share Capital of the Company stood at Rs. 5,96,91,660/- as at March 31, 2023 comprising of 59,69,166 Equity Shares of Rs. 10 each fully paid-up. There was no change in Share Capital during the year under review.

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

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

**c. ANNUAL RETURN:**

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

**9. OTHER DISCLOSURES:**

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

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

The Company had filed a merger application for the merger between Gujarat Petrosynthese Limited ('Transferee Company') and Gujarat Polybutenes Private Limited ('Transferor Company') with the Honourable National Company Law Tribunal ('NCLT'), Bangaluru bench and Mumbai bench. The merger was approved by Mumbai Bench on April 20, 2022 and by Bengaluru Bench on September 29, 2022.

**b. Director's Responsibility Statement:**

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

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit/loss of the Company for that year;
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- f. the internal financial controls are followed by the Company and such internal financial controls are adequate and were operating effectively.

**c. Disclosure Regarding Internal Complaints Committee:**

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

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

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

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

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

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

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



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

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

**h. Certifications/Recertifications:**

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

- i. No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable;
- j. The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

**k. Acknowledgements and Appreciation:**

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

For and on behalf of the Board  
**Gujarat Petrosynthese Limited**

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

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

Date: 9<sup>th</sup> August, 2023





**Annexure I**

**SECRETARIAL AUDIT REPORT**

(For the Financial year ended on 31st March, 2023)

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

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

Dear Sirs,

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31<sup>st</sup> March, 2023, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB). – As reported to us there were no FDI, ODI and ECB transactions in the Company during the Audit period.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
  - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not Applicable to the Company during the Audit Period.
  - D. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not Applicable to the Company during the Audit Period.
  - E. The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 - Not Applicable to the Company during the Audit Period.
  - F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993. - The Company is not registered as Registrar to Issue and Share Transfer Agent.
  - G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021. - Not Applicable to the Company during the Audit Period.
  - H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. - Not Applicable to the Company during the Audit Period.



## Gujarat Petrosynthese Limited

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6. Further, as per representation of management letter, considering its nature of business, process and location, the following Acts are specifically applicable to the Company. There are adequate systems and processes in the company to monitor and ensure compliance;

1. The Environment (Protection) Act, 1986
2. The Air (Prevention and Control of Pollution) Act, 1981
3. The Water (Prevention and Control of Pollution) Act, 1974

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

- (i) The Mandatory Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder.

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

As per the requirements of Regulation 31(2) of the SEBI (LODR) Regulations, 2015 0.08% share holding of the promoters have not been maintained in demat form, in view of death of promoters.

We further report that;

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

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

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

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

We further report that;

We further report that approval of Merger of Gujarat Polybutenes Private Limited (CIN- U24200MH2002PTC340316) a wholly owned subsidiary of the company with the Company is approved by the National Company Law Tribunal (NCLT), Mumbai and Bengaluru Bench. The appointed date of the merger was 1st July, 2020. The Company has filed certified copies of orders of NCLT Bengaluru and Mumbai bench through Form INC-28 on 31st October, 2022. As per Scheme of Amalgamation, the Company had filed an application with the MCA for clubbing of Authorized share capital of the Transferor Company with that of the Transferee Company and accordingly the Authorised Share Capital of the Transferor Company with that of the Transferee Company and accordingly the Authorised share capital of the Company stands increased to Rs. 18,00,00,000/- (Rupees eighteen crores only). The Company had filed Form MR-2 for seeking approval of the Central Government for reappointment and payment of remuneration to Ms. Charita Thakkar as Joint Managing Director of the Company, as she is not fulfilling the criteria of Resident Indian, which is yet to be approved. Our report of even date is to be read along with this letter.

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

**(J. J. Gandhi)**

**Proprietor**

**FCS No. 3519 and CP No. 2515**

**P R No. 1174/2021**

**UDIN number F003519E000743808**

Place : Vadodara  
Date : 9<sup>th</sup> August, 2023



**ANNEXURE TO SECRETARIAL AUDIT REPORT**

To,  
The Members,  
Gujarat Petrosynthese Limited  
24,II Main, Doddanekkundi Industrial Area,  
Phase 1, Mahadevapura,  
Bangalore Karnataka - 560048

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

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

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

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

Place : Vadodara  
Date : 9<sup>th</sup> August, 2023

## ANNEXURE II

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

## (A) Conservation of energy:

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

## B. TECHNOLOGY ABSORPTION

Efforts made towards technology absorption	Technology obtained from our collaborators has been fully absorbed. Improvements are being continuously made and have resulted in improved efficiency of operation.
Benefits derived like product improvement, cost reduction, product development or import substitution	Various measures for power savings have attributed to cost reduction and reduction in energy consumption.
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
Details of technology imported	Not Applicable
Year of import	Not Applicable
Whether the technology has been fully absorbed	Not Applicable
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
Expenditure incurred on Research and Development	Not Applicable

## C. FOREIGN EXCHANGE EARNING AND OUTGO :

	April 01, 2022 to March 31, 2023 [Current F.Y.] Amount in Rs.	April 01, 2021 to March 31, 2022 [Previous F.Y.] Amount in Rs.
Actual Foreign Exchange earnings	Nil	Nil
Actual Foreign Exchange outgo	Nil	Nil

For and on behalf of the Board Directors

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

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

Date : 9<sup>th</sup> August, 2023

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

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

**Opportunities & Threats**

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

The Company has loyal pan- India customers and enjoys a good reputation in the industry owing to the consistency, reliability and quality of its products. It has a full-fledged testing laboratory along with the latest equipment. The Company has started providing products to the growing market for e- vehicles. The company has obtained the ISO 9001:2015 and ISO 1400:2015 certification maintaining its pursuit in consistently providing high quality products while observing effective environment management systems.

**Segment/ Product Wise Performance**

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

During the year the company achieved a turnover of 941 MTs as against 1813 MTs achieved the year before. The revenue from sales decreased from 30.01 crore rupees to 19.55 crore rupees. However, the company developed 17 New customers and 82 new products during the year ending with a profit after tax of 1.38 crores compared to 1.93 crores the previous year

**Market and Outlook**

The Company is developing import substitution and specialty products to suit the needs of its customers which has helped in increasing the customer base. The Company is targeting a better product mix, operational efficiency and stringent control on the cost in order to increase productivity and operating margins. Continuous efforts are being made for efficient energy and raw material consumption. Last year, a major customer of the Company which provided significant purchase orders of compounded polymer material internally changed its manufacturing process. This resulted in the sale of our compounded polymer material to this customer being phased out. The Company is already engaging in other projects to cover the loss in sales. The major thrusts in the past year have been in supplying products for the e vehicle and safety equipment industries. Besides this, the company is continuously involved in developing new products for the electrical and consumer durable industries Risks and Concerns Some of the raw materials are imported from other countries. The volatility of exchange rate of rupee against US dollar accompanied by the problems in supply chain could have a significant impact on the supply and cost of raw Material. However, the company has managed to mitigate the risk to an extent by stocking some quantities of the raw materials.

**Internal Control Systems and their Adequacy**

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

**Discussion on Financial Performance with respect to operational performance**

The total revenue from the operations for the year ended March 31, 2023 amounts to Rs.19.55 Crores as against Rs. 30.02 Crores in the previous financial year. The Company is taking efforts to reduce consumption, energy cost and wastage & get higher yield to achieve maximum profits.

**Human Resources**

Human Resources are always the most important and valuable asset to the Company. The Company has 29 permanent employees as on March 31, 2023 at factory and office level. Your company believes in investing in people to develop and expand their capability. The Company has been able to create a favorable work environment that motivates performance and customer focus. The Human Resource Department had arranged a number of training programs on Safety and Emergency preparedness and Awareness and Environmental policy training.

**Key Financial Ratios**

Particulars of Ratio	31.03.2023	31.03.2022
Debtors Turnover	83.44	36.70
Inventory Turnover	16.65	10.21
Interest Coverage Ratio	-	-
Current Ratio	10.38	3.99
Debt Equity Ratio	-	-
Operating Profit Margin (%)	2.29	1.88
Net Profit Margin (%)	7.72	6.45

**Return on Net Worth**

The return on net worth has decreased to 2.96 % as against 4.27 % in the previous year due to decrease in the level of operation of the company.

**Cautionary Statement**

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

For and on behalf of the Board of Directors

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

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

Date : 9<sup>th</sup> August, 2023

## ANNEXURE IV

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

1. The percentage increase in remuneration of the Executive Directors, Chief Financial Officer and Company Secretary during the Financial Year 2022-23, the ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year and the comparison of remuneration of each Key Managerial personnel (KMP) against the performance of the Company is as under:

Sr. No.	Name	Designation	% increase in the remuneration for Financial Year 21-2022	Ratio of remuneration of Director to median remuneration of employees
1.	Ms. Urmi Nuthakki Prasad	Joint Managing Director and Chief Financial Officer	No increase	7.87:1
2.	Ms. Charita Thakkar	Joint Managing Director	No increase	6.72:1
3.	Mr. Divyaraj Chandwaskar	Company Secretary	N A	0.15:1
4.	Mr. Sagar Pahariya	Company Secretary	N A	0.22:1

- The median remuneration of employees during the Financial Year 2022-23 was Rs. 4,34,110.
- The percentage increase in the median remuneration of employees during the financial year 2022-23 was 13.68%.
- There were 29 **Permanent Employees** on the rolls of the Company as on March 31, 2023.
- During the financial year 2022-23, there was change in the managerial remuneration w.r.t the managerial personnel as compared to remuneration paid in previous year (2021-22).
- During the financial year 2022-23, an average percentile increases of 9-9.5% in the salaries of employees (other than the managerial personnel) as compared to the previous financial year managerial remuneration.
- It is hereby affirmed that the remuneration is paid as per the remuneration policy of the company.

