

GRIP POLYMERS LIMITED

23rd Annual Report

2015 - 16

CIN : U25200MH1993PLC074922

Regd. Office : 510, A Wing, Kohinoor City Commercial I,
Kiroi Road, Off.L.B.S. Marg,
Kurla (W), Mumbai - 400 070.

GRIP POLYMERS LIMITED

Directors' Report to the Members,

Your Directors have pleasure to present their 23rd Annual Report together with the Audited Accounts for the year ended 31st March, 2016.

1. FINANCIAL RESULTS:

Total income for the year is Rs.7,27,692/- (previous year Rs.2,54,153/-). Net loss after tax for the year is Rs.6,25,285/- (Previous year net profit after tax of Rs.37,515/-). During the year, company has obtained loan of Rs.140 lakhs from the holding company GRP Ltd., for the purpose of investment in the joint venture. Interest on this loan has been provided during the year.

During the year, Company has formed Gripsurya Recycling LLP., a joint venture unit at Pithampur, near Indore, with a local partner from Indore to set up a waste rubber shredding & tyre re-treading plant. The unit has started production and has achieved turnover of Rs.6,56,82,706/- and net profit of Rs.9,56,243/- during the financial year 2015-16.

2. DIVIDEND:

For conserving the financial resources, Directors do not recommend payment of any dividend for the year.

3. DIRECTOR:

In accordance with the provisions of the Companies Act, 2013, Smt. Nayna R. Gandhi, retires by rotation at the 23rd Annual General Meeting and being eligible offers herself for reappointment.

4. NUMBER OF BOARD MEETINGS:

Company held four board meetings during the financial year 2015-16.

5. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility statement :

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company for the year ended 31st March, 2016 and of the profit and loss of the company for that period;
- (c) the directors had 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 had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

6. AUDITORS :

A. B. Modi & Associates, Chartered Accountants, Mumbai, the statutory auditors of the Company, will retire at the ensuing 23rd annual general meeting and are eligible for reappointment. A. B. Modi & Associates has, under Section 139 of the Companies Act, 2013 furnished a certificate of their eligibility for re-appointment

7. PARTICULARS OF INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Sr. No.	Particulars	Amount (Rs.)
a	<u>Trade Investment</u> Investment in capital account of joint venture LLP Gripsurya Recycling LLP	1,44,78,121
b	<u>Non-Trade Investment</u> 5000 equity shares of Rs.2 each fully paid up held in Bank of Baroda	85,000
	Total	1,45,63,121

8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the financial year 2015-16.

9. ANNUAL RETURN :

The extract of Annual Return pursuant to the provisions of Section 92 is attached to this report. (Annexure 1)

10. JOINT VENTURES:

Company has formed jointly controlled entity namely, Gripsurya Recycling LLP with Srisuryansh Rubber India Pvt. Ltd., for setting up a rubber scrap shredding unit and tyre retreading unit. Statement containing salient features of the financial statement of Gripsurya Recycling LLP in form AOC – I (part B) is attached to this report. (Annexure 2).

RISK MANAGEMENT

Taking into account, the nature and size of the business, the board considers that the elements of risk threatening the Company's existence are very minimal. Therefore, the Company has not framed any Risk Management Policy.

For and on behalf of the Board of Directors

Date : 18th May, 2016
Place: Mumbai

Rajendra Gandhi
Chairperson

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh	0	0	0	0.00	0	0	0	0.00	0.00
c) Others (specify)									
i) Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
ii) NRI's /OCB's	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
c) Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	0	50000	50000	100.00	0	50000	50000	100.00	0.00

(ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year (01.04.2015)		Shareholding at the end of the year (31.03.2016)		% change in shareholding during the year
	No. of shares	% total no of shares of the Company	No. of shares	% total no of shares of the Company	
1. GRP Limited	50000	100	50000	100	-
2. Rajendra V Gandhi	0	0	0	0	-
3. Nayna R Gandhi	0	0	0	0	-
Total	50000	100	50000	100	-

*** None of the promoters have pledged/encumbered shares during the stated period.

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

	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year (01.04.2015)					
Date wise Increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	There is no change in the shareholding of promoters during the year				
At the End of the year (31.03.2016)					

(iv) Shareholding Pattern of top ten Shareholders
(other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year (01.04.2015)	NIL	NIL	NIL	NIL	NIL
Date wise Increase/ decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):					
At the End of the year (31.03.2016)	NIL	NIL	NIL	NIL	NIL

(v) Shareholding of Directors and Key Managerial Personnel (KMP):

For Each of the Directors and KMP	Name of Directors / KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year (01.04.2015)	1)Rajendra V Gandhi 2)Harsh R Gandhi 3)Nayna R Gandhi	Nil Nil Nil			
Date wise Increase/ decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):					
At the End of the year (31.03.2016)	1)Rajendra V Gandhi 2)Harsh R Gandhi 3)Nayna R Gandhi			Nil Nil Nil	

V. INDEBTEDNESS

(Rs. In Lacs)

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2015)				
i) Principal Amount	0	4592000	0	4592000
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	89734	0	89734
Total (i+ii+iii)	0	4681734	0	4681734
Change in Indebtedness during the financial year				
• Addition	0	10538302	0	10538302
• Reduction	0	0	0.00	0
Net Change	0	0	0.00	0
Indebtedness at the end of the financial year (31.03.2016)				
i) Principal Amount	0	14000000	0	14000000
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0.00	1220036	0	1220036
Total (i+ii+iii)	0	15220036	0	15220036

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Particulars of Remuneration	Total Amount
1. Gross Salary	
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL
(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL
2. Stock Option	NIL
3. Sweat Equity	NIL
4. Commission	NIL
- as % of profit	NIL
- others, specify...	NIL
5. Others, please specify	NIL
Total (A)	NIL
Ceiling as per the Act	

B. Remuneration to other directors:

Particulars of Remuneration	Amount
1. Independent Directors	
• Fee for attending board committee meetings	NIL
• Commission	NIL
• Others, please specify	NIL
Total (1)	NIL
2. Other Non-Executive Directors	
• Fee for attending board committee meetings	NIL
• Commission	NIL
• Others, please specify	NIL
Total (2)	NIL
Total (B)=(1+2)	NIL
Total Managerial Remuneration (A +B)	NIL
Overall Ceiling as per the Act	

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Particulars of Remuneration	Total Amount
1. Gross Salary	
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL
(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL
2. Stock Option	NIL
3. Sweat Equity	NIL
4. Commission	NIL
- as % of profit	NIL
- others, specify...	NIL
5. Others, please specify	NIL
Total (C)	NIL
Ceiling as per the Act	

