

# G. M. Polyplast Limited

CIN No.: U25200MH2003PLC143299 ISO 9001 : 2015 CERTIFIED

Mfgs. of : HIPS / G.P., A.B.S., P.P. & HDPE Sheets

Corporate Office : A/66, New Empire Industrial Estate, Kondivita Road,  
Andheri (E), Mumbai - 400 059. Tel.: 022 - 2820 9552 / 2836 9722 / 2836 9403

## Directors' Report

To,  
The Members  
G M POLYPLAST LIMITED

The Directors present the 17<sup>th</sup> Annual Report of G M POLYPLAST LIMITED (the Company) along with the audited financial statements for the financial year ended March 31, 2020.

### 1. Financial Summary or Highlights:

During the financial year under review, performance of your company as under:

(Amount in Rs.)		
Particulars	March 31, 2020	March 31, 2019
Revenue from Operations	63,14,53,430	68,11,86,061
Other Income	28,44,193	22,64,212
<b>Total Revenue</b>	<b>63,42,97,623</b>	<b>68,64,50,273</b>
<b>Less: Expenses</b>		
Cost of materials consumed	52,41,59,602	58,33,04,335
Change in inventories of Finished goods, work-in-progress and stock-in-trade	28,21,258	42,84,595
Other Manufacturing expenses	2,42,19,745	2,40,43,763
Employee Benefit Expense	1,46,44,880	1,18,30,132
Other Expenses	2,82,78,138	3,11,79,104
<b>Total Expenses</b>	<b>59,41,23,623</b>	<b>65,46,41,928</b>
<b>Earnings before exceptional items, extraordinary items, interest, tax, depreciation &amp; amortization (EBITDA)</b>	<b>4,01,74,000</b>	<b>2,88,08,345</b>
Finance Costs	23,19,411	36,29,982
Depreciation	78,02,534	43,66,356
<b>Profit before exceptional items, extraordinary items &amp; tax</b>	<b>3,00,52,055</b>	<b>2,08,12,008</b>
Exceptional items	-	-
<b>Profit before extraordinary items &amp; tax</b>	<b>3,00,52,055</b>	<b>2,08,12,008</b>
Extraordinary items - Prior Period item	7,83,132	
<b>Profit before Tax</b>	<b>2,92,68,923</b>	<b>2,08,12,008</b>
Current Tax Expenses	87,40,000	54,50,000
Tax Expense relating to prior years	(22,634)	-
Deferred Tax Expenses	(23,79,421)	(4,03,631)
<b>Profit for the year after tax</b>	<b>2,29,30,979</b>	<b>1,57,65,639</b>
<b>Earnings Per Share (of Rs. 10/- each)</b>		
Basic & Diluted	229.31	157.66

For G M Polyplast Limited

  
Mg. Director

For G M Polyplast Limited

  
Director

**2. State of company's affairs:**

For the financial year ended 31<sup>st</sup> March, 2020, gross revenues and other income is **Rs. 63,42,97,623/-** (Sixty three crore forty two lakh ninety seven thousand six hundred twenty three rupees) compared to **Rs. 68,64,50,273/-** (Sixty eight crore sixty four lakh fifty thousand two hundred seventy three rupees) as on 31<sup>st</sup> March, 2019.

The company has made a net profit of **Rs. 2,29,30,978/-** (Two crore twenty nine lakh thirty thousand nine hundred seventy eight rupees) for the year ended 31<sup>st</sup> March, 2020 as compared to the previous year loss of **Rs. 1,57,65,639/-** (One crore fifty seven lakh sixty five thousand six hundred thirty nine rupees) for the year ended 31<sup>st</sup> March, 2019.

**3. Number of meetings of the board:**

The board of directors met 5 (Five) during the financial year ended 31<sup>st</sup> March, 2020.

**4. Dividend:**

The Board of Directors of your company, after considering holistically the relevant circumstances, has decided that it would be prudent, not to recommend any Dividend for the year under review.

**5. Transfer to Reserves:**

No amount was transferred to the Reserves for the year under review.

**6. Directors:**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Sarita Dinesh Sharma, Executive Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

**For G M Polyplast Limited**

  
**Mg. Director**

**For G M Polyplast Limited**

  
**Director**

**7. Key Managerial Personnel:**

Mr. Tushar Nitinchandra Pandya and Ms. Dimple Amrit Parmar were appointed as Chief Financial Officer and Company Secretary, respectively, (Key Managerial Personnel(s)) of the Company in the meeting of the Board of Directors held on August 30, 2020.

Ms. Dimple Amrit Parmar is also designated as the Compliance Officer of the Company.

Mr. Dinesh Balbirsingh Sharma, Existing Director, was appointed as the Managing Director of the Company in the meeting of the members held on February 27, 2020.

**8. Extract of Annual Return:**

The extract of Annual Return required under Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is annexed herewith as Annexure I and has been uploaded on the Company's website. The web-link as required under the Companies Act, 2013 is as under:

<http://www.gmpolyplast.com>

**9. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:**

A) In terms of authority given to the Board of Directors by the Articles of Association of the Company and pursuant to the Ordinary Resolution passed by the shareholders in Extra Ordinary General Meeting held on March 19, 2020, the board of directors had allotted 15,00,000 (Fifteen Lakh) equity shares, having a nominal value of Rs. 10/- (Ten Rupees) each at a price of Rs. 10/- (Ten rupees) per share aggregating to Rs. 1,50,00,000/- (One crore fifty lakh rupees) as fully paid bonus shares to the existing shareholders of the company in the meeting of Board of Directors held Monday, June 22, 2020.

The Company had with the requisite approvals, converted itself from Private Limited Company to Limited Company by passing special resolution in the meeting of the members of the Company held on July 06, 2020 & fresh Certificate of Incorporation was issued to company by Registrar of Companies, Mumbai on July 30, 2020.

B) The members of the Company had passed the Special Resolution in Extra Ordinary General Meeting held on August 30, 2020 for listing its Equity shares on SME Platform of BSE Limited ("SME Exchange"). The company has appointed M/S. Gretex Corporate Services Private Limited as Lead Manager to execute the listing procedure in compliance with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018, SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 & Securities Contract Regulation Act, 1956.

**For G M Polyplast Limited**

  
**Mg. Director**

**For G M Polyplast Limited**

  
**Director**

C) The Board of Directors had constituted the following committees vide the Board Resolution passed by the Directors in Board Meeting held on September 05, 2020:

i. Audit Committee consisted of following persons:

Name of the Director	Designation in Committee	Nature of Directorship
Dinesh Ravjibhai Rathod	Chairman	Non-Executive Director / Independent Director
Subramanian Ramaswamy Vaidya	Member	Non-Executive Director / Independent Director
Balbirsingh Bholuram Sharma	Member	Non-Executive Director / Non-Independent Director
Dinesh Balbirsingh Sharma	Member	Managing Director / Non-Independent Director

ii. Nomination and Remuneration Committee consisted of following persons:

Name of the Director	Designation in Committee	Nature of Directorship
Subramanian Ramaswamy Vaidya	Chairman	Non-Executive Director / Independent Director
Dinesh Ravjibhai Rathod	Member	Non-Executive Director / Independent Director
Balbirsingh Bholuram Sharma	Member	Non-Executive Director / Non-Independent Director
Sarita Dinesh Sharma	Member	Executive Director / Non-Independent Director

iii. Stakeholders Relationship Committee consisted of following persons:

Name of the Director	Designation in Committee	Nature of Directorship
Dinesh Ravjibhai Rathod	Chairman	Non-Executive Director / Independent Director
Subramanian Ramaswamy Vaidya	Member	Non-Executive Director / Independent Director
Balbirsingh Bholuram Sharma	Member	Non-Executive Director / Non-Independent Director
Sarita Dinesh Sharma	Member	Executive Director / Non-Independent Director

For G M Polyplast Limited

  
Mg. Director

For G M Polyplast Limited

  
Director

D) The Company had adopted the following policies vide the Board Resolution passed by the Directors in Board Meeting held on September 05, 2020.