**List of top 10 employees in terms of remuneration drawn.**

Sr. No.	Name of the Employee	Designation	Remuneration (in Rs.)	Nature of Employment	Date of commencement of employment	Age of employee	Last employment held by such employee	Qualification	If the employee is a relative of Director or Manager
1	Mr. Pradeep Kumar T.K	General Manager	17,89,486.00	Permanent	17-04-1996	55	Leela Computer	BSC+ PGDCA centre	NO
2	Ms. Hema.K	Sr Manager Accounts	13,73,984.00	Permanent	06-11-2000	50	Bhandari Spinning Mills Ltd	B.COM	NO
3	Mr. Sunil Kumar S M	Manager Operations	11,27,808.00	Permanent	06-02-2017	41	Lumax Auto Technology	DME + BE	NO
4	Mr. Udaya G	Dy. Manager Production	9,19,806.00	Permanent	18-04-2005	48	San Motors	Diploma in Polymer Technology	NO
5	Mr Jogeshwar Parida	Stores In Charge	8,66,608.00	Permanent	02-09-1999	60	Konark Paper Inds Ltd	Intermediate Arts	NO
6	Mr Dhanajay Inamadar	Manager Business Development/R&D	8,61,310.00	Permanent	01-09-2021	49	TASNEE Petrochemical	BSC+ DPT	NO
7	Ms. Mohini A Rajput	Accountant	6,27,192.00	Permanent	01-04-2007	50	Bright Star Components Pvt Ltd	B.COM	NO
8	Ms. Kanchana G	Sr. Accountant	5,74,683.00	Permanent	02-11-2001	42	NA	B.COM	NO
9	Mr. A P Govindaraju	Asst Manager Maintenance	5,73,833.00	Permanent	19-08-2013	53	Quad Tooling Technologies Pvt Ltd	B.COM I.T.I. Electrical	NO
10	Mr. C.S.Chidananda Murthy	Accountant	5,17,878.00	Permanent	22-10-2018	50	Rama & Co	B.COM	NO

For and on behalf of the Board of Directors

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

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

Date : 9<sup>th</sup> August, 2023

## REPORT ON CORPORATE GOVERNANCE

### 1. The Company's Philosophy on Corporate Governance:

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

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

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

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

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

### 2. Board of Directors:

#### a. Board Structure

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

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

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

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

Mr. Phiroz Munshi is an Additional Non Executive Independent Director and Mr. Nuthakki Rajender Prasad is an Additional Non Executive Non Independent Director



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

No Independent Director has resigned from the Directorship of the Company before the expiry of their term of appointment during the Financial Year ended March 31, 2023.

The Company has appointed Mr. Phiroz Munshi as an Additional Independent Director with effect from 09.08.2023. Mr. Phiroz Munshi is a M Com has over 50 years of business experience in the fields of banking, metal and petrochemical industries. He has been associated with GPL having held various posts at the subsidiary - Gujarat Polybutene Pvt Ltd (GPPL) including the post of President of GPPL. He has expertise in finance, operations, general management, human resource management and industrial relations.

In the opinion of the Nomination and Remuneration Committee and the Board the appointment of Mr. Phiroz Munshi on the Board of the Company would be beneficial to the Company considering his vast experience. Mr. Phiroz Munshi fulfils the criteria of independence as specified in the Companies Act, 2013. The disclosure under Regulation 36 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2014, is provided at Annexure A of Annual General Meeting Notice.

The Company has appointed Mr. Nuthakki Rajender Prasad as an additional Non-Executive Non-Independent Director with effect from 09.08.2023. Mr Nuthakki Rajender Prasad, MSc - Chemical Engineering, USA is an entrepreneur and promoter. He has wide knowledge and expertise in the magnesium, industrial gases and electrodes industry. He has over 30 years' experience in business process/operations, general management and administration, negotiation and strategic planning.

In the opinion of the Nomination and Remuneration Committee and the Board, the appointment of Mr. Nuthakki Rajender Prasad on the Board of the Company would be beneficial to the Company considering his vast experience.

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

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

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

## Composition of Board of Directors as on March 31, 2023:

Name	Category of Director	No of Shares held as on 31-03-2023	Other Board/Committee Memberships				Attendance at last AGM held on September 17, 2022
			Directorships*		Committee Memberships**	Committee Chair person ships***	
			No. of companies	Name of listed entities where the person is a director and the category of directorship			
Mr. Raghu Venkataraman (DIN: 02012383)	Chairperson, Non-Executive Independent Director	-	1	Gujarat Petrosynthese Ltd Independent Director	3	0	Yes
Mr. Moreshwar Garde(DIN: 00689103)	Non-Executive Independent Director	-	1	Gujarat Petrosynthese Ltd Independent Director	3	2	Yes
Mr. Rajesh Parikh (DIN: 08258755)	Non-Executive Independent Director	142	1	Gujarat Petrosynthese Ltd Independent Director	3	1	Yes
Ms. Charita Thakkar (DIN: 00321561)	Executive Joint Managing Director	6,05,272	1	Gujarat Petrosynthese Ltd Joint Managing Director	0	0	Yes
Ms. Urmi N. Prasad(DIN: 00319482)	Executive Joint Managing Director	2,90,000	1	Gujarat Petrosynthese Ltd Joint Managing Director	1	0	Yes

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

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

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

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

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

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

During the year under review, four (4) meetings of the Board and attendance at last AGM held on September 29, 2022 were held on the following dates:

Sr. No.	Date of Meeting	Urmi N. Prasad	Charita Thakkar	Rajesh Parikh	Raghu Ventakaraman	Moreshwar Digambar Garde	Board Strength	No. of Directors present
1.	May 30, 2022	✓	✓	✓	✓	✓	5	5
2.	August 12, 2022	✓	✓	✓	✓	✓	5	5
3.	November 14, 2022	✓	✓	✓	✓	✓	5	5
4.	February 10, 2023	✓	✓	✓	✓	✓	5	5
5.	<b>Attendance at last AGM held on September 29, 2022</b>	✓	✓	✓	✓	✓	5	5

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

All the Board Meetings except the Board meeting held on February 10, 2023 in the FY 2022-23 were held through Video Conferencing/Other Audio-Visual means as per the Ministry of Corporate Affairs notification dated June 15, 2021 for omitting the Rule 4 of Companies (Meeting of Board and its Power) Rules, 2014 which allows companies to transact all the agenda including the restricted agenda through Video Conferencing permanently. The agenda along with the notes and required documents were sent at least seven days before the date of the Board Meeting(s) to the Directors through electronic mode in compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Forty Fifth (45<sup>th</sup>) Annual General Meeting was held on September 29, 2022.

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

### C. Major functions of the Board

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

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

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

### d. Familiarization Programme

Pursuant to Regulation 25(7) of the Listing Regulations your Company has formulated and adopted the Familiarization Programme for the Independent Directors to enable them to understand the business of the Company and pursuant to Regulation 46 of the Listing Regulations, the said Programme is also available on the website of the Company at [https://gpl.in/admin/uploads/GPL\\_ID%20Familiarisation\\_22-23.pdf](https://gpl.in/admin/uploads/GPL_ID%20Familiarisation_22-23.pdf).

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

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

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

Sr. No.	Particulars	Urmi N. Prasad	Charita Thakkar	Moreshwar Garde	Raghu Ventakaraman	Rajesh Parikh
1	Industry Knowledge / Expertise	✓	✓		✓	
2	Operational Knowledge / Expertise	✓	✓		✓	
3	Leadership Attributes	✓	✓	✓	✓	✓
4	Strategic Planning	✓	✓	✓	✓	✓
5	Risk Management	✓	✓	✓		
6	Financial	✓	✓	✓	✓	✓
7	Stakeholder Engagement	✓	✓			✓
8	Legal / Regulatory Expertise			✓		✓
9	Human Resources	✓	✓	✓	✓	✓

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

**f. Independent Directors' Meeting**

During the year under review, the Independent Directors met on February 10, 2023, inter alia to discuss and Review Performance of:

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

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

**3. Audit Committee:**

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

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

Name of Members	Category	No. of Meetings attended during the financial year 2022-23 out of total 4 committee meetings held during the year
Mr. Moreshwar Garde, Chairman	Independent Director	4
Mr. Raghu Venkataraman, Member	Independent Director	4
Mr. Rajesh S. Parikh, Member	Independent Director	4

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

May 10, 2022, August 12, 2022, November 14, 2022 and February 10, 2023.

The requisite quorum was present in all the meetings.

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

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

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

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

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

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

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

- a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Reviewing with the management quarterly, half-yearly, nine-months and annual financial statements, standalone as well as consolidated, before submission to the Board for approval;
- c) Reviewing the Management Discussion and Analysis of the financial condition and results of operations;
- d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;
- e) Engaging consultants who can analyze / review the internal practices and give a report thereon to the audit committee from time to time in respect of the Company's Financial Reporting and controls thereto;
- f) Recommending the appointment, remuneration and terms of appointment of auditors of the company;

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

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

#### **4. Stakeholders Relationship Committee**

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

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

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

- a) Considering and resolving the grievances of security holders of the Company including
- b) Investors' complaints;
- c) Approval of transfer or transmission of shares, debentures or any other securities;
- d) Review of measures taken for effective exercise of voting rights by shareholders;
- e) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- f) Carrying out any other function contained in the Listing Agreement/Listing Regulations, as amended from time to time;
- g) Performance of such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time;
- h) Effective implementation of whistle blower mechanism offered to all the Stake holders to report any concerns about illegal or unethical practices;

- i) Redressal of complaints regarding the non-receipt of declared dividends, balance sheets of the Company, etc;
- j) Issuance of duplicate certificates and new certificates on split/consolidation/renewal etc.

The Composition of the Committee as on March 31, 2023 is as follows:

Name of Members	Category	No. of Meetings attended during the financial year 2022-23 out of total 4 committee meetings held during the year
Mr. Rajesh S. Parikh, Chairperson	Non-Executive Independent Director	4
Ms. Urmi N. Prasad, Member	Jt. Managing Director	4
Mr. Raghu Venkatraman, Member	Independent Director	4
Mr. Moreshwar Garde, Member	Independent Director	4

Stakeholder Relationship Committee were held, the dates of which are as follows:

May 10, 2022, August 12, 2022, November 14, 2022 and February 10, 2023.

The chairperson of the Committee is Mr. Rajesh S. Parikh who is a Non-Executive Independent Director.

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

As reported in the Corporate Governance Report of the previous Financial Year, the Company has no pending complaints during the year under review and all the complaints were solved to the satisfaction of shareholders.

The Company received **19 complaints** from shareholders in Financial Year 2022-23.

The Company Secretary acts as the Secretary of the Committee.

Name and designation of the Compliance Officer:

Mr. Sagar Pahariya

Company Secretary & Compliance Officer

## 5. Nomination & Remuneration Committee

### A. Composition and Scope

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

In view of the amended provisions of Section 178 of the Act, the performance of Board, its committees and each Director (excluding the director being evaluated) has been evaluated by the Board on the basis of engagement, leadership, analysis, decision making, communication, governance, interest of stakeholders etc.