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Breif Description	Details of Penalty / Punishment / Compounding	Authority (RD/ NCLT/ Court)	Appeal Made, if any (Give details)
A Company					
Penalty		Nil			
Punishment		Nil			
Compounding		Nil			
B Directors					
Penalty		Nil			
Punishment		Nil			
Compounding		Nil			
C Other Officers in Default					
Penalty		Nil			
Punishment		Nil			
Compounding		Nil			

Form AOC-I**Part "B": Associates and Joint Ventures**

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Joint Venture	Gripsurya Recycling LLP
1. Latest audited Balance Sheet date	31 st March, 2016
2. Shares of Joint Ventures held by the company on the year end No.	Nil
Amount of Investment in Joint Venture	Rs.1,44,78,121/-
Extend of Holding %	50%
3. Description of how there is significant influence	50% control owned by Grip Polymers Ltd.
4. Reason why the Joint Venture is not consolidated	Not Applicable
5. Net worth attributable to shareholding as per latest audited Balance sheet	Rs.4,78,121/-
6. Profit / (Loss) for the year	Rs.9,56,243/-
i. Considered in Consolidation	Rs.4,78,121/-
ii. Not Considered in Consolidation	Rs.4,78,122/-

1. Names of Joint ventures which are yet to commence operations : Nil
2. Names of Joint Ventures which have been liquidated or sold during the year : Nil

For and on behalf of the Board of Directors of
Grip Polymers Limited

Place : Mumbai
Date : 18th May, 2016

Rajendra Gandhi
Chairperson

A. B. MODI & ASSOCIATES
CHARTERED ACCOUNTANTS

T-1 , 6th floor, Sunbeam Chamber, 7, Vithaldas Thackersey Marg, New Marine Lines, Mumbai 400020

Independent Auditor's Report

To the Members of Grip Polymers Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Grip Polymers Limited ("the Company"), which comprise the balance sheet as at 31st March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. 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 and presentation 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements

require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. 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,
 - a) In the case of the Balance Sheet , of the state of affairs of the Company as at 31st March 2016,
 - b) In case of the Statement of Profit and Loss , of the loss for the year ended on that date; and
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. 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 Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure "A" a statement on the matters specified in the paragraph 3 and 4 of the order.
10. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best

of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid 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;
- (e) On the basis of the written representations received from the directors as on 31st March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 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"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations as at March 31, 2016.
 - ii. The Company has not entered into any long-term contracts including derivative contracts.
 - iii. The provision relating to the Investor Education and Protection Fund are not applicable since there was no unclaimed dividend amount during the year.

For A. B. Modi & Associates
Chartered Accountants
Firm's registration number: 106473W

Rajesh S Shah
Partner
Membership No 017844

Mumbai: 18th May, 2016

A. B. MODI & ASSOCIATES

CHARTERED ACCOUNTANTS

T-1 , 6th floor,Sunbeam Chamber, 7, VithaldasThackersy Marg, New Marine lines, Mumbai 400020

Annexure –A to the Auditors' Report

Annexure referred to an Independent Auditors' Report of even date to the members of Grip Polymers Limited on Standalone financial statements for the year ended 31st March, 2016.

We report that:

- (i) The company is not having any fixed assets, hence clauses 3(i)(a), 3(i)(b) & 3(i)(c) of the Companies (Auditors' Report) Order 2016 are not applicable to the company for current year.
- (ii) There was no inventory during the year hence clause 3(ii) of the Companies (Auditors' Report) Order 2016 are not applicable to the company for current year.
- (iii) The Company has not granted any loan secured / unsecured loans to any parties which is covered in the register maintained under Section 189 of the Act., hence clauses 3(iii)(a), 3(iii)(b) & 3(iii)(c) of the Companies (Auditors' Report) Order 2016 are not applicable.
- (iv) In our opinion and according to the information and explanation given to us, the Company has not granted any loan during the year and the company has complied with the provisions of S.186 of the Act with respect to investments.
- (v) In our opinion and according to information given to us, the company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and rules framed there under to the extent applicable in respect of acceptance of deposits. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- (vi) We have been informed that the company is not covered under the rules made by the Central Government of India in respect of the maintenance of cost records as has been specified under sub-section (1) of Section 148 of the Act. We have, therefore, not examined the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and the records of the

Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including income tax and other material statutory dues, as applicable, with the appropriate authorities.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues outstanding in respect of income tax , sales- tax, including value added tax, duty of customs and duty of excise as at 31st March 2016 which have not been deposited on account of a dispute.
- (viii) According to the information and explanation given to us and based on our audit procedures, the Company has no borrowings from financial institution or bank or Government or by way of debentures hence clause 3(viii) of the Companies (Auditors' Report) Order 2016 is not applicable to the Company.
- (ix) According to the information and explanation given to us and based on our audit procedures, the Company has not raised any initial public offer or further public offer (including debt instruments) and term loan during the year, hence the provision of clause 3(ix) of the Companies (Auditors Report) Order 2013 is not applicable to the company.
- (x) On our examination of the books and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have not noticed or reported any fraud by the Company or any fraud on the company by its officer or employees.
- (xi) According to the information and explanations give to us and based on our examination of the records of the company, the company has not paid/ provided managerial remuneration. Accordingly, paragraph 3(xi) of the Companies (Auditors Report) Order 2013 is not applicable to the company
- (xii) In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the Companies (Auditors Report) Order 2013 is not applicable to the company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year

under review. Accordingly, paragraph 3(xiv) of the Companies (Auditors' Report) Order 2016 is not applicable to the Company.

- (xv) According to the 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 person connected with them. Accordingly paragraph 3(xv) of the Companies (Auditors' Report) Order 2016 is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xiv) of the Companies (Auditors' Report) Order 2016 is not applicable to the Company.

For A. B. Modi & Associates
Chartered Accountants
Firm's registration number:
106473W

Rajesh S Shah
Partner
Membership No 017844

Mumbai: 18th May, 2016

A. B. MODI & ASSOCIATES
CHARTERED ACCOUNTANTS

T-1 , 6th floor, Sunbeam Chamber, 7, Vithaldas Thackersey Marg, New Marine Lines, Mumbai 400020

Annexure - B to the Auditors' Report

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 Grip Polymers Limited ("the Company") as of 31st March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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 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.