- i. Policy on code of conduct for Directors and Senior Management.
- ii. Policy on code of practices and procedures for fair disclosures of unpublished price sensitive information.
- iii. Policy on Whistle Blower and Vigil Mechanism.
- iv. Policy on Related Party Transactions.
- v. Policy on preservation of document and archival of documents.
- vi. Policy on prevention of Sexual Harassment.
- vii. Policy on disclosures and internal procedures for prevention of Insider Trading.
- viii. Policy on materiality for disclosures of events to stock exchanges.
- ix. Policy on code of Independent Directors and policy on familiarisation of Independent Directors.

**10. Details of directors or key managerial personnel who were appointed or have resigned during the year:**

(A) During the financial year under review, the board of directors of the company was duly constituted. The changes in the board of directors or key managerial personnel of the company are as follows:

- i) Mr. Balbirsingh Bholuram Sharma was appointed as a Director on the Board of the Company w.e.f. February 27, 2020.
- ii) Mr. Dinesh Balbirsingh Sharma, who was appointed as the Director of the Company, now appointed as Managing Director w.e.f. February 27, 2020.

(B) Mr. Subramanian Ramaswamy Vaidya and Mr. Dinesh Ravjibhai Rathod were appointed as Independent Directors of the Company in the meeting of the members held on September 03, 2020.

**11. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

There was no significant or material order passed by any regulator or court or tribunal, which impacts the going concern status of the company or will have bearing on company's operations in future.

For G M Polyplast Limited

  
Mg. Director

For G M Polyplast Limited

  
Director

**12. Details in respect of frauds reported by auditors under sub-section (12) of section 143:**

During the financial year under review, there were no frauds reported by the auditors under sub-section (12) of section 143.

**13. Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the auditor in their report:**

There are no qualification, reservation or adverse remark or disclaimer made by the auditor in their report.

**14. Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188:**

During the financial year under review, the Company has entered into related party transactions covered u/s. 188 of the Companies Act, 2013. Therefore, disclosure in Form AOC- 2 for the financial year 2019-20 is annexed with this report as Annexure II.

**15. Loans from Directors/Relatives of Directors:**

The company has not accepted any loans from the directors of the Company or their relatives.

**16. Auditors:**

The Company had appointed **M/s Vivek V. Joshi & Associates., Chartered Accountants**, as Statutory Auditors for the financial year 2019-20. However **M/s Vivek V. Joshi & Associates.**, had resigned w.e.f. June 1, 2020 from the designation of Statutory Auditors of the Company.

**M/s Anay Gogte & Co., Chartered Accountants, (FRN: 100398W)**, had been appointed as Statutory Auditors of the Company for the financial year 2019-20 to fill the casual vacancy up to the conclusion of ensuing Annual General Meeting of the Company in the Extra Ordinary General Meeting held on July 6, 2020.

Your directors recommend the re-appointment of **M/s. Anay Gogte & Co., Chartered Accountants, (FRN: 100398W)**, as Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting upto the conclusion of the 22<sup>nd</sup> Annual General Meeting to be held for the financial year ending March 31, 2025.

**17. Changes in the nature of business of the company:**

During the financial year under review, there was no change in the nature of business of the company.

**For G M Polyplast Limited**

  
**Mg. Director**

**For G M Polyplast Limited**

  
**Director**

**18. Particulars of loans, investments, guarantees or securities under section 186:**

During the financial year under review, the company has not provided any loan or made any investment or given any guarantee or provided any security in respect of any loan to any person as mentioned in Section 186 of the Companies Act, 2013

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

**a. Conservation of Energy and Technology Absorption**

In terms of requirements of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with respect to conservation of energy, the board of directors wish to inform the members that the company always takes necessary measures to conserve the energy wherever possible by installing electronic equipments which marginally reduce the consumption of electricity and by spreading awareness among the employees of the company about the optimum utilization and conservation of electricity and water resources of the company.

The management always searches for and takes into consideration new developments in the market and the technology so as to absorb the new technology in carrying out the business activities of the company.

**b. Foreign Exchange Earnings And Outgo**

Foreign Exchange Earnings	-	Rs. 3,11,59,367/-
Foreign Exchange Outgo	-	Rs. 2,54,29,857/-

**20. Details of companies which have become or ceased to be subsidiaries, joint ventures or associate companies during the year/ Highlights of performance of subsidiaries, associates and joint venture companies:**

The company does not have any subsidiary company, associate company or joint venture.

**21. Statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company:**

Your company understands that risk evaluation and risk mitigation is a function of the board of directors of the company. The Board is fully committed to developing a sound system for identification and mitigation of applicable risks—viz., systemic and non-systemic—on a continuous basis. The board is of the opinion that at present, there are no material risks that may threaten the very existence and functioning of your company.

For G M Polyplast Limited

  
Mg. Director

For G M Polyplast Limited

  
Director

**22. Details in respect of adequacy of internal financial controls with reference to the Financial Statements:**

- a) Your directors hereby report that, your company has maintained adequate internal controls commensurate with its size and its nature of the operation. There are suitable monitoring procedures in place to provide reasonable assurance for accuracy and timely reporting of the financial information and compliance with the statutory requirements. There are proper policies, guidelines and delegation of powers issued for the compliance of the same across the company.
- b) For the purpose of ensuring accuracy in the preparation of the financials, your company has implemented various checks and balances like periodic reconciliation of major accounts, review of accounts, obtaining confirmation of various balances and proper approval mechanism.
- c) Your company has documented all major processes in the area of expenses, bank transactions, payments, statutory compliances and period end financial accounting process. Your company is continuously putting its efforts to align the processes and controls with the best practices in the industry.

**23. Public Deposits:**

During the year under review, the Company has not accepted or renewed any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

**24. Details about the policy developed and implemented by the company on corporate social responsibility initiatives taken during the year:**

As the Company is not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year, the company is not required to comply with the provisions of Section 135 of the Companies Act, 2013 with the regard to the formation of the CSR Committee and undertaking of social expenditure as required under the said section.

**25. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178:**

The provisions of sub-section (3) of section 178 of the Companies Act, 2013 are not applicable to the Company.

For G M Polyplast Limited

  
Mg. Director

For G M Polyplast Limited

  
Director



**26. Safeguard at workplace:**

The management takes due care of employees with respect to safeguard at workplace. Further, no complaints are reported by any employee pertaining to sexual harassment.