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

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

Name of Members during the Year	Category	No. of meetings attended
Mr. Moreshwar Garde, Chairperson	Independent Director	3
Mr. Rajesh Parikh, Member	Independent Director	3
Mr. Raghu Venkataraman, Member	Independent Director	3

The Company Secretary acts as the Secretary to the committee.

During the year, three (3) NRC Meetings were held, the dates of which are as follows:

August 12, 2022, November 14, 2022 and February 10, 2023.

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

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

### C. Performance Evaluation Criteria for Independent Directors

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

The Criteria for performance evaluation for Independent Directors includes:

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



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

**D. Remuneration of Directors**

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

The details of the remuneration of Directors during financial year 2022-23 are given below:

Name of Director	Salary and allowances	Variable Pay	Perquisites	ESOP	Sitting Fees	Total	Commission
Ms. Urmi N. Prasad, Joint Managing Director	2850000		298743				<b>3148743</b>
Ms. Charita Thakkar, Joint Managing Director	2850000		65850				<b>2915850</b>

**Notes:**

1. Notice period is six months;
2. There is no Variable Pay. All components are fixed;
3. The Company does not have any Employee Stock Option Scheme for grant of stock options to the Directors of the Company.
4. Further there were no pecuniary relationships or transactions with any Non-Executive Director of the Company.
5. Non-Executive Directors are paid Sitting Fees and Commission.
6. The Company does not make any payment to Non-Executive Directors other than sitting fees, duly approved by the Board, for attending meetings of the Board/ Committees.
7. There were no service contracts or severance fees paid during the year under review.

**Commission / Sitting Fees to Non-Executive Directors for the financial year 2022-23 for attending Board and Committee Meetings.**

Name of the Director	Sitting Fees	Commission	Total
Mr. Rajesh Parikh	1,57,500	-	1,57,500
Mr. Moreshwar Garde	1,57,500	-	1,57,500
Mr. Raghu Venkataraman	1,57,500	-	1,57,500
<b>Total</b>	<b>4,72,500</b>	<b>-</b>	<b>4,72,500</b>

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

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

**Communications sent to shareholders**

Your Company had sent the following communications to its shareholders:

Month	Purpose	No. of shareholders
September 2022	Communication to Joint shareholder account holders holding shares in physical form regarding furnishing of PAN, KYC details and Nomination in reference to SEBI Circular dated November 3, 2021	9,383

**6. General Body Meetings**

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

Year	Date and time of the Annual General Meeting.	Location	Number and Nature of Special Resolutions passed, if any*
2019-20	43 <sup>rd</sup> Annual General Meeting Tuesday, September 29, 2020 at 12.30 P.M.	II main, Doddanekkundi Industrial Area, Bengaluru-560048 (Deemed place of Annual General meeting)	A) To consider the continuation of Directorship of Mr. Moreshwar Digambar Garde, Independent Director of the Company, who will attain the age of Seventy-five (75) in this Financial Year;  B) To consider the continuation of Directorship of Mr. Raghu Ventakaraman, Independent Director of the Company, who will attain the age of Seventy-five(75) in September, 2021
2020-21	44 <sup>th</sup> Annual General Meeting Friday, September 17, 2021 at 11.00 A.M.	II main, Doddanekkundi Industrial Area, Bengaluru-560048 (Deemed place of Annual General meeting)	A) Re-appointment of Ms. Charita Thakkar (DIN: 00321561) as the Joint Managing Director of the Company.
2021-22	45 <sup>th</sup> Annual General Meeting Thursday, September, 2022 at 11.00 A.M.	II main, Doddanekkundi Industrial Area, Bengaluru-560048 (Deemed place of Annual General meeting)	-

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

No business was required to be transacted through Postal Ballot at the above meetings or during the year FY 2022-23. Since no Postal Ballot was conducted in the Financial Year under review, the procedure of the same is also not mentioned in the Annual Report.

### 3. Means of communication

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

- i. The quarterly, half-yearly and annual results of the Company are submitted to the Statutory Auditors of the Company for a limited review and the report of the Auditors is also filed with the stock exchange after it is approved by the Board of Directors.
- ii. The quarterly results are not sent to each shareholder as shareholders are intimated through press.
- iii. The Company's website [www.gpl.in](http://www.gpl.in) provides information about the Company to its existing and prospective stakeholders. The quarterly results are displayed on the Company's website along with other relevant information.
- iv. The Company has created a separate e-mail address viz. [secretarial@gujaratpetrosynthese.com](mailto:secretarial@gujaratpetrosynthese.com) to receive complaints and grievances of the investors.

### 4. General Shareholder Information

#### I. 46<sup>th</sup> Annual General Meeting:

Day and Date	: Friday, September 15, 2023
Time	: 11.00 A.M.
Venue	: II main, I Phase, Doddanekkundi Industrial Area, Bengaluru 560048 (Deemed Venue of the Annual General Meeting)

The Company is conducting the Annual General Meeting (AGM) through VC/OVAM pursuant to General Circular No. 10/2022 dated December 28, 2022, issued by the Ministry of Corporate Affairs ("MCA") and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by Securities and Exchange Board of India ("SEBI") (hereinafter collectively referred to as "the Circulars").

#### II. Financial Year of the Company

The financial year covers the period April 1, 2022 to March 31, 2023. Financial reporting for FY 2023-24 (Indicative)

Quarter ending on June 2023:	Within 45 days from end of the quarter
Half year ending on September 2023:	Within 45 days from end of the quarter
Quarter ending on December 2023:	Within 45 days from end of the quarter
Year ending on March 2024:	Within 60 days from end of the quarter
Annual General Meeting (2023-24):	On or before September 30, 2024

#### III. Dividend Payment Date:

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

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

Equity shares of the Company are listed on:

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

The Company has paid the Listing Fees to BSE Limited for FY 2022-2023.  
**Corporate Identification Number** - L23209KA1977PLC043357

#### V. Stock market data:

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

(Figures in Rs.)

Months	BSE Ltd.	
	High	Low
April 2022	46.20	39.45
May 2022	47.50	34.15
June 2022	42.60	32.70
July 2022	47.80	37.05
August 2022	41.80	35.25
September 2022	42.75	34.00
October 2022	41.30	32.35
November 2022	46.10	35.00
December 2022	42.85	34.85
January 2023	37.55	32.60
February 2023	36.90	31.00
March 2023	34.80	29.00

#### VI. STOCK PERFORMANCE VS S&P BSE 500



#### VII. Registrar and Share Transfer Agents (RTA):

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

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

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

### VIII. Share Transfer system:

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

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

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

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

### IX. Distribution of shareholding:

#### a. Distribution of shareholding by Size as on March 31, 2023:

SI.No	Shareholding of Nominal Value	No. of share holders	% of Shareholders	No. of shares held	% of shareholding
1	1 - 5000	18049	96.5755	1408686	23.5994
2	5001 - 10000	420	2.2473	296247	4.9630
3	10001 - 20000	145	0.7759	205189	3.4375
4	20001 - 30000	23	0.1231	56592	0.9481
5	30001 - 40000	22	0.1177	72757	1.2189
6	40001 - 50000	8	0.0428	36241	0.6071
7	50001 - 100000	11	0.0589	76452	1.2808
8	100001 & ABOVE	11	0.0589	3817002	63.9453
	<b>Total:</b>	<b>18689</b>	<b>100.00</b>	<b>5969166</b>	<b>100.00</b>

#### b. Categories Of Shareholders As On March 31, 2023

Sr.No.	Category No. of Shares of Rs 10 each	% of Shareholding	
1	Promoter & Promoter Group	30,16,941	50.54
2	Financial Institutions	259	0.00
3	Bodies Corporate	37,715	0.63
4	Foreign Institutional Investors	60,000	1.01
5	Insurance Companies	7,02,618	11.77
6	Clearing Members	110	0.00
7	Mutual Funds	11,146	0.19
8	Non-Resident Indians	3,91,565	6.56
9	Public	17,28,504	28.96
10	Trusts	308	0.01
11	State Government	20,000	0.34
	<b>TOTAL</b>	<b>59.69.166</b>	<b>100</b>

**X. Break-Up Of Shares in Physical and Demat Form as on March 31, 2023:**

Description	No. of Shareholders	Shares	% To Equity
Physical	16231	1755594	29.41
NSDL	1388	3481587	58.33
CDSL	1070	731985	12.26
<b>TOTAL</b>	<b>18,689</b>	<b>5969166</b>	<b>100</b>

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

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

**XII. Commodity Price Risk or Foreign Exchange Risk and Hedging activities:**

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

**XIII. Plant location:**

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

**XIV. Credit Rating**

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

**XV. None of the securities are suspended from trading.****XVI. Address for Correspondence:**

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

**Mumbai:**  
Ecstasy, 718, 7<sup>th</sup> Floor,  
City of Joy, J.S.D. Road,  
Mulund West,  
Mumbai - 400080

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

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

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

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

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

**C. Vigil Mechanism / Whistle Blower Policy**

Pursuant to Section 177(9) and (10) of the Act and Regulation 22 of the Listing Regulations, the Company has formulated a Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The

mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Chairperson of the Audit Committee. The Whistle Blower Policy is displayed on the Company's website <https://gpl.in/admin/uploads/Vigil%20Mechanism%20Policy.pdf>

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

The Chairperson of the Audit Committee or Managing Director had not received any complaint during the Financial Year ended March 31, 2023.

**D. Details of compliance with mandatory requirements:**

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

**E. Policy on Subsidiary Companies:**

The Company has adopted the policy of subsidiary companies with specific reference to materially listed and unlisted subsidiary companies and the policy to be followed in such eventualities. As a matter of information, the only wholly owned subsidiary company viz. Gujarat Polybutenes Private Limited is falling under the category of Materially Unlisted Subsidiary Company in terms of the definition under Regulation 24 of the Listing Regulations. The Policy for determining the material subsidiaries is available at <https://gpl.in/images/Policy%20for%20determination%20of%20material%20subsidiary.pdf>

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

The merger was approved by the Honourable National Company Law Tribunal ('NCLT'), Mumbai bench on April 20, 2022 and the Bengaluru Bench on September 29, 2022.

All the necessary filings of the e-forms, Stock Exchange Intimations have been given by the Company in timely manner.