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 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A. B. Modi & Associates
Chartered Accountants
Firm's registration number: 106473W

Rajesh S Shah
Partner
Membership No 017844

Mumbai: 18th May, 2016

GRIP POLYMERS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2016

	Note	As at 31-03-2016 Amount in ₹	As at 31-03-2015 Amount in ₹
Equity and Liabilities			
Shareholders' funds			
Share capital	2	500,000	500,000
Reserves and surplus	3	1,732,292	2,357,577
		2,232,292	2,857,577
Non-current Liabilities			
Long term Borrowings	4	14,000,000	4,592,000
		14,000,000	4,592,000
Current Liabilities			
Trade payables	5	16,713	15,445
Other current liabilities	6	1,254,940	131,442
Short term provisions	7	6,947	-
		1,278,600	146,887
Total Equity & Liabilities		17,510,892	7,596,464
Assets			
Non-current assets			
Non current investments	8	14,563,121	4,677,000
Other Non Current Assets	9	154,341	142,406
		14,717,462	4,819,406
Current Assets			
Cash and Bank Balance	10	2,743,959	2,720,521
Short term loans and advances	11	49,471	56,537
		2,793,430	2,777,058
Total Assets		17,510,892	7,596,464

Significant Accounting policies and Notes on Financial Statements 1 - 20

The accompanying notes are an integral part of the financial statements.
As per our Report of even date

For A. B. Modi & Associates
Chartered Accountants
ICAI Firm Registration no. 106473W

Rajesh S. Shah
Partner
Membership no. 017844

Place : Mumbai
Date : 18th May, 2016

For and on behalf of the Board of Directors

Rajendra V Gandhi
Chairperson

Place : Mumbai
Date : 18th May, 2016

GRIP POLYMERS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Note	Year ended 31-03-2016 Amount in ₹	Year ended 31-03-2015 Amount in ₹
Revenue :			
Other income	12	727,692	254,153
Total revenue		727,692	254,153
Expenses :			
Finance costs	13	1,255,892	99,704
Other expenses	14	65,547	60,053
Total expenses		1,321,439	159,757
Profit before tax		(593,747)	94,396
Tax expense			
Current tax		52,000	52,000
MAT Credit Entitlement		-	4,881
(Excess) / short provision of earlier years		(20,462)	-
Profit / (Loss) for the period		(625,285)	37,515
Earnings per equity share(Nominal value per Share ₹ 10/- (March 31, 2016) ₹ 10/-)			
(1) Basic	17	(12.51)	0.75
(2) Diluted		(12.51)	0.75

Significant Accounting policies and Notes on Financial Statements 1 - 20

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For A. B. Modi & Associates
Chartered Accountants
ICAI Firm Registration no. 106473W

For and on behalf of the Board of Directors

Rajesh S. Shah
Partner
Membership no. 017844

Rajendra V Gandhi
Chairperson

Place : Mumbai
Date : 18th May, 2016

Place : Mumbai
Date : 18th May, 2016

GRIP POLYMERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in ₹

	Year ended 31-03-2016	Year ended 31-03-2015
A Cash flow from Operating activities		
Net profit before tax and extra ordinary items	(593,747)	94,396
Adjustments for		
- Share of (profit) / loss in jointly controlled entity	(478,121)	-
- Interest (Net)	1,022,321	(143,949)
- Dividend Income	(16,000)	(10,500)
	528,200	(154,449)
Operating Profit before working capital changes	(65,547)	(60,053)
Adjustments for		
- Increase/(Decrease) in Trade payable	26,202	11,089
	26,202	11,089
Cash generated from operations	(39,345)	(48,964)
Direct taxes paid	(49,263)	(37,446)
Net cash from operating activities	(88,608)	(86,410)
B Cash flow from investing activities		
- Interest received	233,571	243,653
- Dividend Income	16,000	10,500
- Fixed Deposits in Bank with Maturity period of more than 3 months	53,970	(219,287)
- Investment in Jointly controlled entity	(9,408,000)	(4,592,000)
Net cash used in investing activities	(9,104,459)	(4,557,134)
C Cash flow from financing activities		
- Loans borrowed (Net of repayment)	9,408,000	4,592,000
- Interest paid	(125,590)	(9,970)
Net cash used in financing activities	9,282,410	4,582,030
Net increase / (Decrease) in cash and cash equivalents	89,343	(61,514)
Cash and cash equivalents at the beginning of the year	32,873	94,387
Cash and cash equivalents at the closing of the period	122,216	32,873
Cash and cash equivalents includes:		
- Cash & Bank Balance	2,743,959	2,720,521
Less: Deposit with Maturity period of more than 3 months	(2,621,743)	(2,687,648)
	122,216	32,873

Notes: (i) Figures in brackets are outflows.

(ii) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement, prescribed under Section 133 of Companies Act, 2013.

(iii) Previous year's figures have been re-grouped wherever necessary to conform to current year's classification.

The accompanying notes are an integral part of the financial statements.
As per our Report of even date

For A. B. Modi & Associates
Chartered Accountants
ICAI Firm Registration no. 106473W

Rajesh S. Shah
Partner
Membership no. 017844

Place : Mumbai
Date : 18th May, 2016

For and on behalf of the Board of Directors

Rajendra V Gandhi
Chairperson

Place : Mumbai
Date : 18th May, 2016

GRIP POLYMERS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in ₹

1 Significant Accounting Policies:

(A) Basis of accounting :

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('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 by the company and are consistent with those used in the previous year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hither to in use.

(B) Accounting Estimates :

The preparation of financial statements in conformity with the generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any difference between the actual result and estimates are recognised in the period in which the results are known / materialised. Any revision to accounting estimates is recognised prospectively in current and future periods.

(C) Investments :

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long term investments are carried at cost. However provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually. Current investments are valued at cost or market value whichever is lower.

Investment in joint venture:

Investment in joint venture Limited Liability Partnership firm is valued at cost. Profit / (loss) if any is recognised at the year end on finalisation of accounts of the LLP

(D) Taxes :

Provision for tax is made for both current and deferred taxes. Provisions for current income tax is made at current tax rates based on assessable income. The Company provides for deferred tax based on the tax effect of timing difference resulting from the recognition of items in the financial statement and in estimating it's current tax provision. Deferred tax assets are recognised if there is a reasonable certainty of realisation. The effect on deferred taxes of a change in tax rates is recognised in the Profit & Loss Account in the period in which it has been enacted.

Minimum Alternative Tax (MAT) credit entitlement is recognised in accordance with the Guidance Note on "Accounting for credit available in respect of Minimum Alternative Tax under the Income-tax Act, 1961" issued by ICAI. MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. At each balance sheet date the company re-assesses MAT credit assets to the extent they become reasonably certain or virtually certain of realisation, as the case may be and adjusts the same accordingly.