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

During the year under review, The Company was not required to appoint independent directors, hence no such declaration was obtained.

However, on September 03, 2020 Mr. Subramanian Ramaswamy Vaidya and Mr. Dinesh Ravjibhai Rathod were appointed as Independent Directors of the Company, who had issued the required declarations.

**28. Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013:**

The Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013.

**29. Directors' Responsibility Statement:**

Your directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and as required under Section 134(3) (c) of the Companies Act, 2013 state that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that year;
- c. the directors have taken proper and sufficient care 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 directors have prepared the annual accounts on a going concern basis; and
- e. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

For G M Polyplast Limited



Mg. Director

For G M Polyplast Limited



Director

**30. Compliances of applicable Secretarial Standards:**

During the financial year under review, the Company has complied with provisions of Secretarial Standards as applicable to the company.

**31. Acknowledgement:**

Your directors wish to thank the stakeholders of the company for their continued support and co-operation and employees for their dedication and the excellence they have displayed in conducting the business operations of the company.

**For and on behalf of the Board of Directors**

**G M Polyplast Limited**  
For G M Polyplast Limited

For G M Polyplast Limited

  
**Dinesh Sharma**  
Mg. Director  
Managing Director  
DIN: 00418667

**Sarita Sharma**  
Director  
DIN: 00128337

  
Director

**Place: September 05, 2020**  
**Date: Mumbai**

# G. M. Polyplast Limited

CIN No.: U25200MH2003PLC143299 ISO 9001 : 2015 CERTIFIED

Mfgs. of : HIPS / G.P., A.B.S., P.P. & HDPE Sheets

Corporate Office : A/66, New Empire Industrial Estate, Kondivita Road, Andheri (E), Mumbai - 400 059. Tel.: 022 - 2820 9552 / 2836 9722 / 2836 9403

## Annexure - I

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31<sup>st</sup> March, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. Registration and other details:

1.	CIN	U25200MH2003PLC143299
2.	Registration Date	November 27, 2003
3.	Name of the Company	G M POLYPLAST LIMITED
4.	Category / Sub-Category of the Company	Company limited by shares / Non-govt Company
5.	Address of the Registered office and contact details	A-66, New Empire Industrial Estate Kondivita Road, Andheri East, Mumbai - 400059
6.	Whether listed company	Unlisted
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	-

#### II. Principal business activities of the company:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the product/ service	% to total turnover of the company
1.	Manufacture of Plastic Sheets & Rolls	99885200	100%

#### III. Particulars of holding, subsidiary and associate companies:

Sr. No.	Name & Address of the company	CIN / GLN/BUSINESS ID.	Holding / subsidiary / associate	% of shares held	Applicable Section
-	-	-	-	-	-

For G M Polyplast Limited

For G M Polyplast Limited

Mg. Director


Director

**IV. Share holding pattern: (Equity Share Capital Breakup as percentage of Total Equity)**

i) Category-wise Share Holding:

Category of Shareholders	No. of shares held at the beginning of the year[As on 31-March-2019]				No. of shares held at the end of the year[As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	-	10,000	10,000	100	-	1,00,000	1,00,000	100	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	-	<b>10,000</b>	<b>10,000</b>	<b>100</b>	-	<b>1,00,000</b>	<b>1,00,000</b>	<b>100</b>	-
(2) Foreign									
a) NRIs -	-	-	-	-	-	-	-	-	-
b) Other -	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	-	<b>10,000</b>	<b>10,000</b>	<b>100</b>	-	<b>1,00,000</b>	<b>1,00,000</b>	<b>100</b>	-
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-

For G M Polyplast Limited

  
Mg. Director

For G M Polyplast Limited

  
Director

c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing	-	-	-	-	-	-	-	-	-

For G M Polyplast Limited

  
Mg. Director

For G M Polyplast Limited

  
Director

Members									
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	-	<b>10,000</b>	<b>10,000</b>	<b>100</b>	-	<b>1,00,000</b>	<b>1,00,000</b>	<b>100</b>	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>10,000</b>	<b>10,000</b>	<b>100</b>	-	<b>1,00,000</b>	<b>1,00,000</b>	<b>100</b>	-

ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2019)			Shareholding at the end of the year (31.03.2020)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Dinesh Sharma	5,000	50	-	50,000	50	-	-
2.	Sarita Sharma	5,000	50	-	50,000	50	-	-
	<b>Total</b>	<b>10,000</b>	<b>100</b>	-	<b>1,00,000</b>	<b>100</b>	-	-

iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sr. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	<b>Dinesh Sharma</b>						
	At the beginning of the year	-	-	5,000	50	5,000	50

For G M Polypplast Limited

  
Mg. Director

For G M Polypplast Limited

  
Director

	Changes during the year	29/02/2020	Sub-division	45,000	-	45,000	-
	At the end of the year	-	-	50,000	50	5,000	50
2.	<b>Sarita Sharma</b>						
	At the beginning of the year	-	-	5,000	50	50,000	50
	Changes during the year	29/02/2020	Sub-division	45,000	-	45,000	-
	At the end of the year	-	-	50,000	50	50,000	50

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): **Not applicable**

v) Shareholding of Directors:

Sr. No.		Shareholding at the beginning of the period		Cumulative Shareholding during the period	
	For Each of the Directors and KMP	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Dinesh Sharma					
1	At the beginning of the year	5,000	50	5,000	50
2	Date wise increase/ decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	45,000	-	45,000	-
3	At the end of the year	50,000	50	50,000	50
Sarita Sharma					
1	At the beginning of the year	5,000	50	5,000	50
2	Date wise increase/ decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	45,000	-	45,000	-
3	At the end of the year	50,000	50	50,000	50

For G M Polyplast Limited

  
Mg. Director

For G M Polyplast Limited

  
Director

**V. Indebtedness:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2,37,82,562	50,00,000	-	2,87,82,562
ii) Interest due but not paid	-		-	-
iii) Interest accrued but not due	-		-	-
<b>Total (i+ii+iii)</b>	<b>2,37,82,562</b>	<b>50,00,000</b>	<b>-</b>	<b>2,87,82,562</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	28,22,315	-	-	28,22,315
Reduction	(12,76,959)	(50,00,000)	-	(62,76,959)
<b>Net Change</b>	<b>15,45,356</b>	<b>(50,00,000)</b>	<b>-</b>	<b>(34,54,644)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2,53,27,918	-	-	2,53,27,918
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2,53,27,918</b>	<b>-</b>	<b>-</b>	<b>2,53,27,918</b>

**VI. Remuneration of directors and key managerial personnel:**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount (Rs.)
		Dinesh Sharma(MD)			
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	12,00,000	-	-	12,00,000
	(b) Value of perquisites u/s				-

For G M Polyplast Limited

  
Mg. Director

For G M Polyplast Limited

  
Director



	17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify-	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>12,00,000</b>	<b>-</b>	<b>-</b>	<b>12,00,000</b>