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

**F. Policy on Related Party Transactions:**

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

The Policy is intended to ensure that there is proper approval and reporting of transactions between the Company and its related parties. The Policy, after carrying out the necessary modifications in line with the amendments made from time to time, is placed on the website of the Company viz., [https://gpl.in/images/04\\_POLICY%20ON%20THE%20MATERIALITY%20OF%20RELATED%20PARTY%20TRANSACTIONS.pdf](https://gpl.in/images/04_POLICY%20ON%20THE%20MATERIALITY%20OF%20RELATED%20PARTY%20TRANSACTIONS.pdf)

**G. Details of Utilization of funds:**

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

**H. UNCLAIMED SHARES**

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

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2022	NIL	NIL
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	NIL	NIL
Number of shareholders to whom shares were transferred from suspense account during the year	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2023	NIL	NIL

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

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

**J. Recommendations of the Committees:**

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

**K. Fees paid to the Statutory Auditors:**

Total fees incurred by the Company including its subsidiaries, on a consolidated basis to the Statutory Auditors and all entities in their network / firm / network entity of which they are a part, is Rs. 358,670 (Three Lakh Fifty Eight Thousand Six Hundred Seventy Only)

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

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

**M. COMPLIANCE WITH NON-MANDATORY PROVISIONS**

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

- The position of the Chairperson of the Board of Directors and that of the Managing Director and the Chief Executive Officer are separate.
- The audit report on the Company's Financial Statements for the year ended 31st March, 2023 is unmodified.
- The Internal Auditors report directly to the Audit Committee.
- Your Company follows a robust process of communicating with the shareholders which have been elaborated in the Report under the heading "Means of Communication".

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

The disclosures for the Financial Year 2022-23 are as under: -

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





### O. Discretionary Disclosures:

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

a. Shareholders' Rights:

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

b. Audit Qualifications:

The Company's financial statements for the financial year 2022-23 do not contain any audit qualification.

c. Separate posts of Chairperson and CEO:

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

d. Reporting of Internal Auditor:

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

e. The Board:

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

f. Chief Executive Officer & Chief Financial Officer Certification:

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

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

For and on behalf of the Board of Directors

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

Date : 9<sup>th</sup> August, 2023

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### Declaration on adherence to the Code of Conduct

To,

#### The Members of Gujarat Petrosynthese Ltd.

I, Urmi Prasad, Joint Managing Director & CFO of the company hereby declare that the Directors and Senior Managerial Personnel of the Company have affirmed the compliance with the Company's Code of Conduct for the Board of Directors and Senior Management Personnel, during the year ended March 31, 2023.

For and on behalf of the Board of Directors

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

Date : 9<sup>th</sup> August, 2023



**Certificate on Corporate Governance**

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

We have examined the compliance of the conditions of Corporate Governance by Gujarat Petrosynthese Limited having CIN L23209KA1977PLC043357 (hereinafter referred to as the Company), for the financial year ended 31st March, 2023 as prescribed in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Para C, D, E and F of Schedule V to the Securities and exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as the Listing Regulations).

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

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

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

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

**(J. J. Gandhi)**  
Proprietor  
FCS No. 3519 and CP No. 2515  
P R No. 1174/2021  
UDIN number F003519E000744017

Place: Vadodara  
Date: 9th August, 2023

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

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

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

**(J. J. Gandhi)**  
Proprietor  
FCS No. 3519 and CP No. 2515  
P R No. 1174/2021  
UDIN number F003519E000744017

Place: Vadodara  
Date: 9th August, 2023

## INDEPENDENT AUDITORS' REPORTS

**To the Members of Gujarat Petrosynthese Limited**

### Report on the Audit of the Financial Statements Opinion

We have audited the Financial Statements of **Gujarat Petrosynthese Limited** ("the Company"), which comprise of the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2023;
- (b) in the case of the Statement of Profit and Loss (including Other Comprehensive Income), of the Profit for the year ended on that date;
- (c) in the case of the Statement of Changes in Equity, of the changes in equity for the year ended on that date; and
- (d) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Basis for Opinion**

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

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

#### **Key Audit Matter**

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

Key Audit Matters	Auditor's Response
Review of the value of stock-in-trade & investments held by the Company as on 31st March 2023.	<p><b>Principal Audit Procedures</b></p> <p>The assessment of various procedures adopted by the management which includes</p> <ul style="list-style-type: none"> <li>i) Ascertaining the value of investments and stock-in-trade held as at March 31, 2023.</li> <li>ii) Verification of amount invested, current value of investments, regularity of receipt of income on those investments and its fair classification and presentation in the audited financial statements.</li> <li>iii) Assessing the appropriateness of value of stock-in-trade disclosed in the financial statements.</li> </ul>

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

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g) With respect to the matters to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the company in accordance with the provisions of section 197 read with schedule V 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 – (refer note no. 33 of the financial statement).
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no dues which were required to be transferred to Investor Education and Protection Fund by the Company.
    - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement
- v. The Company has neither declared nor paid any dividend during the year.

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

Place : Mumbai  
Date : 30.5.2023  
UDIN : 22031626AJVRUC8017

**(Anil Lohia)**  
Partner  
Membership No: 031626

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**ANNEXURE – ‘A’ TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF GUJARAT PETROSYNTHESI LIMITED**

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

- i) a) The Company, on the basis of available information, is in the process of completing and reconciling its records showing full particulars including quantitative details and situations of Property Plant and Equipment;
- b) The Management of the Company has physically verified the Property Plant and Equipment in accordance with its policy of physical verification at reasonable intervals. The discrepancies, if any noticed during such verification have been suitably adjusted in the books of account. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets;
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company;
- d) According to information and explanations given to us and on the basis of examination of the records of the Company, none of its Property, Plant and Equipment or intangible assets or both are revalued during the year. Therefore, reporting under paragraph 3(i)(d) of the Order is not applicable.
- e) On the basis of available information, the Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- ii) a) According to the information and explanations given to us, the inventories have been physically verified at reasonable intervals by the management during the year and no material discrepancies have been noticed. In our opinion and according to the information and explanations given to us, the procedures followed by the management for physical verification of inventory are reasonable and adequate in relation to the size of the Company and the nature of the business.
- b) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of Rupees five crore, in the aggregate, from banks on the basis of security of current assets and hence reporting under paragraph 3(ii)(b) of the Order is not applicable to the Company.
- iii) According to the information and explanations given to us and on the basis of our examination of books of account, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties. Therefore, reporting under paragraph 3(iii) of the Order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, during the year the Company has not granted any loans. With respect to investments made during the year the Company has complied with the provisions of section 185 and 186 of the Act. The Company has not given any guarantee or security.
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder. Therefore, reporting under paragraph 3(v) of the Order is not applicable.

- vi) Since the turnover from all business activities in the preceding financial year does not exceed the prescribed limit for maintenance of cost records pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 148(1) of the Act, paragraph 3(vi) of the Order is not applicable.
- vii) a) According to the records of the Company, undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at March 31, 2023 for a period of more than six months from the date it became payable.
- b) According to the records of the Company and information and explanations given to us and the records of the Company examined by us, there are no pending dues to be deposited of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess on account of any disputes, except following:

Name of the Statute	Nature of Dues	Amount (INR '000)	Period	Forum where dispute is pending
Income Tax Act, 1961	Penalty	1,942	AY 2014-15	National Faceless Appeal Centre

- viii) On the basis of our examination of the books and according to the information and explanations given to us, there is no transaction which is not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) a) On the basis of our examination of the books and according to the information and explanations given to us, during the year, there are no defaults in repayment of dues to financial institutions, banks, Government or debenture holders.
- b) During the year the Company is not declared as wilful defaulter by any bank or financial institution or other lender.
- c) During the year the Company has not obtained any Term Loan.
- d) According to the information and explanations given to us, and the procedure performed by us, and on overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e) The Company does not have any subsidiaries, associates or joint ventures hence question of raising of any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures does not arise.
- f) The Company does not have any subsidiaries, associates or joint ventures hence question of raising of loans on the pledge of securities held in subsidiaries, joint ventures or associate companies, does not arise.
- x) a) In our opinion and on the basis of information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Therefore, reporting under paragraph 3(x)(a) of the Order is not applicable.
- b) In our opinion and on the basis of information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under paragraph 3(x)(b) of the Order is not applicable.
- xi) a) According to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of our audit.
- b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by the Cost auditor or the Secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanations given to us, during the year, no whistle blower complaint was received by the Company.
- xii) In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.



- xiii) According to information and explanations given to us and based on our examination of the records of the company, transactions with related parties are in accordance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in Financial Statements as required by applicable Ind AS.
- xiv) a) According to information and explanations given to us and based on our examination of the records of the Company, it has an internal audit system commensurate with the size and nature of its business.  
b) The reports of the Internal Auditors for the period under audit were considered by us.
- xv) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45- IA of Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.
- xvii) The Company has not incurred any cash loss in the current financial year and in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the date of balance sheet, as and when they fall due, within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) According to the information and explanations given to us and based on our examination of the records of the Company, provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company.
- xxi) The Company does not have any subsidiaries, associates or joint ventures. Therefore paragraph 3(xxi) of the Order is not applicable to the Company.