(E) Income Recognition :

- (i) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (ii) Dividend income is recognised when the right to receive dividend is established.

(F) Provisions, Contingent Liabilities and Contingent Assets

Provisions involved substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

(G) Earning per Share

The company reports basic and diluted earning per share (EPS) in accordance with the Accounting Standard specified under Section 133 of the Companies Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the end of the year.

(H) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2 Share Capital:

	As at 31-03-2016	As at 31-03-2015
Authorized: 50,000 (March 31, 2015: 50,000) equity shares of ₹ 10 each	500,000	500,000
Issued, Subscribed and Paid up 50,000 (March 31, 2015: 50,000) equity shares of ₹ 10 each fully paid-up	500,000	500,000
	500,000	500,000

(a) Rights, preferences and restrictions attached to shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- Each holder of equity shares is entitled to one vote per share.

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

GRIP POLYMERS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in ₹

(b) The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2016 and March 31, 2015, is set out below :

Equity Shares:

	As at 31-03-2016	As at 31-03-2015
At the beginning		
- Number of shares	50,000	50,000
- Amount	500,000	500,000
At the end		
- Number of shares	50,000	50,000
- Amount	500,000	500,000

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

	As at 31-03-2016		As at 31-03-2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Holding company				
GRP Limited	50,000	100.00%	50,000	100.00%

3 Reserves and Surplus:

	As at 31-03-2016	As at 31-03-2015
General Reserve		
Balance as per last Balance sheet	841,711	841,711
Surplus in Statement of Profit & Loss		
Balance as at beginning of the year	1,515,866	1,478,351
Profit / (Loss) for the year	(625,285)	37,515
Balance as at end of the year	890,581	1,515,866
Total reserves and surplus	1,732,292	2,357,577

4 Long Term Borrowings:

	As at 31-03-2016	As at 31-03-2015
Long Term borrowing		
Unsecured Loan		
From GRP Ltd. (Holding Company)	14,000,000	4,592,000
Total Long Term Borrowings	14,000,000	4,592,000

The loan carry interest at the rate of 10% p.a. The terms of loan is for 3 years from the date of disbursement which will be repaid as under

Financial Year	Amount
FY 2017-18	4,592,000
FY 2018-19	9,408,000

5 Trade Payables:

	As at 31-03-2016	As at 31-03-2015
Trade payables	16,713	15,445
Total trade payables	16,713	15,445

6 Other Current Liabilities:

	As at 31-03-2016	As at 31-03-2015
Statutory dues	34,904	41,708
Interest Accrued	1,220,036	89,734
Total other current liabilities	1,254,940	131,442

7 Short Term provisions:

	As at 31-03-2016	As at 31-03-2015
Provision for Taxations (Net of advance tax Rs 1,31,053/- (March 31, 2015 : Rs 1,17,066/-)	6,947	-
Total short-term provisions	6,947	-

GRIP POLYMERS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in ₹

	As at 31-03-2016	As at 31-03-2015
8 Non-current Investments:		
Long term investments (valued at cost unless stated otherwise)		
a) Long Term- Trade Investment		
Investment in Capital account of Limited Liability Partnership - Gripsurya Recycling LLP	14,478,121	4,592,000
b) Long Term-Non Trade Investment		
Investment in Equity Share (Quoted)		
5,000 equity shares of ₹ 2/- each fully paid up held in Bank of Baroda (Market Value ₹ 7,35,500/- (March 31, 2015 : ₹ 8,16,500/-))	85,000	85,000
Total non-current investment	14,563,121	4,677,000
 Investment in Capital account of Limited Liability Partnership Firm Partners details and their profit sharing ratio and capital account		
	<u>As at 31-03-2016</u>	<u>As at 31-03-2015</u>
	Profit/Loss sharing ratio	Capital account
Name of the Partners		
Grip Polymers Limited - The Company	50%	14,478,121
Shrisuryansh Rubber India Private Limited	50%	14,019,121
	Profit/Loss sharing ratio	Capital account
	50%	4,592,000
	50%	4,791,000
9 Other Non Current Assets:	As at 31-03-2016	As at 31-03-2015
Fixed Deposit accounts with Bank (Maturity more than 12 months)	154,341	142,406
Total long-term loans and advances	154,341	142,406
Notes:		
Fixed Deposit with Bank include deposit of ₹ 26,719/- (March 31, 2015 : ₹ 24,781/-) lien with the Maharashtra Sales Tax Department.		
10 Cash and Bank Balances:	As at 31-03-2016	As at 31-03-2015
Cash & Cash Equivalents		
Balance with banks		
- In current accounts	117,117	27,873
Cash in hand	5,099	5,000
	<u>122,216</u>	<u>32,873</u>
Other Bank Balances		
- In Fixed Deposit accounts (Maturity more than 3 months but less than 12 months)	2,621,743	2,687,648
Total Cash and Bank Balance	2,743,959	2,720,521
11 Short-term Loans and Advances:	As at 31-03-2016	As at 31-03-2015
Advances recoverable in cash or in kind	49,471	49,471
Advance Income-tax (Net of provisions ₹ 1,38,000/- : March 31, 2015 : ₹ 1,10,000/-)	-	7,066
Total short-term loans and advances	49,471	56,537
12 Other income:	Year ended 31-03-2016	Year ended 31-03-2015
Interest received	233,571	243,653
Dividend Income	16,000	10,500
Share of Profit in Jointly controlled entity	478,121	-
Total other income	727,692	254,153
13 Finance cost:	Year ended 31-03-2016	Year ended 31-03-2015
Interest on Other Loans	1,255,892	99,704
Total depreciation and amortization expenses	1,255,892	99,704