**B. Remuneration to other Directors:**

Sr. No.	Particulars of Remuneration	Total Amount (Rs.)
<b>Sarita Dinesh Sharma</b>		
1	Independent Directors	
	Fee for attending board committee meetings	-
	Commission	-
	Others	-
	Total (1)	-
2	Other Non-Executive Directors	
	Fee for attending board committee meetings	-
	Commission	-
	Others	12,00,000
	Total (2)	12,00,000
	<b>Total (B)=(1+2)</b>	-
	<b>Total Managerial Remuneration</b>	<b>12,00,000</b>

For G M Polyplast Limited

  
**Mg. Director**

For G M Polyplast Limited

  
**Director**

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD:

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO (Tushar Nitinchandra Pandya) Appointed on 30/08/2020	Total Amount (Rs.)
1	Gross salary  (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	6,02,400	6,02,400
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify-	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	-	-	6,02,400	6,02,400

VII. Penalties / Punishment/ Compounding of Offences: Nil

For and on behalf of the Board of Directors

G M Polyplast Limited

For G M Polyplast Limited

Dinesh Sharma

Managing Director

DIN: 00418667

Place: September 05, 2020

Date: Mumbai

Sarita Sharma

Director

DIN: 00128337

Director

# G. M. Polyplast Limited

CIN No.: U25200MH2003PLC143299 ISO 9001 : 2015 CERTIFIED

Mfgs. of : HIPS / G.P., A.B.S., P.P. & HDPE Sheets

Corporate Office : A/66, New Empire Industrial Estate, Kondivita Road,  
Andheri (E), Mumbai - 400 059. Tel.: 022 - 2820 9552 / 2836 9722 / 2836 9403

## Annexure - II Form No. AOC-2

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

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

- Details of contracts or arrangements or transactions not at Arm's length basis: **Nil Not Applicable**
- Details of contracts or arrangements or transactions at Arm's length basis:

Sr. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	Dinesh Sharma, Managing Director
b.	Nature of contracts/arrangements/transaction	Rent
c.	Duration of the contracts/arrangements/transaction	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e.	Date of approval by the Board	July 15, 2019
f.	Amount paid as advances, if any	-

Sr. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	Sarita Sharma, Director
b.	Nature of contracts/arrangements/transaction	Rent
c.	Duration of the contracts/arrangements/transaction	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e.	Date of approval by the Board	July 15, 2019
f.	Amount paid as advances, if any	-

Sr. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	Balbirsingh Sharma HUF (HUF of Director)
b.	Nature of contracts/arrangements/transaction	Sales Commission
c.	Duration of the contracts/arrangements/transaction	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e.	Date of approval by the Board	July 15, 2019
f.	Amount paid as advances, if any	-

For G M Polyplast Limited

  
Mg. Director

For G M Polyplast Limited

  
Director

Sr. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	Mukesh Sharma HUF (Associate Concern)
b.	Nature of contracts/arrangements/transaction	Sales Commission
c.	Duration of the contracts/arrangements/transaction	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e.	Date of approval by the Board	July 15, 2019
f.	Amount paid as advances, if any	-

Sr. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	Mahima Mukesh Sharma (Relative of Director)
b.	Nature of contracts/arrangements/transaction	Sales Commission
c.	Duration of the contracts/arrangements/transaction	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e.	Date of approval by the Board	July 15, 2019
f.	Amount paid as advances, if any	-

Sr. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	Jyoti Dinesh Sharma (Relative of Director)
b.	Nature of contracts/arrangements/transaction	Service Availed
c.	Duration of the contracts/arrangements/transaction	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e.	Date of approval by the Board	July 15, 2019
f.	Amount paid as advances, if any	-

**For and on behalf of the Board of Directors**

**G M Polyplast Limited**  
For G M Polyplast Limited

**For G M Polyplast Limited**

**Dinesh Sharma**  
Managing Director  
DIN: 00418667  
Place: September 05, 2020  
Date: Mumbai

**Sarita Sharma**  
Director  
DIN: 00128337

*[Signature]*  
Director

**INDEPENDENT AUDITOR'S REPORT**To the Members of **G M Polyplast Limited**

Report on the Audit of the Standalone Financial Statements

**Opinion**

We have audited the standalone financial statements of **G M Polyplast Limited** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibility of Management for Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 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.

**Report on Other Legal and Regulatory Requirements**

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

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

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.

(a) 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.

(b) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(d) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(e) 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".

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

- i. The Company does not have any pending litigation which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



**ANAY GOGTE**

F.C.A., C.M.A., C.S.

**NEELAM THORAT**

B.A.F., A.C.A.

**ANAY GOGTE & CO.**

**CHARTERED ACCOUNTANTS**

1/F-6, Krishna Nagar, Chandavarkar Road,  
Borivali (West), Mumbai - 400 092.

Tele fax : 2894 3101, 2890 3450

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Mumbai

Date: 5<sup>th</sup> September 2020

UDIN: 20037046AAAAGB2110

For Anay Gogte & Co.,  
Chartered Accountants  
Firm Registration No.100398 W



[A. R. Gogte]  
Partner

Membership No.037046



**Annexure A Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2020:**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.  
c) The title deeds of immovable properties included in the fixed assets of the company are held in the name of the company.
- ii. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- ii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits to which the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, are applicable. Therefore, Clause 3(v) of the Order is not applicable to the Company.
- vi. As informed to us, the Central Government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Act.
- vii. a) Undisputed statutory dues including provident fund, income tax, GST, duty of custom, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, GST, duty of custom, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.  
(c) According to the records of the Company, there are no dues outstanding of income tax, GST, duty of custom and cess on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us and based on the records of the Company, the Company has not defaulted in repayment of dues to banks. There are no dues to any financial institution, government or debenture holders.
- ix. According to the information and explanations given by the management, the Company has not raised any money way of further public offer / debt instruments and term loans hence; reporting under clause (ix) is not applicable to the Company and hence not commented upon.





**ANAY GOGTE**

F.C.A., C.M.A., C.S.

**NEELAM THORAT**

B.A.F., A.C.A.

**ANAY GOGTE & CO.****CHARTERED ACCOUNTANTS**1/F-6, Krishna Nagar, Chandavarkar Road,  
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x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the company has been noticed or reported during the year.

xi. In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

xii. According to the information and explanations given by the management, transactions with the related parties are in compliance with the section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xiii. According to the information and explanations given to us, the company has not made any preferential allotment of shares or fully or partly convertible debentures during the year.

xiv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.

xv. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

Place: Mumbai

Date: 5<sup>th</sup> September 2020

For Anay Gogte & Co.,  
Chartered Accountants  
Firm Registration No.100398 W



[A. R. Gogte]  
Partner

Membership No.037046

**ANAY GOGTE**

F.C.A., C.M.A., C.S.

**NEELAM THORAT**

B.A.F., A.C.A.

**ANAY GOGTE & CO.**

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**"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of G M Polyplast 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 G M Polyplast Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**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 judgement, including the



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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 authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.



**ANAY GOGTE**

F.C.A., C.M.A., C.S.