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

Place : Mumbai  
Date : 30.5.2023  
UDIN : 22031626AJVRUC8017

**(Anil Lohia)**  
Partner  
Membership No: 031626

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**ANNEXURE – ‘B’ TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF GUJARAT PETROSYNTHESE LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Gujarat Petrosynthese Limited** (“the Company”) as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

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

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

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

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

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

Place : Mumbai  
Date : 30.5.2023  
UDIN : 22031626AJVRUC8017

**(Anil Lohia)**  
Partner  
Membership No: 031626

## BALANCE SHEET AS AT 31st MARCH, 2023

(₹ in thousands)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
<b>A ASSETS</b>			
<b>I Non-Current Assets</b>			
Property, plant and equipment	3	20,234	20,265
Right to Use Assets	3	291	796
Financial Assets:			
Investments	4	226,192	227,380
Other	5	1,558	145,724
Other Non-current Assets	6	724	-
<b>Total Non-Current Assets</b>		<b>248,999</b>	<b>394,165</b>
<b>II Current Assets</b>			
Inventories	7	7,997	9,845
Financial Assets:			
Trade receivables	8	53,021	36,367
Cash and cash equivalents	9	7,108	11,980
Other financial assets	10	179,061	22,463
Other current assets	11	2,801	6,899
<b>Total Current Assets</b>		<b>249,989</b>	<b>87,554</b>
<b>TOTAL ASSETS</b>		<b>498,987</b>	<b>481,719</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
Equity share capital	12	59,692	59,692
Other equity	13	408,330	394,477
<b>Shareholder's fund</b>		<b>468,022</b>	<b>454,168</b>
<b>Liabilities</b>			
<b>II Non Current Liabilities</b>			
Financial Liabilities :			
Lease Liabilities	3	-	337
Deffered Tax Liabilities (Net)	14	6,882	5,296
<b>Total Non Current Liabilities</b>		<b>6,882</b>	<b>5,633</b>
<b>III Current Liabilities</b>			
Financial Liabilities :			
Trade payables	15	17,949	17,130
Lease Liabilities	3	337	511
Other financial liabilities	16	2,411	1,928
Short Term Provisions	17	647	1,972
Other current liabilities	18	1,222	378
Current tax liabilities (Net)	19	1,519	-
<b>Total Current Liabilities</b>		<b>24,084</b>	<b>21,919</b>
<b>Total Liabilities</b>		<b>30,966</b>	<b>27,551</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>498,987</b>	<b>481,719</b>
Significant accounting policies	1 to 2		
The accompanying notes form an integral part of the Financial Statements	3 to 38		

As per our report of even date

For and on behalf the Board of Directors

**For Dayal and Lohia**Chartered Accountants  
Firm Regn. No. 102200W**Urmi N. Prasad**  
Jt. Managing Director & CFO  
DIN : 00319482**Ms. Charita Thakkar**  
Jt. Managing Director  
DIN: 00321561**Anil Lohia**(Partner)  
Membership No. 31626  
PLACE : Mumbai  
DATE : 30-5-2023**Sagar Pahariya**  
(Company Secretary)

DATE : 30-5-2023

DATE : 30-5-2023

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2023

(₹ in thousands)

Particulars	Note No.	For the year ended As on 31.03.2023	For the year ended As on 31.03.2022
<b>INCOME</b>			
I Revenue from operations	20	195,515	300,193
II Other income	21	25,413	18,814
III <b>Total income (I+II)</b>		<b>220,929</b>	<b>319,007</b>
<b>IV EXPENSES</b>			
Cost of Materials Consumed	22	148,100	242,603
Changes in Inventories of Finished & WIP Products	23	362	(256)
Employee benefits expense	24	23,686	23,051
Finance costs	25	56	90
Depreciation and amortisation	3	2,504	2,158
Other expenses	26	25,293	26,909
<b>Total expenses (IV)</b>		<b>200,002</b>	<b>294,555</b>
V <b>Profit/(loss) before extraordinary item and tax (III-IV)</b>		<b>20,927</b>	<b>24,452</b>
VI <b>Extraordinary Items</b>	27	1,242	-
VII <b>Profit/(loss) before tax (V-VI)</b>		<b>19,685</b>	<b>24,452</b>
<b>VIII Tax Expense:</b>			
(1) Current tax		4,278	480
(2) Deferred tax		1,586	5,533
(3) Earlier year taxes		(33)	(935)
IX <b>Profit/(loss) for the year (VII-VIII)</b>		<b>13,854</b>	<b>19,375</b>
<b>X OTHER COMPREHENSIVE INCOME/(EXPENSE)- (OCI):</b>			
<b>Items that will not be reclassified to profit or loss</b>			
1. Items that will not be reclassified to profit or loss		-	-
2. Income tax effect on above		-	-
<b>Total other comprehensive income (OCI) for the year, net of tax expense</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR (IX+X)</b>		<b>13,854</b>	<b>19,375</b>
Earnings per equity shares (Face Value of Rs.10/- each)			
Basic and Diluted earnings per share	28	2.32	3.25
Significant accounting policies	1 to 2		
The accompanying notes form an integral part of the Financial Statements	3 to 38		

As per our report of even date

For and on behalf the Board of Directors

**For Dayal and Lohia**Chartered Accountants  
Firm Regn. No. 102200W**Urmi N. Prasad**  
Jt. Managing Director & CFO  
DIN : 00319482**Ms. Charita Thakkar**  
Jt. Managing Director  
DIN: 00321561**Anil Lohia**(Partner)  
Membership No. 31626  
PLACE : Mumbai  
DATE : 30-5-2023**Sagar Pahariya**  
(Company Secretary)

DATE : 30-5-2023

DATE : 30-5-2023

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

Rs. In Thousands

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit/(Loss) before tax	19,685	24,452
<b>Adjustments for :</b>		
<b>Add:</b>		
Depreciation	1,999	1,657
Amortisation	505	502
Written Off	2,608	189
Provision for Doubtful Debt	-	471
Interest Expense	56.48	90
	5,168	2,908
<b>Less:</b>		
Profit/Loss on sale of Investment	(979)	(298)
Profit/Loss on sale of Assets	(9)	-
Excess Provision written back	(930)	(77)
Dividend Income	(27)	(20)
Fair Value measurement of Investment	(10,431)	(7,181)
Interest Income	(12,934)	(11,072)
<b>Operating profit before working capital changes</b>	<b>(456)</b>	<b>8,712</b>
<b>Adjustments for :</b>		
Decrease / (Increase) of Inventories	1,849	(2,900)
Decrease / (Increase) of Loans (Current)	-	10
Decrease / (Increase) of Trade Receivables	(16,655)	(12,831)
Decrease / (Increase) of Financial Assets	(15,040)	(15,065)
Decrease / (Increase) of Other Assets	473	265
Decrease / (Increase) of Other Non Current Assets	(724)	-
(Decrease) / Increase of Trade Payables	820	1,643
(Decrease) / Increase of Financial Liabilities (Current)	483	556
(Decrease) / Increase of Short Term Provisions	(396)	300
(Decrease) / Increase of Other current liabilities	844	522
	(28,347)	(27,501)
<b>Cash Generated from Operations</b>	<b>(28,803)</b>	<b>(18,789)</b>
Income Tax Paid (Net of refund received)	900	179
<b>Net cash from Operating Activities</b>	<b>(27,902)</b>	<b>(18,610)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchases of fixed assets	(1,968)	(1,621)
Sale of Fixed Asset	9	-
Sale of Mutual Funds	12,600	22,347
Purchase of Mutual Fund	-	(1,455)
Sale of Investment	-	397
Investment in Canara Bonds	-	(10,117)
Interest Income	12,957	23,598
<b>Net cash used in Investing activities</b>	<b>23,598</b>	<b>20,623</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Lease Rental Paid	(567)	(540)
<b>Net cash from Financing Activities</b>	<b>(567)</b>	<b>(540)</b>
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	(4,872)	1,473
CASH & CASH EQUIVALENTS AS AT Opening Balance	11,980	10,507
<b>CASH &amp; CASH EQUIVALENTS AS AT CLOSING Balance</b>	<b>7,108</b>	<b>11,980</b>
Significant accounting policies	1 to 2	
The accompanying notes form an integral part of the Financial Statements	3 to 38	

As per our report of even date

For and on behalf the Board of Directors

**For Dayal and Lohia**Chartered Accountants  
Firm Regn. No. 102200W**Urmi N. Prasad**  
Jt. Managing Director & CFO  
DIN : 00319482**Ms. Charita Thakkar**  
Jt. Managing Director  
DIN: 00321561**Anil Lohia**(Partner)  
Membership No. 31626  
PLACE : Mumbai  
DATE : 30-5-2023**Sagar Pahariya**  
(Company Secretary)

DATE : 30-5-2023

DATE : 30-5-2023

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

(₹ in thousands)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
<b>EQUITY SHARE CAPITAL</b>			
Balance at the beginning of the year		59,692	59,692
Changes in equity share capital during the year		-	-
Balance at the end of the year		<u>59,692</u>	<u>59,692</u>

## OTHER EQUITY

(₹ in thousands)

Particulars	Reserves and Surplus					Total Other Equity
	Capital Reserve	Securities premium	Capital Reserve pursuant to Business Combination	General Earnings	Retained Equity	
<b>Balance as at 1 April 2021</b>	1,750	20,000	164,373	135,446	53,533	375,102
Profit/(loss) for the year			-	-	19,375	19,375
Other comprehensive income/(expense)				-	-	
Total comprehensive income/(expense)			-	-	19,375	19,375
<b>Balance as at 31 March 2022</b>	<b>1,750</b>	<b>20,000</b>	<b>164,373</b>	<b>135,446</b>	<b>72,907</b>	<b>394,477</b>
Profit/(loss) for the year	-	-	-	-	13,584	13,584
Other comprehensive income/(loss)	-	-	-	-	-	-
Total comprehensive income/(expense)	-	-	-	-	13,584	13,584
<b>Balance as at 31 March 2022</b>	<b>1,750</b>	<b>20,000</b>	<b>164,373</b>	<b>135,446</b>	<b>86,761</b>	<b>408,330</b>

**CAPITAL RESERVE**

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

**SECURITIES PREMIUM**

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

**GENERAL RESERVE**

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

**CAPITAL RESERVE PURSUANT TO BUSINESS COMBINATION**

Capital Reserve is a result of Business Combination pursuant to the Scheme of merger by absorption of Gujarat Polybutenes Private limited ("GPPL") (Transferor company) with Gujarat Petrosynthese Limited (Transferee company) under section 230 to 232 and other applicable provision of the Companies Act, 2013 vide order dated 20th April, 2022 and 29th September, 2022 of National Company Law Tribunal Mumbai Bench and Bengaluru Bench and represents the difference between the Net Assets of GPPL as on the appointed date i.e. 1st July, 2020 and Investment value of GPL in equity shares of GPPL.

**Significant Accounting Policies - Note 1**

The accompanying notes form an integral part of the Financial Statements

As per our report of even date

For and on behalf the Board of Directors

**For Dayal and Lohia**

Chartered Accountants  
Firm Regn. No. 102200W

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

**Ms. Charita Thakkar**  
Jt. Managing Director  
DIN: 00321561

**Anil Lohia**

(Partner)  
Membership No. 31626  
PLACE : Mumbai  
DATE : 30-5-2023

**Sagar Pahariya**  
(Company Secretary)

DATE : 30-5-2023

DATE : 30-5-2023

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023****CORPORATE INFORMATION**

GUJARAT PETROSYNTHESIS LIMITED ("the Company") is a public limited company, incorporated and domiciled in India having its registered office at No. 24, II Main Phase I, Doddanekkundi Industrial Area Mahadevpura Post, Bengaluru 560048 Karnataka, India. The equity shares of the Company are listed on BSE Limited. The Company is primarily engaged in the business of plastic polymers and blends.