GRIP POLYMERS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in ₹

	Year ended 31-03-2016	Year ended 31-03-2015
14 Other expenses:		
Administration & Other Expenses		
Bank charges	599	225
Telephone expenses	23,764	27,794
Payment to Auditors:		
- Audit fee	8,588	8,427
- Taxation matters	5,725	5,618
Other Expenses	25,871	17,989
Interest on income tax	1,000	-
Total other expenses	65,547	60,053
15 Related parties disclosure:		
(A) Names of the related parties :		
(i) Parties where control exists :		
Holding Company	GRP Limited (100% of total shareholdings held by the company)	
Jointly controlled entity	Gripsurya Recycling LLP	
(ii) Directors of the company :-		
- Key Management Personnel	Rajendra V.Gandhi, Chairperson Nayna R. Gandhi , Director Harsh R. Gandhi , Director	
	Year ended	Year ended
	31-03-2016	31-03-2015
<u>Summary of transactions with related parties in the ordinary course of business</u>		
A) <u>Loan Payable</u>		
GRP Limited	14,000,000	4,592,000
B) <u>Investment in capital account of Partnership Firm</u>		
Gripsurya Recycling LLP		
Capital contribution	14,000,000	4,592,000
Share of profit / (loss)	478,121	-
C) <u>Interest Expenses</u>		
GRP Limited	1,255,892	99,704
16 Jointly controlled entity:		
Company investment in a jointly controlled entity		
Name of the jointly controlled entity	Country of Incorporation	Proportion of ownership interest as on 31/3/2016
Gripsurya Recycling LLP	India	50%
The company's share of each of the assets, equity & liabilities, income and expenses in the joint venture, based on the audited financial statements are as follows:		
	Year ended	Year ended
	31-03-2016	31-03-2015
I <u>Assets</u>		
Non-current Assets		
a) Fixed Assets		
i) Tangible Assets	19,176,651	2,935,403
ii) Capital WIP	21,347	333,753
b) Long term loans and advances	676,225	209,286
c) Other non current assets	18,829	127,913
Current Assets		
a) Inventories	4,559,851	-
b) Trade receivables	544,105	-
c) Cash & Bank Bal	115,394	507,170
d) Short term loans and advances	296,800	608,500
e) Other Current Assets	229,500	-

GRIP POLYMERS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in ₹

II Liabilities		
Non-current Liabilities		
a) Long term borrowings	5,390,625	-
Current Liabilities		
a) Short term borrowings	1,932,079	-
b) Trade payables	3,366,509	29,525
c) Other current liabilities	471,368	100,500
III Income		
a) Revenue from operations	32,841,353	-
b) Other income	1,822	-
IV Expenses		
Cost of materials consumed	30,614,549	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(4,421,269)	-
Employee benefits expenses	1,957,673	-
Finance costs	409,592	-
Depreciation and amortization expenses	1,798,318	-
Other expenses	2,006,191	-
V Share of Contingent Liabilities		
(Guarantee given if any)	-	-

17 Earnings per share:	Year ended 31-03-2016	Year ended 31-03-2015
- Net Profit after tax for the year	(645,747)	37,515
- Excess Provision for tax for earlier years	(20,462)	-
- Net Profit attributable to Equity Shareholders	(625,285)	37,515
- Number of equity shares of ₹ 10/- each.	50,000	50,000
- Earnings per share - Basic	(12.51)	0.75
- Earnings per share -Diluted	(12.51)	0.75

18 In the opinion of the Board, the current assets, loan and advances are approximately of the value stated, if realised, in the ordinary course of the business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

19 Segment reporting as defined in Accounting Standard 17 is not applicable.

20 Figure of the previous year have been re-arranged or re-grouped wherever necessary to make them comparable with that of the current year.

The accompanying notes are an integral part of the financial statements.
As per our Report of even date

For A. B. Modi & Associates
Chartered Accountants
ICAI Firm Registration no. 106473W

Rajesh S. Shah
Partner
Membership no. 017844

Place : Mumbai
Date : 18th May, 2016

For and on behalf of the Board of Directors

Rajendra V Gandhi
Chairperson

Place : Mumbai
Date : 18th May, 2016

A. B. MODI & ASSOCIATES
CHARTERED ACCOUNTANTS

T-1 , 6th floor, Sunbeam Chamber, 7, Vithaldas Thackersey Marg, New Marine lines, Mumbai 400020

Independent Auditors' Report on Consolidated Financial Statements

To the Members of Grip Polymers Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Grip Polymers Limited and its jointly controlled entity (collectively referred to as "the Company" or "the Group"), comprising of the consolidated balance sheet as at 31st March 2016, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated 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 Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company are responsible for 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the consolidated financial statements based on our audit.
4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Company, as at 31st March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

9. We did not audit the financial statement of jointly controlled entity (LLP) included in the consolidated financial statements whose financial statements reflect total assets of Rs.508.18 lacs and net assets of Rs.284.97 lacs as at 31st March, 2016, total revenues of Rs.656.86 lacs and net profit Rs.9.56 lacs for the year ended on that date, as considered in the consolidated financial statements. This financial statement has been audited by other auditors whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this jointly controlled entity and our report in terms Section 143(11)(3) of the Act, in so far as it relates to the aforesaid jointly controlled entity is based solely on the reports of the other auditors.

Our Opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards 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 of the Company as on 31st March 2016 taken on record by the Board of Directors of the Company, none of the Directors of the company is disqualified as on 31st March 2016 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations as at March 31, 2016.
 - ii. The Company has not entered into any long-term contracts including derivative contracts.
 - iii. The provision relating to the Investor Education and Protection Fund are not applicable since there was no unclaimed dividend amount during the year.

For A. B. Modi & Associates
Chartered Accountants
Firm's registration number: 106473W

Rajesh S Shah
Partner
Membership number: 017844

Mumbai: 18th May, 2016

A. B. MODI & ASSOCIATES
CHARTERED ACCOUNTANTS

T-1 , 6th floor, Sunbeam Chamber, 7, Vithaldas Thackersy Marg, New Marine lines, Mumbai 400020

Annexure - A to the Auditors' Report

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2016, we have audited the internal financial controls over financial reporting of Grip Polymers Limited only. The jointly controlled entity is Limited Liability Partnership to which the provisions of the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 do not apply and hence these provisions are not considered as far as jointly controlled entity is concerned.

Management's Responsibility for Internal Financial Controls

2. The directors of the Company are 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

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI 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 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.
4. 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.

5. 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

6. 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

7. 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

8. 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 31st March 2016, 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 ICAI.