**NEELAM THORAT**

B.A.F., A.C.A

**ANAY GOGTE & CO.**

**CHARTERED ACCOUNTANTS**

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**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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Mumbai

Date: 5<sup>th</sup> September 2020

For Anay Gogte & Co.,  
Chartered Accountants  
Firm Registration No.100398 W



[A. R. Gogte]  
Partner

Membership No.037046

Particulars		Note No.	As at 31 March, 2020	As at 31 March, 2019
			Rs.	Rs.
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	2	1,000,000	1,000,000
	(b) Reserves and surplus	3	78,721,372	55,790,393
			79,721,372	56,790,393
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	4	2,681,121	8,958,080
	(b) Deferred tax liabilities (net)	31	-	1,647,937
			2,681,121	10,606,017
<b>3</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	5	22,646,797	19,824,482
	(b) Trade payables	6	130,696,098	163,009,450
	(c) Other current liabilities	7	6,352,300	4,717,043
	(d) Short-term provisions	8	10,351,520	21,548,489
			170,046,715	209,099,464
	<b>TOTAL</b>		<b>252,449,207</b>	<b>276,495,874</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property Plant & Equipment			
	(i) Tangible assets	9	29,545,159	30,183,615
	(b) Non-current investments	10	10,442,728	10,126,491
	(c) Long-term loans and advances	11	4,231,040	3,581,040
	(d) Deferred Tax asset	31	731,484	-
			44,950,412	43,891,146
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	12	37,050,094	45,493,383
	(b) Trade receivables	13	124,700,215	136,939,390
	(c) Cash and cash equivalents	14	27,195,144	13,918,973
	(d) Short-term loans and advances	15	18,553,343	36,252,983
			207,498,796	232,604,729
	<b>TOTAL</b>		<b>252,449,207</b>	<b>276,495,874</b>
	<b>Significant Accounting Policies</b>	1		
The accompanying notes form an integral part of the financial statements				

As per our report of even date

For Anay Gogte &amp; Co.

Chartered Accountants

Firm Registration Number 100398W

(A.R.Gogte)

Partner

Membership no. 037046



For and on behalf of the Board of Directors

Dinesh Sharma

Managing Director

DIN 00418667

Sarita Sharma

Director

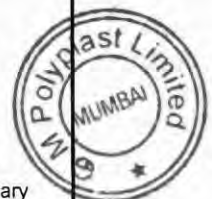
DIN 00128337

Tushar Pandya

Chief Financial Officer

Dimple Parmar

Company Secretary



Place : Mumbai

Date : 05-09-2020

Place : Mumbai

Date : 05-09-2020



**G M Polyplast Limited (Formerly G M Polyplast Private Limited)**  
**Statement of Profit and Loss for the year ended 31 March, 2020**

Particulars	Note No.	For the year ended 31 March, 2020	For the year ended 31 March, 2019
		Rs.	Rs.
<b>I Income</b>			
Revenue from operations	16	631,453,430	681,186,061
Other Income	17	2,844,193	2,264,212
<b>Total Income</b>		<b>634,297,623</b>	<b>683,450,273</b>
<b>II Expenses</b>			
(a) Cost of materials consumed	18 (i)	524,159,602	583,304,335
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	18 (ii)	2,821,258	4,284,595
(c) Other Manufacturing Expenses	19	24,219,745	24,043,763
(d) Employee benefits expense	20	14,644,880	11,830,132
(e) Other expenses	21	28,278,138	31,179,104
<b>Total Expenses</b>		<b>594,123,623</b>	<b>654,641,928</b>
<b>III Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA)</b>		<b>40,174,000</b>	<b>28,808,345</b>
Finance costs	22	2,319,411	3,629,982
Depreciation	9	7,802,534	4,366,356
		<b>10,121,945</b>	<b>7,996,337</b>
<b>IV Profit / (Loss) before exceptional and extraordinary items and tax</b>		<b>30,052,055</b>	<b>20,812,008</b>
Exceptional items		-	-
<b>V Profit / (Loss) before extraordinary items and tax</b>		<b>30,052,055</b>	<b>20,812,008</b>
Extraordinary items- Prior Period Item		783,132	-
<b>VI Profit / (Loss) before tax</b>		<b>29,268,923</b>	<b>20,812,008</b>
<b>VII Tax expense:</b>			
(a) Current tax expense		8,740,000	5,450,000
(b) Tax expense relating to prior years		-22,634	-
(c) Deferred tax	31	-2,379,421	-403,631
		<b>6,337,944</b>	<b>5,046,369</b>
<b>VIII Profit / (Loss) for the year after tax</b>		<b>22,930,979</b>	<b>15,765,639</b>
<b>IX Earnings Per share (of Rs. 10/- each)</b>			
Basic and Diluted	29	229.31	157.66
<b>Significant Accounting Policies</b>	1		
The accompanying notes form an integral part of the financial statements			

As per our report of even date  
For Anay Gogte & Co.  
Chartered Accountants  
Firm Registration Number 100398W

(A.R. Gogte)  
Partner  
Membership no. 037046



For and on behalf of the Board of Directors



Dinesh Sharma  
Managing Director  
DIN 00418667

Sarita Sharma  
Director  
DIN 00128337

Tushar Pandya  
Chief Financial Officer

Dimple Parmar  
Company Secretary

Place : Mumbai  
Date : 05-09-2020

Place : Mumbai  
Date : 05-09-2020

**G M Polyplast Limited (Formerly G M Polyplast Private Limited)**  
**Notes forming part of the financial statements**

**Note 2 Share capital**

Particulars	As at 31 March, 2020		As at 31 March, 2019	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised				
Equity shares of Rs. 100 each with voting rights			10,000	1,000,000
Equity shares of Rs. 10 each with voting rights	2,000,000	20,000,000		
(b) Issued				
Equity shares of Rs. 100 each with voting rights			10,000	1,000,000
Equity shares of Rs. 10 each with voting rights	100,000	1,000,000		
(c) Subscribed and fully paid up				
Equity shares of Rs. 100 each with voting rights			10,000	1,000,000
Equity shares of Rs. 10 each with voting rights	100,000	1,000,000		
<b>Total</b>	<b>100,000</b>	<b>1,000,000</b>	<b>10,000</b>	<b>1,000,000</b>

Particulars		
<b>Notes:</b>		
2 (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:		
Particulars	Opening Balance	Closing Balance
Equity shares with voting rights		
Year ended 31 March, 2020		
- Number of shares	10,000	100,000
- Amount (Rs.)	100,000	1,000,000
Increase in shares due to stock split (face value reduced to Rs. 10 each)		
- Number of shares		90,000
- Amount (Rs.)		Nil
Year ended 31 March, 2019		
- Number of shares	10,000	10,000
- Amount (Rs.)	100,000	100,000

2 (ii) The Company has issued only one class of equity shares having a par value of Rs. 10 per share( Previous year Rs.100 each). Each holder of Equity Share is entitled to one vote per share.

2 (iii) At the shareholders' meeting dated 29 February,2020, a resolution was passed for split of face value of Equity shares from Rs. 100 to Rs.10. Pursuant to the split, the subscribed share capital of the company stands at Rs. 10,00,000/- comprising 100,000 equity shares of Rs. 10/- each.