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

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

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

**(ii) Fair value measurement**

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

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

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

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

**(iii) Revenue Recognition:**

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

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

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

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

Dividend income is accounted when right to receive is established.

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

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

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

**Subsequent expenditures:**

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

**Depreciation:**

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

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

**(v) Impairment of Non-Financial Assets:**

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

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

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

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

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

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

**Presentation:**

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

**(vii) Financial Instruments:**

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



**Financial Assets****Initial recognition and measurement**

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

**Subsequent measurement**

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

**i) Financial assets at amortised cost**

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

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

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

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

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

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

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

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

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

**iv) Equity instruments**

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

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

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

**Impairment of financial assets**

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

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

### **De-recognition**

A financial asset is derecognized when:

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

### **Financial Liabilities**

#### ● **Initial recognition and measurement**

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

#### ● **Subsequent measurement**

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

#### ● **Derecognition**

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

#### ● **Offsetting financial instruments**

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

### **(viii) Inventories:**

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

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

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

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

Consumables are charged to revenue in the year of purchase.

### **(ix) Taxes:**

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

i. Current Tax

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

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

ii. Deferred Tax

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

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

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

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

(x) **Employee benefits:**

**Short term employee benefits:**

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

**Defined contribution plans:**

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

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

**Defined benefit plans:**

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

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

**Long Term Compensated Absences**

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

(xi) **Finance Costs:**

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

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

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

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

**(xii) Cash and Cash Equivalents:**

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

**(xiii) Provisions & Contingent Liabilities:**

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

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

**Provision for Decommissioning Liability:**

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

**Disclosure:**

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

**(xiv) Earnings per share**

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

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

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

**(xv) Dividend**

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

**(xvi) Foreign Exchange Transactions**

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

**2. USE OF ESTIMATES AND JUDGEMENTS**

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

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

**i. Recognition and measurement of defined benefit obligations**

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

**ii. Fair value measurement of financial instruments**

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

**iii. Deferred taxes**

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

**NOTE 3 - PROPERTY, PLANT AND EQUIPMENT**

Particulars	Gross Block			Depreciation			Net Block		
	As at 01-04-2022	Additions	For the year ended 31-03-2023	As at 01-04-2022	For the year ended 31-03-2023	Deductions	For the year ended 31-03-2023	As at 31-03-2023	As at 31-03-2022
Leasehold Land	-	-	-	-	-	-	-	-	-
Freehold Land	4,419	-	4,419	-	-	-	-	4,419	4,419
Factory Buildings	4,292	-	4,292	1,928	313	-	2,241	2,051	2,364
Laboratory Equipment	116	-	116	116	-	-	116	0	0
Vehicle	5,515	-	5,515	3,363	482	-	3,845	1,670	2,152
Office Equipment	4,513	28	4,541	4,067	95	-	4,162	379	446
Furniture & Fixtures	1,492	185	1,677	1,254	26	-	1,280	398	238
Computer	1,235	80	1,311	1,053	63	4	1,112	200	182
Mobile	97	-	97	93	-	-	93	4	4
Plant & Machinery	17,084	1,675	18,758	6,766	1,021	-	7,787	10,972	10,318
Electrical Installation	121	-	121	-	-	-	-	121	121
Jigs and Moulds	120	-	120	100	-	-	100	20	20
<b>Total</b>	<b>39,004</b>	<b>1,968</b>	<b>40,968</b>	<b>18,739</b>	<b>1,999</b>	<b>4</b>	<b>20,734</b>	<b>20,234</b>	<b>20,265</b>
Rights of Use Assets	1,298	-	1,298	502	505	-	1,007	291	796

Particulars	Gross Block			Depreciation			Net Block		
	As at 01-04-2021	Additions	For the year ended 31-03-2022	As at 01-04-2021	For the year ended 31-03-2022	Deductions	For the year ended 31-03-2022	As at 31-03-2022	As at 31-03-2022
Leasehold Land	-	-	-	-	-	-	-	-	-
Freehold Land	4,419	-	4,419	-	-	-	-	4,419	4,419
Factory Buildings	4,292	-	4,292	1,615	313	-	1,928	2,364	2,677
Laboratory Equipment	116	-	116	116	-	-	116	0	0
Vehicle	5,515	-	5,515	2,958	405	-	3,363	2,152	2,557
Office Equipment	4,431	83	4,513	3,956	111	-	4,067	446	475
Furniture & Fixtures	1,492	1,492	1,492	1,238	17	-	1,254	238	255
Computer	1,195	41	1,235	1,014	39	-	1,053	182	181
Mobile	97	-	97	91	1	-	93	4	5
Plant & Machinery	15,586	1,498	17,084	5,854	911	-	6,766	10,318	9,732
Electrical Installation	121	-	121	-	-	-	-	121	121
Jigs and Moulds	120	-	120	100	-	-	100	20	20
<b>Total</b>	<b>37,383</b>	<b>1,621</b>	<b>39,004</b>	<b>16,941</b>	<b>1,798</b>	<b>-</b>	<b>18,739</b>	<b>20,265</b>	<b>20,442</b>
Rights of use Assets	-	1,298	1,298	-	502	-	502	796	-

Excess depreciation of earlier year -

-141

Particulars	As at 31-03-2023	As at 31-03-2022
Current	337	511
Non Current	-	337
	<b>337</b>	<b>847</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**
**4. NON-CURRENT INVESTMENTS**
**Details of Investments - (valued at cost, unless stated otherwise)**

Sr. No.	Particulars	Subsidiary	Face Value fully Paid	No. of Shares / Bonds		Value ('000)	
				31.03.2023	31.03.2022	31.03.2023	31.03.2022
<b>I</b>	<b>Investments in Equity Instruments</b>						
	<b>Unquoted</b>						
	<b>Investments valued at Cost</b>						
	Canara Bonds	Others	1,00,00,000	1	1	10,449	10,472
	Rural Electrification Corporation Bonds	Others	10,000	1	1	5,000	5,000
<b>II</b>	<b>Investments in Mutual Funds</b>						
	<b>Quoted</b>						
	<b>Investments valued at Fair Value through</b>						
	Baroda Treasury Adv Fund-Segregated Portfolio	Others		723	723	-	-
	Baroda BNP Paribas Medium Duration Fund	Others		75,550	75,550	1,208	1,161
	ICICI Mutual Fund	Others		5,711	5,464	572	547
	SBI Liquid Fund	Others		42,583	63,490	148,874	210,200
	SBI CPSE BP SDL Sep 2026 50:50 Direct Growth	Others		5,769,331	-	60,089	-
	<b>Total Non Current Investments</b>					<b>226,192</b>	<b>227,380</b>

Particulars	31.03.2023	31.03.2022
<b>Aggregate market value of quoted investments</b>		
Current	-	-
Non-Current	226,192	227,380

(₹ in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>5 Other Financial Assets (NON-CURRENT)</b> (Unsecured, considered good)		
Interest Accrued but not due	-	15,500
Fixed Deposits with more than 12 months maturity	32	126,560
Security Deposits	1,526	3,664
	<b>1,558</b>	<b>145,724</b>
<b>6 Other Assets (NON-CURRENT)</b> (Unsecured, considered good)		
Prepaid Expense - Non Current	724	-
	<b>724</b>	<b>-</b>
<b>7 Inventories</b>		
Raw Materials*	6,297	7,783
Work in Progress*	241	365
Finished Goods*	1,458	1,697
*(Mode of Valuation is specified in Note 1 (viii) of Significant Accounting Policies)		
	<b>7,997</b>	<b>9,845</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(` in thousands)

Particulars	As at 31st March, As at 31st March,	
	2023	2022
<b>8 Trade Receivables</b>		
Unsecured and considered good		
Trade Receivables	53,021	36,367
	<b>53,021</b>	<b>36,367</b>
Unsecured and considered doubtful		
Trade Receivables for more than six months	-471	-471
Less: Provision for doubtful debts	471	471
	<b>53,021</b>	<b>36,367</b>

**8.1 Trade Receivable Ageing schedule****As at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) Undisputed Trade receivables-considered good	51,789	1,233	0	0	0	53,021
(ii) Undisputed Trade Receivables-Credit impaired	0	0	0	0	471	471

**As at March 31, 2022**

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

**9 Cash and Cash Equivalents**

Cash in Hand	40	39
Balance in bank	7,069	11,942
	<b>7,108</b>	<b>11,980</b>

**10 Other Financial Asset (Current)**

Other Receivables	311	772
Fixed Deposits having maturity less than 12 months	153,573	21,073
Interest Accrued but not due - Current	25,178	618
	<b>179,061</b>	<b>22,463</b>

**11 Other Assets (Current)**

Prepaid Expenses	591	484
Advance Income Tax (net of provisions)	1,636	5,262
Advance to Vendors	54	271
Indirect Taxes Credit Recoverable	520	882
	<b>2,801</b>	<b>6,899</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(in 'thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>12. SHARE CAPITAL</b>		
<b>AUTHORISED</b>	140,000	140,000
*1,40,00,000 (31st March, 2022 - 1,40,00,000) Equity Shares of 10/- each	40,000	40,000
*40,00,000 (31st March, 2022 - 40,00,000) shares 5% Non-Cumulative Redeemable Preference Shares of Rs. 10/- each	180,000	180,000

\* Includes Increased authorised share capital pursuant to the Scheme of merger by absorption of Gujrat Polybutenes Private limited (Transferor company) with Gujarat Petrosynthese Limited (Transferee company) under section 230 to 232 and other applicable provision of the Companies Act, 2013 of National Company Law Tribunal Mumbai Bench and Bengaluru Bench dated 20th April, 2022 and 29th September, 2022. As per the scheme, the authorised share capital of the Transferee company, automatically stand increased by clubbing the authorised share capital of the transferor company.