For A. B. Modi & Associates
Chartered Accountants
Firm's registration number: 106473W

Rajesh S Shah
Partner

Mumbai ; 18th May, 2016

Membership number: 017844

GRIP POLYMERS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

	Note	As at 31-03-2016 Amount in ₹	As at 31-03-2015 Amount in ₹
Equity and Liabilities			
Shareholders' funds			
Share capital	2	500,000	500,000
Reserves and surplus	3	1,732,292	2,357,577
		2,232,292	2,857,577
Non-current Liabilities			
Long term Borrowings	4	19,390,625	4,592,000
		19,390,625	4,592,000
Current Liabilities			
Short term borrowings	5	1,932,079	-
Trade payables	6	3,383,222	44,970
Other current liabilities	7	1,726,307	231,942
Short term provisions	8	6,947	-
		7,048,555	276,912
Total Equity & Liabilities		28,671,472	7,726,489
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	19,197,998	3,269,156
Non current investments	10	85,000	85,000
Long term loans and advances	11	676,225	209,286
Other Non Current Assets	12	173,170	270,320
		20,132,393	3,833,762
Current Assets			
Inventories	13	4,559,851	-
Trade receivables	14	544,105	-
Cash and Bank Balance	15	2,859,353	3,227,691
Short term loans and advances	16	346,271	665,037
Other current assets	17	229,500	-
		8,539,079	3,892,728
Total Assets		28,671,472	7,726,489

Significant Accounting policies and Notes on Financial Statements 1 - 30

The accompanying notes are an integral part of the financial statements.
As per our Report of even date

For A. B. Modi & Associates
Chartered Accountants
ICAI Firm Registration no. 106473W

Rajesh S. Shah
Partner
Membership no. 017844

Place : Mumbai
Date : 18th May, 2016

For and on behalf of the Board of Directors

Rajendra V Gandhi
Chairperson

Place : Mumbai
Date : 18th May, 2016

GRIP POLYMERS LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Note	Year ended 31-03-2016 Amount in ₹	Year ended 31-03-2015 Amount in ₹
Revenue :			
Sale of products	18	32,841,353	-
Other income	19	251,393	254,153
Total revenue		33,092,746	254,153
Expenses :			
Cost of Material consumed	20	30,614,549	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	(4,421,269)	-
Employee Benefits expenses	22	1,957,673	-
Finance cost:	23	1,665,484	99,704
Depreciation and amortization expense	24	1,798,318	-
Other expenses	25	2,071,738	60,053
Total expenses		33,686,492	159,757
Profit before tax		(593,747)	94,396
Tax expense			
Current tax		52,000	52,000
MAT Credit Entitlement		-	4,881
(Excess) / short provision of earlier years		(20,462)	-
Profit (Loss) for the period		(625,285)	37,515
Earnings per equity share(Nominal value per Share ₹ 10/- (March 31, 2015 : ₹ 10/-)	27		
(1) Basic		(12.51)	0.75
(2) Diluted		(12.51)	0.75

Significant Accounting policies and Notes on Financial Statements 1 - 30

The accompanying notes are an integral part of the financial statements.
As per our Report of even date

For A. B. Modi & Associates
Chartered Accountants
ICAI Firm Registration no. 106473W

Rajesh S. Shah
Partner
Membership no. 017844

Place : Mumbai
Date : 18th May, 2016

For and on behalf of the Board of Directors

Rajendra V Gandhi
Chairperson

Place : Mumbai
Date : 18th May, 2016

GRIP POLYMERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in ₹

	Year ended 31-03-2016	Year ended 31-03-2015
A Cash flow from Operating activities		
Net profit before tax and extra ordinary items	(593,747)	94,396
Adjustments for		
- Depreciation and Discarded	1,798,318	-
- Interest (Net)	1,022,321	(143,949)
- Dividend Income	(16,000)	(10,500)
	2,804,639	(154,449)
Operating Profit before working capital changes	2,210,892	(60,053)
Adjustments for		
- (Increase)/Decrease in Trade and other receivables	(819,759)	(945,700)
- (Increase)/Decrease in Inventories	(4,559,851)	-
- Increase/(Decrease) in Trade payable	3,262,686	141,114
	(2,116,924)	(804,586)
Cash generated from operations	93,968	(864,639)
Direct taxes paid	(49,263)	(37,446)
Net cash from operating activities	44,705	(902,085)
B Cash flow from investing activities		
- Interest received	233,571	243,653
- Dividend Income	16,000	10,500
- Fixed Deposits in Bank with Maturity period of more than 3 months	53,970	(219,287)
- Purchase of fixed assets	(17,727,159)	(3,269,156)
Net cash used in investing activities	(17,423,618)	(3,234,290)
C Cash flow from financing activities		
- Loans borrowed (Net of repayment)	17,202,071	4,592,000
- Interest paid	(125,590)	(9,970)
- Dividend paid	-	-
Net cash used in financing activities	17,076,481	4,582,030
Net increase / (Decrease) in cash and cash equivalents	(302,433)	445,656
Cash and cash equivalents at the beginning of the year	540,043	94,387
Cash and cash equivalents at the closing of the period	237,610	540,043
Cash and cash equivalents includes:		
- Cash & Bank Balance	2,859,353	3,227,691
Less: Deposit with Maturity period of more than 3 months	(2,621,743)	(2,687,648)
	237,610	540,043

Notes: (i) Figures in brackets are outflows.

(ii) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement, prescribed under Section 133 of Companies Act, 2013.

(iii) Previous year's figures have been re-grouped wherever necessary to conform to current year's classification.

The accompanying notes are an integral part of the financial statements.
As per our Report of even date

For A. B. Modi & Associates
Chartered Accountants
ICAI Firm Registration no. 106473W

Rajesh S. Shah
Partner
Membership no. 017844

Place : Mumbai
Date : 18th May, 2016

For and on behalf of the Board of Directors

Rajendra V Gandhi
Chairperson

Place : Mumbai
Date : 18th May, 2016

GRIP POLYMERS LIMITED

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in ₹

1 (a) Basis of Consolidation

i) The consolidated financial statements present the consolidated accounts of GRIP Polymers Limited with its Jointly controlled entity. Companies considered in the consolidated financial statements are :

Name of the Entity	Proportion of Ownership Interest
Gripsurya Recycling LLP (Jointly controlled entity)	50.00%

ii) Principles of consolidation :

The financial statements of the company and its jointly controlled entity are combined on proportionate consolidation method on line - by - line basis adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating inter group balances and intragroup transactions.

1 (b) Significant Accounting Policies:

(A) Basis of accounting :

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('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 by the company and are consistent with those used in the previous year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

(B) Accounting Estimates :

The preparation of financial statements in conformity with the generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any difference between the actual result and estimates are recognised in the period in which the results are known / materialised. Any revision to accounting estimates is recognised prospectively in current and future periods.

(C) Fixed Assets :

i) Tangible fixed assets

Fixed Assets are stated at historical Cost less accumulated depreciation and impairment losses.

ii) Depreciation

The jointly controlled entity accounts depreciation on fixed assets on written down value method using the rates specified under the Income Tax Act, 1961.

(D) Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(E) Investments :

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long term investments are carried at cost. However provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually. Current investments are valued at cost or market value whichever is lower.