2 (iv) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2020		As at 31 March, 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Dinesh Balbeer Sharma	50,000	50	5,000	50
Sarita Dinesh Sharma	50,000	50	5,000	50



**G M Polyplast Limited (Formerly G M Polyplast Private Limited)**  
**Notes forming part of the financial statements**

**Note 3 Reserves and surplus**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
(a) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	55,790,393	40,024,755
Add: Profit / (Loss) for the year	22,930,979	15,765,638
<b>Total</b>	<b>78,721,372</b>	<b>55,790,393</b>

**Note 4 Long Term Borrowings**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
(a) Term loans		
From banks		
Secured	2,681,121	3,958,080
	2,681,121	3,958,080
(b) Loans and advances from related parties		
Unsecured	-	5,000,000
<b>Total</b>	<b>2,681,121</b>	<b>8,958,080</b>

**Note 4(i)**

Secured Loan includes car loan from Axis Bank secured by first charge on car

Secured loan includes loan for Machinery from IDBI Bank secured by

a) First charge on machinery

b) Personal guarantee of directors

Unsecured loan from director is interest free and terms of repayment not stipulated





**G M Polyplast Limited (Formerly G M Polyplast Private Limited)**  
**Notes forming part of the financial statements**

**Note 5 Short Term Borrowings**

Particulars	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
(a) Loans repayable on demand		
From banks		
Cash Credit facility with Yes Bank Limited	22,646,797	19,824,482
<b>Total</b>	<b>22,646,797</b>	<b>19,824,482</b>

**Note 5 (i)**

Cash Credit facility is secured by

- Hypothecation of Stock and Book Debts
- Personal guarantee of directors
- Equitable mortgage of industrial premises owned by directors

**Note 6 Trade Payables**

	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
For Goods	119,177,270	151,028,599
For Expenses	11,518,828	11,980,850
<b>Total</b>	<b>130,696,098</b>	<b>163,009,450</b>

**Note 7 Other Current Liabilities**

	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Current maturities of Long term debt	1,195,049	1,637,385
Statutory payables	254,655	7,220
Advances from customers	4,902,596	3,072,438
<b>Total</b>	<b>6,352,300</b>	<b>4,717,043</b>

**Note 8 Short Term Provisions**

	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Provision for employee benefits	1,611,520	90,489
Provision - Others:		
(i) Provision for taxation	8,740,000	21,458,000
<b>Total</b>	<b>10,351,520</b>	<b>21,548,489</b>



**G M Polyplast Limited (Formerly G M Polyplast Private Limited)**  
Notes forming part of the financial statements

(Amount In Rupees)

**Note 9 Property Plant & Equipment**

Tangible Assets	Rate of depreciation (%)	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		As at 1st April 2019	Addition	Deletions	As at 31st March 2020	As at 1st April 2019	For the year	Deletions	As at 31st March 2020
Factory Land & Building	9.5	8,724,474	-	-	8,724,474	3,595,349	487,117	-	4,082,466
Plant & Equipment	18.1	34,417,183	7,431,579	1,125,000	40,723,762	17,507,232	4,127,325	857,499	20,777,058
Electric Installation	25.89	4,223,047	-	-	4,223,047	2,582,129	424,838	-	3,006,967
Computers	63.16	58,000	-	-	58,000	46,468	4,995	-	51,464
Office equipments	45.07	223,621	-	-	223,621	138,894	28,756	-	167,651
Motor Car	31.23	8,713,160	-	-	8,713,160	2,305,796	2,729,503	-	5,035,299
<b>Total</b>		<b>56,359,485</b>	<b>7,431,579</b>	<b>1,125,000</b>	<b>62,666,064</b>	<b>26,175,870</b>	<b>7,802,534</b>	<b>857,499</b>	<b>33,120,905</b>
Previous Year		48,885,060	10,930,951	3,456,526	56,359,485	24,575,880	4,366,356	2,766,366	26,175,870
									30,183,616
									30,183,616
									24,309,181



**G M Polyplast Limited (Formerly G M Polyplast Private Limited)**  
**Notes forming part of the financial statements**

**Note 10 Non Current Investment**

	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
250 (unquoted) Shares of Saraswat Cooperative Bank Limited	25,000	25,000
Bank deposits with maturity more than 12 months	9,665,120	9,254,011
Interest Accrued	752,608	847,480
<b>Total</b>	<b>10,442,728</b>	<b>10,126,491</b>

**Note 11 Long Term Loans & Advances**

	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
(Unsecured, considered good)		
Security Deposits	4,231,040	3,581,040
<b>Total</b>	<b>4,231,040</b>	<b>3,581,040</b>

**Note 12 Inventories**

At Lower of Cost or Realisable Value

	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Raw Materials	31,231,614	36,853,645
Finished Goods	5,818,480	8,639,738
<b>Total</b>	<b>37,050,094</b>	<b>45,493,383</b>

**Note 13 Trade Receivables**

	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Unsecured, considered good @	124,700,215	136,939,390
<b>Total</b>	<b>124,700,215</b>	<b>136,939,390</b>

@Includes an amount of Rs. 44,72,886.04 /-(P.Y. Rs.26,34,961/-)Outstanding for a period exceeding 6 months from the date due for payment

**Note 14 Cash & Cash Equivalents**

	As at 31 March, 2020	As at 31 March, 2019
	Rs.	Rs.
Cash on Hand	640,497	964,468
Balances with Banks		
- Current Accounts	26,424,450	12,824,289
Other bank balances	130,197	130,216
<b>Total</b>	<b>27,195,144</b>	<b>13,918,973</b>



**G M Polyplast Limited (Formerly G M Polyplast Private Limited)**  
**Notes forming part of the financial statements**

**Note 15 Short Term Loans & Advances**

	<u>31st March 2020</u>	<u>31st March 2019</u>
	Rs.	Rs.
(Unsecured, considered good)		
Advances recoverable in cash or kind or for value to		
a be received	Rs. 4,194,484	Rs. 1,742,164
b Prepaid expenses	Rs. 361,736	Rs. 326,595
c Indirect Taxes	Rs. 8,196,019	Rs. 13,009,253
d Advance Income Tax & Tax deducted at Source	Rs. 5,801,104	Rs. 21,174,971
<b>Total</b>	<u>18,553,343</u>	<u>36,252,983</u>

Rs. ~~15,373,867~~



**G M Polyplast Limited (Formerly G M Polyplast Private Limited)**  
**Notes forming part of the financial statements**

**Note 16 Revenue from Operations**

	Year ended 31st March 2020	Year ended 31st March 2019
	Rs.	Rs.
Sale of Manufactured Goods		
a Plastic Rolls	358,098,441	368,737,677
b Plastic Sheets	188,367,172	220,527,142
c Others	83,853,835	87,170,102
<b>Total</b>	<b>630,319,448</b>	<b>676,434,920</b>
Sale of services	1,133,982	4,751,898
<b>Total</b>	<b>631,453,430</b>	<b>681,186,061</b>

**Note 17 Other Income**

	Year ended 31st March 2020	Year ended 31st March 2019
	Rs.	Rs.
Interest Income- from banks	628,554	543,731
Dividend income	4,375	4,375
Gain from exchange fluctuation	1,826,773	860,513
Other Non Operating income	992	-
Profit on sale of fixed asset	383,499	855,593
<b>Total</b>	<b>2,844,193</b>	<b>2,264,212</b>



**G M Polyplast Limited (Formerly G M Polyplast Private Limited)**  
**Notes forming part of the financial statements**

**Note 18 (i) Cost of Material consumed**

	Year ended 31st March 2020	Year ended 31st March 2019
	Rs.	Rs.
Material consumed comprises of		
a Masterbatch	10,841,132	12,172,538
b Polystrene	221,263,297	290,596,834
c Plastic granuals	118,623,505	121,781,131
d Plastic scrap	77,689,054	7,056,854
e Others @	95,742,614	151,696,978
<b>Total</b>	<b>524,159,602</b>	<b>583,304,335</b>

@ Others include raw materials, components and spare parts, none of which individually accounts for more than 10 % of the total consumption.