**ISSUED, SUBSCRIBED AND PAID UP**

59,69,166 (31 March 2022- 59,69,166)  
Equity shares Of 10/- each

59,692      59,692

**Total issued, subscribed and fully paid up share capital**

**59,692      59,692**

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

Particulars	31.03.2023		31.03.2022	
	Equity Shares		Equity Shares	
	Number	Value ('000)	Number	Value ('000)
Shares outstanding at the beginning of the year	59,69,166	59,692	59,69,166	59,692
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>59,69,166</b>	<b>59,692</b>	<b>59,69,166</b>	<b>59,692</b>

**b. Terms/rights attached to the equity shares**

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

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

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

Name of Shareholder	31.03.2023		31.03.2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Yashashree Commercial Services Private Limited	800,000	13.40%	800,000	13.40%
Charita Thakkar	605,272	10.14%	605,272	10.14%
Life Insurance Corporation Of India	528,801	8.86%	533,765	8.94%
Multichem Private Limited	524,684	8.79%	476,419	7.98%
Rajender Prasad Nuthakki	437,030	7.32%	437,030	7.32%
Ursula Rameshchandra Thakkar	352,906	5.91%	352,906	5.91%

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023****d. Equity Shares held by promoters at the end of the year - FY 2022-23**

Promoter name	No. of shares	% of total shares	% Change during the year
Yashashree Commercial Services Pvt Ltd	800,000	13.40%	0.00%
Charita Thakkar	605,272	10.14%	0.00%
Multichem Pvt Ltd	524,684	8.79%	10.13%
Rajender Prasad Nuthakki	437,030	7.32%	0.00%
Ursula Thakkar	352,906	5.91%	0.00%
Urmi N Prasad	290,000	4.86%	0.00%
Anantha Lakshmi N	4,638	0.08%	0.00%
Adhik Narayan Shirodkar	2,116	0.04%	0.00%
Smita Prakash Mayenkar	195	0.00%	0.00%
Rajendra Adhik Shirodkar jointly with Nandita Rajendra Shirodkar	100	0.00%	0.00%

**e. Equity Shares held by promoters at the end of the year - FY 2021-22**

Promoter name	No. of shares	% of total shares	% Change during the year
Yashashree Commercial Services Pvt Ltd	800,000	13.40%	0.00%
Charita Thakkar	605,272	10.14%	0.00%
Multichem Pvt Ltd	476,419	7.98%	0.09%
Rajender Prasad Nuthakki	437,030	7.32%	1.97%
Ursula Thakkar	352,906	5.91%	0.00%
Urmi N Prasad	290,000	4.86%	-1.97%
Anantha Lakshmi N	4,638	0.08%	0.00%
Adhik Narayan Shirodkar	2,116	0.04%	0.00%
Smita Prakash Mayenkar	195	0.00%	0.00%
Rajendra Adhik Shirodkar jointly with Nandita Rajendra Shirodkar	100	0.00%	0.00%

Particulars	31.03.2023 (in 'thousands)	31.03.2022 (in 'thousands)
<b>13. OTHER EQUITY</b>		
<b>CAPITAL RESERVE</b>		
Opening balance	1,750	1,750
Addition during the year	-	-
Closing balance	<b>1,750</b>	<b>1,750</b>
<b>SECURITIES PREMIUM ACCOUNT</b>		
Opening balance	20,000	20,000
Addition/(utilisation) during the year	-	-
Closing balance	<b>20,000</b>	<b>20,000</b>
<b>CAPITAL RESERVE PURSUANT TO BUSINESS COMBINATION</b>		
Opening balance	164,373	164,373
Addition/(utilisation) during the year	-	-
Closing balance	<b>164,373</b>	<b>164,373</b>
<b>GENERAL RESERVE</b>		
Opening balance	135,446	135,446
Addition/(utilisation) during the year	-	-
Closing balance	<b>135,446</b>	<b>135,446</b>
<b>RETAINED EARNINGS</b>		
Opening balance	72,907	53,533
Profit / (Loss ) for the year	13,854	19,375
Closing balance	<b>86,761</b>	<b>72,907</b>
<b>Total other equity</b>	<b>408,330</b>	<b>394,477</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**
**CAPITAL RESERVE**

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

**SECURITIES PREMIUM RESERVE**

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

**GENERAL RESERVE**

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

**CAPITAL RESERVE PURSUANT TO BUSINESS COMBINATION**

Capital Reserve is a result of Business Combination pursuant to the Scheme of merger by absorption of Gujrat Polybutenes Private limited ("GPPL") (Transferor company) with Gujarat Petrosynthese Limited (Transferee company) under section 230 to 232 and other applicable provision of the Companies Act, 2013 vide order dated 20th April, 2022 and 29th September, 2022 of National Company Law Tribunal Mumbai Bench and Bengaluru Bench and represents the difference between the Net Assets of GPPL as on the appointed date i.e. 1st July, 2020 and Investment value of GPL in equity shares of GPPL.

	As at March 31, 2023	As at March 31, 2022
	(in'thousands)	(in'thousands)
<b>14. Deferred Tax Liabilities (Net)</b>		
Deferred Tax Liabilities :		
On Property Plant and Equipment	1,272	1,316
On Fair Value of Investments	5,697	4,061
Deferred Tax Asset :		
On ROU Asset and Lease Liabilities	-12	24
On Carried forward losses	-76	-105
	<b>6,882</b>	<b>5,296</b>

(₹ in thousands)

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

	Opening balance as at 01.04.2022	Recognized in Profit and Loss	Closing balance as at 31.03.23
Property, plant and equipment	1,316	-43	1,272
Unused tax credit/losses	-105	29	-76
On Fair Value of Investments	4,061	1,636	5,697
On ROU Asset and Lease Liabilities	24	-35	-12
<b>Net deferred tax liability (net)</b>	<b>5,296</b>	<b>1,586</b>	<b>6,882</b>

(₹ in thousands)

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

	Opening balance as at 01.04.2021	Recognized in Profit and Loss	Closing balance as at 31.03.22
Property, plant and equipment	1,299	17	1,316
Unused tax credit/losses	-4,176	4,072	-105
On Fair Value of Investments	2,640	1,421	4,061
On ROU Asset and Lease Liabilities	-	24	24
<b>Net deferred tax liability (net)</b>	<b>-237</b>	<b>5,533</b>	<b>5,296</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(in'thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>15. Trade payables</b>		
Trade Payables to Micro Small Medium Enterprise	1,090	1,164
Trade Payables to Others	16,860	15,966
	<b>17,949</b>	<b>17,130</b>

**15.1 Trade Receivable Ageing schedule****As at March 31, 2023**

Particulars	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	Total
(i) MSME	1,090	0	0	0	1,090
(ii) Others	16,691	0	169	0	16,860

**As at March 31, 2022**

Particulars	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	Total
(i) MSME	1,164	0	0	0	1,164
(ii) Others	15,797	169	0	0	15,966

**16 Other financial liabilities (Current)**

Other Payables	2,411	1,928
	<b>2,411</b>	<b>1,928</b>

**17 Provisions (Short Term)**

Provision for Employee Benefits :		
Provision for Exgratia	647	1,972
	<b>647</b>	<b>1,972</b>

**18 Other current liabilities**

Advance from Customers	64	21
Statutory Dues Payable	1,157	356
	<b>1,222</b>	<b>378</b>

**19 Other current liabilities (Net)**

Current Tax Liabilities (Net)	1,519	-
	<b>1,519</b>	<b>-</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(in'thousands)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>20 Revenue from operations</b>		
Sale of Goods	186,790	295,517
Sale of Services	8,725	4,676
	<b>195,515</b>	<b>300,193</b>
<b>21 Other income</b>		
Interest income on financial assets:		
Interest Income	12,934	11,072
Interest on Income Tax Refund	1,004	129
Dividend Income	27	20
Profit on Sale of Fixed Assets	9	-
Rent Income	30	-
Profit on Sale of Investment	979	298
Fair Value measurement of Investments	10,431	7,181
Specimen Testing Charges	-	22
Excess Provision written back	-	77
Miscellaneous Income	-	16
	<b>25,413</b>	<b>18,814</b>
<b>22 Cost of Materials Consumed</b>		
Opening Stock of Raw Materials	7,783	5,139
Purchase of Raw Materials	146,614	245,248
Less : Closing Stock of Raw Materials	6,297	7,783
	<b>148,100</b>	<b>242,603</b>
<b>23 Changes in Inventories of Finished &amp; WIP Products</b>		
Opening Stock of Finished Goods and Working in Progress	2,062	1,806
Less: Closing Stock of Finished Goods and Work in Progress	1,700	2,062
	<b>362</b>	<b>-256</b>
<b>24 Employee benefits expense</b>		
Salaries and Wages	21,013	20,793
Contribution to provident and other funds	2,410	1,901
Staff welfare expenses	264	358
	<b>23,686</b>	<b>23,051</b>
<b>25 Finance Costs</b>		
Finance Cost	56	90
	<b>56</b>	<b>90</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

(in'thousands)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>26 Other Expenses</b>		
Bank Charges	16	17
Computer Expenses	121	120
Consumption of Stores and Spares	341	478
Director's Sitting Fees	473	420
Advertisement	282	576
Demat Charges	2	-
Donations	36	1
<u>Auditor's Remuneration</u>		
Audit Fees	250	250
Tax Audit Fees	63	63
Company Law Matter	106	105
Other services	177	85
Out of Pocket Expense	3	-
Fees and Subscription Expenses	442	487
Foreign Travelling Expenses	553	-
Freight Inward Expenses	793	1,348
Freight Outward Expenses	185	741
General Expenses	985	680
Insurance Expenses	630	565
Labour Charges	5,618	5,777
Legal and Professional Fees	3,204	3,021
Meeting Expense	49	-
Postage & Courier Expenses	170	164
Power and Fuel Expenses	5,744	6,915
Printing and Stationery Expenses	262	183
Provision for Doubtful Debts	-	471
Rates & Taxes	195	175
Rental Expenses	26	26
Repair & Maintenance - Building	392	9
Repair & Maintenance - Other	18	9
Repair & Maintenance - Plant and Machinery	1,067	2,023
Sales Commission	421	-
Security Expenses	788	762
Sundry Balances Written Off	436	189
Telephone Expense & Mobile Expense	159	186
Travelling and Conveyance Expenses	309	138
Vehicle Maintenance Expenses	976	926
	<b>25,293</b>	<b>26,909</b>
<b>27 Extraordinary Items</b>		
Deposit Written off	2,172	-
Sundry Balances Written Back	-930	-
	<b>1,242</b>	<b>-</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**
**28 EARNINGS PER SHARE**

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

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1. Profit after Tax (In '000)	13,854	19,375
2. Weighted average number of shares outstanding during the year	5,969,166	5,969,166
3. Face value of shares	10	10
4. Basic / Diluted EPS	2.32	3.25

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

The carrying value of financial instruments by categories are as follows: (in'thousands)