(F) Taxes :

Provision for tax is made for both current and deferred taxes. Provisions for current income tax is made at current tax rates based on assessable income. The Company provides for deferred tax based on the tax effect of timing difference resulting from the recognition of items in the financial statement and in estimating its current tax provision. Deferred tax assets are recognised if there is a reasonable certainty of realisation. The effect on deferred taxes of a change in tax rates is recognised in the Profit & Loss Account in the period in which it has been enacted.

Minimum Alternative Tax (MAT) credit entitlement is recognised in accordance with the Guidance Note on "Accounting for credit available in respect of Minimum Alternative Tax under the Income-tax Act, 1961" issued by ICAI. MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. At each balance sheet date the company re-assesses MAT credit assets to the extent they become reasonably certain or virtually certain of realisation, as the case may be and adjusts the same accordingly.

(G) Inventories :

Raw materials, work in progress and finished goods are carried at the lower of cost and net realizable value. Work-in-progress is carried at lower of cost and net realizable value. Finished goods produced by the company are carried at lower of cost and net realizable value. Cost includes direct material and labour cost and a proportion of manufacturing overheads.

(H) Income Recognition :

- (i) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (ii) Dividend income is recognised when the right to receive dividend is established.
- (iii) Domestic Sales are recognized on dispatch of goods from factory on transfer of significant risk & rewards of ownership of such goods. Sales are disclosed net of sales tax / Value added tax, discounts and sales return as applicable.

GRIP POLYMERS LIMITED

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in ₹

(I) Employees Benefits :

Employee benefits include provident fund, employee state insurance scheme. The LLP contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

(J) Provisions, Contingent Liabilities and Contingent Assets

Provisions involve substantial degree of estimation in measurement and are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

(K) Earning per Share

The company reports basic and diluted earning per share (EPS) in accordance with the Accounting Standard specified under Section 133 of the Companies Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the end of the year.

(L) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2 Share Capital:

As at 31-03-2016 As at 31-03-2015

Authorized:

50,000 (March 31, 2015: 50,000) equity shares of ₹ 10 each

500,000 500,000

Issued, Subscribed and Paid up

50,000 (March 31, 2015: 50,000) equity shares of ₹ 10 each fully paid-up

500,000 500,000

Total Share Capital

500,000 500,000

(a) Rights, preferences and restrictions attached to shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- Each holder of equity shares is entitled to one vote per share.

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

(b) The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2016 and March 31, 2015, is set out below :

Equity Shares:

As at 31-03-2016 As at 31-03-2015

At the beginning

- Number of shares
- Amount

50,000 50,000
500,000 500,000

At the end

- Number of shares
- Amount

50,000 50,000
500,000 500,000

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Holding company	As at 31-03-2016		As at 31-03-2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding
GRP Limited	50,000	100.00%	50,000	100.00%

3 Reserves and Surplus:

As at 31-03-2016 As at 31-03-2015

General Reserve

Balance as per last Balance sheet

841,711 841,711

Surplus in Statement of Profit & Loss

Balance as at beginning of the year

1,515,866 1,478,351

Profit / (Loss) for the year

(625,285) 37,515

Balance as at end of the year

890,581 1,515,866

Total reserves and surplus

1,732,292 2,357,577

4 Long Term Borrowings:

As at 31-03-2016 As at 31-03-2015

Secured Loan

Share in jointly controlled entity

5,390,625 -

Unsecured Loan

From GRP Ltd. (Holding Company)

14,000,000 4,592,000

Total Long Term Borrowings

19,390,625 4,592,000

Rupee Term loan from HDFC Bank Ltd of ₹ 57,50,000 (March 31, 2015 : ₹ NIL)

First exclusive charge by way of mortgage of immovable properties (including land & building) and hypothecation of all movable fixed assets (including plant & machinery) and current assets of the jointly controlled entity located at Pithampur, Dist. Dhar, Madhya Pradesh factory.

The unsecured loan carry interest at the rate of 10% p.a. The terms of loan is for 3 years from the date of disbursement which will be repaid as under

Financial Year	Amount
FY 2017-18	4,592,000
FY 2018-19	9,408,000

GRIP POLYMERS LIMITED

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in ₹

		As at 31-03-2016	As at 31-03-2015					
5 Short Term Borrowings:								
Secured:								
Working Capital Loan payable on demand from banks								
Share in jointly controlled entity		1,932,079	-					
Total Short-term borrowings		1,932,079	-					
<p>Working Capital Loan from HDFC Bank Ltd of ₹ 19,32,079 (March 31, 2015 : ₹ NIL) First exclusive charge by way of hypothecation of entire current assets, both present and future, including inventories, book debts, bills receivables and entire movable fixed assets and mortgage of immovable fixed assets of the Company.</p>								
6 Trade Payables:		As at 31-03-2016	As at 31-03-2015					
Trade payables		16,713	15,445					
Share in jointly controlled entity		3,366,509	29,525					
Total trade payables		3,383,222	44,970					
7 Other Current Liabilities:		As at 31-03-2016	As at 31-03-2015					
Statutory dues		34,904	41,708					
Interest Accrued		1,220,036	89,734					
		1,254,940	131,442					
Share in jointly controlled entity		471,367	100,500					
Total other current liabilities		1,726,307	231,942					
8 Short Term provisions:		As at 31-03-2016	As at 31-03-2015					
Provision for Taxations (Net of advance tax ₹ 1,17,066/- (March 31, 2015 : ₹ 79,620/-))		6,947	-					
Total short-term provisions		6,947	-					
9 Fixed Assets:								
	Original Cost	Depreciation & Amortisation		Net Book Value				
Particulars	As at 01-04-2015	Additions	As at 31-03-2016	As at 01-04-2015	For the period	As at 31-03-2016	As at 31-03-2016	As at 31-03-2015
Tangible Assets								
Share in jointly controlled entity	2,935,403	18,039,566	20,974,969	-	1,798,318	1,798,318	19,176,651	2,935,403
Total:	2,935,403	18,039,566	20,974,969	-	1,798,318	1,798,318	19,176,651	2,935,403
Previous Year:	-	3,269,156	3,269,156	-	-	-	3,269,156	-
Capital Work-in-progress								
Share in jointly controlled entity							21,347	333,753
Total fixed assets (net)							19,197,998	3,269,156
10 Non-current Investments:		As at 31-03-2016	As at 31-03-2015					
a) Long Term-Non Trade Investment								
Investment in Equity Share (Quoted)								
5,000 equity shares of ₹ 2/- each fully paid up held in Bank of Baroda (Market Value ₹ 7,35,500/- (March 31, 2015 : ₹ 8,16,500/-))		85,000	85,000					
Total non-current investment		85,000	85,000					
Investment in Capital account of Limited Liability Partnership Firm								
Partners details and their profit sharing ratio and capital account								
		As at 31-03-2016		As at 31-03-2015				
		Profit/Loss	Capital	Profit/Loss	Capital			
Name of the Partners		sharing ratio	account	sharing ratio	account			
Grip Polymers Limited - The Company		50%	14,478,121	50%	4,592,000			
Shrisuryansh Rubber India Private Limited		50%	14,019,121	50%	4,791,000			
11 Long-term Loans and Advances:		As at 31-03-2016	As at 31-03-2015					
Share in jointly controlled entity		676,225	209,286					
Total long-term loans and advances		676,225	209,286					
12 Other Non Current Assets:		As at 31-03-2016	As at 31-03-2015					
Fixed Deposit accounts with Bank (Maturity more than 12 months)		154,341	142,406					
Share in jointly controlled entity		18,829	127,914					
Total Non Current Assets		173,170	270,320					
Notes:								
Fixed Deposit with Bank include deposit of Rs 26,719/- (March 31, 2015 : Rs 24,781/-) lien with the Maharashtra Sales Tax Department.								
13 Inventories:		As at 31-03-2016	As at 31-03-2015					
Share in jointly controlled entity		4,559,851	-					
Total Inventories		4,559,851	-					
14 Trade Receivables:		As at 31-03-2016	As at 31-03-2015					
Share in jointly controlled entity		544,105	-					
Total trade receivables		544,105	-					