**Note 18 (ii) Changes in Inventories of Finished goods and Work in Progress**

	31st March 2020	31st March 2019
	Rs.	Rs.
<b>Opening Stock</b>		
Finished Goods	8,639,738	12,924,333
Work In progress	-	-
	<b>8,639,738</b>	<b>12,924,333</b>
<b>Closing Stock</b>		
Finished Goods	5,818,480	8,639,738
Work In progress	-	-
	<b>5,818,480</b>	<b>8,639,738</b>
<b>(Increase)/ Decrease</b>	<b>2,821,258</b>	<b>4,284,595</b>



**G M Polyplast Limited (Formerly G M Polyplast Private Limited)**  
**Notes forming part of the financial statements**

**Note 19 Other Manufacturing expenses**

	Year ended 31st March 2020	Year ended 31st March 2019
	Rs.	Rs.
Power & Fuel	20,424,402	20,552,045
Labour Charges	-	258,750
Consumables	435,343	642,968
Factory Rent	3,360,000	2,590,000
	-	-
<b>Total</b>	<b>24,219,745</b>	<b>24,043,763</b>

**Note 20 Employee Benefit Expenses**

	31st March 2020	31st March 2019
	Rs.	Rs.
Salaries, Wages & Bonus	10,257,897	8,524,453
Provident Fund & ESIC	546,331	516,117
Salary to Directors	2,400,000	2,400,000
Staff Welfare Expenses	1,200,657	389,562
Provision for Gratuity	239,995	-
<b>Total</b>	<b>14,644,880</b>	<b>11,830,132</b>

**Note 21 Other Expenses**

	31st March 2020	31st March 2019
	Rs.	Rs.
Repairs and Maintenance - Machinery	4,150,111	2,723,590
Building	393,692	340,102
Others	1,825,870	1,018,213
Insurance		
-Others	2,128,454	1,405,222
Professional & legal charges	1,759,725	553,146
Export Clearing charges	2,801,417	3,292,527
Trade Exhibition expenses	1,052,139	131,575
Rates and Taxes	1,665,728	512,902
<u>Auditor's Remuneration</u>		
- Statutory audit	200,000	150,000
- for Other Matters	-	106,000
Transport & Octroi	6,210,125	9,725,970
Advertisement charges	129,500	321,389
Office Expenses	354,123	331,850
Telephone Expenses	269,915	234,553
Sales Commission	2,331,776	5,516,096
Business Promotion Expenses	215,749	610,877
Miscellaneous Expenses	1,114,878	935,423
Bad Debts	194,927	1,806,426
Travelling expense	1,480,009	1,463,242
<b>Total</b>	<b>28,278,138</b>	<b>31,179,104</b>

**Note 22 Finance Costs**

	31st March 2020	31st March 2019
	Rs.	Rs.
Interest expenses	1,836,539	2,701,656
Bank Charges	482,872	928,326
<b>Total</b>	<b>2,319,411</b>	<b>3,629,982</b>





**G M Polyplast Limited (Formerly G M Polyplast Private Limited)**  
**Notes forming part of the financial statements**

**Note 23 (i) Capital Commitments : Nil (P.Y. Nil)**

**Note 23 (ii) Contingent Liabilities :Bank Guarantees INR 71,20,000 (P.Y. 71,20,000)**

**Note 24 Value of Raw materials Consumed**

	31st March 2020		31st March 2019	
	Value	%	Value	%
<b>Raw Material</b>				
-Indigenous	Rs. 499,994,740	95	Rs. 548,518,685	94
- Imported	Rs. 24,164,862	5	Rs. 34,785,650	6
<b>Total</b>	<b>Rs. 524,159,602</b>	<b>100</b>	<b>Rs. 583,304,335</b>	<b>100</b>

**Note 25 Earnings in Foreign Exchange**

Particulars	31st March 2020	31st March 2019
FOB Value of Exports	Rs. 31,159,367	Rs. 59,111,897

**Note 26 Value of Imports on CIF Basis**

Particulars	31st March 2020	31st March 2019
Raw Material	Rs. 25,790,250	Rs. 37,135,292
Finished Goods	Rs. -	Rs. -
<b>Total</b>	<b>Rs. 25,790,250</b>	<b>Rs. 37,135,292</b>

**Note 27 Expenditure in Foreign Currency (subject to tax withholding where applicable)**

Particulars	31st March 2020	31st March 2019
Exhibition expenses	Rs. 1,054,995	Rs. -
Travelling expenses	Rs. 210,000	Rs. 200,200





**G M Polyplast Limited (Formerly G M Polyplast Private Limited)**  
**Notes forming part of the financial statements**

**Note 28 Related party disclosures- As identified by the management and relied upon by the auditors**

Name of Related Party	Nature of Transaction	Transaction Value Rs.	Nature of Relationship
Dinesh Sharma	Rent	29,28,000	Director
Sarita Sharma	Rent	4,32,000	Director
Dinesh Sharma	Salary	12,00,000	Director
Sarita Sharma	Salary	12,00,000	Director
Tushar Pandya	Salary	6,02,400	Chief Financial Officer
Balbeer Sharma HUF	Sales commission	8,00,586	HUF of Director
Mukesh Sharma HUF	Sales commission	7,49,350	Associate concern
Mahima Mukesh Sharma	Sales commission	7,81,840	Relative of Director
Jyoti Dinesh Sharma	Stipend	1,50,000	Relative of Director
Total		Rs. 88,44,176	

**Note 29 Earnings Per Share**

Net Profit after tax for the year has been used as the numerator and number of shares has been used as denominator for calculating the basic and diluted earnings per share.

	31st March 2020	31st March 2019
Face Value Per share (Rs.)	10.00	10.00
Weighted Average number of shares	1,00,000	1,00,000
Profit after Tax (Rs.)	2,29,30,979	1,57,65,639
Basic and Diluted Earnings per share (Rs.)	229.31	157.66

**Note 30 Micro, Small and Medium Enterprises Development Act 2006**

As per information available with the company, none of the creditors have confirmed that they are registered under the Micro, Small & Medium Enterprises Development Act 2006. Accordingly, disclosure as required by the said act is made on that basis.