Particulars	31.03.2023				31.03.2022			
	At cost	FVTOCL	FVTPL	Amortised cost	At cost	FVTOCL	FVTPL	Amortised cost
<b>Financial Assets</b>								
Investments in other equity	-	-	-	-	-	-	-	-
Investments in Bonds	-	-	-	15,449	-	-	-	15,472
Investments in Mutual Funds	-	-	210,743	-	-	-	211,908	-
Loans	-	-	-	-	-	-	-	-
Trade receivable	-	-	-	53,021	-	-	-	36,367
Cash and cash equivalents	-	-	-	7,108	-	-	-	11,980
Other financial assets	-	-	-	180,619	-	-	-	168,187
	-	-	<b>210,743</b>	<b>256,198</b>	-	-	<b>211,908</b>	<b>232,006</b>
<b>Financial Liabilities</b>								
Lease Liabilities	-	-	-	337	-	-	-	847
Trade payables	-	-	-	17,949	-	-	-	17,130
Other financial liabilities	-	-	-	2,411	-	-	-	1,928
	-	-	-	<b>20,697</b>	-	-	-	<b>19,905</b>

**b) Fair value hierarchy and Method of valuation**

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

	31st March, 2023			31st March, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments in Mutual Funds	210,743	-	-	211,908	-	-

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

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**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

**c) Risk management framework**

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

**d) Financial Risk Management**

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

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

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

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

**Trade receivables**

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

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

**Other Financial Assets**

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

**ii) Liquidity Risk**

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

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



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**
**Exposure to liquidity risk**

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

(in'thousands)

	Carrying amount	Contractual cash flows				
		Total	Within 1 year	1-2 years	2-5 years	More than 5 years
March 31, 2023						
<b>Financial liabilities</b>						
Borrowings	-	-	-	-	-	-
Lease Liabilities	337	337	337	-	-	-
Trade payables	17,949	17,949	17,949	-	-	-
Other Financial Liabilities	2,411	2,411	2,411	-	-	-
	<b>20,697</b>	<b>20,697</b>	<b>20,697</b>	<b>-</b>	<b>-</b>	<b>-</b>
March 31, 2022						
<b>Financial liabilities</b>						
Lease Liabilities	847	847	511	337	-	-
Trade payables	17,130	17,130	17,130	-	-	-
Other Financial Liabilities	1,928	1,928	1,928	-	-	-
	<b>19,905</b>	<b>19,905</b>	<b>19,569</b>	<b>337</b>	<b>-</b>	<b>-</b>

**iii) Market Risk**

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

**Currency risk**

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

**Interest rate risk**

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

**Commodity price risk**

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

**30. CAPITAL MANAGEMENT**

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

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

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**

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

	March 31, 2023	April 01, 2022
Borrowing	-	-
Cash & cash equivalents	7,108	11,980
Net Debt (restricted to zero, if cash and cash equivalents are greater than borrowings)	(7,108)	(11,980)
Total equity	468,022	454,168
Debt/Equity ratio	0.00%	0.00%

**31 EMPLOYEE BENEFITS**
**I) Defined Contribution Plans**

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

**II) Defined Benefit Plans**
**GRATUITY**

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

Membership Data:	Plan A		Plan B	
	2022-23	2021-22	2022-23	2021-22
Number of Members	17	18	6	6
Average Age	45.76	44.56	49.83	48.83
Average Monthly Salary	22,036.11	19,496	61,840	51,728
Average Past Service	16.30	15.06	13.50	12.83

Acturial Assumptions:	Plan A		Plan B	
	2022-23	2021-22	2022-23	2021-22
Mortality Rate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate	LIC (2006-08) Ultimate
Withdrawal Rate	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age	1% to 3% depending on age
Discount Rate	7.25% p.a	7% p.a	7.25% p.a	7% p.a
Salary Escalation	6%	6%	6%	6%

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Results of Valuation:	Plan A		Plan B	
	2022-23	2021-22	2022-23	2021-22
Present Value of Past Service Benefit	3,756	3,117	2,510	2,250
Current Service Cost	197	170	39	30
PV of Defined Benefit Obligation	3,952	3,287	2,549	2,280
Fund Value	3,952	3,287	2,549	2,280

Amount Recognized in Balance Sheet:	Plan A		Plan B	
	2022-23	2021-22	2022-23	2021-22
Present value of defined benefit obligation at end of the year	3,952	3,287	2,549	2,280
Fair value of plan assets at end of the year	3,952	3,287	2,549	2,280
Net liability / (asset) recognized in the Balance Sheet	0	0	0	0

**Expenses recognised in statement of Profit and Loss:**

	Plan A	
	2022-23	2021-22
Grauity Expense recognised (including Provision)	523	386

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

**32. Related party disclosure**

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

(a) Key management personnel and their relatives	Mrs. Urmi N. Prasad - Joint Managing Director and CFO Mrs. Charita Thakkar - Joint Managing Director Ms. Pratiksha Parmar - Company Secretary (upto 21.03.2022) Mr. Divyaraj Chandwaskar - Company Secretary (from 12.08.2022 to 07.11.2022) Mr. Sagar Pahariya - Company Secretary (w.e.f 14.11.2022)
(b) Non Executive/Independent Directors	Mr. Rajesh Parikh Mr. M.D Garde Mr. V. Raghu
(c) Where persons mentioned in (a) exercise significant influence	Multichem Private Limited Yashashree Commercial Services Private Limited

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**
**(ii) Transactions with related parties**

Type of related party	Description of the nature of transactions	Volume of Transactions during 2022-23	Volume of Transactions during 2021-22	Balance as on 31.03.2023 Receivable/ (Payable)	Balance as on 31.03.2022 Receivable/ (Payable)
		(Rs.in "000")	(Rs.in "000")	(Rs.in "000")	(Rs.in "000")
(a) Key management personnel and their relatives	<b>Director's Remuneration and</b> Mrs. Urmi N. Prasad Mrs. Charita Thakkar Ms. Pratiksha Parmar Mr. Divyaraj Chandwaskar Mr. Sagar Pahariya	3,149 2,916 - 65 97	2,804 2,559 267 - -	-79 -155 - - -20	-275 -365 -14 - -
(b) Non Executive/ Independent Directors	<b>Sitting fees</b> Mr. Rajesh Parikh Mr. M.D Garde Mr. V. Raghu	158 158 158	150 120 150	- - -	- - -
(c) Where persons mentioned in (a) exercise significant influence	Multichem Private Limited	30	-	-	-

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

**33. Contingent Liabilities**

The Transferor company had received Income Tax Assessment order for A.Y. 2014-15. The loss claimed as per ROI of Rs. 2,02,07,941/- has been reduced due to disallowance of depreciation of Rs. 33,32,341/- and addition on account of non reconciliation of interest of Rs. 23,81,548/-. Therefore, loss has been reduced to Rs. 1,44,94,052/-. Since, Final figure is loss determined, no demand of tax is raised. The penalty proceedings have been completed u/s 271(1)(c) of the IT Act levying penalty of Rs. 19,42,150/-. The part payment of Rs. 4,00,000/- is made against penalty demand till decision of appeal. The said company has belatedly filed an appeal against the said assessment order and the order levying Penalty. No provision is made for the said liability.

- 34 The Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench and Bengaluru Bench vide order dated 20th April, 2022 and 29th September, 2022 have sanctioned the Scheme of Merger by Absorption of Gujarat Polybutenes Private Limited ('GPPL') ("Transferor Comapny") with the Company under section 230 to 232 of the Companies Act, 2013 and thereby the books of accounts of GPPL has been merged with the Company w.e.f. the Appointed Date of 1st July, 2020 by taking all the assets and liabilities of the transferor company at its book value as on the said appointed date. Consequently, the aforesaid Financials Statements as on 31st March, 2022 has been restated to give effect of the merger in accordance with Appendix C of Ind AS 103 - Business Combination.
- 35 The Segment Reporting as required by IND AS-108 "Operating Segments" is not reported as the Company is operating only in one segment.
- 36 As per information available with the Company regarding Micro, Small and Medium Enterprises ('MSME') Parties as defined under Micro, Small and Medium Enterprises Development Act, 2006; there is no overdue payment as per the time limit specified within the said act and hence, no interest is due to be paid. Therefore, the disclosures as required by the said act are made to the extent applicable.
- 37 Previous year figures have been regrouped , reclassified and restated as per Ind AS and Schedule III of Companies Act, 2013.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**
**38. Analytical Ratios**

	<b>Ratio Analysis (Formula used for computing ratio)</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>	<b>% Variance</b>	<b>Reason for Variance</b>
i	Current Ratio - In times (Current Asseto / Current Liabilities)	10.38	3.99	-159.85%	Due to increase in current asset on account of maturity of Fixed Deposit
ii	Debt-Equity Ratio - In times (ToialDebt/Share fiolder Equity)	-	-		Not applicable as the Company do not have any debt
iii	Debt Service Coverage Ratio - In times (Earning Available for debt se /v/re /Debl Service)	-	-		
iv	Return on Equity Ratio - In % (Net proTit afier taxes-Preference dividend / Average Shareholder's Equity)	3.00	4.36	31.07%	Due to decrease in profit as compared to previous year
v	Inventory Turnover Ratio - In Days (Sales /Aver age Inventory)	16.65	10.21	-63.16%	Due to change in levels of operations, Inventory Turnover ratio is changed.
vi	Trade Receivable turnover Ratio - In Days (Net credit sale /Average arco*nts receivable)	83.44	36.70	-127.33%	Due to change in levels of operations, Trade Receivable Turnover ratio is changed.
vii	Trade Payable turnover Raño - In Days (Net credit purchase / Average trade payable)	43.66	24.27	-79.91%	Due to change in levels of operations, Trade Payable Turnover ratio is changed.
viii	Net Capital turnover Ratio - In times (Net Sa/es / Average working capita{)	0.87	4.57	81.08%	Due to change in levels of operations, Net Capital Turnover ratio is changed.
ix	Net Profit Ratio - In % (Net Profit (before Extraordinary item) / Net Salesj	7.72	6.45	-19.63%	-
x	Relum on Capital Employed (Earning below interest and taxes / Capital Employed)	4.16	5.34	22.17%	-
ix	Return on Investment (Income from /nves/men//Average Investment)	5.51	3.54	-55.82%	Due to higher fair value gain as compaed to previous year.





## **GUJARAT PETROSYNTHESE LIMITED**

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