GRIP POLYMERS LIMITED

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in ₹

	As at 31-03-2016	As at 31-03-2015
15 Cash and Bank Balances:		
<u>Cash & Cash Equivalents</u>		
Balance with banks		
- In current accounts	117,117	27,873
- In Fixed Deposit accounts (Maturity less than 3 Months)	-	-
Cash in hand	5,099	5,000
	<u>122,216</u>	<u>32,873</u>
Other Bank Balances		
- In Fixed Deposit accounts (Maturity more than 3 Months but less than 12 months)	2,621,743	2,687,648
	<u>2,743,959</u>	<u>2,720,521</u>
<u>Share in jointly controlled entity</u>	115,394	507,170
Total Cash and Bank Balance	2,859,353	3,227,691
16 Short-term Loans and Advances:		
Advances recoverable in cash or in kind	49,471	49,471
Advance Income-tax (Net of provisions ₹ 1,39,000/- : March 31, 2015 : ₹ 1,10,000/-)	-	7,066
	<u>49,471</u>	<u>56,537</u>
<u>Share in jointly controlled entity</u>	296,800	608,500
Total short-term loans and advances	346,271	665,037
17 Other Current Assets:		
<u>Share in jointly controlled entity</u>	229,500	-
Total Other Current Assets	229,500	-
18 Revenue:		
Sale of products		
<u>Share in jointly controlled entity</u>	32,841,353	-
Total revenue	32,841,353	-
19 Other income:		
Interest received	233,571	243,653
Dividend Income	16,000	10,500
	<u>249,571</u>	<u>254,153</u>
<u>Share in jointly controlled entity</u>	1,822	-
Total other income	251,393	254,153
20 Cost of Material consumed:		
<u>Share in jointly controlled entity</u>	30,614,549	-
Total cost of material consumed	30,614,549	-
21 Changes in inventories of finished goods, work-in-progress and stock-in-trade		
<u>Share in jointly controlled entity</u>	4,421,269	-
Increase / (Decrease) in Stock	4,421,269	-
22 Employee Benefits expenses:		
<u>Share in jointly controlled entity</u>	1,957,673	-
Total Employee benefits expenses	1,957,673	-
23 Finance cost:		
Interest on Other Loans	1,255,892	99,704
<u>Share in jointly controlled entity</u>	409,592	-
Total finance cost	1,665,484	99,704
24 Depreciation and Amortization expenses:		
<u>Share in jointly controlled entity</u>	1,798,318	-
Total depreciation and amortization expenses	1,798,318	-
25 Other expenses:		
Bank Charges	599	225
Postage, Telegram & Telephones	23,764	27,794
Payment to Auditors:		
- Audit fee	8,588	8,427
- Taxation matters	5,725	5,618
Other Expenses	25,871	17,989
Interest on income tax	1,000	-
<u>Share in jointly controlled entity</u>	2,006,191	-
Total other expenses	2,071,738	60,053

GRIP POLYMERS LIMITED

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in ₹

26 Related parties disclosure:

(A) Names of the related parties :

(i) Parties where control exists :

Holding Company

GRP Limited

(100% of total shareholdings held by the company)

(ii) Directors of the company :-

- Key Management Personnel

Rajendra V.Gandhi, Chairperson

Nayna R. Gandhi , Director

Harsh R. Gandhi , Director

Year ended 31-03-2016	Year ended 31-03-2015
--------------------------	--------------------------

Summary of transactions with related parties in the ordinary course of business

A) Loan Payable

GRP Limited

	14,000,000	4,592,000
--	------------	-----------

B) Loan received during the year

GRP Limited

	9,408,000	4,592,000
--	-----------	-----------

C) Interest Expenses

GRP Limited

	1,255,892	99,704
--	-----------	--------

27 Earnings per share:

	Year ended 31-03-2016	Year ended 31-03-2015
--	--------------------------	--------------------------

- Net Profit after tax for the year

	(645,747)	37,515
--	-----------	--------

- Excess Provision for tax for earlier years

	(20,462)	-
--	----------	---

- Net Profit attributable to Equity Shareholders

	(625,285)	37,515
--	-----------	--------

- Number of equity shares of ₹ 10/- each.

	50,000	50,000
--	--------	--------

- Earnings per share - Basic

	(12.51)	0.75
--	---------	------

- Earnings per share -Diluted

	(12.51)	0.75
--	---------	------

28 In the opinion of the board, the current assets, loan and advances are approximately of the value stated, if realised, in the ordinary course of the business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

29 Segment reporting as defined in Accounting Standard 17 is not applicable as Rubber recycling is the only business activity.

30 Figure of the previous year have been re-arranged or re-grouped wherever necessary to make them comparable with that of the current year.

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For A. B. Modi & Associates

Chartered Accountants

ICAI Firm Registration no. 106473W

For and on behalf of the Board of Directors

Rajesh S. Shah

Partner

Membership no. 017844

Rajendra V Gandhi

Chairperson

Place : Mumbai

Date : 18th May, 2016

Place : Mumbai

Date : 18th May, 2016