**Note 31 Deferred Tax Asset / Liability (Net)**

	31st March 2020	31st March 2019
a. Deferred Tax Asset		
- Fixed Assets	Rs. 14,01,049	Rs. -16,14,524
- Gratuity and bonus	Rs. 15,05,127	Rs. -
Net Deferred Tax Asset/ (liability)	Rs. 7,31,484	Rs. 4,03,631
b. Reversal of Deferred Tax liability		
-Fixed Assets	Rs. 16,47,937	Rs. -
Incremental Net Deferred Tax Asset/ (liability)	Rs. 23,79,421	Rs. 4,03,631



**Note 1 Significant Accounting Policies**

**1. BASIS OF PRESENTATION**

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under Sec.133 of the Companies Act, 2013 ("the act") read with Rule 7 of the Companies (Accounts) Rules 2014 and the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

**2. REVENUE RECOGNITION**

**Sale of goods**

Revenue is recognised in respect of supplies as and when supplies are completed.  
Sales are recognised net of discounts & taxes.

**Export Incentives**

Revenue in respect of export incentives such as drawback & rebate is recognised on export of goods and when it is probable that the economic benefits will flow to the company

**Dividends**

Revenue is recognised when the shareholders' right to receive payment is established

**Interest**

Interest is recognised on accrual basis

**3. PROPERTY, PLANT AND EQUIPMENT**

(a) Property, Plant and Equipment are stated at cost

(b) Expenditure relating to existing property, plant and equipment is added to the cost of the assets where it increases the performance/life of the assets as assessed earlier

(c) An item of property, plant and equipment is eliminated from financial statements, either on disposal or when retired from active use.

(d) Expenses during construction period are allocated to respective item of property, plant and equipment on completion of construction

**4. INVESTMENTS**

Long Term investments are valued at cost.

**5. INVENTORY VALUATION**

(a) Raw materials and stores are valued at weighted average cost after providing for obsolescence

(b) Work-in-Progress relating to manufacturing activity is valued at cost.

**6. DEPRECIATION**

Depreciation on tangible assets is provided on written down value method over the useful lives of assets which is as stated in Schedule II of the Companies Act, 2013. Depreciation for assets purchased/ sold during a period is proportionately charged

**7. BORROWING COST**

Borrowing costs that are 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 substantial period of time to get ready for intended use.

**8. EARNINGS PER SHARE**

The earnings considered in ascertaining the company's EPS comprises the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

**9. FOREIGN CURRENCY CONVERSION**

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction. Foreign currency monetary items are reported using the closing rate.

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or expense in the year in which they arise.



**Note 1 Significant Accounting Policies**

**10. PROVISIONS**

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date.

**11. TAXES ON INCOME**

Tax expense comprises of current tax & deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred tax assets and liabilities are recognised for future tax consequences attributable to timing differences between taxable income & accounting income that are capable of reversal in one or more subsequent years and are measured using relevant enacted tax rates.

**12. CASH FLOW STATEMENT**

Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash

**13. RETIREMENT BENEFIT COSTS**

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the salary of covered employee. The contribution is paid to government administered fund.



**G M Polyplast Limited (formerly G M Polyplast Private Limited)**  
**Notes forming part of the financial statements**

**Note 32**

In view of the unprecedented COVID-19 pandemic, the management has made an assessment of its position as at the Balance Sheet date. In assessing, the company has taken into consideration external and internal information upto the date of approval of these financial results. The company has assessed its liquidity, assets, capital and financial resources, profitability, internal financial reporting and has concluded that there has been no material impact to its financial position or its operations.

**Note 33**

The Company was incorporated as G M POLYPLAST PRIVATE Limited under the provisions of Companies Act 1956 vide Certificate of Incorporation dated 27/11/2003 issued by the Registrar of Companies, Mumbai bearing Corporate Identity Number U25200MH2003PTC143299. The name of the Company was subsequently changed to G M Polyplast Limited pursuant to special resolution passed by the Shareholders at its Extra Ordinary General Meeting held on 06th July, 2020 and a fresh certificate of incorporation consequent upon conversion from Private Company to Public Company was issued by the Registrar of Companies, Mumbai dated 30/07/2020 bearing Corporate Identity Number U25200MH2003PLC143299.

**Note 34**

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.


**As per our report of even date**


**For Anay Gogte & Co**  
**Chartered Accountants**  
**Firm Registration Number 100398W**


  
**(A.R. Gogte)**  
**Partner**  
**Membership no. 037046**



**For and on behalf of the Board of Directors**

  
**Dinesh Sharma**  
**Managing Director**  
**DIN 00418667**

  
**Sarita Sharma**  
**Director**  
**DIN 00128337**

  
**Tushar Pandya**  
**Chief Financial Officer**

  
**Dimple Parmar**  
**Company Secretary**

**Place: Mumbai**  
**Date : 05-09-2020**

**Place: Mumbai**  
**Date : 05-09-2020**



**G M Polyplast Limited (Formerly G M Polyplast Private Limited)**  
**Cash Flow Statement for the year ended 31st March, 2020**

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
	Rs.	Rs.
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	30,052,055	20,812,008
<u>Adjustments for:</u>		
Depreciation and amortisation	7,802,534	4,366,356
Finance costs	2,319,411	3,629,982
Interest income	-628,554	-543,731
Dividend income	-4,375	-4,375
Profit on sale of motor car	-383,499	-855,593
	9,105,517	6,592,639
Operating profit / (loss) before working capital changes	39,157,572	27,404,647
<u>Changes in working capital:</u>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	8,443,289	-1,859,099
Trade receivables	12,239,175	-3,171,112
Short-term loans and advances	2,420,646	-862,417
Long-term loans and advances	-650,000	-1,000,000
	22,453,110	-6,892,628
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	-32,313,352	-297,307
Other current liabilities	2,077,593	771,963
Short-term provisions	737,899	39,856
	-29,497,860	514,512
Cash generated from operations	-7,044,750	-6,378,116
Net income tax (paid) / refunds	-6,061,499	-4,307,838
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>26,051,322</b>	<b>16,718,693</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and capital advances	-7,431,579	-10,930,951
Sale of property, plant and equipment	651,000	1,545,754
Interest received		
- Others	628,554	543,731
Dividend received		
- Others	4,375	4,375
Bank deposits with maturity more than 12 months	-411,109	-1,577,011
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>-6,558,759</b>	<b>-10,414,102</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from long-term borrowings	-	2,881,093
Repayment of long-term borrowings	-6,719,295	-14,415,000
Net increase / (decrease) in working capital borrowings	2,822,314	-2,123,116
Finance cost	-2,319,411	-3,629,982
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>-6,216,392</b>	<b>-17,287,005</b>
<b>Net Increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>13,276,171</b>	<b>-10,982,414</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>13,918,973</b>	<b>24,901,387</b>
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	-	-
<b>Cash and cash equivalents at the end of the year</b>	<b>27,195,144</b>	<b>13,918,973</b>

The accompanying notes form an integral part of the financial statements

As per our report of even date  
For Anay Gogte & Co.  
Chartered Accountants  
Firm Registration Number 100398W

(A.R.Gogte)  
Partner  
Membership no. 037046



For and on behalf of the Board of Directors

Dinesh Sharma  
Director  
DIN-00418667

Sarita Sharma  
Director  
DIN 00128337

Tushar Pandya  
Chief Financial Officer

Dimple Parmar  
Company Secretary

Place : Mumbai  
Date : 05-09-2020

Place : Mumbai  
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